



African Reinsurance Corporation

AFRICA REINSURANCE CORPORATION OFFICE BUILDING ADDIS ABABA

**BIDDING DOCUMENT FOR PROCUREMENT OF SHORING
WORKS FOR THE PROPOSED AFRICA-RE OFFICE BUILDING
IN ADDIS-ABABA, ETHIOPIA.**



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ESKINDER ARCHITECTS

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Section I. Instructions to Bidders

A. General

1. Scope of Bid

- 1.1 The Employer indicated in the Special Conditions of Contract (SCC), invites bids for the construction of Works, as described in Section 6, Schedule of Requirements. The subject and procurement reference number are provided in the SCC.
- 1.2 The successful Bidder will be expected to complete the Works by the Intended Completion Date specified in the SCC.
- 1.3 Throughout these Bidding Documents:
 - (a) The term “Employer” means “Procuring Entity” as defined in the Public Procurement Proclamation; and
 - (b) The term “Contractor” means “Supplier” as defined in the Public Procurement Proclamation.

2. Source of Funds

- 2.1 The Employer indicated in the SCC has an approved budget towards the cost of the procurement described in Section 6, Schedule of Requirements and intends to use these funds to cover eligible payments under the Contract for the Works. Payments will be made directly by the Employer and will be subject in all respects to the terms and conditions of the resulting contract placed by the Employer.

3. Eligible Bidders

- 3.1 A bidder shall:
 - (a) Have the legal capacity to enter into a contract;
 - (b) Not be insolvent, in receivership, bankrupt or being wound up, not have had their business activities suspended and not be the subject of legal proceedings for any of the foregoing; and
 - (c) Have fulfilled their obligations to pay taxes according to the laws of the Federal Democratic Republic of Ethiopia.
- 3.2 Unless otherwise specified in the SBD, in order to demonstrate compliance with the criteria in ITB Sub-Clause 3.1, a Bidder shall submit with its Bid either:
 - (a) In the case of Ethiopian Bidders only, its certificate of registration from the mandated public body specified in the SBD demonstrating its registered contractor status; or
 - (b) Appropriate documentary evidence demonstrating its compliance, which shall include:
 - (i) Its trading licence and suppliers registration certificate
 - (ii) Its tax clearance certificate and VAT registration, if required; and
 - (iii) Any relevant professional practice certificates.
- 3.3 A bidder shall be required to obtain a certificate of registration from the mandated public body referred to in ITB Sub-Clause 3.2, demonstrating registered contractor status, as a condition of contract award.

- 3.4 Bidding is open to all bidders from eligible countries as defined in Section 5, Eligible Countries. Any materials, equipment and services to be used in the performance of the Contract shall have their origin in an eligible country, as defined in Section 5, Eligible Countries.
- 3.5 All bidders shall provide in Section 4, Bidding Forms, a statement that the Bidder (including all members of a joint venture and subcontractors) is not associated, nor has been associated in the past, directly or indirectly, with the consultant or any other entity that has prepared the design, specifications, and other documents for the Project or being proposed as Engineer for the Contract. A firm that has been engaged by the Employer to provide consulting services for the preparation or supervision of the Works, and any of its affiliates, shall not be eligible to bid.
- 3.6 Government-owned enterprises in the Federal Democratic Republic of Ethiopia may only participate if they are legally and financially autonomous, operate under commercial law, and are not a dependent agency to the Employer.
- 3.7 A Bidder that has been debarred from participating in public procurement in accordance with ITB Sub-Clause 35.1(c), at the date of the deadline for bid submission or thereafter, shall be disqualified.

4. Qualification of the Bidder

- 4.1 All bidders shall provide in the Qualification Information Form in Section 4, Bidding Forms, a preliminary description of the proposed work method and schedule, including drawings and charts, as necessary.
- 4.2 In the event that prequalification of potential bidders has been undertaken, only bids from prequalified bidders will be considered for award of Contract. These qualified bidders should submit with their bids any information updating their original prequalification applications or, alternatively, confirm in their bids that the originally-submitted prequalification information remains essentially correct as of the date of bid submission. The update or confirmation should be provided in the Qualification Information Form in Section 4, Bidding Forms.
- 4.3 If the Employer has not undertaken prequalification of potential bidders, all bidders shall include the following information and documents with their bids, using the Qualification Information Form in Section 4, Bidding Forms, unless otherwise stated in Section 3, Evaluation and Qualification Criteria:
 - (a) Copies of original documents defining the constitution or legal status, place of registration, and principal place of business or a copy of the Bidder's registration certificate where such documents have been provided to obtain registered contractor status; written power of attorney of the signatory of the Bid to commit the Bidder;
 - (b) Total monetary value of construction work performed for each of the last five years;
 - (c) Experience in works of a similar nature and size for each of the last five years, and details of work under way or contractually committed; and clients who may be contacted for further information on those contracts;
 - (d) Major items of construction equipment proposed to carry out the Contract;
 - (e) Qualifications and experience of key site management and technical personnel proposed for the Contract;

- (f) Reports on the financial standing of the Bidder, such as profit and loss statements and auditor's reports for the past five years;
 - (g) Evidence of adequacy of working capital for this Contract (access to line(s) of credit and availability of other financial resources);
 - (h) Authority to seek references from the Bidder's bankers;
 - (i) Information regarding any litigation, current or during the last five years, in which the Bidder is involved, the parties concerned, and disputed amount; and
 - (j) Proposals for subcontracting components of the Works amounting to more than 10 percent of the Contract Price.
- 4.4 Bids submitted by a joint venture of two or more firms as partners shall comply with the following requirements, unless otherwise stated in Section 3, Evaluation and Qualification Criteria:
- (a) The Bid shall include all the information listed in Sub-Clause 4.3 above for each joint venture partner;
 - (b) The Bid shall be signed so as to be legally binding on all partners;
 - (c) All partners shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms;
 - (d) One of the partners will be nominated as being in charge, authorized to incur liabilities, and receive instructions for and on behalf of any and all partners of the joint venture; and
 - (e) The execution of the entire Contract, including payment, shall be done exclusively with the partner in charge.
- 4.5 To qualify for award of the Contract, bidders shall meet the minimum qualifying criteria specified in Section 3, Evaluation and Qualification Criteria.
- 4.6 Bidders applying for eligibility for a margin of preference in bid evaluation, shall supply all information to satisfy the criteria for eligibility as described in Section 3, Evaluation and Qualification Criteria.

5. One Bid per Bidder

- 5.1 Each Bidder shall submit only one Bid, either individually or as a partner in a joint venture. A Bidder who submits or participates in more than one Bid (other than as a subcontractor or in cases of alternatives that have been permitted or requested) will cause all the proposals with the Bidder's participation to be disqualified.

6. Cost of Bidding

- 6.1 The Bidder shall bear all costs associated with the preparation and submission of his Bid.

7. Site Visit

- 7.1 The Bidder, at the Bidder's own responsibility and risk, is encouraged to visit and examine the Site of Works and its surroundings and obtain all information that may be necessary for preparing the Bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Bidder's own expense and the Employer will in no case be responsible or liable for those costs.

7.2 Details of any Pre-Bid Meeting or Site Visit to be held by the Employer are given in the BDS.

B. Bidding Documents

8. Content of Bidding Documents

8.1 The set of bidding documents comprises the documents listed in the table below and addenda issued in accordance with Clause 10:

PART 1 Bidding Procedures

- Section 1 Instructions to Bidders (ITB)
- Section 2 Bid Data Sheet (BDS)
- Section 3 Evaluation and Qualification Criteria
- Section 4 Bidding Forms
- Section 5 Eligible Countries

PART 2 Schedule of Requirements

- Section 6(A) – Scope of Works
- Section 6(B) – Technical Specifications
- Section 6(C) – Drawings
- Section 6(D) – Bills of Quantities (or Activity Schedule)

PART 3 Contract

- Section 7 General Conditions of Contract (GCC)
- Section 8 Special Conditions of Contract (SCC)
- Section 9 Contract Forms

9. Clarification of Bidding Documents

9.1 According to the proclamation a candidate Bidder requiring any clarification of the bidding documents may notify the Employer in writing at the Employer's address indicated in the BDS. The Employer will respond to any request for clarification received earlier than 10 days prior to the deadline for submission of bids. Copies of the Employer's response will be forwarded to all purchasers of the bidding documents, including a description of the inquiry, but without identifying its source.

10. Amendment of Bidding Documents

10.1 Before the deadline for submission of bids, the Employer may modify the bidding documents by issuing addenda.

10.2 Any addendum thus issued shall be part of the bidding documents and shall be communicated in writing to all purchasers of the bidding documents. Prospective bidders shall acknowledge receipt of each addendum in writing to the Employer.

10.3 To give prospective bidders reasonable time in which to take an addendum into account in preparing their bids, the Employer shall extend, as necessary, the deadline for submission of bids, in accordance with Sub-Clause 20.2 below.

C. Preparation of Bids

11. Language of Bid

- 11.1 All documents relating to the Bid shall be in English. Any printed literature furnished by the Bidder may be written in another language, as long as such literature is accompanied by a translation of its pertinent passages into English; in which case, for purposes of interpretation of the Bid, the translation shall govern.

