

STANDARD BIDDING DOCUMENTS

Procurement of Works Smaller Contracts

Inter-American Development Bank

January 2019

Revisions

Version	Modification	Reason
October 2005	First publication	First publication
August 2006	Section I – Instruction to Bidder - Clause 3; Section V – General Condition of Contract – Clause 60	Modification to the Policies for the Procurement of Goods and Works financed by the Inter-American Development Bank in the paragraph 1.14 (GN-2349-7)
2011	Section I Clause 3: Prohibited Practices; Clause 4: Eligible Bidders; Bidding Form; Section V Clause 60: Prohibited Practices.	Modification to the Policies for the Procurement of Goods and Works financed by the Inter-American Development Bank GN-2349-9. Modification of prohibited practices’ definitions and incorporation of cross debarment.
January 2019	ITB, Forms and SCC	<p>Enhancements on environmental, social, health and safety (ESHS) measures and other improvements. In the English version, the words “Contracting Agency” are replaced with “the Employer.” Added: treatment of abnormally low bids, improvements in the assessment of variations and value engineering.</p> <p>The instructions on conflict of interest are enhanced and aligned to the provisions of the other MDB.</p> <p>The terms “ITB Clause” and “ITB Sub-clause” are replaced with “ITB” for the terms “Clause” and “Sub-clause” to be used only in the Conditions of Contract.</p> <p>Instructions on correction of arithmetic errors in lump-sum bids and bids with BOQ separated.</p> <p>Use of bold font is reduced to avoid distraction while reading the ITB. Footnotes numbers restart in each section. The Section X is renamed “Contract Forms.”</p>

Version	Modification	Reason
		<p>Provisions in the Letter of Bid and other parts of the bidding document added following advice of OII.</p> <p>Added detailed instructions for filling out the Bid Data Sheet</p>

Preface

Procurement under projects financed by the Inter-American Development Bank (IDB),¹ is carried out in accordance with policies and procedures laid down in the *Policies for the Procurement of Goods and Works financed by the Inter-American Development Bank*² (hereinafter called *Policies*).

The Standard Bidding Document in this publication has been updated and prepared for use by Borrowers in the procurement of works for “smaller” contracts—valued at generally less than US\$10 million—by international competitive bidding (ICB). This document may also be adapted to national competitive bidding (NCB). However, substantive changes to adapt to NCB are generally necessary in the Instructions to Bidders and the Special Conditions of Contract.

For complex works under US\$10 million, such as marine works and water treatment plants, it may be preferable to use the Inter-American Development Bank’s *Standard Bidding Documents, Procurement of Works or Design & Build*.

This updated version of the SBD includes new provisions regarding the environmental, social and safety and health measures (including abuse and sexual exploitation and gender-biased violence). It also includes improved instructions to fill out the Bid Data Sheet and provisions to deal with conflict of interest; bids priced abnormally low; better assessment of variations and arithmetic errors in lump-sum bids and BOQ; value engineering and optional requirements of beneficial ownership of the selected Contractor.

To obtain further information on procurement under Inter-American Development Bank-assisted projects, contact:

Operations Financial Management and Procurement Services Office (VPC/FMP)
Inter-American Development Bank
1300 New York Ave., N.W., Washington D.C. 20577 U.S.A.
procurement@iadb.org

¹ The expression “Bank” used in this document includes the Inter-American Development Bank and the funds it administers. Requirements of IDB and any other fund administered by the IDB are identical; except in the case of eligibility where membership is different (See Eligible Countries Section). The expression “loans” include the financing instruments and methods, the technical cooperation (TC) and the financing of operations. The expression “Loan Contract” includes all the legal instruments under which the Bank operations are formalized.

² This document includes alternatives clauses to reflect the two versions of the Policies for the Procurement of Goods and Works) including non-consulting services) financed by the Inter-American Development Bank GN-2349-7 approved in 2006 and GN-2349-9 approved in 2011. The Loan Contract of the operation establishes the applicable policies which will determine the applicable cause.

BIDDING DOCUMENT

Documents for Procurement of Works Smaller Contracts

**Design, Supply and Installation of Transmission
Lines to accommodate the Solar PV Plants at
Bartica and Lethem in 2 Lots**

Issued on: January 2021

ICB No: 003/GY-L1066/GEA/2021

Employer: Guyana Energy Agency

Country: Guyana

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Introduction

These Standard Bidding Documents are intended for ad-measurement (unit prices or unit rates in a bill of quantities) and lump sum types of Contract, which are the most common in Works contracting. Lump sum contracts are used in particular for buildings and other forms of construction where the Works are well defined and are unlikely to change in quantity or specification, and where encountering difficult or unforeseen site conditions (for example, hidden foundation problems) is unlikely. The main text refers to admeasurement contracts. **Alternative instructions or texts are supplied for use with lump sum contracts.**¹

Care should be taken to check the relevance of the provisions of the standard documents against the requirements of the specific Works to be procured. The following directions should be observed when using the documents:

- (a) All the documents listed in the Table of Contents are normally required for the procurement of Works. However, they should be adapted as necessary to the circumstances of the particular Project.
- (b) The Employer shall prepare the Bidding Data Sheet (Section II), Special Conditions of Contract (Section VI), and Sections VII, VIII, IX which deal with Specifications, Drawings, and Bill of Quantities (or List of Activities), respectively, and the Forms of Contract of Section X, before issuing this Bidding Document. The Employer should read and/or provide the information specified in the italicized notes inside brackets. In the few instances where the Bidder is requested to provide information, the note specifies it. **The footnotes and notes for the Employer are not part of the text; they should not be incorporated in the Bidding Document issued to the bidders.**
- (c) Modifications to meet specific Project or Contract needs should be provided in the Bidding Data Sheet and the Special Conditions of Contract only, as amendments to the Instructions to Bidders and the General Conditions of Contract.
- (d) These Standard Bidding Documents have been prepared to be used under a process that has not been used prequalification. However, they can also be used under prequalification, with relatively minor modifications. However, the documents do not address the bidder prequalification process per se. Details of the prequalification procedure used under Bank-financed contracts are provided in the *Bank Standard Prequalification Documents, Procurement of Works* issued by the Inter-American Development Bank.

¹ *Lump sum contracts should be used for Works that can be defined in their full physical and qualitative characteristics before bids are called, or where the risks of substantial design variations are minimal—usually construction of buildings, pipe laying, power transmission towers, and series of small structures, such as bus shelters or school ablution units. In lump sum contracts, the concept of priced “activity schedules” enable payments to be made as “activities” or “sub-activities” are completed. Payments can also be made on the basis of percentage completion of each activity.*

Section I. Instructions to Bidders

This Section of the Bidding Document should provide the information necessary for bidders to prepare responsive bids, in accordance with the requirements of the Employer. It should also give information on bid submission, opening and evaluation, and on the award of Contract.

Matters governing the performance of the Contractor, payments under the Contract, or matters affecting the risks, rights, and obligations of the parties under the Contract are not normally included in this Section, but rather under Section V, "General Conditions of Contract (GCC)," and/or Section VI, "Special Conditions of Contract (SCC)". If duplication of a subject is inevitable in the different sections of the documents, care must be exercised to avoid contradictions between clauses dealing with the same matter.

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Instructions to Bidders (ITB)

A. General

1. Scope of Bid

- 1.1 The Employer as defined¹ in “General Conditions of Contract” (GCC) and identified in Section II “Bidding Data Sheet” (**BDS**), invites bids for the construction of Works, as described **in the BDS** and Section VI, “Special Conditions of Contract” (SCC). The name and identification number of the Contract are provided in the **BDS** and the SCC.
- 1.2 The successful Bidder shall be expected to complete the Works by the Intended Completion Date specified **in the BDS** and SCC 1.1 (r).
- 1.3 Throughout these Bidding Documents:
 - (a) the term “in writing” means communicated in written form (e.g. by mail, e-mail, fax, including, if specified **in the BDS**, distributed or received through electronic-procurement system used by the Employer) with proof of receipt;
 - (b) if the context so requires, “singular” means “plural” and vice versa;
 - (c) “day” means calendar day; and
 - (d) “ESHS” means environmental, social (including sexual exploitation and abuse (SEA) and gender-biased violence (GBV), and health and safety measures.
- 1.4 If specified **in the BDS**, the Employer intends to use the electronic-procurement system indicated **in the BDS** to manage the aspects of this procurement process specified **in the BDS**.

2. Source of Funds

- 2.1 The Borrower, as defined **in the BDS**, intends to apply part of the funds of a loan from the Inter-American Development Bank (IDB) (hereinafter called “the Bank”), as defined **in the BDS**, in the amount as indicated **in the BDS** towards the cost of the Project, as defined **in the BDS**, to cover eligible expensive under the Contract for the Works. Payments by the Bank shall be made only at the request of the Borrower and upon approval by the Bank in accordance with the Loan Agreement and shall be subject in all respects to the terms and

¹ See Section V, “General Conditions of Contract”, Clause 1. Definitions.

conditions of that Contract. Except as the Bank may specifically otherwise agree, no party other than the Borrower shall derive any rights from the Loan Contract or have any rights to the loan proceeds.

- 2.2 Payments by the Inter-American Development Bank will be made only at the request of the Borrower and upon approval by the Bank in accordance with the terms and conditions of the financing agreement between the Borrower and the Bank (hereinafter called the “Loan Contract”) and will be subject in all respects to the terms and conditions of that Loan Contract. Unless otherwise agreed by the Bank, no party other than the Borrower shall derive any rights from the Loan Contract or have any claim to the funds.

3. Fraud and Corruption

[exclusive instruction for loan agreements signed under policy GN-2349-7]

- 3.1 The Bank requires that all borrowers (including grant beneficiaries), executing agencies and contracting agencies as well as all firms, entities and individuals bidding for or participating in a Bank-financed project including, *inter alia*, bidders, suppliers, contractors, consultants and concessionaries (including their respective officers, employees and agents) adhere to the highest ethical standards, and report to the Bank all suspected acts of fraud or corruption of which they have knowledge or become aware both, during the Bidding Process and throughout negotiation or execution of a contract. Fraud and corruption are prohibited. Fraud and corruption include acts of: (a) corrupt practice, (b) fraudulent practice, (c) coercive practice and (d) collusive practice. The definitions set forth below involve the most common types of fraud and corruption but are not exhaustive. For this reason, the Bank shall also take action in the event of any similar deed or complaint involving alleged acts of fraud and corruption, even when these are not specified in the following list. The Bank shall in all cases proceed with the established procedure referred to in ITB 3.1 (c).

- (i) The Bank defines, for the purposes of this provision, the terms set forth below:

- (a) A *corrupt practice* is the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
- (b) A *fraudulent practice* is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an

obligation;

- (c) A *coercive practice* is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to improperly influence the actions of a party; and
 - (d) A *collusive practice* is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.
- (ii) If the Bank, in accordance with its administrative procedures, demonstrates that any firm, entity or individual bidding for or participating in a Bank-financed project including, *inter alia*, borrowers, bidders, suppliers, contractors, subcontractors, consultant and concessionaires, executing agencies or contracting agencies (including their respective officers, employees and agents) has engaged in an act of fraud or corruption, the Bank may:
- (a) decide not to finance any proposal to award a contract or a contract awarded for works, goods, and related services financed by the Bank;
 - (b) suspend disbursement of the operation if it is determined at any stage that evidence is sufficient to support a finding that an employee, agent or representative of the Borrower, Executing Agency or Employer has engaged in an act of fraud or corruption;
 - (c) cancel and/or accelerate repayment of, the portion of a loan or grant earmarked for a contract, when there is evidence that the representative of the Borrower, or Beneficiary of a grant, has not taken the adequate remedial measures within a time period which the Bank considers reasonable, and in accordance with the due process guarantees of the borrowing country's legislation;
 - (d) issue a reprimand in the form of a formal letter of censure of the firm, entity or individual's behavior;
 - (e) issue a declaration that an individual, entity or firm is ineligible, either permanently or for a stated period of time, to be awarded or participate in contracts under Bank-financed projects except under

such conditions as the Bank deems to be appropriate;

- (f) refer the matter to appropriate law enforcement authorities; and/or
 - (g) impose other sanctions that it deems to be appropriate under the circumstances, including the imposition of fines representing reimbursement to the Bank for costs associated with investigations and proceedings. Such other sanctions may be imposed in addition to or in lieu of other sanctions.
- (iii) The Bank has established administrative procedures for cases of allegations of fraud and corruption within the procurement process or the execution of a contract financed by the Bank which are available at the Bank's website (www.iadb.org), as updated from time to time. To that effect any complaint shall be submitted to the Bank's Office of Institutional Integrity (OII) for the appropriated investigation. Allegations may be presented confidentially or anonymously.
- (iv) Payments are expressly conditional upon the claimant's participation in the procurement process conformed with all applicable Bank policies on Fraud and Corruption described in this ITB 3.1
- (v) The imposition of any action to be taken by the Bank pursuant to the provisions referred to paragraph (b) of this ITB may be public or private, in accordance with the policies of the Bank.

3.2 The Bank will have the right to require that, in contracts financed with a Bank loan, a provision be included requiring Bidders, suppliers, contractors, subcontractors, consultants and concessionaires to permit the Bank to inspect their accounts and records and any other documents relating to the submission of bids and contract performance and to have them audited by auditors appointed by the Bank. The Bank will have the right to require that, in contracts financed with a Bank loan, a provision be included requiring Bidders, suppliers, contractors, subcontractors, consultants and concessionaires to: (i) maintain all documents and records related to the Bank-financed project for three (3) years after completion of the work contemplated in the relevant Contract; and (ii) deliver any document necessary for the investigation of allegations of fraud or corruption and make available to the Bank the employees or agents of the Bidders, suppliers,

contractors, subcontractors, consultants or concessionaires with knowledge of the Bank-financed project to respond to questions from Bank personnel or any properly designated investigator, agent, auditor or consultant relating to the review or audit of the documents. If the Bidder, supplier, contractor, subcontractor, consultant or concessionaire fails to comply with the Bank's request, or otherwise obstruct the Bank's review of the matter, the Bank, in its sole discretion, may take appropriate action against the Bidder, supplier, contractor, subcontractor, consultant or concessionaire.

3.3 Bidders shall represent and warrant:

- (a) that they have read and understood the Bank's prohibition against fraud and corruption and agrees to abide by the applicable rules;
- (b) that they have not engaged in any violation of policies on fraud and corruption described herein;
- (c) that they have not misrepresented or concealed any material facts during the procurement or contract negotiation processes or performance of the contract;
- (d) that neither they nor any of their directors, officers or principal shareholders have been declared ineligible to be awarded Bank-financed contracts or have been convicted of a crime involving fraud or corruption;
- (e) that none of their directors, officers or principal shareholders has been a director, officer or principal shareholder of any other company or entity that has been declared ineligible to be awarded a Bank-financed contract or has been convicted of a crime involving fraud or corruption;
- (f) that all commissions, agents' fees, facilitating payments or revenue-sharing agreements related to the Bank-financed contract or consulting agreement have been disclosed;
- (g) that they acknowledge that the breach of any of these warranties constitute a basis for the imposition of any or a combination of the measures described in ITB 3.1 (b).

3. Prohibited Practices

3.1 The Bank requires that all Borrowers (including grant beneficiaries), Executing Agencies and Contracting Agencies

[exclusive
instruction for loan
agreements signed
under policy GN-
2349-9]

as well as all firms, entities and individuals bidding for or participating in a Bank-financed activity including, *inter alia*, applicants, bidders, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers and concessionaires (including their respective officers, employees and agents irrespective of whether the agency is express or implied), adhere to the highest ethical standards, and report to the Bank² all suspected acts of Prohibited Practices of which they have knowledge or become aware both, during the bidding process and throughout negotiation or execution of a contract. Prohibited Practices include acts of: (i) corrupt practices, (ii) fraudulent practices, (iii) coercive practices, and (iv) collusive practices and (v) obstructive practices. The Bank has established mechanisms to report allegations of Prohibited Practices. Any allegation shall be submitted to the Bank's Office of Institutional Integrity (OII) for the appropriate investigation. The Bank has also adopted sanctions procedures to adjudicate cases. The Bank has also entered into agreements with other International Financial Institutions (IFIs) to mutually recognize sanctions imposed by their respective sanctioning bodies.

- (a) The Bank defines, for the purposes of this provision, the terms set forth below:
 - (i) A “*corrupt practice*” which is the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
 - (ii) A “*fraudulent practice*” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
 - (iii) A “*coercive practice*” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
 - (iv) A “*collusive practice*” is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions

² Information on how to present allegations of Prohibited Practices, the applicable rules regarding the investigation and sanctions process, and the agreement regulating the mutual recognition of sanctions among the IFIs are available on the Bank's website (www.iadb.org/integrity).

of another party; and

(v) An “*obstructive practice*” which is:

a.a. deliberately destroying, falsifying, altering or concealing evidence material to the investigation or making false statements to investigators in order to materially impede a Bank Group investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or

b.b. acts intended to materially impede the exercise of the Bank’s inspection and audit rights provided for under ITB 3.1 (f) below.

(b) If, in accordance with the Sanctions Procedures of the Bank, it is determined that at any stage of the procurement or implementation of a contract any firm, entity or individual bidding for or participating in a Bank-financed activity including, *inter alia*, applicants, bidders, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, goods or service providers, concessionaires, Borrowers (including grant Beneficiaries) Executing Agencies or Contracting Agencies (including their respective officers, employees and agents irrespective of whether the agency is express or implied) engaged in a Prohibited Practice the Bank may:

(i) not finance any proposal to award a contract for works, goods or services, and consulting services;

(ii) suspend disbursement of the operation if it is determined at any stage that an employee, agent or representative of the Borrower, Executing Agency or Employer has engaged in a Prohibited Practice;

(iii) declare Misprocurement and cancel, and/or accelerate repayment of the portion of a loan or grant earmarked for a contract, when there is evidence that the representative of the Borrower, or Beneficiary of a grant, has not taken the adequate remedial measures (including, *inter alia*, providing adequate notice to the

- Bank upon learning of the Prohibited Practice) within a time period which the Bank considers reasonable;
- (iv) issue the firm, entity or individual a reprimand in the form of a formal letter of censure for its behavior;
 - (v) declare that a firm, entity, or individual is ineligible, either permanently or for a stated period of time, to (i) be awarded a contract or participate in activities financed by the Bank; and (ii) be nominated³ sub-consultant, sub-contractor, supplier or service provider of an otherwise eligible firm being awarded a Bank-financed contract;
 - (vi) refer the matter to appropriate law enforcement authorities; and/or
 - (vii) impose other sanctions that it deems to be appropriate under the circumstances, including the imposition of fines representing reimbursement of the Bank for costs associated with investigations and proceedings. Such other sanctions may be imposed in addition to or in lieu of the sanctions referred above.
- (c) The provisions of ITB 3.1 (b) (i) and (ii) shall also be applicable when such parties have been temporarily suspended from eligibility to be awarded additional contracts pending a final outcome of a sanction proceeding, or otherwise.
 - (d) The imposition of any action to be taken by the Bank pursuant to the provisions referred to above will be public.
 - (e) In addition, any firm, entity or individual bidding for or participating in a Bank-financed activity including, inter alia, applicants, bidders, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers, concessionaires, Borrowers (including grant Beneficiaries), Executing Agencies or Contracting Agencies (including their respective officers, employees, and agents, irrespective of whether the agency is express or implied) may be subject to sanctions pursuant to

³ A nominated sub-consultant, sub-contractor, supplier, or service provider (different names are used depending on the particular bidding document) is one which has either been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

agreements that the Bank may have with other International Financial Institutions (IFIs) regarding the mutual enforcement of debarment decisions. For purposes of this paragraph the term “sanction” shall mean any debarment, conditions on future contracting or any publicly disclosed action taken in response to a violation of an IFI’s applicable framework for addressing allegations of Prohibited Practices.

