

STANDARD BIDDING DOCUMENTS

Procurement of Goods

The World Bank

May 2004

BIDDING DOCUMENTS

Issued on: _____

for

Procurement of

[insert identification of the Goods]

ICB No: *[insert ICB number]*

Project: *[insert name of Project]*

Purchaser: *[insert name of Purchaser]*

Invitation for Bids (IFB)

[insert: *name of Country*]

[insert: *name of Project*]

[insert: *loan / credit number*]

[insert: *IFB Title*]

[insert: *IFB Number*]

1. This Invitation for Bids follows the General Procurement Notice for this Project that appeared in *Development Business*, issue no. [insert number] of [insert date].¹

2. The [insert name of Borrower] [has received/has applied for/intends to apply for] a [loan/credit] from the [International Bank for Reconstruction and Development/International Development Association] toward the cost of [insert name of Project], and it intends to apply part of the proceeds of this [loan/credit] to payments under the Contract for [insert name/no. of Contract].²

3. The [insert name of Implementing Agency] now invites sealed bids from eligible and qualified bidders for [insert brief description of the Goods to be procured].^{3,4}

4. Bidding will be conducted through the International Competitive Bidding (ICB) procedures specified in the World Bank's *Guidelines: Procurement under IBRD Loans and IDA Credits*, and is open to all bidders from Eligible Source Countries as defined in the Guidelines.⁵

5. Interested eligible bidders may obtain further information from [insert name of Agency; insert name and e-mail of officer in charge] and inspect the Bidding Documents at the address given below [state address at end of this ITB] from [insert office hours].⁶

6. Qualifications requirements are indicated in Section III of the bidding documents. A margin of preference for eligible national contractors "shall" be applied, as appropriate. Additional details are provided in the Bidding Documents.

7. A complete set of Bidding Documents in [insert name of language] may be purchased by interested bidders on the submission of a written Application to the address below [state address at the end of this ITB] and upon payment of a non refundable fee⁷ [insert amount in local currency] or in [insert amount in specified convertible currency]. The method of payment will be [insert method of payment].⁸ The Bidding Documents will be sent by [insert delivery procedure].⁹

8. Bids must be delivered to the address below [state address at the end of this ITB] at or before [insert time and date]. Electronic bidding will [will not] be permitted. Late bids will be rejected. Bids will be opened in the presence of the bidders' representatives who choose to attend in person or on-line at the address below [state address at end of this ITB] at [insert time and date]. All bids must be accompanied by a [insert "Bid Security" or "Bid-Securing Declaration,"

as appropriate] of [insert amount in local currency or minimum percentage of bid price in case of a Bid Security] or an equivalent amount in a freely convertible currency.^{10, 11}

9. The address(es) referred to above is(are): *[insert detailed address(es) including Name of the Implementing Agency, Office designation (room number), name of Officer, Street address, City (code), Country; insert electronic address if electronic bidding is permitted]*.

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1. Day, month, year; for example, 31 January 1996.
 2. *[Insert if applicable: "This contract will be jointly financed by [insert name of co-financing agency]. Bidding will be governed by the World Bank's eligibility rules and procedures."]*
 3. A brief description of the type(s) of Goods or Works should be provided, including quantities, location of Project, and other information necessary to enable potential bidders to decide whether or not to respond to the Invitation. Bidding Documents may require bidders to have specific experience or capabilities; such requirements should also be included in this paragraph.
 4. *[Insert: "the delivery/construction period is [insert no. of days/months/years or dates"]*.
 5. Occasionally, contracts may be financed out of special funds that would further restrict eligibility to a particular group of member countries. When this is the case, it should be mentioned in this paragraph. Also indicate any margin of preference that may be granted as specified in the Loan or Credit Agreement and set forth in the Bidding Documents.
 6. For example, 09.00AM to 5.00 PM.
 7. The fee, should defray the printing and mailing/shipping costs); it should not deter competition.
 8. For example, cashier's check, direct deposit to specified account number.
 9. The delivery procedure is usually airmail for overseas delivery and surface mail or courier for local delivery, or by electronic means if electronic bidding is permitted. If urgency or security dictates, courier services may be required for overseas delivery.
 10. The amount of Bid Security should be stated as a fixed amount or as a minimum percentage of the Bid Price. Alternatively, if a Bid Security or a Bid-Securing Declaration is not required (often the case in supply contracts), the paragraph should so state.
 11. The office for Bid Opening may not necessarily be the same as that for inspection or issuance of documents or for Bid Submission. If they differ, each address must appear at the end of paragraph 7 and be numbered; as, for example, (1), (2), (3). The text in the paragraph would then refer to address (1), (2), etc. Only one office and its address may be specified for submission of bids, and this location should be as close as possible to the place where bids will be opened to shorten the time between Bid Submission and Bid Opening.

TABLE OF CONTENT

PART 1 – BIDDING PROCEDURES.....	6
SECTION I - INSTRUCTIONS TO BIDDERS [ITB].....	7
SECTION II – BIDDING DATA SHEET [BDS]	9
SECTION III. EVALUATION AND QUALIFICATION CRITERIA.....	19
SECTION IV – BIDDING FORMS	24
SECTION V. – ELIGIBLE COUNTRIES.....	38
PART 2 - SUPPLY REQUIREMENTS	39
SECTION VI – SCHEDULE OF REQUIREMENTS	40
PART 3 – CONTRACT	52
SECTION VII – GENERAL CONDITIONS OF CONTRACT	53
SECTION VIII. SPECIAL CONDITIONS OF CONTRACT	55
SECTION IX – CONTRACT FORMS.....	66

PART 1 – BIDDING PROCEDURES

SECTION I - INSTRUCTIONS TO BIDDERS [ITB]

Instructions to bidders as per May 2004 version
of SBD Pages 3-25 will be inserted here

Please follow the attached sheets for

SECTION II – BIDDING DATA SHEET [BDS]

Bidding Data Sheet

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

[Instructions for completing the Bidding Data Sheet are provided, as needed, in the notes in italics mentioned for the relevant ITB Clauses].

ITB Clause Reference	A. General
ITB 1.1	The Purchaser is: <i>[insert complete name]</i>
ITB 1.1	<p>The name and identification number of the ICB are: <i>[insert name and identification number]</i></p> <p>The number, identification and names of the lots comprising this ICB are: <i>[insert number; list the lots and related Goods]</i></p> <p><i>[For a Project requiring similar but separate items of equipment specified in the Schedule of Requirements, bids may be invited under alternative contract options, and the Bidder should be allowed, at its option, to bid for individual contracts or for a group of similar contracts (package). The basis for bid evaluation and contract award, by item or package shall be specified herein]</i></p>
ITB 2.1	The Borrower is: <i>[insert the name of Borrower, as indicated in the Loan Agreement of the Project]</i>
ITB 2.1	The name of the Project is: <i>[insert the name of the Project]</i>
ITB 4.3	A list of firms debarred from participating in World Bank projects is available at http://www.worldbank.org/debarr
ITB 4.4	Dependent agencies of Borrower or Sub-borrower are also debarred as per Para 1.8(c) of Procurement Guidelines.

	B. Contents of Bidding Documents
ITB 7.1	For Clarification of bid purposes only, the Purchaser’s address is: Attention: <i>[insert name and room number of Project Officer]</i> Address: <i>[insert street name and number]</i> <i>[insert floor and room number, if applicable]</i> City: <i>[insert name of city or town]</i> ZIP Code: <i>[insert postal (ZIP) code, if applicable]</i> Country: <i>[insert name of country]</i> ↓ Telephone: <i>[insert telephone number including country and city codes]</i> Facsimile number: <i>[insert fax number including country and city codes]</i> Electronic mail address: <i>[insert e-mail address of Project Officer]</i>
	C. Preparation of Bids
ITB 10.1	The language of the bid is: English.
ITB 11.1(h)	The Bidder shall submit the following additional documents in its bid: <i>[insert list of documents, if any]</i>
ITB 12.3	Insert new clause 12.3 as under: Bidders may note that bids offering goods from within the country of the Purchaser [Group A and Group B bids] should indicate the prices entirely ex-works/ex-factory/ex-warehouse/ex-showroom/ or off-the-shelf as applicable. Bids offering supplies partly as ex-works and partly as CIF will be classified as Group C bid.
ITB 13.1	Alternative Bids <i>[insert “shall be” or “shall not be”]</i> considered. <i>[If alternatives shall be considered, insert:</i> <i>“A bidder may submit an alternative bid only with a bid for the base case. The Purchaser shall only consider the alternative bids offered by the Bidder whose bid for the base case was determined to be the lowest-evaluated bid.”</i> or <i>“ A bidder may submit an alternative bid with or without a bid for the base case. The Purchaser shall consider bids offered for alternatives as specified in the</i>

	<i>Technical Specifications of Section VI, Schedule of Requirements All bids received, for the base case, as well as alternative bids meeting the specified requirements, shall be evaluated on their own merits in accordance with the same procedures, as specified in the ITB 36.”]</i>
ITB 14.5	The Incoterms edition is: <i>[insert year of edition i.e. “Incoterms 1990” or “Incoterms 2000”]</i> .
ITB 14.6(a) (i)	Insert the words “excise and other” in between the words “customs” and “duties” in Line 3 of this sub-clause.
ITB 14.6(a)	<p>Add the following at the end of ITB Clause 14.6(a):</p> <p>“Note: Bidders may like to ascertain availability of Deemed Export or other Benefits. They are solely responsible for obtaining such benefits which they have considered in their bid and in case of failure to receive such benefits for reasons whatsoever, the Purchaser will not compensate the bidder.</p> <p>Where the bidder has quoted taking into account such benefits, he must give all information required for issue of Project Authority/ Payment Other Certificates in terms of the Import Export Policy or Central Excise Notifications along with his bid in Form 8 of Section II. The Project Authority/payment/Other Certificates will be issued on this basis only and no subsequent change will be permitted. Where such Certificates are issued by the Purchaser, Excise Duty will not be reimbursed separately.</p> <p>Bids which do not conform to this provision, will be treated as non-responsive and rejected.”</p>
ITB 14.6 (b) (i) and (c) (iii)	CIF.....or CIP.....: <i>[insert name of place of destination as per Incoterm used – Customs Clearance Point]</i>
ITB 14.6 (a) (iii); (b)(ii) and (c)(v)	“Final destination (Project Site)”: <i>[insert name of location where the Goods are to be actually used]</i>

