



Ref. #: ITB-2010-016

Invitation to Bid

Subject: Power Transformers and 220/66/22 KV Electrical equipment Electrical Equipment & Switchgear for Gaza Substation.

Date: 14th July 2010

Dear Sir/Madam,

1 We hereby solicit your bid for the following two packages:

Lot # 1: Supply of Transformers and 220/66/22 KV Electrical equipment & Switchgear for Gaza Substation.

Lot # 2: Installation, Erection and Civil Works.

2 To enable you to submit a bid for Lot # 1, please find enclosed:

- Annex I Instructions to Bidders.
- Annex II Bid Data Sheet.
- Annex III General Terms and Conditions.
- Annex IV Special Conditions.
- Annex V Schedule of Requirements.
- Annex VI Technical Specifications.
- Annex VII Bid Submission Form.
- Annex VIII Price Schedule.
- Annex IX Lead time table
- Annex X Provisional items
- Annex XI Bid Securing Declaration

3 To enable you to submit a bid for Lot # 2, please find enclosed:

- Annex I Instructions to Bidders.
- Annex II Bid Data Sheet.
- Annex III Contracts for Works (form of)
- Annex IV General Terms and Conditions.
- Annex V Special Conditions.
- Annex VI Statement of Works.
- Annex VII Technical Specifications.
- Annex VIII Bid Submission Form.
- Annex VIII Drawings
- Annex IX Price Schedule (BOQ).
- Annex X Required Forms.
- Annex XI Prequalification Questionnaire

4 Bids must be delivered to one of the following addresses on or before 11:00 hrs (Jerusalem time) on 19th August 2010. Late bids shall be rejected.

UNDP/PAPP Office-Jerusalem 4A Yakubi St., 91191, P.O. Box: 51359	UNDP/PAPP Office – Gaza Omar Bin Abdel Aziz Street Al Remal
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5 Bids will be opened in the presence of Bidders' Representatives, who chose to attend at the above address, at 11:30 hrs (Jerusalem time) on 19th August 2010.

6 This letter is not to be construed in any way as an offer to contract with your firm.

Yours sincerely,


Emma Creighton
Procurement Specialist)



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Lot # (1)

Power Transformers and 220/66/22 KV Electrical equipment & Switchgear for Gaza Substation

Annex I

INSTRUCTIONS TO BIDDERS

Introduction

1. **General:** The Purchaser invites Sealed Bids for the supply of goods to UNDP.
2. **Eligible Bidders:** Bidders should not be associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the Purchaser to provide consulting services for the preparation of the design specifications, and other documents to be used for the procurement of goods to be purchased under this Invitation to Bid.
3. **Cost of Bid:** The Bidder shall bear all costs associated with the preparation and submission of the Bid, and the procuring UN entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the solicitation.

B. Solicitation Documents

4. **Examination of Solicitation Documents:** The Bidder is expected to examine all corresponding instructions, forms, terms and specifications contained in the Solicitation Documents. Failure to comply with these documents will be at the Bidder's risk and may affect the evaluation of the Bid.
5. **Clarification of Solicitation Documents:** A prospective Bidder requiring any clarification of the Solicitation Documents may notify the procuring entity in writing. The response will be made in writing to any request for clarification of the Solicitation Documents that it receives earlier than two weeks prior to the Deadline for the Submission of Bids. Written copies of the response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective Bidders that received the Solicitation Documents.
6. **Amendments of Solicitation Documents:** No later than two weeks prior to the Deadline for Submission of Bids, the procuring entity may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, amend the Solicitation Documents. All prospective Bidders that have received the Solicitation Documents will be notified in writing of any amendments. In order to afford prospective Bidders reasonable time in which to take the amendments into account in preparing their offers, the procuring entity may, at its discretion, extend the Deadline for the Submission of Bids.

C. Preparation of Bids

7. **Language of the Bid:** The Bid prepared by the Bidder and all correspondence and documents relating to the Bid exchanged by the Bidder and the procuring entity shall be written in the language indicated on the Bid Data Sheet.
8. **Documents Comprising the Bid:**



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The Bid must comprise the following documents:

- (a) a Bid Submission form;
- (b) a Price Schedule completed in accordance with the Annexure V, VI and VIII and clause 11 of Instructions to Bidders;
- (c) documentary evidence established in accordance with clause 9 of Instructions to Bidders that the Bidder is eligible to and is qualified to perform the contract if its Bid is accepted,
- (d) documentary evidence established in accordance with clause 10 of Instructions to Bidders that the goods and ancillary services to be supplied by the Bidder are eligible goods and services and conform to the Bidding Documents;

9. Documents Establishing Bidder's Eligibility and Qualifications:

The Bidder shall furnish evidence of its status as qualified Supplier. The documentary evidence of the Bidder's qualifications to perform the contract if its Bid is accepted shall be established to the Purchaser's satisfaction:

- (a) that, in the case of a Bidder offering to supply goods under the contract which the Bidder did not manufacture or otherwise produce, the Bidder has been duly authorised by the goods' manufacturer or producer to supply the goods in the country of final destination.
- (b) that the Bidder has the financial, technical, and production capability necessary to perform the contract.

10. Documents Establishing Goods' Conformity to Bidding Documents:

The Bidder shall also furnish as part of its Bid, documents establishing the conformity to the Bidding Documents of all goods and related services which the Bidder proposes to supply under the contract.

The documentary evidence of conformity to the Bidding Documents may be in the form of literature, drawings, and data, and shall consist of:

- (a) A detailed description of the essential technical and performance characteristics of the goods;
- (b) A list giving full particulars, including available sources and current prices of spare parts, special tools, etc, necessary for the proper and continuing functioning of the goods for a period to be specified in the Bid Data Sheet, following commencement of the use of the goods.

11. Bid Currencies/Bid Prices: All prices shall be quoted in US dollars or any other convertible currency. The Bidder shall indicate on the appropriate Price Schedule the unit prices (where applicable) and total Bid Price of the goods it proposes to supply under the contract.

12. Period of Validity of Bids: Bids shall remain valid for 120 days after the date of Bid Submission prescribed by the procuring UN entity pursuant to clause 16 of Instructions to Bidders. A Bid valid for a shorter period may be rejected as non-responsive pursuant to clause 20 of Instructions to Bidders. In exceptional circumstances, the procuring UN entity may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. Bidders granting the request will not be required nor permitted to modify their Bids.

13. Bid Security:

- (a) The Bidder shall furnish as part of its Bid a Bid Security to the Purchaser in the amount of 5 % of the Offer Value.
- (b) The Bid Security is to protect the Purchaser against the risk of the Bidder's conduct which would warrant the security's forfeiture, pursuant to Clause 13(g) below.
- (c) The Bid Security shall be denominated in the currency of the Purchase Order or in a freely convertible currency and shall be in one of the following forms:



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- i. bank guarantee or irrevocable letter of credit, issued by a reputable bank located in the purchaser's country or abroad, and in the form provided in these Solicitation Documents, or,
 - ii. cashier's cheque, or certified cheque.
- (d) Any Bid not secured in accordance with Clauses 13 a) and 13 c) above will be rejected by the Purchaser as non-responsive pursuant to clause 20 of Instructions to Bidders.
- (e) Unsuccessful Bidder Bid Security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of Bid Validity prescribed by the Purchaser pursuant to clause 12 of instructions to Bidders.
- (f) The successful Bidder's Bid Security will be discharged or returned upon the Bidder signing the Purchase Order, pursuant to clause 26 of Instructions to Bidders, and furnishing the Performance Security, pursuant to clause 27 of Instructions to Bidders.
- (g) The Bid Security may be forfeited:
 - i. If a Bidder withdraws its offer during the period of the Bid Validity specified by the Bidder on the Bid Submission Form, or,
 - ii. In the case of a successful Bidder, if the Bidder fails to:
 - sign the Purchase Order in accordance with Clause 26 of Instructions to Bidders, or,
 - furnish Performance Security in accordance with Clause 27 of Instructions to Bidders.

D. Submission of Bids

14. **Format and Signing of Bid:** The Bidder shall prepare two copies of the Bid, clearly marking each "Original Bid" and "Copy of Bid" as appropriate. In the event of any discrepancy between them, the original shall govern. The two copies of the Bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorised to bind the Bidder to the contract. A Bid shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Bidder, in which case such corrections shall be initialled by the person or persons signing the bid.
15. **Sealing and Marking of Bids:**
 - 15.1 The Bidder shall seal the original and each copy of the Bid in separate envelopes, duly marking the envelopes as "ORIGINAL" and "COPY". The envelopes shall then be sealed in an outer envelope.
 - 15.2 The inner and outer envelopes shall:
 - (a) be addressed to the Purchaser at the address given in section I of these Solicitation Documents; and
 - (b) make reference to the "subject" indicated in section I of these Solicitation Documents, and a statement: "DO NOT OPEN BEFORE", to be completed with the time and the date specified in section I of these Solicitation Documents for Bid Opening pursuant to clause 16 of Instructions to Bidders.
 - 15.3 The inner and outer envelopes shall also indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared "late".
 - 15.4 If the outer envelope is not sealed and marked as required by clause 15.2 of Instructions to Bidders, the Purchaser will assume no responsibility for the Bid's misplacement or premature opening.
16. **Deadline for Submission of Bids/Late Bids:**
 - 16.1 Bids must be delivered to the office on or before the date and time specified in section I of these Solicitation Documents.
 - 16.2 The Purchaser may, at its discretion, extend this deadline for the submission of the bids by amending the Bidding Documents in accordance with clause 6 of Instructions to Bidders, in



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which case all rights and obligations of the Purchaser and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

16.3 Any Bid received by the Purchaser after the Deadline for Submission of Bids will be rejected and returned unopened to the Bidder.

17. Modification and Withdrawal of Bids: The Bidder may withdraw its Bid after submission, provided that written notice of the withdrawal is received by the procuring UN entity prior to the deadline for submission. No Bid may be modified after passing of the Deadline for Submission of Bids. No Bid may be withdrawn in the interval between the Deadline for Submission of Bids and the expiration of the Period of Bid Validity.

E. Opening and Evaluation of Bids

18. Opening of Bids:

18.1 The Purchaser will open all Bids in the presence of Bidders' Representatives who choose to attend, at the time, on the date, and at the place specified in section I of this Solicitation Document. The Bidders' Representatives who are present shall sign a register evidencing their attendance.

18.2 The bidders' names, Bid Modifications or withdrawals, bid Prices, discounts, and the presence or absence of requisite Bid Security and such other details as the purchaser, at its discretion, may consider appropriate, will be announced at the opening. No Bid shall be rejected at Bid Opening, except for Late Bids, which shall be returned unopened to the Bidder pursuant to clause 20 of Instructions to Bidders.

18.3 Bids (and modifications sent pursuant to clause 17 of Instructions to Bidders) that are not opened and read out at Bid Opening shall not be considered further for evaluation, irrespective of the circumstances. Withdrawn Bids will be returned unopened to the Bidders.

18.4 The Purchaser will prepare minutes of the Bid Opening.

19. Clarification of Bids: To assist in the examination, evaluation and comparison of Bids the procuring UN entity may at its discretion ask the Bidder for clarification of its Bid. The request for clarification and the response shall be in writing and no change in price or substance of the Bid shall be sought, offered or permitted.

20. Preliminary Examination:

20.1 Prior to the detailed evaluation, the Purchaser will determine the substantial responsiveness of each Bid to the Invitation to Bid (ITB). A substantially responsive Bid is one which conforms to all the terms and conditions of the ITB without material deviations.

20.2 The Purchaser will examine the bids to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the bids are generally in order.

20.3 Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Bidder does not accept the correction of errors, its Bid will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.

20.4 A Bid determined as not substantially responsive will be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the non-conformity.



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21. **Conversion to Single Currency:** To facilitate evaluation and comparison, the Purchaser will convert all Bid Prices expressed in the amounts in various currencies in which the Bid Prices are payable to US dollars at the official UN exchange rate on the last day for Submission of Bids.
22. **Evaluation of Bids:** Determination of compliance with the Solicitation Documents is based on the content of the Bid itself without recourse to extrinsic evidence.

Evaluation Criteria	
1.1	Compliance with pricing conditions set in the ITB.
1.2	Compliance with requirements relating to technical design features or the product's ability to satisfy functional requirements.
1.3	Compliance with Special and General Conditions specified by these Solicitation Documents.
1.4	Compliance with start-up, delivery or installation deadlines set by the procuring entity.
1.5	Demonstrated ability to comply with critical provisions such as execution of the Purchase Order by honouring the tax-free status of the UN.
1.6	Demonstrated ability to honour important responsibilities and liabilities allocated to Supplier in this ITB (e.g. performance guarantees, warranties, or insurance coverage, etc).
1.7	Proof of after-sales service capacity and appropriateness of service network.

F. Award of Contract

23. **Award Criteria:** The procuring UN entity will Issue the Purchase Order to the lowest priced technically qualified Bidder. The Purchaser reserves the right to accept or reject any Bid, to annul the solicitation process and reject all Bids at any time prior to award of purchase order, without thereby incurring any liability to the affected Bidder(s) or any obligation to provide information on the grounds for the purchaser's action.
24. **Purchaser's Right to Vary Requirements at Time of Award:** The Purchaser reserves the right at the time of making the award of contract to increase or decrease by up to 15 % the quantity of goods specified in the Schedule of Requirements without any change in unit price or other terms and conditions.
25. **Notification of Award:** Prior to the expiration of the period of Bid Validity, the Purchaser will send the successful Bidder the Purchase Order. The Purchase Order may only be accepted by the Supplier's signing and returning an acknowledgement copy of it or by timely delivery of the goods in accordance with the terms of this purchase order, as herein specified. Acceptance of this Purchase Order shall affect a contract between the parties under which the rights and obligations of the parties shall be governed solely by the terms and conditions of this purchase order.
26. **Signing of the Purchase Order:** Within 30 days of receipt of the Purchase Order the successful Bidder shall sign, date and return it to the purchaser.
27. **Performance Security:** The successful Bidder shall provide the Performance Security on the Performance Security Form provided for in these Solicitation Documents, within 30 days of receipt of the Purchase Order from the purchaser.

Failure of the successful Bidder to comply with the requirement of clause 26 or clause 27 of Instructions to Bidders shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security, in which event the Purchaser may make the award to the next lowest evaluated Bidder or call for new Bids.



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Power Transformers and 220/66/22 KV Electrical equipment & Switchgear for Gaza Substation.

Annex II BID DATA SHEET

The following specific data for the goods to be procured shall complement, supplement, or amend the provisions in the Instruction to Bidders. Whenever there is a conflict, the provisions herein shall prevail over those in the Instructions to Bidders.

Relevant clause(s) of Instruction to Bidders	Specific data complementing, supplementing, or amending instructions to Bidders
Language of the Bid	English
Clarifications	<p>Clarifications should be requested in writing by sending an e-mail to: proc3.papp@undp.org</p> <p>All answers to clarifications received before 23rd July 2010 will be posted on the designated website no later than 27th July 2010. No further clarifications will be accepted after 23rd July 2010.</p>
Bid Price	<p>The prices quoted shall be as per following INCOTERMS 2000 from supplier's warehouse to Gaza City to include loading, un-loading, in-land transportation and stacking at beneficiary warehouses</p> <p><input type="checkbox"/> FOB <input type="checkbox"/> FCA <input type="checkbox"/> CPT <input checked="" type="checkbox"/> DDU <input type="checkbox"/> Other.....</p> <p>Delivery options are also required to be provided as provisional items for all equipment separately as follows:</p> <p>(a) Delivery from supplier location to West Bank (b) Delivery from West Bank to Gaza</p>
Documents comprising the bid	<p>The following documents should be submitted by the bidder:</p> <p>(a) Bid Submission Form (Annex VII) (b) Bid Securing Declaration (Annex XII). (c) Price Schedule (Annex VIII) (d) Written power of attorney, authorising the signatory of the bid to commit the bidder (e) All documents listed below in "Documents Establishing Bidder's Eligibility & Qualifications".</p>



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<p>Documents Establishing Bidder's Eligibility & Qualifications</p>	<p>(a) Company registration certificate to show company is a legal entity in which country</p> <p>(b) Company profile, including detailed range of products, location of offices, factory facilities and contact details of key personnel. Company must be able to demonstrate 10 years of experience in the supply, integration, manufacture, installation, testing, commissioning, training and maintenance of power transformers and associated switchgear and protection & control panels.</p> <p>(c) Litigation history for the past 3 years, to demonstrate that no significant litigation is ongoing that may effective the capacity of the supplier.</p> <p>(d) Audited financial reports for the most recent 3 years. The reports must demonstrate the following as a minimum in order to be considered:</p> <p>(i) Quick ratio should be greater than 1 for each of the last 3 years</p> <p>(ii) Annual average turnover of US\$10million over the past 3 years</p> <p>(e) List of multi-million US dollar contracts successfully completed as the prime contractor within the past 3 years. At least 5 contracts of a similar nature must have been successfully completed in complex country environments within the last 3 years, each with a value exceeding US\$2.5 million.</p> <p>(f) Current Quality certification ISO9001:2001/2008 or equivalent</p> <p>(g) Documentation showing that the company is authorised to supply, integrate, install and provide maintenance for ABB and Maschinenfabrik Reinhausen equipment</p> <p>(h) Details of Joint Venture (if applicable) Please ensure that if a JV is submitted that all documents requested above should be submitted by all parties.</p> <p>(f) Work plan, detailing project timeline and milestones from acceptance of order to installation and commissioning equipment in addition to personnel roles and responsibilities.</p> <p><u>Capacity of transformer manufacturer</u></p> <p>(g) The following documentation/information should be provided related to the transformer manufacturer:</p> <ul style="list-style-type: none"> • Name of manufacturer • Place of manufacture • Location where Factory Acceptance Test would take place • Profile of manufacturing company • ISO9001:2000/2008 accreditation certificate • Quality system organigram • Details of Quality Manager • List of major contracts satisfactory completed in the last 5 years, including contact details of clients who can be contacted for reference purposes <p><u>Equipment</u></p> <p>(h) Detailed specifications, including full technical data of all proposed equipment</p>
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	<p>(i) Complete the following Technical Schedules from Annex V with required information:</p> <ul style="list-style-type: none"> • Schedule A - Equipment not complying to IEC Standard Recommendations, but to equivalent recognized standard • Schedule B - Transformer datasheet – Item 1 - Step-down Power Transformer • Schedule C - Transformer datasheet – Item 2 - Step-up Power Transformer • Schedule D – Drawings (Transformers) • Schedule E – Technical Guarantees, 220 KV Equipment • Schedule F – Drawings (220 KV Equipment) <p><u>Warranty and Training</u></p> <p>(j) Training that will be provided for operation and daily maintenance of equipment</p> <p>(k) Full details of 24 month warranty</p> <p>(l) Options for extended warranty for a period up to 10 years. Options should be priced separately as provisional items.</p> <p>(m) Maintenance Schedule for installed equipment and details of how/who should undertake this maintenance</p> <p>(n) Confirmation that spare parts will be available in the market minimum of 10 years</p> <p><u>Pricing</u></p> <p>(o) Completion of Annex VIII –Summary of Pricing</p> <p>(p) Complete breakdown of information in Annex VIII – Summary of Pricing</p>			
Time for Completion	Ten (10) Months from the date of issuance of notice to proceed by the UNDP Engineer after contract award.			
Bid Validity Period.	X 120 days <input type="checkbox"/> If different, specify.....			
Bid Security	<input type="checkbox"/> Not Required <input checked="" type="checkbox"/> Required. Please sign and stamp the bid securing declaration attached as Annex XII.			
Preliminary Examination – completeness of bid.	<p><input type="checkbox"/> Partial bids permitted <input checked="" type="checkbox"/> Partial bids not permitted</p> <p>This ITB consists of 2 Lots (Lot # 1 for Supplying Goods and Lot # 2 For Erections and Civil works). It is mandatory that bidders bid fully for the two lots. If a bidder fails to bid for the two lots in full, <u>the bidder submission will be rejected..</u></p> <p>UNDP/PAPP reserves the right to conduct site visit/s to potential suppliers before final recommendation and award of the contract. UNDP/PAPP will bear all expenses associated with the site visits.</p>			
Purchaser's Right to Vary	<table border="0" style="width: 100%;"> <tr> <td style="width: 33%;">X 25% increase or</td> <td style="width: 33%;"><input type="checkbox"/> Condition waived</td> <td style="width: 33%;"><input type="checkbox"/> Condition applies</td> </tr> </table>	X 25% increase or	<input type="checkbox"/> Condition waived	<input type="checkbox"/> Condition applies
X 25% increase or	<input type="checkbox"/> Condition waived	<input type="checkbox"/> Condition applies		



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Requirements at Time of Award	decrease		but change limit to%
Compliance with any other clause required?	X No <input type="checkbox"/> If yes, specify:		



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Lot # (1)

Supply of Power Transformers and 220/66/22 KV Electrical equipment & Switchgear for Gaza Substation.