- (f) The Bank requires that all applicants, bidders, suppliers, and their agents, contractors, consultants, personnel, sub-contractors, service providers and concessionaires permit the Bank to inspect any and all accounts, records and other documents relating to the submission of bids and contract performance as well as to have them audited by auditors appointed by the Bank. Applicants, bidders, suppliers, and their agents, contractors, consultants, sub-contractors, sub-consultants, service providers and concessionaires shall fully assist the Bank with its investigation. The Bank also requires that all applicants, bidders, suppliers, and their agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers and concessionaires: (i) maintain all documents and records related to the Bank-financed activities for seven (7) years after completion of the work contemplated in the relevant contract; and (ii) deliver any document necessary for the investigation of allegations of Prohibited Practices and make available employees or agents of the applicants, bidders, suppliers and their agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers or concessionaires with knowledge of the Bank-financed activities to respond to questions from Bank personnel or any properly designated investigator, agent, auditor or consultant relating to the investigation. If the applicant, bidder, supplier and its agent, contractor, consultant, personnel, sub-contractor, sub-consultant, service provider or concessionaire fails to cooperate and/or comply with the Bank’s request, or otherwise obstructs the investigation, the Bank, in its sole discretion, may take appropriate action against the applicant bidder, supplier and its agent, contractor, consultant, personnel, sub-contractor, service provider or concessionaire.
- (g) If the procures goods or services, works or consulting services directly from a specialized agency, all provisions under section 3 regarding sanctions and Prohibited

Practices shall apply in their entirety to applicants, bidders, suppliers and their agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers, and concessionaires, (including their respective officers, employees, and agents, irrespective of whether the agency is express or implied), or to any other entities that signed contracts with such specialized agency to supply such goods, works, or non consulting services in connection with the Bank-financed activities. The Bank will retain the right to require the Borrower to invoke remedies such as contract suspension or termination. Specialized agencies shall consult the Bank's list of firms and individuals suspended or debarred. In the event a specialized agency signs a contract or purchase order with a firm, or an individual suspended or debarred by the Bank, the Bank will not finance the related expenditures and will apply other remedies as appropriate.

3.2 By submitting bids Bidders represent and warrant:

- (a) that they have read and understood the Bank's definition of Prohibited Practices and the sanctions imposed in case Prohibited Practices take place and that they will comply with the rules applicable to those Practices and sanctions;
- (b) that they have not engaged in any Prohibited Practice as set forth herein;
- (c) that they have not misrepresented or concealed any material facts during the procurement or contract negotiation processes or during the performance of the contract;
- (d) that neither they nor their agents, personnel, sub-contractors, sub-consultants, directors, officers or principal shareholders have been declared ineligible to be awarded a contract by the Bank or by another International Financial Institution (IFI) with which the Bank may have entered into an agreement for the mutual enforcement of sanctions or have been convicted of an offense involving a Prohibited Practice;
- (e) that none of their directors, officers or principal shareholders has been a director, officer or principal shareholder of any other company or entity that has been declared ineligible to be awarded a contract by the Bank or by another International Financial Institution (IFI)

with which the Bank may have entered an agreement for the mutual enforcement of sanctions, or has been convicted of a crime involving a Prohibited Practice;

- (f) that all commissions, agents' fees, facilitating payments or revenue-sharing agreements related to the Bank-financed activities have been disclosed;
- (g) that they acknowledge that the breach of any of these representations may constitute a basis for the adoption by the Bank of one or more of the measures set forth in ITB 3.1 (b).

4. Eligible Bidders

- 4.1 A Bidder, and all parties constituting the Bidder, shall be a national from member countries of the Bank. Bidders from other countries shall be disqualified from participating in contracts intended to be financed in whole or in part from Bank loans. Section III, "Eligible Countries" of this document establishes the Bank's member countries, as well as the criteria to determine the nationality of the Bidders and the country of origin of goods and services. The Bidders with the nationality of a Bank's member country and the goods to be supplied under the Contract are not eligible if:
 - (a) as a matter of law or official regulation, the Borrower's country prohibits commercial relations with that country; or
 - (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any imports of goods from that country or any payments to persons or entities in that country.
- 4.2 A Bidder shall not have a conflict of interest. All Bidders found to have a conflict of interest shall be disqualified. A Bidder may be considered to have a conflict of interest for the purpose of this Bidding process, if the Bidder:
 - (a) directly or indirectly controls, is controlled by or is under common control with another Bidder; or
 - (b) receives or has received any direct or indirect subsidy from another Bidder; or
 - (c) has the same legal representative as another Bidder;

or

- (d) has a relationship with another Bidder, directly or through common third parties, that puts it in a position to influence the Bid of another Bidder, or influence the decisions of the Employer regarding this bidding process; or
- (e) or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the works that are the subject of the Bid; or
- (f) or any of its affiliates has been hired (or is proposed to be hired) by the Employer or Borrower as Project Manager for the Contract implementation;
- (g) would be providing goods, works, or non-consulting services resulting from or directly related to consulting services for the preparation or implementation of the project specified **in the BDS ITB 2.1** that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm;
- (h) has a close business or family relationship with a professional staff of the Borrower (or of the project implementing agency, or of a recipient of a part of the loan) who: (i) are directly or indirectly involved in the preparation of the bidding document or specifications of the contract, and/or the Bid evaluation process of such contract; or (ii) would be involved in the implementation or supervision of such contract unless the conflict stemming from such relationship has been resolved in a manner acceptable to the Bank throughout the procurement process and execution of the contract.

- 4.3 ***[Exclusive instruction for operations with Loan Contracts signed under GN-2349-7]*** A Bidder that is under a declaration of ineligibility during the period of time established by the Bank in accordance with ITB 3, at the date of contract award, shall be disqualified.

[Exclusive instruction for operations with Loan Contracts signed under GN-2349-9] A Bidder, parent company,

subsidiary, or previous form of organization constituted by or with any of the same individual(s) as principal(s), declared ineligible to be awarded a contract by the Bank or by another International Financial Institution (IFI) with which the Bank may have entered into an agreement for the mutual enforcement of sanctions, and is that is under a declaration of ineligibility during the period of time established by the Bank in accordance with ITB 3, at the date of contract award, shall be disqualified. A list of debarred firms and individuals is stated **in the BDS**.

- 4.4 A firm that is a Bidder (either individually or as member of a Joint Venture, Consortium or Association (“JVCA”)) shall not participate in more than one Bid, except for permitted alternative Bids. This includes participation as a Subcontractor in other Bids. Such participation shall result in the disqualification of all Bids in which the firm is involved. A firm that is not a Bidder or a JVCA member may participate as a subcontractor in more than one Bid. Unless specified **in the BDS**, there is no limit on the number of members in a JVCA.
- 4.5 Government-owned enterprises in the Employer’s country shall be eligible only if they can establish that they (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not a dependent agency of the Borrower.
- 4.6 A Bidder shall not be under suspension from bidding by the Employer as a result of non-compliance with a Bid-Securing Declaration.
- 4.7 Bidders shall provide such evidence of their continued eligibility satisfactory to the Employer, as the Employer shall reasonably request.

5. Qualifications of the Bidder

- 5.1 All bidders shall provide in Section IV, "Bidding Forms," a preliminary description of the proposed work method and schedule, including drawings and charts, as necessary.
- 5.2 In the event that prequalification of potential bidders has been undertaken, only bids from prequalified bidders shall be considered for award of Contract. These qualified bidders should submit with their bids any information updating their original prequalification applications or, alternatively, confirm in their bids that the originally submitted prequalification information remains essentially correct as of the date of bid submission. The update or confirmation should be provided in Section IV, "Bidding Forms."
- 5.3 If the Employer has not undertaken prequalification of potential bidders, all bidders shall include the following information and documents with their bids in Section IV, "Bidding Forms" unless otherwise stated **in the BDS**:
- (a) copies of original documents defining the constitution or incorporation, and principal place of business of the Bidder; written power of attorney of the signatory of the Bid to commit the Bidder;
 - (b) total monetary value of construction works performed for each of the last five (5) years;
 - (c) experience in works of a similar nature and size for each of the last five (5) years, and details of work under way or contractually committed; and clients who may be contacted for further information on those contracts;
 - (d) major items of construction equipment proposed to carry out the Contract;
 - (e) qualifications and experience of key site management and technical personnel proposed for the Contract;
 - (f) reports on the financial standing of the Bidder, such as profit and loss statements and auditor's reports for the past five (5) years;
 - (g) evidence of adequacy of working capital for this Contract (access to line(s) of credit and availability of other financial resources);
 - (h) authorization to seek references from the Bidder's bankers;
 - (i) information regarding any litigation, current or during the last five (5) years, in which the Bidder was/is

involved, the parties concerned, and the disputed amounts and awards; and

- (j) proposals for subcontracting components of the Works amounting to more than ten (10) percent of the Contract Price. The ceiling for sub contractor's participation is stated **in the BDS**.

5.4 Bids submitted by a Joint venture, Consortium or Association (JVCA) of two or more firms as partners shall comply with the following requirements, unless otherwise stated **in the BDS**:

- (a) the Bid shall include all the information listed in ITB 5.3 above for each JVCA partner;
- (b) the Bid shall be signed so as to be legally binding on all partners;
- (c) all partners shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms;
- (d) one of the partners shall be nominated as being in charge, authorized to incur liabilities, and receive instructions for and on behalf of any and all partners of the JVCA;
- (e) the execution of the entire Contract, including payment, shall be done exclusively with the partner in charge; and
- (f) a copy of the JVCA Agreement entered into by the partners shall be submitted with the bid; or a Letter of Intent to execute a JVCA agreement in the event of a successful bid shall be signed by all partners and submitted with the bid, together with a copy of the proposed Agreement. The Letter or The Agreement shall specify the participation share (as a percentage) of each member.

5.5 To qualify for award of the Contract, bidders shall meet the following minimum qualifying criteria

- (a) an average annual billing of construction work over the period specified **in the BDS** of at least the multiple indicated in the **BDS**
- (b) experience as prime contractor in the construction of at least the number of works of a nature and complexity equivalent to the Works over the period specified **in the BDS** (to comply with this requirement, works cited

should be at least seventy (70) percent complete);

- (c) show that it can ensure the timely availability (own, lease, hire, etc.) of the essential equipment listed **in the BDS**;
- (d) hire a Contract Manager with five years' experience in works of an equivalent nature and volume, including no less than three years as Manager; and
- (e) liquid assets and/or credit facilities, net of other contractual commitments and exclusive of any advance payments which may be made under the Contract, of no less than the amount specified **in the BDS**.⁴

A consistent history of litigation or arbitration awards against the Applicant or any partner of a JVCA may result in disqualification.

- 5.6 The figures for each of the partners of a JVCA shall be added together to determine the Bidder's compliance with the minimum qualifying criteria of ITB 5.5 (a) and (e); however, for a JVCA to qualify, each of its partners must meet at least twenty-five (25) percent of minimum criteria of ITB 5.5 (a), (b), and (e) for an individual Bidder, and the partner in charge at least forty (40) percent of those minimum criteria. Failure to comply with this requirement shall result in rejection of the JVCA's Bid. Subcontractors' experiences and resources shall not be taken into account in determining the Bidder's compliance with the qualifying criteria, unless otherwise stated **in the BDS**.

- 6. One Bid per Bidder** 6.1 Each Bidder shall submit only one Bid, either individually or as a partner in a JVCA⁵. A Bidder who submits or participates in more than one Bid (other than as a subcontractor or in cases of alternatives that have been permitted or requested) shall cause all the proposals with the Bidder's participation to be rejected.
- 7. Cost of Bidding** 7.1 The Bidder shall bear all costs associated with the preparation and submission of his Bid, and the Employer shall in no case be responsible or liable for those costs.
- 8. Site Visit** 8.1 The Bidder, at the Bidder's own responsibility and risk, is encouraged to visit and examine the Site of Works and its

⁴ Usually, the equivalent of the estimated payments flows over 4-6 months at the average (straight line distribution) construction rate. The actual period of reference shall depend on the speed with which the Employer shall pay the Contractor's monthly certificates.

⁵ For the avoidance of doubt, where the bidding includes lots, "Bid" means bid for each lot.

surroundings and obtain all information that may be necessary for preparing the Bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Bidder's own expense.

B. Bidding Document

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| 9. Contents of Bidding Document | <p>9.1 The Bidding Document comprises the documents listed below, and addenda issued in accordance with ITB 11:</p> <ul style="list-style-type: none"> Section I. Instructions to Bidders (ITB) Section II. Bid Data Sheet (BDS) Section III. Eligible Countries Section IV. Bidding Forms Section V. General Conditions of Contract (GCC) Section VI. Special Conditions of Contract (SCC) Section VII. Specifications & Performance Requirement Section VIII. Drawings Section IX. Activity Schedule Section X. Contract Forms |
| 10. Clarification of Bidding Document | <p>10.1 A prospective Bidder requiring any clarification of the Bidding Documents may notify the Employer in writing at the Employer's address indicated in the BDS. The Employer shall respond to any request for clarification received earlier than 14 days⁶ prior to the deadline for submission of bids. Copies of the Employer's response shall be forwarded to all purchasers of the Bidding Documents, including a description of the inquiry, but without identifying its source.</p> |
| 11. Amendment of Bidding Document | <p>11.1 Before the deadline for submission of bids, the Employer may modify the Bidding Document by issuing addenda.</p> <p>11.2 Any addendum thus issued shall be part of the Bidding Document and shall be communicated in writing to all prospective bidders that obtained the Bidding Document.⁷ Prospective bidders shall acknowledge receipt of each addendum in writing to the Employer.</p> <p>11.3 To give prospective bidders reasonable time in which to take an</p> |

⁶ It may be necessary to extend the deadline for submission of bids if the Employer's response results in substantial changes to the Bidding Documents. See ITB Clause 11 below.

⁷ It is therefore important that the Employer maintain a complete and accurate list of recipients of the Bidding Documents and their addresses.

addendum into account in preparing their bids, the Employer shall extend, as necessary, the deadline for submission of bids, in accordance with ITB 21.2 below.

C. Preparation of Bids

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| 12. Language of Bid | 12.1 All documents relating to the Bid shall be in the language specified in the BDS . |
| 13. Documents Comprising the Bid | <p>13.1 The Bid submitted by the Bidder shall comprise the following:</p> <ul style="list-style-type: none"> (a) Letter of Bid: in the format indicated in Section IV, “Bidding Forms”; (b) Bid Security, or Bid Validity Declaration, in accordance with ITB 17, if required; (c) Activity Schedule: as specified in ITB 14; (d) Qualifications: Information Form and Documents; (e) Alternative offers where invited; and (f) any other documents required to be completed and submitted by bidders, as specified in the BDS. |
| 14. Bid Prices | <p>14.1 The Contract shall be for the whole Works, as described in ITB 1.1, based on the priced Activity Schedule submitted by the Bidder.</p> <p>14.2 The Bidder shall fill in rates and prices for all items of the Works described in the drawings and specifications and listed in the Activity Schedule. Items for which no rate or price is entered by the Bidder shall not be paid for by the Employer when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities. Corrections, if any, shall be made by crossing out, initialing, dating and rewriting.</p> <p>14.3 All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bids, shall be included in the total Bid price submitted by the Bidder.</p> <p>14.4 The lump sum prices quoted by the Bidder shall be subject to adjustment during the performance of the Contract if provided for in the BDS and SCC and the provisions of Clause 47 of the General Conditions of Contract. The Bidder shall submit with the Bid all the information required under the Special Conditions</p> |

of Contract and GCC Clause 47.

15. Currencies of Bid and Payment

- 15.1 The lump sum prices shall be quoted by the Bidder entirely in the currency of the Employer's country as specified **in the BDS**. Foreign currency requirements shall be indicated as percentages of the Bid price (excluding provisional sums⁸) and shall be payable at the option of the Bidder in up to three foreign currencies.
- 15.2 The rates of exchange to be used by the Bidder in arriving at the local currency equivalent and the percentages mentioned in para. 15.1 above shall be the selling rates for similar transactions established by the source specified **in the BDS** prevailing on the date 28 days prior to the latest deadline for submission of bids. These exchange rates shall apply for all payments so that no exchange risk shall be borne by the Bidder. If the Bidder uses other rates of exchange, the provisions of ITB 29.1 shall apply; in any case, payments shall be computed using the rates quoted in the Bid.
- 15.3 Bidders shall indicate details of their expected foreign currency requirements in the Bid.
- 15.4 Bidders may be required by the Employer to clarify their foreign currency requirements and to substantiate that the amounts included in the lump sum prices, if required **in the BDS**, are reasonable and responsive to ITB 15.1.

16. Bid Validity

- 16.1 Bids shall remain valid for the period⁹ specified **in the BDS**.
- 16.2 In exceptional circumstances, the Employer may request that the bidders extend the period of validity for a specified additional period. The request and the bidders' responses shall be made in writing. If a Bid Security is requested in accordance with ITB 17, it shall be extended up to 28 days after the deadline of the extended bid validity period. A Bidder may refuse the request without forfeiting the Bid Security or execution of its Bid Validity Declaration. A Bidder agreeing to the request shall not be required or permitted to modify its Bid, except as provided in ITB 17.
- 16.3 In the case of contracts in which the Contract Price is fixed (not subject to price adjustment), if the period of bid validity is extended beyond 56 days, the amounts payable in local and

⁸ Provisional sums are monetary sums specified by the Employer in the Bill of Quantities, to be used at the discretion for nominated subcontractors and other specified purposes.

⁹ The period is a realistic time, usually not less than 35 days nor more than 105, allowing for bid evaluation, clarifications, and the Bank's "no objection" (where awards of Contract are subject to prior review).

foreign currency to the Bidder selected for award, shall be adjusted as specified in the request for extension. Bid evaluation shall be based on the Bid Price without taking the above correction into consideration.

**17. Bid Security
and Bid
Validity
Declaration**

- 17.1 If required **in the BDS**, the Bidder shall furnish as part of its Bid, a Bid Security or a Bid Validity Declaration in original form as specified in the BDS.
- 17.2 The Bid Security shall be in the amount specified **in BDS** and denominated in the currency of the Employer's country or the currency of the Bid or in another freely convertible currency, and shall:
- (a) at the bidder's option, be in the form of either a letter of credit, or a bank guarantee from a banking institution, or a bond or surety issued by an insurance or bonding institution;
 - (b) be issued by a reputable institution selected by the bidder and located in any country. If the institution issuing the bond or surety is located outside the Employer's Country, it shall have a correspondent financial institution located in the Employer's Country to make it enforceable.
 - (c) be substantially in accordance with one of the forms of Bid Security included in Section IV "Bidding Forms," or other form approved by the Employer prior to bid submission;
 - (d) be payable promptly upon written demand by the Employer in case the conditions listed in ITB 17.5 are invoked;
 - (e) be submitted in its original form; copies shall not be accepted;
 - (f) remain valid for a period of 28 days beyond the validity period of the bids, as extended, if applicable, in accordance with ITB 16.2.
- 17.3 If a Bid Security or a Bid Validity Declaration is required in accordance with ITB 17.1, any bid not accompanied by a substantially responsive Bid Security or Bid Validity Declaration in accordance with ITB 17.1, shall be rejected by the Employer as non-responsive.
- 17.4 The Bid Security or the Bid Validity Declaration of unsuccessful Bidders shall be returned as promptly as possible upon the successful Bidder's furnishing of the performance security.

17.5 The Bid Security may be forfeited, or the Bid Validity Declaration executed:

- (a) if a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Bid Submission Sheet, except as provided in ITB 16.2; or
- (b) if the Bidder does not accept the correction of its Bid Price pursuant to ITB Sub-Clause 28.
- (c) if the successful Bidder fails within the specified time to:
 - (i) sign the Contract; or
 - (ii) furnish the required performance security.

17.6 The Bid Security or Bid Validity Declaration of a JVCA must be in the name of the JVCA that submits the bid. If the JVCA has not been legally constituted at the time of bidding, the Bid Security or Bid Validity Declaration shall be in the names of all future partners as named in the letter of intent.

18. Alternative Proposals by Bidders

18.1 Alternatives shall not be considered, unless specifically allowed **in the BDS**. If so allowed, ITB 18.1 and 18.2 shall govern, and BDS shall specify which of the following options shall be allowed:

- (a) Option One. A bidder may submit alternative bids with the base bid and the Employer shall only consider the alternative bids offered by the Bidder whose bid for the base case was determined to be the lowest-price evaluated bid, or
- (b) Option Two. A bidder may submit an alternative bid with or without a bid for the base case. All bids received, for the base case, as well as alternative bids meeting the technical specifications and performance requirements pursuant to Section VII, shall be evaluated on their own merits.

