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# Construction procurement —

## Part 3: Standard conditions of tender

*Marchés de construction —*

*Partie 3: Conditions types normalisées des soumissions*

Reference number
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# Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular, the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights. Details of any patent rights identified during the development of the document will be in the Introduction and/or on the ISO list of patent declarations received (see www.iso.org/patents).

Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation of the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT), see www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 59, *Buildings and civil engineering works,* Subcommittee SC 18*, Construction procurement*.

This second edition cancels and replaces the first edition (ISO 10845-3:2011), which has been technically revised.

The main changes compared to the previous edition are as follows:

— definitions and parts of the text have been updated and aligned with other parts of the ISO 10845 series;

— the methods for evaluating tenders have been modified and the implications of choices made in applying such methods explained;

— an informative annex on the formulation of evaluation reports has been added.

A list of all parts in the ISO 10845 series can be found on the ISO website.

Any feedback or questions on this document should be directed to the user's national standards body. A complete listing of these bodies can be found at www.iso.org/members.html.

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# Introduction

Procurement is the process which creates, manages and fulfils contracts. There are accordingly three phases to the procurement process associated with the delivery and maintenance of construction works, namely:

— a planning phase during which decisions are made as to what, where and when goods and services are required, how the market is to be engaged and what is the number, type, nature and timing of the required contracts;

— an acquisition phase during which contracts are entered into following the execution of a selection method; and

— a contract management (or contract administration) phase during which compliance with requirements, changes in requirements and risk events which manifest during the execution of contracts are managed.

Conditions of tender are required to establish procedures from the time that tenders are invited to the time that a contract is awarded. Such conditions document the procedures, the manner in which those engaged in the procurement process are to behave, the obligations of the tenderer and the undertakings of the employer.

Annex A provides background information on this document, guidance on its use and suggestions on good practice. Annex B provides guidance on how to develop the tender data for a procurement document using this document. Annexes C and E offer guidance on the evaluation of tenders and the structuring of evaluation reports, respectively. Annex D provides an example of a tender security. Annex F provides insights into the use of different formulae and weightings in the scoring of tender offers during the evaluation process,

ISO 10845-2 establishes the manner in which procurement documents should be formatted and compiled. The standard conditions contained in this document can by reference be incorporated in procurement documents formatted and compiled in accordance with the provisions of ISO 10845-2. ISO 10845-4 establishes requirements relating to pre-qualification of tenderers who are invited to submit a tender offer in terms of certain selection methods described in ISO 10845-1.

This document is part of the ISO 10845 series which covers various aspects of procurement within the construction industry. Each part of the ISO 10845 series relates to a different aspect of procurement. The objective of the ISO 10845 series is to provide a generic and standard set of processes, procedures and methods for a procurement system that is fair, equitable, transparent, competitive and cost-effective and which can be used to promote objectives additional to those associated with the immediate objective of the procurement itself.


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# Construction procurement —

# Part 3:
# Standard conditions of tender

## 1 Scope

This document sets out standard conditions of tender which

a) bind the employer and tenderer to behave in a particular manner,

b) establish what a tenderer is required to do in order to submit a compliant tender,

c) make known the evaluation criteria to tenderers, and

d) establish the manner in which the employer conducts the process of offer and acceptance and provide the necessary feedback to tenderers on the outcomes of the process.

This document is intended for use in procurements relating to goods, services and construction works and disposals other than by auction.

## 2 Normative references

There are no normative references in this document.

## 3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminology databases for use in standardization at the following addresses:

— ISO Online browsing platform: available at https://www.iso.org/obp

— IEC Electropedia: available at https://www.electropedia.org/

**3.1**
**bill of quantities**
document for tendering, usually prepared in a standard form, comprising both a descriptive list of quantities of works and descriptions of the materials, workmanship and other matters required for construction works

[SOURCE: ISO 6707-2:2017, 3.5.11, modified — The preferred terms specific to the US have been removed.]

**3.2**
**bond**
sum of money or securities submitted to the *employer* (3.8) or placed in the hands of a third party to guarantee completion of the work and recovery of the sums which the contractor is recognized as owing under the terms of the contract

[SOURCE: ISO 6707-2:2017, 3.5.40, modified — "client" has been replaced by "employer"; "of the work" has been added after "completion".]

