



Lesotho Highlands Development Authority

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LESOTHO HIGHLANDS DEVELOPMENT AUTHORITY CLARIFIES TENDER PROCESS FOR BIDDERS

Maseru, 01 April 2015 – In light of questions posed around the Phase II bid process, the LHDA would like to clarify the tender process for all interested parties. The LHDA is committed to the delivery of Phase II of the Lesotho Highlands Water Project in accordance with the LHWP Anti-Corruption Policy.

The LHDA's mandate as defined by the 1986 Treaty and the Phase II Agreement (August 2011) is to implement the successful delivery of the Lesotho Highlands Water Project. This mandate includes putting in place procurement policies and procedures that ensure the integrity of the procurement process which shall foster competitiveness, transparency, cost effectiveness and quality. The procurement process for LHWP Phase II has been approved by the Lesotho Highlands Water Commission.

The procurement process ensures the fairness of bid evaluations, prevents potential interference with these processes and protects the integrity of the Project. It is followed rigorously and includes the following steps:

- -Advertising of Requests for Proposals (RFPs) in local and South African media and on the LHWP Phase II website
- -Compulsory pre-bid meetings and site visits for all interested bidders
- -A two-envelope bid submission comprising a technical proposal and a financial proposal
- -The technical bid evaluation is based upon the evaluation criteria detailed in the RFP
- -Bids meeting the minimum threshold proceed to the financial evaluation
- -The firm with the highest combined score is submitted for approval to the LHWC as the preferred bidder on the recommendation of the LHDA Board

No disclosure is made prior to the completion of the bid evaluation and negotiation processes. On completion of the bid evaluation process and successful negotiations with the preferred bidder, an award is made. The financial bids of those bidders who did not meet the minimum threshold requirements in the technical evaluation are returned to them unopened. Unsuccessful bidders are formally advised after the award is made.

The LHDA is committed to open and frank communication with key stakeholders to ensure complete transparency. Public announcements on the awards are made on completion of the tender award process.

Ends