ITB 14.6 (b) (iii)	<p>In addition to the CIP price specified in ITB 14.6 (b)(i), the price of the Goods manufactured outside the Purchaser’s Country shall be quoted as: <i>[For example - FOB Port of Shipment – Use appropriate Incoterm]</i></p>
ITB 14.7	<p>The prices quoted by the Bidder <i>[insert “shall “or “shall not”]</i> be adjustable. If prices shall be adjustable, the methodology is specified in Special Conditions of Contract.</p>
ITB 15.1	<p>Clause 15.1 is not applicable and Clause 15.2 applies to all goods and services.</p>
ITB 15.3	<p>Add the following as Clause 15.3:</p> <p>“15.3 Agents and service facilities in India:</p> <p>(a) If a foreign bidder has engaged an Indian agent, it will be required to give the following details in the offer:</p> <p>(i) the name and address of the local agent;</p> <p>(ii) what service the agent renders; and</p> <p>(iii) the fixed amount of remuneration for the agent included in the offer.</p> <p>(b) The agency commission shall be indicated in the space provided for in the price schedule and will be paid to the bidder’s agent in India or Indian Rupees using the Telegraphic Transfer buying market rate of exchange ruling on the date of award of contract and shall not be subject to any further exchange variation.”</p>
ITB 18.3	<p>Period of time the Goods are expected to be functioning (for the purpose of spare parts): <i>[insert duration –say -6 years]</i></p>
ITB 19.1 (A)	<p>Manufacturer’s authorization is: <i>required as per proforma in Section IV.</i></p>
ITB 19.1 (B)	<p>After sales service is: <i>[insert “required” or “not required”]</i></p>

ITB 19.1 (d)	<p>Add the following as Clause 19.1(d):</p> <p>“19.1(d) If an agent submits bids on behalf of more than one Manufacturer, unless each such bid is accompanied by a <u>separate bid form for each bid and a bid security</u>, when required, for each bid and authorization from the respective Manufacturer, all such bids will be rejected as non-responsive.”</p> <p><i>[Note: Supplies for any particular item in each schedule of the bid should be from one manufacturer only. Bids from agents offering supplies from different manufacturer’s for the same item of the schedule in the bid will be treated as non-responsive.]</i></p>
ITB 20.1	<p>The bid validity period shall be 90 days.</p>
ITB 20.3	<p>Substitute this clause with the following:</p> <p>“In the case of fixed price contracts, in the event that the Purchaser requests and the Bidder agrees to an extension of the 60 days validity period, the contract price, if the Bidder is selected for award, shall be the bid price corrected as follows:</p> <p>(a) The foreign currency component of the price shall be increased by the factor (<i>value of factor A</i>) for each week, or part of a week, that has elapsed from the expiration of the initial bid validity to the date of notification of award to the successful Bidder.</p> <p>(b) Similarly, the local currency component of the price shall be increased by the factor (<i>value of factor B</i>) for each week, or part of a week, that has elapsed from the expiration of the initial bid validity to the date of notification of award to the successful Bidder.</p> <p><i>[The value of factor A is based on, or comparable to, the expected annual increases in international prices, Index of Unit Value of Manufactured Exports (MUV) (i.e., the MUV Index, Percentage Change from Previous Year, Projected Levels) which are updated semi-annually. The borrower inserts the value in the bid document prior to issue.</i></p> <p><i>The value of factor B is based on the Country’s current inflation as announced by GOI. The borrower inserts the value in the bid document prior to issue.]</i></p>

ITB 20.4	Insert the following as ITB Clause 20.4: “Bid evaluation will be based on the prices without taking into consideration the above correction.”
ITB 21.1	<i>[insert one of the following options:</i> (a) No Bid Security is required; <i>[For small value Purchases, bid security is not essential and may be dispensed with]</i> or (b) Bid shall include a Bid Security (issued by bank or surety) included in Section IV Bidding Forms; or (c) Bid shall include “Bid Securing Declaration” using the form included in Section IV Bidding Forms. <i>]</i>
ITB 21.2	The amount of the Bid Security shall be: <i>[insert amount]</i>
ITB 22.1	In addition to the original of the bid, the number of copies is: Two
<h2>D. Submission and Opening of Bids</h2>	
ITB 23.1	Bidders <i>[insert “shall” or “shall not”]</i> have the option of submitting their bids electronically.
ITB 23.1 (b)	If bidders shall have the option of submitting their bids electronically, the electronic bidding submission procedures shall be: <i>[insert a description of the electronic bidding submission procedures.]</i> Telex, Cable or Facsimile bids will be rejected.
ITB 23.2 (c)	The inner and outer envelopes shall bear the following additional identification marks: <i>[insert the name and/or number that must appear on the bid envelope to identify this specific bidding process].</i>

<p>ITB 24.1</p>	<p>For bid submission purposes, the Purchaser’s address is:</p> <p>Attention: <i>[insert full name of person, if applicable, or insert name of the Project Officer]</i></p> <p>Address: <i>[insert street name and number]</i></p> <p>Floor-Room number: <i>[insert floor and room number, if applicable]</i> <i>[important to avoid delays or misplacement of bids]</i></p> <p>City: <i>[insert name of city or town]</i></p> <p>ZIP Code: <i>[insert postal (ZIP) code, if applicable]</i></p> <p>Country: <i>[insert name of country]</i></p> <p>The deadline for the submission of bids is:</p> <p>Date: <i>[insert day, month, and year, i.e. 15 June, 2001]</i></p> <p>Time: <i>[insert time, and identify if a.m. or p.m., i.e. 10:30 a.m.]</i></p> <p>Add at the end of ITB Clause 24.1 the following:</p> <p>“In the event of the specified date for the submission of bids, being declared a holiday for the Purchaser, the bids will be received upto the appointed time on the next working day.”</p>
<p>ITB 27.1</p>	<p>The bid opening shall take place at:</p> <p>Street Address: <i>[insert street address and number]</i></p> <p>Floor/ Room number: <i>[insert floor and room number, if applicable]</i></p> <p>City: <i>[insert name of city or town]</i></p> <p>Country: <i>[insert name of country]</i></p> <p>Date: <i>[insert day, month, and year, i.e. 15 June, 2001]</i></p> <p>Time: <i>[insert time, and identify if a.m. or p.m. i.e. 10:30 a.m.]</i></p> <p>Add at the end of ITB Clause 27.1 the following:</p> <p>“In the event of the specified dater of the bid opening being declared a holiday for the Purchaser, the bids shall be opened at the appointed time and location on the next working day.”</p>
<p>ITB 27.1</p>	<p>If electronic bid submission is permitted in accordance with ITB sub-clause 23.1, the specific bid opening procedures shall be: <i>[insert description of the procedures]</i></p>

ITB 30.4	<p>Add the following sub-clause:</p> <p>“Bids from Agents without proper authorization from the manufacturer as per Clause 19.1(a) of ITB shall be treated as non-responsive.”</p>
ITB 33.1	<p>Deviations from or objections or reservations to critical provisions which will be treated as material deviations are:</p> <ul style="list-style-type: none"> - Bid Security or declaration [ITB Clause 21]; - Performance Security [GCC Clause 17]; - Applicable Law (GCC Clause 9); - Deemed Export [Note under 14.6(a) of ITB]; - Taxes and Duties [GCC Clause 16]; - Warranty [GCC Clause 27]; - Force Majuerue [GCC Clause 31]; and - Limitation of Liability [GCC Clause 29].
	<h2>E. Evaluation and Comparison of Bids</h2>
ITB 34.1	<p>Currency chosen for the purpose of converting to a common currency is Indian Rupees. Source of exchange rates is BC selling market exchange rates established by the State Bank of India or any other commercial bank in India.</p> <p>Date of exchange rate is date of bid opening.</p>
ITB 35.1	<p>Domestic preference shall be a bid evaluation factor.</p> <p>The methodology for calculating the margin of preference and the criteria for its application shall be as specified in Section III, Evaluation and Qualification Criteria.</p>
ITB 36.3(d)	<p>The adjustments shall be determined using the following criteria, from amongst those set out in Section III, Evaluation and Qualification Criteria: <i>[refer to Schedule III, Evaluation and Qualification Criteria; insert complementary details if necessary]</i></p> <p>(a) Deviation in Delivery schedule: Yes . The adjustment shall be 0.5% per week or part of week.</p>

	<p>(b) Deviation in payment schedule: <i>Yes</i>. Special Conditions of Contract stipulates the payment schedule offered by the Purchaser. If the bid deviates from the schedule and if such deviation is considered acceptable, the bids will be evaluated by calculating interest earned for earlier payments at the amount that interest ofper annum [Bank rate + 2%]</p> <p>(c) the cost of major replacement components, mandatory spare parts, and service: <i>[insert Yes or No. If yes, insert the Methodology and criteria]</i></p> <p>(d) the availability in the Purchaser’s Country of spare parts and after-sales services for the equipment offered in the bid <i>[insert Yes or No, If yes, insert the Methodology and criteria]</i></p> <p>(e) the projected operating and maintenance costs during the life of the equipment <i>[insert Yes or No, If yes, insert the Methodology and criteria]</i></p> <p>(f) the performance and productivity of the equipment offered; <i>[Insert Yes or No. If yes, insert the Methodology and criteria]</i></p> <p>(g) <i>[insert any other specific criteria]</i></p>
ITB 36.6	Bidders <i>[insert “shall “or “shall not”]</i> be allowed to quote separate prices for one or more lots. <i>[refer to Section III Evaluation and Qualification Criteria, for the evaluation methodology, if appropriate]</i>
	<h2>F. Award of Contract</h2>
ITB 41.1	<p>The maximum percentage by which quantities may be increased is: <i>15%</i></p> <p>The maximum percentage by which quantities may be decreased is: <i>15%</i></p>

SECTION III. EVALUATION AND QUALIFICATION CRITERIA

This Section complements the Instructions to Bidders. It contains the criteria that the Purchaser may use to evaluate a bid and determine whether a Bidder has the required qualifications. No other criteria shall be used.