18.2 Alternative bids shall provide all information necessary for a complete evaluation of the alternative by the Employer, including design calculations, technical specifications, breakdown of prices, proposed construction methods and other relevant details.

19. Format and Signing of Bid

19.1 The Bidder shall prepare one original of the documents comprising the Bid as described in ITB 13, bound with the volume containing the Form of Bid, and clearly marked "ORIGINAL." In addition, the Bidder shall submit copies of the

Bid, in the number specified **in the BDS**, and clearly marked as “COPIES.” In the event of discrepancy between them, the original shall prevail.

- 19.2 The original and all copies of the Bid shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Bidder, pursuant to ITB 5.3 (a). The person or persons signing the Bid shall initial all pages of the Bid where entries or amendments have been made.
- 19.3 The Bid shall contain no alterations or additions, except those to comply with instructions issued by the Employer, or as necessary to correct errors made by the Bidder, in which case such corrections shall be initialed by the person or persons signing the Bid.
- 19.4 The Bidder shall furnish information as described in the Form of Bid on commissions or gratuities, if any, paid or to be paid to agents relating to this Bid, and to contract execution if the Bidder is awarded the contract.

D. Submission of Bids

20. Submission, Sealing and Marking of Bids

- 20.1 Bidders may always submit their bids by mail or by hand. When so specified **in the BDS**, bidders shall have the option of submitting their bids electronically. Bidders submitting bids electronically shall follow the procedures specified **in the BDS**. In the case of Bids submitted by mail or by hand the Bidder shall seal the original and all copies of the Bid in two inner envelopes, duly marking them as “ORIGINAL” and “COPIES”, respectively, and shall seal the two inner envelopes into an outer envelope
- 20.2 The inner and outer envelopes shall
- (a) be addressed to the Employer at the address¹⁰ provided **in the BDS**;
 - (b) bear the name and identification number of the Contract as defined **in the BDS** and SCC; and
 - (c) provide a warning not to open before the specified time and date for Bid opening as defined **in the BDS**.

¹⁰ The receiving address should be an office that is staffed during normal working hours by personnel authorized to certify time and date of receipt and assure safekeeping until Bid opening. A post office address is not satisfactory. The address must be the same as the receiving address described in the Invitation for Bids.

- 20.3 In addition to the identification required in ITB 20.2, the inner envelopes shall indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared late, pursuant to ITB 22.
- 20.4 If the outer envelope is not sealed and marked as above, the Employer shall assume no responsibility for the misplacement or premature opening of the Bid.
- 21. Deadline for Sub-mission of Bids**
- 21.1 Bids shall be delivered to the Employer at the address specified in Sub-clause 20.2 (a) no later than the time and date specified **in the BDS.**
- 21.2 The Employer may extend the deadline for submission of bids by issuing an amendment in accordance with ITB 11, in which case all rights and obligations of the Employer and the bidders previously subject to the original deadline shall then be subject to the new deadline.
- 22. Late Bids**
- 22.1 Any Bid received by the Employer after the deadline prescribed in ITB 21 shall be returned unopened to the Bidder.
- 23. Withdrawal, Substitution and Modification of Bids**
- 23.1 Bidders may withdraw, substitute or modify their Bids by giving notice in writing before the deadline prescribed in ITB 21.
- 23.2 Each Bidder's withdrawal, substitution or modification notice shall be prepared, sealed, marked, and delivered in accordance with ITB 19 and 20, with the outer and inner envelopes additionally marked "WITHDRAWAL", "SUBSTITUTION", or "MODIFICATION" as appropriate.
- 23.3 Notices for withdrawal, substitution or modification of bids shall be delivered to the Employer at the address specified in ITB 20.2 (a) no later than the time and date specified **in ITB 21.1 of the BDS.**
- 23.4 Withdrawal of a Bid between the deadline for submission of bids and the expiration of the period of Bid validity specified in the Bidding Data or as extended pursuant to ITB 16.2 may result in the forfeiture of the Bid Security or execution of the Bid Validity Declaration pursuant to ITB 17.
- 23.5 Bidders may only offer discounts to, or otherwise modify the prices of their bids, by submitting Bid modifications in accordance with this instruction or including them in the initial Bid

E. Bid Opening and Evaluation

24. Bid Opening

- 24.1 The Employer shall open the bids in public, and the withdrawal, substitution and modification notices made pursuant to ITB 23, in the presence of the bidders' representatives who choose to attend at the time, date and in the place specified **in the BDS**. Any specific opening procedures required if electronic bidding is permitted in accordance with ITB 20.1, shall be as specified in the BDS.
- 24.2 Envelopes marked "WITHDRAWAL" shall be opened and read out first. Bids for which an acceptable notice of withdrawal has been submitted pursuant to ITB 23 shall not be opened.
- 24.3 The bidders' names, the Bid prices, the total amount of each Bid and of any alternative Bid (if alternatives have been requested or permitted), any discounts, Bid withdrawals, substitutions, or modifications notices, the presence or absence of Bid Security or Bid Validity Declaration, if required, and such other details as the Employer may consider appropriate, shall be read aloud (and posted online when electronic bidding is used) by the Employer at the opening, and recorded when opened. No bid or notice shall be rejected at bid opening except for the late bids and notices pursuant to ITB 22. Substitution Bids and modifications submitted pursuant to ITB 23 that are not opened and read out at bid opening shall not be considered for further evaluation regardless of the circumstances. Late, withdrawn and substituted bids and notices shall be returned un-opened to bidders
- 24.4 The Employer shall prepare Minutes of the Bid Opening, including the record of readout bids and the information disclosed to those present, in accordance with ITB 24.3¹¹ and promptly send copy of such minutes to all bidders who submitted bids in time.

25. Confidentiality

- 25.1 Information relating to the Examination, Clarification, Evaluation, and Comparison of Bids and Recommendations for the Award of a contract shall not be disclosed to bidders or any other persons not officially concerned with such process until publication of the award to the successful Bidder has been announced pursuant to ITB 34.4. Any effort by a Bidder to influence the Employer's processing of bids or award decisions may result in the rejection of its Bid. Notwithstanding the above, from the time of bid opening to the time of Contract award, if any Bidder wishes to contact the Employer on any matter related

¹¹ A copy of the minutes should be sent by the Employer to the Inter-American Development Bank together with the Bid evaluation report, for contracts subject to prior review.

to the bidding process, it should do so in writing.

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| 26. Clarification of Bids | <p>26.1 To assist in the examination, evaluation, and comparison of Bids, the Employer may, at the Employer's discretion, ask any Bidder for clarification of the Bidder's Bid, including breakdowns of the prices in the Activity Schedule. The request for clarification and the response shall be in writing, but no change in the price or substance of the Bid shall be sought, offered, or permitted except as required to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the Bids in accordance with ITB 28.</p> |
| 27. Examination of Bids and Determination of Responsiveness | <p>27.1 Prior to the detailed evaluation of Bids, the Employer shall determine whether each Bid (a) meets the eligibility criteria defined in ITB 4; (b) has been properly signed; (c) is accompanied by the Bid Security or the Bid Validity Declaration, if required; and (d) is substantially responsive to the requirements of the Bidding Document.</p> <p>27.2 A substantially responsive Bid is one which conforms to all the terms, conditions, and specifications of the Bidding Document, without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality, or performance of the Works; (b) which limits in any substantial way, inconsistent with the Bidding Document, the Employer's rights or the Bidder's obligations under the Contract; or (c) whose rectification would affect unfairly the competitive position of other bidders presenting substantially responsive bids.</p> <p>27.3 If a Bid is not substantially responsive, it shall be rejected by the Employer and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviation or reservation.</p> |
| 28. Correction of Errors | <p>28.1 Bids determined to be substantially responsive shall be checked by the Employer for any arithmetic errors. In admeasurement contracts, errors shall be corrected by the Employer as follows:</p> <ul style="list-style-type: none"> (a) where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted shall govern, unless in the opinion of the Employer there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted shall govern, and the unit rate shall be corrected; (b) if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail, and the |

total shall be corrected; and

- (c) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) and (b) above.

28.2 In lump-sum contracts, the evaluation of the Financial part of each Bid, the Employer shall correct the arithmetic errors in the following manner:

- (a) List of Sub-Activity with prices: if there are errors between the total of quantities in the column for Sub-Activity price and the amount shown in the total for the Sub-activity, the first one shall prevail and consequently, the latter corrected;
- (b) List of Activity with prices: if there are errors between the total of the quantities shown in the price column for the Activity Price and the amount shown in the total price of the activities, the first one shall prevail and the latter corrected as a result; and when there is an error between the total of the quantities in the List of Sub-activity with prices and the corresponding amount in the Schedule of Activities with prices, the first one shall prevail and the second shall be corrected as a result; and
- (c) Global Summary: in case of errors between the total price of the activities in the calendar with prices and the amount indicated in the Global Summary, the first shall prevail and the latter corrected as a result.

28.3 The amount stated in the Bid shall be adjusted by the Employer in accordance with the above procedure for the correction of errors and, with the concurrence of the Bidder, shall be considered as binding upon the Bidder. If the Bidder does not accept the corrected amount, the Bid shall be rejected, and the Bid Security may be forfeited or the Bid - Validity Declaration executed in accordance with ITB 17.5 (b).

29. Currency for Bid Evaluation

29.1 Bids shall be evaluated as quoted in the currency of the Employer's Country in accordance with ITB 15.1, unless a Bidder has used different exchange rates than those prescribed in ITB 15.2, in which case the Bid shall be first converted into the amounts payable in different currencies using the rates quoted in the Bid and then reconverted to the currency of the Employer's country using the exchange rates prescribed in ITB 15.2.

30. Evaluation and Comparison of Bids

- 30.1 The Employer shall evaluate and compare only the bids determined to be substantially responsive in accordance with ITB 27.
- 30.2 In evaluating the bids, the Employer shall determine for each Bid the evaluated Bid price by adjusting the Bid price as follows:
- (a) making any correction for errors pursuant to ITB 28;
 - (b) excluding provisional sums and the provision, if any, for contingencies in the Activity Schedule, but including Daywork,¹² where priced competitively;
 - (c) making an appropriate adjustment for any other acceptable variations, deviations, or alternative offers submitted in accordance with ITB 18; and
 - (d) making appropriate adjustments to reflect discounts or other price modifications offered in accordance with ITB 23.5.
- 30.3 The Employer reserves the right to accept or reject any variation, deviation, or alternative offer. Variations, deviations, and alternative offers and other factors which are in excess of the requirements of the Bidding Document or otherwise result in unsolicited benefits for the Employer shall not be taken into account in Bid evaluation.
- 30.4 The estimated effect of any price adjustment conditions under GCC Clause 47, during the period of implementation of the Contract, shall not be taken into account in Bid evaluation.
- 30.5 An abnormally low bid is one where the Bid price, in combination with other constituent elements of the Bid, appears unreasonably low to the extent that the Bid price raises material concerns as to the capability of the Bidder to perform the Contract for the offered Bid price.
- 30.6 In the event of identification of a potentially abnormally low Bid, the Employer shall seek written clarifications from the Bidder, including detailed price analyses of its Bid price in relation to the subject matter of the contract, scope, proposed methodology, schedule, allocation of risks and responsibilities and any other

¹² Daywork is work carried out following instructions of the Project Manager and paid for on the basis of time spent by workers, and the use of materials and the Contractor's equipment, at the rates quoted in the Bid. For Daywork to be priced competitively for Bid evaluation purposes, the Employer must list tentative quantities for individual items to be costed against Daywork (e.g., a specific number of tractor driver staff-days, or a specific tonnage of Portland cement), to be multiplied by the bidders' quoted rates and included in the total Bid price.

requirements of the bidding document.

30.7 After evaluation of the price analyses, in the event that the Employer determines that the Bidder has failed to demonstrate its capability to perform the Contract for the offered Bid Price, the Employer shall reject the Bid.

30.8 In the case of several lots, pursuant to ITB Sub-Clause 30.2 (d), the Employer shall determine the application of discounts so as to minimize the combined cost of all the lots

31. Domestic Preference

31.1 A margin of preference shall not apply to compare the bids of national and foreign bidders.

32. Employer's Right to Accept any Bid and to Reject any or all Bids

32.1 The Employer reserves the right to accept or reject any Bid, and to cancel the bidding process and reject all bids, at any time prior to the award of Contract, without thereby incurring any liability to the affected Bidder or bidders or any obligation to inform the affected Bidder or bidders of the grounds for the Employer's action.¹³

F. Award of Contract

33. Award Criteria

33.1 Subject to ITB 32, the Employer shall award the Contract to the Bidder whose Bid has been determined to be substantially responsive to the Bidding Document and represents the lowest evaluated cost, provided that such Bidder has been determined to be (a) eligible in accordance with the provisions of ITB 4, and (b) qualified in accordance with the provisions of ITB 5.

34. Notification of Award and Signing of Agreement

34.1 The Bidder whose Bid has been accepted shall be notified of the award by the Employer prior to expiration of the Bid validity period in writing. This letter (hereinafter and in the GCC called the "Letter of Acceptance") shall state the sum that the Employer shall pay the Contractor in consideration of the execution, completion, and maintenance of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Contract called the "Contract Price").

34.2 If specified **in the BDS**, the Employer shall a request the selected Bidder to submit the Beneficial Ownership Disclosure Form providing additional information on its beneficial ownership. The Beneficial Ownership Disclosure Form, if so requested, shall be submitted within eight (8) Business Days of

¹³ Employers shall not reject bids or annul bidding processes, except as permitted in the Policies for the Procurement of Goods and Works financed by the Bank.

receiving this request.

- 34.3 The Letter of Acceptance shall constitute the formation of the Contract, subject to the Bidder furnishing the Performance Security in accordance with ITB Clause 35 and signing the Agreement in accordance with ITB Sub-Clause 34.3.
- 34.4 The Agreement shall incorporate all agreements between the Employer and the successful Bidder. It shall be signed by the Employer and sent to the successful Bidder, within 28 days following the Letter of Acceptance's date. Within 21 days of receipt, the successful Bidder shall sign the Agreement and deliver it to the Employer.
- 34.5 At the same time, the Employer shall publish in *UNDB (United Nations Development Business)* and in the Bank's Internet website the results identifying the bid and lot numbers and the following information: (i) name of each bidder who submitted a bid; (ii) bid prices as read out at bid opening; (iii) name and evaluated prices of each bid that was evaluated; (iv) name of bidders whose bids were rejected and the reasons for their rejection; and (v) name of the winning bidder, and the price it offered, as well as the duration and summary scope of the contract awarded. After publication of the award, unsuccessful bidders may request in writing to the Employer for a debriefing seeking explanations for the failure of their bids. The Employer shall promptly respond in writing to any unsuccessful Bidder who, after publication of contract award requests the Employer in writing to explain on which grounds its bid was not selected.

35. Performance Security

- 35.1 Within 21 days after receipt of the Letter of Acceptance, the successful Bidder shall sign the contract and deliver to the Employer a Performance Security in the amount stipulated in the GCC and in the form (Bank Guarantee or Bond) stipulated **in the BDS**, denominated in the type and proportions of currencies in the Letter of Acceptance and in accordance with the GCC.
- 35.2 If the Performance Security is provided by the successful Bidder in the form of a Bank Guarantee, it shall be issued at the Bidder's option, by a bank located in the country of the Employer, or by a foreign bank acceptable to the Employer through a correspondent bank located in the Employer's country.
- 35.3 If the Performance Security is to be provided by the successful Bidder in the form of a Bond, it shall be issued by a surety which the Bidder has determined to be acceptable to the Employer.
- 35.4 Failure of the successful Bidder to comply with the requirements

of ITB 35.1 shall constitute sufficient grounds for cancellation of the award and forfeiture of the Bid Security or execution of the Bid Validity Declaration. Upon the successful Bidder's, signing of the Agreement and furnishing of the Performance Security pursuant to ITB 35.1, the Employer shall promptly notify the name of the winning bidder to each unsuccessful bidder and shall discharge the Bid Securities of the unsuccessful bidders pursuant to ITB 17.4.

**36. Advance
Payment and
Security**

36.1 The Employer shall provide an Advance Payment on the Contract Price as stipulated in the GCC, subject to a maximum amount, as stated **in the BDS**. The Advance Payment shall be guaranteed by a Security. Section X "Contract Forms" provides a Bank Guarantee for Advance Payment form.

37. Adjudicator

37.1 The Employer proposes the person named **in the BDS** to be appointed as Adjudicator under the Contract, at an hourly fee specified **in the BDS**, plus reimbursable expenses. If the Bidder disagrees with this proposal, the Bidder should so state in the Bid. If, in the Letter of Acceptance, the Employer has not agreed on the appointment of the Adjudicator, the Adjudicator shall be appointed by the Appointing Authority designated **in the BDS** and the SCC at the request of either party.

Section II. Bid Data Sheet¹

A. General	
BDS 1.1	<p>The Employer: <i>Guyana Energy Agency</i></p> <p>The Works are: <i>Design, Supply and Installation of Transmission Lines to Accommodate the Solar PV Plants at Bartica and Lethem in two Lots as follows:</i></p> <p>Lot 1: <i>The works are for the Design, Procurement of all materials & specialized equipment, and Construction of 2.5km 13.8 kV, three wire (3W), three phase, bare conductor overhead interconnecting transmission line for the solar PV plant at Bartica.</i></p> <p>Lot 2: <i>The works are for the Design, Procurement of all materials & specialized equipment and Construction of 0.5km 13.8 kV, three wire (3W), three phase, bare conductor overhead interconnecting transmission line for the solar PV plant at Lethem.</i></p> <p>Name of the Contract: <i>Design, Supply and Installation of Transmission Lines to Accommodate the Solar PV Plants at Bartica and Lethem in two (2) Lots</i></p> <p>Identification Number: 003/GY-L1066/GEA/2021</p>
BDS 1.2	The Intended Completion Date is: <i>120 calendar days for each Lot from the date of signing of contract</i>
BDS 2.1	The Borrower is: <i>Government of Guyana</i>
BDS 2.1	<p>The expression “Bank” used in this document includes the Inter-American Development Bank and the funds it administers. Requirements of IDB and any other fund administered by the IDB are identical; except in the case of eligibility where membership is different (See Section III, “Eligible Countries”). The expression “loans” include the financing instruments and methods, the technical cooperation (TC) and the financing of operations. The expression “Loan Contract” includes all the legal instruments under which the Bank operations are formalized</p> <p>The Bank’s loan is: 4676/BL-GY Number: <i>GY-1066</i></p> <p>Date: February 11, 2019</p>

¹ This section should be filled out by the Employer before issuance of the Bidding Documents.

BDS 2.1	The Project is: <i>Energy Matrix Diversification and Institutional Strengthening of the Department of Energy (EMISDE)</i>
BDS 4.3	A list of debarred firms and individuals is available on the Bank's external website: <i>https://www.iadb.org/en/topics/transparency/integrity-at-the-idb-group/sanctioned-firms-and-individuals%2C1293.html</i>
BDS 4.4	Maximum number of members in a JVCA shall be: <i>None</i>
BDS 5.3²	The information required from bidders in ITB 5.3 is modified as follows: <i>None</i>
BDS 5.3 (j)	The ceiling for sub contractor's participation is: <i>30% of the whole works</i>
BDS 5.4	The qualification data required from JVCA in ITB 5.4 are modified as follows: <i>None</i>
BDS 5.5	The qualification criteria for Bidders in ITB 5.5 are modified as follows: <i>None</i>
BDS 5.5 (a)	The multiple is: Two (2) The period is: Three (3) years
BDS 5.5 (b)	The number is: Two (2) The period is: Three (3)
BDS 5.5 (c)	The essential equipment to be made available for the Contract by the successful Bidder shall be: <i>Cherry Picker (bucket) Truck, Hiab (crane) Truck, Skidsteer or Backhoe, Utility Truck, Puller and Tensioner Set for Conductors and Crimping and Hydraulic Tools</i>
BDS 5.5 (e)³	The minimum amount of liquid assets and/or credit facilities net of other contractual commitments of the successful Bidder shall be: <i>Eight Million Guyana Dollars (G\$8,000,000)</i>
BDS 5.6	Subcontractors' experience and resources shall be taken into account.
B. Bidding Document	
BDS 10.1	For <u>Clarification of Bid purposes</u> only, the Employer's address is:

² Delete if prequalification has been conducted.

