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PORTUGUESE ANTI AIRCRAFT ARTILLERY (PRT AAA) PROPOSALS EVALUATION METHODOLOGY

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References:

- A. NSPA Procurement Regulations, 4200-01 dated 23.09.23 (Rev 5)
- B. RFP - Bidding Instructions
- C. RFP - Price Proposal Form
- D. Tech Evaluation Matrix for Best Value Evaluation (Assessment of Desirable Requirements)

1. General

- i. The aim of this document is to describe how NSPA will analyze and evaluate Proposals in order to identify the Bidder providing the best value solution for Portuguese Anti-Aircraft Artillery Project (PRT AAA¹).
- ii. The evaluation of Proposals will be made solely on the basis of the requirements specified in the Request For Proposal (RFP) and based on the best-value approach defined therein. The Bid with the highest total final score² will be declared as the winning Bid.
- iii. The evaluation of Proposals and the determination of compliance with the Commercial, Pricing and Technical requirements stated in the RFP will be based only on that information provided by the Bidder and contained in the Proposal. NSPA reserves the right to ask clarification questions on the proposals received.
- iv. The Bidder shall provide all information requested by NSPA as detailed in the Proposal Forms completed as required by the RFP. Significant omissions and/or cursory submissions may result in a determination of non-compliance. The information provided by the Bidder in the Proposal shall be to the level of detail necessary for NSPA to determine exactly whether the Proposal meets the Commercial, Pricing and Technical requirements of the RFP.
- v. The Bidder is at liberty to provide additional information above and beyond that which is necessary to satisfy the RFP requirements. However, such additions shall be included in a separate document, which is to be clearly labelled "Additional Information".
- vi. The Bidder is not permitted to restate the RFP requirements in confirmatory terms only. The Proposal must clearly describe how the Bidder intends to meet the requirements of the RFP and the prospective contract. Statements in only confirmatory terms will be sufficient grounds for considering the Proposal a non-compliant.
- vii. To assist in the evaluation, NSPA may, at its discretion, ask any Bidder for clarification of its Proposal.
- viii. The Bidders shall submit their Technical Proposal, Commercial Proposal and Price Proposal in separate packages.
- ix. The Technical Proposal must not contain Pricing information.

2. Analysis and Evaluation Criteria

2.1 Step 1 - Bid Opening: Completeness

An initial review will be carried out by the NSPA Procurement Officer to ensure that Bidder proposals are complete.

¹ PRT AAA – a Very Short Air Defence (VSHORAD) System

² Including, if applicable, settling any tie.

2.2 Step 2 – Evaluation of Proposals

2.2.1 General

Proposals will be evaluated on a Best Value basis. For the evaluation assessment, the below requirement assessment can apply:

- Pass/Fail for Mandatory requirements: Proposal is be considered non-compliant if "Fail";
- Scored: for these scored requirements, NSPA will assess to what degree the Bidder's proposal meets the requirements;
- Not scored: those requirements falling into this category will be considered during the evaluation but will not be scored.

During the evaluation of each Bid, the evaluators will assess the compliance of the Bid using the pre-determined standards, for each evaluation factor. The non-compliance of any single evaluated factor will be justified and documented in the evaluation report. A non-compliant factor in a Bid, may render the Bid non-compliant.

The evaluation of the proposals will have the following stages:

- a) Commercial Evaluation
- b) Technical Evaluation
- c) Price Evaluation
- d) Best Value Evaluation / overall final scoring

The Best Value Evaluation will be based on a three level approach:

1. Top level: implements the balance between price and technical performance of each Bid;
2. 2nd level evaluation (for Technical, Operational Performance and Management performances): implements the balance of several main classes of characteristics (e.g. weapons, sensors, ILS etc.), weighted in accordance with their relative importance;
2. 3rd level evaluation (for Technical, Operational Performance and Management performances): implements the balance of various individual characteristics within each class (e.g. weapons engagement range, missile guidance, warhead explosive weight etc.), weighted in accordance with their relative importance in that particular class of performances.