12. Documents Comprising the Bid

- 12.1 The Bid submitted by the Bidder shall comprise the following, in the format indicated in Section 4, Bidding Forms, where appropriate:
- (a) Bid Submission Form;
 - (b) Bid Security;
 - (c) Priced Bill of Quantities or Activity Schedule;
 - (d) Qualification Information Form and Documents and the documents evidencing eligibility in accordance with ITB Sub-Clause 3.2;
 - (e) Alternative offers where invited; and
 - (f) Any other document or information required to be completed and submitted by bidders, as specified in the BDS.

13. Bid Prices

- 13.1 The Contract will be an Admeasurement or Lump Sum Contract, as indicated in the BDS.
- 13.2 The Contract shall be for the whole Works, as described in ITB Sub-Clause 1.1, based on the:
- (a) Priced Bill of Quantities submitted by the Bidder in the case of an Admeasurement Contract; or
 - (b) Priced Activity Schedule submitted by the Bidder in the case of a Lump Sum Contract.
- 13.3 The Bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities (or in the case of a lump sum contract, for all items of the Works described in the drawings and specifications and listed in the Activity Schedule). Items for which no rate or price is entered by the Bidder will not be paid for by the Employer when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities or Activity Schedule. If so specified in the BDS, the Bidder shall provide a breakdown of rates and prices, showing equipment, materials and labour, for all items whose cost is greater than the percentage of the Bid Price specified in the BDS.
- 13.4 All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bids, shall be included in the rates, prices and total Bid price (or in the case of a lump sum contract, in the total bid price) submitted by the Bidder.
- 13.5 The rates and prices (or in the case of a lump sum contract, the lump sum price) quoted by the Bidder shall be subject to adjustment during the performance of the Contract if provided for in

Clause 47 of the Conditions of Contract. The Bidder shall submit with the Bid all the information required under Clause 47 of the Conditions of Contract.

14. Currencies of Bid and Payment

- 14.1 The unit rates and prices (or in the case of a lump sum contract, the lump sum price) shall be quoted by the Bidder entirely in Ethiopian Birr and shall be paid in Ethiopian Birr only.

15. Bid Validity

- 15.1 Bids shall remain valid for the period specified in the BDS.
- 15.2 In exceptional circumstances, the Employer may request that the bidders extend the period of validity for a specified additional period. The request and the bidders' responses shall be made in writing. A Bidder may refuse the request without forfeiting the Bid Security. A Bidder agreeing to the request will not be required or permitted to otherwise modify the Bid, but will be required to extend the validity of Bid Security for the period of the extension, and in compliance with Clause 16 in all respects.
- 15.3 In the case of contracts in which the Contract Price is fixed (not subject to price adjustment), if the period of bid validity is extended beyond 60 days, the amount payable to the Bidder selected for award, shall be increased by applying the factor specified in the BDS or in the request for extension, for the period of delay beyond 60 days after the expiry of the initial bid validity, up to the notification of award. Bid evaluation will be based on the Bid prices without taking the above correction into consideration.

16. Bid Security

- 16.1 The Bidder shall furnish, as part of the Bid, a Bid Security in original form in Ethiopian Birr in the amount specified in the BDS.
- 16.2 The Bid Security shall, at the Bidder's option, be in the form of cash, a certified cheque or payable order, bank draft, letter of credit, or an unconditional bank guarantee. Securities issued by foreign banks or financial institutions shall be counter-guaranteed by an Ethiopian bank. The format of the Bid Security should be in accordance with the form of Bid Security included in Section 4, Bidding Forms or another form acceptable to the Employer. Bid Security shall be valid for 28 days beyond the validity of the Bid.
- 16.3 Any bid not accompanied by an acceptable Bid Security shall be rejected by the Employer. The Bid Security of a joint venture must define as "bidder" all joint venture partners and list them in the following manner: a joint venture consisting of "_____", "_____", and "_____".
- 16.4 The Bid Security of unsuccessful bidders will be returned within one week after concluding the contract and after a contract security has been furnished by the successful Bidder.
- 16.5 The Bid Security of the successful Bidder will be discharged when the Bidder has signed the contract and furnished the required Contract Security.
- 16.6 The Bid Security may be forfeited:
- (a) If the Bidder withdraws the Bid after Bid opening during the period of Bid validity;

- (b) If the Bidder does not accept the correction of the Bid price, pursuant to Clause 27; or
- (c) In the case of a successful Bidder, if the Bidder fails within the specified time limit to:
 - (i) Sign the contract; or
 - (ii) Furnish the required Contract Security.

17. Alternative Proposals by Bidders

- 17.1 Bidders shall submit offers that comply with the requirements of the bidding documents, including the basic technical design as indicated in the drawings and specifications. Alternatives will not be considered, unless specifically allowed in the BDS.

18. Format and Signing of Bid

- 18.1 The Bidder shall prepare one original of the documents comprising the Bid as described in Clause 12 of these Instructions to Bidders, bound with the volume containing the Bid Submission Form, and clearly marked "ORIGINAL." In addition, the Bidder shall submit copies of the Bid, in the number specified in the BDS, and clearly marked as "COPIES." In the event of discrepancy between them, the original shall prevail.
- 18.2 The original and all copies of the Bid shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Bidder, pursuant to Sub-Clauses 4.3(a) or 4.4(b), as the case may be. All pages of the Bid where entries or amendments have been made shall be initialled by the person or persons signing the Bid.
- 18.3 The Bid shall contain no alterations or additions, except those to comply with instructions issued by the Employer, or as necessary to correct errors made by the Bidder, in which case such corrections shall be initialled by the person or persons signing the Bid.
- 18.4 The Bidder shall furnish information as described in the Bid Submission Form on commissions or gratuities, if any, paid or to be paid to agents relating to this Bid, and to contract execution if the Bidder is awarded the contract.

D. Submission of Bids

19. Sealing and Marking of Bids

- 19.1 The Bidder shall seal the original and all copies of the Bid in two inner envelopes and one outer envelope, duly marking the inner envelopes as "ORIGINAL" and "COPIES".
- 19.2 The inner and outer envelopes shall:
- (a) Be addressed to the Employer at the address provided in the BDS;
 - (b) Bear the name and procurement reference number of the Contract as defined in the SCC; and
 - (c) Provide a warning not to open before the specified time and date for Bid opening as defined in the BDS.
- 19.3 In addition to the identification required in Sub-Clause 19.2, the inner envelopes shall indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared late, pursuant to Clause 21.

19.4 If the outer envelope is not sealed and marked as above, the Employer will assume no responsibility for the misplacement or premature opening of the Bid.

20. Deadline for Submission of Bids

20.1 Bids shall be delivered to the Employer at the address specified in ITB Sub-Clause 19.2(c) above no later than the time and date specified in the BDS.

20.2 The Employer may extend the deadline for submission of bids by issuing an amendment in accordance with Clause 10, in which case all rights and obligations of the Employer and the bidders previously subject to the original deadline will then be subject to the new deadline.

21. Late Bids

21.1 Any Bid received by the Employer after the deadline prescribed in Clause 20 will be returned unopened to the Bidder.

22. Withdrawal, Substitution and Modification of Bids

22.1 Bidders may withdraw, substitute or modify their bids by giving notice in writing before the deadline prescribed in Clause 20.

22.2 Each Bidder's withdrawal, substitution or modification notice shall be prepared, sealed, marked, and delivered in accordance with Clauses 18 and 19, with the outer and inner envelopes additionally marked "WITHDRAWAL", "SUBSTITUTION" or "MODIFICATION" as appropriate. The corresponding substitution or modification of the bid must accompany the written notice.

22.3 No Bid shall be modified after the deadline for submission of Bids.

22.4 Withdrawal of a Bid between the deadline for submission of bids and the expiration of the period of Bid validity specified in the BDS or as extended pursuant to Sub-Clause 15.2 may result in the forfeiture of the Bid Security pursuant to Clause 16.

22.5 Bidders may only offer discounts to, or otherwise modify the prices of their bids by submitting Bid substitutions or modifications in accordance with this clause, or included in the original Bid submission.

E. Bid Opening and Evaluation

23. Bid Opening

23.1 The Employer will open the bids, including substitutions and modifications made pursuant to Clause 22, in the presence of the bidders' representatives who choose to attend at the time and in the place specified in the BDS.

23.2 Envelopes marked "WITHDRAWAL" shall be opened and read out first. Bids for which an acceptable notice of withdrawal has been submitted pursuant to Clause 22 shall not be opened. Next, envelopes marked "SUBSTITUTION" shall be opened and read out and exchanged with the corresponding bid being substituted, and the substituted bid shall not be opened, but returned to the Bidder. . No bid substitution shall be permitted unless the corresponding substitution

notice contains a valid authorization to request the substitution and is read out at bid opening. Envelopes marked “MODIFICATION” shall be opened and read out with the corresponding bid. No bid modification shall be permitted unless the corresponding modification notice contains a valid authorization to request the modification and is read out at bid opening.