Annex III

General Terms and Conditions

1. ACCEPTANCE OF THE PURCHASE ORDER

This Purchase Order may only be accepted by the Supplier's signing and returning an acknowledgement copy of it or by timely delivery of the goods in accordance with the terms of this Purchase Order, as herein specified. Acceptance of this Purchase Order shall effect a contract between the Parties under which the rights and obligations of the Parties shall be governed solely by the terms and conditions of this Purchase Order, including these General Conditions. No additional or inconsistent provisions proposed by the Supplier shall bind UNDP unless agreed to in writing by a duly authorized official of UNDP.

2. PAYMENT

- 2.1 UNDP shall, on fulfilment of the Delivery Terms, unless otherwise provided in this Purchase Order, make payment within 30 days of receipt of the Supplier's invoice for the goods and copies of the shipping documents specified in this Purchase Order.
- 2.2 Payment against the invoice referred to above will reflect any discount shown under the payment terms of this Purchase Order, provided payment is made within the period required by such payment terms.
- 2.3 Unless authorized by UNDP, the Supplier shall submit one invoice in respect of this Purchase Order, and such invoice must indicate the Purchase Order's identification number.
- 2.4 The prices shown in this Purchase Order may not be increased except by express written agreement of UNDP.

3. TAX EXEMPTION

- 3.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter alia, that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for utilities services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize UNDP's exemption from such taxes, duties or charges, the Supplier shall immediately consult with UNDP to determine a mutually acceptable procedure.
- 3.2 Accordingly, the Supplier authorizes UNDP to deduct from the Supplier's invoice any amount representing such taxes, duties or charges, unless the Supplier has consulted with UNDP before the payment thereof and UNDP has, in each instance, specifically authorized the Supplier to pay such taxes, duties or charges under protest. In that event, the Supplier shall provide UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

4. RISK OF LOSS

Risk of loss, damage to or destruction of the goods shall be governed in accordance with DDU Incoterms 2000, unless otherwise agreed upon by the Parties on the front side of this Purchase Order.

5. EXPORT LICENCES



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Notwithstanding any INCOTERM 2000 used in this Purchase Order, the Supplier shall obtain any export licences required for the goods.

6. FITNESS OF GOODS/PACKAGING

The Supplier warrants that the goods, including packaging, conform to the specifications for the goods ordered under this Purchase Order and are fit for the purposes for which such goods are ordinarily used and for purposes expressly made known to the Supplier by UNDP, and are free from defects in workmanship and materials. The Supplier also warrants that the goods are contained or packaged adequately to protect the goods.

7. INSPECTION

7.1 UNDP shall have a reasonable time after delivery of the goods to inspect them and to reject and refuse acceptance of goods not conforming to this Purchase Order; payment for goods pursuant to this Purchase Order shall not be deemed an acceptance of the goods.

7.2 Inspection prior to shipment does not relieve the Supplier from any of its contractual obligations.

8. INTELLECTUAL PROPERTY INFRINGEMENT

The Supplier warrants that the use or supply by UNDP of the goods sold under this Purchase Order does not infringe any patent, design, trade-name or trade-mark. In addition, the Supplier shall, pursuant to this warranty, indemnify, defend and hold UNDP and the United Nations harmless from any actions or claims brought against UNDP or the United Nations pertaining to the alleged infringement of a patent, design, trade-name or trade-mark arising in connection with the goods sold under this Purchase Order.

9. RIGHTS OF UNDP

In case of failure by the Supplier to fulfil its obligations under the terms and conditions of this Purchase Order, including but not limited to failure to obtain necessary export licences, or to make delivery of all or part of the goods by the agreed delivery date or dates, UNDP may, after giving the Supplier reasonable notice to perform and without prejudice to any other rights or remedies, exercise one or more of the following rights:

- a) Procure all or part of the goods from other sources, in which event UNDP may hold the Supplier responsible for any excess cost occasioned thereby.
- b) Refuse to accept delivery of all or part of the goods.
- c) Cancel this Purchase Order without any liability for termination charges or any other liability of any kind of UNDP.

10. LATE DELIVERY

Without limiting any other rights or obligations of the parties hereunder, if the Supplier will be unable to deliver the goods by the delivery date(s) stipulated in this Purchase Order, the Supplier shall (i) immediately consult with UNDP to determine the most expeditious means for delivering the goods and (ii) use an expedited means of delivery, at the Supplier's cost (unless the delay is due to Force Majeure), if reasonably so requested by UNDP.

11. ASSIGNMENT AND INSOLVENCY

11.1 The Supplier shall not, except after obtaining the written consent of UNDP, assign, transfer, pledge or make other disposition of this Purchase Order, or any part thereof, or any of the Supplier's rights or obligations under this Purchase Order.

11.2 Should the Supplier become insolvent or should control of the Supplier change by virtue of insolvency, UNDP may, without prejudice to any other rights or remedies, immediately terminate this Purchase Order by giving the Supplier written notice of termination.



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12. USE OF UNDP OR UNITED NATIONS NAME OR EMBLEM

The Supplier shall not use the name, emblem or official seal of UNDP or the United Nations for any purpose.

13. PROHIBITION ON ADVERTISING

The Supplier shall not advertise or otherwise make public that it is furnishing goods or services to UNDP without specific permission of UNDP in each instance.

14. CHILD LABOUR

The Supplier represents and warrants that neither it nor any of its affiliates is engaged in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child, including Article 32 thereof, which, inter alia, requires that a child shall be protected from performing any work that is likely to be hazardous or to interfere with the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral or social development.

Any breach of this representation and warranty shall entitle UNDP to terminate this Purchase Order immediately upon notice to the Supplier, without any liability for termination charges or any other liability of any kind of UNDP.

15. MINES

The Supplier represents and warrants that neither it nor any of its affiliates is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.

Any breach of this representation and warranty shall entitle UNDP to terminate this Purchase Order immediately upon notice to the Supplier, without any liability for termination charges or any other liability of any kind of UNDP.

16. SETTLEMENT OF DISPUTES

16.1 Amicable Settlement

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Purchase Order or the breach, termination or invalidity thereof. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the Parties.

16.2 Arbitration

Unless, any such dispute, controversy or claim between the Parties arising out of or relating to this Purchase Order or the breach, termination or invalidity thereof is settled amicably under the preceding paragraph of this Section within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, such dispute, controversy or claim shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining, including its provisions on applicable law. The arbitral tribunal shall have no authority to award punitive damages. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

17. PRIVILEGES AND IMMUNITIES

United Nations Development Programme

Programme of Assistance to the Palestinian People

برنامج الأمم المتحدة الإنمائي/ برنامج مساعدة الشعب الفلسطيني



Ref. #: ITB-2010-016

Nothing in or related to these General Terms and Conditions or this Purchase Order shall be deemed a waiver of any of the privileges and immunities of the United Nations, including its subsidiary organs.



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Lot # (1)

Supply of Power Transformers and 220/66/22 KV Electrical equipment & Switchgear for Gaza Substation.

Annex IV Special Conditions

The following Special Conditions shall complement, supplement, or amend the General Conditions. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions.

Warranty/Guarantee	
<input checked="" type="checkbox"/> Applies <input type="checkbox"/> Does not apply	<p>If, within 24 months after the goods have been put into service, any defects are discovered or arise in the normal course of usage, the Supplier shall remedy the defect either by replacement or by repair.</p>
Liquidated damages	
<input checked="" type="checkbox"/> Applies <input type="checkbox"/> Does not apply	<p>If the Supplier fails to supply the specified goods within the time period(s) stipulated by the purchase order, the Purchaser shall, without prejudice to its other remedies under the contract, deduct from the Purchase Order price, as liquidated damages, a sum equivalent to 0.5 percent of the delivered price of the delayed goods for each week of delay until actual delivery, up to a maximum deduction of 10 percent of the delayed goods Purchase Order price. Once the maximum is reached, the Purchaser may consider termination of the Purchase Order</p>
Performance Security	
<input checked="" type="checkbox"/> Applies <input type="checkbox"/> Does not apply	<p>a) Within 30 days of receipt of the Purchase Order from the purchaser, the successful Bidder shall furnish a Performance Security to the Purchaser in the amount of 10% of the Purchase Order Value.</p> <p>b) The Performance Security shall be valid until a date 30 days from the date of Issue of a Satisfactory Certificate of Inspection and Testing by the procuring UN entity.</p> <p>c) The proceeds of the Performance Security shall be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its obligations under the contract.</p> <p>d) The Performance Security shall be denominated in the currency of the Purchase Order and shall be in one of the following form of a bank guarantee or irrevocable letter of credit, issued by a reputable bank located in the purchaser's country or abroad in the form provided in these Solicitation Documents.</p> <p>e) The Security will be returned to the Supplier within 30 days of completion of the Purchase order, including any warranty obligation.</p>



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Annex V SCHEDULE OF REQUIREMENTS

1. Project Description

The project falls under the program of support to the agriculture and electricity sector in the Gaza Strip. The aim of this project is to conduct all necessary upgrading works for the existing Gaza Power Plant & Gaza West Substation to increase the capacity of the installed transformers of the substation enabling the transmission of an extra 40 MW of electric power available at the Power Plant.

The work shall involve performing all the Electrical and Civil activities in the Gaza West Substation to render the power plant functional and operational with its full capacity.

The contractor shall visit the designated site for the work, to become familiar with the condition of the work areas, the structures, the vicinity and the free space available for doing the work and storage of supplied materials. In general the contractor should become familiar with all current conditions and circumstances which may affect the manner in which he will perform his works.

The prices proposed by the contractor after his visit to the sites shall be considered to include all that is required to carry out the work under the local conditions and the foreseeable and unforeseeable expenses which will be required to complete the work.

The contractor must exercise full coordination with UNDP/PAPP and the Palestinian Energy and Natural Resources Authority (PENRA) representatives at all stages of work.

2. This ITB consists of the following Lots:

Lot 1 – Supply of Goods

Lot 2 – Erections and Civil Works

It is mandatory that quotations are provided for Lot # 1, and Lot # 2.

Submissions that do not provide quotations for all items included in the 2 Lots will be disqualified.

3. The Schedule of Requirements details all items identified as required. Any additional spare parts that are not specified but are recommended by the supplier should be included in a response to this ITB. For any additional spare parts, full technical information and pricing should be provided.

4. Factory Acceptance Testing (FAT): will be undertaken on manufacturing site for all major Electrical Equipment and Switchgear, prior to any equipment being shipped. Full details of the location of the equipment manufacture and Factory Acceptance Testing site should be provided in response to this ITB.

5. Training: should be provided to the Power Substation staff and should be comprehensive enough to allow the Power Substation staff to be fully conversant with the working of all the equipment to a reasonable competence.

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- The Contractor shall provide his Training Proposal (activities & time-period) to efficiently carry out the above training program. It is recommended that the Supply Contractor integrate the above required training with the Factory Acceptance Testing.
 - The training shall include , at minimum the following topics:
 - Storage Conditions & Precautions, Preservation, Mounting, Assembling, Dismantling, Operating Mechanism, Performance, Protection, Control for the H.V.& M.V. Electrical Switchgear & Electro-mechanical Auxiliary Systems.
 - Loading and De-loading Conditions and Precautions of Power Transformers, Preservation & Inspection Requirements during long storage, Various Required Testing and Dehydration Techniques .
 - Inspection and Maintenance of On/Off-Load Power Transformers (Preventive & Routine Maintenance)
 - HV Switchgear and Equipment Maintenance & Repair (CBs, DSs, ESs, CTs & VTs, etc,...)
6. UNDP will provide the supplier with customs clearance documentation. Shipment of any equipment should not be undertaken until UNDP has provided the necessary documentation and confirmation that the equipment can be shipped.
 7. Acceptance testing of all installed equipment should be undertaken and certified as acceptable to UNDP before final payment shall be made.
 8. The warranty period of all equipment shall commence following certification of Acceptance Testing by UNDP.
 9. A full Delivery plan should be provided by the supplier in response to this ITB. The plan should include all key milestones from the date of PO acceptance by the supplier to final acceptance certification by UNDP.
 10. The Contractor shall provide comprehensive manuals, catalogues and written instructions to UNDP for a professional sound and safe use/operation and maintenance of the delivered equipment.



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Annex VI
TECHNICAL SPECIFICATIONS

Attached



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Annex VII
BID/PROPOSAL SUBMISSION FORM

To: The procuring entity

Dear Sir / Madam,

Having examined the Bidding Documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply and deliver [-] in conformity with the said bidding documents for the sum of-----

----- [total bid amount in words and figures] as may be ascertained in accordance with the Price Schedule attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

We agree to abide by this Bid for a period of [number] days from the date fixed for opening of Bids in the Invitation to Bid, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept any Bid you may receive.

Dated thisday of[year].

.....
Signature

.....
[in the capacity of]

Duly authorised to sign the Bid for and on behalf of



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Supply of Power Transformers and 220/66/22 KV Electrical Equipment & Switchgear for Gaza Substation.

Annex VIII PRICE SCHEDULE

Attached

1. The bidder should provide the following pricing:
 - a. Detailed Price Schedule that provides a completed cost breakdown for each item, which should include all required items for the equipment to be fully functional.
 - b. Summary of Pricing as details in (as detailed in this Annex).

All pricing sheets should be signed and stamped by an authorised company representative.
2. Technical descriptions for each proposed item must provide sufficient detail to allow the Purchaser to determine compliance of Bid with specifications as per Schedule of Requirements and Technical Specifications of this ITB.
3. Estimated weight/volume of the consignment must be part of the documentation submitted.
4. All prices quoted must be exclusive of all taxes, since the UNDP is exempt from taxes.
5. Pricing is required of all items.
6. **In addition to providing a hard copy, information should also be provided electronically.**



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Lot # (1)

Supply of Power Transformers and 220/66/22 KV Electrical Equipment & Switchgear for Gaza Substation

ANNEX IX

Lead Time

Lead Time

The delivery time is of essence for the supply of the transformers. UNDP, however, understands that certain elements of the process are outside the control of the supplier, i.e. obtaining customs clearance documents and transportation into Gaza.

It is therefore requested that the bidder provide a breakdown of the lead time for each step of the delivery process that is within their control. An example of the breakdown is provided as follows:

Step #	Description	Responsible party	Lead time (Days)
Supplier should sign and return purchase order within 7 days of receipt.			
1	Following signature of PO, manufacturing of the equipment.	Supplier	
2	Shipping the equipment and fixtures to Israel	Supplier	
3	Obtaining tax exemption approvals from relevant authorities	UNDP/PAPP	-----
4	Clear equipment from customs after getting the approved tax exemption documents from UNDP/PAPP.	Supplier	
5	Transportation of equipment and fixtures to Gaza.	Supplier	
Total Maximum Lead Time			



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Lot # (1)

Supply of Power Transformers and 220/66/22 KV Electrical Equipment & Switchgear for Gaza Substation

ANNEX X

Provisional Items

Step #	Description	Total in US\$
1	Transportation of equipment from supplier's warehouse to West bank on DDU INCOTERM to include loading, un-loading, in-land transportation and stacking at beneficiary storage area.	
2	Transportation of equipment from West bank to Gaza Strip on DDU INCOTERM to include, loading, un-loading, in-land transportation and stacking at beneficiary storage area.	
3	Options for extended warranty for a period up to 10 years.	



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Supply of Power Transformers and 220/66/22 KV Electrical Equipment & Switchgear for Gaza Substation
ANNEX X

Bid Securing Declaration

[The Bidder shall fill in this Form in accordance with the instructions indicated.]

Date: [insert date (as day, month and year)]

Bid No.: **ITB – 2010 – 016**

To: UNDP/PAPP Procurement Unit

We, the undersigned, declare that:

We understand that, according to your conditions, tenders must be supported by a Tender-Securing Declaration.

We accept that we will automatically be suspended from being eligible for bidding in any contract with the Procuring Entity for the period of time of TWO YEARS starting on 12/08/2010, 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 in the Form of Tender; or
- (b) having been notified of the acceptance of our Bid by the Purchaser during the period of bid validity, (i) fail or refuse to execute the Contract, if required, or (ii) fail or refuse to furnish the Performance Security, in accordance with the ITB.

We understand this Bid Securing Declaration shall expire if we are not the successful Bidder, upon the earlier of twenty-eight days after the expiration of our Tender.

Signed: [insert signature of person whose name and capacity are shown] In the capacity of [insert legal capacity of person signing the Bid Securing Declaration]

Name: [insert complete name of person signing the Bid Securing Declaration]

Duly authorized to sign the bid for and on behalf of: [insert complete name of Bidder]

Dated on _____ day of _____, _____ [insert date of signing]
Corporate Seal (where appropriate)

[Note: In case of a Joint Venture, the Bid Securing Declaration must be in the name of all partners to the Joint Venture that submits the tender.]