[The Purchaser shall select the criteria deemed appropriate for the procurement process, insert the appropriate wording using the samples below or other acceptable wording, and delete the text in italics]

Contents

1. Domestic Preference (ITB 35.1)
2. Evaluation Criteria (ITB 36.3 {d})
3. Multiple Contracts (ITB 36.6)
4. Postqualification Requirements (ITB 38.2)

1. Domestic Preference (ITB 35.1)

If the Bidding Data Sheet so specifies, the Purchaser will grant a margin of preference to goods manufactured in the Purchaser's country for the purpose of bid comparison, in accordance with the procedures outlined in subsequent paragraphs.

Bids will be classified in one of three groups, as follows:

- (a) **Group A:** Bids offering goods manufactured in the Purchaser's Country, for which (i) labor, raw materials, and components from within the Purchaser's Country account for more than thirty (30) percent of the EXW price; and (ii) the production facility in which they will be manufactured or assembled has been engaged in manufacturing or assembling such goods at least since the date of bid submission.
- (b) **Group B:** All other bids offering Goods manufactured in the Purchaser's Country.
- (c) **Group C:** Bids offering Goods manufactured outside the Purchaser's Country that have been already imported or that will be imported.

To facilitate this classification by the Purchaser, the Bidder shall complete whichever version of the Price Schedule furnished in the Bidding Documents is appropriate provided, however, that the completion of an incorrect version of the Price Schedule by the Bidder shall not result in rejection of its bid, but merely in the Purchaser's reclassification of the bid into its appropriate bid group.

The Purchaser will first review the bids to confirm the appropriateness of, and to modify as necessary, the bid group classification to which bidders assigned their bids in preparing their Bid Forms and Price Schedules.

All evaluated bids in each group will then be compared to determine the lowest evaluated bid of each group. Such lowest evaluated bids shall be compared with each other and if as a result of this comparison a bid from Group A or Group B is the lowest, it shall be selected for the award.

If, as a result of the preceding comparison, the lowest evaluated bid is from Group C, all Group C bids will then be further compared with the lowest evaluated bid from Group A, after adding to the evaluated bid price of goods offered in the bid for Group C, for the purpose of further comparison only an amount equal to fifteen (15) percent of the CIP (named place of destination) bid price. The lowest-evaluated bid determined from this last comparison shall be selected for the award."

2. Evaluation Criteria (ITB 36.3 (d))

The Purchaser's evaluation of a bid may take into account, in addition to the Bid Price quoted in accordance with ITB Clause 14.6, one or more of the following factors as specified in ITB Sub-Clause 36.3(d) and in BDS referring to ITB 36.3(d), using the following criteria and methodologies.

- (a) Delivery schedule. (as per Incoterms specified in the BDS)

The Goods specified in the List of Goods are required to be delivered within the acceptable time range (after the earliest and before the final date, both dates inclusive) specified in Section VI, Delivery Schedule. No credit will be given to deliveries before the earliest date, and bids offering delivery after the final date shall be treated as non responsive. Within this acceptable period, an adjustment, as specified in BDS Sub-Clause 36.3(d), will be added, for evaluation purposes only, to the bid price of bids offering deliveries later than the “Earliest Delivery Date” specified in Section VI , Delivery Schedule.

- (b) Deviation in payment schedule. *[insert one of the following]*
- (i) *Bidders shall state their bid price for the payment schedule outlined in the SCC. Bids shall be evaluated on the basis of this base price. Bidders are, however, permitted to state an alternative payment schedule and indicate the reduction in bid price they wish to offer for such alternative payment schedule. The Purchaser may consider the alternative payment schedule and the reduced bid price offered by the Bidder selected on the basis of the base price for the payment schedule outlined in the SCC.*

or

- (ii) *The SCC stipulate the payment schedule specified by the Purchaser. If a bid deviates from the schedule and if such deviation is considered acceptable to the Purchaser, the bid will be evaluated by calculating interest earned for any earlier payments involved in the terms outlined in the bid as compared with those stipulated in the SCC, at the rate per annum specified in BDS Sub-Clause 36.3 (d).*
- (c) Cost of major replacement components, mandatory spare parts, and service. *[insert one of the following]*
- (i) *The list of items and quantities of major assemblies, components, and selected spare parts, likely to be required during the initial period of operation specified in the BDS Sub-Clause 18.3, is in the List of Goods. An adjustment equal to the total cost of these items, at the unit prices quoted in each bid, shall be added to the bid price, for evaluation purposes only.*

or

- (ii) *The Purchaser will draw up a list of high-usage and high-value items of components and spare parts, along with estimated quantities of usage in the initial period of operation specified in the BDS Sub-Clause 18.3. The total cost of these items and quantities will be computed from spare parts unit prices submitted by the Bidder and added to the bid price, for evaluation purposes only.*
- (d) Availability in the Purchaser’s Country of spare parts and after sales services for equipment offered in the bid.

An adjustment equal to the cost to the Purchaser of establishing the minimum service facilities and parts inventories, as outlined in BDS Sub-Clause 36.3(d), if quoted separately, shall be added to the bid price, for evaluation purposes only.

- (e) Projected operating and maintenance costs.

Operating and maintenance costs. An adjustment to take into account the operating and maintenance costs of the Goods will be added to the bid price, for evaluation purposes only, if specified in BDS Sub-Clause 36.3(d). The adjustment will be evaluated in accordance with the methodology specified in the BDS Sub-Clause 36.3(d).

- (f) Performance and productivity of the equipment. *[insert one of the following]*

- (i) Performance and productivity of the equipment. An adjustment representing the capitalized cost of additional operating costs over the life of the plant will be added to the bid price, for evaluation purposes if specified in the BDS Sub-Clause 36.3(d). The adjustment will be evaluated based on the drop in the guaranteed performance or efficiency offered in the bid below the norm of 100, using the methodology specified in BDS Sub-Clause 36.3(d).

or

- (ii) An adjustment to take into account the productivity of the goods offered in the bid will be added to the bid price, for evaluation purposes only, if specified in BDS Sub-Clause 36.3(d). The adjustment will be evaluated based on the cost per unit of the actual productivity of goods offered in the bid with respect to minimum required values, using the methodology specified in BDS Sub-Clause 36.3(d).

- (g) Specific additional criteria

Other specific additional criteria to be considered in the evaluation, and the evaluation method shall be detailed in BDS Sub-Clause 36.3(d)]

3. Multiple Contracts (ITB 36.6)

The Purchaser shall award multiple contracts to the Bidder that offers the lowest evaluated combination of bids (one contract per bid) and meets the post-qualification criteria (this Section III, Sub-Section ITB 38.2 Post-Qualification Requirements)

The Purchaser shall:

- (a) evaluate only lots or contracts that include at least the percentages of items per lot and quantity per item as specified in ITB Sub Clause 14.8
- (b) take into account:
 - (i) the lowest-evaluated bid for each lot and

- (ii) the price reduction per lot and the methodology for its application as offered by the Bidder in its bid”

4. Postqualification Requirements (ITB 38.2)

After determining the lowest-evaluated bid in accordance with ITB Sub-Clause 37.1, the Purchaser shall carry out the postqualification of the Bidder in accordance with ITB Clause 38, using only the requirements specified. Requirements not included in the text below shall not be used in the evaluation of the Bidder’s qualifications.

- (a) Financial Capability

The Bidder shall furnish documentary evidence that it meets the following financial requirement(s): *[list the requirement(s)]*

- (b) Experience and Technical Capacity

The Bidder shall furnish documentary evidence to demonstrate that it meets the following experience requirement(s): *[list the requirement(s)]*

- (c) The Bidder shall furnish documentary evidence to demonstrate that the Goods it offers meet the following usage requirement: *[list the requirement(s)]*

- (d) The Bidder must furnish details of supplies made by him in the last five years in proforma attached in Section VI

[See examples of Qualification Requirements given in document P-2 for guidance].

SECTION IV – BIDDING FORMS

Table of Forms

Bidder Information Form	25
Joint Venture Partner Information Form	26
Bid Submission Form	27
Price Schedule: Goods Manufactured Outside the Purchaser’s Country, to be Imported.....	30
Price Schedule: Goods Manufactured Outside the Purchaser’s Country, already imported	31
Price Schedule: Goods Manufactured in the Purchaser’s Country.....	32
Price and Completion Schedule - Related Services.....	33
Bid Security (Bank Guarantee).....	34
Bid-Securing Declaration	36
Manufacturer’s Authorization.....	37

BIDDER INFORMATION FORM

[The Bidder shall fill in this Form in accordance with the instructions indicated below. No alterations to its format shall be permitted and no substitutions shall be accepted.]

Date: *[insert date (as day, month and year) of Bid Submission]*

ICB No.: *[insert number of bidding process]*

Page _____ of _____ pages

1. Bidder's Legal Name <i>[insert Bidder's legal name]</i>
2. In case of JV, legal name of each party: <i>[insert legal name of each party in JV]</i>
3. Bidder's actual or intended Country of Registration: <i>[insert actual or intended Country of Registration]</i>
4. Bidder's Year of Registration: <i>[insert Bidder's year of registration]</i>
5. Bidder's Legal Address in Country of Registration: <i>[insert Bidder's legal address in country of registration]</i>
6. Bidder's Authorized Representative Information Name: <i>[insert Authorized Representative's name]</i> Address: <i>[insert Authorized Representative's Address]</i> Telephone/Fax numbers: <i>[insert Authorized Representative's telephone/fax numbers]</i> Email Address: <i>[insert Authorized Representative's email address]</i>
7. Attached are copies of original documents of: <i>[check the box(es) of the attached original documents]</i> <input type="checkbox"/> Articles of Incorporation or Registration of firm named in 1, above, in accordance with ITB Sub-Clauses 4.1 and 4.2. <input type="checkbox"/> In case of JV, letter of intent to form JV or JV agreement, in accordance with ITB Sub-Clause 4.1. <input type="checkbox"/> In case of government owned entity from the Purchaser's country, documents establishing legal and financial autonomy and compliance with commercial law [and not dependent agency of borrower or sub-borrower or purchaser] in accordance with ITB Sub-Clause 4.5.