- 23.3 The bidders' names, the Bid prices, the total amount of each Bid and of any alternative Bid (if alternatives have been requested or permitted), any discounts, Bid modifications and withdrawals, the presence or absence of Bid Security, will all be announced by the Employer at the bid opening. Further, any such other details as the Employer may consider appropriate, will also be announced.
- 23.4 Bids, substitutions or modifications that are not opened and read out at bid opening shall not be considered for further evaluation, irrespective of the circumstances. In particular, any discount offered by a Bidder which is not read out at bid opening shall not be considered further.
- 23.5 The Employer will prepare minutes of the Bid opening, including the information disclosed to those present in accordance with Sub-Clause 23.3.
- 23.6 No bid will be rejected at bid opening except for late bids, which will be returned unopened to the bidder, pursuant to ITB Clause 21.

24. Process to be Confidential

- 24.1 Information relating to the examination, clarification, evaluation and comparison of bids and recommendations for the award of a contract shall not be disclosed to bidders or any other persons not officially concerned with such process until the award to the successful Bidder has been announced. Any effort by a Bidder to influence the Employer's processing of bids or award decisions may result in the rejection of his Bid.

25. Clarification of Bids and Contacting the Employer

- 25.1 To assist in the examination, evaluation and comparison of bids, the Employer may, at the Employer's discretion, ask any Bidder for clarification of the Bidder's Bid, including breakdowns of unit rates (or in the case of a lump sum contract, the prices in the Activity Schedule). The request for clarification and the response shall be in writing, but no change in the price or substance of the Bid shall be sought, offered, or permitted except as required to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the bids in accordance with Clause 27.
- 25.2 Subject to sub-clause 25.1 no Bidder shall contact the Employer on any matter relating to its bid from the time of the bid opening to the time the contract is awarded. If the Bidder wishes to bring additional information to the notice of the Employer, it should do so in writing.
- 25.3 Any effort by the Bidder to influence the Employer in the Employer's bid evaluation, bid comparison or contract award decisions may result in the rejection of the Bidder's bid.

26. Examination of Bids and Determination of Responsiveness

- 26.1 Prior to the detailed evaluation of bids, the Employer will determine whether each Bid (a) meets the eligibility criteria defined in ITB Clause 3; (b) has been properly signed; (c) is accompanied by the required securities; and (d) is substantially responsive to the requirements of the bidding documents.

26.2 A substantially responsive Bid is one, which conforms to all the terms, conditions, and specifications of the bidding documents, without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality, or performance of the Works; (b) which limits in any substantial way, inconsistent with the bidding documents, the Employer's rights or the Bidder's obligations under the Contract; or (c) whose rectification would affect unfairly the competitive position of other bidders presenting substantially responsive bids.

26.3 If a Bid is not substantially responsive, it will be rejected by the Employer, and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviation or reservation.

27. Correction of Errors

27.1 Bids determined to be substantially responsive will be checked by the Employer for any arithmetic errors.

27.2 In the case of admeasurements contracts, errors will be corrected by the Employer as follows:

- (a) If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected, unless in the opinion of the employer there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price shall be corrected;
- (b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and
- (c) If there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to (a) and (b) above.

27.3 In the case of admeasurements contracts, the amount stated in the Bid will be adjusted by the Employer in accordance with the above procedure for the correction of errors and, with the concurrence of the Bidder, shall be considered as binding upon the Bidder. If the Bidder does not accept the corrected amount, the Bid will be rejected, and the Bid Security may be forfeited in accordance with Sub-Clause 16.6(b).

27.4 In the case of lump sum contracts, if there is a discrepancy between the words and figures, the amount in words shall prevail.

28. Evaluation and Comparison of Bids

28.1 The Employer will evaluate and compare only the bids determined to be substantially responsive in accordance with Clause 26.

28.2 In evaluating the bids, the Employer will determine for each Bid the evaluated Bid price by adjusting the Bid price as follows:

- (a) Making any correction for errors pursuant to Clause 27;
- (b) Excluding provisional sums and the provision, if any, for contingencies in the Bill of Quantities or Activity Schedule, but including Day work, where priced competitively;

- (c) Making an appropriate adjustment for any other acceptable variations, deviations, or alternative offers submitted in accordance with Clause 17; and
 - (d) Making appropriate adjustments to reflect discounts or other price modifications offered in accordance with Sub-Clause 22.5.
- 28.3 The Employer reserves the right to accept or reject any variation, deviation, or alternative offer. Variations, deviations, and alternative offers and other factors which are in excess of the requirements of the bidding documents or otherwise result in unsolicited benefits for the Employer will not be taken into account in Bid evaluation.
- 28.4 The estimated effect of any price adjustment conditions under Clause 47 of the Conditions of Contract, during the period of implementation of the Contract, will not be taken into account in Bid evaluation.

29. Domestic Preference

- 29.1 No margin of preference shall apply.

F. Award of Contract

30. Award Criteria and Notification of Proposed Award

- 30.1 Subject to Clause 31, the Employer will award the Contract to the Bidder whose Bid has been determined to be substantially responsive to the bidding documents and who has offered the lowest evaluated Bid price, provided that such Bidder has been determined to be (a) eligible in accordance with the provisions of Clause 3, and (b) qualified in accordance with the provisions of Clause 4.
- 30.2 Prior to expiry of the period of bid validity, the Employer shall notify all Bidders in writing of the successful bid, but this notification shall not constitute a contract award. This notification shall be made at least five working days prior to the award of contract in accordance with ITB Clause 32.

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

- 31.1 Notwithstanding Clause 30, the Employer reserves the right to accept or reject any Bid, and to cancel the bidding process and reject all bids, at any time prior to the award of Contract, without thereby incurring any liability to the affected Bidder or bidders or any obligation to inform the affected Bidder or bidders of the grounds for the Employer's action.

32. Notification of Award and Signing of Agreement

- 32.1 The Bidder whose Bid has been accepted will be notified of the award in writing by the Employer prior to expiration of the Bid validity period and following the elapse of the notification period in accordance with ITB Sub-Clause 30.2. This notification (hereinafter and in the Conditions of Contract called the "Letter of Acceptance") will state the sum that the Employer will pay the Contractor in consideration of the execution, completion, and maintenance of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Contract called the "Contract Price").

32.2 The notification of award will constitute the formation of the Contract, subject to the Bidder furnishing the Contract Security in accordance with Clause 33 and signing the contract in accordance with Sub-Clause 32.3.

32.3 The contract will incorporate all agreements between the Employer and the successful Bidder. It will be signed by the Employer and sent to the successful Bidder following the notification of award. Within 15 days of receipt, the successful Bidder will sign the contract and deliver it to the Employer.

33. Contract Security

33.1 Within 15 days after receipt of the Letter of Acceptance, the successful Bidder shall deliver to the Employer a Contract Security in the form of a Bank Guarantee, or in the case of Ethiopian contractors only, in the form of a Performance Bond, in the amount and denominated in the type and proportions of currencies specified in the Conditions of Contract.

33.2 Contract Securities issued by foreign banks or financial institutions shall be counter-guaranteed by an Ethiopian bank.

33.3 Failure of the successful Bidder to comply with the requirements of Sub-Clause 33.1 shall constitute sufficient grounds for cancellation of the award and forfeiture of the Bid Security.

34. Adjudicator

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

34.2 The Adjudicator shall act as an impartial expert to resolve disputes between the Parties as rapidly and economically as is reasonably possible. Unless otherwise specified in the contract or in any applicable rules for adjudication:

- (a) The Adjudicator's role may include, but not be limited to, requiring and examining any relevant documents and written statements, making site visits, using his own specialist knowledge and holding a hearing; and
- (b) The Adjudicator's decision shall reflect the legal entitlements of the Parties and his fair and reasonable view of how the dispute should be resolved.

35. Corrupt or Fraudulent Practices

35.1 The Government of the Federal Democratic Republic of Ethiopia (hereinafter called "the Government") requires that Employers, as well as Bidders and Contractors under government-financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, the Government:

- (a) Defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) "Corrupt practice" means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;

- (ii) "Fraudulent practice" means a misrepresentation or omission of facts in order to influence a procurement process or the execution of a contract;
 - (iii) "Collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Employer, designed to establish prices at artificial, noncompetitive levels; and
 - (iv) "Coercive practices" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract.
- (b) Will reject a recommendation for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the contract in question;
 - (c) Will debar a Bidder from participation in public procurement for a specified period of time if it at any time determines that the firm has engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, a contract.

35.2 Furthermore, Bidders shall be aware of the provision stated in sub-clause 59.2 of the General Conditions of Contract.

35.3 Any Bidder may seek administrative review, in accordance with Section 51 of the Public Procurement Proclamation, of an act or omission by an Employer, which it considers to be in breach of the Proclamation. Any application for review must be submitted in writing to the head of the Employer, within five working days from the date the Bidder knew, or should have known, of the circumstances giving rise to the complaint. If the head of the Employer does not issue a decision within fifteen days, or the Bidder is not satisfied with the decision, the Bidder may submit a complaint to the Public Procurement Agency.