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Lot # (2)
Installation, Erections and Civil Works

ANNEX I

INSTRUCTIONS TO BIDDERS

A. Introduction

1. **General:** The UNDP invites sealed Bids for the specified Works.
2. **Eligible Bidder**
 - 2.1 Bidders should not be associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the UNDP to provide consulting services for the preparation of the design specifications, and other documents to be used for the procurement of works under this Invitation to Bids. Bidders shall be legally incorporated entities, or groups formed by such as joint ventures.
 - 2.2 In the event that prequalification of potential bidders has been undertaken, only bids from pre-qualified bidders shall be considered for award of Contract.
 - 2.3 If UNDP has not undertaken prequalification of potential bidders, all bidders shall include the information and documents specified in clause 9 of this Instruction to Bidders.
3. **Cost of Bid:** The Bidder shall bear all costs associated with the preparation and submission of the Bid, and the UNDP will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the solicitation.

B. Solicitation Documents

4. **Examination of Solicitation Documents:** The Bidder is expected to examine all corresponding instructions, forms, terms and specifications contained in the Solicitation Documents. Failure to comply with these documents will be at the Bidder's risk and may affect the evaluation of the Bid. The Solicitation Documents are those stated below and should be read in conjunction with any Addenda issued in accordance with Clause 6 below.
 - (a) Instructions to Bidders;
 - (b) Bid Data Sheet (BDS);
 - (c) Contract for Works (form of);
 - (d) General Conditions of Contract for Construction Works;
 - (e) Special Conditions.
 - (f) Scope of Works;
 - (g) Bills of Quantities;
 - (h) Specifications;



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- (i) Drawings;
- (j) Sample forms;
- (k) Any other document listed in the **BDS** as forming part of the Solicitation Documents.

5. **Clarification of Solicitation Documents:** A prospective Bidder requiring any clarification of the Solicitation Documents may notify UNDP in writing. The response will be made in writing to any request for clarification of the Solicitation Documents that it receives earlier than ten days prior to the Deadline for the Submission of Bids. Written copies of the response (including an explanation of the query but without identifying the source of inquiry) will be posted on <http://www.undp.ps/en/aboutundp/forms.html>. All communication connected with this Bid must be directed exclusively to the UNDP person identified as the contact person in the **BDS**.
6. **Amendments of Solicitation Documents:** No later than one week prior to the Deadline for Submission of Bids, the UNDP may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, amend the Solicitation Documents. All amendments will be posted on <http://www.undp.ps/en/aboutundp/forms.html>. In order to afford prospective Bidders reasonable time in which to take the amendments into account in preparing their offers, the UNDP may, at its discretion, extend the Deadline for the Submission of Bids.

C. Preparation of Bids

7. **Language of the Bid:** The Bid prepared by the Bidder and all correspondence and documents relating to the Bid exchanged by the Bidder and the UNDP shall be written in the language indicated in the **BDS**.
8. **Documents Comprising the Bid:**
The Bidder or the Bidder's authorized agent shall sign the Bid as indicated on the Bid Submission Sheet of this ITB. The Bid must comprise the following documents:
- (e) A Bid Submission form;
 - (f) Bid Security, if required, under clause 13 of Instructions to Bidders and in the form provided in Section 11.
 - (g) Priced Bill of Quantities;
 - (h) Written Power of Attorney, authorizing the signatory of the bid to commit the bidder;
 - (i) Technical information as may be required by the BDS;
 - (j) Qualification information in accordance with clause 9.1 of the Instructions to Bidders, if prequalification of bidders has not been carried out.
 - (k) Any additional information required to be completed and submitted by bidders as specified in the **BDS**.

Each continuation sheet or attachment shall bear the bidder's name and the person signing the bid must initial any erasures or other changes.

9. **Documents Establishing Bidder's Eligibility and Qualifications:**
9.1 If bidders have not been pre-qualified and post qualification has been selected to determine eligibility of bidders, then the Bidder shall furnish evidence of its qualification by submitting the following information and documents with their bids, unless otherwise stated in the **BDS**:



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- (a) Copies of original documents defining the constitution or legal status, place of registration, 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 Three years;
 - (c) Experience in works of a similar nature and size for each of the last Three 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 as specified in the **BDS**;
 - (e) Qualifications and experience of key site management and technical personnel proposed for the Contract as specified in the **BDS**;
 - (f) Reports on the financial standing of the Bidder for the last two years as specified in the BDS. such as profit and loss statements and certified auditor's reports for the past two years;
 - (g) Evidence of adequacy of working capital for this Contract (access to line(s) of credit and availability of other financial resources) as specified in the BDS;
 - (h) Authority to seek references from the Bidder's bankers;
 - (i) Information regarding any litigation, current or during the last five years, in which the Bidder was/is involved, the parties concerned, and the disputed amounts; and awards;
 - (j) Proposals for subcontracting components of the Works amounting to more than 10 percent of the Contract Price. The ceiling for sub contractor's participation is stated **in the BDS**.
- 9.2 To qualify for award of the Contract, bidders shall meet the following **minimum qualifying criteria**:
- (a) An average annual financial amount of construction work over the period specified **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 70 percent complete);
 - (c) Proposals for the timely acquisition (own, lease, hire, etc.) of the essential equipment listed **in the BDS**;
 - (d) Minimum required key personal proposed for the supervision and management of this project as specified in the **BDS**.
 - (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**.



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

10. Documents Establishing Conformity of Equipment Incorporated into the Works:

Where electrical and mechanical goods and equipment form part of the Works, the Bidder shall also furnish as part of its Bid, documents establishing the conformity to the Bidding Documents of all equipment and related services, which the Bidder proposes to supply under the contract.

The documentary evidence of conformity to the Bidding Documents may be in the form of literature, drawings, and data, and shall consist of:

- (c) A detailed description of the essential technical and performance characteristics of the equipment;
- (d) A list giving full particulars, including available sources and current prices of spare parts, special tools, etc, necessary for the proper and continuing functioning of the equipment for a period specified **in the BDS**, following commencement of the use of the equipment.

11. Bid Currency/Bid Prices: All prices must be quoted in the nominated currency **in the BDS**. The Bidder shall indicate on the appropriate Bills of Quantities (or Price Schedule Sheet as appropriate); the unit prices (where applicable) and total Bid Price of the goods and/or services it proposes to supply under the contract.

UNDP is a tax-exempt entity. All Bids must be submitted net of any direct taxes or customs duties.

12. Period of Validity of Bids: Bids shall remain valid for a period after the date of Bid Submission as indicated **in the BDS**. A Bid valid for a shorter period may be rejected as non-responsive pursuant to clause 23 of Instructions to Bidders. In exceptional circumstances, the UNDP may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. Bidders granting the request will not be required nor permitted to modify their Bids.

13. Bid Security:

The bidder shall furnish as part of its bid either a Bid Securing Declaration or a Bid Security as specified in the **BDS**. A Bid Securing Declaration shall use the form included in Section 10 of this ITB. If a Bid Security is specified then the following should be adhered to:

- (d) The Bidder may be requested to furnish at its own cost and expense, as part of its Bid, a Bid Security to the UNDP in the amount as indicated **in the BDS**.
- (e) The Bid Security is to be sealed in a separate envelope within the main sealed bid
- (f) The Bid Security is to protect the UNDP against the risk of the Bidder's conduct, which would warrant the security's forfeiture, pursuant to clause 13(h) below;
- (g) The Bid Security shall be denominated in **US Dollars** and shall be in the form of a bank guarantee, issued by a reputable bank, and in the form provided in these Solicitation Documents.
- (h) Any Bid not secured in accordance with clauses 13 a) and 13 d) above will be rejected by the UNDP as non-responsive.
- (i) Unsuccessful Bidder's Bid Security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of Bid Validity prescribed by the UNDP pursuant to clause 12 of Instructions to Bidders;



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- (j) The successful Bidder's Bid Security will be discharged or returned upon the Bidder signing the Purchase Order, pursuant to clause 26 of Instructions to Bidders, and furnishing the Performance Security, pursuant to clause 27 of Instructions to Bidders;
- (k) The Bid Security may be forfeited:
 - 1. If a Bidder withdraws its offer during the period of the Bid Validity specified by the Bidder, in compliance with **BDS**, on the Bid Submission Form, or, refuses to accept the correction of errors in its Bid, or,
 - 2. In the case of a successful Bidder, if the Bidder fails:
 - (i) To sign the Contract Order in accordance with clause 26 of Instructions to Bidders, or,
 - (ii) To furnish Performance Security in accordance with clause 27 of Instructions to Bidders.

D. Submission of Bids

14. **Format and Signing of Bid:** The Bidder shall prepare one **original and one Copy** Of the Bid, clearly marking each "**Original Bid**" and "**Copy of Bid**" as appropriate. In the event of any discrepancy between them, the original shall govern. The original and copies of the Bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the contract. A Bid shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Bidder, in which case the person or persons signing the bid shall initial such corrections.

Electronic copy of the BOQ shall be submitted along with the signed hard copy thereof. In case of any discrepancy between the soft and the hard copies, the hard copy shall prevail.

15. **Sealing and Marking of Bids:**

- 15.1 The Bidder shall seal the original and each copy of the Bid in separate envelopes, duly marking the envelopes as "ORIGINAL" and "COPY". The envelopes shall then be sealed in an outer envelope.
- 15.2 The inner and outer envelopes shall:
 - (c) Be addressed to the UNDP at the address given **in the BDS** of these Solicitation Documents; and
 - (d) Make reference to the "subject" indicated in the Letter of Invitation of these Solicitation Documents, and a statement: "DO NOT OPEN BEFORE", to be completed with the time and the date specified **in the BDS** for Bid Opening pursuant to clause 16 of Instructions to Bidders.
- 15.3 The inner and outer envelopes shall also indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared "late".
- 15.4 If the outer envelope is not sealed and marked as required by clause 15.2 of Instructions to Bidders, the UNDP will assume no responsibility for the Bid's misplacement or premature opening.
- 15.5 The Bid Security is to be sealed in a separate envelope within the main sealed bid.



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16. Deadline for Submission of Bids/Late Bids:

- 16.1 Bids must be delivered to the office on or before the date and time specified in the Letter of Invitation of these Solicitation Documents.
- 16.2 The UNDP may, at its discretion, extend this deadline for the submission of the bids by amending the Bidding Documents in accordance with clause 6 of Instructions to Bidders, in which case all rights and obligations of the UNDP and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.
- 16.3 Any Bid received by the UNDP after the Deadline for Submission of Bids will be rejected and returned unopened to the Bidder.
- 16.4 If no Bid is to be submitted, the documents should not be returned to UNDP unless so requested. Written advice should be sent to UNDP with reasons for not submitting a bid and as to whether future invitations for the type of Works covered by this request are desired. Failure to comply with the above may result in removal of the name of such recipient from the list for similar type of works covered by this ITB.

- 17. Modification and Withdrawal of Bids:** The Bidders may withdraw its bid after submission, provided that written notice of the withdrawal is received by UNDP prior to the deadline for submission. No Bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of Bid Validity.

E. Opening and Evaluation of Bids

18. Opening of Bids:

- 18.1 The UNDP will open all bids in the presence of Bidders' Representatives who choose to attend, at the time, on the date, and at the place specified **in the BDS**, of this Solicitation Document. The bidders' Representatives who are present shall sign a register evidencing their attendance.
- 18.2 The bidders' names, bid modifications or withdrawals, bid prices, discounts, and the presence or absence of requisite bid security and such other details as the UNDP, at its discretion, may consider appropriate, will be announced at the opening. No bid shall be rejected at bid opening, except for late bids, which shall be returned unopened to the Bidder pursuant to clause 16.3 of Instructions to Bidders.
- 18.3 Bids (and modifications sent pursuant to clause 17 of Instructions to Bidders) that are not opened and read out at Bid Opening shall not be considered further for evaluation, irrespective of the circumstances. Withdrawn Bids will be returned unopened to the Bidders.
- 18.4 UNDP will prepare minutes of the Bid Opening.

- 19. Clarification of Bids:** To assist in the examination, evaluation and comparison of Bids the procuring entity of UNDP may at its discretion ask the Bidder for clarification of its Bid. The request for clarification and the response shall be in writing and no change in price or substance of the Bid shall be sought, offered or permitted.



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20. Preliminary Examination:

20.1 Prior to the detailed evaluation, the UNDP will determine the substantial responsiveness of each Bid to the Invitation to Bid (ITB). A substantially responsive Bid is one, which conforms to all the terms and conditions of the ITB without material deviations.

20.2 The UNDP will examine the bids to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the bids are generally in order as specified **in the BDS**.

20.3 Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Bidder does not accept the correction of errors, its Bid will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.

20.4 A Bid determined as not substantially responsive will be rejected by the UNDP and may not subsequently be made responsive by the Bidder by correction of the non-conformity. UNDP shall use the criteria as detailed **in the BDS** to establish responsiveness.

21 **Conversion to Single Currency:** To facilitate evaluation and comparison, the Purchaser will convert all Bid Prices expressed in the amounts in various currencies in which the Bid Prices are payable to US dollars at the official UN exchange rate on the last day for Submission of Bids.

22 **Evaluation of Bids:** UNDP will evaluate and compare the bids, which have been determined to be substantially responsive pursuant to clause 20 of Instructions to Bidders. Determination of compliance with the Solicitation Documents is based on the content of the Bid itself without recourse to extrinsic evidence.

The evaluation will take into account the following criteria:

Evaluation Criteria	
1.1	Compliance with pricing conditions set in the ITB.
1.2	Compliance with requirements relating to technical design features or the product's ability to satisfy functional requirements.
1.3	Compliance with Special and General Conditions specified by these Solicitation Documents. (bid submission form)
1.4	Compliance with start-up, delivery or installation deadlines set by the procuring entity.
1.5	Demonstrated ability to comply with critical provisions such as execution of the Purchase Order by honoring the tax-free status of the UN.
1.6	Demonstrated ability to honor important responsibilities and liabilities allocated to Contractors in this ITB (e.g. performance guarantees, warranties, or insurance coverage, etc).



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Evaluation Criteria	
1.7	Copy of company's registration required by law and issued by authorized agency: This document is mandatory for administrative compliance and starting with technical evaluation of bids.
1.8	Organizations general and specific experience: The organizations general reliability, experience and capacity in implementing similar projects.
1.9	Adequacy of the proposed work plan: The Bidder's approach in responding to the SOW and BOQ by presenting work plan including a time schedule for all activities during the construction period and present clear work plan.
1.10	Key personnel, machinery and capacity to implement: The qualification, competence and experience of the personnel proposed for the various assignments included in this project, and capacity to deliver on time. Submit resumes (CV) for key personnel and detailed descriptions of machineries owned or intended to be purchased or leased for the purpose of executing the contract by the Bidder.
1.11	Reference list and value of project implemented in last three years: Include list of projects with similar scale, completion period and list of equipments engaged in this project. Include name of project, kind of executed works, name, telephone, email of client, value of executed work (use USD or local currency) and duration of executing work (from, month/year – to, month/year)
1.12	Reference list and value of ongoing projects contracted by bidder: Include list of projects, name of clients, value of contracted works (use USD or local currency) and dead line for construction works.(from, month/year-to month/year)
1.13	Local knowledge: Proven experience of organization and involved personnel in working in the same Province.

F. Award of Contract

- 23 **Award Criteria:** The UNDP will Issue the Contract to the lowest priced technically responsive Bidder who has also met the qualification criteria. The UNDP reserves the right to accept or reject any Bid, to annul the solicitation process and reject all Bids at any time prior to award of purchase order, without thereby incurring any liability to the affected Bidder(s) or any obligation to provide information on the grounds for the UNDP's action.
- 24 **UNDP's Right to Vary Requirements at Time of Award:** The UNDP reserves the right at the time of making the award of contract to increase or decrease items in the Bills of Quantity, if possible, without any change in unit price or other terms and conditions, by the amount indicated **in the BDS**. This shall only be done in a manner that does not affect the overall completion of the Works
- 25 **Notification of Award:** Prior to the expiration of the period of Bid Validity, the UNDP will send the successful Bidder, the Contract. The Contract may only be accepted by the

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Contractor signing and returning an Acknowledgement copy of the Contract. Such acceptance shall affect a contract between the parties under which the rights and obligations of the parties shall be governed solely by the terms and conditions of this Contract.

- 26 **Signing of the Contract:** Within 14 days of receipt of the Contract, the successful Bidder shall sign, date and return it to the UNDP.
- 27 **Performance Security:** The successful Bidder shall provide the Performance Security in the form of Performance Security provided for in these Solicitation Documents, within 7 days of signing the resulted contract as issued by the UNDP.

Failure of the successful Bidder to comply with the requirement of clause 26 or clause 27 of Instructions to Bidders shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security, in which event the UNDP may make the award to the next lowest evaluated Bidder or call for new Bids.

G. Other Requirements:

- 28 **Time for Completion:** The Time for Completion is specified **in the BDS**. The completion of the Works shall be in accordance with the terms of the resulting Contract as may be issued by UNDP.
- 29 **Material, Labour and Facilities:** No material, labour or facilities will be furnished by UNDP or its clients unless specified in the ITB.
- 30 **Site Visit:** The Bidder, at the Bidder's own responsibility and risk, is encouraged to visit and examine the Site of Works and its 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. If UNDP has arranged a formal Site Visit as part of this ITB, this shall be stated **in the BDS**.

H. Payment:

- 31 **Time of Payment:** Unless otherwise indicated in the Special Terms and Conditions of this ITB, UNDP will normally effect payment within 40 days after receipt of a commercial invoice, certification of site works (if applicable) and other supporting documents.
- 32 **Letter of Credit:** UNDP does not accept Letter of Credit terms.
- 33 **Advance Payment:** It is not the normal policy of UNDP to approve advance payments, unless specifically stated in the payment terms.
- 34 **Currency of Payment:** Payment will be made in the currency in which the Contract is issued.



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ANNEX II

BID DATA SHEET (BDS)

The following specific data for the Works to be procured shall complement, supplement or amend the provisions in the Instructions to Bidders. Whenever there is a conflict, the provisions herein shall prevail.

