

# CENTRAL PROCUREMENT BOARD OF NAMIBIA

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## NOTICE OF BID CANCELLATION

1<sup>st</sup> March 2019

**TO: All Bidders**

**Subject: The construction of New Kunene and Omatando Substations  
(Procurement Reference No: NPWR/2015/50)**

Pursuant to Section 54 (1) (b) and (f) of the Public Procurement Act No. 15 of 2015, the Central Procurement Board of Namibia [CPBN] herewith notifies you that it has taken a decision to cancel the abovementioned Invitation For Bids (IFB). The cancellation is premised on the bids being:

- (b) The lowest evaluated bid is substantially above the applicable cost; and
- (f) It is not economically viable to proceed with the bid.

CPBN appreciates the time and effort, in preparing and submitting the bids, by interested bidders.

Yours Sincerely,



P.P. Swartz  
Chairperson

## EXECUTIVE SUMMARY OF THE BID EVALUATION REPORT (SECTION 55(8))

**Name of Procurement** : The construction of New Kunene and Omatando Substations- (Procurement Reference No: NPWR/2015/50)

**CPBN Procurement Reference No** : NPWR/2015/50

**Contract Number** : NPWR/2015/50

**Scope of Contract** : The Construction of New Kunene and Omatando Substations - (Procurement Reference No: NPWR/2015/50).

1. **Estimated Cost:** N\$ 311, 000, 000.00 (Inclusive VAT)
2. **Funding Agency:** NamPower
3. **Procurement Background:** Referred to CPBN by the High Court order on the 6<sup>th</sup> of December 2018.
4. **RESPONSIVENESS OF BID(S):**

#	Bidder's Name	Price At Bid Opening (exclusive of all taxes) N\$	Discount	Responsive or not Responsive (Yes/No)	Reasons why Bids were not Responsive
1	Consolidated Power Projects Namibia (PTY) Ltd	231,446,006.66	-	No	<ul style="list-style-type: none"> <li>• Bidder substantially priced lower than market prices for similar work of this nature;</li> <li>• Bidder priced substantially lower than average cost of the evaluated bids. See also Section 1.9 (1.9.4 (a)) of the RFT.</li> <li>• Bidder's commercial terms deviated from requirements of the RFT (Sections 17.3, Sections 11 (17.1 (7) &amp; (8) of Volume 3 – Price Schedules);</li> <li>• Furthermore, the bidder deleted the word "<b>Unconditional</b>" from the wording of the bid security. This modification deviated from the strict requirements of the RFT (Section 1.4 and Bid Security Form in Sections 2.2 in appendix 9);</li> </ul>
2	Alstom Grid SAS Solutions JV Radial Truss Industries	448, 848, 796.98	-	Yes	Bidder not disqualified

**5. PRICE COMPARISON FOR BID(S) THAT ARE SUBSTANTIALLY RESPONSIVE:**

No	Bidder's Name	Price at Bid Opening (inclusive of all taxes) N\$	Bid Price After Corrections (N\$)	Price After Margin of Preference (if applicable) N\$	Ranking
1	Alstom Grid SAS Solutions JV Radial Truss Industries	448, 848, 796.98	-	N/A	1

**6. BEST EVALUATED BID(S)**

**Proposed Award of Contract:** Cancellation

**Lowest Evaluated Substantially Responsive Bidder:** None

The Cost Estimate is N\$ 311, 000, 000.00, the responsive bidder in (Alstom Grid SAS Solutions JV Radial Truss Industries) deviated by 44% above the Cost Estimate.

Based on Section 54 (1) (b) and (f), the BOARD resolved to cancel this bidding process.

1<sup>st</sup> March 2019



Mr PP Swartz  
Chairperson