³ Delete if prequalification has been conducted.

	<p><i>Project Coordinator,</i> <i>Guyana Energy Agency,</i> <i>295 Quamina Street, Georgetown, Guyana,</i> <i>Email: gea@gea.gov.gy</i></p> <p><i>This address may be the same as or different from that specified under provision BDS 20.2 (a) for Bid submission]</i></p> <p>Attention: <i>Chairman, National Procurement & Tender Administration Board, Ministry of Finance</i></p> <p>Address: <i>Main & Urquhart Streets, Georgetown</i></p> <p>Country: <i>Guyana, South America</i></p> <p><i>[Note: Requests for clarification sent via email must be sent on a company's letterhead, signed and stamped by the company's legal representative and preferably in pdf format.]</i></p>
C. Preparation of Bids	
BDS 12.1	The language of all documents relating to the bid is: <i>English</i>
BDS 13.1 (f)	<p>The Bidder shall submit the following additional documents in its Bid:</p> <p><i>The list of additional documents shall include the following:</i></p> <p>Code of Conduct (ESHS)</p> <p>The Bidder shall submit its Code of Conduct that will apply to Contractor's Personnel to ensure compliance with its Environmental, Social, Health and Safety (ESHS) obligations under the contract.</p> <p><i>[Note: Complete and include the risks to be addressed by the Code in accordance with Section VII, "Specification and Performance Requirements," e.g. risks associated with: labor influx, spread of communicable diseases, sexual harassment, gender-based violence, sexual exploitation and abuse, illicit behavior and crime, and maintaining a safe environment etc.]</i></p> <p>In addition, the Bidder shall detail how this Code of Conduct will be implemented. This will include how it will be introduced into conditions of employment/engagement, what training will be provided, how it will be monitored and how the Contractor proposes to deal with any breaches. The Contractor shall be required to implement the agreed Code of Conduct.</p>

	<p>Management Strategies and Implementation Plans (MSIP) to manage the (ESHS) risks</p> <p>The Bidder shall submit Management Strategies and Implementation Plans (MSIP) to manage the following key Environmental, Social, Health and Safety (ESHS) risks.</p> <p><i>[Note: The extent and scope of these requirements should reflect the significant ESHS risks or requirements set out in Section VII, “Specifications and Performance Requirements” as advised by Environmental/Social specialist/s. The key risks to be addressed by the Bidder should be identified by Environmental/Social specialist/s, for example, from the Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP), Resettlement Action Plan (RAP), and/or Consent Conditions (regulatory authority conditions attached to any permits or approvals for the project), up to a maximum of four. The risks may arise during mobilization or construction phases, and may include construction traffic impacts on the community, pollution of drinking water, depositing on private land and impacts on rare species etc. The management strategies and/or implementation plans to address these could include, as appropriate: mobilization strategy, strategy for obtaining consents/permits, traffic management plan, water resource protection plan, bio-diversity protection plan and a strategy for marking and respecting work site boundaries etc.]</i></p>
BDS 14.4	The rates and prices “ shall not ” be subject to price adjustment in accordance with GCC Clause 47.
BDS 15.1	The currency of the Employer’s country is: <i>Guyana Dollars</i>
BDS 15.2	The source for establishing the rates of exchange shall be: <i>The rate of exchange for price evaluation shall be the Bank of Guyana published exchange rate 28 days prior to the deadline for bid submission.</i>
BDS 15.4	Bidders “ are ” required to clarify their foreign currency requirements and to substantiate that the amounts included in the rates and prices are reasonable and responsive to BDS 15.1.
BDS 16.1	The Bid shall be valid for: <i>[180]</i> days
BDS 17.1	<p>Bid shall include a Bid Security issued by a bank or a by a surety using the form for bid security (bank guarantee or bid bond) included in Section IV, “Bidding Forms.”</p> <p>The Bid Security shall be <i>GYD 1,000,0000 or an equivalent amount in a freely convertible currency</i></p>
BDS 17.2	The Bid Security amount is: <i>GYD 1,000,0000 or an equivalent amount in</i>

	a freely convertible currency
BDS 18.1	Alternative Bids “ <i>shall not be</i> ” considered.
BDS 19.1	The number of copies of the Bid to be submitted shall be: <i>Three (3) printed copies plus two (CD or Flash Drive)</i> , one containing the technical proposal and one containing the financial proposal.
D. Submission of Bids	
BDS 20.1	Bidders may submit their bids electronically: <i>[No]</i>
BDS 20.2 (a)	For <u>Bid submission purposes</u> only, the Employer’s address is: Attention: <i>Chairman, National Procurement & Tender Administration Board, Ministry of Finance</i> Address: <i>Main & Urquhart Streets, Georgetown</i> Country: <i>Guyana, South America</i>
BDS 20.2 (b)	Name and Identification number of the contract as given in BDS 1.1 above.
BDS 20.2 (c)	The warning should read “DO NOT OPEN BEFORE <i>[May 4, 2021]</i> ”
BDS 21.1	The deadline for Bid submission is: Date: <i>May 4, 2021</i> Time: <i>09:00 a.m.</i>
E. Bid Opening and Evaluation	
BDS 24.1	The Bid opening shall take place at the following location and time: <i>National Procurement & Tender Administration Board,</i> <i>Ministry of Finance</i> Address: <i>Main & Urquhart Streets, Georgetown</i> Country: <i>Guyana, South America</i> Date: <i>May 4, 2021</i> Time: <i>09:00 a.m.</i>

F. Award of Contract	
BDS 34.2	The successful Bidder <i>[shall not]</i> submit the Beneficial Ownership Disclosure Form specified in Section X. “Contract Forms”.
BDS 35.1	The Standard Form of Performance Security acceptable to the Employer shall be: <i>A Bank Guarantee from a commercial bank equivalent to thirty percent (30%) of the Contract Price or a Bond from an Insurance Company equivalent to thirty percent (30%) of the final Contract Price, must be submitted by the successful bidder upon signing of the Contract.</i>
BDS 36.1	<p>The Advance Payment shall be limited to: <i>30 percent of the Contract Price. A Performance Security under BDS 35.1 is required for this payment.</i></p> <p><i>[Normally 10 to 30 percent of the Contract Price. The amount shall be adequate to minimize the needs of the Contractor to borrow for the Contract, notably in foreign currency(ies)]</i></p>
BDS 37.1	<p>The Adjudicator proposed by the Employer is: <i>Verlyn Klass</i></p> <p>The hourly fee for this proposed Adjudicator shall be: <i>\$100 (US) Dollars</i></p> <p>The biographical data of the proposed Adjudicator is as follows: CV to be provided</p> <p>The Appointing Authority is: <i>The Attorney General, Ministry of Legal Affairs, Carmichael Street, Georgetown, Guyana</i></p>

Section III. Eligible Countries

Eligibility for the Provision of Goods, Works and Services in Bank-Financed Procurement

Note: *The expression “Bank” used in these documents includes the IDB, IDB Lab and any other fund it administers.*

Depending on the financing source, the user must select one of the following 2 options for item number 1). The financing can come from the IDB, the IDB Lab or, occasionally, contracts may be financed out of special funds which further restricts eligibility criteria to a particular group of member countries. When the last option is selected, the eligibility criteria should be mentioned therein:

1) List of Member Countries and Territories when the Inter-American Development Bank is financing:

Argentina, Austria, Bahamas, Barbados, Belgium, Belize, Bolivia, Brazil, Canada, Colombia, Costa Rica, Chile, Croatia, Denmark, Dominican Republic, Ecuador, El Salvador, Finland, France, Germany, Guatemala, Guyana, Haiti, Honduras, Israel, Italy, Jamaica, Japan, Mexico, Netherlands, Nicaragua, Norway, Panama, Paraguay, People’s Republic of China, Peru, Portugal, Republic of Korea, Slovenia, Spain, Suriname, Sweden, Switzerland, Trinidad & Tobago, United Kingdom, United States, Uruguay and Venezuela.

Eligible Territories

- a) Guadeloupe, French Guiana, Martinique, Reunion – as Departments of France*
 - b) U.S. Virgin Islands, Puerto Rico, Guam – as Territories of the USA*
 - c) Aruba – as a constituent country of the Kingdom of the Netherlands; and Bonaire, Curacao, Saint Marten, Saba, St Eustatius – as Departments of the Kingdom of the Netherlands*
 - d) Hong Kong – as a Special Administrative Region of the People’s Republic of China*
-

1) List of Countries when a Fund administered by the Bank is financing (Include the list of countries)

2) Nationality and origin of Goods and Services Criteria

These policy provisions make it necessary to establish criteria to determine: a) the nationality of the firms and individuals eligible to bid or participate in a bank-financed contract and b)

the country of origin of goods, and services. For these determinations, the following criteria shall be used:

A) Nationality.

a) **An individual** is considered to be a national of a member country of the Bank if he or she meets either of the following requirements:

- i. is a citizen of a member country; or
- ii. has established his/her domicile in a member country as a “bona fide” resident and is legally entitled to work in the country of domicile.

b) **A firm** is considered to have the nationality of a member country if it meets the two following requirements:

- i. is legally constituted or incorporated under the laws of a member country of the Bank; and
- ii. more than fifty percent (50%) of the firm’s capital is owned by individuals or firms from member countries of the Bank.

All members of a JVCA and all subcontractors must meet the nationality criteria set forth above.

B) Origin of Goods.

Goods have their origin in a member country of the Bank if they have been mined, grown, harvested, or produced in a member country of the Bank. A good has been produced when through manufacture, processing or assembly another commercially recognized article results that differs substantially in its basic characteristics, function or purpose of utility from its parts or components.

For a good consisting of several individual components that need to be interconnected (either by the supplier, the purchaser or by a third party) to make the good operative and regardless of the complexity of the interconnection, the Bank considers that such good is eligible for financing if the assembly of the components took place in a member country, regardless of the origin of the components. When the good is a set of several individual goods that are normally packaged and sold commercially as a single unit, the good is considered to originate in the country where the set was packaged and shipped to the purchaser.

For purpose of origin, goods labeled “made in the European Union” shall be eligible without the need to identify the corresponding specific country of the European Union.

The origin of materials, parts or components of the goods or the nationality of the firm that produces, assembles, distributes or sells the goods, does not determine the origin of the goods.

C) Origin of Services.

The country of origin of services is that of the individual or firm providing the services as determined under the nationality criteria set forth above. These criteria apply to services ancillary to the supply of goods (such as transportation, insurance, erection, assembly, etc.), to construction services and to consulting services.

Section IV. Bidding Forms

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1. Letter of Bid

[The Bidder shall fill in and submit this form with the Bid. If the Bidder objects to the Adjudicator proposed by the Employer in the Bidding Document, it should so state in its Bid, and present an alternative candidate, together with the candidate's daily fees and biographical data, in accordance with BDS 37]

[Date]

Title of Contract: **Design, Supply and Installation of Transmission Lines to Accommodate the Solar PV Plants at Bartica and Lethem in two Lots**

Identification Number: 003/GY-L1066/GEA/2021

To: *[Guyana Energy Agency]*

(a) **Conformity:** Having examined the Bidding Document, including addenda *[insert list]*, we offer to execute the *[name and identification number of Contract]* in accordance with the GCC accompanying this Bid for the Contract Price of *[insert amount in numbers]*, *[insert amount in words]* *[insert name of currency]*.

(b) **Total price:** The Contract shall be paid in the following currencies:

Currency	Percentage payable in currency	Rate of exchange: <i>[insert number of local currency units per unit of foreign currency]</i>	Inputs for which foreign currency is required
(a)			
(b)			
(c)			
(d)			

(c) **Advance Payment:** The advance payment required is:

Amount	Currency
(a)	
(b)	
(c)	
(d)	

(d) **Adjudicator:** We accept the appointment of *[insert name proposed in Bid Data Sheet]* as the Adjudicator.

[or]

We do not accept the appointment of *[insert name proposed in Bid Data Sheet]* as the Adjudicator and propose instead that *[insert name]* be appointed as Adjudicator, whose daily fees and biographical data are attached.

- (e) **Binding Contract:** This Bid and your written acceptance of it shall constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Bid you receive.
- (f) **Not bound to Accept:** We hereby confirm that this Bid complies with the Bid validity and, if required, Bid Security or Bid Validity Declaration as required by the Bidding Document and specified in the BDS.
- (g) **Bid Validity and Bid Security:** Our Bid shall be valid for a period specified in the bidding document, and it shall remain binding upon us and may be accepted at any time before the expiration of that period; and if required, we comply with the Bid Security or Bid-Securing Declaration as required in the bidding document and specified in the BDS;
- (h) **Eligibility:** We, including all subcontractors required to execute any part of the contract, have the nationality of a member country of the Bank in accordance with IAO 4.1. In the event that the works contract includes the supply of goods and related services, we undertake that these goods and related services originate in member countries of the Bank. In addition, we, including any subcontractor or supplier for any component of the contract, have no conflict of interest, in accordance with the provisions of IAO 4.2; and in case of detecting that any of the aforementioned are in any conflict of interest, we will notify this circumstance in writing to the Employer, either during the selection process and the negotiations or the execution of the Contract;
- (i) **Suspension and Debarment:** We, our subcontractors and suppliers for any component of the contract (including, in all cases, the respective directors, officers, principal shareholders, proposed key personnel and agents), we have not been directors, officers or principal shareholders and agents of a company or entity:
 - (i) that has been declared ineligible by the Bank, or by another International Financial Institution (IFI) with which the Bank has subscribed an agreement for the reciprocal recognition of sanctions, in order to be awarded contracts financed by any of these in accordance with IAO 4.3;
 - (ii) that has been declared ineligible under the laws or official regulations of the Employer's country,
 - (iii) that has been declared ineligible pursuant to a decision of the United Nations Security Council, and
 - (iv) that has incurred in any Prohibited Practice or Fraud and Corruption;

- (j) **State-owned enterprise or institution:** *[select the appropriate option and delete the other] [We are not a state-owned **enterprise** or institution] / [We are a state-owned enterprise or institution but meet the requirements of ITB 4.5]*

(k) **Cooperation:** We will use our best efforts to assist the Bank in any investigation;

- (l) **Commissions, gratuities and fees:** We have paid, or will pay the following commissions, gratuities, or fees with respect to the Bidding process or execution of the Contract: [insert complete name of each Recipient, its full address, the reason for which each commission or gratuity was paid and the amount and currency of each such commission or gratuity]

Name of Recipient	Address	Reason	Amount

(If none has been paid or is to be paid, indicate “none.”)

- (m) **Prohibited Practices or Fraud and Corruption:** We, and our subcontractors or suppliers for any component of the contract (including, in all cases, the respective directors, officers, principal shareholders, proposed key personnel and agents) have read and understood the definitions of Fraud and Corruption or Prohibited Practices of the Bank and the sanctions applicable to acts as described in this document and we are obliged to observe the relevant norms. In addition, we commit ourselves that within the selection process (and in case of being awarded, in the execution) of the contract, to observe the laws on fraud and corruption, including bribery, applicable in the country of the Employer.

In addition, we, and our subcontractors or suppliers for any component of the contract (including, in all cases, the respective directors, officers, principal shareholders, proposed key personnel and agents) acknowledge that failure to comply with any of these statements is the basis for the imposition by the Bank of one or more of the measures described in IAO 3.1.

Our company, its parent company, its affiliates or subsidiaries, subcontractors or suppliers for any part of the contract (including, in all cases, directors, officers, principal shareholders, proposed key personnel and agents):

- (i) We have not been declared ineligible by the Bank, or by any other International Financial Institution (IFI) with which the Bank has signed an agreement for the reciprocal recognition of sanctions, so that we may be awarded contracts financed by any of them; and

- (ii) We have not engaged in any Prohibited Practice or Fraud and Corruption and have taken the necessary measures to ensure that no person acting for us or on our behalf participates in fraud and corruption or prohibited practices.

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Bidder: _____

Address: _____

2. Qualification Information

*[The information to be filled in by **bidders** in the following pages shall be used for purposes of qualification or for verification of prequalification as provided for in ITB 5. This information shall not be incorporated in the Contract. Attach additional pages as necessary. If used for prequalification verification, the Bidder should fill in updated information only.]*

1. Firms or Members of JVCA	1.1	Incorporation, constitution or legal status of Bidder: <i>[attach copy of document or letter of intent]</i>
		Place of constitution or incorporation: <i>[insert]</i>
		Principal place of business: <i>[insert]</i>
		Power of attorney of signatory of Bid: <i>[attach]</i>
	1.2	Annual amounts of construction works performed during the last <i>[insert number pursuant to BDS 4.5(a)]</i> years <i>[insert amounts in the national currency equivalent]</i>
	1.3	Experience in works of a similar nature and size is in <i>[insert number of works and information specified in ITB 5.3(c)]</i> <i>[The amounts should be indicated in the same currency used for Item 1.2 above. Also list details of work under way or committed, including expected completion date(s).]</i>

Project name and country	Name of client and contact person	Type of work performed and year of completion	Value of contract (national currency equivalent)
(a)			
(b)			

1.4 The major items of Contractor's Equipment proposed for carrying out the Works are: *[List all information requested below in accordance with ITB 5.3 (d).]*

Item of equipment	Description, make, and age (years)	Condition (new, good, poor) and number available	Owned, leased (from whom?), or to be purchased (from whom?)
(a)			
(b)			

	1.5	The qualifications and experience of key personnel proposed are attached. <i>[Attach biographical data in accordance with BDS 5.3 (e). See also GCC Sub-Clause 9.1 and SCC Sub-Clause 9.1. Include the list of such staff in the following table]</i>
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Position	Name	Years of experience (general)	Years of experience in proposed position
Project Manager		Electrical Engineer/ Civil Engineer with experience in overhead transmission lines (OHTL) rated at 13.8 kV or greater.	<i>Minimum 10 years experience as a project manager in similar work surroundings.</i>
Transmission Line Designer		Electrical Engineer with experience in design of OHTL rated at 13.8 kV or greater.	Minimum of 8 years total work experience and 5 years experience in similar works
Field Engineer		Electrical Engineer with experience in field supervision of OHTL rated at 13.8 kV or greater	Minimum of 8 years total work experience and 5 years experience in similar works
Health and Safety Officer		A diploma in OHS or HSE or Environmental Studies/Sciences	Minimum of 3 years relevant experience in industry related health and safety
Construction Supervisor		Diploma in Mechanical/Civil/Electrical Engineering	Minimum of 5 years experience in erecting and construction of high voltage transmission and distribution networks
Surveyor		Sworn Land Surveyor registered with the Guyana Lands and Surveys Commission	Minimum of 5 years experience
Journeyman/Lineman		Technician certificate or equivalent in electrical installation	Minimum of 5 years experience in stringing of conductors for OHTL
Journeyman/Poleman		Technician certificate or equivalent in electrical installation	Minimum of 5 years experience in the planting of poles for OHTL

	<p>1.6 The financial reports for the last 5 years: balance sheets, profit and loss statements, auditors' reports, etc., that are attached in accordance with ITB 5.3(f) are: <i>[List below and attach copies.]</i></p> <p>1.7 The evidence of access to financial resources in accordance with ITB 5.3(g) is: <i>[List below and attach copies of support</i></p>
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	<p><i>documents.]</i></p> <p>1.8 Authorization with name, address, telephone, and facsimile numbers of banks that may provide references if contacted by the Employer is attached in accordance with ITB 5.3(h). <i>[Attach authorization]</i></p> <p>1.9 The information on current litigation(s) in which the Bidder is involved is attached in accordance with ITB 5.3(i). <i>[insert information in the following table]</i>.</p> <p>1.10 Declare works contracts that have been suspended or terminated by an Employer for reasons related to non-compliance with any environmental, social or safety requirements (including exploitation and sexual abuse (EAS) and gender violence (VBG)) or safety and health in the last five years.</p>
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Other part(y)(ies)	Cause of dispute and amount involved	Amount of award and awardee
(a)		
(b)		

	1.11 The proposed subcontracts and firms involved in accordance with ITB 5.3(j) are: <i>[Insert information in the table below. Also see GCC Clause 7 and SCC 7]</i>		
Sections of the Works	Value of subcontract	Subcontractor (name and address)	Experience in similar work
(a)			
(b)			

	1.12 Proposed Program (work method and schedule). Descriptions, drawings, and charts, as necessary, to comply with the requirements of the Bidding Document.
2. Joint Venture, Consortium or Association (JVCA)	2.1 The information listed in 1.1 - 1.10 above shall be provided for each partner of the JVCA.
	2.2 The information in 1.11 above shall be provided for the JVCA.
	2.3 Attach the power of attorney of the signatory(ies) of the Bid

	authorizing signature of the Bid on behalf of the JVCA.
	<p>2.4 Attach the Agreement among all partners of the JVCA (and which is legally binding on all partners), which shows that:</p> <ul style="list-style-type: none">(a) all partners shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms;(b) one of the partners shall be nominated as being in charge, authorized to incur liabilities, and receive instructions for and on behalf of any and all partners of the JVCA; and(c) the execution of the entire Contract, including payment, shall be done exclusively with the partner in charge.
3. Additional Requirements	<p>3.1 Bidders should provide any additional information required in the BDS.</p>

3. Form ESSH- MSIP

Environmental, Social, Safety and Health Management

Strategies and Implementation Plans

[Note to the Employer: modify the text as appropriate for the Project]

The Bidder shall submit complete and concise Environmental, Social, Safety and Health Management Strategies and Plans to Implement (ESSH-MSIP).