Category and minimum required classification	Valid registration with Palestinian Contractors Union (Minimum Grade 2 in Building works)
Clarifications (clause 5)	Email: proc3.papp@undp.org
Language of the Bid: (clause 7)	English
Qualification Criteria (Clause 9.1)	<p>All items under this clause are required to be submitted by the bidders including:</p> <ul style="list-style-type: none"> (a) Valid registration with Ministry of Finance (MOF) & Tax Clearance Certificate (b) List and value of projects performed for the last three years with similar nature and complexity, plus clients who may be contacted for further information on those contracts. A minimum number of 3 contracts of a similar nature and complexity must be provided (to comply with this requirement, works cited should be at least 70 percent complete); (c) List and value of on-going projects. (d) Total monetary value of construction works performed for each of the last <u>Three years</u>. Average should be no less than USD700,000 per year. (e) Independently financial audited accounts for the last two years in English. UNDP/PAPP will check the financial accounts to compute the quick ratio. Quick ratio tests the company's financial strength and liquidity by calculating a company's liquid assets in proportion to its liabilities. Bidders with financial accounts that show a quick ratio of less than one (1) will be disqualified. (f) Average annual turnover per year for the last 2 years should exceed USD500,000. (g) 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 USD100,000. (h) Information regarding any litigation, current or during the last five years, in which the Bidder was/is involved, the parties concerned, and the disputed amounts and awards (i) Work plan (j) CVs for key personal for this project, as per minimum stated below (k) List of construction equipment owned / Leased and proposed to carry out the contract. (l) Written Power of Attorney, authorizing the signatory of the bid to commit the bidder (m) Bid Submission Form



	<p>(n) Priced Bill of Quantities</p> <p>If the contractor is included on the UNDP Contractor Roster, then there is no requirement to re-submit documents (a) – (h) listed above. Documents (i) – (n) should be submitted by all contractors.</p>
Minimum required key personal (Clause 9.1.e)	<p>In Installation phase:</p> <p>1- Local staff:</p> <ul style="list-style-type: none"> - Electrical Engineer 8 years experience - Mechanical Engineer 8 years experience - Civil Engineers 8 years experience - Surveyor 8 years experience - Foreman 8 years experience <p>2- International staff:</p> <ul style="list-style-type: none"> - Electrical Engineer 15 years experience (Expert) - Mechanical Engineer 15 years experience (Expert) <p>In Commissioning phase:</p> <ul style="list-style-type: none"> - Commissioning Engineer 15 years experience (Expert) - Two electrical Engineer 10 years experience <p>In maintenance phase:</p> <ul style="list-style-type: none"> - Operation and maintenance Engineer 15 years experience (Expert)
Subcontracting (clause 9.1 (j))	<p>Where the contractor is proposing to subcontract in excess of 10% of the total value of the contract, the following details should be submitted by the contractor in the bid submission:</p> <ul style="list-style-type: none"> - BOQ item number to be subcontracted - Value to be subcontracted - Name of subcontractor(s) <p>Additional information may be requested by UNDP to verify the capacity of the subcontractor(s) to undertake the works.</p>
Equipment (clause 10 (b) N/A)	<p>For all equipment included in the BoQ, spare parts are required to be available for a minimum of <u>5 years</u> following installation, commissioning and acceptance of equipment by UNDP PAPP.</p> <p>Warrant should be provided for a minimum of 24 months following installation, commissioning and acceptance of equipment by UNDP PAPP.</p>
Bid and Contract Currency (clause 11)	<p>It is preferable that tenders are submitted in US\$ or ILS; however quotations are accepted in any freely convertible currency.</p> <p>All tenders will be converted into US\$ for comparison basis, based on the United Nations prevailing rate of exchange on the date of bid opening.</p> <p>Any resulting contract will reflect the currency originally tendered by the contractor.</p>
Bid Validity Period: (clause 12)	120



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Bid security: (clause 13)	The following form should be completed and provided with the bid submission: Bid Securing Declaration Template can be found in Annex XIII			
Sealed Bids to be received at / Bids to be marked: (clause 15)	<table border="1"> <tr> <td>UNDP/PAPP Office-Jerusalem 4A Yakubi St., 91191, P.O. Box: 51359</td> <td>UNDP/PAPP Office – Gaza Omar Bin Abdel Aziz Street Al Remal</td> </tr> </table> <p>ITB-2010-016 DEADLINE: NOT to be opened before 11:30hrs on 19th August 2010</p>		UNDP/PAPP Office-Jerusalem 4A Yakubi St., 91191, P.O. Box: 51359	UNDP/PAPP Office – Gaza Omar Bin Abdel Aziz Street Al Remal
UNDP/PAPP Office-Jerusalem 4A Yakubi St., 91191, P.O. Box: 51359	UNDP/PAPP Office – Gaza Omar Bin Abdel Aziz Street Al Remal			
Opening of Bids: (clause 18)	<p>Bids will be opened in the presence of Bidders' Representatives, who choose to attend, at 11:30hrs on 19th August 2010 at the following address:</p> <table border="1"> <tr> <td>UNDP/PAPP Office-Jerusalem 4A Yakubi St., 91191, P.O. Box: 51359</td> <td>UNDP/PAPP Office – Gaza Omar Bin Abdel Aziz Street Al Remal</td> </tr> </table>		UNDP/PAPP Office-Jerusalem 4A Yakubi St., 91191, P.O. Box: 51359	UNDP/PAPP Office – Gaza Omar Bin Abdel Aziz Street Al Remal
UNDP/PAPP Office-Jerusalem 4A Yakubi St., 91191, P.O. Box: 51359	UNDP/PAPP Office – Gaza Omar Bin Abdel Aziz Street Al Remal			
Right to Vary Requirements (clause 24)	UNDP's Right to Vary Requirements during execution of contract: In the event of approved by the Engineer, variations in the quantities specified in the "Bill of Quantities", the readjustment in the price will be calculated based on the unit price of the bid and no other adjustment is permitted even if variations exceed twenty five percent (25%) of the originally estimated quantities.			
Time for Completion (clause 28)	4 Months from the date of notice to proceed which will be issued by the UNDP Engineer after contract signature.			
Site Visit (clause 30)	N/A			
Alternative Bids:	Alternative bids are not acceptable.			



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Annex III

CONTRACT FOR WORKS (FORM OF)



Ref. #: ITB-2010-016

FORM OF CONTRACT FOR WORKS

Date: .

Dear Sir,

Ref.:

The United Nations Development Programme (hereinafter referred to as "UNDP"), wishes to engage your company, , duly incorporated under the applicable and legally binding local Laws of Palestine (hereinafter referred to as the "Contractor") in order to perform , hereinafter referred to as the "Works"), in accordance with the following Contract:

1. Contract Documents

- 1.1 This Contract is subject to the UNDP General Conditions for Works, Revision October 2000, attached hereto as Annex I. The provisions of such Annex shall control the interpretation of this Contract and in no way shall be deemed to have been derogated by the contents of this letter and any other Annexes, unless otherwise expressly stated under section 4 of this letter, entitled "Special Conditions".
- 1.2 The Contractor and UNDP also agree to be bound by the provisions contained in the following documents, which shall take precedence over one another in case of conflict in the following order:
 - a) This letter;
 - b) The Technical Specifications and Drawings dated , attached hereto as Section 2;
 - c) The Contractor's Tender including the Priced Bill of Quantities, dated not attached hereto but known to and in the possession of both parties.
- 1.3 All the above shall form the Contract between the Contractor and UNDP, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Contract.

Obligations of the Contractor

- 2.1 The Contractor shall commence work within seven (7) calendar days from the date on which he shall have been given access to the Site and received the notice to commence from the Engineer, and shall perform and substantially complete the Works within .to complete works, in accordance with the Contract. The Contractor shall provide all materials, supplies, labour and other services necessary to that end.
- 2.2 The Contractor shall submit to the Engineer the Programme of Work referred to in Clause 13 of the General Conditions within seven calendar days upon signature of the Contract by both parties.

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2.3 The Contractor represents and warrants the accuracy of any information or data provided to UNDP for the purpose of entering into this Contract, as well as the quality of the Works foreseen under this Contract in accordance with the highest industrial and professional standards.

3. Price and payment

3.1 The total estimated price of the Contract is contained in the Bill of Quantities and amounts to .

3.2 The final price of the Contract will be determined on the basis of the actual quantities of work and materials utilized in the complete and satisfactory performance of the Works as certified by the Engineer and the unit prices contained in the Contractor's financial proposal. Such unit prices are fixed and are not subject to any variation whatsoever.

3.3 If the Contractor foresees that the final price of the Contract may exceed the total estimated price contained in 3.1 above, he shall so inform the Engineer without delay, in order for UNDP to decide, at its discretion, to increase the estimated price of the Contract as a result of a larger quantity of work/material or to reduce the quantity of work to be performed or materials to be used. UNDP shall not be responsible for payment of any amount in excess of that stipulated in 3.1 above unless this latter amount has been increased by means of a written amendment of this Contract in accordance with its paragraph (7) below.

3.4 The Contractor shall submit an invoice for upon signature of this Contract by both parties; invoices for the work performed and materials utilized every thirty calendar days; and a final invoice within 30 days from the issuance of the Certificate of Substantial Completion by the Engineer.

3.5 UNDP shall effect payment of the invoices after receipt of the certificate of payment issued by the Engineer, approving the amount contained in the invoice. The Engineer may make corrections to that amount, in which case UNDP may affect payment for the amount so corrected. The Engineer may also withhold invoices if the work is not performed at any time in accordance with the terms of the Contract or if the necessary insurance policies or performance security are not valid and/or in order. The Engineer shall process the invoices submitted by the Contractor within Forty calendar days (40) of their receipt.

3.6 Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor as acceptance by UNDP of the Contractor's performance of the Works.

3.7 Payment of the final invoice shall be effected by UNDP after issuance of the Certificate of Substantial Completion by the Engineer.

4. Special conditions

4.1 The advance payment to be made upon signature of the contract by both parties is contingent upon receipt and acceptance by UNDP the Performance Guarantee mentioned under 4.3 of and another bank guarantee for the full amount of the advance payment issued by a Bank and in a form acceptable to UNDP. The said bank guarantee for the advance payment shall be valid for a period of 28 days after the intended completion date.

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- 4.2 The amount of the advance payment referred to under section 3.4 above will be deducted from due payments to Contractor for executed works, at an equal rate, such that the whole sum of the advance payment will be recovered when 80% of the work has been completed.
- 4.3 The Performance Guarantee referred to in Clause 10 of the General Conditions shall be submitted by the Contractor for an amount of 10% (ten percent) of the total price of the Contract. The Performance Guarantee shall be valid for a period of 28 days after the intended completion date.
- 4.4 On each payment, UNDP shall withhold a per centum of the invoice amount, up to a maximum of (10%) of the total price of the Contract for due performance of execution. Half of this amount (5%) shall be returned to the Contractor within Forty (40) days upon the substantial completion and taking-over of the Works, and the remaining (5%), will be retained as maintenance guarantee until the end of the one year defects liability period. The retained 5% maintenance guarantee can be replaced with maintenance bank guarantee for the same value and until the end of the defects liability period.
- 4.5 The Contractor shall be responsible for the maintenance of the said works for a period of One Year effective from the day of issuance of the Certificate of Substantial Completion of the Works.
- 4.6 The liability insurance referred to in Clause 23 of the General Conditions shall be taken out by the Contractor for an amount of 15% (fifteen percent) of the price of the Contract per occurrence, with number of occurrences unlimited.
- 4.7 According to Clause 45 of the General Conditions, the liquidated damages for delay shall a sum equivalent to 0.1 percent of the actual contract price per calendar day, up to a maximum of 10% of the final price of the Contract. If the liquidation damages payable reaches 10% of contract value, UNDP has the right to terminate the contract.
- 4.9 This contract is exempted from Value Added Tax (VAT) and accordingly no Value Added Tax will be paid under this contract. In the event that the Contractor fails to acquire the necessary tax clearances from the Tax Department, UNDP retains the right to en-cash the full amount of the Contractor's advance payment guarantee without prior notice, and if necessary terminate the Contract.
- 4.10 In the event of approved by the Engineer variations in the quantities specified in the "Bill of Quantities", the readjustment in the price will be calculated based on the unit price of the bid and no other adjustment is permitted even if variations exceed twenty five percent (25%) of the originally estimated quantities.
- 4.11 Any damage by the Contractor on the executed works during the defects liability period should be repaired by the contractor and at his own expense and during a week after receiving a notice in writing from the UNDP; and if the contractor does not repair these damages during the above specified period, then UNDP does these repairs at the expense of the contractor, which shall be deducted from due sums against the Maintenance Guarantee.

5. Submission of invoices

- 5.1 One original and one copy of every invoice shall be submitted by mail by the Contractor for each payment under the Contract to the Engineer's address specified in clause 8.2.



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5.2 Invoices submitted by fax shall not be accepted by UNDP.

6. Time and manner of payment

6.1 Invoices shall be paid within Forty (40) days of the date of their receipt and acceptance by UNDP.

6.2 All payments shall be made by UNDP to the following Bank account of the Contractor:

Name of the Bank:
Bank Account No.:
Branch:

7. Modifications

7.1 Any modification to this Contract shall require an amendment in writing between both parties duly signed by the authorized representatives of the Contractor and UNDP.

8. Notifications

8.1 For the purpose of notifications under the Contract, the addresses of UNDP and the Contractor are as follows:

For the UNDP:

Mr. Jens Toyberg-Frandzen
Special Representative of the Administrator
Programme of Assistance to the Palestinian People
United Nations Development Programme
Tel: + 972 (0) 2626 8200
Fax: + 972 (0) 26268222
4A Ya'kubi Street
PO Box 51359
Jerusalem
Ref.:

For the Contractor:

8.2 UNDP shall communicate as soon as possible to the Contractor after the signature of the Contract, the address of the Engineer for the purposes of communication with the Engineer under the Contract.

If the above terms and conditions meet with your agreement as typed in this letter and in the Contract Documents, please initial every page of this letter and its attachments and return to this office one original of this Contract, duly signed and dated.

Yours sincerely,

Jens Toyberg-Frandzen

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Special Representative of the Administrator
UNDP/PAPP

For:

Agreed and Accepted:

Signature _____

Name _____

Title _____

Date _____



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Annex IV

GENERAL CONDITIONS OF CONTRACT FOR WORKS



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Installation, Erections and Civil Works

GENERAL CONDITIONS OF CONTRACT FOR WORKS

1. Definitions
2. Singular and Plural
3. Headings or Notes
4. Legal Relationships
5. General Duties/Powers of Engineer
6. Contractor's General Obligations/Responsibilities
7. Assignment and Subcontracting
8. Drawings
9. Work Book
10. Performance Security
11. Inspection of Site
12. Sufficiency of Tender
13. Programme of Work to be furnished
14. Weekly Site Meeting
15. Change Orders
16. Contractor's Superintendence
17. Contractor's Employees
18. Setting-Out
19. Watching and Lighting
20. Care of Works
21. Insurance of Works, Etc.
22. Damage to Persons and Property
23. Liability Insurance
24. Accident or Injury to Workmen
25. Remedy on Contractor's Failure to Insure
26. Compliance with Statutes, Regulations, Etc.
27. Fossils, Etc.
28. Copyright, Patents and Other Proprietary Rights, and Royalties
29. Interference with Traffic and Adjoining Properties
30. Extraordinary Traffic and Special Loads
31. Opportunities for Other Contractors
32. Contractor to Keep Site Clean
33. Clearance of Site on Substantial Completion
34. Labour
35. Returns of Labour, Plant, Etc.
36. Materials, Workmanship and Testing
37. Access to Site
38. Examination of Work Before Covering Up
39. Removal of Improper Work and Materials
40. Suspension of Work
41. Possession of Site
42. Time for Completion
43. Extension of Time for Completion
44. Rate of Progress
45. Liquidated Damages for Delay

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46. Certificate of Substantial Completion
47. Defects Liability
48. Alterations, Additions and Omissions
49. Plant, Temporary Works and Materials
50. Approval of Materials, Etc., Not Implied
51. Measurement of Works
52. Liability of the Parties
53. Authorities
54. Urgent Repairs
55. Increase and Decrease of Costs
56. Taxation
57. Blasting
58. Machinery
59. Temporary Works and Reinstatement
60. Photographs and Advertising
61. Prevention of Corruption
62. Date Falling on Holiday
63. Notices
64. Language, Weights and Measures
65. Records, Accounts, Information and Audit
66. Force Majeure
67. Suspension by UNDP
68. Termination by UNDP
69. Termination by the Contractor
70. Rights and Remedies of UNDP
71. Settlement of Disputes
72. Privileges and Immunities

Appendix I:

Bid bond – Sample Form

Performance Bond – Sample Form

Advance Payment – Sample Form

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1. DEFINITIONS

For the purpose of the Contract Documents the words and expressions below shall have the following meanings:

- a) "Employer" means the United Nations Development Programme (UNDP).
- b) "Contractor" means the person whose tender has been accepted and with whom the Contract has been entered into.
- c) "Engineer" means the person whose services have been engaged by UNDP to administer the Contract as provided therein, as will be notified in writing to the Contractor.
- d) "Contract" means the written agreement between the Employer and the Contractor, to which these General Conditions are annexed.
- e) "The Works" means the works to be executed and completed under the Contract.
- f) "Temporary Works" shall include items to be constructed which are not intended to be permanent and form part of the Works.
- g) "Drawings" and "Specifications" mean the Drawings and Specifications referred to in the Contract and any modification thereof or addition thereto furnished by the Engineer or submitted by the Contractor and approved in writing by the Engineer in accordance with the Contract.
- h) "Bill of Quantities" is the document in which the Contractor indicates the cost of the Works, on the basis of the foreseen quantities of items of work and the fixed unit prices applicable to them.
- i) "Contract Price" means the sum agreed in the Contract as payable to the Contractor for the execution and completion of the Works and for remedying of any defects therein in accordance with the Contract.
- j) "Site" means the land and other places on, under, in or through which the Works or Temporary Works are to be constructed.

2. SINGULAR AND PLURAL

Words importing persons or parties shall include firms or companies and words importing the singular only shall also include the plural and vice versa where the context requires.

3. HEADINGS OR NOTES

The headings or notes in the Contract Documents shall not be deemed to be part thereof or be taken into consideration in their interpretation.

4. LEGAL RELATIONSHIPS

The Contractor and the sub-contractor(s), if any, shall have the status of an independent contractor vis-à-vis the Employer. The Contract Documents shall not be construed to create any contractual relationship of any kind between the Engineer and the Contractor, but the Engineer shall, in the exercise of his duties and powers under the Contract, be entitled to performance by the Contractor of its obligations, and to enforcement thereof. Nothing contained in the Contract Documents shall create any contractual relationship between the Employer or the Engineer and any subcontractor(s) of the Contractor.



