

# Government Procurement Guide for Suppliers

(Summarised Version)

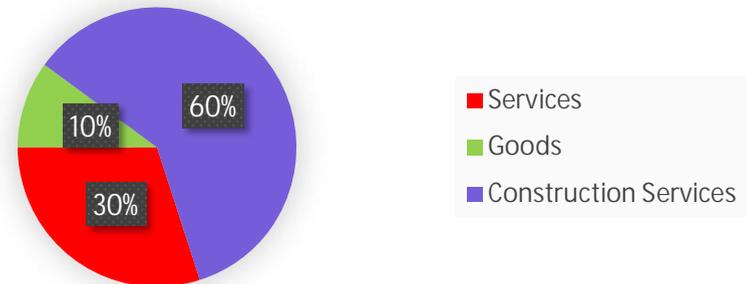
# Want to participate in Government Procurement opportunities, but don't know where to start?

- What does the Government procure?
- What are the rules and processes of government procurement?
- How to look for business opportunities?
- How to participate?
- How to submit a competitive bid?

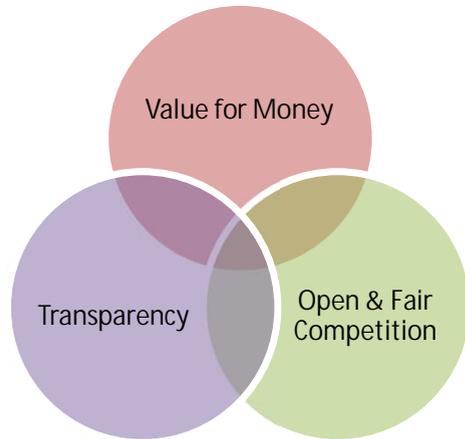
## What does the Government procure?

- Government procurement needs vary and range from simple low-value purchases, such as office stationery, to complex multi-million-dollar construction contracts and technology projects.
- Agencies may combine purchases (also known as a "Demand Aggregation") to enjoy economies of scale and ensure that their procurement provides value-for-money (VFM).
- Figure 1 below illustrates the rough proportion of procurement (by value) by the Singapore Government in goods, services and construction services per year.

Figure 1: Summary of Government Procurement



# What are the rules of Government procurement?



## 1. Open and Fair Competition

- All suppliers are treated fairly.
- All suppliers are given the same information to compete on a level playing field. This open and competitive environment encourages suppliers to give their best offer.

## 2. Transparency

- The requirements, procedures, and evaluation criteria are published openly on the Government Electronic Business portal (GeBIZ).
- This allows suppliers to better understand the agency's requirements and how their bids will be evaluated.

## 3. Value for Money

- Value-for-money is derived from the optimal balance of costs and benefits, as well as on the basis of total cost of ownership.
- Quality, relative risk, timeliness, and reliability are also taken into consideration when evaluating bids.



### **Myth Buster: Lowest quote always win? Not true!**

*Suppliers often compete to offer the lowest prices in the hope of winning the Quotation or Tender. However, Value-for-money does not mean that contracts will always be awarded to the lowest quote. Government agencies are expected to consider quality criteria in their evaluation. Thus, you should not undercut your prices at the expense of factors such as quality and reliability.*

# What are the Government procurement approaches?

Based on the estimated value of the procurement, agencies choose the procurement approach as shown in the following table:

Estimated Procurement Value (EPV)	Procurement Approach	Description	Sourcing Methods
Not exceeding S\$6,000	Small Value Purchases (SVP)	Buy directly from suitable suppliers or off-the-shelf, provided the prices assessed reflect fair market value	<ul style="list-style-type: none"> <li>• Verbal or written quotes</li> <li>• Off the shelf purchase</li> <li>• GeBIZ Mall Catalogues</li> </ul>
More than S\$6,000 but not exceeding S\$90,000	Quotation	<ol style="list-style-type: none"> <li>1. Open Quotation Quotation notice published openly on GeBIZ inviting suppliers to quote</li> <li>2. Limited Quotation One or a few selected suppliers will be invited to quote</li> </ol>	<ul style="list-style-type: none"> <li>• Invitation to Quote (ITQ)</li> <li>• Period Contracts</li> <li>• Framework Agreements</li> <li>• Quotation issued to selected suppliers</li> </ul>
Exceeding S\$90,000	Tender <ul style="list-style-type: none"> <li>• Tender Lite (not exceeding S\$1,000,000)</li> <li>• Tender (exceeding S\$1,000,000)</li> </ul>	<ol style="list-style-type: none"> <li>1. Open Tender Tender notice published openly on GeBIZ inviting any interested supplier to bid according to the specified requirements</li> <li>2. Selective Tender A 2-stage process in which interested suppliers will be shortlisted based on their capabilities via an open pre-qualification exercise. The shortlisted suppliers will be invited to submit their bids</li> <li>3. Limited Tender One or a few selected suppliers will be invited to Tender</li> </ol>	<ul style="list-style-type: none"> <li>• Invitation to Tender (ITT)</li> <li>• Period Contracts</li> <li>• Framework Agreements</li> <li>• Expression of Interest in the pre-qualification exercise followed by Tender for qualified suppliers</li> <li>• Tender issued to selected suppliers</li> </ul>

Agencies may also combine purchases of common goods and services by establishing a Demand Aggregation contract to yield better value for money through economies of scale. These contracts may be called by an agency for their own use or on behalf of other agencies, and are usually established through an open Tender or Quotation process.

There are generally two types of DA contracts:

Period Contract	Framework Agreement
Period contracts are used when goods and services (and associated unit prices) are fixed throughout the contractual period.	Framework agreements are used when there are certain items in the contract that may be subject to price fluctuation. When necessary, agencies would obtain quotations through Request for Quotations (RFQs) from all capable contracted suppliers and award to the selected supplier after evaluating the bids.



*Useful Tip: What is a Request for Information (RFI)?*

*An RFI is a form of market testing and pre-Tender collaboration method. It is a request by government agencies to collect written information about market capabilities and practices. Although responses to RFIs are not offers and cannot be awarded, suppliers' response may help agencies in understanding what you are able to offer. It may also be used to assist the government agencies in formulating its requirements in subsequent Tenders and Quotations.*

# How to look for business opportunities? How to participate?



Step 1

## Access [www.GeBIZ.gov.sg](http://www.GeBIZ.gov.sg) to look for opportunities

GeBIZ is the Singapore Government's one-stop business centre, where suppliers can transact electronically with all Government agencies ([www.gebiz.gov.sg](http://www.gebiz.gov.sg)).

Current business opportunities and the award status of past opportunities closed in the past 6 months can all be found on the GeBIZ website. Opportunities in other governments can also be found there.

The Listing of Indicative Government Procurement Opportunities shows the potential procurements which the public sector is likely to conduct in the year ahead. It allows you to identify potential opportunities that may be of interest to you so that you can source for supplies, partners and prepare your proposals in advance (<https://www.gebiz.gov.sg/ptn/pplisting/index.xhtml>).



*Useful Tip: Check the Listing of Indicative Government Procurement Opportunities regularly for updates*

*The listing is only indicative, i.e. the government agency may or may not proceed with the procurement stated in the listing, depending on its requirements. Therefore, it is advisable to check the portal on a regular basis for updates or contact the relevant contact persons for more details.*

Step 2

## Register as a GeBIZ Trading Partner to participate!

Quick and easy steps to register online at [www.gebiz.gov.sg](http://www.gebiz.gov.sg)

Registration is free for the first user account!