2.2.2 Commercial Evaluation

The Commercial Evaluation will be performed to assess compliance with the mandatory Terms and Conditions attached to the Request for Proposal.

NSPA reserves the right to exclude from evaluation the proposals whose price (excluding the options) is above the allocated project budget (called project's operational budget ceiling), which is: 38.8 M EUROS.

2.2.3 Technical Evaluation

NSPA reserves the right to declare technically non-compliant and exclude from competition proposals which do not include a Technical Compliance Matrix.

Each technical proposal will be evaluated on the following:

- a) Compliance with the mandatory (essential) requirements
The Bidder's Technical Proposal will be assessed for compliance with all essential requirements specified in the SOW. Each essential requirement will be scored as "pass" or "fail", based on the evaluation of Bidder's Technical Proposal against that requirement in SOW. In the unlikely case that one or more of the essential requirements cannot be physically met

due to clearly demonstrated reasons (not due to specific limitations of the proposed system), the technical team may consider proposing the waiving of that/those particular essential requirement(s), under the condition that this waiver is granted to all Bids.

At the end of this phase, the proposals complying with all essential requirements (except the waived requirements, if any) will be declared technically compliant and will undergo further evaluation; the other proposals will be declared technically non-compliant.

b) Compliance with the desirable requirements and computation of the technical score (TS)

The evaluation of compliance with the desirable requirements, and computation of respective scoring, will be made using the Technical Evaluation Matrix for best value evaluation – assessment of desirable requirements (Attachment D1).

All desirable requirements have been assembled in several classes of 2nd level criteria for technical evaluation (e.g. Weapons desirable performance, Sensors desirable performance, ILS etc.). Each class has been assigned a class weight (CW) in accordance with the importance of each class within the overall AAA system. CW is expressed in percentage, with the sum of all classes' weights being 100%.

$$\sum_{all\ classes} Class\ Weight\ CW\ [expressed\ in\ \%] = 100\%$$

Within each class, the individual requirements have been assigned a requirement weight (RW) in accordance with the importance of each requirement within that class. RW is expressed in percentage, with the sum of all RW within the class being 100%.

$$For\ each\ class: \sum_{\substack{all\ req. \\ in\ the\ class}} Requirement\ Weight\ RW\ [expressed\ in\ \%] = 100\%$$

For each requirement, the evaluation criteria has been established, allowing the evaluators to score the bid against the requirements in SOW. Each requirement will be scored with an individual requirement score (IRS) between 0 and 100 points, as follows:

- the requirements that can be only “non-compliant” or “fully compliant” will be scored with IRS = 0 or 100 points respectively;
- the requirements that can be either “non-compliant”, “partially compliant” or “fully compliant” will be scored with IRS = 0, 50 or 100 points respectively;
- the requirements that can be “non-compliant”, “partially compliant” at various degrees or “fully compliant” will be scored with IRS between 0 and 100 points in accordance with the scoring scheme defined for each such requirement.

Finally, the Technical Score (TS) will be computed as the sum of each Individual Requirement Score IRS, weighted with the Requirement Weight RW (3rd level criteria weight) and with their Class Weight CW (2nd level criteria weight):

$$TS = \sum_{all\ classes} \left(CW[expressed\ in\ \%] \times \sum_{\substack{all\ req. \\ in\ class}} (RW[expressed\ in\ \%] \times IRS\ [from\ 0\ to\ 100\ points]) \right)$$

Note: TS will be rounded down to the second decimal, ranging from 0.00 (minimum) to 100.00 (maximum).

c) Compliance with the optional requirements (not scored)

Each optional requirement will be evaluated for compliancy. The options found compliant can be considered by the customer to be exercised throughout the validity of the contract, depending on budget availability.

2.2.4 Price Evaluation

The Price Evaluation will be performed using the Price Proposal Form (also known as the Pricing Matrix). Tab 1 refers to the core requirements (basic system plus enhanced capabilities) and Tab 2 refers to the options.