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5. GENERAL DUTIES/POWERS OF ENGINEER

- a) The Engineer shall provide administration of Contract as provided in the Contract Documents. In particular, he shall perform the functions hereinafter described.
- b) The Engineer shall be the Employer's representative vis-à-vis the Contractor during construction and until final payment is due. The Engineer shall advise and consult with the Employer. The Employer's instructions to the Contractor shall be forwarded through the Engineer. The Engineer shall have authority to act on behalf of the Employer only to the extent provided in the Contract Documents as they may be amended in writing in accordance with the Contract. The duties, responsibilities and limitations of authority of the Engineer as the Employer's representative during construction as set forth in the Contract shall not be modified or extended without the written consent of the Employer, the Contractor and the Engineer.
- c) The Engineer shall visit the Site at intervals appropriate to the stage of construction to familiarize himself generally with the progress and quality of the Works and to determine in general if the Works are proceeding in accordance with the Contract Documents. On the basis of his on-site observations as an Engineer, he shall keep the Employer informed of the progress of the Works.
- d) The Engineer shall not be responsible for and will not have control or charge of construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Works or the Temporary Works. The Engineer shall not be responsible for or have control or charge over the acts or omissions of the Contractor (including the Contractor's failure to carry out the Works in accordance with the Contract) and of Sub-contractors or any of their agents or employees, or any other persons performing services for the Works, except if such acts or omissions are caused by the Engineer's failure to perform his functions in accordance with the contract between the Employer and the Engineer.
- e) The Engineer shall at all times have access to the Works wherever and whether in preparation or progress. The Contractor shall provide facilities for such access so that the Engineer may perform his functions under the Contract.
- f) Based on the Engineer's observations and an evaluation of the documentation submitted by the Contractor together with the invoices, the Engineer shall determine the amounts owed to the Contractor and shall issue Certificates for Payment as appropriate.
- g) The Engineer shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for conformity with the design concept of the Works and with the provisions of the Contract Documents. Such action shall be taken with reasonable promptness so as to cause no delay. The Engineer's approval of a specific item shall not indicate approval of an assembly of which the item is a component.
- h) The Engineer shall interpret the requirements of the Contract Documents and judge the performance there under by the Contractor. All interpretations and orders of the Engineer shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. Either party may make a written request to the Engineer for such interpretation. The Engineer shall render the interpretation necessary for the proper execution of the Works with reasonable



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promptness and in accordance with any time limit agreed upon. Any claim or dispute arising from the interpretation of the Contract Documents by the Engineer or relating to the execution or progress of the Works shall be settled as provided in Clause 71 of these General Conditions.

- i) Except as otherwise provided in the Contract, the Engineer shall have no authority to relieve the Contractor of any of his obligations under the Contract nor to order any work involving delay in completion of the Works or any extra payment to the Contractor by the Employer, or to make any variations to the Works.
- j) In the event of termination of the employment of the Engineer, the Employer shall appoint another suitable professional to perform the Engineer's duties.
- k) The Engineer shall have authority to reject work which does not conform to the Contract Documents. Whenever, in his opinion, he considers it necessary or advisable for the implementation of the intent of the Contract Documents, he will have authority to require special inspection or testing of the work whether or not such work be then fabricated, installed or completed. However, neither the Engineer's authority to act nor any reasonable decision made by him in good faith either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the Engineer to the Contractor, any subcontractor, any of their agents or employees, or any other person performing services for the Works.
- l) The Engineer shall conduct inspections to determine the dates of Substantial Completion and Final Completion, shall receive and forward to the Employer for the Employer's review written warranties and related documents required by the Contract and assembled by the Contractor, and shall issue a final Certificate for Payment upon compliance with the requirements of Clause 47 hereof and in accordance with the Contract.
- m) If the Employer and Engineer so agree, the Engineer shall provide one or more Engineer's Representative(s) to assist the Engineer in carrying out his responsibilities at the site. The Engineer shall notify in writing to the Contractor and the Employer the duties, responsibilities and limitations of authority of any such Engineer's Representative(s).

6. CONTRACTOR'S GENERAL OBLIGATIONS/RESPONSIBILITIES

6.1. Obligation to Perform in Accordance with Contract

The Contractor shall execute and complete the Works and remedy any defects therein in strict accordance with the Contract, with due care and diligence and to the satisfaction of the Engineer, and shall provide all labor, including the supervision thereof, materials, Constructional Plant and all other things, whether of a temporary or permanent nature, required in and for such execution, completion and remedying of defects, as far as the necessity for providing the same is specified in or is reasonably to be inferred from the Contract. The Contractor shall comply with and adhere strictly to the Engineer's instructions and directions on any matter, touching or concerning the Works.

6.2 Responsibility for Site Operations

The Contractor shall take full responsibility for the adequacy, stability and safety of all site operations and methods of construction, provided that the Contractor shall not be responsible, except as may be expressly provided in the Contract, for the design or specification of the Permanent Works or of any Temporary Works prepared by the Engineer.



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6.3. Responsibility for Employees

The Contractor shall be responsible for the professional and technical competence of his employees and will select for work under this Contract, reliable individuals who will perform effectively in the implementation of the Contract, respect local customs and conform to a high standard of moral and ethical conduct.

6.4. Source of Instructions

The Contractor shall neither seek nor accept instructions from any authority external to the Employer, the Engineer or their authorized representatives in connection with the performance of his services under this Contract. The Contractor shall refrain from any action which may adversely affect the Employer and shall fulfill his commitments with fullest regard for the interest of the Employer.

6.5. Officials Not to Benefit

The Contractor warrants that no official of the Employer has been or shall be admitted by the Contractor to any direct or indirect benefit arising from this Contract or the award thereof. The Contractor agrees that breach of this provision is a breach of an essential term of the Contract.

6.6. Use of Name, Emblem or Official Seal of UNDP or the United Nations

The Contractor shall not advertise or otherwise make public the fact that he is performing, or has performed services for the Employer or use the name, emblem or official seal of the Employer or the United Nations or any abbreviation of the name of the Employer or the United Nations for advertising purposes or any other purposes.

6.7. Confidential Nature of Documents

All maps, drawings, photographs, mosaics, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Contractor under the Contract shall be the property of the Employer, shall be treated as confidential and shall be delivered only to the duly authorized representative of the Employer on completion of the Works; their contents shall not be made known by the Contractor to any person other than the personnel of the Contractor performing services under this Contract without the prior written consent of the Employer.

7. ASSIGNMENT AND SUBCONTRACTING

7.1. Assignment of Contract

The Contractor shall not, except after obtaining the prior written approval of the Employer, assign, transfer, pledge or make other disposition of the Contract or any part thereof or of any of the Contractor's rights, claims or obligations under the Contract.

7.2. Subcontracting

In the event the Contractor requires the services of subcontractors, the Contractor shall obtain the prior written approval of the Employer for all such subcontractors. The approval of the Employer shall not relieve the Contractor of any of his obligations under the Contract, and the terms of any subcontract shall be subject to and be in conformity with the provisions of the Contract.

7.3. Assignment of Subcontractor's Obligations

In the event of a subcontractor having undertaken towards the Contractor in respect of the work executed or the works, materials, Plant or services supplied by such subcontractor for the Works, any continuing obligation extending for a period exceeding that of the Defects



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Liability Period under the Contract, the Contractor shall at any time after the expiration of such Period, assign to the Employer, at the Employer's request and cost, the benefit of such obligation for the unexpired duration thereof.

8. DRAWINGS

8.1. Custody of drawings

The drawings shall remain in the sole custody of the Employer but two (2) copies thereof shall be furnished to the Contractor free of cost. The Contractor shall provide and make at his own expense any further copies required by him. At the completion of the Works, the Contractor shall return to the Employer all drawings provided under the Contract.

8.2. One copy of Drawings to be kept on Site

One copy of the Drawings furnished to the Contractor as aforesaid shall be kept by the Contractor on the Site and the same shall at all reasonable times be available for inspection and use by the Engineer and by any other person authorized in writing by the Engineer.

8.3. Disruption of Progress

The Contractor shall give written notice to the Engineer whenever planning or progress of the Works is likely to be delayed or disrupted unless any further drawing or order, including a direction, instruction or approval, is issued by the Engineer within a reasonable time. The notice shall include details of drawing or order required and of why and by when it is required and of any delay or disruption likely to be suffered if it is late.

9. WORK BOOK

The Contractor shall maintain a Work Book at the Site with numbered pages, in one original and two copies. The Engineer shall have full authority to issue new orders, drawings and instructions to the Contractor, from time to time and as required for the correct execution of the Works. The Contractor shall be bound to follow such orders, drawings and instructions.

Every order shall be dated and signed by the Engineer and the Contractor, in order to account for its receipt.

Should the Contractor want to refuse an order in the Work Book, he shall so inform the Employer, through the Engineer, by means of an annotation in the Work Book made within three (3) days from the date of the order that the Contractor intends to refuse. Failure by the Contractor to adhere to this procedure shall result in the order being deemed accepted with no further possibility of refusal.

The original of the Work Book shall be delivered to the Employer at the time of Final Acceptance of the Works. A copy shall be kept by the Engineer and another copy by the Contractor.

10. PERFORMANCE SECURITY

- a) As guarantee for his proper and efficient performance of the Contract, the Contractor shall on signature of the Contract furnish the Employer with a Performance Security issued for the benefit of the Employer. The amount and character of such security (bond or guarantee) shall be as indicated in the Contract.
- b) The Performance Bond or Bank Guarantee must be issued by an acceptable insurance company or accredited bank, in the format included in Appendix I to these General Conditions, and must be valid up to twenty-eight days after issuance by the Engineer of the Certificate of Final Completion. The Performance Bond or Bank Guarantee shall be



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returned to the Contractor within twenty-eight days after the issuance by the Engineer of the Certificate of Final Completion, provided that the Contractor shall have paid all money owed to the Employer under the Contract.

- c) If the surety of the Performance Bond or Bank Guarantee is declared bankrupt or becomes insolvent or its right to do business in the country of execution of the Works is terminated, the Contractor shall within five (5) days thereafter substitute another bond or guarantee and surety, both of which must be acceptable to the Employer.

11. INSPECTION OF SITE

The Contractor shall be deemed to have inspected and examined the site and its surroundings and to have satisfied himself before submitting his Tender and signing the Contract as to all matters relative to the nature of the land and subsoil, the form and nature of the Site, details and levels of existing pipe lines, conduits, sewers, drains, cables or other existing services, the quantities and nature of the work and materials necessary for the completion of the Works, the means of access to the Site, and the accommodation he may require, and in general to have himself obtained all necessary information as to risk contingencies, climatic, hydrological and natural conditions and other circumstances which may influence or affect his Tender, and no claims will be entertained in this connection against the Employer.

12. SUFFICIENCY OF TENDER

The Contractor shall be deemed to have satisfied himself before tendering as to the correctness and sufficiency of his Tender for the construction of the Works and of the rates and prices, which rates and prices shall, except in so far as it is otherwise provided in the Contract, cover all his obligations under the Contract and all matters and things necessary for the proper execution and completion of the Works.

13. PROGRAMME OF WORK TO BE FURNISHED

Within the time limit specified in the Contract, the Contractor shall submit to the Engineer for his consent a detailed Programme of Work showing the order of procedure and the method in which he proposes to carry out the Works. In preparing his Programme of Work the Contractor shall pay due regard to the priority required by certain works. Should the Engineer, during the progress of work, require further modifications to the Programme of Work, the Contractor shall review the said program. The Contractor shall also whenever required by the Engineer submit particulars in writing of the Contractor's arrangements for carrying out the Works and of the Constructional Plant and Temporary Works which the Contractor intends to supply, use or construct as the case may be. The submission of such program, or any modifications thereto, or the particulars required by the Engineer, shall not relieve the Contractor of any of his duties or obligations under the Contract nor shall the incorporation of any modification to the Programme of Work either at the commencement of the contract or during its course entitle the Contractor to any additional payments in consequence thereof.

14. WEEKLY SITE MEETING

A weekly site meeting shall be held between UNDP Project Coordinator or engineer, if any, the representative of the Contractor and the Engineer or the Engineer's Representative, in order to verify that the Works are progressing normally and are executed in accordance with the Contract.

15. CHANGE ORDERS

United Nations Development Programme

Programme of Assistance to the Palestinian People

برنامج الأمم المتحدة الإنمائي / برنامج مساعدة الشعب الفلسطيني



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- a) The Engineer may instruct the Contractor, with the approval of the Employer and by means of Change Orders, all variations in quantity or quality of the Works, in whole or in part, that are deemed necessary by the Engineer.
- b) Processing of change orders shall be governed by clause 48 of these General Conditions.

16. CONTRACTOR'S SUPERINTENDENCE

The Contractor shall provide all necessary superintendence during the execution of the Works and as long thereafter as the Engineer may consider necessary for the proper fulfillment of the Contractor's obligations under the Contract. The Contractor or a competent and authorized agent or representative of the Contractor approved in writing by the Engineer, which approval may at any time be withdrawn, shall be constantly on the site and shall devote his entire time to the superintendence of the Works. Such authorized agent or representative shall receive on behalf of the Contractor directions and instructions from the Engineer. If the approval of such agent or representative shall be withdrawn by the Engineer, as provided in Clause 17(2) hereinafter, or if the removal of such agent or representative shall be requested by the Employer under Clause 17(3) hereinafter, the Contractor shall as soon as it is practicable after receiving notice of such withdrawal remove the agent or representative from the Site, and replace him by another agent or representative approved by the Engineer. Notwithstanding the provision of Clause 17(2) hereinafter, the Contractor shall not thereafter employ, in any capacity whatsoever, a removed agent or representative again on the Site.

17. CONTRACTOR'S EMPLOYEES

- a) The Contractor shall provide and employ on the Site in connection with the execution and completion of the Works and the remedying of any defects therein:
 - i. Only such technical assistants as are skilled and experienced in their respective callings and such sub-agent foremen and leading hands as are competent to give proper supervision to the work they are required to supervise, and
 - ii. Such skilled, semi-skilled, and unskilled labour as is necessary for the proper and timely execution and completion of the Works.
- b) The Engineer shall be at liberty to object to and require the Contractor to remove forthwith from the Works any person employed by the Contractor in or about the execution or completion of the Works, who in the opinion of the Engineer is misconducting himself, or is incompetent or negligent in the proper performance of his duties, or whose employment is otherwise considered reasonably by the Engineer to be undesirable, and such person shall not be again employed on the Site without the written permission of the Engineer. Any person so removed from the Works shall be replaced as soon as reasonably possible by a competent substitute approved by the Engineer.
- c) Upon written request by the Employer, the Contractor shall withdraw or replace from the Site any agent, representative or other personnel who does not conform to the standards set forth in paragraph (1) of this Clause. Such request for withdrawal or replacement shall not be considered as termination in part or in whole of this Contract. All costs and additional expenses resulting from any withdrawal or replacement for whatever reason of any of the Contractor's personnel shall be at the Contractor's expense.

18. SETTING-OUT

The Contractor shall be responsible for the true and proper setting out of the Works in relation to original points, lines and levels of reference given by the Engineer in writing and for the



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correctness of the position, levels, dimensions and alignment of all parts of the Works and for the provision of all necessary instruments, appliances and labor in connection therewith. If, at any time during the progress of the Works, any error shall appear or arise in the position, levels, dimensions or alignment of any part of the Works, the Contractor, on being required so to do by the Engineer, shall, at his own cost, rectify such error to the satisfaction of the Engineer.

19. WATCHING AND LIGHTING

The Contractor shall in connection with the Works provide and maintain at his own cost all lights, guards, fencing and watching when and where necessary or required by the Engineer or by any duly constituted authority for the protection of the Works and the materials and equipment utilized there for or for the safety and convenience of the public or others.

20. CARE OF WORKS

- a) From the commencement date of the Works to the date of substantial completion as stated in the Certificate of Substantial Completion, the Contractor shall take full responsibility for the care thereof and of all Temporary Works. In the event that any damage or loss should happen to the Works or to any part thereof or to any Temporary Works from any cause whatsoever (save and except as shall be due to Force Majeure as defined in Clause 66 of these General Conditions), the Contractor shall at his own cost repair and make good the same so that, at completion, the Works shall be in good order and condition and in conformity in every respect with the requirements of the Contract and the Engineer's instructions. The Contractor shall also be liable for any damage to the Works occasioned by him in the course of any operations carried out by him for the purpose of complying with his obligations Clause 47 hereof.
- b) The Contractor shall be fully responsible for the review of the Engineering design and details of the Works and shall inform the Employer of any mistakes or incorrectness in such design and details which would affect the Works.

21. INSURANCE OF WORKS, ETC.

Without limiting his obligations and responsibilities under Clause 20 hereof, the Contractor shall insure immediately following signature of this Contract, in the joint names of the Employer and the Contractor (a) for the period stipulated in Clause 20(1) hereof, against all loss or damage from whatever cause arising, other than cause of Force majeure as defined in clause 66 of these General Conditions, and (b) against loss or damage for which the Contractor is responsible, in such manner that the Employer and the Contractor are covered for the period stipulated in Clause 20 (1) hereof and are also covered during the Defects Liability Period for loss or damage arising from a cause occurring prior to the commencement of the Defects Liability Period and for any loss or damage occasioned by the Contractor in the course of any operations carried out by him for the purpose of complying with his obligations under Clause 47 hereof:

- a) The Works, together with the materials and Plant for incorporation therein, to their full replacement cost, plus an additional sum of ten (10) per cent of such replacement cost, to cover any additional costs of and incidental to the rectification of loss or damage including professional fees and the cost of demolishing and removing any part of the Works and of removing debris of whatsoever nature;
- b) The Contractor's equipment and other things brought on to the Site by the Contractor to the replacement value of such equipment and other things;



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- c) An insurance to cover the liabilities and warranties of Section 52(4);
Such insurance shall be effected with an insurer and in terms approved by the Employer, which approval shall not be unreasonably withheld, and the Contractor shall, whenever required, produce to the Engineer the policy or policies of insurance and the receipts for payment of the current premiums.

22. DAMAGE TO PERSONS AND PROPERTY

The Contractor shall (except if and so far as the Contract provides otherwise) indemnify, hold and save harmless and defend at his own expense the Employer, its officers, agents, employees and servants from and against all suits, claims, demands, proceedings, and liability of any nature or kind, including costs and expenses, for injuries or damages to any person or any property whatsoever which may arise out of or in consequence of acts or omissions of the Contractor or its agents, employees, servants or subcontractors in the execution of the Contract. The provision of this Clause shall extend to suits, claims, demands, proceedings and liability in the nature of workmen's compensation claims and arising out of the use of patented inventions and devices. Provided always that nothing herein contained shall be deemed to render the Contractor liable for or in respect of or with respect to:

- a) The permanent use or occupation of land by the Works or any part thereof;
- b) The right of the Employer to construct the Works or any part thereof on, over, under, or through any land.
- c) Interference whether temporary or permanent with any right of light, airway or water or other easement or quasi-easement which is the unavoidable result of the construction of the Works in accordance with the Contract.
- d) Death, injuries or damage to persons or property resulting from any act or neglect of the Employer, his agents, servants or other contractors, done or committed during the validity of the Contract.

23. LIABILITY INSURANCE

23.1. Obligation to take out Liability Insurance

Before commencing the execution of the Works, but without limiting his obligations and responsibility under Clause 20 hereof, the Contractor shall insure against his liability for any death, material or physical damage, loss or injury which may occur to any property, including that of the Employer or to any person, including any employee of the Employer by or arising out of the execution of the Works or in the carrying out of the Contract, other than due to the matters referred to in the proviso to Clause 22 hereof.