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**3.3**
**comparative offer**
*tenderer's* (3.18) financial offer after all tendered parameters that can affect the value of the financial offer have been taken into consideration to enable comparisons to be made on a comparable basis

**3.4**
**conflict of interest**
situation where business, financial, family, political or personal interests could interfere with the judgment of persons in carrying out their duties for the organisation

[SOURCE: ISO 37001:2016, 3.29]

**3.5**
**contract data**
document that identifies the applicable conditions of a contract and states the associated contract-specific data

[SOURCE: ISO 10845-1:2020, 3.8]

**3.6**
**corrupt practice**
offering, giving, receiving or soliciting of anything of value to influence the action of the *employer* (3.8) or his staff or agents in the tender process

[SOURCE: ISO 10845-1:2020, 3.10, modified — "the procurement process or the administration of the contract" has been replaced by "the tender process".]

**3.7**
**eligibility criteria**
criteria framed around the ability of a *tenderer* (3.18) to provide the required goods, services and construction works or disposals, or any combination thereof, which need to be satisfied in order for a submission to be evaluated

**3.8**
**employer**
person or *organization* (3.12) intending to or entering into a contract with the contractor to supply goods, carry out construction works and/or provide services

[SOURCE: ISO 10845-1:2020, 3.15]

**3.9**
**form of offer and acceptance**
document that formalizes the legal process of offer and acceptance

**3.10**
**fraudulent practice**
misrepresentation of the facts in order to influence the tender process, or the award of a contract arising from a *tender offer* (3.17) to the detriment of the *employer* (3.8), including collusive practices intended to establish prices at artificial levels

[SOURCE: ISO 10845-1:2020, 3.18, modified — "or the administration of the contract including compensation procedures" at the end has been removed.]

**3.11**
**joint venture**
two or more *organizations* (3.12) grouped together to carry out work and share the risks, where each is jointly and severally liable for the actions and work of the other

[SOURCE: ISO 6707-2:2017, 3.8.3]


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**3.12**
**organization**
company, firm, enterprise, association or other legal entity, whether incorporated or not, or public body

[SOURCE: ISO 10845-1:2020, 3.21]

**3.13**
**quality**
totality of features and characteristics of a product or service that bears on the ability of the product or service to satisfy stated or implied needs

[SOURCE: ISO 10845-1:2020, 3.27]

**3.14**
**returnable document**
document that a *tenderer* (3.18) is required to complete and submit to the *employer* (3.8) as part of his tender submission

**3.15**
**scope of work**
document that specifies and describes the goods, services, or construction works which are to be provided, and any other requirements and constraints relating to the manner in which the contract work is to be performed

[SOURCE: ISO 10845-1:2020, 3.29, modified — Notes 1 and 2 to entry have been removed.]

**3.16**
**tender data**
document that establishes the *tenderer's* (3.18) obligations in submitting a tender and the *employer's* (3.8) undertakings in administering the tender process and evaluating *tender offers* (3.17)

[SOURCE: ISO 10845-1:2020, 3.37]

**3.17**
**tender offer**
written offer to supply goods, carry out construction works and/or provide services under given conditions, usually at a stated price, and which is capable of acceptance and conversion into a binding contract

[SOURCE: ISO 10845-1:2020, 3.38]

**3.18**
**tenderer**
person or *organization* (3.12) that submits a *tender offer* (3.17)

[SOURCE: ISO 10845-1:2020, 3.39, modified — Note 1 to entry has been removed.]

# 4 General requirements

## 4.1 Actions

The employer and each tenderer submitting a tender offer shall comply with the standard conditions of tender. In their dealings with each other, they shall discharge their duties and obligations, as set out in Clauses 5 and 6, in a timely manner and with integrity, behave equitably, honestly and transparently, and not engage in anti-competitive practices.

The employer and the tenderer, and all the agents and employees involved in the tender process, shall avoid conflicts of interest and, where a conflict of interest is perceived or known, declare any such conflict of interest, indicating the nature of such conflict. Tenderers shall declare any potential conflict of interest in their tender submissions. Employees, agents and advisors of the employer shall declare

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