These strategies and plans shall describe in detail the actions, materials, equipment, management procedures, etc. that shall be implemented by the Contractor and subcontractors to implement the works.

In preparing these strategies and plans, the Bidder shall take into account the contract ESSH stipulations, including the ones described in more details in Section VII, "Specifications & Performance Requirements."

4. Code of Conduct Standards

Environmental, Social, Safety and Health Code of Conduct

[Note to the Employer: modify the text to refer to the appropriate documents]

Bidders must demonstrate they have Code of Conduct standards that shall be applied to the Contractor's employees and subcontractors. The standards of conduct shall guarantee compliance with ESSH contract provisions, including those described in more details in Section VII, "Specifications & Performance Requirements."

Moreover, the Bidder shall have to present a plan on how the standards of conduct shall be implemented. This shall include: how it shall be introduced in the labor contracts, what training shall be provided, how it shall be monitored and how the Contractor shall address these violations.

Bid Security (Bank Guarantee)

*[If required, the **Bank/Bidder** shall fill in this Bank Guarantee form in accordance with the instructions indicated in brackets.]*

[insert bank's name, and address of issuing branch or office]

Beneficiary: *[insert name and address of Employer]*

Date: *[insert date]*

BID GUARANTEE No.: *[insert number]*

We have been informed that *[insert name of the Bidder; if a JVCA, list complete legal names of partners]* (hereinafter called "the Bidder") has submitted to you its bid dated *[insert date]* (hereinafter called "the Bid") for the execution of *[insert name of Contract]* under Invitation for Bids No. *[insert IFB number]* ("the IFB").

Furthermore, we understand that, according to your conditions, Bids must be supported by a Bid Guarantee.

At the request of the Bidder, we *[insert name of bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures expressed in the currency of the Employer's Country or the equivalent amount in an international freely convertible currency]* (*[insert amount in words]*) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder:

- (a) has withdrawn its Bid during the period of bid validity specified by the Bidder in the Form of Bid; or
- (b) does not accept the correction of errors in accordance with the Instructions to Bidders (hereinafter "the ITB") of the Bidding Document; or
- (c) having been notified of the acceptance of its Bid by the Employer during the period of bid validity, (i) fails or refuses to execute the Contract Form, if required, or (ii) fails or refuses to furnish the Performance Security, in accordance with the ITB.

This Guarantee shall expire: (a) if the Bidder is the successful bidder, upon our receipt of copies of the Contract signed by the Bidder and of the Performance Security issued to you by the Bidder; or (b) if the Bidder is not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder that the Bidder was unsuccessful, or (ii) twenty-eight days after the expiration of the Bidder's Bid.

Consequently, any demand for payment under this Guarantee must be received by us at the office on or before that date. This Guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758.

[signature(s) of authorized representative(s)]

Bid Security (Bid Bond)

*[If required, the **Surety/Bidder** shall fill in this Bid Bond Form in accordance with the instructions indicated in brackets.]*

BOND NO. *[insert Bond number]*

BY THIS BOND *[insert name of Bidder; if JVCA, insert complete legal names of partners]* as Principal (hereinafter called “the Principal”), and *[insert name, legal title, and address of Surety]*, **authorized to transact business in** *[insert name of country of Employer]*, as Surety (hereinafter called “the Surety”), are held and firmly bound unto *[insert name of Employer]* as Obligee (hereinafter called “the Employer”) in the sum of *[insert amount in figures expressed in the currency of the Employer’s Country or the equivalent amount in an international freely convertible currency]* *[insert amount in words]*, for the payment of which sum, well and truly to be made, we, the said Principal and Surety, bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

WHEREAS the Principal has submitted a written Bid to the Employer dated the *[number]* day of *[month]*, *[year]*, for the construction of *[insert name of Contract]* (hereinafter called the “Bid”).

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION is such that if the Principal:

- (1) withdraws its Bid during the period of bid validity specified in the Form of Bid; or
- (2) refuses to accept the correction of its Bid Price, pursuant to ITB Sub-Clause 28.2; or
- (3) having been notified of the acceptance of its Bid by the Employer during the period of Bid validity;
 - (a) fails or refuses to execute the Agreement in accordance with the Instructions to Bidders, if required; or
 - (b) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders;

then the Surety undertakes to immediately pay to the Employer up to the above amount upon receipt of the Employer’s first written demand, without the Employer having to substantiate its demand, provided that in its demand the Employer shall state that the demand arises from the occurrence of any of the above events, specifying which event(s) has occurred.

The Surety hereby agrees that its obligation shall remain in full force and affect up to and including the date 28 days after the date of expiration of the Bid validity as stated in the Invitation to Bid or extended by the Employer at any time prior to this date, notice of which extension(s) to the Surety being hereby waived.

IN TESTIMONY WHEREOF, the Principal and the Surety have caused these presents to be executed in their respective names this *[insert number]* day of *[month]*, *[year]*

Principal: _____

Surety: _____

Corporate Seal (where appropriate)

*[insert signature(s) of authorized*_____
[insert signature(s) of authorized representative(s)]
*representative(s)]*_____
*[insert printed name and title]*_____
[insert printed name and title]

Bid Validity Declaration

*[If required, the **Bidder** shall fill in this form in accordance with the instructions indicated in brackets.]*

Date: *[insert date]*

Name of contract: *[insert name]*

Contract Identification N°: *[insert number]*

Invitation for Bid No.: *[insert number]*

To: _____

We, the undersigned, declare that:

1. We understand that, according to your conditions, bids must be supported by a bid validity declaration.
2. We accept that we shall be suspended from being eligible for bidding in any contract with the Employer for the period of time of *[insert time period]* starting on *[insert start date]*, if we are in breach of our obligation(s) under the bid conditions, because we:
 - (a) have withdrawn our Bid during the period of bid validity specified by us in the Bid Submission Sheet; or
 - (b) do not accept the correction of errors in accordance with the Instructions to Bidders (hereinafter “the ITB”) of the Bidding Document; or
 - (c) having been notified of the acceptance of our Bid by the Employer during the period of bid validity, (i) fail or refuse to execute the Contract Form, if required, or (ii) fail or refuse to furnish the performance security, in accordance with the ITB.
3. We understand this bid validity shall expire if we are not the successful bidder, upon the earlier of (i) our receipt of your notification informing us that we are not the successful bidder; or (ii) twenty-eight days after the expiration of our bid.
4. We understand that if we are a JVCA, the Bid Validity Declaration must be in the name of the JVCA that submits the bid. If the JVCA has not been legally constituted at the time of bidding, the Bid Validity Declaration shall be in the names of all future partners as named in the letter of intent.

Signed *[insert signature(s) of authorized representative]* In the Capacity of *[insert title]*

Name *[insert printed or typed name]*

Duly authorized to sign the bid for and on behalf of *[insert authorizing entity]*

Dated on *[insert day]* day of *[insert month]*, *[insert year]*

Section V. General Conditions of Contract

The General Conditions of Contract (GCC), read in conjunction with the Special Conditions of Contract (SCC) and other documents listed therein, should be a complete document expressing fairly the rights and obligations of both parties.

The form of General Conditions of Contract that follows has been developed on the basis of considerable international experience in the drafting and management of contracts, bearing in mind a trend in the construction industry towards simpler, more straightforward language.

The form can be used directly for smaller admeasurement contracts and, with the modifications noted in the footnotes, it can be adapted for lump sum contracts.

The use of standard General Conditions of Contract (GCC) for building and civil works in a country shall promote comprehensiveness of coverage, general acceptability of its provisions, savings in cost and time in Bid preparation and review, and the development of a solid background of legal case histories.

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General Conditions of Contract

A. General

1. Definitions

1.1 Boldface type is used to identify defined terms.

- (a) The **Adjudicator** is the person appointed jointly by the Employer and the Contractor to resolve disputes in the first instance, as provided for in GCC Clauses 24 and 25 hereunder.
- (b) **Bill of Quantities** means the priced and completed Bill of Quantities forming part of the Bid.
- (c) **Compensation Events** are those defined in GCC Clause 44 hereunder.
- (d) The **Completion Date** is the date of completion of the Works as certified by the Project Manager, in accordance with GCC Sub-Clause 55.1.
- (e) The **Contract** is the Contract between the Employer and the Contractor to execute, complete, and maintain the Works. It consists of the documents listed in GCC Clause 2.3 below.
- (f) The **Contractor** is a person or corporate body whose Bid to carry out the Works has been accepted by the Employer.
- (g) The **Contractor's Bid** is the completed bidding document submitted by the Contractor to the Employer.
- (h) The **Contract Price** is the price stated in the Letter of Acceptance and thereafter as adjusted in accordance with the provisions of the Contract.
- (i) **Days** are calendar days; months are calendar months.
- (j) **Dayworks** are varied work inputs subject to payment on a time basis for the Contractor's employees and Equipment, in addition to payments for associated Materials and Plant.
- (k) A **Defect** is any part of the Works not completed in accordance with the Contract.
- (l) The **Defects Liability Certificate** is the certificate issued by Project Manager upon correction of defects by the

Contractor.

- (m) The **Defects Liability Period** is the period **named in the SCC** Sub-Clause 35.1 and calculated from the Completion Date.
- (n) **Drawings** include calculations and other information provided or approved by the Project Manager for the execution of the Contract.
- (o) The **Employer** is the party who employs the Contractor to carry out the Works, **as specified in the SCC**.
- (p) **Equipment** is the Contractor's machinery and vehicles brought temporarily to the Site to construct the Works.
- (q) The **Initial Contract Price** is the Contract Price listed in the Employer's Letter of Acceptance.
- (r) The **Intended Completion Date** is the date on which it is intended that the Contractor shall complete the Works. The Intended Completion Date is **specified in the SCC**. The Intended Completion Date may be revised only by the Project Manager by issuing an extension of time or an acceleration order.
- (s) **Materials** are all supplies, including consumables, used by the Contractor for incorporation in the Works.
- (t) **Plant** is any integral part of the Works that shall have a mechanical, electrical, chemical, or biological function.
- (u) The **Project Manager** is the person **named in the SCC** (or any other competent person appointed by the Employer and notified to the Contractor, to act in replacement of the Project Manager) who is responsible for supervising the execution of the Works and administering the Contract.
- (v) **SCC** means Special Conditions of Contract
- (w) The **Site** is the area **defined as such in the SCC**.
- (x) **Site Investigation Reports** are those that were included in the bidding document and are factual and interpretative reports about the surface and subsurface conditions at the Site.
- (y) **Specification** means the Specification of the Works included in the Contract and any modification or addition

made or approved by the Project Manager.

- (z) The **Start Date** is **given in the SCC**. It is the latest date when the Contractor shall commence execution of the Works. It does not necessarily coincide with any of the Site Possession Dates.
- (aa) A **Subcontractor** is a person or corporate body who has a Contract with the Contractor to carry out a part of the work in the Contract, which includes work on the Site.
- (bb) **Temporary Works** are works designed, constructed, installed, and removed by the Contractor that are needed for construction or installation of the Works.
- (cc) A **Variation** is an instruction given by the Project Manager which varies the Works.
- (dd) The **Works** are what the Contract requires the Contractor to construct, install, and turn over to the Employer, **as defined in the SCC**.
- (ee) **ESSH** are the environmental, social, safety and health measures and obligations as stated in the Contractor's Bid as accepted by the Employer that the Contractor shall implement in the execution of the Works as well any national requirements on these topics, and should they not exist, as they are contained in the Inter-American Development Bank standards and policies and the Specification.

- 2. Interpretation**
- 2.1 In interpreting these GCC, singular also means plural, male also means female, and the other way around. Headings have no significance. Words have their normal meaning under the language of the Contract unless specifically defined. The Project Manager shall provide instructions clarifying queries about these GCC.
 - 2.2 If sectional completion is **specified in the SCC**, references in the GCC to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).
 - 2.3 The documents forming the Contract shall be interpreted in the following order of priority:
 - (a) Agreement,

- (b) Letter of Acceptance,
 - (c) Contractor's Bid,
 - (d) Special Conditions of Contract,
 - (e) General Conditions of Contract,
 - (f) Specifications,
 - (g) Drawings,
 - (h) Activity Schedule and
 - (i) any other document **listed in the SCC** as forming part of the Contract.
- 3. Language and Law** 3.1 The language of the Contract and the law governing the Contract are **stated in the SCC**.
- 4. Project Manager's Decisions** 4.1 Except where otherwise specifically stated, the Project Manager shall decide contractual matters between the Employer and the Contractor in the role representing the Employer.
- 5. Delegation** 5.1 The Project Manager may delegate any of his duties and responsibilities to other people, except to the Adjudicator, after notifying the Contractor, and may cancel any delegation after notifying the Contractor.
- 6. Communications** 6.1 Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is delivered.
- 7. Subcontracting** 7.1 The Contractor may subcontract with the approval of the Project Manager but may not assign the Contract without the approval of the Employer in writing. Subcontracting shall not alter the Contractor's obligations.
- 8. Other Contractors** 8.1 The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Employer between the dates given in the Schedule of Other Contractors, as **referred to in the SCC**. The Contractor shall also provide facilities and services for them as described in the Schedule. The Employer may modify the Schedule of Other Contractors and shall notify the Contractor of any such modification.
- 9. Personnel** 9.1 The Contractor shall employ the key personnel named in the Schedule of Key Personnel, as **referred to in the SCC**, to carry out the functions stated in the Schedule or other personnel approved by the Project Manager. The Project Manager shall

approve any proposed replacement of key personnel only if their relevant qualifications and abilities are substantially equal to or better than those of the personnel listed in the Schedule.

- 9.2 If the Project Manager asks the Contractor to remove a person who is a member of the Contractor's staff or work force, stating the reasons, the Contractor shall ensure that the person leaves the Site within seven days and has no further connection with the work in the Contract.

**10. Employer's
and
Contractor's
Risks**

- 10.1 The Employer carries the risks which this Contract states are the Employer's risks, and the Contractor carries the risks which this Contract states are Contractor's risks.

**11. Employer's
Risks**

- 11.1 From the Start Date until the Defects Correction Certificate has been issued, the following are the Employer's risks:

- (a) The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment), which are due to
 - (i) use or occupation of the Site by the Works or for the purpose of the Works, which is the unavoidable result of the Works or
 - (ii) negligence, breach of statutory duty, or interference with any legal right by the Employer or by any person employed by or contracted to him except the Contractor.
- (b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Employer or in the Employer's design, or due to war or radioactive contamination directly affecting the country where the Works are to be executed.

- 11.2 From the Completion Date until the Defects Correction Certificate has been issued, the risk of loss of or damage to the Works, Plant, and Materials is an Employer's risk except loss or damage due to

- (a) a Defect which existed on the Completion Date,
- (b) an event occurring before the Completion Date, which was not itself an Employer's risk, or
- (c) the activities of the Contractor on the Site after the Completion Date.

12. Contractor's Risks

- 12.1 From the Starting Date until the Defects Correction Certificate has been issued, the risks of personal injury, death, and loss of or damage to property (including, without limitation, the Works, Plant, Materials, and Equipment) which are not Employer's risks are Contractor's risks.
- 12.2 Contractor's risks are when there is a breach of the environmental, social and safety and health in the workplace (ESSH) obligations established by applicable law and/or the applicable Contract provisions.

13. Insurance

- 13.1 The Contractor shall provide, in the joint names of the Employer and the Contractor, insurance cover from the Start Date to the end of the Defects Liability Period, in the amounts and deductibles **stated in the SCC** for the following events which are due to the Contractor's risks:
- (a) loss of or damage to the Works, Plant, and Materials;
 - (b) loss of or damage to Equipment;
 - (c) loss of or damage to property (except the Works, Plant, Materials, and Equipment) in connection with the Contract; and
 - (d) personal injury or death.
- 13.2 Policies and certificates for insurance shall be delivered by the Contractor to the Project Manager for the Project Manager's approval before the Start Date. All such insurance shall provide for compensation to be payable in the types and proportions of currencies required to rectify the loss or damage incurred.
- 13.3 If the Contractor does not provide any of the policies and certificates required, the Employer may effect the insurance which the Contractor should have provided and recover the premiums the Employer has paid from payments otherwise due to the Contractor or, if no payment is due, the payment of the premiums shall be a debt due.
- 13.4 Alterations to the terms of an insurance shall not be made without the approval of the Project Manager.
- 13.5 Both parties shall comply with any conditions of the insurance policies.

14. Site Investigation Reports

- 14.1 The Contractor, in preparing the Bid, shall rely on any Site Investigation Reports **referred to in the SCC**, supplemented by any information available to the Bidder.

- 15. Queries about the Special Conditions of Contract** 15.1 The Project Manager shall clarify queries on the **SCC**.
- 16. Contractor to Construct the Works** 16.1 The Contractor shall construct and install the Works in accordance with the Specifications and Drawings.
- 17. The Works to Be Completed by the Intended Completion Date** 17.1 The Contractor may commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program submitted by the Contractor, as updated with the approval of the Project Manager, and complete them by the Intended Completion Date.
- 18. Approval by the Project Manager** 18.1 The Contractor shall submit Specifications and Drawings showing the proposed Temporary Works to the Project Manager, who is to approve them if they comply with the Specifications and Drawings.
- 18.2 The Contractor shall be responsible for design of Temporary Works.
- 18.3 The Project Manager's approval shall not alter the Contractor's responsibility for design of the Temporary Works.
- 18.4 The Contractor shall obtain approval of third parties to the design of the Temporary Works, where required.
- 18.5 All Drawings prepared by the Contractor for the execution of the temporary or permanent Works, are subject to prior approval by the Project Manager before their use.
- 19. Safety** 19.1 The Contractor shall be responsible for all obligations concerning the environment, social and safety and health in the workplace of all activities at the Site, according to the regulations in the Country of the Employer, and should there be none, according to stipulations of the contract conditions and the Specifications.
- 20. Discoveries** 20.1 Anything of historical or other interest or of significant value unexpectedly discovered on the Site shall be the property of the Employer. The Contractor shall notify the Project Manager of such discoveries and carry out the Project Manager's instructions for dealing with them.
- 21. Possession of the Site** 21.1 The Employer shall give possession of all parts of the Site to the Contractor. If possession of a part is not given by the date **stated in the SCC**, the Employer shall be deemed to have delayed the

start of the relevant activities, and this shall be a Compensation Event.

22. Access to the Site

22.1 The Contractor shall allow the Project Manager and any person authorized by the Project Manager access to the Site and to any place where work in connection with the Contract is being carried out or is intended to be carried out.

23. Instructions, Inspections and Audits

23.1 The Contractor shall carry out all instructions of the Project Manager which comply with the applicable laws where the Site is located.

23.2 The Contractor shall permit the Bank to inspect their accounts, records and other documents relating to the submission of bids and contract performance and to have them audited by auditors appointed by the Bank. The Contractor shall maintain all documents and records related to the Bank-financed project for seven (7) years after completion of the work. The Contractor shall deliver any document necessary for the investigation of allegations of prohibited practices and require to employees or agents with knowledge of the Bank-financed project to respond to questions from the Bank.

24. Disputes

24.1 If the Contractor believes that a decision taken by the Project Manager was either outside the authority given to the Project Manager by the Contract or that the decision was wrongly taken, the decision shall be referred to the Adjudicator within 14 days of the notification of the Project Manager's decision.