Section 2. Bid Data Sheet

Instructions to Bidders (ITB) reference	Data relevant to ITB
A. General	
ITB 3.	Eligible Bidders are already pre-qualified in the technical stage.
ITB 4.3	Bidders have included the information and documents in the technical bid stage.
B. Bidding Documents	
ITB 9.1	For <u>clarification purposes</u> only, the Engineer's address is: Attention: <u>Eskinder Architects</u> Street Address: <u>Hayahulet</u> Floor/Room number: <u>Tigat Building, 5th floor, Office No502</u> Town/City: <u>Addis Ababa</u> P.O Box No/Postal Code: _____ Country: <u>Ethiopia</u> Telephone: <u>+251-09-12-506630</u> Facsimile number: _____ Electronic mail address: <u>ewandpartners@gmail.com</u>
C. Preparation of Bids	
ITB 12.1 (f)	The Bidder shall submit with its bid the following additional documents or information: <u>Letter of authorization to sign contract</u>
ITB 13.1	The Contract is an Admeasurement Contract.
ITB 13.3	The Bidder shall provide a breakdown of rates and prices [for all items whose cost is greater than 1% of the Bid Price].
ITB 15.1	Bids shall remain valid for 120 days .

Instructions to Bidders (ITB) reference	Data relevant to ITB
ITB 16.1	The amount of the bid security shall be <u>ETB 100,000.00</u>
ITB 18.1	In addition to the original of the bid, the number of copies is: <u>Two.</u>
D. Submission of Bids	
ITB 19.2(a)	For <u>bid submission purposes</u> only, the Employer's address is: Attention: <u>Africa Reinsurance Corporation.</u> Street Address: <u>Bole Road</u> Floor/Room number: <u>Yeshi Building, 4th floor , Office of Afri-Re</u> Town/City: <u>Addis Ababa</u> PO Box No/Postal Code: _____ Country: <u>Ethiopia</u>
ITB 20.1	The deadline for bid submission is: Date: <u>June 22, 2021</u> Time: <u>10:00AM</u>
ITB 23.1	The bid opening shall take place at: Street Address: <u>Bole Road</u> Floor/Room number: <u>Yeshi Building, 4th floor, Afri-Re Office</u> Town/City: <u>Addis Ababa</u> Country: <u>Ethiopia</u> Date: <u>June 22, 2021</u> Time: <u>10:30AM</u>

Section 3. Evaluation and Qualification Criteria

This section, read in conjunction with Section 1, Instructions to Bidders and Section 2, Bid Data Sheet, contains all the factors, methods and criteria that the Employer shall use to evaluate a bid and determine whether a bidder has the required qualifications. No other factors, methods or criteria shall be used.

1. Technical Evaluation criteria

Bidders scoring 70% and above in evaluation of technical proposal will pass to Financial evaluation.

Item No.	Evaluation Criteria	Points (%age)
1.	Experience of the organization -Highly Qualify (15%) - Medium Qualify (10%) - Low Qualification (5%)	15%
2.	Works at hand	5%
3.	Personnel capability -Project Manager -Site Engineer -Site Forman -Surveyor -Geologist -Machine Operator	20%
4.	Plant, equipment and tools capability (Refer attached List of Equipments on Section 4)	20%
5.	Financial condition	15%
6.	Construction methodology Excellent (20%) Very good (15%) Good (10%)	20%
7.	Litigation history	5%
	TOTAL	100%

2. Financial Evaluation and Comparison of Proposals

Financial proposals will be compared using the following methodology to determine the best evaluated proposal:

{For QCBS only}

To determine financial scores for each proposal, the lowest priced proposal shall be given a financial score of 100, and other proposals shall be given a score proportionate to this, by application of the following formula:

$$Sf = 100 \times Fm / F \quad \text{in which:}$$

Sf denotes the financial score of the proposal under consideration;

Fm is the price of the lowest price proposal that passed the technical evaluation;

F denotes the price of the proposal under consideration.

A total score (S) will be determined for each proposal, by combining its technical (St) (pre-qualification score) and financial (Sf) score using the following formula and weightings:

$$S = (St \times T\%) + (Sf \times P\%)$$

The weights given to the scores of the Technical and Financial Proposals are:

$$T = [70]$$

$$P = [30]$$

Proposals will be ranked and the proposal achieving the highest total score will be recommended for contract award, subject to satisfactory negotiations.

Section 4. Bidding Forms

List of Forms

Bid Submission Form

Priced Schedules

Bid Security Form (Bank Guarantee)

Qualification Information Form

Note: All forms shown the information to be completed by the Bidder in bold in square brackets e.g. **[insert date]** etc.

Note to Bidders: This Bid Submission Form should be on the letterhead of the Bidder and should be signed by a person with the proper authority to sign documents that are binding on the Bidder. If the Bidder objects to the Adjudicator proposed by the Employer in the bidding documents, he should so state in his Bid, and present an alternative candidate, together with the candidate's daily fees and biographical data, in accordance with Clause 34 of the Instructions to Bidders.

Bid Submission Form

Date: **[insert date]**

Procurement Reference No.: **[insert procurement reference number]**

Page **[insert page number]** of **[insert total number of pages]** pages

To: **[insert complete name of Employer]**

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 execute the **[insert the name and procurement reference number of the Contract]** in conformity with the Bidding Documents for the Contract Price of **[insert amount in numbers and words]** Ethiopian Birr, excluding any discounts offered at (d) below;
- (c) The advance payment required is Ethiopian Birr:
- (d) The discounts offered and the methodology for their application are:

Unconditional Discounts. If our bid is accepted, the following discounts shall apply.
[Specify in detail each discount offered and the specific item 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]**;

Conditional Discounts. If our bid(s) are accepted, the following discounts shall apply.
[Specify in detail each discount offered and the specific item 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 a period of **[specify the number of days that the bid is valid for]** calendar days from the date fixed for the bid submission deadline in accordance with ITB Sub-Clause 20.1, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (f) We, including any subcontractors or suppliers for any part of the contract, have nationality from the following 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]**

- (g) We have no conflict of interest in accordance with ITB Sub-Clause 3.2;
- (h) Our firm, its affiliates or subsidiaries—including any subcontractors or suppliers for any part of the contract—has not been debarred from participation in public procurement by the Government of the Federal Democratic Republic of Ethiopia, in accordance with ITB Sub-Clause 3.4;
- (i) We have read and understood the provisions on fraud and corruption in ITB Clause 35 and we undertake to abide by the Code of Ethical Conduct for Bidders during the procurement process and the execution of any resulting contract;
- (j) 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.
- (k) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.

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

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

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

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

Note to Bidders: Bidders shall submit a fully priced Bills of Quantities for Admeasurement Contracts or Schedule of Activities for Lump Sum Contract as provided in Section 6 of the Bidding Documents.

Each page of the Bills of Quantities or the Schedule of Activities should be signed by a person with the proper authority to sign documents for the Bidder.

Priced Schedules **(Bills of Quantities or Schedule of Activities)**

Note to Bidders: This Bid Security should be on the letterhead of the issuing Financial Institution and should be signed by a person with the proper authority to sign the Bid Security. It should be included by the Bidder in its bid, in accordance with ITB Clause 16.

Bid Security (Bank Guarantee)

Date: **[insert date]**

Procurement Reference No.: **[insert procurement reference number]**

Page **[insert page number]** of **[insert total number of pages]** pages

To: **[insert complete name of Employer]**

Whereas **[insert complete name of Bidder]** (hereinafter “the Bidder”) has submitted its bid dated **[insert date (as day, month and year) of bid submission]** for procurement reference no. **[insert procurement reference no]** for the construction of **[insert name of Contract]**, hereinafter called “the Bid.”

KNOW ALL PEOPLE by these presents that WE **[insert complete name of bank issuing the Bid Security]**, of **[insert city of domicile and country of nationality]** having our registered office at **[insert full address of the issuing institution]** (hereinafter “the Bank”), are bound unto **[insert complete name of the Employer]** (hereinafter “the Employer”) in the sum of **[specify in words the amount and currency of the bid security (specify the amount and currency in figures)]**, for which payment well and truly to be made to the aforementioned Employer, the Bank binds itself, its successors or assignees by these presents.

Sealed with the Common Seal of this bank, this **[insert day in numbers]** day of **[insert month]**, **[insert year]**.

THE CONDITIONS of this obligation are the following:

1. If the Bidder withdraws its bid during the period of bid validity specified by the Bidder in the Bid Submission Form, except as provided in ITB Sub-Clause 20.2; or
2. If the Bidder, having been notified of the acceptance of its bid by the Employer, during the period of bid validity, fails or refuses to:
 - (a) Execute the Contract; or
 - (b) Furnish the Performance Security, in accordance with the ITB Clause 33; or
 - (c) Accept the correction of its bid by the Employer, pursuant to ITB Clause 27.

We undertake to pay the Employer up to the above amount upon receipt of its first written demand, without the Employer having to substantiate its demand, provided that in its demand the Employer state that the amount claimed by it is due to it, owing to the occurrence of one or more of the above conditions, specifying the occurred conditions.