23.2. Minimum Amount of Liability Insurance

Such insurance shall be effected with an insurer and in terms approved by the Employer, which approval shall not be unreasonably withheld, and for at least the amount specified in the contract. The Contractor shall, whenever required by the Employer or the Engineer, produce to the Engineer the policy or policies of insurance and the receipts for payment of the current premiums.

23.3. Provision to Indemnify Employer

The insurance policy shall include a provision whereby, in the event of any claim in respect of which the Contractor would be entitled to receive indemnity under the policy, being brought or made against the Employer, the insurer shall indemnify the Employer against such claims and any costs, charges and expenses in respect thereof.



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24. ACCIDENT OR INJURY TO WORKMEN

- a) The Employer shall not be liable for or in respect of any damages or compensation payable at law in respect or in consequence of any accident or injury to any workman or other person in the employment of the Contractor or any sub-Contractor, save and except an accident or injury resulting from any act or default of the Employer, his agents or servants. The Contractor shall indemnify, hold and save harmless the Employer against all such damages and compensation, save and except as aforesaid, and against all claims, proceedings, costs, charges and expenses whatsoever in respect thereof or in relation thereto.
- b) Insurance Against Accident, etc., to Workmen
The Contractor shall insure against such liability with an insurer approved by the Employer, which approval shall not be unreasonably withheld, and shall continue such insurance during the whole of the time that any persons are employed by him for the Works and shall, when required, produce to the Engineer such policy of insurance and the receipt for payment of the current premium. Provided always that, in respect of any persons employed by any subcontractor, the Contractor's obligation to insure as aforesaid under this sub-clause shall be satisfied if the subcontractor shall have insured against the liability in respect of such persons in such manner that the Employer is indemnified under the policy but the Contractor shall require such subcontractor to produce to the Engineer when required such policy of insurance and the receipt for the current premium, and obtain the insertion of a provision to that effect in its contract with the subcontractor.

25. REMEDY ON CONTRACTOR'S FAILURE TO INSURE

If the Contractor shall fail to effect and keep in force any of the insurances referred to in Clauses 21, 23 and 24 hereof, or any other insurance which he may be required to effect under the terms of the Contract, the Employer may in any such case effect and keep in force any such insurance and pay such premium as may be necessary for that purpose and from time to time deduct the amount so paid by the Employer as aforesaid from any monies due or which may become due to the Contractor, or recover the same as a debt due from the Contractor.

26. COMPLIANCE WITH STATUTES, REGULATIONS, ETC.

- a) The Contractor shall give all notices and pay all fees and charges required to be given or paid by any national or State Statutes, Ordinances, Laws, Regulations or By-laws, or any local or other duly constituted authority in relation to the execution of the Works or of any Temporary Works and by the Rules and Regulations of all public bodies and companies whose property or rights are affected or may be affected in any way by the Works or any Temporary Works.
- b) The Contractor shall conform in all respects with any such Statutes, Ordinances, Laws, Regulations, By-laws or requirements of any such local or other authority which may be applicable to the Works and shall keep the Employer indemnified against all penalties and liabilities of every kind for breach of any such Statutes, Ordinances, Laws, Regulations, By-laws or requirements.

27. FOSSILS, ETC.

All fossils, coins, articles of value or antiquity and structures and other remains or things of geological or archaeological interest discovered on the Site of the Works shall as between the Employer and the Contractor be deemed to be the absolute property of the Employer and the



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Contractor shall take reasonable precautions to prevent his workmen or any other persons from removing or damaging any such article or thing and shall immediately upon discovery thereof and before removal acquaint the Employer of such discovery and carry out at the expense of the Employer the Engineer's orders as to the disposal of the same.

28. COPYRIGHT, PATENT AND OTHER PROPRIETARY RIGHTS, AND ROYALTIES

- a) The Contractor shall hold harmless and fully indemnify the Employer from and against all claims and proceedings for or on account of infringement of any patent rights, design trademark or name or other protected rights in respect of any Plant, equipment, machine, work or material used for or in connection with the Works or Temporary Works and from and against all claims, demands proceedings, damages, costs, charges and expenses whatsoever in respect thereof or in relation thereto, except where such infringement results from compliance with the design or Specification provided by the Engineer.
- b) Except where otherwise specified, the Contractor shall pay all tonnage and other royalties, rent and other payments or compensation, if any, for getting stone, sand, gravel, clay or other materials required for the Works or Temporary Works.

29. INTERFERENCE WITH TRAFFIC AND ADJOINING PROPERTIES

All operations necessary for the execution of the Works and for the Construction of any Temporary Works shall, so far as compliance with the requirements of the Contract permits, be carried on so as not to interfere unnecessarily or improperly with the public convenience, or the access to, use and occupation of, public or private roads and footpaths to or of properties whether in the possession of the Employer or of any other person. The Contractor shall hold harmless and indemnify the Employer in respect of all claims, demands, proceedings, damages, costs, charges and expenses whatsoever arising out of or in relation to any such matters in so far as the Contractor is responsible therefore.

30. EXTRAORDINARY TRAFFIC AND SPECIAL LOADS

- a) The Contractor shall use every reasonable means to prevent any of the roads or bridges communicating with or on the routes to the Site from being damaged by any traffic of the Contractor or any of his sub-contractors and, in particular, shall select routes, choose and use vehicles and restrict and distribute loads so that any such extraordinary traffic as will inevitably arise from the moving of plant and material from and to the Site shall be limited as far as reasonably possible and so that no unnecessary damage may be occasioned to such roads and bridges.
- b) Should it be found necessary for the Contractor to move any load of Constructional Plant, machinery, reconstructed units or parts of units of work, or other thing, over part of a road or bridge, the moving whereof is likely to damage any such road or bridge unless special protection or strengthening is carried out, then the Contractor shall before moving the load on to such road or bridge, save insofar as the Contract otherwise provide, be responsible for and shall pay for the cost of strengthening any such bridge or altering or improving any such road to avoid such damage, and the Contractor shall indemnify and keep the Employer indemnified against all claims for damage to any such road or bridge caused by such movement, including such claim as may be made directly against the Employer, and shall negotiate and pay all claims arising solely out of such damage.

31. OPPORTUNITIES FOR OTHER CONTRACTORS

The Contractor shall in accordance with the requirements of the Engineer afford all reasonable opportunities for carrying out their work to any other contractors employed by the Employer and their workmen and to the workmen of the Employer and of any other duly



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constituted authorities who may be employed in the execution on or near the Site of any work not included in the Contract or of any contract which the Employer may enter into in connection with or ancillary to the Works. If work by other contractors of the Employer as above-mentioned involves the Contractor in any direct expenses as a result of using his Site facilities, the Employer shall consider payment to the Contractor of such sum or sums as may be recommended by the Engineer.

32. CONTRACTOR TO KEEP SITE CLEAN

During the progress of the Works, the Contractor shall keep the Site reasonably free from all unnecessary obstruction and shall store or dispose of any Constructional Plant and surplus materials and clear away and remove from the Site any wreckage, rubbish or Temporary Works no longer required.

33. CLEARANCE OF SITE ON SUBSTANTIAL COMPLETION

On the substantial completion of the Works, the Contractor shall clear away and remove from the Site all Constructional Plant surplus materials, rubbish and Temporary Works of every kind and leave the whole of the Site and Works clean and in a workmanlike condition to the satisfaction of the Engineer.

34. LABOUR

34.1 Engagement of Labour

The Contractor shall make his own arrangements for the engagement of all labour local or otherwise.

34.2 Supply of Water

The Contractor shall provide on the Site to the satisfaction of the Engineer an adequate supply of drinking and other water for the use of the Contractor's staff and work people.

34.3 Alcoholic Drinks or Drugs

The Contractor shall comply with Government laws and regulations and orders in force as regards the import, sale, barter or disposal of alcoholic drinks or narcotics and he shall not allow or facilitate such importation, sale, gift, barter or disposal by his sub-contractors, agents or employees.

34.4 Arms and Ammunition

The restrictions specified in clause 34.3 above shall include all kinds of arms and ammunition.

34.5 Holiday and Religious Customs

The Contractor shall in all dealings with labor in his employ have due regard to all holiday, recognized festivals and religious or other customs.

34.6 Epidemics

In the event of any outbreak of illness of an epidemic nature the Contractor shall comply with and carry out such regulations, orders, and requirements as may be made by the Government or the local medical or sanitary authorities for the purpose of dealing with and overcoming the same.

34.7 Disorderly Conduct, etc.

The Contractor shall at all times take all reasonable precautions to prevent any unlawful riotous or disorderly conduct by or amongst his employees and for the



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preservation of peace and the protection of persons and property in the neighborhood of the Works against the same.

34.8 Observance by Sub-Contractors

The Contractor shall be considered responsible for the observance of the above provisions by his Sub-Contractors.

34.9 Legislation applicable to Labor

The Contractor shall abide by all applicable legislation and regulation with regard to labour.

35. RETURNS OF LABOUR, PLANT, ETC.

The Contractor shall, if required by the Engineer, deliver to the Engineer at his office, a return in detail in the form and at such intervals as the Engineer may prescribe showing the supervisory staff and the numbers of the several classes of labor from time to time employed by the Contractor on the Site and such information respecting Constructional plant as the Engineer may require.

36 MATERIALS, WORKMANSHIP AND TESTING

36.1 Materials and Workmanship

a) All materials and workmanship shall be of the respective kinds described in the Contract and in accordance with the Engineer's instructions and shall be subjected from time to time to such tests as the Engineer may direct at the place of manufacture or fabrication, or on the Site or at all or any of such places. The Contractor shall provide such assistance, instruments, machines, labor and materials as are normally required for examining, measuring and testing any work and the quality, weight or quantity of any materials used and shall supply samples of materials before incorporation in the Works for testing as may be selected and required by the Engineer. All testing equipment and instruments provided by the Contractor shall be used only by the Engineer or by the Contractor in accordance with the instructions of the Engineer.

b) No material not conforming with the Specifications in the Contract may be used for the Works without prior written approval of the Employer and instruction of the Engineer, provided always that if the use of such material results or may result in increasing the Contract Price, the procedure in Clause 48 shall apply.

36.2 Cost of Samples

All samples shall be supplied by the Contractor at his own cost unless the supply thereof is clearly intended in the Specifications or Bill of Quantities to be at the cost of the Employer. Payment will not be made for samples which do not comply with the Specifications.

36.3 Cost of Tests

The Contractor shall bear the costs of any of the following tests:

- a) Those clearly intended by or provided for in the Contract Documents.
- b) Those involving load testing or tests to ensure that the design of the whole of the Works or any part of the Works is appropriate for the purpose which it was intended to fulfil.

37 ACCESS TO SITE



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The Employer and the Engineer and any persons authorized by either of them shall, at all times, have access to the Works and to the Site and to all workshops and places where work is being prepared or whence materials, manufactured articles or machinery are being obtained for the Works and the Contractor shall afford every facility for and every assistance in or in obtaining the right to such access.

38 EXAMINATION OF WORK BEFORE COVERING UP

No work shall be covered up or put out of view without the approval of the Engineer and the Contractor shall afford full opportunity for the Engineer to examine and measure any work which is about to be covered up or put out of view and to examine foundations before permanent work is placed thereon. The Contractor shall give due notice to the Engineer whenever any such work or foundations is or are ready or about to be ready for examination and the Engineer shall without unreasonable delay unless he considers it unnecessary and advises the Contractor accordingly attend for the purpose of examining and measuring such work or of examining such foundations.

39 REMOVAL OF IMPROPER WORK AND MATERIALS

39.1 Engineer's power to order removal

The Engineer shall during the progress of the Works have power to order in writing from time to time, and the Contractor shall execute at his cost and expense, the following operations:

- a) The removal from the Site within such time or times as may be specified in the order of any materials which in the opinion of the Engineer are not in accordance with the Contract;
- b) The substitution of proper and suitable materials; and
- c) The removal and proper re-execution (notwithstanding any previous test thereof or interim payment therefore) of any work which in respect of materials or workmanship is not in the opinion of the Engineer in accordance with the Contract.

39.2 Default of Contractor in carrying out Engineer's Instructions

In case of default on the part of the Contractor in carrying out an instruction of the Engineer, the Employer shall be entitled to employ and pay other persons to carry out the same and all expenses consequent thereon or incidental thereto shall be borne by the Contractor and shall be recoverable from him by the Employer and may be deducted by the Employer from any monies due or which may become due to the Contractor.

40 SUSPENSION OF WORK

The Contractor shall on the written order of the Engineer suspend the progress of the Works or any part thereof for such time or times and in such manner as the Engineer may consider necessary and shall, during such suspension, properly protect and secure the Works so far as it is necessary in the opinion of the Engineer. The Employer should be notified and his written approval should be sought for any suspension of work in excess of three (3) days.

41 POSSESSION OF SITE

41.1 Access to Site

The Employer shall with the Engineer's written order to commence the Works, give to the Contractor possession of so much of the Site as may be required to enable the Contractor to commence and proceed with the construction of the Works in accordance

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with the Program referred to in Clause 13 hereof and otherwise in accordance with such reasonable proposals of the Contractor as he shall make to the Engineer by notice in writing, and shall from time to time as the Works proceed give to the Contractor possession of such further portions of the Site as may be required to enable the Contractor to proceed with the construction of the Works with due dispatch in accordance with the said Program or proposals, as the case may be.

41.2 Way leaves, etc.

The Contractor shall bear all expenses and charges for special temporary way leaves required by him in connection with access to the Site. The Contractor shall also provide at his own cost any additional accommodation outside the Site required by him for the purpose of the Works.

As defined below, the limits of the Site shall be as defined in the Contract. Should the Contractor require land beyond the Site, he shall provide it entirely at his own expense and before taking possession shall supply the Engineer with a copy of the necessary permits. Access to the Site is available where the Site adjoins a public road but it is not provided unless shown on the Drawings. When necessary for the safety and convenience of workmen, public or livestock or for the protection of the Works, the Contractor shall, at his own expense, provide adequate temporary fencing to the whole or part of the Site. The Contractor shall not disturb damage or pull down any hedge, tree or building within the Site without the written consent of the Engineer.

42 TIME FOR COMPLETION

- a) Subject to any requirement in the Contract as to completion of any section of the Works before completion of the whole, the whole of the Works shall be completed, in accordance with the provisions of Clause 46 and 47 hereof, within the time stated in the Contract.
- b) The completion time includes weekly rest days, official holidays, and days of inclement weather.

43 EXTENSION OF TIME FOR COMPLETION

If, subject to the provisions of the Contract, the Engineer orders alterations or additions in the Works in accordance with Clause 48 hereof, or if circumstances constituting force majeure as defined in the Contract have occurred, the Contractor shall be entitled to apply for an extension of the time for completion of the Works specified in the Contract. The Employer shall, upon such application, determine the period of any such extension of time; provided that in the case of alterations or additions in the Works, the application for such an extension must be made before the alterations or additions in the Works are undertaken by the Contractor.

44 RATE OF PROGRESS

The whole of the materials, plant and labor to be provided by the Contractor and the mode, manner and speed of execution and completion of the Works are to be of a kind and conducted in a manner to the satisfaction of the Engineer. Should the rate of progress of the Works or any part thereof be at any time in the opinion of the Engineer too slow to ensure the completion of the Works by the prescribed time or extended time for completion, the Engineer shall so notify the Contractor in writing and the Contractor shall thereupon take such steps as the Contractor may think necessary and the Engineer may approve to expedite progress so as to complete the Works by the prescribed time or extended time for completion. If the work is not being carried on by day and by night and the Contractor shall request permission to work by night as well as by day, then, if the Engineer



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shall grant such permission, the Contractor shall not be entitled to any additional payment. All work at night shall be carried out without unreasonable noise and disturbance. The contractor shall indemnify the Employer from and against any claims or liability for damages on account of noise or other disturbance created while or in carrying out the work and from and against all claims, demands, proceedings, costs and expenses whatsoever in regard or in relation to such noise or other disturbance. The Contractor shall submit in triplicate to the Engineer at the end of each month signed copies of explanatory Drawings or any other material showing the progress of the Works.

45 LIQUIDATED DAMAGES FOR DELAY

- a) If the Contractor shall fail to complete the Works within the time for completion prescribed in the Contract, or any extended time for completion in accordance with the Contract, then the Contractor shall pay to the Employer the sum specified in the Contract as liquidated damages, for the delay between the time prescribed in the Contract or the extended time for completion, as the case may be, and the date of substantial completion of the Works as stated in the Certificate of Substantial Completion, subject to the applicable limit stated in the Contract. The said sum shall be payable by the sole fact of the delay without the need for any previous notice or any legal proceedings, or proof of damage, which shall in all cases be considered as ascertained. The Employer may, without prejudice to any other method of recovery, deduct the amount of such liquidated damages from any monies in its hands due or which may become due to the Contractor. The payment or deduction of such damages shall not relieve the Contractor from his obligation to complete the Works or from any other of his obligations and liabilities under the Contract.
- b) If, before the time for completion of the whole of the Works or of a Section of the Works, a Certificate of Substantial Completion has been issued for any part or Section of the Works, the liquidated damages for delay in completion of the remainder of the Works or of that Section may, for any period of delay after the date stated in such Certificate of Substantial Completion, and in the absence of alternative provisions in the Contract, be reduced in the proportion which the value of the part or Section so certified bears to the total value of the whole of the Works or Section, as applicable. The provisions of this Sub-Clause shall only apply to the rate of liquidated damages and shall not affect the limit thereof.

46 CERTIFICATE OF SUBSTANTIAL COMPLETION

46.1 Substantial Completion of the Works

When the whole of the Works have been substantially completed and have satisfactorily passed any test on completion prescribed by the Contract, the Contractor may give a notice to that effect to the Engineer accompanied by an undertaking to finish any outstanding work during the Defects Liability Period. Such notice and undertaking shall be in writing and shall be deemed to be a request by the Contractor, for the Engineer to issue a Certificate of Substantial Completion in respect of the Works. The Engineer shall, within twenty-one (21) days of the date of delivery of such notice either issue to the Contractor, with a copy to the Employer, a Certificate of Substantial Completion stating the date on which, in his opinion, the Works were substantially completed in accordance with the Contract or give instructions in writing to the Contractor specifying all the work which, in the Engineer's opinion, requires to be done by the Contractor before the issuance of such Certificate. The Engineer shall also notify the Contractor of any defects in the Works affecting substantial completion that may appear after such instructions and before completion of the work specified therein. The Contractor shall be entitled to receive such Certificate of Substantial



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Completion within twenty-one (21) days of completion, to the satisfaction of the Engineer, of the work so specified and making good any defect so notified. Upon issuance of the Certificate of Substantial Completion of the Works, the Contractor shall be deemed to have undertaken to complete with due expedition any outstanding work during the Defects Liability Period.