25. Procedure for Disputes

25.1 The Adjudicator shall give a decision in writing within 28 days of receipt of a notification of a dispute.

25.2 The Adjudicator shall be paid by the hour at the **rate specified in the BDS and SCC**, together with reimbursable expenses of the types specified in the SCC, and the cost shall be divided equally between the Employer and the Contractor, whatever decision is reached by the Adjudicator. Either party may refer a decision of the Adjudicator to an Arbitrator within 28 days of the Adjudicator's written decision. If neither party refers the dispute to arbitration within the above 28 days, the Adjudicator's decision shall be final and binding.

25.3 The arbitration shall be conducted in accordance with the arbitration procedures published by the institution named and in the place specified **in the SCC**.

26. Replacement of Adjudicator

26.1 Should the Adjudicator resign or die, or should the Employer and the Contractor agree that the Adjudicator is not functioning in accordance with the provisions of the Contract, a new

Adjudicator shall be jointly appointed by the Employer and the Contractor. In case of disagreement between the Employer and the Contractor, within 30 days, the Adjudicator shall be designated by the Appointing Authority **designated in the SCC** at the request of either party, within 14 days of receipt of such request.

B. Time Control

27. Program

- 27.1 Within the time **stated in the SCC**, after the date of the Letter of Acceptance, the Contractor shall submit to the Project Manager for approval a Program showing the general methods, arrangements, order, and timing for all the activities in the Works.
- 27.2 An update of the Program shall be a program showing the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities.
- 27.3 The Contractor shall submit to the Project Manager for approval an updated Program at intervals no longer than the period **stated in the SCC**. If the Contractor does not submit an updated Program within this period, the Project Manager may withhold the amount **stated in the SCC** from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program has been submitted.
- 27.4 The Project Manager's approval of the Program shall not alter the Contractor's obligations. The Contractor may revise the Program and submit it to the Project Manager again at any time. A revised Program shall show the effect of Variations and Compensation Events.

28. Extension of the Intended Completion Date

- 28.1 The Project Manager shall extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date without the Contractor taking steps to accelerate the remaining work, which would cause the Contractor to incur additional cost.
- 28.2 The Project Manager shall decide whether and by how much to extend the Intended Completion Date within 21 days of the Contractor asking the Project Manager for a decision upon the effect of a Compensation Event or Variation and submitting full supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a

delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.

29. Acceleration

29.1 When the Employer wants the Contractor to finish before the Intended Completion Date, the Project Manager shall obtain priced proposals for achieving the necessary acceleration from the Contractor. If the Employer accepts these proposals, the Intended Completion Date shall be adjusted accordingly and confirmed by both the Employer and the Contractor.

29.2 If the Contractor's priced proposals for an acceleration are accepted by the Employer, they are incorporated in the Contract Price and treated as a Variation.

**30. Delays
Ordered by the
Project
Manager**

30.1 The Project Manager may instruct the Contractor to delay the start or progress of any activity within the Works.

**31. Management
Meetings**

31.1 Either the Project Manager or the Contractor may require the other to attend a management meeting. The business of a management meeting shall be to review the plans for remaining work and to deal with matters raised in accordance with the early warning procedure.

31.2 The Project Manager shall record the business of management meetings and provide copies of the record to those attending the meeting and to the Employer. The responsibility of the parties for actions to be taken shall be decided by the Project Manager either at the management meeting or after the management meeting and stated in writing to all who attended the meeting.

32. Early Warning

32.1 The Contractor shall warn the Project Manager at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the work, increase the Contract Price, or delay the execution of the Works. The Project Manager may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate shall be provided by the Contractor as soon as reasonably possible.

32.2 The Contractor shall cooperate with the Project Manager in making and considering proposals for how the effect of such an event or circumstance can be avoided or reduced by anyone involved in the work and in carrying out any resulting instruction of the Project Manager.

C. Quality Control

- 33. Identifying Defects** 33.1 The Project Manager shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Project Manager may instruct the Contractor to search for a Defect and to uncover and test any work that the Project Manager considers may have a Defect.
- 34. Tests** 34.1 If the Project Manager instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a Defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no Defect, the test shall be a Compensation Event.
- 35. Correction of Defects** 35.1 The Project Manager shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion, and is **defined in the SCC**. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.
- 35.2 Every time notice of a Defect is given the Contractor shall correct the notified Defect within the length of time specified by the Project Manager's notice.
- 36. Uncorrected Defects** 36.1 If the Contractor has not corrected a Defect within the time specified in the Project Manager's notice, the Project Manager shall assess the cost of having the Defect corrected, and the Contractor shall pay this amount.

D. Cost Control

- 37. Activity Schedules** 37.1 The Contractor shall provide updated Activity Schedules within 14 days of being instructed to by the Project Manager. The activities on the Activity Schedule shall be coordinated with the activities on the Program.
- 37.2 The Contractor shall show delivery of Materials to the Site separately on the Activity Schedule if payment for Materials on Site shall be made separately.
- 38. Changes in the Activity Schedule** 38.1 The Activity Schedule shall be amended by the Contractor to accommodate changes of Program or method of working made at the Contractor's own discretion. Prices in the Activity Schedule

shall not be altered when the Contractor makes such changes to the Activity Schedule.

38.2 The Project Manager shall not adjust rates from changes in quantities if thereby the Initial Contract Price is exceeded by more than 15 percent, except with the prior approval of the Employer.

38.3 If requested by the Project Manager, the Contractor shall provide the Project Manager with a detailed cost breakdown of any rate in the Bill of Quantities.

39. Variations

39.1 All Variations shall be included in updated Programs' Activity Schedules produced by the Contractor.

40. Payments for Variations

40.1 The Contractor shall provide the Project Manager with a quotation for carrying out the Variation when requested to do so by the Project Manager. The Project Manager shall assess the quotation, which shall be given within seven (7) days of the request or within any longer period stated by the Project Manager, before the Variation is ordered.

40.3 If the Contractor's quotation is unreasonable, the Project Manager may order the Variation and make a change to the Contract Price, which shall be based on the Project Manager's own forecast of the effects of the Variation on the Contractor's costs.

40.4 If the Project Manager decides that the urgency of varying the work would prevent a quotation being given and considered without delaying the work, no quotation shall be given, and the Variation shall be treated as a Compensation Event.

40.5 The Contractor shall not be entitled to additional payment for costs that could have been avoided by giving early warning.

41. Cash Flow Forecasts

41.1 When the Program Activity Schedule is updated, the Contractor shall provide the Project Manager with an updated cash flow forecast. The cash flow forecast shall include different currencies, as defined in the Contract, converted as necessary using the Contract exchange rates.

42. Payment Certificates

42.1 The Contractor shall submit to the Project Manager monthly statements of the estimated value of the work executed less the cumulative amount certified previously.

42.2 The Project Manager shall check the Contractor's monthly statement and certify the amount to be paid to the Contractor.

42.3 The value of work executed shall be determined by the Project

Manager.

42.4 The value of work executed shall comprise the value of completed activities in the Activity Schedule.

42.5 The value of work executed shall include the valuation of Variations and Compensation Events.

42.6 The Project Manager may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.

43. Payments

43.1 Payments shall be adjusted for deductions for advance payments and retention. The Employer shall pay the Contractor the amounts certified by the Project Manager within 28 days of the date of each certificate. If the Employer makes a late payment, the Contractor shall be paid interest on the late payment in the next payment. Interest shall be calculated from the date by which the payment should have been made up to the date when the late payment is made at the prevailing rate of interest for commercial borrowing for each of the currencies in which payments are made.

43.2 If an amount certified is increased in a later certificate or as a result of an award by the Adjudicator or an Arbitrator, the Contractor shall be paid interest upon the delayed payment as set out in this clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.

43.3 Unless otherwise stated, all payments and deductions shall be paid or charged in the proportions of currencies comprising the Contract Price.

43.4 Items of the Works for which no rate or price has been entered in shall not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract.

44. Compensation Events

44.1 The following shall be Compensation Events:

- (a) The Employer does not give access to a part of the Site by the Site Possession Date pursuant to GCC Sub-Clause 21.1.
- (b) The Employer modifies the Schedule of Other Contractors in a way that affects the work of the Contractor under the Contract.
- (c) The Project Manager orders a delay or does not issue

Drawings, Specifications, or instructions required for execution of the Works on time.

- (d) The Project Manager instructs the Contractor to uncover work done, or to carry out additional tests upon work, which is then found to have no Defects.
- (e) The Project Manager unreasonably does not approve a subcontract to be let.
- (f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Letter of Acceptance from the information issued to bidders (including the Site Investigation Reports), from information available publicly and from a visual inspection of the Site.
- (g) The Project Manager gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.
- (h) Other contractors, public authorities, utilities, or the Employer do not work within the dates and other constraints stated in the Contract, and they cause delay or extra cost to the Contractor.
- (i) The advance payment is delayed.
- (j) The effects on the Contractor of any of the Employer's Risks.
- (k) The Project Manager unreasonably delays issuing a Certificate of Completion.

44.2 If a Compensation Event would cause additional cost or would prevent the work being completed before the Intended Completion Date, the Contract Price shall be increased and/or the Intended Completion Date shall be extended. The Project Manager shall decide whether and by how much the Contract Price shall be increased and whether and by how much the Intended Completion Date shall be extended.

44.3 As soon as information demonstrating the effect of each Compensation Event upon the Contractor's forecast cost has been provided by the Contractor, it shall be assessed by the Project Manager, and the Contract Price shall be adjusted accordingly. If the Contractor's forecast is deemed unreasonable, the Project Manager shall adjust the Contract Price based on the Project Manager's own forecast. The Project Manager shall assume that the Contractor shall react competently

and promptly to the event.

44.4 The Contractor shall not be entitled to compensation to the extent that the Employer's interests are adversely affected by the Contractor's not having given early warning or not having cooperated with the Project Manager.

45. Tax

45.1 The Project Manager shall adjust the Contract Price if taxes, duties, and other levies are changed between the date 28 days before the submission of bids for the Contract and the date of the last Completion certificate. The adjustment shall be the change in the amount of tax payable by the Contractor, provided such changes are not already reflected in the Contract Price or are a result of GCC Clause 47.

46. Currencies

46.1 Where payments are made in currencies other than the currency of the Employer's country **specified in the SCC**, the exchange rates used for calculating the amounts to be paid shall be the exchange rates stated in the Contractor's Bid.

47. Price Adjustment

47.1 Prices shall be adjusted for fluctuations in the cost of inputs only if **provided for in the SCC**. If so provided, the amounts certified in each payment certificate, before deducting for Advance Payment, shall be adjusted by applying the respective price adjustment factor to the payment amounts due in each currency. A separate formula of the type indicated below applies to each Contract currency:

$$P_c = A_c + B_c (I_{mc}/I_{oc})$$

where:

P_c is the adjustment factor for the portion of the Contract Price payable in a specific currency "c."

A_c and B_c are coefficients¹ **specified in the SCC**, representing the nonadjustable and adjustable portions, respectively, of the Contract Price payable in that specific currency "c;" and

I_{mc} is the index prevailing at the end of the month being invoiced and I_{oc} is the index prevailing 28 days before Bid opening for inputs payable; both in the specific currency

¹ The sum of the two coefficients A_c and B_c should be 1 (one) in the formula for each currency. Normally, both coefficients shall be the same in the formulae for all currencies, since coefficient A_c , for the nonadjustable portion of the payments, is a very approximate figure (usually 0.15) to take account of fixed cost elements or other nonadjustable components. The sum of the adjustments for each currency are added to the Contract Price.

“c.”

47.2 If the value of the index is changed after it has been used in a calculation, the calculation shall be corrected, and an adjustment made in the next payment certificate. The index value shall be deemed to take account of all changes in cost due to fluctuations in costs.

48. Retention

48.1 The Employer shall retain from each payment due to the Contractor the proportion **stated in the SCC** until Completion of the whole of the Works.

48.2 On completion of the whole of the Works and the Project Manager certification of completion of the works according to GCC Sub-Clause 55.1, half the total amount retained shall be repaid to the Contractor and half when the Defects Liability Period has passed and the Project Manager has certified that all Defects notified by the Project Manager to the Contractor before the end of this period have been corrected.

48.3 On completion of the whole Works and the Project Manager certification of completion of the works according to GCC Sub-Clause 55.1, the Contractor may substitute retention money with an “on demand” Bank guarantee.

49. Liquidated Damages

49.1 The Contractor shall pay liquidated damages to the Employer at the rate per day **stated in the SCC** for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount **defined in the SCC**. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor’s liabilities.

49.2 If the Intended Completion Date is extended after liquidated damages have been paid, the Project Manager shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate. The Contractor shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in GCC Sub-Clause 43.1.

50. Bonus

50.1 The Contractor shall be paid a Bonus calculated at the rate per calendar day **stated in the SCC** for each day (less any days for which the Contractor is paid for acceleration) that the Completion is earlier than the Intended Completion Date. The Project Manager shall certify that the Works are complete, although they may not be due to be complete.

51. Advance Payment

51.1 The Employer shall make advance payment to the Contractor of the amounts **stated in the SCC** by the date **stated in the SCC**, against provision by the Contractor of an Unconditional Bank Guarantee in a form and by a bank acceptable to the Employer in amounts and currencies equal to the advance payment. The Guarantee shall remain effective until the advance **payment** has been repaid, but the amount of the Guarantee shall be progressively reduced by the amounts repaid by the Contractor. Interest shall not be charged on the advance payment.

51.2 The Contractor is to use the advance payment only to pay for Equipment, Plant, Materials, and mobilization expenses required specifically for execution of the Contract. The Contractor shall demonstrate that advance payment has been used in this way by supplying copies of invoices or other documents to the Project Manager.

51.3 The advance payment shall be repaid by deducting proportionate amounts from payments otherwise due to the Contractor, following the schedule of completed percentages of the Works on a payment basis. No account shall be taken of the advance payment or its repayment in assessing valuations of work done, Variations, price adjustments, Compensation Events, Bonuses, or Liquidated Damages.

52. Securities

52.1 The Performance Security shall be provided to the Employer no later than the date specified in the Letter of Acceptance and shall be issued in an amount **specified in the SCC**, by a bank or surety acceptable to the Employer, and denominated in the types and proportions of the currencies in which the Contract Price is payable. The Performance Security shall be valid until a date 28 days later than the date of issue of the Certificate of Completion in the case of a Bank Guarantee, and until one year later than the date of issue of the Completion Certificate in the case of a Performance Bond.

53. Daywork

53.1 If applicable, the Daywork rates in the Contractor's Bid shall be used for small additional amounts of work only when the Project Manager has given written instructions in advance for additional work to be paid for in that way.

53.2 All work to be paid for as Daywork shall be recorded by the Contractor on forms approved by the Project Manager. Each completed form shall be verified and signed by the Project Manager within two days of the work being done.

53.3 The Contractor shall be paid for Dayworks subject to obtaining

signed Dayworks forms.

54. Cost of Repairs

54.1 Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Correction periods shall be remedied by the Contractor at the Contractor's cost if the loss or damage arises from the Contractor's acts or omissions.

E. Finishing the Contract

55. Completion

55.1 The Contractor shall request the Project Manager to issue a certificate of Completion of the Works, and the Project Manager shall do so upon deciding that the work is completed.

56. Taking Over

56.1 The Employer shall take over the Site and the Works within seven (7) days of the Project Manager's issuing a certificate of Completion.

57. Final Account

57.1 The Contractor shall supply the Project Manager with a detailed account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Project Manager shall issue a Defects Liability Certificate and certify any final payment that is due to the Contractor within 56 days of receiving the Contractor's account if it is correct and complete. If it is not, the Project Manager shall issue within 56 days a schedule that states the scope of the corrections or additions that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Project Manager shall decide on the amount payable to the Contractor and issue a payment certificate.

58. Operating and Maintenance Manuals

58.1 If "as built" Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates **stated in the SCC**.

58.2 If the Contractor does not supply the Drawings and/or manuals by the dates **stated in the SCC**, or they do not receive the Project Manager's approval, the Project Manager shall withhold the amount **stated in the SCC** from payments due to the Contractor.

59. Termination

59.1 The Employer or the Contractor may terminate the Contract if the other party causes a fundamental breach of the Contract.

59.2 Fundamental breaches of Contract shall include, but shall not be limited to, the following:

(a) the Contractor stops work for 28 days when no stoppage of

work is shown on the current Program and the stoppage has not been authorized by the Project Manager;

- (b) the Project Manager instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 28 days;
- (c) the Employer or the Contractor is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
- (d) a payment certified by the Project Manager is not paid by the Employer to the Contractor within 84 days of the date of the Project Manager's certificate;
- (e) the Project Manager gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Project Manager;
- (f) the Contractor does not maintain a Security, which is required;
- (g) the Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as **defined in the SCC**;
- (h) If as a result of the application of the Bank's sanctions system, the Bank and the Employer determine that the Contractor incurred, during the bidding process or in the execution of the Contract, in Fraud and Corruption or Prohibited Practices as established in Clause 60 of the CGC.

59.3 When either party to the Contract gives notice of a breach of Contract to the Project Manager for a cause other than those listed under GCC Sub-Clause 59.2 above, the Project Manager shall decide whether the breach is fundamental or not.

59.4 Notwithstanding the above, the Employer may terminate the Contract for convenience at any time.

59.5 If the Contract is terminated, the Contractor shall stop work immediately, make the Site safe and secure, and leave the Site as soon as reasonably possible.

60. Fraud and Corruption
[exclusive]

60.1 The Bank requires that all borrowers (including grant beneficiaries), executing agencies and contracting agencies as well as all firms, entities and individuals bidding for or

*clause for
loan
agreements
signed under
policy GN-
2349-7]*

participating in a Bank-financed project including, *inter alia*, bidders, suppliers, contractors, consultants and concessionaries (including their respective officers, employees and agents) adhere to the highest ethical standards, and report to the Bank all suspected acts of fraud or corruption of which they have knowledge or become aware both, during the Bidding Process and throughout negotiation or execution of a contract. Fraud and corruption are prohibited. Fraud and corruption include acts of: (a) corrupt practice, (b) fraudulent practice, (c) coercive practice and (d) collusive practice. The definitions set forth below involve the most common types of fraud and corruption but are not exhaustive. For this reason, the Bank shall also take action in the event of any similar deed or complaint involving alleged acts of fraud and corruption, even when these are not specified in the following list. The Bank shall in all cases proceed with the established procedure referred to in Clause 60.1 (c).

(i) The Bank defines, for the purposes of this provision, the terms set forth below:

- (a) A *corrupt practice* is the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
- (b) A *fraudulent practice* is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (c) A *coercive practice* is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to improperly influence the actions of a party; and
- (d) A *collusive practice* is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.

(ii) If the Bank, in accordance with its administrative procedures, demonstrates that any firm, entity or individual bidding for or participating in a Bank-financed project including, *inter alia*, borrowers, bidders, suppliers, contractors, subcontractors, consultant and concessionaires, executing agencies or contracting

agencies (including their respective officers, employees and agents) has engaged in an act of fraud or corruption, the Bank may:

- (a) decide not to finance any proposal to award a contract or a contract awarded for works, goods, and related services financed by the Bank;
 - (b) suspend disbursement of the operation if it is determined at any stage that evidence is sufficient to support a finding that an employee, agent or representative of the Borrower, Executing Agency or Employer has engaged in an act of fraud or corruption;
 - (c) cancel and/or accelerate repayment of, the portion of a loan or grant earmarked for a contract, when there is evidence that the representative of the Borrower, or Beneficiary of a grant, has not taken the adequate remedial measures within a time period which the Bank considers reasonable, and in accordance with the due process guarantees of the borrowing country's legislation;
 - (d) issue a reprimand in the form of a formal letter of censure of the firm, entity or individual's behavior;
 - (e) issue a declaration that an individual, entity or firm is ineligible, either permanently or for a stated period of time, to be awarded or participate in contracts under Bank-financed projects except under such conditions as the Bank deems to be appropriate;
 - (f) refer the matter to appropriate law enforcement authorities; and/or
 - (g) impose other sanctions that it deems to be appropriate under the circumstances, including the imposition of fines representing reimbursement to the Bank for costs associated with investigations and proceedings. Such other sanctions may be imposed in addition to or in lieu of other sanctions.
- (iii) The Bank has established administrative procedures for cases of allegations of fraud and corruption within the procurement process or the execution of a contract financed by the Bank which are available at the Bank's website (www.iadb.org), as updated from time to time. To that effect any complaint shall be submitted to the

Bank's Office of Institutional Integrity (OII) for the appropriated investigation. Allegations may be presented confidentially or anonymously.