JOINT VENTURE PARTNER INFORMATION FORM

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

Date: *[insert date (as day, month and year) of Bid Submission]*

ICB No.: *[insert number of bidding process]*

Page _____ of _____ pages

1. Bidder's Legal Name: <i>[insert Bidder's legal name]</i>
2. JV's Party legal name: <i>[insert JV's Party legal name]</i>
3. JV's Party Country of Registration: <i>[insert JV's Party country of registration]</i>
4. JV's Party Year of Registration: <i>[insert JV's Party year of registration]</i>
5. JV's Party Legal Address in Country of Registration: <i>[insert JV's Party legal address in country of registration]</i>
6. JV's Party Authorized Representative Information Name: <i>[insert name of JV's Party authorized representative]</i> Address: <i>[insert address of JV's Party authorized representative]</i> Telephone/Fax numbers: <i>[insert telephone/fax numbers of JV's Party authorized representative]</i> Email Address: <i>[insert email address of JV's Party authorized representative]</i>
7. Attached are copies of original documents of: <i>[check the box(es) of the attached original documents]</i> <input type="checkbox"/> Articles of Incorporation or Registration of firm named in 2, above, in accordance with ITB Sub-Clauses 4.1 and 4.2. <input type="checkbox"/> In case of government owned entity from the Purchaser's country, documents establishing legal and financial autonomy and compliance with commercial law and not dependent agency of borrower or sub-borrower or purchaser, in accordance with ITB Sub-Clause 4.5.

BID SUBMISSION FORM

[The Bidder shall fill in this Form in accordance with the instructions indicated No alterations to its format shall be permitted and no substitutions shall be accepted.]

Date: *[insert date (as day, month and year) of Bid Submission]*

ICB No.: *[insert number of bidding process]*

Invitation for Bid No.: *[insert No of IFB]*

Alternative No.: *[insert identification No if this is a Bid for an alternative]*

To: *[insert complete name of Purchaser]*

We, the undersigned, declare that:

- (a) We have examined and have no reservations to the Bidding Documents, including Addenda No.: *[insert the number and issuing date of each Addenda]*;
- (b) We offer to supply in conformity with the Bidding Documents and in accordance with the Delivery Schedules specified in the Schedule of Requirements the following Goods and Related Services *[insert a brief description of the Goods and Related Services]*;
- (c) The total price of our Bid, excluding any discounts offered in item (d) below, is: *[insert the total bid price in words and figures, indicating the various amounts and the respective currencies]*;
- (d) The discounts offered and the methodology for their application are:

Discounts. If our bid is accepted, the following discounts shall apply. *[Specify in detail each discount offered and the specific item of the Schedule of Requirements to which it applies.]*

Methodology of Application of the Discounts. The discounts shall be applied using the following method: *[Specify in detail the method that shall be used to apply the discounts]*;

- (e) Our bid shall be valid for the period of time specified in ITB Sub-Clause 20.1, from the date fixed for the bid submission deadline in accordance with ITB Sub-Clause 24.1, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (f) If our bid is accepted, we commit to obtain a performance security in accordance with ITB Clause 44 and GCC Clause 17 for the due performance of the Contract;
- (g) We, including any subcontractors or suppliers for any part of the contract, have nationality from eligible countries *[insert the nationality of the Bidder, including that of all parties that comprise the Bidder, if the Bidder is a JV, and the nationality each subcontractor and supplier]*

- (h) We have no conflict of interest in accordance with ITB Sub-Clause 4.3;
- (i) Our firm, its affiliates or subsidiaries—including any subcontractors or suppliers for any part of the contract—has not been declared ineligible by the Bank, under the Purchaser’s country laws or official regulations, in accordance with ITB Sub-Clause 4.6;
- (j) The following commissions, gratuities, or fees have been paid or are to be paid with respect to the bidding process or execution of the Contract: *[insert complete name of each Recipient, its full address, the reason for which each commission or gratuity was paid and the amount and currency of each such commission or gratuity]*

Name of Recipient	Address	Reason	Amount
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

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

- (k) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed.
- (l) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.
- (m) We undertake that, in competing for (and, if the award is made to us, in executing) the above contract, we will strictly observe the laws against fraud and corruption in force in India namely, “Prevention of Corruption Act 1988.”

We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in bribery.

Signed: *[insert signature of person whose name and capacity are shown]*
 In the capacity of *[insert legal capacity of person signing the Bid Submission Form]*

Name: *[insert complete name of person signing the Bid Submission Form]*

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

Dated on _____ day of _____, _____ *[insert date of signing]*

Price Schedule Forms

*[The Bidder shall fill in these Price Schedule Forms in accordance with the instructions indicated. The list of line items in column 1 of the **Price Schedules** shall coincide with the List of Goods and Related Services specified by the Purchaser in the Schedule of Requirements.]*

PRICE SCHEDULE: GOODS MANUFACTURED OUTSIDE THE PURCHASER'S COUNTRY, TO BE IMPORTED

(Group C bids, goods to be imported)								Date: _____		
								ICB No: _____		
Currencies in accordance with ITB Sub-Clause 15								Alternative No: _____		
								Page N° _____ of _____		
1	2	3	4	5	6	7	8	9	10	11
Line Item N°	Description of Goods	Country of Origin	Delivery Date as defined by Incoterms	Quantity and physical unit	Unit price CIP <i>[insert place of destination]</i> in accordance with ITB 14.6(b)(i)	CIP Price per line item (Col. 5x6)	Price per line item for inland transportation and other services required in the Purchaser's country to convey the Goods to their final destination specified in BDS	Total Price per Line item (Col. 7+8)	Agent's name	Agent's commission as a % of CIF/CIP Price Included in the Quoted Price
<i>[insert number of the item]</i>	<i>[insert name of good]</i>	<i>[insert country of origin of the Good]</i>	<i>[insert quoted Delivery Date]</i>	<i>[insert number of units to be supplied and name of the physical unit]</i>	<i>[insert unit price CIP per unit]</i>	<i>[insert total CIP price per line item]</i>	<i>[insert the corresponding price per line item]</i>	<i>[insert total price of the line item]</i>		
Total Price										

Name of Bidder *[insert complete name of Bidder]* Signature of Bidder *[signature of person signing the Bid]* Date *[Insert Date]*

- Note:
- (a) In case of discrepancy between unit price and total price, the unit price shall prevail.
 - (b) Agent's commission shall be paid in local currency only. No change due to exchange variation shall be allowed. Market exchange rate ruling on the date of award in accordance with Clause 15 of Instruction to Bidders will be applicable for this purpose.
 - (c) The bidder shall give list of spares for 2 years operation separately indicating description, quantity, unit price and total price in the above format for those items whose scope of supply includes spare parts as per technical specification.

PRICE SCHEDULE: GOODS MANUFACTURED OUTSIDE THE PURCHASER'S COUNTRY, ALREADY IMPORTED

(Group C bids, Goods already imported)

Date: _____

ICB No: _____

Alternative No: _____

Page N° _____ of _____

Currencies in accordance with ITB Sub-Clause 15

1	2	3	4	5	6	7	8	9	10	11	12
Line Item N°	Description of Goods	Country of Origin	Delivery Date as defined by Incoterms	Quantity and physical unit	Unit price including Custom Duties and Import Taxes paid, in accordance with ITB 14.6(c)(i)	Custom Duties and Import Taxes paid per unit in accordance with ITB 14.6(c)(ii), [to be supported by documents]	Unit Price CIP net of custom duties and import taxes, in accordance with ITB 14.6 (c) (iii) (Col. 6 minus Col.7)	Price CIP per line item net of Custom Duties and Import Taxes paid, in accordance with ITB 14.6(c)(i) (Col. 5×8)	Price per line item for inland transportation and other services required in the Purchaser's country to convey the goods to their final destination, as specified in BDS in accordance with ITB 14.6 (c)(v)	Sales and other taxes paid or payable per item if Contract is awarded (in accordance with ITB 14.6(c)(iv)	Total Price per item (Col. 9+10)
<i>[insert number of the item]</i>	<i>[insert name of Goods]</i>	<i>[insert country of origin of the Good]</i>	<i>[insert quoted Delivery Date]</i>	<i>[insert number of units to be supplied and name of the physical unit]</i>	<i>[insert unit price per unit]</i>	<i>[insert custom duties and taxes paid per unit]</i>	<i>[insert unit CIP price net of custom duties and import taxes]</i>	<i>[insert CIP price per line item net of custom duties and import taxes]</i>	<i>[insert price per line item for inland transportation and other services required in the Purchaser's country]</i>	<i>[insert sales and other taxes payable per item if Contract is awarded]</i>	<i>[insert total price per line item]</i>
Total Bid Price											

Name of Bidder *[insert complete name of Bidder]* Signature of Bidder *[signature of person signing the Bid]* Date *[insert date]*

Note: (a) In case of discrepancy between unit price and total price, the unit price shall prevail.

(b) The bidder shall give list of spares for 2 years operation separately indicating description, quantity, unit price and total price in the above format for those items whose scope of supply includes spare parts as per technical specification.