This guarantee shall remain in force up to and including twenty-eight (28) days after the period of bid validity, as stated in the Bid Submission Form or as it may be extended by the Bidder, notice of which extension(s) to the Bank is hereby waived. Any demand in respect thereof should be received by the Bank no later than the above date.

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

Name: **[insert complete name of person signing the Bid Security]** In the capacity of
[insert legal capacity of person signing the Bid Security]

Signed: **[insert signature of person whose name and capacity are shown above]**

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

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

Note to Bidders: The information to be filled in by bidders in the following pages will be used for purposes of post-qualification or for verification of pre-qualification as provided for in Clause 4 of the Instructions to Bidders. This information will not be incorporated in the Contract. Attach additional pages as necessary. If used for pre-qualification verification, the Bidder should fill in updated information only.

Qualification Information Form

**1. Individual
Bidders or
Individual
Members of
Joint Ventures**

Qualification Form (T1)

General Information

Name of Applicant:

Sub city:

City/Town

Country

Telephones:

E-mail :

Registration of Applicant (Legal status)

Construction license Category:

License Number:

Form (T2)
Experience Record

Attach company profile, list of works undertaken, relevant data showing experience of the company in the relevant field of shoring works: -

Declaration of Works at Hand (T3)

Item	Employer	Project	Contract Amount (ETB)	Total Approved Payments	Percent Completed	Expected Completion date
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						

Form (T4)

Annual Turn Over

Annual constructions turn over in the last 5 years

Item	Year	Annual Turn Over Birr	Remarks
1	2000		
2	2001		
3	2002		
4	2003		
5	2004		
6	2005		

***Please attach Audit reports for the last five years**

Form (T5)

(Schedule of Key Personnel)

List below key persons of the company that will be deployed for the execution of the work.

Key personnel

Item	Name	Position	Profession	Status of Employment (Permanent / Contract)	Year of Employment	Remarks
1						
2						
3						
4						
5						
6						
7						
8						

Form (T6)

KEY SENIOR MEMBERS OF PROJECT TEAM

Name_____

Profession_____

Years with firm_____ Nationality_____

Date of birth_____

Proposed position in the project_____

Key Qualification

Under this heading, give an outline of staff member's experience and training most pertinent to the assigned work in the project. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations.

Education

Under this heading, summarize college/university and other special education of staff member giving names of schools, dates attended and degree obtained. Copies of educational testimonies be attached

Record of Experience

Under this heading, list all positions held by staff member after graduation, giving dates, names of employing, organization, title of positions held and locations of assignments. For experience in the last years, also give types of activities performed and client references. Recommendation from previous Employers should be attached.

Language

Indicate proficiency in speaking, reading and writing of each language by "excellent", "good", "fair" or "poor".

Signing of CV's

Each staff member should sign and date his/her CV.

Form (T7)

KEY MEMBERS OF PROJECT TEAM: (SUPERINTENDENTS)

Name_____

Profession_____

Years with firm_____ Nationality_____

Date of birth_____

Proposed position in the project_____

Key Qualification

Under this heading, give an outline of staff member's experience and training most pertinent to the assigned work in the project Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations.

Education

Under this heading, summarize college/university and other special education of staff member giving names of schools, dates attended, and degree obtained.

Copies of educational testimonies be attached

Record of Experience

Under this heading, list all positions held by staff member after graduation. Giving dates names of employing organization, title of positions held and locations of assignments. For experience in the last years, also give types of activities performed and client references. Recommendation from previous Employer should be attached.

Language

Indicate proficiency in speaking, reading and writing of each language by "excellent", "good", "fair" or "poor".

Signing of CV's

Each staff member shall sign and date his/her CV.

Form (T8)

Specialist Sub Contractor(s) are not allowed.

Form (T9)

Construction Plant and Equipment

Enter herein equipment and facilities which will be assigned at the site for the work and specify whether the equipment is owned, leased or rented.

Description (Type, Model, Make)	No.	Year of Manufacture	New or used	Owned (O), Leased (L), Rented (R)	Power rating	Capacity		(%)
						Ton	M ³	
1. Hydraulic drilling rig complete with gear box attachment, Kelly bar etc.	1							5%
2. Anchor Drilling tool & accessories								3%
2.1 Auger D/t Dia 600								
2.2 Core Burrel D/t Dia								
2.3 Bucket D/t Dia								
3. Drilling temporary casings	20m							1%
3.1 Dia 600 casing								
4. Mobile crane								1%

Description (Type, Model, Make)	No.	Year of Manufacture	New or used	Owned (O), Leased (L), Rented (R)	Power rating	Capacity		(%)
						Ton	M ³	
5. Anchor drilling unit complete with drilling accessories, rods, casings, etc.	1							2%
6. Pressure anchor grouting machine complete with hoses, cables etc.	1							2%
7. Excavator	1							2%
8. Transmixers								2%
8.1 Car Mixer	2							
8.2 Shotcrete Machine	1							
9. Compressor capable to deliver the required unit flow and pressure complete with hoses...	1							2%

N.B. If it is leased or rented, agreements have to be attached.

If it is owned, licenses have to be attached.

Financial capability

GENERAL

Each prospective Bidder shall give the name of Banker address, name of contact person, his/her title, telephone and fax number. **(Form T10).**

Give summarized statements of actual assets and liabilities for the year 2007 till 2013 Eth. Cal. stating:

(a) Total assets, (b) current assets, (c) total liabilities, (d) current liabilities (e) profit before tax and profit after tax.

In case of cash flow demands of the project the prospective contractor shall propose the source(s) of financing with full address and amount(s) and the bank credit letter/ overdraft facility must be attached in accordance to **Form (T11 and T12).**

ADDITIONAL FINANCIAL STATEMENT

Audited financial reports for the last two years of the individual prospective bidder shall be attached separately in the bound volume of the answers to the technical forms.

Bank(s)

Bank(s), with whom we maintain regular accounts.

Item	Bank	Branch	Account Number	Tel No	Fax No	Contact Person
1						
2						
3						
4						

Form (T11)

Overdraft/ Credit Facility

Banker	Name of banker	
	Address of banker	
	Telephone	Contact name and title
	Fax	Telex -

Proposed sources of financing to meet the cash flow demands of the Project, net of current commitments

Source of financing	Amount in Eth. Birr
Bank Loan	
Own Equity	
Client Payments	

N.B. Credit letter is attached from the bank

Form (T12)

BANK CREDIT LETTER (draft letter)

Name of Bank

Full address

Date

Dear Sir,

A line of credit in the maximum amount of Birr (_____) can be placed at the disposal of (name of the prospective contractor) for use when, as and if needed for a period of (_____) months for financing (_____).

Name of the items listed as current assets in the financial statement now being submitted by (name of prospective bidder) has been pledged to secure the line of credit mentioned above except as follows:

Form (T13)

PROPOSED CONSTRUCTION METHOD

Outline your construction methods procedures exhaustively as much as possible including but not limited to:

- Organization of site management
- Coordination with head office
- General set up of site facilities and accommodations
- Drilling of boreholes, placement of reinforcement cage and pile concreting
- Concrete casting procedures and techniques including use of admixtures
- Concrete testing procedures
- Anchor drilling, grouting and shotcrete wall construction
- Delivery of materials and site space utilizations
- Safety provisions for the adjoining properties, utilities and others
- Safety procedures for working personnel
- Sequence of activities
- Reporting and approvals

Form (T14).

LITIGATION HISTORY

Item	Project	Type of Litigation	Status (resolved/ pending)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
etc			

Seal

Signature of Tenderer

Date



Form (T15)

SWORN STATEMENT

We the undersigned, having studied the pre-qualification Instructions and Forms for the construction of Africa Re Head Office Building shoring Project hereby confirm as follows:

- a) All the required documents and information required from us are enclosed herewith for the evaluation of contractor qualifications.
- b) The information furnished hereto for in our application is true and accurate to the best of our knowledge.
- c) The equipment and staff, specified in this pre-qualification forms Forms shall be deployed to the Project without any precondition whatsoever, should our company be the successful winner of the proposed bid.
- d) The information given in this pre-qualification forms shall hold should our company pre-qualify to tender and be accepted as a winning tender.
- e) At the commencement of execution of the project, or at any time during the course of construction, details of information as given out during the provision of answers to technical forms shall be provided to the Employer regularly (once monthly) without any verbal or written request by the Employer or his authorized representative.
- f) This "sworn statement" shall be part and parcel of the bid document.

Applicant's Full Name _____

Position and Title _____

Date _____

Signature _____

Seal

- 2. Joint Ventures**
- 2.1 The information listed in 1.1 - 1.10 above shall be provided for each partner of the joint venture.
- 2.2 The information in 1.11 above shall be provided for the joint venture.
- 2.3 Attach the power of attorney of the signatory (ies) of the Bid authorizing signature of the Bid on behalf of the joint venture.
- 2.4 Attach the Agreement among all partners of the joint venture (and which is legally binding on all partners), which shows that
- (a) All partners shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms;
 - (b) One of the partners will be nominated as being in charge, authorized to incur liabilities, and receive instructions for and on behalf of any and all partners of the joint venture; and
 - (c) The execution of the entire Contract, including payment, shall be done exclusively with the partner in charge.
- 3. Additional Requirements**
- 3.1 Bidders should provide any additional information required in Sections 2 or 3 of the Bidding Document or to fulfil the requirements of Sub-Clause 4.1 of the Instructions to Bidders, if applicable.