- (iv) Payments are expressly conditional upon the claimant's participation in the procurement process conformed with all applicable Bank policies on Fraud and Corruption described in this Clause 60.1
- (v) The imposition of any action to be taken by the Bank pursuant to the provisions referred to paragraph (b) of this Clause may be public or private, in accordance with the policies of the Bank.

60.2 The Bank will have the right to require that, in contracts financed with a Bank loan, a provision be included requiring Bidders, suppliers, contractors, subcontractors, consultants and concessionaires to permit the Bank to inspect their accounts and records and any other documents relating to the submission of bids and contract performance and to have them audited by auditors appointed by the Bank. The Bank will have the right to require that, in contracts financed with a Bank loan, a provision be included requiring Bidders, suppliers, contractors, subcontractors, consultants and concessionaires to: (i) maintain all documents and records related to the Bank-financed project for three (3) years after completion of the work contemplated in the relevant Contract; and (ii) deliver any document necessary for the investigation of allegations of fraud or corruption and make available to the Bank the employees or agents of the Bidders, suppliers, contractors, subcontractors, consultants or concessionaires with knowledge of the Bank-financed project to respond to questions from Bank personnel or any properly designated investigator, agent, auditor or consultant relating to the review or audit of the documents. If the Bidder, supplier, contractor, subcontractor, consultant or concessionaire fails to comply with the Bank's request, or otherwise obstruct the Bank's review of the matter, the Bank, in its sole discretion, may take appropriate action against the Bidder, supplier, contractor, subcontractor, consultant or concessionaire.

60.3 Bidders shall represent and warrant:

- (a) that they have read and understood the Bank's prohibition against fraud and corruption and agrees to abide by the applicable rules;
- (b) that they have not engaged in any violation of

policies on fraud and corruption described herein;

- (c) that they have not misrepresented or concealed any material facts during the procurement or contract negotiation processes or performance of the contract;
- (d) that neither they nor any of their directors, officers or principal shareholders have been declared ineligible to be awarded Bank-financed contracts or have been convicted of a crime involving fraud or corruption;
- (e) that none of their directors, officers or principal shareholders has been a director, officer or principal shareholder of any other company or entity that has been declared ineligible to be awarded a Bank-financed contract or has been convicted of a crime involving fraud or corruption;
- (f) that all commissions, agents' fees, facilitating payments or revenue-sharing agreements related to the Bank-financed contract or consulting agreement have been disclosed;
- (g) that they acknowledge that the breach of any of these warranties constitute a basis for the imposition of any or a combination of the measures described in Clause 60.1 (b).

60. Prohibited Practices
[exclusive clause for loan agreements signed under policy GN-2349-9]

60.1 The Bank requires that all Borrowers (including grant beneficiaries), Executing Agencies and Contracting Agencies as well as all firms, entities and individuals bidding for or participating in a Bank-financed activity including, *inter alia*, applicants, bidders, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers and concessionaires (including their respective officers, employees and agents irrespective of whether the agency is express or implied), adhere to the highest ethical standards, and report to the Bank² all suspected acts of Prohibited Practices of which they have knowledge or become aware both, during the bidding process and throughout negotiation or execution of a contract. Prohibited Practices include acts of: (i) corrupt practices, (ii) fraudulent practices, (iii) coercive practices, and (iv) collusive practices and (v) obstructive practices. The Bank has established mechanisms to report

² Information on how to present allegations of Prohibited Practices, the applicable rules regarding the investigation and sanctions process, and the agreement regulating the mutual recognition of sanctions among the IFIs are available on the Bank's website (www.iadb.org/integrity).

allegations of Prohibited Practices. Any allegation shall be submitted to the Bank's Office of Institutional Integrity (OII) for the appropriate investigation. The Bank has also adopted sanctions procedures to adjudicate cases. The Bank has also entered into agreements with other International Financial Institutions (IFIs) to mutually recognize sanctions imposed by their respective sanctioning bodies.

(a) The Bank defines, for the purposes of this provision, the terms set forth below:

(i) A "*corrupt practice*" which is the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;

(ii) A "*fraudulent practice*" is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;

(iii) A "*coercive practice*" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;

(iv) A "*collusive practice*" is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party; and

(v) An "*obstructive practice*" which is:

a.a. deliberately destroying, falsifying, altering or concealing evidence material to the investigation or making false statements to investigators in order to materially impede a Bank Group investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or

b.b. acts intended to materially impede the exercise of the Bank's inspection and audit rights provided

for under paragraph 60.1 (f) below.

- (b) If, in accordance with the Sanctions Procedures of the Bank, it is determined that at any stage of the procurement or implementation of a contract any firm, entity or individual bidding for or participating in a Bank-financed activity including, *inter alia*, applicants, bidders, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, goods or service providers, concessionaires, Borrowers (including grant Beneficiaries) Executing Agencies or Contracting Agencies (including their respective officers, employees and agents irrespective of whether the agency is express or implied) engaged in a Prohibited Practice the Bank may:
- (i) not finance any proposal to award a contract for works, goods or services, and consulting services;
 - (ii) suspend disbursement of the operation if it is determined at any stage that an employee, agent or representative of the Borrower, Executing Agency or Employer has engaged in a Prohibited Practice;
 - (iii) declare Misprocurement and cancel, and/or accelerate repayment of the portion of a loan or grant earmarked for a contract, when there is evidence that the representative of the Borrower, or Beneficiary of a grant, has not taken the adequate remedial measures (including, *inter alia*, providing adequate notice to the Bank upon learning of the Prohibited Practice) within a time period which the Bank considers reasonable;
 - (iv) issue the firm, entity or individual a reprimand in the form of a formal letter of censure for its behavior;
 - (v) declare that a firm, entity, or individual is ineligible, either permanently or for a stated period of time, to
 - (i) be awarded a contract or participate in activities financed by the Bank; and
 - (ii) be nominated³ sub-consultant, sub-contractor, supplier or service provider of an otherwise eligible firm being awarded a Bank-financed contract;

³ A nominated sub-consultant, sub-contractor, supplier, or service provider (different names are used depending on the particular bidding document) is one which has either been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

- (vi) refer the matter to appropriate law enforcement authorities; and/or
 - (vii) impose other sanctions that it deems to be appropriate under the circumstances, including the imposition of fines representing reimbursement of the Bank for costs associated with investigations and proceedings. Such other sanctions may be imposed in addition to or in lieu of the sanctions referred above.
- (c) The provisions of sub-paragraphs 60.1 (b) (i) and (ii) shall also be applicable when such parties have been temporarily suspended from eligibility to be awarded additional contracts pending a final outcome of a sanction proceeding, or otherwise.
- (d) The imposition of any action to be taken by the Bank pursuant to the provisions referred to above will be public.
- (e) In addition, any firm, entity or individual bidding for or participating in a Bank-financed activity including, inter alia, applicants, bidders, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers, concessionaires, Borrowers (including grant Beneficiaries), Executing Agencies or Contracting Agencies (including their respective officers, employees, and agents, irrespective of whether the agency is express or implied) may be subject to sanctions pursuant to agreements that the Bank may have with other International Financial Institutions (IFIs) regarding the mutual enforcement of debarment decisions. For purposes of this paragraph the term “sanction” shall mean any debarment, conditions on future contracting or any publicly-disclosed action taken in response to a violation of an IFI’s applicable framework for addressing allegations of Prohibited Practices.
- (f) The Bank requires that all applicants, bidders, suppliers, and their agents, contractors, consultants, personnel, sub-contractors, service providers and concessionaires permit the Bank to inspect any and all accounts, records and other documents relating to the submission of bids and contract performance as well as to have them audited by auditors appointed by the Bank. Applicants, bidders, suppliers, and their agents, contractors, consultants, sub-contractors, sub-consultants, service providers and

concessionaires shall fully assist the Bank with its investigation. The Bank also requires that all applicants, bidders, suppliers, and their agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers and concessionaires: (i) maintain all documents and records related to the Bank-financed activities for seven (7) years after completion of the work contemplated in the relevant contract; and (ii) deliver any document necessary for the investigation of allegations of Prohibited Practices and make available employees or agents of the applicants, bidders, suppliers and their agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers or concessionaires with knowledge of the Bank-financed activities to respond to questions from Bank personnel or any properly designated investigator, agent, auditor or consultant relating to the investigation. If the applicant, bidder, supplier and its agent, contractor, consultant, personnel, sub-contractor, sub-consultant, service provider or concessionaire fails to cooperate and/or comply with the Bank's request, or otherwise obstructs the investigation, the Bank, in its sole discretion, may take appropriate action against the applicant bidder, supplier and its agent, contractor, consultant, personnel, sub-contractor, service provider or concessionaire.

- (g) If the procures goods or services, works or consulting services directly from a specialized agency, all provisions under section 60 regarding sanctions and Prohibited Practices shall apply in their entirety to applicants, bidders, suppliers and their agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers, and concessionaires, (including their respective officers, employees, and agents, irrespective of whether the agency is express or implied), or to any other entities that signed contracts with such specialized agency to supply such goods, works, or non-consulting services in connection with the Bank-financed activities. The Bank will retain the right to require the Borrower to invoke remedies such as contract suspension or termination. Specialized agencies shall consult the Bank's list of firms and individuals suspended or debarred. In the event a specialized agency signs a contract or purchase order with a firm, or an individual suspended or debarred by the Bank, the Bank will not finance the related expenditures and will apply other

remedies as appropriate.

60.2 By submitting bids Bidders represent and warrant:

- (a) that they have read and understood the Bank's definition of Prohibited Practices and the sanctions imposed in case Prohibited Practices take place and that they will comply with the rules applicable to those Practices and sanctions;
- (b) that they have not engaged in any Prohibited Practice as set forth herein;
- (c) that they have not misrepresented or concealed any material facts during the procurement or contract negotiation processes or during the performance of the contract;
- (d) that neither they nor their agents, personnel, sub-contractors, sub-consultants directors, officers or principal shareholders have been declared ineligible to be awarded a contract by the Bank or by another International Financial Institution (IFI) with which the Bank may have entered into an agreement for the mutual enforcement of sanctions or have been convicted of an offense involving a Prohibited Practice;
- (e) that none of their directors, officers or principal shareholders has been a director, officer or principal shareholder of any other company or entity that has been declared ineligible to be awarded a contract by the Bank or by another International Financial Institution (IFI) with which the Bank may have entered an agreement for the mutual enforcement of sanctions, or has been convicted of a crime involving a Prohibited Practice;
- (f) that all commissions, agents' fees, facilitating payments or revenue-sharing agreements related to the Bank-financed activities have been disclosed;
- (g) that they acknowledge that the breach of any of these representations may constitute a basis for the adoption by the Bank of one or more of the measures set forth in Clause 60.1 (b).

61. Payment upon Termination

- 61.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Project Manager shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate and less the percentage to apply to the value of

the work not completed, as **indicated in the SCC**. Additional Liquidated Damages shall not apply. If the total amount due to the Employer exceeds any payment due to the Contractor, the difference shall be a debt payable to the Employer.

- 61.2 If the Contract is terminated for the Employer's convenience or because of a fundamental breach of Contract by the Employer, the Project Manager shall issue a certificate for the value of the work done, Materials ordered, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works, and less advance payments received up to the date of the certificate.

62. Property

- 62.1 All Materials on the Site, Plant, Equipment, Temporary Works, and Works shall be deemed to be the property of the Employer if the Contract is terminated because of the Contractor's default.

63. Release from Performance

- 63.1 If the Contract is frustrated by the outbreak of war or by any other event entirely outside the control of either the Employer or the Contractor, the Project Manager shall certify that the Contract has been frustrated. The Contractor shall make the Site safe and stop work as quickly as possible after receiving this certificate and shall be paid for all work carried out before receiving it and for any work carried out afterwards to which a commitment was made.

64. Payment's Suspension of Bank Loan

- 64.1 In the event that the Bank suspends the Loan or Credit to the Employer, from which part of the payments to the Contractor are being made:
- (a) The Employer is obligated to notify the Contractor of such suspension within 7 days of having received the Bank's suspension notice.
 - (b) If the Contractor has not received sums due it within the 28 days for payment provided for in Sub-Clause 43.1, the Contractor may immediately issue a 14-day termination notice.

65. Eligibility

- 65.1 The Contractor and its Subcontractors shall have the nationality of a Bank's member country. A Contractor or Subcontractor shall be deemed to have the nationality of a country if it complies with the following requirements:
- (a) **An individual** is considered to be a national of a member country of the Bank if he or she meets either of the following requirements:

- (i) is a citizen of a member country; or
 - (ii) has established his/her domicile in a member country as a “bona fide” resident and is legally entitled to work in the country of domicile.
- (a) **A firm** is considered to have the nationality of a member country if it meets the two following requirements:
- (i) is legally constituted or incorporated under the laws of a member country of the Bank; and
 - (ii) more than fifty percent (50%) of the firm’s capital is owned by individuals or firms from member countries of the Bank.

65.2 All members of a JVCA and all subcontractors must meet the nationality criteria set forth above.

65.3 All the Goods and Related Services to be supplied under the Contract and financed by the Bank shall have their origin in any Bank’s member country. Goods have their origin in a member country of the Bank if they have been mined, grown, harvested, or produced in a member country of the Bank. A good has been produced when through manufacture, processing or assembly another commercially recognized article results that differs substantially in its basic characteristics, function or purpose of utility from its parts or components.

Section VI. Special Conditions of Contract

[Except where otherwise indicated, all SCC should be filled in by the Employer prior to issuance of the Bidding Document. Schedules and reports to be provided by the Employer should be annexed.]

A. General	
SCC 1.1 (m)	The Defects Liability Period is: <i>180 days from the completion date</i>
SCC 1.1 (o)	The Employer is: <i>Guyana Energy Agency, 295 Quamina Street, South Cummingsburg, Georgetown.</i> Authorised representative is: <i>Mfon Akpan</i>
SCC 1.1 (r)	The Intended Completion Date for the whole of the Works shall be: 120 days upon contract signing.
SCC 1.1 (u)	The Project Manager is: <i>Mr. Mfon Akpan, Guyana Energy Agency, 295 Quamina Street, Georgetown, Guyana</i>
SCC 1.1 (w)	The Site is located at <i>Bartica and Lethem</i> and is defined in the drawings in <i>Annexes 1.4 and 2.2 respectively</i>
SCC 1.1 (z)	The Start Date shall be: the date the commencement order is issued.
SCC 1.1 (dd)	<p>The Works consist of the design, supply of all materials, specialized equipment and construction of approximately 3.0 km of 13.8 kV, three wire (3W), three phase, bare conductor, overhead transmission lines at Bartica and Lethem in 2 Lots. The lines will interconnect the proposed solar PV Plants to the corresponding existing power plants in the respective towns and works will include but not be limited to the following:</p> <ol style="list-style-type: none"> 1. Route clearing, specifically involving the trimming and removal of trees and vegetations. 2. Site survey including route alignment and pole positioning 3. Pole planting and associated works for structures that require guying. 4. Overhead conductor installation inclusive of hardware and stringing of conductors. 5. Installation of earth sets inclusive of coper conductor, ground rods and other associated materials required for earthing. 6. Testing and commissioning of the lines. <p>The successful contractor will be required to work in close coordination with the Contractors awarded the solar PV Plants at Bartica and Lethem, the Hinterland Electrification Company Incorporated, Guyana Power and Light</p>

	Inc. and the Executing Agency.
SCC 2.2	Sectional Completions with different completion date to the completion date for the whole works are: Not applicable
SCC 2.3	<p>The following documents also form part of the Contract:</p> <ul style="list-style-type: none"> (a) Agreement (b) Approved Designs by the Employer (c) Specifications and Performance Conditions, (d) Letter of Acceptance, (e) Bid (f) Special Conditions of Contract, (g) General Conditions of Contract, (h) Specifications, (i) Blueprints, (j) Activity Schedules, and <p>Any other document that is specified in the SCC as a part of the whole Contract.</p>
SCC 3.1	<p>The language of the contract is English.</p> <p>The law that applies to the Contract is the law of: <i>the laws of the Cooperative Republic of Guyana</i></p>
SCC 8.1	Schedule of other contractors: Not Applicable
SCC 9.1	Key Personnel: Project Manager, Transmission Line Designer, Field Engineer, Health and Safety Officer, Construction Manager, Surveyor, Journeyman/Lineman, Journeyman/Poleman,
SCC 13.1	<p>The minimum insurance amounts and deductibles shall be:</p> <ul style="list-style-type: none"> (a) for loss or damage to the Works, Plant and Materials: GYD4,000,000 (b) For loss or damage to Equipment: GYD2,000,000 (c) for loss or damage to property (except the Works, Plant, Materials, and Equipment) in connection with Contract: GYD2,000,000 (d) for personal injury or death: <ul style="list-style-type: none"> (i) of the Contractor's employees: GYD4,500,000 (<i>each instance</i>) (ii) of other people: GYD4,500,000 (<i>each instance</i>)
SCC 14.1	Site Investigation Reports are: Environmental and Social Analysis Report (August 2018)

SCC 16.2	<p>ESHS Management Strategies and Implementation Plans</p> <p>The following is inserted as a new sub-clause 16.2:</p> <p>“16.2 The Contractor shall not carry out any Works, including mobilization and/or pre-construction activities (e.g. limited clearance for haul roads, site accesses and work site establishment, geotechnical investigations or investigations to select ancillary features such as quarries and borrow pits), unless the Project Manager is satisfied that appropriate measures are in place to address environmental, social, health and safety risks and impacts. At a minimum, the Contractor shall apply the Management Strategies and Implementation Plans and Code of Conduct, submitted as part of the Bid and agreed as part of the Contract. The Contractor shall submit, on a continuing basis, for the Project Manager’s prior approval, such supplementary Management Strategies and Implementation Plans as are necessary to manage the ESHS risks and impacts of ongoing works. These Management Strategies and Implementation Plans collectively comprise the Contractor’s Environmental and Social Management Plan (C-ESMP). The C-ESMP shall be approved prior to the commencement of construction activities (e.g. excavation, earth works, bridge and structure works, stream and road diversions, quarrying or extraction of materials, concrete batching and asphalt manufacture). The approved C-ESMP shall be reviewed, periodically (but not less than every six (6) months), and updated in a timely manner, as required, by the Contractor to ensure that it contains measures appropriate to the Works activities to be undertaken. The updated C-ESMP shall be subject to prior approval by the Project Manager.”</p>
SCC 21.1	<p>The Site Possession Date(s) shall be: the Date the commencement order is issued.</p>
SCC 25.2	<p>Fees and types of reimbursable expenses to be paid to the Adjudicator: USD100 per hour</p>
SCC 25.3	<p><i>“United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules:</i></p> <p><i>Sub-Clause 25.3—Any dispute, controversy, or claim arising out of or relating to this Contract, or breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.”</i></p> <p><i>or</i></p> <p><i>“Rules of Conciliation and Arbitration of the International Chamber of Commerce (ICC):</i></p> <p><i>Sub-Clause 25.3—All disputes arising in connection with the present Contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more</i></p>

	<p><i>arbitrators appointed in accordance with said Rules.”</i></p> <p><i>The place of arbitration shall be: [Georgetown, Guyana]</i></p>
SCC 26.1	Appointing Authority for the Adjudicator: The Attorney General, Ministry of Legal Affairs, Carmichael Street, Georgetown, Guyana
B. Time Control	
SCC 27.1	The Contractor shall submit for approval by the Project Manager a Program for the Works within 14 days from the date of the Letter of Acceptance.
SCC 27.2	<p>ESHS Reporting</p> <p>Inserted at the end of GCC 26.2:</p> <p>“In addition to the progress report, the Contractor shall also provide a report on the Environmental, Social, Health and Safety (ESHS) metrics set out in Appendix B. In addition to Appendix B reports, the Contractor shall also provide immediate notification to the Project Manager of incidents in the following categories. Full details of such incidents shall be provided to the Project Manager within the timeframe agreed with the Project Manager.</p> <ul style="list-style-type: none"> (a) confirmed or likely violation of any law or international agreement; (b) any fatality or serious (lost time) injury; (c) significant adverse effects or damage to private property (e.g. vehicle accident, damage from fly rock, working beyond the boundary) (d) major pollution of drinking water aquifer or damage or destruction of rare or endangered habitat (including protected areas) or species; or <p>any allegation of gender-based violence (GBV), sexual exploitation or abuse, sexual harassment or sexual misbehavior, rape, sexual assault, child abuse or defilement, or other violations involving children.</p>
SCC 27.3	<p>The period between Program updates is: [14] days.</p> <p>The amount to be withheld for late submission of an updated Program is: GYD25,000 per day</p>
C. Quality Control	
SCC 35.1	The Defects Liability Period is: 180 days.