PRICE SCHEDULE: GOODS MANUFACTURED IN THE PURCHASER'S COUNTRY

Purchaser's Country _____		(Group A and B bids)				Date: _____ ICB No: _____ Alternative No: _____ Page N° _____ of _____			
Currencies in accordance with ITB Sub-Clause 15									
1	2	3	4	5	6	7	8	9	10
Line Item N°	Description of Goods	Delivery Date as defined by Incoterms	Quantity and physical unit	Unit price EXW	Total EXW price per line item [including Excise Duty if any] (Col. 4x5)	Price per line item for inland transportation and other services required in the Purchaser's Country to convey the Goods to their final destination	Cost of local labor, raw materials and components from with origin in the Purchaser's Country % of Col. 5	Sales and other taxes payable per item if Contract is awarded (in accordance with ITB 14.6(a)(ii))	Total Price per line item (Col. 6+7)
<i>[insert number of the item]</i>	<i>[insert name of Good]</i>	<i>[insert quoted Delivery Date]</i>	<i>[insert number of units to be supplied and name of the physical unit]</i>	<i>[insert EXW unit price]</i>	<i>[insert total EXW price per line item]</i>	<i>[insert the corresponding price per line item]</i>	<i>[Insert cost of local labor, raw material and components from within the Purchase's country as a % of the EXW price per line item]</i>	<i>[insert sales and other taxes payable per line item if Contract is awarded]</i>	<i>[insert total price per item]</i>
Total Price									

Name of Bidder *[insert complete name of Bidder]* Signature of Bidder *[signature of person signing the Bid]* Date *[insert date]*

- Note:
- (a) In case of discrepancy between unit price and total price, the unit price shall prevail.
 - (b) The bidder shall give list of spares for two years operation separately indicating description, quantity, unit price and total price in the above format for those whose scope of supply includes spare parts as per technical specifications given in Section VII.
 - (c) For column 8, break-up of the cost of labour, raw materials and components provided from within India should also be indicated separately as specified in Clause 35.1 of Instruction to Bidders.

PRICE AND COMPLETION SCHEDULE - RELATED SERVICES

Currencies in accordance with ITB Sub-Clause 14.6(D)						Date: _____
						ICB No: _____
						Alternative No: _____
						Page N° _____ of _____
1	2	3	4	5	6	7
Service N°	Description of Services (excludes inland transportation and other services required in the Purchaser's country to convey the goods to their final destination)	Country of Origin	Delivery Date at place of Final destination	Quantity and physical unit	Unit price	Total Price per Service (Col. 5*6 or estimate)
<i>[insert number of the Service]</i>	<i>[insert name of Services]</i>	<i>[insert country of origin of the Services]</i>	<i>[insert delivery date at place of final destination per Service]</i>	<i>[insert number of units to be supplied and name of the physical unit]</i>	<i>[insert unit price per item]</i>	<i>[insert total price per item]</i>
Total Bid Price						

Name of Bidder *[insert complete name of Bidder]* Signature of Bidder *[signature of person signing the Bid]* Date *[insert date]*

Note: (a) In case of discrepancy between unit price and total price, the unit price shall prevail.

BID SECURITY (BANK GUARANTEE)

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

[insert Bank's Name, and Address of Issuing Branch or Office]

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

Date: *[insert date]*

BID GUARANTEE No.: *[insert bid Guarantee number]*

We have been informed that *[insert name of the Bidder]* (hereinafter called "the Bidder") has submitted to you its bid dated *[insert date]* (hereinafter called "the Bid") for the execution of *[insert name of Contract]*.

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

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

- (a) has withdrawn its Bid during the period of bid validity specified by the Bidder in the Bid Submission Form; or
- (b) having been notified of the acceptance of its Bid by the Purchaser during the period of bid validity as stated in the Bid Submission Form or extended by the Employer at any time prior to expiration of this period, (i) fails or refuses to execute the Contract, if required, or (ii) fails or refuses to furnish the Performance Security, in accordance with the ITB.

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

Consequently, any demand for payment under this Guarantee must be received by us at the office on or before that date.

This Guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

[Signature(s) of authorized bank's representative(s)]

BID-SECURING DECLARATION

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

Date: *[insert date (as day, month and year) of Bid Submission]*
ICB No.: *[insert number of bidding process]*
Alternative No.: *[insert identification No if this is a Bid for an alternative]*

To: *[insert complete name of Purchaser]*

We, the undersigned, declare that:

1. We understand that, according to your conditions, bids must be supported by a Bid-Securing Declaration.
2. We accept that we will automatically be suspended from being eligible for bidding in any contract with the Purchaser for the period of time of *[insert number of months or years]* starting on *[insert date]*, if we are in breach of our obligation(s) under the bid conditions, because we:
 - (a) have withdrawn our Bid during the period of bid validity specified by us in the Bidding Data Sheet; 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.
3. We understand this Bid Securing Declaration shall expire if we are not the successful Bidder, upon the earlier of (i) our receipt of a copy of your notification of the name of the successful Bidder; or (ii) twenty-eight days after the expiration of our Bid.
4. We understand that if we are a Joint Venture, the Bid Securing Declaration must be in the name of the Joint Venture that submits the bid. If the Joint Venture has not been legally constituted at the time of bidding, the Bid Securing Declaration shall be in the names of all future partners as named in the letter of intent.

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]*

MANUFACTURER'S AUTHORIZATION

*[The Bidder shall require the Manufacturer to fill in this Form in accordance with the instructions indicated. This letter of authorization should be on the letterhead of the Manufacturer and should be signed by a person with the proper authority to sign documents that are legally binding on the Manufacturer. The Bidder shall include it in its bid, if so indicated in the **BDS**.]*

Date: *[insert date (as day, month and year) of Bid Submission]*

ICB No.: *[insert number of bidding process]*

Alternative No.: *[insert identification No if this is a Bid for an alternative]*

To: *[insert complete name of Purchaser]*

WHEREAS

We *[insert complete name of Manufacturer]*, who are official manufacturers of *[insert type of goods manufactured]*, having factories at *[insert full address of Manufacturer's factories]*, do hereby authorize *[insert complete name of Bidder]* to submit a bid the purpose of which is to provide the following Goods, manufactured by us *[insert name and or brief description of the Goods]*, and to subsequently negotiate and sign the Contract against the above IFB.

We hereby extend our full guarantee and warranty in accordance with Clause 27 of the General Conditions of Contract, with respect to the Goods offered by the above firm against this IFB.

No company or firm or individual other than M/s. _____ are authorized to bid, and conclude the contract for the above goods manufactured by us against this specific IFB. *[This para should be deleted for simple items where manufacturers sell the product through different stocks]*.

Signed: *[insert signature(s) of authorized representative(s) of the Manufacturer]*

Name: *[insert complete name(s) of authorized representative(s) of the Manufacturer]*

Title: *[insert title]*

Duly authorized to sign this Authorization on behalf of: *[insert complete name of Bidder]*

Dated on _____ day of _____, _____ *[insert date of signing]*

Note – Modify this format suitably in cases where manufacturer's warranty and guarantee are not applicable for the items for which bids are invited.

SECTION V. – ELIGIBLE COUNTRIES

Public Information Center

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

1. In accordance with Para 1.8 of the Guidelines: Procurement under IBRD Loans and IDA Credits, dated May 2004, the Bank permits firms and individuals from all countries to offer goods, works and services for Bank-financed projects. As an exception, firms of a Country or goods manufactured in a Country may be excluded if:

Para 1.8 (a) (i): as a matter of law or official regulation, the Borrower’s Country prohibits commercial relations with that Country, provided that the Bank is satisfied that such exclusion does not preclude effective competition for the supply of the Goods or Works required, or

Para 1.8 (a) (ii): by an Act of Compliance with a Decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower’s Country prohibits any import of goods from that Country or any payments to persons or entities in that Country.

2. For the information of borrowers and bidders, at the present time firms, goods and services from the following countries are excluded from this bidding:¹

(a) With reference to paragraph 1.8 (a) (i) of the Guidelines:

(b) With reference to paragraph 1.8 (a) (ii) of the Guidelines:

¹ Any questions regarding this list should be addressed to the Director, Procurement Policy and Services Group, Operational Core Services Network, The World Bank

PART 2 - SUPPLY REQUIREMENTS

SECTION VI – SCHEDULE OF REQUIREMENTS

1. LIST OF GOODS AND DELIVERY SCHEDULE.....	41
2. LIST OF RELATED SERVICES [ITB CLAUSE 14.6(D)] AND COMPLETION SCHEDULE.....	42
3. TECHNICAL SPECIFICATIONS	43
4. DRAWINGS	45
5. INSPECTIONS AND TESTS.....	46
6. PROFORMA OF CERTIFICATE FOR ISSUE BY THE PURCHASER AFTER SUCCESSFUL COMMISSIONING OF PLANT	47
7. PROFORMA FOR PERFORMANCE STATEMENT.....	49
8. DECLARATION REGARDING DEEMED EXPORT BENEFITS	50

1. LIST OF GOODS AND DELIVERY SCHEDULE

[The Purchaser shall fill in this table, with the exception of the column "Bidder's offered Delivery date" to be filled by the Bidder]

Line Item N°	Description of Goods	Quantity	Physical unit	Final (Site) Destination as specified in BDS	Delivery (as per Incoterms) Date			
					Earliest Delivery Date ²	Latest Delivery Date ³	Bidder's offered Delivery date ⁴ <i>[to be provided by the bidder]</i>	Bid Security in the currency of the bid or in USS or Indian Rupees
<i>[insert item No]</i>	<i>[insert description of Goods]</i>	<i>[insert quantity of item to be supplied]</i>	<i>[insert physical unit for the quantity]</i>	<i>[insert place of Delivery]</i>	<i>[insert the number of days following the date of effectiveness the Contract]</i>	<i>[insert the number of days following the date of effectiveness the Contract]</i>	<i>[insert the number of days following the date of effectiveness the Contract]</i>	

² *The delivery may be specified for a single shipment, or for several partial shipments, for a specific date, or range of acceptable delivery periods/*

³ *Ditto footnote 1.*

⁴ *Ditto footnotes 1 and 2.*

2. LIST OF RELATED SERVICES [ITB CLAUSE 14.6(D)] AND COMPLETION SCHEDULE

[This table shall be filled in by the Purchaser. The Required Completion Dates should be realistic, and consistent with the required Goods Delivery Dates (as per Incoterms)]

Service	Description of Service	Quantity ¹	Physical Unit	Place where Services shall be performed	Final Completion Date(s) of Services
<i>[insert Service No]</i>	<i>[insert description of Related Services]</i>	<i>[insert quantity of items to be supplied]</i>	<i>[insert physical unit for the items]</i>	<i>[insert name of the Place]</i>	<i>[insert required Completion Date(s)]</i>

1. If applicable

Note: List the description as given in Page 44.