46.2 Substantial Completion of Sections or Parts of the Works

In accordance with the procedure in Sub-Clause (1) of this Clause and on the same conditions as provided therein, the Contractor may request the Engineer to issue, and the Engineer may issue, a Certificate of Substantial Completion in respect of any Section or part of the Works which has been substantially completed and has satisfactorily passed any tests on completion prescribed by the Contract, if:

- a) a separate time for completion is provided in the Contract in respect of such Section or part of the Works;
- b) such Section or part of the Works has been completed to the satisfaction of the Engineer and is required by the Employer for his occupation or use.

Upon the issuance of such Certificate, the Contractor shall be deemed to have undertaken to complete any outstanding work during the Defects Liability Period.

47 DEFECTS LIABILITY

47.1 Defects Liability Period

The expression "Defects Liability Period" shall mean the period of twelve (12) months, calculated from the date of completion of the Works stated in the Certificate of Substantial Completion issued by the Engineer or, in respect of any Section or part of the Works for which a separate Certificate of Substantial Completion has been issued, from the date of completion of that Section or part as stated in the relevant Certificate. The expression "the Works" shall, in respect of the Defects Liability Period, be construed accordingly.

47.2 Completion of Outstanding Work and Remedying of Defects

Period, the Contractor shall finish the work, if any, outstanding at the date of the Certificate of Substantial Completion, and shall execute all such work of repair, amendment, reconstruction, rectification and making good defects, imperfections, shrinkages or other faults as may be required of the Contractor in writing by the Engineer during the Defects Liability Period and within fourteen (14) days after its expiration, as a result of an inspection made by or on behalf of the Engineer prior to expiration of the Defects Liability Period.

47.3 Cost of Execution of Work of Repair, etc.

All such outstanding work shall be carried out by the Contractor at his own expense if the necessity thereof shall, in the opinion of the Engineer, be due to the use of material or workmanship not in accordance with the Contract, or to neglect or failure on the part of the Contractor to comply with any obligation expressed or implied, on the Contractor's part under the Contract.

47.4 Remedy on Contractor's Failure to Carry Out Work Required

If the Contractor shall fail to do any such work outstanding on the Works, the Employer shall be entitled to employ and pay other persons to carry out the same, and all expenses consequent thereon or incidental thereto shall be recoverable from the Contractor by the Employer, and may be deducted by the Employer from any monies due or which may become due to the Contractor.



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47.5 Certificate of Final Completion

Upon satisfactory completion of the work outstanding on the Works, the Engineer shall within twenty eight (28) days of the expiration of the Defects Liability period issue a Certificate of Final Completion to the Contractor. The Contract shall be deemed to be completed upon issuance of such Certificate, provided that the provisions of the Contract which remain unperformed and the Settlement of Disputes provision in the Contract shall remain in force for as long as is necessary to dispose of any outstanding matters or issues between the Parties.

48 ALTERATIONS, ADDITIONS AND OMISSIONS

48.1 Variations

The Engineer may within his powers introduce any variations to the form, type or quality of the Works or any part thereof which he considers necessary and for that purpose or if for any other reasons it shall, in his opinion be desirable, he shall have power to order the Contractor to do and the Contractor shall do any of the following:

- (a) increase or decrease the quantity of any work under the Contract;
- (b) omit any such work;
- (c) change the character or quality or kind of any such work;
- (d) change the levels, lines, positions and dimensions of any part of the Works;
- (e) Execute additional work of any kind necessary for the completion of the Works, and no such variation shall in any way vitiate or invalidate the Contract.

48.2 Variations Increasing Cost of Contract or altering the Works.

The Engineer shall, however, obtain the written approval of the Employer before giving any order for any variations which may result in an increase of the Contract Price or in an essential alteration of the quantity, quality or character of the Works.

48.3 Orders for Variations to be in Writing

No variations shall be made by the Contractor without an order in writing from the Engineer. Variations requiring the written approval of the Employer under paragraph (2) of this Clause shall be made by the Contractor only upon written order from the Engineer accompanied by a copy of the Employer's approval. Provided that, subject to the provisions of the Contract, no order in writing shall be required for any increase or decrease in the quantity of any work where such increase or decrease is not the result of an order given under this Clause but is the result of the quantities exceeding or being less than those stated in the Bill of Quantities.

48.4 Valuation of Variations

The Engineer shall estimate to the Employer the amount to be added or deducted from the Contract Price in respect of any variation, addition or omission. In the case of any variation, addition or omission which may result in an increase of the Contract Price, the Engineer shall communicate such estimate to the Employer together with his request for the Employer's written approval of such variation, addition or omission. The value of any variation, addition or omission shall be calculated on the basis of the unit prices contained in the Bill of Quantities.



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49 PLANT, TEMPORARY WORKS AND MATERIALS

49.1 Plant, etc., Exclusive Use for the Works

All Constructional Plant, Temporary Works and Materials provided by the Contractor shall, when brought on the Site, be deemed to be exclusively intended for the construction and completion of the Works and the Contractor shall not remove the same or any part thereof (save for the purpose of moving it from one part of the Site to another) without the consent in writing of the Engineer which shall not be unreasonably withheld.

49.2 Removal of Plant, etc.

Upon completion of the Works the Contractor shall remove from the Site all the said Constructional Plant and Temporary Works remaining thereon and any unused materials provided by the Contractor.

49.3 Employer not liable for Damage to Plant

The Employer shall not be at any time liable for the loss of any of the said Constructional plant, Temporary Works or Materials save if such loss results from the act or neglect of the Employer, its employees or agents.

49.4 Ownership of paid material and work

All material and work covered by payments made by the Employer to the Contractor shall thereupon become the sole property of the Employer, but this provision shall not be construed as relieving the Contractor from the sole responsibility for all material and work upon which payments have been made or the restoration of any damaged work or as waiving the right of the Employer to require the fulfillment of all of the terms of the Contract.

49.5 Equipment and supplies furnished by Employer

Title to any equipment and supplies which may be furnished by the Employer shall rest with the Employer and any such equipment and supplies shall be returned to the Employer at the conclusion of the Contract or when no longer needed by the Contractor. Such equipment when returned to the Employer shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear.

50 APPROVAL OF MATERIALS ETC., NOT IMPLIED

The operation of Clause 49 hereof shall not be deemed to imply any approval by the Engineer of the materials or other matters referred to therein nor shall it prevent the rejection of any such materials at any time by the Engineer.

51 MEASUREMENT OF WORKS

The Engineer shall, when he requires any part or parts of the Works to be measured, give notice to the Contractor or the Contractor's authorized agent or representative who shall forthwith attend or send a qualified agent to assist the Engineer in making such measurement and shall furnish all particulars required by either of them. Should the Contractor not attend or neglect or omit to send such agent, then the measurement made by the Engineer or approved by him shall be taken to be the correct measurement of the work. The purpose of measuring is to ascertain the volume of work executed by the Contractor and therefore determine the amount of the monthly payments.

52 LIABILITY OF THE PARTIES



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52.1 The Works shall not be considered as completed until a Certificate of Final Completion shall have been signed by the Engineer and delivered to the Employer stating that the Works have been completed and that the Contractor has fulfilled all his obligations under Clause 47 to his satisfaction.

52.2 The Employer shall not be liable to the Contractor for any matter arising out of or in connection with the Contract or the execution of the Works unless the Contractor shall have made a claim in writing in respect thereof before the giving of the Certificate of Final Completion and in accordance with the Contract.

52.3 Unfulfilled Obligations

Notwithstanding the issue of the Certificate of Final Completion, the Contractor shall remain liable for the fulfillment of any obligation incurred under the provisions of the Contract prior to the issuance of the Certificate of Final Completion and which remains unperformed at the time such Certificate is issued. For the purpose of determining the nature and extent of any such obligation the Contract shall be deemed to remain in force between the parties hereto.

52.4 Contractor Responsible

Notwithstanding any other provisions in the Contract documents, the Contractor shall be totally responsible for and shall bear any and all risks of loss or damage to or failure of the Works or any part thereof for a period of ten years after issuance of the Certificate of Final Completion, provided always that such risks, damage or failure result from acts, defaults and negligence of the Contractor, his agents, employees or workmen and such contractors.

53 AUTHORITIES

53.1 The Employer shall have the right to enter upon the Site and expel the Contractor there from without thereby voiding the Contract or releasing the Contractor from any of his obligations or liabilities under the Contract or affecting the rights and powers conferred on the Employer and the Engineer by the Contract in any of the following cases:

- a. If the Contractor is declared bankrupt or claims bankruptcy or court protection against his creditors or if the Contractor is a company or member of a company which was dissolved by legal action;
- b. If the Contractor makes arrangements with his creditors or agrees to carry out the Contract under an inspection committee of his creditors;
- c. If the Contractor withdraws from the Works or assigns the Contract to others in whole or in part without the Employer's prior written approval;
- d. If the Contractor fails to commence the Works or shows insufficient progress to the extent which in the opinion of the Engineer will not enable him to meet the target completion date of the Works;
- e. If the Contractor suspends the progress of the Works without due cause for fifteen (15) days after receiving from the Engineer written notice to proceed;



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- f. If the Contractor fails to comply with any of the Contract conditions or fails to fulfill his obligations and does not remedy the cause of his failure within fifteen (15) days after being notified to do so in writing;
- g. If the Contractor is not executing the work in accordance with standards of workmanship specified in the Contract;
- h. If the Contractor gives or promises to give a present or loan or reward to any employee of the Employer or of the Engineer.

Then the Employer may himself complete the Works or may employ any other contractor to complete the Works and the Employer or such other contractor may use for such completion so much of Constructional Plant, Temporary Works and Materials, which have been deemed to be reserved exclusively for the construction and completion of the Works under the provision of the Contract as he or they may think proper and the Employer may at any time sell any of the said Constructional Plant, Temporary Works and unused materials and apply the proceeds of sale in or towards the satisfaction of any sums due or which may become due to him from the Contractor under the Contract.

53.2 Evaluation after Re-entry

The Engineer shall as soon as may be practicable after any such entry and expulsion by the Employer notify the Contractor to attend the necessary evaluation of the Works. In the event that for any reason the Contractor does not attend such evaluation the Engineer shall undertake the said evaluation in the absence of the Contractor and shall issue a certificate stating the sum, if any, due to the Contractor for work done in accordance with the Contract up to the time of entry and expulsion by the Employer which has been reasonably accumulated to the Contractor in respect of the Works he has executed in such case in accordance with the Contract. The Engineer shall indicate the value of the materials whether unused or partially used and the value of construction equipment and any part of the Temporary Works.

54 Payment after Re-entry

If the Employer shall enter and expel the Contractor under this Clause he shall not be liable to pay the Contractor any money on account of the Contract until the expiration of the Defects Liability Period, and thereafter until the costs of completion and making good any defects of the Works, damages for delay in completion (if any), and all other expenses incurred by the Employer have been ascertained and their amount certified by the Engineer. The Contractor shall then be entitled to receive only such sum or sums (if any) as the Engineer may certify would have been due to him upon due completion by him after deducting the said amount. But if such amount shall exceed the sum which would have been payable to the Contractor on due completion by him,, then the Contractor shall upon demand pay to the Employer the amount of such excess. The Employer in such case may recover this amount from any money due to the Contractor from the Employer without the need to resort to legal procedures.

55 URGENT REPAIRS

If by reason of any accident or failure or other event occurring to, in or in connection with the Works or any part thereof either during the execution of the Works or during the Defects Liability Period any remedial or other work or repair shall in the opinion of the Engineer be urgently necessary for security and the Contractor is unable or unwilling at once to do such work or repair, the Employer may by his own or other workmen do such work or repair as the



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Engineer may consider necessary. If the work or repair so done by the Employer is work which in the opinion of the Engineer the Contractor was liable to do at his own expense under the Contract, all costs and charges properly incurred by the Employer in so doing shall on demand be paid by the Contractor to the Employer or may be deducted by the Employer from any monies due or which may become due to the Contractor provided always that the Engineer shall as soon after the occurrence of any such emergency as may be reasonably practicable notify the Contractor thereof in writing.

56 INCREASE AND DECREASE OF COSTS

Except if otherwise provided by the Contract, no adjustment of the Contract Price shall be made in respect of fluctuations of market, prices of labour, materials, plant or equipment, neither due to fluctuation in interest rates nor devaluation or any other matters affecting the Works.

57 TAXATION

The Contractor shall be responsible for the payment of all charges and taxes in respect of income including value added tax, all in accordance with and subject to the provisions of the income tax laws and regulations in force and all amendments thereto. It is the Contractor's responsibility to make all the necessary inquiries in this respect and he shall be deemed to have satisfied himself regarding the application of all relevant tax laws.

58 BLASTING

The Contractor shall not use any explosives without the written permission of the Engineer who shall require that the Contractor has complied in full with the regulations in force regarding the use of explosives. However, the Contractor, before applying to obtain these explosives, has to provide well arranged storage facilities. The Engineer's approval or refusal to permit the use of explosives shall not constitute ground for claims by the Contractor.

59 MACHINERY

The Contractor shall be responsible for coordinating the manufacture, delivery, erection and commissioning of plant machinery and equipment which are to form a part of the Works. He shall place all necessary orders as soon as possible after the signing of the Contract. These orders and their acceptance shall be produced to the Engineer on request. The Contractor shall also be responsible for ensuring that all sub-contractors adhere to such programs as are agreed and are needed to ensure completion of the Works within the period for completion. Should any sub-contracted works be delayed, the Contractor shall initiate the necessary action to speed up such completion. This shall not prejudice the Employer's right to exercise his remedies for delay in accordance with the Contract.

60 TEMPORARY WORKS AND REINSTATEMENT

The Contractor shall provide and maintain all temporary roads and tracks necessary for movement of plant and materials and clear same away at completion and make good all works damaged or disturbed. The Contractor shall submit drawings and full particulars of all Temporary Works to the Engineer before commencing same. The Engineer may require modifications to be made if he considers them to be insufficient and the Contractor shall give effect to such modifications but shall not be relieved of his responsibilities. The Contractor shall provide and maintain weather-proof sheds for storage of material pertinent to the Works both for his own use and for the use of the Employer and clear same away at the completion of the Works. The Contractor shall divert as required, at his own cost and subject to the approval of the Engineer, all public utilities encountered during the progress of the Works, except those specially indicated on the drawings as being included in the Contract. Where diversions of services are not required in connection with the Works, the Contractor shall



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uphold, maintain and keep the same in working order in existing locations. The Contractor shall make good, at his own expense, all damage to telephone, telegraph and electric cable or wires, sewers, water or other pipes and other services, except where the Public Authority or Private Party owning or responsible for the same elects to make good the damage. The costs incurred in so doing shall be paid by the Contractor to the Public Authority or Private Party on demand.

61 PHOTOGRAPHS AND ADVERTISING

The Contractor shall not publish any photographs of the Works or allow the Works to be used in any form of advertising whatsoever without the prior approval in writing from the Employer.

62 PREVENTION OF CORRUPTION

The Employer shall be entitled to cancel the Contract and to recover from the Contractor the amount of any loss resulting from such cancellation, if the Contractor has offered or given any person any gift or consideration of any kind as an inducement or reward for doing or intending to do any action in relation to the obtaining or the execution of the Contract or any other contract with the Employer or for showing or intending to show favour or disfavour to any person in relation to the Contract or any other contract with the Employer, if the like acts shall have been done by any persons employed by him or acting on his behalf whether with or without the knowledge of the Contractor in relation to this or any other Contract with the Employer.

63 DATE FALLING ON HOLIDAY

Where under the terms of the Contract any act is to be done or any period is to expire upon a certain day and that day or that period fall on a day of rest or recognized holiday, the Contract shall have effect as if the act were to be done or the period to expire upon the working day following such day.

64 NOTICES

- 1 Unless otherwise expressly specified, any notice, consent, approval, certificate or determination by any person for which provision is made in the Contract Documents shall be in writing. Any such notice, consent, approval, certificate or determination to be given or made by the Employer, the Contractor or the Engineer shall not be unreasonably withheld or delayed.
- 2 Any notice, certificate or instruction to be given to the Contractor by the Engineer or the Employer under the terms of the Contract shall be sent by post, cable, telex or facsimile at the Contractor's principal place of business specified in the Contract or such other address as the Contractor shall nominate in writing for that purpose, or by delivering the same at the said address against an authorized signature certifying the receipt.
- 3 Any notice to be given to the Employer under the terms of the Contract shall be sent by post, cable, telex or facsimile at the Employer's address specified in the Contract, or by delivering the same at the said address against an authorized signature certifying the receipt.
- 4 Any notice to be given to the Engineer under the terms of this Contract shall be sent by post, cable, telex or facsimile at the Engineer's address specified in the Contract, or by delivering the same at the said address against an authorized signature certifying the receipt.

65 LANGUAGE, WEIGHTS AND MEASURES



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Except as may be otherwise specified in the Contract, English shall be used by the Contractor in all written communications to the Employer or the Engineer with respect to the services to be rendered and with respect to all documents procured or prepared by the Contractor pertaining to the Works. The metric system of weights and measures shall be used in all instances.

66 RECORDS, ACCOUNTS, INFORMATION AND AUDIT

The Contractor shall maintain accurate and systematic records and accounts in respect of the work performed under this Contract.

The Contractor shall furnish, compile or make available at all times to UNDP any records or information, oral or written, which UNDP may reasonably request in respect of the Works or the Contractor's performance thereof.

The Contractor shall allow UNDP or its authorized agents to inspect and audit such records or information upon reasonable notice.

67 FORCE MAJEURE

Force majeure as used herein means Acts of God, war (whether declared or not), invasion, revolution, insurrection or other acts or events of a similar nature or force.

In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Contractor shall give notice and full particulars in writing to UNDP and to the Engineer of such force majeure if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. Subject to acceptance by UNDP of the existence of such force majeure, which acceptance shall not be unreasonably withheld, the following provisions shall apply:

- (a) The obligations and responsibilities of the Contractor under this Contract shall be suspended to the extent of his inability to perform them and for as long as such inability continues. During such suspension and in respect of work suspended, the Contractor shall be reimbursed by UNDP substantiated costs of maintenance of the Contractor's equipment and of per diem of the Contractor's permanent personnel rendered idle by such suspension;
- (b) The Contractor shall within fifteen (15) days of the notice to UNDP of the occurrence of the force majeure submit a statement to UNDP of estimated costs referred to in sub-paragraph (a) above during the period of suspension followed by a complete statement of actual expenditures within thirty (30) days after the end of the suspension;
- (c) The term of this Contract shall be extended for a period equal to the period of suspension taking however into account any special condition which may cause the additional time for completion of the Works to be different from the period of suspension;
- (d) If the Contractor is rendered permanently unable, wholly or in part, by reason of force majeure, to perform his obligations and meet his responsibilities under the Contract, UNDP shall have the right to terminate the Contract on the same terms and conditions as provided for in Clause 68 of these General Conditions, except that the period of notice shall be seven (7) days instead of fourteen (14) days, and
- (e) For the purpose of the preceding sub-paragraph, UNDP may consider the Contractor permanently unable to perform in case of any suspension period of more than ninety (90) days.