D. Cost Control	
SCC 39.1	<p>At the end of 39.1 add after the first sentence:</p> <p>“The Contractor shall also provide information of any ESHS risks and impacts of the Variation.”</p>
SCC 42.7 New	<p>If the Contractor was, or is, failing to perform any ESHS obligations or work under the Contract, the value of this work or obligation, as determined by the Project Manager, may be withheld until the work or obligation has been performed, and/or the cost of rectification or replacement, as determined by the Project Manager, may be withheld until rectification or replacement has been completed. Failure to perform includes, but is not limited to the following:</p> <ul style="list-style-type: none"> (i) failure to comply with any ESHS obligations or work described in the Works’ Requirements which may include: working outside site boundaries, excessive dust, failure to keep public roads in a safe usable condition, damage to offsite vegetation, pollution of water courses from oils or sedimentation, contamination of land e.g. from oils, human waste, damage to archeology or cultural heritage features, air pollution as a result of unauthorized and/or inefficient combustion; (ii) failure to regularly review C-ESMP and/or update it in a timely manner to address emerging ESHS issues, or anticipated risks or impacts; (iii) failure to implement the C-ESMP e.g. failure to provide required training or sensitization; (iv) failing to have appropriate consents/permits prior to undertaking Works or related activities; (v) failure to implement remediation as instructed by the Engineer within the specified timeframe (e.g. remediation addressing non-compliance/s).
SCC 46.1	The currency of the Employer’s country is: Guyana Dollars
SCC 47.1	The Contract <i>[is not]</i> subject to price adjustment in accordance with GCC Clause 47, and the following information regarding coefficients <i>[does not]</i> apply.

SCC 48.1	<p>The proportion of payments retained is: Ten Percent (10%)</p> <p><i>[The retention amount is usually close to 5 percent and in no case exceeds 10 percent.]</i></p>
SCC 49.1	<p>The liquidated damages for the whole of the Works are: 0.05% of the Final Contract Price per day.</p> <p>The maximum amount of liquidated damages for the whole of the Works is 10% of the final Contract Price.</p>
SCC 50.1	<p>The Bonus for the whole of the Works is <i>[insert percentage of final Contract Price]</i> per day. The maximum amount of Bonus for the whole of the Works is <i>[insert percentage]</i> of the final Contract Price.</p> <p>Not Applicable</p>
SCC 51.1	<p>The Advance Payments shall be:</p> <p><i>(a) Advance Payment: Thirty percent (30%) of the Contract Price and shall be paid to the Contractor no later than 30 days after request. The payment shall be made against provision by the Contractor of a Bank Guarantee, or a Bond from an Insurance Company.</i></p> <p>The Payments Schedule shall be:</p> <p><i>(b) Thirty percent (30%) of the Contract Price upon installation of major hardware, such as, poles and pole structures, line and line hardware, etc. and have complied with the technical specifications.</i></p> <p><i>(c) Thirty percent (30%) of the Contract Price upon testing and acceptance of the interconnecting lines contracting agency.</i></p> <p><i>(d) Ten percent (10%) of the Contract Price upon expiry of the defects liability period barring the correction of defects.</i></p>
SCC 52.1	<p>The Performance Security amount is <i>[30% of the contract price in Guyana Dollars, or an equivalent in a freely convertible currency acceptable to the Employer]</i></p> <p>(a) Bank Guarantee: <i>[30% of the Contract Price]</i></p> <p>(b) Performance Bond: <i>[30% of the Contract Price]</i></p>
E. Finishing the Contract	
SCC 58.1	<p>The date by which operating, and maintenance manuals are required is on or before 180 days from contract signing.</p> <p>The date by which “as built” drawings are required is on or before 180 days</p>

	from contract signing.
SCC 58.2	The amount to be withheld for failing to produce “as built” drawings and/or operating and maintenance manuals by the date required in SCC 58.1 is GYD 1,000,000.
SCC 59.2 (g)	The maximum number of days is: 70 days
SCC 61.1	The percentage to apply to the value of the works not completed is: Ten percent (10%)

Section VII. Specifications & Performance Requirements

The full scope and specifications of goods and services required under this tender are detailed in the following Annexes:

Annex 1.0: Bartica 1.5MW Transmission Line Technical Specifications

Annex 2.0: Lethem 1.0MW Transmission Line Technical Specifications

Other supporting and relevant information can be found in the following Annexes:

Annex 3: GPL National Grid Code

Annex 4: Occupational Health and Safety

Annex 5: Environmental and Social Analysis Report

Section VIII. Drawings

Drawing can be found in the following Annexes:

Bartica

Annex 1.1: Bartica Diesel Power Plant – Floor Plan

Annex 1.2: Bartica Diesel Power Plant – Site Plan

Annex 1.3: Bartica Diesel Power Plant – Power Plant Interconnection Drawing

Annex 1.4: Bartica Solar Farm and Power Plant Location

Annex 1.5: Bartica Proposed Transmission Line Design – Route

Lethem

Annex 2.1: Lethem Power Plant Single Line Interconnection Layout

Annex 2.2: Location of Lethem Solar Farm and Power Plant

Annex 2.3: Lethem Proposed Transmission Line Layout

Section X. Forms of Contract

Samples of acceptable forms of Bid, Performance, and Advance Payment Securities are provided in this Section X. Bidders shall not complete the Performance and Advance Payment Security forms at this stage of the procurement process. Only the successful Bidder shall be required to provide these two securities.

If the ITB requires the selected bidder to submit the Beneficial Ownership declaration, it shall use the form in this Section.

1. Letter of Acceptance

[letterhead paper of the Employer]

[The Letter of Acceptance shall be the basis for formation of the Contract as described in ITB 34 and 35. This Standard Form of Letter of Acceptance shall be filled in and sent to the successful Bidder only after evaluation of bids has been completed, subject to any review by the Bank required under the Loan Agreement.]

[insert date]

Identification No and Title of Contract: *[insert identification number and title of the Contract]*

To: *[insert name and address of the selected Contractor]*

This is to notify you that your Bid dated *[insert date]* for execution of the *[insert name of the Contract and identification number, as given in the SCC]* for the Contract Price of the equivalent¹ of *[insert amount in numbers and words]* *[insert name of currency]*, as corrected and modified² in accordance with the Instructions to Bidders is hereby accepted by our Agency.

[insert one of the following (a) or (b) options]

- (a) We accept that *[insert name proposed by bidder]* be appointed as the Adjudicator.³
- (b) We do not accept that *[insert name proposed by bidder]* be appointed as Adjudicator, and by sending a copy of this Letter of Acceptance to *[insert name of the Appointing Authority]*, we are hereby requesting *[insert name]*, the Appointing Authority, to appoint the Adjudicator in accordance with ITB 37.1.⁴

You are hereby instructed to (a) proceed with the execution of the said Works in accordance with the Contract Documents, (b) sign and return the attached Contract Documents, and (c) forward the performance security pursuant to ITB 35.1, i.e., within 21 days after receipt of this Letter of Acceptance, and pursuant to GCC Sub-Clause 52.1

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Agency: _____

Attachment: Agreement

¹ Delete "of the equivalent" if the Contract Price is expressed wholly in one currency.

² Delete "corrected and" or "and modified" if not applicable. See Notes on Standard Form of Agreement, next page.

³ To be used only if the Contractor disagrees in the Bid with the Adjudicator proposed by the Employer in the Instructions to Bidders and has accordingly offered another candidate.

⁴ To be used only if the Contractor disagrees in the Bid with the Adjudicator proposed by the Employer in the ITB, has accordingly offered another candidate, and the Employer does not accept the counterproposal.

2. Agreement

[The Agreement shall incorporate any corrections or modifications to the Bid resulting from corrections of errors (ITB 28), price adjustment during the evaluation process (ITB 16.3, selection of an alternative offer (ITB 18), acceptable deviations (ITB 27), or any other mutually agreeable changes allowed for in the Conditions of Contract, such as changes in key personnel, subcontractors, scheduling, and the like.]

This Agreement made the *[insert day]* day of *[insert month]*, *[insert year]* between *[insert name and address of Employer]* (hereinafter called “the Employer”) and *[insert name and address of Contractor]* (hereinafter called “the Contractor”) of the other part.

Whereas the Employer is desirous that the Contractor execute *[insert name and identification number of Contract]* (hereinafter called “the Works”) and the Employer has accepted the Bid by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

Now this Agreement witnessed as follows:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to, and they shall be deemed to form and be read and construed as part of this Agreement.
2. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.
3. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

In Witness whereof the parties thereto have signed this Agreement to be executed the day and year first before written.

The Common Seal of *[Witness entity]* _____
was hereunto affixed in the presence of: _____

Signed, Sealed, and Delivered by the said _____
in the presence of: _____

Binding Signature of Employer [*signature of an authorized representative of the Employer*]

Binding Signature of Contractor [*signature of an authorized representative of the Contractor*]

3. Performance Bank Guarantee (Unconditional)

*[The **bank/successful Bidder** providing the Guarantee shall fill in this form in accordance with the instructions indicated in brackets, if the Employer requires this type of security.]*

[insert bank's name, and address of issuing branch or office]

Beneficiary: *[insert name and address of Employer]*

Date: *[insert date]*

PERFORMANCE GUARANTEE No.: *[insert Performance Guarantee number]*

We have been informed that *[insert name of Contractor]* (hereinafter called "the Contractor") has entered into Contract No. *[insert reference number of the Contract]* dated with you, for the execution of *[insert name of Contract and brief description of Works]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Contractor, we *[insert name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]* (*[insert amount in words]*),⁵ such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire no later than twenty-eight days from the date of issuance of the Taking-Over Certificate, calculated based on a copy of such Certificate which shall be provided to us, or on the *[insert number day of [insert month], [insert year],*⁶ whichever occurs first. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

⁵ The Guarantor (bank) shall insert an amount representing the percentage of the Contract Price specified in the Contract and denominated either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Employer.

⁶ Insert the date twenty-eight days after the expected Completion date. The Employer should note that in the event of an extension of the time for completion of the Contract, the Employer would need to request an extension of this Guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the Guarantee. In preparing this Guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this Guarantee for a period not to exceed [six months][one year], in response to the Employer's written request for such extension, such request to be presented to the Guarantor before the expiry of the Guarantee."

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No.758, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded.

[Signature(s) of an authorized representative(s) of the Bank]

4. Performance Bond

*[The **Surety/successful Bidder** providing the Bond shall fill in this form in accordance with the instructions indicated in brackets, if the Employer requires this type of security]*

By this Bond, *[insert name and address of Contractor]* as Principal (hereinafter called “the Contractor”) and *[insert name, legal title, and address of surety, bonding company, or insurance company]* as Surety (hereinafter called “the Surety”), are held and firmly bound unto *[insert name and address of Employer]* as Obligee (hereinafter called “the Employer”) in the amount of *[insert amount of Bond]* *[insert amount of Bond in words]*,¹ for the payment of which sum well and truly to be made in the types and proportions of currencies in which the Contract Price is payable, the Contractor and the Surety bind themselves, their heirs, executors, administrators, successors, and assigns, jointly and severally, firmly by these presents.

Whereas the Contractor has entered into a Contract with the Employer dated² the *[insert number]* day of *[insert month]*, *[insert year]* for *[insert name of Contract]* in accordance with the documents, plans, specifications, and amendments thereto, which to the extent herein provided for, are by reference made part hereof and are hereinafter referred to as the Contract.

Now, therefore, the Condition of this Obligation is such that, if the Contractor shall promptly and faithfully perform the said Contract (including any amendments thereto), then this obligation shall be null and void; otherwise it shall remain in full force and effect. Whenever the Contractor shall be, and declared by the Employer to be, in default under the Contract, the Employer having performed the Employer’s obligations thereunder, the Surety may promptly remedy the default, or shall promptly:

- (1) complete the Contract in accordance with its terms and conditions; or
- (2) obtain a Bid or bids from qualified bidders for submission to the Employer for completing the Contract in accordance with its terms and conditions, and upon determination by the Employer and the Surety of the lowest responsive Bidder, arrange for a Contract between such Bidder and Employer and make available as work progresses (even though there should be a default or a succession of defaults under the Contract or Contracts of completion arranged under this paragraph) sufficient funds to pay the cost of completion less the balance of the Contract Price; but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term “Balance of the Contract Price,” as used in this paragraph, shall mean the total amount payable by the Employer to the Contractor under the Contract, less the amount properly paid by the Employer to the Contractor; or

¹ An amount is to be inserted by the Surety, representing the percentage of the Contract Price specified in the Contract Data, and denominated either in the currency(ies) of the Contract or in a freely convertible currency of type and amount acceptable to the Employer.

² Date of Letter of Acceptance or Agreement.

- (3) pay the Employer the amount required by the Employer to complete the Contract in accordance with its terms and conditions up to a total not exceeding the amount of this Bond.

The Surety shall not be liable for a greater sum than the specified penalty of this Bond.

Any suit under this Bond must be instituted before the expiration of one year from the date of issuance of the Certificate of Completion.

No right of action shall accrue on this Bond to or for the use of any person or corporation other than the Employer named herein or the heirs, executors, administrators, successors, and assigns of the Employer.

In testimony whereof, the Contractor has hereunto set its hand and affixed its seal, and the Surety has caused these presents to be sealed with its corporate seal duly attested by the signature of its legal representative, this *[insert day]* day of *[insert month]*, *[insert year]*.

Signed by *[insert signature(s) of authorized representative(s)]*
on behalf of *[name of Contractor]* in the capacity of *[insert title(s)]*

In the presence of *[insert name and signature of witness]*
Date *[insert date]*

Signed by *[insert signature(s) of authorized representative(s) of Surety]*
on behalf of *[name of Surety]* in the capacity of *[insert title(s)]*

In the presence of *[insert name and signature of witness]*
Date *[insert date]*

5. Bank Guarantee for Advance Payment

*The **bank/successful bidder** providing the Guarantee shall fill in this form in accordance with the instructions indicated in brackets, if an Advance Payment is to be provided under the Contract*

[insert Bank's name, and address of issuing branch or office]

Beneficiary: *[insert name and address of Employer]*

Date: *[insert date]*

ADVANCE PAYMENT GUARANTEE No.: *[insert number]*

We have been informed that *[insert name of Contractor]* (hereinafter called "the Contractor") has entered into Contract No. *[insert reference number of the contract]* dated *[insert date]* with you, for the execution of *[insert name of contract and brief description of Works]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment is to be made against an advance payment guarantee in the sum or sums indicated below.

At the request of the Contractor, we *[insert name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]* (*[insert amount in words]*¹) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation under the Contract because the Contractor used the Advance Payment for purposes other than the costs of mobilization in respect of the Works.

It is a condition for any claim and payment under this guarantee to be made that the Advance Payment referred to above must have been received by the Contractor on its account number *[insert account number]* at *[insert name and address of Bank]*.

The maximum amount of this guarantee shall be progressively reduced by the amount of the Advance Payment repaid by the Contractor as indicated in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the Interim Payment Certificate indicating that eighty (80) percent of the Contract Price has been certified for payment, or on the *[insert number]* day of

¹ *The Guarantor shall insert an amount representing the amount of the Advance Payment and denominated either in the currency(ies) of the Advance Payment as specified in the Contract, or in a freely convertible currency acceptable to the Employer.*

[insert month], *[insert year]*,² whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 758.

[insert signature(s) of authorized representative(s) of bank]

² Insert the expected expiration date of the Time for Completion. The Employer should note that in the event of an extension of the Time for Completion of the Contract, the Employer would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: “ We agree to a one-time extension of this guarantee for a period not to exceed *[six months]**[one year]*, in response to the Employer’s written request for such extension, such request to be presented to us before the expiry of the guarantee.”

Invitation for Bids

[The Invitation for Bids (IFB) (see para. 2.8 of the Policies for the Procurement of Goods and Works financed by the IDB shall be issued as:

- (a) an advertisement in at least one newspaper of general circulation in the Borrower's country and in the official gazette (if it is available online), or in an electronic portal with free access if it is possible, where the country advertises all its business opportunities, and*
- (b) an advertisement in United Nations Development Business on-line, the Internet site of the Bank, and/or in well-known technical magazines (the latter being mandatory if specified in the Loan or Credit Agreement)*

[Advertising inquiries about the U.N. Development Business publication can be directed at: Development Business, Telephone: 1-212-963-1516; Facsimile: 1-212-963-1381; [Internet: www.devbusiness.com](http://www.devbusiness.com)]

The IFB provides information that enables potential bidders to decide whether to participate in the procurement process. The IFB shall specify any important bid evaluation criteria (for example, the application of a margin of preference in bid evaluation) and qualification requirements (for example, a requirement for a minimum level of experience in carrying out works of a similar type(s) and size to those for which the IFB is issued).

The IFB shall not be incorporated into the Bidding Document. However, the information included in the IFB shall conform to the Bidding Document and in particular to the information in the Bidding Data Sheet.

Invitation for Bids (IFB)

Country: The Cooperative Republic of Guyana

Name of Project: Energy Matrix Diversification and Institutional Strengthening of the Department of Energy (EMISDE)

Design, Supply and Installation of Transmission Lines to accommodate the Solar PV Plants at Bartica and Lethem in 2 Lots

Loan Number: 4676/BL-GY

ITB Number: 003/GY-L1066/GEA/2021

This invitation for Bids follows the General Procurement Notice for Project No. GY-L1066 that appeared in the daily newspapers of May 12, 2019.

The Government of Guyana has received a loan from the Inter-American Development Bank towards the implementation of the Energy Matrix Diversification and Institutional Strengthening of the Department of Energy Project, and it intends to apply part of the proceeds of this loan to payments under the Contract for the Design, Supply and Installation of Transmission Lines to accommodate the Solar PV Plants at Bartica and Lethem in 2 Lots.

The Guyana Energy Agency (GEA) now invites sealed bids from eligible and qualified bidders for the **Design, Supply and Installation of Transmission Lines to accommodate the Solar PV Plants at Bartica and Lethem in 2 Lots**. The delivery/construction period is specified in the bid document.

Bidding will be conducted through the National Competitive Bidding (NCB) procedures specified in the Inter-American Development Bank's Policies for the Procurement of Goods and Works financed by the Inter-American Development Bank and is open to all bidders from Eligible Source Countries as defined in the Bidding Document.

Interested eligible bidders may download the Bidding Documents from the GEA website at www.gea.gov.gy.

Questions are to be directed to the Project Coordinator Guyana Energy Agency 295 Quamina Street, South Cummingsburg, Georgetown or by E-mail at gea@gea.gov.gy.

Qualification requirements include but are not limited to NIS and GRA compliances (for bidders registered in Guyana), Valid Business and VAT Registration (where applicable), experience, financial and technical capacity. A margin of preference for national contractors/JVCAs shall not be applied.

The Bidding Document must be delivered in a sealed envelope and marked "***Design, Supply and Installation of Transmission Lines to accommodate the Solar PV Plants at Bartica***"

and Lethem in 2 Lots”, to the address below at or before Tuesday, May 4, 2021 at 9.00 a.m. Electronic submission of bidding document shall not be permitted. Late bids will be rejected.

Bids will be opened physically in the presence of the bidders’ representatives who choose to attend in person or on-line at the address below on Tuesday, May 4, 2021.

All bids shall be accompanied by a bid security of GYD1,000,000 or an equivalent amount in a freely convertible currency.

For submission and bid opening:

The Chairman,
National Procurement & Tender
Administration Board
Ministry of Finance
Main & Urquhart Streets
Georgetown, Guyana