Section 5. Eligible Countries

Procurement Reference Number:

All countries are eligible except countries subject to the following provisions.

35.4 A country shall not be eligible if:

- (a) As a matter of law or official regulation, the Government of the Federal Democratic Republic of Ethiopia prohibits commercial relations with that country, provided that the Government is satisfied that such exclusion does not preclude effective competition for the provision of the works required; or
- (b) By an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Government of the Federal Democratic Republic of Ethiopia prohibits any procurement of works from that country or any payments to persons or entities in that country.

Section 6. Schedule of Requirements

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A. Scope of Works

The Africa Reinsurance Office building is a 2B+G+10 Mid-rise building which is located at a distance of 75m from Megenagna round about, which is one of the busiest locations in Addis Ababa.

The site plot area is precisely 2,900m² and the footprint area of the proposed Office building is around 1,696 m².

The topographic survey of the site is conducted and the levels of the site were analyzed. From the survey data obtained, there is a 4m level difference from the North-west side extreme to the South-east extreme right corner of the site.

A shoring system to protect the excavated area extending to second basement level, a maximum of 13 meters, from collapse is desired and the design for the same is prepared. The shoring system comprises bored cast-in-situ piles with anchor tendons and shotcrete wall in between them. The details of the design are presented in the attached drawings.

The bulk excavation of the plot is included in the bill of quantities and it is included in the scope of shoring contractor.

B. Technical Specifications

During the pre-qualification process the bidders were requested to submit their technical specification. Hence the technical specification of the work will be agreed with the winning contractor with possible amendments if necessary.

C. Drawings

List of Drawings	
Drawing Number	Drawing Title
FN 01/02	Shoring System Plan Details
FN 02/02	Shoring System Details (Type SP1)

D. Bill of Quantities

PROJECT : Africa Reinsurance Corporation Office Building

CLINET : Africa Reinsurance Corporation

LOCATION: Addis Ababa, Megenagna Area

SUMMARY OF PRICES (Shoring & Earthwork)

1	Shoring system construction	Eth. Birr	
2	Earthwork	" "	
Total (1+2), Eth. Birr			
15% VAT			
Total with VAT			

Item No	Description	Unit	QTY	Unit Price, Eth. Birr	Amount, Eth. Birr
	1. Earthwork				
1.1	Clear the site to an average depth of 1.0m from surface to remove previous construction debris and fill material.	m ³	580		
1.2	Bulk excavation in ordinary soil to a depth not exceeding 6m from the stripped level.	m ³	14,500		
1.3	Ditto, but in mixed soil formation (in soil with highly weathered rock composition) from an average depth of 6m to 12m depth from surface.	m ³	-		
1.4	Ditto, but from 12m to a maximum depth of 18m.	m ³	-		
1.5	Bulk excavation in stiff to hard clay soil formation from 12m to a maximum depth of 18m from surface. (Rate only)	m ³	-		
1.6	Bulk excavation in modarately to slightly weathered rock formation at any depth from surface. (Rate only)	m ³	-		
1.7	Trim the irregularities of the excavation wall in between the shoring piles and make it arch formation as shown on the drawing for casting of shotcrete wall membrane.	m ²	2,900		
1.8	Cart away surplus excavated material to the appropriate tip from the site.	m ³	22,620		
1.9	Leveling of the excavated area and backfilling with selected granular fill material of total 1m thickness above the excavation level. The compaction layer should not exceed 200mm and the relative compaction is 96% proctor density.	m ³	3,200		
	Total carried to summary, Eth.Birr				

Item No	Description	Unit	QTY	Unit Price, Eth. Birr	Amount, Eth. Birr
	1. Shoring system construction				
1.1	Mobilization and demobilization of staff and equipment for pile drilling, anchoring and shotcreting works	LS	1		-
1.2	Bored cast in-situ piles to the designed depth of 19.5m with tie back anchors and reinforced shotcrete wall of 150mm thickness between the bored and casted piles.				
1.2.1	Drilling for piles of dia. 600 mm in all soil formations incling in weathered rock materials and rock socket.	m	1,625		-
1.2.2	Fabricate and install steel reinforcement in accordance with the drawing details for bored cast in-situ pile diam. 600mm and install the reinforcement cage in the drilled hole for pile using heavy duty mobile crane.				
	a) dia. 12mm	kg	12,500		-
	b) dia. 20mm	kg	34,516		-
1.2.3	Supply and cast workable concrete in C-30 for piles of dia. 600mm, using plasticizer of approved quality in the ratio complying to the supplier's specification (usualy 1.2 litre per 100kg of cement). The concrete should attain slump test result of 180 to 220mm to ensure continious workability and it shall be casted using tremie pipe of diameter 150 to 250mm and heavy duty mobile crane. The concrete mixing, water-cement ratio and pouring shall be executed under the strict supervision of experienced personel staff of the contrecator and shall have the prior approval of the engineer.	m ³	297.6		-
1.2.4	Supply and install double strand tension wires with grouted anchor blocks at 30 degree inclination, including performing the grouted body with grouting mix, grouting pipe, anchor head, cement and any other related accessories or equipment. Four strands of 14m length each shall be used for each pile with anchor blocks of length and diameter 7m and 130mm respectively. Each strand is with 7 tension wires of grade 1670/1860 MPa of diameter 15.7mm with tensile characteristics strength of 250 kN.				
	a) Double strand tension wire	m	1,254		-
	b) Grouted anchor block	m	1,215		-

1.2.5	Proof testing of Anchors in accordance with DIN 4014	No.	54	-
1.2.6	Casting of shotcrete wall membrane against excavated wall with concrete quality of C-25 between the installed reinforced concrete piles. The thickness of the shotcrete wall is 150mm and reinforcement measured separately.	m ³	181	-
1.2.7	Reinforcement bars for shotcrete wallcut to size, bent to shapes, tied and placed in position according to structural drawings.			
	a) Diameter 8 mm deformed bar	kg	2,536.0	-
	b) Diameter 12mm deformed bar	kg	6,245.7	-
	Total carried to summary, Eth.Birr			-

Section 7: General Conditions of Contract

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Section 7. General Conditions of Contract

G. General

36. Definitions

36.1 The following words and expressions shall have the meanings hereby assigned to them:

The “Activity Schedule” means the priced Activity Schedule forming part of the Bid for a Lump Sum Contract.

The “Adjudicator” is the person appointed jointly by the Employer and the Contractor to resolve disputes in the first instance, as provided for in Clauses 24 and 25 hereunder.

“Bill of Quantities” means the priced and completed Bill of Quantities forming part of the Bid for an Admeasurement contract.

“Compensation Events” are those defined in Clause 44 hereunder.

The “Completion Date” is the date of completion of the Works as certified by the Engineer, in accordance with Sub-Clause 55.1.

The “Contract” is the Contract between the Employer and the Contractor to execute, complete, and maintain the Works. It consists of the documents listed in Clause 2.3 below.

The “Contractor” is a person or corporate body whose Bid to carry out the Works has been accepted by the Employer and means “Supplier” as defined in the Public Procurement Proclamation.

The “Contract Price” is the price stated in the Letter of Acceptance and thereafter as adjusted in accordance with the provisions of the Contract.

“Days” are calendar days; “months” are calendar months.

“Day works” are varied work inputs subject to payment on a time basis for the Contractor’s employees and Equipment, in addition to payments for associated Materials and Plant.

A “Defect” is any part of the Works not completed in accordance with the Contract.

The “Defects Liability Certificate” is the certificate issued by Engineer upon correction of defects by the Contractor.

The “Defects Liability Period” is the period named in the Special Conditions of Contract and calculated from the Completion Date.

“Drawings” include calculations and other information provided or approved by the Engineer for the execution of the Contract.

The “Employer” is the party who employs the Contractor to carry out the Works and means “Procuring Entity” as defined in the Public Procurement Proclamation.

The “Engineer” is the person named in the Special Conditions of Contract (or any other competent person appointed by the Employer and notified to the Contractor, to act in replacement of the Engineer) who is responsible for supervising the execution of the Works and administering the Contract.

“Equipment” is the Contractor’s machinery and vehicles brought temporarily to the Site to construct the Works.

The “Initial Contract Price” is the Contract Price listed in the Employer’s Letter of Acceptance.

The “Intended Completion Date” is the date on which it is intended that the Contractor shall complete the Works. The Intended Completion Date is specified in the Special Conditions of Contract. The Intended Completion Date may be revised only by the Engineer by issuing an extension of time or an acceleration order.

“Materials” are all supplies, including consumables, used by the Contractor for incorporation in the Works.

“Plant” is any integral part of the Works that shall have a mechanical, electrical, chemical, or biological function.

The “Site” is the area defined as such in the Special Conditions of Contract.

“Site Investigation Reports” are those that were included in the bidding documents and are factual and interpretative reports about the surface and subsurface conditions at the Site.

“Specification” means the Specification of the Works included in the Contract and any modification or addition made or approved by the Engineer.