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68 SUSPENSION BY UNDP

UNDP may by written notice to the Contractor suspend for a specified period, in whole or in part, payments to the Contractor and/or the Contractor's obligation to continue to perform the Works under this Contract, if in UNDP' sole discretion:

- (a) any conditions arise which interfere, or threaten to interfere with the successful execution of the Works or the accomplishment of the purpose thereof, or
- (b) the Contractor shall have failed, in whole or in part, to perform any of the terms and conditions of this Contract.

After suspension under sub-paragraph (a) above, the Contractor shall be entitled to reimbursement by UNDP of such costs as shall have been duly incurred in accordance with this Contract prior to the commencement of the period of such suspension.

The term of this Contract may be extended by UNDP for a period equal to any period of suspension, taking into account any special conditions which may cause the additional time for completion of the Works to be different from the period of suspension.

69 TERMINATION BY UNDP

UNDP may, notwithstanding any suspension under Clause 67 above, terminate this Contract for cause or convenience in the interest of UNDP upon not less than fourteen (14) days written notice to the Contractor.

Upon termination of this Contract:

- (a) The Contractor shall take immediate steps to terminate his performance of the Contract in a prompt and orderly manner and to reduce losses and to keep further expenditures to a minimum, and
- (b) The Contractor shall be entitled (unless such termination has been occasioned by the Contractor's breach of this Contract), to be paid for the part of the Works satisfactorily completed and for the materials and equipment properly delivered to the Site as of the date of termination for incorporation to the Works, plus substantiated costs resulting from commitments entered into prior to the date of termination as well as any reasonable substantiated direct costs incurred by the Contractor as a result of the termination, but shall not be entitled to receive any other or further payment or damages.

70 TERMINATION BY THE CONTRACTOR

In the case of any alleged breach by UNDP of the Contract or in any other situation which the Contractor reasonably considers to entitle him to terminate his performance of the Contract, the Contractor shall promptly give written notice to UNDP detailing the nature and the circumstances of the breach or other situation. Upon acknowledgement in writing by UNDP of the existence of such breach and UNDP' inability to remedy it, or upon failure of UNDP to respond to such notice within twenty (20) days of receipt thereof, the Contractor shall be entitled to terminate this Contract by giving 30 days written notice thereof. In the event of disagreement between the Parties as to the existence of such breach or other situation referred to above, the matter shall be resolved in accordance with Clause 71 of these General Conditions.

Upon termination of this Contract under this Clause the provisions of sub-paragraph (b) of Clause 68 hereof shall apply.



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71 RIGHTS AND REMEDIES OF UNDP

Nothing in or relating to this Contract shall be deemed to prejudice or constitute a waiver of any other rights or remedies of UNDP.

UNDP shall not be liable for any consequences of, or claim based upon, any act or omission on the part of the Government.

72 SETTLEMENT OF DISPUTES

In the case of any claim, controversy or dispute arising out of, or in connection with this Contract or any breach thereof, the following procedure for resolution of such claim, controversy or dispute shall apply.

72.1 Notification

The aggrieved party shall immediately notify the other party in writing of the nature of the alleged claim, controversy or dispute, not later than seven (7) days from awareness of the existence thereof.

72.2 Consultation

On receipt of the notification provided above, the representatives of the Parties shall start consultations with a view to reaching an amicable resolution of the claim, controversy or dispute without causing interruption of the Works.

72.3 Conciliation

Where the representatives of the Parties are unable to reach such an amicable settlement, either party may request the submission of the matter to conciliation in accordance with the UNCITRAL Rules of Conciliation then obtaining.

72.4 Arbitration

Any claim, controversy or dispute which is not settled as provided under clauses 71.1 through 3 above shall be referred to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining. The Parties shall be bound by the arbitration award rendered in accordance with such arbitration as the final adjudication of any such controversy or claim.

73 PRIVILEGES AND IMMUNITIES

Nothing in or relating to this Contract shall be deemed a waiver of any of the privileges and immunities of the United Nations of which UNDP is an integral part.



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Installation, Erections and Civil Works

Annex V

SPECIAL CONDITIONS



Ref. #: ITB-2010-016

SPECIAL CONDITIONS

The following Special Conditions shall complement, supplement, or amend the General Conditions. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions.

Warranty/Guarantee	
Applies Yes	The Contractor shall be responsible for the maintenance of the said works for a period of One Year effective from the day of issuance of the Certificate of Substantial Completion of the Works.
Liquidated damages	
Applies Yes	If the contractor fails to deliver the specified works within the time period(s) stipulated by the Contract, UNDP shall, without prejudice to its other remedies under the contract, deduct from the payments due to the Contractor, as liquidated damages, a sum equivalent to (0.1) percent of the actual contract price per calendar day. Once the delay reaches to the maximum limit (10%) of the contract value, UNDP may consider termination of the Contract.
Performance Security	
Applies Yes	The Performance Security referred to in Clause 10 of the General Conditions shall be submitted by the Contractor within 7 days of receipt of the Contract from UNDP for an amount of 10% (ten percent) of the total price of the Contract. The Performance Guarantee shall be valid for a period of Twenty Eight (28) days after the intended completion date.
Liability Insurance	
Applies Yes	The liability insurance referred to in Clause 23 of the General Conditions shall be taken out by the Contractor for an amount of 15% (fifteen percent) of the price of the Contract per occurrence, with number of occurrences unlimited.
Defects Liability	
Applies Yes	Any damage resulted from defect in execution by the Contractor on the executed works during the defects liability period should be repaired by the contractor and at his own expense and during a week after receiving a notice in writing from the Employer; and if the contractor does not repair these damages during the above specified period, then UNDP does these repairs at the expense of the contractor, which shall be deducted from due sums against the Maintenance Guarantee.



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Value Added Tax (VAT)	
Applies Yes	This contract is exempted from Value Added Tax (VAT) and accordingly no Value Added Tax will be paid under this contract. In the event that the Contractor fails to acquire the necessary tax clearances from the Tax Department, UNDP retains the right to en-cash the full amount of the Contractor's advance payment guarantee and performance guarantee without prior notice, and if necessary terminate the Contract.
Payments by UNDP/PAPP	
Applies Yes	<ol style="list-style-type: none"> 1. In the case of requesting an advance payment by the Contractor; the UNDP/PAPP shall pay the Contractor an advance payment up to 20% of the contract value upon signature of the contract between the UNDP/PAPP and the Contractor and submission of the following documents by the latter on behalf of UNDP/PAPP: <ul style="list-style-type: none"> ➤ An irrevocable bank guarantee for the same value of the advance payment valid for the period of 28 days after the intended completion date. ➤ The required Performance Security as stipulated in this contract. 2. The amount of the advance payment if paid to the contractor shall be subject to a deduction of a 20% (twenty percent) of the amount accepted for payment until the cumulative amount of the deductions so effected shall equal the amount of the advance payment when 80% of the works are completed. Should the cumulative amount of the deductions so made be lower than the amount of the advance payment after the date of completion of 80% the Works, UNDP may deduct the amount equal to the difference between the advance payment and the cumulative deductions from the payments due after completion or may recover such amount from the bank guarantee. 3. On each payment, UNDP shall withhold a per centum of the invoice amount, up to a maximum of (10%) of the total price of the Contract for due performance of execution. Half of this amount (5%) shall be returned to the Contractor within Forty (40) days upon the substantial completion and taking-over of the Works, and the remaining (5%), will be retained as maintenance guarantee until the end of the one year defects liability period. The retained 5% maintenance guarantee can be replaced with maintenance bank guarantee for the same value and until the end of the defects liability period.



Lot # (2)
Installation, Erections and Civil Works

Annex VI

STATEMENT OF WORKS

Project Description:

The project falls under the program of support to the agriculture and electricity sector in the Gaza Strip.

The aim of this project is to conduct all necessary upgrading works for the existing Gaza Power Plant & Gaza West Substation to increase the capacity of the installed transformers of the substation enabling the transmission of an extra 40 MW of electric power available at the Power Plant.

The work shall involve performing all the Electrical and Civil activities in the Gaza West Substation to render the power plant functional and operational with its full capacity.

The contractor shall visit the designated site for the work, to become familiar with the condition of the work areas, the structures, the vicinity and the free space available for doing the work and storage of supplied materials. In general the contractor should become familiar with all current conditions and circumstances which may affect the manner in which he will perform his works.

The prices proposed by the contractor in the bill of quantities after his visit to the sites shall be considered to include all that is required to carry out the work under the local conditions and the foreseeable and unforeseeable expenses which will be required to complete the work.

The contractor must exercise full coordination with UNDP/PAPP and the Palestinian Energy and Natural Resources Authority (PENRA) representatives at all stages of work.

The Works mainly include the following activities:

- A) LOT # 1: Supply of Goods
- B) LOT # 2: Installation, Erections and Civil Works.



Ref. #: ITB-2010-016

Project Description:

The project falls under the program of support to the agriculture and electricity sector in the Gaza Strip.

The aim of this project is to conduct all necessary upgrading works for the existing Gaza Power Plant & Gaza West Substation to increase the capacity of the installed transformers of the substation enabling the transmission of an extra 40 MW of electric power available at the Power Plant.

The work shall involve performing all the Electrical and Civil activities in the Gaza West Substation to render the power plant functional and operational with its full capacity.

The contractor shall visit the designated site for the work, to become familiar with the condition of the work areas, the structures, the vicinity and the free space available for doing the work and storage of supplied materials. In general the contractor should become familiar with all current conditions and circumstances which may affect the manner in which he will perform his works.

The prices proposed by the contractor in the bill of quantities after his visit to the sites shall be considered to include all that is required to carry out the work under the local conditions and the foreseeable and unforeseeable expenses which will be required to complete the work.

The contractor must exercise full coordination with UNDP/PAPP and the Palestinian Energy and Natural Resources Authority (PENRA) representatives at all stages of work.

The Works mainly include the following activities:

- C) LOT # 1: Supply of Power Transformers and all requested and manufacturer recommended spare parts as well as Supply of Electrical materials and Equipments.
- D) LOT # 2: Design, Erections, Connections and Commissioning works of the procured items in addition to all necessary civil works as outlined under the BOQ.



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Lot # (2)
Installation, Erections and Civil Works

Annex VII

Technical specifications

(ATTACHED)

Contractor should not submit a copy along with the offer



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Lot # (2)
Installation, Erections and Civil Works

Annex VIII

DRAWINGS (ATTACHED)

Contractor should not submit a copy along with the offer



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Lot # (2)
Installation, Erections and Civil Works

Annex IX

PRICE SCHEDULE (Bill of Quantities)

(ATTACHED)

Electronic copy of the BOQ shall be submitted along with the signed hard copy thereof. In case of any discrepancy between the soft and the hard copies, the hard copy shall prevail.



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1. The bidder should provide the following pricing:
 - a. Detailed Price Schedule.
 - b. Summary of Pricing as details in (as detailed in this Annex).

All pricing sheets should be signed and stamped by an authorised company representative.

2. The rates and prices tendered in the Price Schedules shall, except insofar as it is otherwise provided under the Contract, include all materials, insurance, profit, together with all general risks, liabilities and obligations set out or implied in the contract.
3. A price shall be entered against each item in the Price Schedules, whether quantities are stated or not. The cost of Items against which the Supplier has failed to enter a rate or price shall be deemed to be covered by the Contract Price.
4. The whole cost of complying with the provisions of the ITB shall be included in the items provided, the Price Schedules, and where no items are provided, the cost shall be deemed to be distributed among the rates and prices entered for the related items.
5. All prices quoted must be exclusive of all taxes, since the UNDP is exempt from taxes.
6. Pricing is required of all items.
7. In addition to providing a hard copy, information should also be provided electronically.



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Installation Erections and Civil Works

Annex X

Required Forms

This form should be submitted for all submissions:

- a. Bid Submission Form
-

See the Bid Data Sheet where it is specified which of the following forms should be completed and submitted with the tender

- b. Bid Securing Declaration
c. Bid Security Form (N/A)



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Bid Submission Form

To: The procuring entity

Dear Sir / Madam,

Having examined the Bidding Documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to execute the Project of _____ in conformity with the said bidding documents for the sum of:

[total bid amount in words and figures] as may be ascertained in accordance with the Price Schedule attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to execute in accordance with the delivery schedule specified in the Schedule of Requirements.

We agree to abide by this Bid for a period of ____ days from the date fixed for opening of Bids in the Invitation to Bid, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

If requested, we also agree to furnish the UNDP with Bank reference(s) to confirm availability of the required credit facility.

We understand that you are not bound to accept any Bid you may receive.

Dated this day of [year].

.....
Signature

.....
[in the capacity of]

Duly authorized to sign the Bid for and on behalf of



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Bid Securing Declaration

[The Bidder shall fill in this Form in accordance with the instructions indicated.]

Date: [insert date]

ITB No.: ITB-2010-016

To: UNDP/PAPP

We, the undersigned, declare that:

We understand that, according to your conditions, tenders must be supported by a Tender-Securing Declaration. We accept that we will automatically be suspended from being eligible for bidding in any contract with the Procuring Entity for the period of time of TWO YEARS from the date of bid closing, if we are in breach of our obligation(s) under the bid conditions, because:

- (a) We withdrawn our Bid during the period of bid validity specified in the Form of Tender; or
- (b) Having been notified of the acceptance of our Bid by the Purchaser during the period of bid validity, (i) fail or refuse to execute the Contract, if required, or (ii) fail or refuse to furnish the Performance Security, in accordance with the ITB.

We understand this Bid Securing Declaration shall expire if we are not the successful Bidder, upon the earlier of twenty-eight days after the expiration of our Tender.

Signed: [insert signature of person whose name and capacity are shown] In the capacity of [insert legal capacity of person signing the Bid Securing Declaration]

Name: [insert complete name of person signing the Bid Securing Declaration]

Duly authorized to sign the bid for and on behalf of: [insert complete name of Bidder]

Dated on _____ day of _____, _____ [insert date of signing]
Corporate Seal (where appropriate)

[Note: In case of a Joint Venture, the Bid Securing Declaration must be in the name of all partners to the Joint Venture that submits the tender.]



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Bid Security Form (N/A)

To: The procuring entity,

Whereas [*name of contractor*] (hereinafter called the "Contractor") has submitted its bid dated [*date submission of proposal*] for the provision of works for [*description of works*] (hereinafter called Bid).

KNOW ALL PEOPLE by these presents that WE [*name of bank*], having our registered office at [*address of bank*] (hereinafter called "the Bank"), are bound unto [*name of Purchaser*] (hereinafter called "the Purchaser") in the sum of for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common seal of the said Bank thisday of.....2000.

THE CONDITIONS of this obligation are:

1. If the Contractor withdraws its Bid during the period of bid validity specified by the Contractor on the Proposal Submission Form: or
2. If the Contractor, having been notified of the acceptance of its Bid by the Purchaser during the period of validity of the proposal:
 - (a) fails or refuses to execute the Contract Form, or
 - (b) fails or refuses to furnish the Performance Security, in accordance with the Instructions to Contractors;

we undertake to pay to the Purchaser up to the above amount upon receipt of its first written demand, without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including thirty (30) days after the period of validity of the proposal, and any demand in respect thereof should reach the Bank not later than the above date.

.....
Signature of the Bank



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Annex XI
Sample Forms

- Sample 1: Performance Bank Guarantee
Sample 2: Bank Guarantee for Advance payment



Ref. #: ITB-2010-016

Performance Bank Guarantee

We [Bank name] have been informed that the United Nations Development Programme (hereinafter called "the UNDP") which has its Headquarter in New York concluded on date _____ a contract [contract title and No.] with [Name of the company] hereinafter referred to as "the Contractor" whom has its headquarter in _____ at a total price of _____ US dollars (\$ _____), to execute [Insert title of contract and brief description of works].

Whereas it has been stipulated in the Contract that the Contractor shall furnish the UNDP with a Bank Guarantee by a recognized Bank for the sum specified thereafter as security for compliance with his obligations in accordance with the Contract,

Whereas we have agreed to give the UNDP such a Bank Guarantee

And according to this contract, UNDP is required to make an advance payment to the Contractor of _____ US\$, being ___ % of the total price.

Now therefore, this being stated, we, [BANK NAME] [BANK BRANCH], irrespective of the validity and the legal effect of the above mentioned contract and waiving all rights of objection and defense arising therefrom, hereby irrevocably affirm we are the Guarantor and responsible to you, and on behalf of the Contractor undertake to pay you, upon your first written demand and without cavil or argument any sum or sums within the limits of [INSERT AMOUNT OF GUARANTEE IN FIGURES AND IN WORDS] as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed thereunder or of any of the Contract Documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall be valid until the date of issue of the Taking-Over Certificate

This guarantee is revocable only with the written consent of the UNDP.

Parties hereby agree on the terms of this bank's guarantee letter.

SIGNATURE AND SEAL: _____
Name of Bank/ Financial

Institution: _____
Address: _____
State: _____



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Bank Guarantee for advance payment

We [Bank name] have been informed that the United Nations Development Programme (hereinafter called "the UNDP") which has its Headquarter in New York concluded on date _____ a contract [contract title and No.] with [Name of the company] hereinafter referred to as "the Contractor" whom has its headquarter in _____ at a total price of _____ US dollars (\$ _____), to execute [Insert title of contract and brief description of works].

Whereas it has been stipulated in the Contract that the Contractor shall furnish the UNDP with a Bank guarantee by a recognized Bank for the sum specified thereafter as security for compliance with his obligations in accordance with the Contract,

Whereas we have agreed to give the UNDP such a Bank Guarantee

And according to this contract, UNDP is required to make an advance payment to the Contractor of _____ US\$, being ___ % of the total price.

Now therefore, this being stated, we, [BANK NAME] [BANK BRANCH], irrespective of the validity and the legal effect of the above mentioned contract and waiving all rights of objection and defense arising therefrom, hereby irrevocably affirm we are the Guarantor and responsible to you, and on behalf of the Contractor undertake to pay you, upon your first written demand and without cavil or argument any sum or sums within the limits of [INSERT AMOUNT OF GUARANTEE IN FIGURES AND IN WORDS] as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed thereunder or of any of the Contract Documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition or modification.

This guarantee shall remain in full effect from the date of the advance payment under the Contract until UNDP recovers full payment of the same amount from the Contractor.

This guarantee is revocable only with the written consent of the UNDP.

Parties hereby agree on the terms of this bank's guarantee letter.

SIGNATURE AND SEAL: _____
Name of Bank/ Financial

Institution: _____
Address: _____
Date: _____



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Annex XII
Pre-qualification Questionnaire

Word Version can be downloaded by clicking the following link:

<http://www.undp.ps/en/forms/callforproposals/2009/rostercontr3.doc>

Acrobat pdf version can be downloaded by clicking the following link:

<http://www.undp.ps/en/forms/callforproposals/2009/rostercontr3.pdf>