3. TECHNICAL SPECIFICATIONS

The purpose of the Technical Specifications (TS), is to define the technical characteristics of the Goods and Related Services required by the Purchaser. The Purchaser shall prepare the detailed TS take into account that:

- *The TS constitute the benchmarks against which the Purchaser will verify the technical responsiveness of bids and subsequently evaluate the bids. Therefore, well-defined TS will facilitate preparation of responsive bids by bidders, as well as examination, evaluation, and comparison of the bids by the Purchaser.*
- *The TS shall require that all goods and materials to be incorporated in the goods be new, unused, and of the most recent or current models, and that they incorporate all recent improvements in design and materials, unless provided for otherwise in the contract.*
- *The TS shall make use of best practices. Samples of specifications from successful similar procurements in the same country or sector may provide a sound basis for drafting the TS.*
- *The Bank encourages the use of metric units.*
- *Standardizing technical specifications may be advantageous, depending on the complexity of the goods and the repetitiveness of the type of procurement. Technical Specifications should be broad enough to avoid restrictions on workmanship, materials, and equipment commonly used in manufacturing similar kinds of goods.*
- *Standards for equipment, materials, and workmanship specified in the Bidding Documents shall not be restrictive. Recognized international standards should be specified as much as possible. Reference to brand names, catalogue numbers, or other details that limit any materials or items to a specific manufacturer should be avoided as far as possible. Where unavoidable, such item description should always be followed by the words “or substantially equivalent.” When other particular standards or codes of practice are referred to in the TS, whether from the Borrower’s or from other eligible countries, a statement should follow other authoritative standards that ensure at least a substantially equal quality, then the standards mentioned in the TS will also be acceptable.*
- *Reference to brand names and catalogue numbers should be avoided as far as possible; where unavoidable the words “or at least equivalent” shall always follow such references.*
- *Technical Specifications shall be fully descriptive of the requirements in respect of, but not limited to, the following:*
 - (a) *Standards of materials and workmanship required for the production and manufacturing of the Goods.*
 - (b) *Detailed tests required (type and number).*

- (c) *Other additional work and/or Related Services required to achieve full delivery/completion.*
 - (d) *Detailed activities to be performed by the Supplier, and participation of the Purchaser thereon.*
 - (e) *List of detailed functional guarantees covered by the Warranty and the specification of the liquidated damages to be applied in the event that such guarantees are not met.*
- *The TS shall specify all essential technical and performance characteristics and requirements, including guaranteed or acceptable maximum or minimum values, as appropriate. Whenever necessary, the Purchaser shall include an additional ad-hoc bidding form (to be an Attachment to the Bid Submission Sheet), where the Bidder shall provide detailed information on such technical performance characteristics in respect to the corresponding acceptable or guaranteed values.*

When the Purchaser requests that the Bidder provides in its bid a part or all of the Technical Specifications, technical schedules, or other technical information, the Purchaser shall specify in detail the nature and extent of the required information and the manner in which it has to be presented by the Bidder in its bid.

[If a summary of the Technical Specifications (TS) has to be provided, the Purchaser shall insert information in the table below. The Bidder shall prepare a similar table to justify compliance with the requirements]

“Summary of Technical Specifications. *The Goods and Related Services shall comply with following Technical Specifications and Standards:*

<i>Item No</i>	<i>Name of Goods or Related Service</i>	<i>Technical Specifications and Standards</i>
<i>[insert item No]</i>	<i>[insert name]</i>	<i>[insert TS and Standards]</i>

[The related services should be same as listed in List of related services in Page 42]

Detailed Technical Specifications and Standards [whenever necessary].

[Insert detailed description of TS]

_____”]

4. DRAWINGS

These Bidding Documents includes *[insert “the following” or “no”]* drawings.

[If documents shall be included, insert the following List of Drawings]

List of Drawings		
DRAWING NR.	Drawing Name	Purpose

5. INSPECTIONS AND TESTS

The following inspections and tests shall be performed: *[insert list of inspections and tests]*

Note: Please see document P-2/P-3 for sample clauses of inspection.

6. PROFORMA OF CERTIFICATE FOR ISSUE BY THE PURCHASER AFTER SUCCESSFUL COMMISSIONING OF PLANT

[This is to be attached for supply, erection, supervision of erection contracts only]

No.

Date:

M/s.

Sub: Certificate of commissioning of Plant

1. This is to certify that the plant/s as detailed below has/have been received in good condition along with all the standard and special accessories (subject to remarks in Para No. 2) and a set of spares in accordance with the Contract/Specifications. The same has been installed and commissioned.

(a) Contract No. _____ dated _____

(b) Description of the plant _____

(c) Plant Nos. _____

(d) Quantity _____

(e) Bill of Lading _____ dated _____
(for import contract)

(f) Name of the vessel/transporter _____

(g) R/R No. _____ dated _____

(h) Name of the consignee _____

(i) Date of commissioning and proving test _____

2. Details of accessories/spares not yet supplied and recoveries to be made on that account.

<u>S. No.</u>	<u>Description</u>	<u>Amount to be recovered</u>
---------------	--------------------	-------------------------------

3. The proving test has been done to our entire satisfaction and operators have been trained to operate the plant.
4. The supplier has fulfilled his contractual obligations satisfactorily. *

or

The supplier has failed to fulfill his contractual obligations with regard to the following:

- (a)
- (b)
- (c)
- (d)
5. The amount of recovery on account of non-supply of accessories and spares is given under Para No. 2.
6. The amount of recovery on account of failure of the supplier to meet his contractual obligations is as indicated in endorsement of the letter.

Signature _____

Name _____

Designation with Stamp _____

* Explanatory notes for filling up the certificates:

- (a) He has adhered to the time schedule specified in the contract in dispatching the documents/drawings pursuant to Technical Specifications.
- (b) He has supervised the commissioning of the plant in time i.e., within the period specified in the contract from the date of intimation by the Purchaser in respect of the installation of the plant.
- (c) Training of personnel has been done by the supplier as specified in the contract
- (d) In the event of documents/drawings having not been supplied or installation and commissioning of the plant have been delayed on account of the supplier, the extent of delay should always be mentioned.

7. PROFORMA FOR PERFORMANCE STATEMENT

[Click here for the proforma for performance statement \[excel file\]](#) [attached separately – pps.xls]

(Name of the Project)

8. DECLARATION REGARDING DEEMED EXPORT BENEFITS

(Bidder's name and address):

To:.....
(Name of the Purchaser)

Dear Sir:

1. We confirm that we are solely responsible for obtaining deemed export benefits which we have considered in our bid and in case of failure to receive such benefits for reasons whatsoever, Purchaser will not compensate us.
2. We are furnishing below the information required by the Purchaser for issue of Project Authority/Payment Certificate in terms of the Export and Import Policy of the Government of India:

- | | | |
|-----|--|--|
| (A) | (i) Value of import content of supply to be made by the Bidder: | * Rs. _____
(exchange rate on US\$ = Rs. _____) |
| (B) | (i) Name of the sub-contractor, if any, and whose name is to be included in the main Contract: | _____
_____ |
| | (ii) Description, quantity and value of the goods to be supplied by the above sub-contractor: | Description _____
Quantity _____
Value (Rs.) _____ |
| | (iii) Value of import content of supply to be made by the sub-contractor: | Rs. _____
(exchange rate on US\$ = Rs. _____) |

(The requirements listed above are as per current Export and

Import Policy of Government of India. These may be modified, if necessary, in terms of the Export and Import Policy in force.)

Date: _____

(Signature) _____

Place: _____

(Printed Name) _____

(Designation) _____

(Common Seal) _____

* *Please attach details item-wise with cost.*

PART 3 – CONTRACT

SECTION VII – GENERAL CONDITIONS OF CONTRACT

General Conditions of Contract as per SBD (May 2004)

Pages 71-87 will be inserted here

SECTION VIII. SPECIAL CONDITIONS OF CONTRACT

The following Special Conditions of Contract (SCC) shall supplement and / or amend the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

GCC 1.1(k)	The Purchaser's country is: India
GCC 1.1(l)	The Purchaser is: <i>[Insert complete legal name of the Purchaser]</i>
GCC 1.1 (q)	The Project Site(s)/Final Destination(s) is/are: <i>[Insert name(s) and detailed information on the location(s) of the site(s)]</i>
GCC 4.2 (a)	The meaning of the trade terms shall be as prescribed by Incoterms.
GCC 4.2 (b)	The version edition of Incoterms shall be 2000
GCC 5.1	The language shall be: English
GCC 8.1	<p>For <u>notices</u>, the Purchaser's address shall be:</p> <p>Attention: <i>[insert full name of person, if applicable]</i> Street Address: <i>[insert street address and number]</i> Floor/ Room number: <i>[insert floor and room number, if applicable]</i> City: <i>[insert name of city or town]</i> ZIP Code: <i>[insert postal ZIP code, if applicable]</i> Country: <i>[insert name of country]</i> Telephone: <i>[include telephone number, including country and city codes]</i> Facsimile number: <i>[insert facsimile number, including country and city codes]</i> Electronic mail address: <i>[insert e-mail address, if applicable]</i></p>
GCC 9.1	The governing law shall be the law of: Union of India

GCC 10.2**Settlement of Disputes**

The dispute settlement mechanism to be applied shall be as follows:

- (a) In case of Dispute or difference arising between the Purchaser and a domestic supplier relating to any matter arising out of or connected with this agreement, such disputes or difference shall be settled in accordance with the Arbitration and Conciliation Act, 1996. The arbitral tribunal shall consist of 3 arbitrators one each to be appointed by the Purchaser and the Supplier. The third Arbitrator shall be chosen by the two Arbitrators so appointed by the Parties and shall act as Presiding arbitrator. In case of failure of the two arbitrators appointed by the parties to reach upon a consensus within a period of 30 days from the appointment of the arbitrator appointed subsequently, the Presiding Arbitrator shall be appointed by the *Indian Council of Arbitration/president of the institution of Engineers (India)/The International center for Alternative Dispute Resolution (India).
- (b) In the case of a dispute with a Foreign Supplier, the dispute shall be settled in accordance with provisions of UNCITRAL (United nations Commission on International Trade Law) Arbitration Rules. The Arbitral Tribunal shall consist of three Arbitrators one each to be appointed by the Purchaser and the Supplier. The third Arbitrator shall be chosen by the two Arbitrators so appointed by the parties, and shall act as presiding arbitrator. In case of failure of the two arbitrators appointed by the parties to reach upon a consensus within a period of 30 days from the appointment of the arbitrator appointed subsequently, the Presiding Arbitrator shall be appointed by the *Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre of Alternative Dispute Resolution (India).
- (c) If one of the parties fails to appoint its arbitrator in pursuance of sub-clause (a) and (b) above, within 30 days after receipt of the notice of the appointment of its arbitrator by the other party, then the *Indian Council of Arbitration/president of the Institution of Engineers (India)/The International Centre for Alternative Dispute Resolution (India), both in cases of the Foreign supplier as well as Indian supplier, shall appoint the arbitrator. A certified copy of the order of the *Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative Disputes Resolution (India), making such an appointment shall be furnished to each of the parties.