The “Start Date” is given in the Special Conditions of Contract. It is the latest date when the Contractor shall commence execution of the Works. It does not necessarily coincide with any of the Site Possession Dates.

A “Subcontractor” is a person or corporate body who has a Contract with the Contractor to carry out a part of the work in the Contract, which includes work on the Site.

The “Contractor’s Bid” is the completed bidding document submitted by the Contractor to the Employer.

“Temporary Works” are works designed, constructed, installed, and removed by the Contractor that are needed for construction or installation of the Works.

A “Variation” is an instruction given by the Engineer, which varies the Works.

The “Works” are what the Contract requires the Contractor to construct, install, and turn over to the Employer, as defined in the Special Conditions of Contract.

37. Interpretation

- 37.1 In interpreting these General Conditions of Contract, singular also means plural, male also means female or neuter, and the other way around. Headings have no significance. Words have their normal meaning under the language of the Contract unless specifically defined. The Engineer will provide instructions clarifying queries about these General Conditions of Contract.
- 37.2 If sectional completion is specified in the Special Conditions of Contract, references in the General Conditions of Contract to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).
- 37.3 The documents forming the Contract shall be interpreted in the following order of priority:
- (1) Agreement,
 - (2) Letter of Acceptance,
 - (3) Contractor's Bid,
 - (4) Special Conditions of Contract,
 - (5) General Conditions of Contract,
 - (6) Specifications,
 - (7) Drawings,
 - (8) Bill of Quantities or Activity Schedule, and
 - (9) Any other document listed in the Special Conditions of Contract as forming part of the Contract.

38. Language and Law

- 38.1 The language of the Contract is Amharic and the law governing the Contract is that of the Federal Democratic Republic of Ethiopia.

39. Engineer's Decisions

- 39.1 Except where otherwise specifically stated and subject to any restrictions in the Special Conditions of Contract, the Engineer will decide contractual matters between the Employer and the Contractor in the role representing the Employer.

40. Delegation

- 40.1 The Engineer may delegate any of his duties and responsibilities to other people except to the Adjudicator, after notifying the Contractor, and may cancel any delegation after notifying the Contractor.

41. Communications

- 41.1 Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is delivered.

42. Subcontracting

- 42.1 The Contractor may subcontract with the approval of the Engineer, but may not assign the Contract without the approval of the Employer in writing. Subcontracting shall not alter the Contractor's obligations.

43. Other Contractors

- 43.1 The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Employer between the dates given in the Schedule of Other Contractors, as referred to in the Special Conditions of Contract. The Contractor shall also provide facilities and services for them as described in the Schedule. The Employer may modify the Schedule of Other Contractors, and shall notify the Contractor of any such modification.

44. Personnel

- 44.1 The Contractor shall employ the key personnel named in the Schedule of Key Personnel, as referred to in the Special Conditions of Contract, to carry out the functions stated in the Schedule or other personnel approved by the Engineer. The Engineer will approve any proposed replacement of key personnel only if their relevant qualifications and abilities are substantially equal to or better than those of the personnel listed in the Schedule.
- 44.2 If the Engineer asks the Contractor to remove a person who is a member of the Contractor's staff or work force, stating the reasons, the Contractor shall ensure that the person leaves the Site within seven days and has no further connection with the work in the Contract.

45. Employer's and Contractor's Risks

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

46. Employer's Risks

- 46.1 Unless otherwise specified in the SCC, from the Start Date until the Defects Correction Certificate has been issued, the following are Employer's risks:
- (a) The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment), which are due to:
 - (i) Use or occupation of the Site by the Works or for the purpose of the Works, which is the unavoidable result of the Works, or
 - (ii) Negligence, breach of statutory duty, or interference with any legal right by the Employer or by any person employed by or contracted to him except the Contractor.
 - (b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Employer or in the Employer's design, or due to war or radioactive contamination directly affecting the country where the Works are to be executed.
- 46.2 From the Completion Date until the Defects Correction Certificate has been issued, the risk of loss of or damage to the Works, Plant, and Materials is a Employer's risk except loss or damage due to

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

47. Contractor's Risks

47.1 From the Starting Date until the Defects Correction Certificate has been issued, the risks of personal injury, death, and loss of or damage to property (including, without limitation, the Works, Plant, Materials, and Equipment) which are not Employer's risks are Contractor's risks.

48. Insurance

48.1 The Contractor shall provide, in the joint names of the Employer and the Contractor, insurance cover from the Start Date to the end of the Defects Liability Period, in the amounts and deductibles stated in the Special Conditions of Contract for the following events which are due to the Contractor's risks:

- (a) Loss of or damage to the Works, Plant, and Materials;
- (b) Loss of or damage to Equipment;
- (c) Loss of or damage to property (except the Works, Plant, Materials, and Equipment) in connection with the Contract; and
- (d) Personal injury or death.

48.2 Policies and certificates for insurance shall be delivered by the Contractor to the Engineer for the Engineer's approval before the Start Date. All such insurance shall provide for compensation to be payable in the types and proportions of currencies required to rectify the loss or damage incurred.

48.3 If the Contractor does not provide any of the policies and certificates required, the Employer may effect the insurance which the Contractor should have provided and recover the premiums the Employer has paid from payments otherwise due to the Contractor or, if no payment is due, the payment of the premiums shall be a debt due.

48.4 Alterations to the terms of an insurance shall not be made without the approval of the Engineer.

48.5 Both parties shall comply with any conditions of the insurance policies.

49. Site Investigation Reports

49.1 The Contractor, in preparing the Bid, shall rely on any Site Investigation Reports referred to in the Special Conditions of Contract, supplemented by any information available to the Bidder.

50. Queries about the Special Conditions of Contract

50.1 The Engineer will clarify queries on the Special Conditions of Contract.

51. Contractor to Construct the Works

51.1 The Contractor shall construct and install the Works in accordance with the Specifications and Drawings.

52. The Works to Be Completed by the Intended Completion Date

- 52.1 The Contractor may commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program submitted by the Contractor, as updated with the approval of the Engineer, and complete them by the Intended Completion Date.

53. Approval by the Engineer

- 53.1 The Contractor shall submit Specifications and Drawings showing the proposed Temporary Works to the Engineer, who is to approve them if they comply with the Specifications and Drawings.
- 53.2 The Contractor shall be responsible for design of Temporary Works.
- 53.3 The Engineer's approval shall not alter the Contractor's responsibility for design of the Temporary Works.
- 53.4 The Contractor shall obtain approval of third parties to the design of the Temporary Works, where required.
- 53.5 All Drawings prepared by the Contractor for the execution of the temporary or permanent Works, are subject to prior approval by the Engineer before this use.

54. Safety

- 54.1 The Contractor shall be responsible for the safety of all activities on the Site.

55. Discoveries

- 55.1 Anything of historical or other interest or of significant value unexpectedly discovered on the Site shall be the property of the Employer. The Contractor shall notify the Engineer of such discoveries and carry out the Engineer's instructions for dealing with them.

56. Possession of the Site

- 56.1 The Employer shall give possession of the Site to the Contractor, as defined in the Contractor's approved work program. If possession of a part is not given by the date stated in the approved work program, the Employer will be deemed to have delayed the start of the relevant activities, and this will be a Compensation Event.

57. Access to the Site

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

58. Instructions

- 58.1 The Contractor shall carry out all instructions of the Engineer, which comply with the applicable laws where the Site is located.

59. Disputes

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

60. Procedure for Disputes

- 60.1 The Adjudicator shall give a decision in writing within 28 days of receipt of a notification of a dispute.
- 60.2 The Adjudicator shall be paid by the hour at the rate specified in the Bid Data Sheet and Special Conditions of Contract, together with reimbursable expenses of the types specified in the Special Conditions of Contract, and the cost shall be divided equally between the Employer and the Contractor, whatever decision is reached by the Adjudicator. Either party may refer a decision of the Adjudicator to an Arbitrator within 28 days of the Adjudicator's written decision. If neither party refers the dispute to arbitration within the above 28 days, the Adjudicator's decision will be final and binding.
- 60.3 The arbitration shall be conducted in accordance with the arbitration procedure published by the institution named and in the place shown in the Special Conditions of Contract.

61. Replacement of Adjudicator

- 61.1 Should the Adjudicator resign or die, or should the Employer and the Contractor agree that the Adjudicator is not functioning in accordance with the provisions of the Contract, a new Adjudicator will be jointly appointed by the Employer and the Contractor. In case of disagreement between the Employer and the Contractor, within 30 days, the Adjudicator shall be designated by the Appointing Authority designated in the Special Conditions of Contract at the request of either party, within 14 days of receipt of such request.

H. Time Control

62. Program

- 62.1 Within the time stated in the Special Conditions of Contract, the Contractor shall submit to the Engineer for approval a Program showing the general methods, arrangements, order, and timing for all the activities in the Works.
- 62.2 An update of the Program shall be a program showing the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities.
- 62.3 The Contractor shall submit to the Engineer for approval an updated Program at intervals no longer than the period stated in the Special Conditions of Contract. If the Contractor does not submit an updated Program within this period, the Engineer may withhold the amount stated in the Special Conditions of Contract from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program has been submitted.