The Bidders are requested to submit a Price Proposal for the entire system.

The evaluation of the prices will consider the total acquisition price for the entire AAA system, including those options listed in Table (1) below.

Options	Description
OC ML#1	1 ea additional Mobile AAA launcher
OC ML#2	2 ea additional PWTs for MANPADS
OC ML#3	Batch(es) of additional missiles (up to 3 x 8 ea)
OC ML#4	Batch(es) of ammunitions (up to 4 x 8/40/80 ea)
OC C2C/3DR	1 ea additional Mobile C2C/3D radar
OC ILS#1	Follow-on training sessions and documentation
OC ILS#2	Batch of spares for 1 year of support

Table 1: Scope Options

After contract award, any optional requirements assessed as compliant can be considered by the customer to be executed throughout the duration of the contract, depending on budget availability.

NSPA will perform the following initial assessment, against the following criteria:

- The Bidder shall ensure that Bidding Prices are submitted and fully completed.
- NSPA will perform a price realism exercise in order to verify the prices offered are commensurate with the work to be performed. Where Pricing is not realistic, NSPA may seek clarification from the Bidder. Should price realism not be verified, NSPA may consider the Proposal to be non-compliant and remove it from the competition.
- NSPA will review the Prices and identify any obvious errors or tampering.
- NSPA will check for abnormally low, high, materially unbalanced and unrealistic prices, based on the provision of the required price structure requested in the Price Matrix Proposal Form. Materially unbalanced, unrealistic or incomplete prices which would impact the ability of NSPA to perform an evaluation may be considered non-compliant and the Bidder's proposal may be removed from the competition.
- Proposals having the total price (without the options) exceeding the project operational budget ceiling for the core requirement may be removed from the competition as being non-affordable.
- Comparison of the price quotations will be made in euro; the exchange rates to be used for the purposes of such price comparison will be the rates that are published by ECB– European Central Bank and updated every first working day (Following ECB Calendar) of the week of the bid closing date.

The Price Scoring (PS) will be established based on the prices provided for overall project (marked Price for Evaluation Purposes on the Pricing Matrix).

Price Scoring (PS) for each proposal will be computed as follows:

There are 100 points available for the PS, which is divided 65/35 as below:

Price Evaluation PS1 for Core Requirement (65 of 100 Points)

65 of 100 points will be available to evaluate the core requirements (basic system and enhanced capabilities), using the formula below:

$$PS1 = 65 \times \left(1 - \frac{\text{Total Bid Price for the core requirement}}{\text{Project op. budget ceiling}} \right)$$

NSPA reserves the right to exclude from competition proposals which are not submitted on a Fixed Firm Price basis for the Core Requirement (i.e. with an index or percentage increase).

Price Evaluation PS2 for the Options in Table 1 (35 of 100 Points)

35 of 100 points will be available to evaluate the options in Table 1, using the methodology below:

Reference	Option Description	Max Points	Scoring Matrix
OC ML#1	1 ea additional Mobile AAA launcher	10	Bidder with Lowest Price for OC ML#1 = 10 Points Within 0-5% of Lowest Price for OC ML#1 = 8 Points Within 6-10% of Lowest Price for OC ML#1 = 6 Points Within 11-20% of Lowest Price for OC ML#1 = 4 Points Within 21-30% of Lowest Price for OC ML#1 = 2 Points Above 30% of Lowest Price for OC ML#1 = 0 Points
OC ML#3	Batch(es) of additional missiles (up to 3 x 8 ea)	10	Bidder with Lowest Price for OC ML#3 = 10 Points Within 0-5% of Lowest Price for OC ML#3 = 8 Points Within 6-10% of Lowest Price for OC ML#3 = 6 Points Within 11-20% of Lowest Price for OC ML#3 = 4 Points Within 21-30% of Lowest Price for OC ML#3 = 2 Points Above 30% of Lowest Price for OC ML#3 = 0 Points
OC C2C/3DR	1 ea additional Mobile C2C/3D radar	5	Bidder with Lowest Price for OC C2C/3DR = 5 Points Within 0-5% of Lowest Price for OC C2C/3DR = 4 Points Within 6-10% of Lowest Price for OC C2C/3DR = 3 Points Within 11-20% of Lowest Price for OC C2C/3DR = 2 Points Within 21-30% of Lowest Price for OC C2C/3DR = 1 Points Above 30% of Lowest Price for OC C2C/3DR = 0 Points
OC ILS#2	Batch of spares for 1 year of support	10	Bidder with Lowest Price for ILS#2 = 10 Points Within 0-5% of Lowest Price for ILS#2 = 8 Points Within 6-10% of Lowest Price for ILS#2 = 6 Points Within 11-20% of Lowest Price for ILS#2 = 4 Points Within 21-30% of Lowest Price for ILS#2 = 2 Points Above 30% of Lowest Price for OC ILS#2 = 0 Points
		Total Max Points = 35	