	<p>(d) Arbitration proceedings shall be held at _____ India, and the language of the arbitration proceedings and that of all documents and communications between the parties shall be English.</p> <p>(e) The decision of the majority of arbitrators shall be final and binding upon both parties. The cost and expenses of Arbitration proceedings will be paid as determined by the arbitral tribunal. However, the expenses incurred by each party in connection with the preparation, presentation etc. of its proceedings as also the fees and expenses paid to the arbitrator appointed by such party or on its behalf shall be borne by each party itself.</p> <p>(f) Where the value of the contract is Rs. 10 million and below, the disputes or differences arising shall be referred to the Sole Arbitrator. The Sole Arbitrator should be appointed by agreement between the parties; failing such agreement, by the appointing authority namely the *Indian Council of Arbitration/President of the Institution of Engineers (India)/The International Centre for Alternative Dispute Resolution (India).</p> <p>(* <i>Delete whichever is not applicable</i>).</p>
<p>GCC 11.1</p>	<p>The scope of supply for the Goods and Related Services to be supplied shall be as specified in: <i>[insert “the Schedule of Requirements” or indicate where the scope of the supply shall be defined]</i></p>
<p>GCC 12.1</p>	<p>Details of Shipping and other Documents to be furnished by the Supplier are given below:</p> <p>(a) <u><i>For Goods supplied from abroad:</i></u></p> <p>GC 12.1 Within 24 hours of shipment, the Supplier shall notify the Purchaser and the Insurance Company by cable or telex or fax the full details of the shipment including Contract number, description of goods, quantity, the vessel, the bill of lading number and date, port of loading, date of shipment, port of discharge, etc. The Supplier shall mail the following documents to the Purchaser, with a copy to the Insurance Company:</p>

	<ul style="list-style-type: none"> (i) Copies of Supplier's invoice showing contract number, goods description, quantity, unit price and total amount; (ii) Original and copies of the negotiable, clean, on-board bill of lading marked freight prepaid and copies of non-negotiable bill of lading; (iii) Copies of packing list identifying contents of each package; (iv) Insurance certificate; (v) Manufacturer's/Supplier's warranty certificate; (vi) Inspection certificate issued by the nominated inspection agency, and the Supplier's factory inspection report; and (vii) Certificate of origin. <p>The above documents shall be received by the Purchaser at least one week before arrival of Goods at the port or place of arrival and, if not received, the Supplier will be responsible for any consequent expenses.</p> <p>(b) <u>For Goods from within India:</u></p> <p>GCC 12.1 Upon delivery of the goods to the transporter/consignee, the supplier shall notify the purchaser and mail the following documents to the Purchaser :</p> <ul style="list-style-type: none"> (i) Copies of the Supplier invoice showing contract number, goods description, quantity, unit price, total amount; (ii) Delivery note, Railway receipt or acknowledgement of receipt of goods from the Consignee; (iii) Copies of packing list identifying contents of each package; (iv) Insurance certificate; (v) Manufacturer's/Supplier's warranty certificate;
--	--

	<p>(vi) Inspection certificate issued by the nominated inspection agency, and the Supplier’s factory inspection report; and</p> <p>(vii) Certificate of origin.</p> <p>The above documents shall be received by the Purchaser before arrival of the Goods (except where it is handed over to the Consignee with all documents) and if not received, the supplier will be responsible for any consequent expenses.</p>
<p>GCC 14.2</p>	<p>The prices charged for the Goods supplied and the related Services performed <i>[insert “shall” or “shall not,” as appropriate]</i> be adjustable. If prices are adjustable, the method used to calculate the price adjustment is given in the attachment.</p>
<p>GCC 15.1</p>	<p>GCC 15.1 Payment shall be made in the currency specified in the Contract in the following manner:</p> <p>(a) <i>Payment for Goods supplied from abroad :</i></p> <p>(i) <i>Advance Payment:</i> Ten (10%) of the Contract Price shall be paid within thirty (30) days of signing of Contract and upon submission of claim and a bank guarantee for equivalent amount valid until the Goods are delivered and in the form provided in the bidding documents or another form acceptable to the Purchaser.</p> <p>(ii) <i>On Shipment:</i> Eighty (80)% of the Contract Price of the Goods shipped shall be paid through irrevocable of the contract and that all terms and conditions of the contract have been complied with; and</p>

- (iii) *On Final Acceptance: Ten (10)% of the Contract Price of Goods received shall be paid within thirty (30) days of receipt of Goods upon submission of claim supported by the Acceptance Certificate issued by the Purchaser's representative in the proforma given in Section VIII, Form 8.*

Payment of Local Currency Portion including Agency Commission: Payment shall be made in Indian Rupees within thirty (30) days of presentation of claim supported by a certificate from the Purchaser declaring that the Goods have been delivered and that all other contracted Services have been performed.

Agency commission will be paid to the Bidder's Agent in the local currency for the amount in Indian Rupees indicated in the relevant price schedule [*using telegraphic transfer buying market rate of exchange ruling on the date of award of the contract*] and shall not be subject to further escalation or exchange variation. Payment shall be made within 30 days of presentation of claim supported by a certificate from the Purchaser declaring that the goods have been delivered and that all other contracted services have been performed.

- (b) *Payment for Goods and Services (excluding supervision) supplied from India:*

(i) *Advance Payment: Ten (10)% of the total contract price shall be paid within thirty (30) days of signing of Contract and upon submission of claim / against a simple receipt and a bank guarantee for the equivalent amount valid until the goods are delivered and in the form provided in the bidding documents or another form acceptable to the Purchaser.*

(ii) *On Delivery: Eighty (80)% of the contract price shall be paid (through irrevocable LC) on receipt of Goods and upon submission of the documents specified in Clause 6(b) of SCC; and*

(iii) *On Final Acceptance: the remaining ten (10)% of the Contract Price shall be paid within thirty (30) days after the date of the Acceptance Certificate issued by the Purchaser's representative in the proforma given in Section VI - Form 6.*

	<p>(c) The supervision charges and the to-and-fro travel charges shall be paid in the currency specified in the bid for the actual mandays deployed and actual number of visits undertaken by the supervisor(s) within thirty (30) days of receipt of claim. No charges will be paid for intervening and preceding holidays. A manday shall consist of eight working hours during a period of 24 hours. In case of work beyond eight hours (during the said period of 24 hours) such periods shall be added and the total number of hours achieved shall be converted into mandays, presuming each manday consists of eight working hours.</p> <p>(d) (i) Where payments are to be effected through Letter of Credit (LC), the same shall be subject to the latest Uniform Customs and Practice for Documentary Credit, of the International Chamber of Commerce;</p> <p>(ii) The LC will be irrevocable and will be confirmed at Supplier's cost if requested specifically by the Supplier;</p> <p>(iii) If LC is required to be extended/reinstated for reasons not attributable to the Purchaser, the charges thereof shall be to the Supplier's account.</p>
<p>GCC 15.5</p>	<p>The payment-delay period after which the Purchaser shall pay interest to the supplier shall be 30 days.</p> <p>The interest rate that shall be applied is <i>[Prime Bank lending rate of State Bank of India] %</i></p>
<p>GCC 17.1</p>	<p>A Performance Security shall be required</p> <p>The amount of the Performance Security shall be: 5%.</p> <p><i>[The amount of the Performance Security is usually expressed as a percentage of the Contract Price. The percentage varies according to the Purchaser's perceived risk and impact of non performance by the Supplier. 5 to 10% percentage is used under normal circumstances]</i></p>

<p>GCC 17.3</p>	<p>If required, the Performance Security shall be in the form of a Bank Guarantee”</p> <p>The Performance security shall be denominated in “<i>a freely convertible currency acceptable to the Purchaser</i>” or “<i>the currencies of payment of the Contract, in accordance with their portions of the Contract Price</i>”.</p>
<p>GCC 22.2</p>	<p><u>Packing Instructions:</u> The Supplier will be required to make separate packages for each Consignee. Each package will be marked on three sides with proper paint/indelible ink with the following:</p> <p>(i) Project; (ii) Contract No.; (iii) Country of Origin of Goods; (iv) Supplier’s Name; (v) Packing List Reference Number.</p>
<p>GCC 23.1</p>	<p>The insurance shall be paid in an amount equal to 110 percent of the CIF or CIP (EXW for Goods supplied from within the country) value of the Goods from “Warehouse to warehouse (final destination)” on “All Risks” basis including War Risks and Strikes.</p>
<p>GCC 24.1</p>	<p>Responsibility for transportation of the Goods shall be as specified in the Incoterms.</p> <p>If not in accordance with Incoterms, responsibility for transportations shall be as follows: <i>[insert “The Supplier is required under the Contract to transport the Goods to a specified place of final destination within the Purchaser’s country, defined as the Project Site, transport to such place of destination in the Purchaser’s country, including insurance and storage, as shall be specified in the Contract, shall be arranged by the Supplier, and related costs shall be included in the Contract Price”]; or any other agreed upon trade terms (specify the respective responsibilities of the Purchaser and the Supplier). Note that clarifications to customs for appraisal and payment of customs duty is the responsibility of the Purchaser only.]</i></p>
<p>GCC 25.1</p>	<p>The inspections and tests shall be: <i>[insert nature, frequency, procedures for carrying out the inspections and tests]</i></p>
<p>GCC 25.2</p>	<p>The Inspections and tests shall be conducted at: <i>[insert name(s) of location(s)]</i></p>

GCC 26.1	The liquidated damage shall be: 0.5% per week or part thereof.
GCC 26.1	The maximum amount of liquidated damages shall be: 10% of the contract price.
GCC 27.3	<p>The period of validity of the Warranty shall be: Same as given in GCC 27.3.</p> <p>For purposes of the Warranty, the place(s) of final destination(s) shall be:</p> <p><i>[insert name(s) of location(s)]</i></p>
GCC 27.5	The period for repair or replacement shall be: 30 days.