As a GeBIZ Trading Partner, you can:

- Have unlimited access to the business opportunities available on GeBIZ
- Download documents and participate in Tenders and Quotations
- Obtain detailed information on Tender and Quotation awards
- Receive purchase orders and submit invoices for purchases electronically

### Applying for "Government Supplier Registration (GSR)" (for tenders that specify this as a criteria)

1. The Ministry of Finance (MOF) – For general goods and services (registration guide is available at [http://www.gebiz.gov.sg/docs/Appln\\_Guidelines\\_for\\_Gov\\_Supp\\_Reg.pdf](http://www.gebiz.gov.sg/docs/Appln_Guidelines_for_Gov_Supp_Reg.pdf)) ; and
2. The Building & Construction Authority (BCA) – For construction related goods and services (registration guide at "Contractors Registration System (CRS)" [https://www1.bca.gov.sg/docs/default-source/docs-corp-procurement/registration\\_terms.pdf](https://www1.bca.gov.sg/docs/default-source/docs-corp-procurement/registration_terms.pdf))

# How to submit a competitive bid?

1. Understand the Terms and Conditions
  - If there are any terms & conditions which you are unclear with, seek clarifications with the procuring agency.
2. Understand the Requirements and Evaluation Criteria
  - Quotation and Tender documents contain descriptions of the goods and services to be provided and the evaluation criteria to be met.
  - Agencies typically have 2 sets of evaluation criteria:
    1. Critical Criteria – Evaluation criteria that must be met in order for the bid to be considered for award
    2. Not defined as Critical Criteria – Suppliers who do not meet these evaluation criteria will still be considered, but may be disadvantaged against another supplier that meets the criteria
3. Avoid Submitting Quotation/Tender at the Last Minute
  - Give yourself sufficient time to make your submissions.
  - Late bids, i.e. those submitted after the closing date/time will not be accepted.
4. Attend Tender Briefings or Site Show-rounds
  - These briefings are intended to give suppliers greater clarity on the agency's requirements for the Tender.
  - It also provides you with the opportunity to seek clarification with the agency on the Quotation or Tender documents, requirements and evaluation criteria.
5. Apply for Required Accreditations and Qualifications
  - Agencies may require suppliers to have professional qualifications or accreditations to ensure that the products or services delivered conform to industry standards.
6. Demonstrate Value-for-money and your Competitive Advantage
  - Address each criterion
  - Show how your bid will best meet each requirement
  - Emphasize areas where you exceed requirements

# Providing Feedback to the Government

The Government endeavours to uphold high standards in its procurement process, and will continuously review its process as necessary. Your feedback is therefore important to highlight examples of both good practices and areas for improvement. You may provide feedback to the procuring agency (details of the contact person are available in the respective quotation and tenders published on GeBIZ) or to MOF ([mof\\_qsm@mof.gov.sg](mailto:mof_qsm@mof.gov.sg)).



- Get in touch with the agency who is calling the procurement for clarifications.
- The agency is obliged to explain to you why your bid was not successful, upon writing in.



- The MOF is in charge of the procurement policy for the entire Government. If you have any concerns over a Quotation or Tender, or feedback on how to improve our procurement practices and processes, you may direct them to MOF via [mof\\_qsm@mof.gov.sg](mailto:mof_qsm@mof.gov.sg).
- If you have working experiences to share on overseas markets or with foreign Governments, you may also email MOF, and the Ministry of Trade & Industry (MTI).



- Suppliers can only seek this recourse if the tender is covered under the Government Procurement Act (GPA). For more details, you may refer to the GPA available at <http://statutes.agc.gov.sg/>.
- Raise a formal complaint via the Government Procurement Adjudication Tribunal only if you have exhausted all avenues. It is essential that you have first tried in good faith to address your concerns with the relevant agency.

## Useful Links to Help your Business

- ACRA: <http://www.acra.gov.sg/>
- SingPass: <https://www.singpass.gov.sg/>
- CorpPass: <https://www.corppass.gov.sg/>
- MTI – GoBusiness: <https://www.gobusiness.gov.sg>