Note: Bidders are expected to provide a price for all options in SOW. Options for which prices are not provided shall receive 0 points for the Best Value Evaluation.

Note: OC ML#3. It is the price for three (3) additional batches of 8 AAA missiles per batch, which will be evaluated.

Note: The price evaluation of the options above will be made on the price submitted in the pricing matrix valid for Year 1 to Year 3 of the project duration (that will then be escalated after the third year).

$$PS2 = \sum (\text{points for each Optional Capability})$$

Price Evaluation – Final Score

The Final PS is calculated as below:

$$PS = PS1 + PS2$$

The maximum available points is 100 and the minimum available points is 0.

Note: PS will be rounded down to the second decimal, ranging from 0.00 (minimum) to 100.00 (maximum).

2.2.5 Overall (Final) Scoring

The Overall (Final) Scoring of Proposals will be measured and compared against the following criteria:

- Technical, Operational Performance and Management characteristics, with a weight of 75 %, and
- Price, with a weight of 25 %.

Consequently, the overall Final Score (FS) of each Proposal will be calculated as follows:

$$FS = 0.75 \times TS + 0.25 \times PS$$

Note: FS will be rounded down to the second decimal, ranging from 0.00 (minimum) to 100.00 (maximum).

The Bid with the highest FS from the qualifying Proposals will be declared the Winning Bid; in case of tie³, the Winning Bid will be the Bid with higher TS from the ones in the tie. In the unlikely event that all TS from the tie are also tied, then NSPA reserves the right to issue a request for Best And Final Offer (BAFO).

3. Revise and Confirm or Best and Final Offer (BAFO)

If NSPA is not able to make the award decision due to discrepancies and / or significant uncertainties present in the Bidder's Proposal, NSPA will make a competitive range decision wherein all proposed solutions possessing a reasonable opportunity to achieve contract award will be notified. **NSPA reserves the right to amend the requirement, and request a Best and Final Offer, from all the Bidders under the solicitation.**

In this case, Bidders will be contacted by NSPA to discuss, if appropriate/necessary, their Proposal.

The Bidder may be requested to present clarifying information to allow NSPA to achieve a complete understanding of the Proposal.

Upon conclusion of these discussions, NSPA reserves its right to request some or all Bidders to revise and confirm and / or provide a Best and Final Offer indicating a time and date for which this is due.

Revised and/or Confirmed and/or Best and Final Offers received after the relevant Bid Closing Date will be considered as a late proposal and will NOT be further considered for award.

³ Considering the cumulative effect of various rounding throughout the computation, a tie is considered when the difference between the proposal with highest FS and the next one is less or equal to 1.00 points. All proposals which are within this range (difference less or equal to 1.00 point to the highest FS) will be considered as part of the tie.

4. Proposal for Award

The Identification of the Winning Bid is the proposal that receives the highest Final Score including tie-break if needed, using the Evaluation Criteria set forth in this RFP Proposal Evaluation Methodology. NSPA will identify the Winning Bid and will seek approval of the Customer to proceed with the Contract Award.