Attachment: Price Adjustment Formula

GCC 14.2 Prices payable to the Supplier as stated in the Contract shall be subject to adjustment during performance of the Contract to reflect changes in the cost of labor and material components in accordance with the formula:

$$\Delta P = P_0 \times \{a + b(L_1/L_0) + c(M_1/M_0)\} - P_0$$

in which:

ΔP	=	adjustment amount payable to the Supplier
P_0	=	Contract Price (base price)
a	=	fixed element representing profits and overheads included in the Contract Price and generally in the range of five (5)% to fifteen (15)%.
b	=	estimated percentage of labor component in the Contract Price.
c	=	estimated percentage of material component in the Contract Price.

(The coefficients a, b and c shall be specified by the Purchaser in the Bidding Documents. The sum of the three coefficients should be one (1) in every application of the formula).

L_0, L_1	=	labor indices applicable to the appropriate industry in the country of origin on the base date and date for adjustment, respectively.
M_0, M_1	=	material indices for the major raw material on the base date and date for adjustment, respectively, in the country of origin

The Bidder shall indicate the source of the indices and the base date indices in his bid.

Base Date = 30 days prior to the dead line for submission of the bids.

Date of Adjustment = weeks prior to date of shipment (representing the mid-point of the period of manufacture).

The above price adjustment formula shall be invoked by either party subject to the following further conditions:

- (a) Price adjustment will be applied only if the resulting increase or decrease is more than 2% of the Contract Price;
- (b) No price increase shall be allowed beyond the original delivery dates unless specifically stated in the extension letter. As a rule no price adjustment shall be allowed for periods of delay for which the Supplier is entirely responsible. The purchaser will however be entitled to any decrease in the price of the Goods & Services subject to adjustment;

- (c) The total adjustment under this clause shall be subject to a ceiling of plus or minus% of the Contract Price [Ten (10) percent would be an acceptable percentage];
- (d) If the currency in which the Contract Price (P0) is expressed is different from the currency of the country of origin of the labor and material indices, a correction factor will be applied to avoid incorrect adjustments of the Contract Price. The correction factor shall correspond to the ratio of the exchange rates between the two currencies on the base date and the date for adjustment as defined above; and
- (e) No price adjustment shall be payable on the portion of the Contract Price paid to the Supplier as advance payment.

OR

Where there is no price adjustment specify as under

G.C.C. 14.2 - Prices payable to the supplier as stated in the contract shall be firm during the performance of the contract.

.....

SECTION IX – CONTRACT FORMS

Table of Forms

1. CONTRACT AGREEMENT	67
2. PERFORMANCE SECURITY	69
3. BANK GUARANTEE FOR ADVANCE PAYMENT	70

1. CONTRACT AGREEMENT

[The successful Bidder shall fill in this form in accordance with the instructions indicated]

THIS CONTRACT AGREEMENT is made

the *[insert: **number**]* day of *[insert: **month**]*, *[insert: **year**]*.

BETWEEN

- (1) *[insert complete name of Purchaser]*, a *[insert description of type of legal entity, for example, an agency of the Ministry of of the Government of { insert name of Country of Purchaser }, or corporation incorporated under the laws of { insert name of Country of Purchaser }]* and having its principal place of business at *[insert address of Purchaser]* (hereinafter called “the Purchaser”), and
- (2) *[insert name of Supplier]*, a corporation incorporated under the laws of *[insert: country of Supplier]* and having its principal place of business at *[insert: address of Supplier]* (hereinafter called “the Supplier”).

WHEREAS the Purchaser invited bids for certain Goods and ancillary services, viz., *[insert brief description of Goods and Services]* and has accepted a Bid by the Supplier for the supply of those Goods and Services in the sum of *[insert Contract Price in words and figures, expressed in the Contract currency(ies)]* (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall constitute the Contract between the Purchaser and the Supplier, and each shall be read and construed as an integral part of the Contract:
 - (a) This Contract Agreement
 - (b) Special Conditions of Contract
 - (c) General Conditions of Contract
 - (d) Technical Requirements (including Schedule of Requirements and Technical Specifications)
 - (e) The Supplier’s Bid and original Price Schedules
 - (f) The Purchaser’s Notification of Award
 - (g) *[Add here any other document(s)]*

3. This Contract shall prevail over all other Contract documents. In the event of any discrepancy or inconsistency within the Contract documents, then the documents shall prevail in the order listed above.
4. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the Goods and Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
5. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of *[insert the name of the Contract governing law country]* on the day, month and year indicated above.

For and on behalf of the Purchaser

Signed: *[insert signature]*
in the capacity of *[insert title or other appropriate designation]*
in the presence of *[insert identification of official witness]*

For and on behalf of the Supplier

Signed: *[insert signature of authorized representative(s) of the Supplier]*
in the capacity of *[insert title or other appropriate designation]*
in the presence of *[insert identification of official witness]*

2. PERFORMANCE SECURITY

[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated]

Date: *[insert date (as day, month, and year) of Bid Submission]*
ICB No. and title: *[insert no. and title of bidding process]*

Bank's Branch or Office: *[insert complete name of Guarantor]*

Beneficiary: *[insert complete name of Purchaser]*

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

We have been informed that *[insert complete name of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert day and month]*, *[insert year]* with you, for the supply of *[description of Goods and related Services]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, a Performance Guarantee is required.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum(s) not exceeding *[insert amount(s)⁵ in figures and words]* upon receipt by us of your first demand in writing declaring the Supplier to be in default under the Contract, without cavil or argument, or your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This Guarantee shall expire no later than the *[insert number]* day of *[insert month]* *[insert year]*,⁶ and any demand for payment under it must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded.

[signatures of authorized representatives of the bank and the Supplier]

⁵ *The Bank shall insert the amount(s) specified in the SCC and denominated, as specified in the SCC, either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Purchaser.*

⁶ *Dates established in accordance with Clause 17.4 of the General Conditions of Contract ("GCC"), taking into account any warranty obligations of the Supplier under Clause 15.2 of the GCC intended to be secured by a partial Performance Guarantee. The Purchaser should note that in the event of an extension of the time to perform the Contract, the Purchaser would need to request an extension of this Guarantee from the Bank. Such request must be in writing and must be made prior to the expiration date established in the Guarantee. In preparing this Guarantee, the Purchaser might consider adding the following text to the Form, at the end of the penultimate paragraph: " We agree to a one-time extension of this Guarantee for a period not to exceed [six months] [one year], in response to the Purchaser's written request for such extension, such request to be presented to us before the expiry of the Guarantee."*

3. BANK GUARANTEE FOR ADVANCE PAYMENT

[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated.]

Date: *[insert date (as day, month, and year) of Bid Submission]*
ICB No. and title: *[insert number and title of bidding process]*

[bank's letterhead]

Beneficiary: *[insert legal name and address of Purchaser]*

ADVANCE PAYMENT GUARANTEE No.: *[insert Advance Payment Guarantee no.]*

We, *[insert legal name and address of bank]*, have been informed that *[insert complete name and address of Supplier]* (hereinafter called "the Supplier") has entered into Contract No. *[insert number]* dated *[insert date of Agreement]* with you, for the supply of *[insert types of Goods to be delivered]* (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance is to be made against an advance payment guarantee.

At the request of the Supplier, we hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount(s)⁷ in figures and words]* upon receipt by us of your first demand in writing declaring that the Supplier is in breach of its obligation under the Contract because the Supplier used the advance payment for purposes other than toward delivery of the Goods.

It is a condition for any claim and payment under this Guarantee to be made that the advance payment referred to above must have been received by the Supplier on its account *[insert number and domicile of the account]*

This Guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the Contract until *[insert date⁸]*.

This Guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

⁷ *The bank shall insert the amount(s) specified in the SCC and denominated, as specified in the SCC, either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Purchaser.*

⁸ *Insert the Delivery date stipulated in the Contract Delivery Schedule. The Purchaser should note that in the event of an extension of the time to perform the Contract, the Purchaser would need to request an extension of this Guarantee from the bank. Such request must be in writing and must be made prior to the expiration date established in the Guarantee. In preparing this Guarantee, the Purchaser might consider adding the following text to the Form, at the end of the penultimate paragraph: "We agree to a one-time extension of this Guarantee for a period not to exceed [six months][one year], in response to the Purchaser's written request for such extension, such request to be presented to us before the expiry of the Guarantee."*

Notes:

1. The most current listing of eligible countries can be viewed on the Public Information Center's Web page at: <http://www.worldbank.org/html/pic/PROCURE.html>. A list of firms debarred from participating in World Bank projects is available at: <http://www.worldbank.org/html/opr/procure/debarr.html>.
2. Any questions regarding this list should be addressed to the Senior Manager, Procurement Policy and Services Group, Operational Core Services Network, The World Bank

*NR/ls Friday, October 29, 2004
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