62.4 The Engineer's approval of the Program shall not alter the Contractor's obligations. The Contractor may revise the Program and submit it to the Engineer again at any time. A revised Program shall show the effect of Variations and Compensation Events.

63. Extension of the Intended Completion Date

63.1 The Engineer shall extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date without the Contractor taking steps to accelerate the remaining work, which would cause the Contractor to incur additional cost.

63.2 The Engineer shall decide whether and by how much to extend the Intended Completion Date within 21 days of the Contractor asking the Engineer for a decision upon the effect of a Compensation Event or Variation and submitting full supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.

64. Acceleration

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

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

65. Delays Ordered by the Engineer

65.1 The Engineer may instruct the Contractor to delay the start or progress of any activity within the Works.

66. Management Meetings

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

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

67. Early Warning

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

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

I. Quality Control

68. Identifying Defects

68.1 The Engineer shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Engineer may instruct the Contractor to search for a Defect and to uncover and test any work that the Engineer considers may have a Defect.

69. Tests

69.1 If the Engineer instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a Defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no Defect, the test shall be a Compensation Event.

70. Correction of Defects

70.1 The Engineer shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion, and is defined in the Special Conditions of Contract. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.

70.2 Every time notice of a Defect is given, the Contractor shall correct the notified Defect within the length of time specified by the Engineer's notice.

71. Uncorrected Defects

71.1 If the Contractor has not corrected a Defect within the time specified in the Engineer's notice, the Engineer will assess the cost of having the Defect corrected, and the Contractor will pay this amount.

J. Cost Control

72. Bill of Quantities or Activity Schedule

72.1 This Contract is:

- (a) An Admeasurements Contract with a Bill of Quantities, subject to Option 1; or
 - (b) A Lump Sum Contract with an Activity Schedule, subject to Option 2,
- as indicated in the Special Conditions of Contract.

Option 1: Bill of Quantities for Admeasurements Contract

72.2 The Bill of Quantities shall contain items for the construction, installation, testing, and commissioning work to be done by the Contractor.

72.3 The Bill of Quantities is used to calculate the Contract Price. The Contractor is paid for the quantity of the work done at the rate in the Bill of Quantities for each item.

Option 2: Activity Schedule for Lump Sum Contract

72.4 The Contractor shall provide updated Activity Schedules within 14 days of being instructed to by the Engineer. The activities on the Activity Schedule shall be co-ordinated with the activities on the Program.

72.5 The Contractor shall show delivery of Materials to the Site separately on the Activity Schedule if payment for Materials on Site shall be made separately.

73. Change in the Bill of Quantities or Activity Schedule

Option 1: Changes in the Bill of Quantities for Admeasurements Contracts

73.1 If the final quantity of the work done differs from the quantity in the Bill of Quantities for the particular item by more than 25 percent, provided the change exceeds 5 percent of the Initial Contract Price, the Engineer shall adjust the rate to allow for the change.

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

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

Option 2: Changes in the Activity Schedule for Lump Sum Contracts

73.4 The Activity Schedule shall be amended by the Contractor to accommodate changes of Program or method of working made at the Contractor's own discretion. Prices in the Activity Schedule shall not be altered when the Contractor makes such changes to the Activity Schedule.

74. Variations

74.1 All Variations shall be included in updated Programs (or in the case of Lump Sum Contracts in updated Programs and Activity Schedules) produced by the Contractor.

75. Payment for Variations

75.1 For both Admeasurements and Lump Sum Contracts, the Contractor shall provide the Engineer with a quotation for carrying out the Variation when requested to do so by the Engineer. The Engineer shall assess the quotation, which shall be given within seven days of the request or within any longer period stated by the Engineer and before the Variation is ordered.

75.2 For Admeasurements Contracts only, if the work in the Variation corresponds with an item description in the Bill of Quantities and if, in the opinion of the Engineer, the quantity of work above the limit stated in Sub-Clause 38.1 or the timing of its execution do not cause the cost per unit of quantity to change, the rate in the Bill of Quantities shall be used to calculate the value of the Variation. If the cost per unit of quantity changes, or if the nature or timing of the work in the Variation does not correspond with items in the Bill of Quantities, the quotation by the Contractor shall be in the form of new rates for the relevant items of work.

75.3 For both Admeasurements and Lump Sum Contracts, if the Contractor's quotation is unreasonable, the Engineer may order the Variation and make a change to the Contract Price, which shall be based on the Engineer's own forecast of the effects of the Variation on the Contractor's costs.

75.4 For both Admeasurements and Lump Sum Contracts, if the Engineer decides that the urgency of varying the work would prevent a quotation being given and considered without delaying the work, no quotation shall be given and the Variation shall be treated as a Compensation Event.

75.5 For both Admeasurements and Lump Sum Contracts, the Contractor shall not be entitled to additional payment for costs that could have been avoided by giving early warning.

76. Cash Flow Forecasts

76.1 When the Program (or in the case of Lump Sum Contracts the Program or Activity Schedule) is updated, the Contractor shall provide the Engineer with an updated cash flow forecast.

77. Payment Certificates

77.1 The Contractor shall submit to the Engineer monthly statements of the estimated value of the work executed less the cumulative amount certified previously.

77.2 The Engineer shall check the Contractor's monthly statement and certify the amount to be paid to the Contractor.

77.3 The value of work executed shall be determined by the Engineer.

77.4 The value of work executed shall comprise the value of:

- (a) The quantities of the items in the Bill of Quantities completed in the case of Admeasurements Contracts; or
- (b) Completed activities in the Activity Schedule in the case of Lump Sum Contracts.

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

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

78. Payments

78.1 Payments shall be adjusted for deductions for advance payments and retention. The Employer shall pay the Contractor the amounts certified by the Engineer within 30 days of the date of each certificate. If the Employer makes a late payment, the Contractor shall be paid interest on the late payment in the next payment. Interest shall be calculated from the date by which the payment should have been made up to the date when the late payment is made at the prevailing rate of interest for commercial borrowing for each of the currencies in which payments are made.

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

78.3 All payments and deductions will be paid or charged in Ethiopian Birr.

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

79. Compensation Events

79.1 The following shall be Compensation Events:

- (a) The Employer does not give access to a part of the Site by the Site Possession Date stated in the Contractor's approved work program.
- (b) The Employer modifies the Schedule of Other Contractors in a way that affects the work of the Contractor under the Contract.
- (c) The Engineer orders a delay or does not issue Drawings, Specifications, or instructions required for execution of the Works on time.
- (d) The Engineer instructs the Contractor to uncover or to carry out additional tests upon work, which is then found to have no Defects.
- (e) The Engineer unreasonably does not approve a subcontract to be let.
- (f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Letter of Acceptance from the information issued to bidders (including the Site Investigation Reports referred to in GCC 14.1), from information available publicly and from a visual inspection of the Site.
- (g) The Engineer gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.
- (h) Other contractors, public authorities, utilities, or the Employer does not work within the dates and other constraints stated in the Contract, and they cause delay or extra cost to the Contractor.
- (i) The advance payment is delayed.
- (j) The effects on the Contractor of any of the Employer's Risks.
- (k) The Engineer unreasonably delays issuing a Certificate of Completion.
- (l) Other Compensation Events described in the Special Conditions of Contract or determined by the Engineer shall apply.

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

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

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

80. Tax

80.1 Unless otherwise specified in the SCC, the Engineer shall not adjust the Contract Price if taxes, duties, and other levies are changed that subsequently affect the Contract Price.

81. Currencies

81.1 All payments shall be made in Ethiopian Birr.

82. Price Adjustment

82.1 Prices shall be adjusted for fluctuations in the cost of inputs only if provided for in the Special Conditions of Contract. If so provided, the amounts certified in each payment certificate, after deducting for Advance Payment, shall be adjusted by applying the respective price adjustment factor to the payment amounts due

$$pn = A + b \frac{Ln}{Lo} + c \frac{Mn}{Mo} + d \frac{En}{Eo} + etc.$$

Where:

pn is a price adjustment factor to be applied to the amount for each payment certificate;

A is a constant, specified in the Contractor's Bid, representing the nonadjustable portion in contractual payments;

b, c, d, etc., are weightings or coefficients representing the estimated proportion of each cost element (labour, materials, equipment usage, etc.) in the Works or sections thereof, net of Provisional Sums, as specified in the Contractor's Bid; the sum of A, b, c, d, etc., shall be one;

Ln, Mn, En, etc., are the current cost indices or reference prices of the cost elements at the date 28 days prior to the deadline for bid submission; and

Lo, Mo, Eo, etc., are the base cost indices or reference prices corresponding to the above cost elements at the date 28 days prior to the last day of the period to which a particular Interim Payment Certificate is related.

82.2 The sources of indices shall be those listed in the Contractor's Bid, as approved by the Engineer. Indices shall be appropriate for their purpose and shall relate to the Contractor's proposed source of supply of inputs. As the proposed basis for price adjustment, the Contractor shall have submitted with his bid the tabulation of Weightings and Source of Indices, which shall be subject to approval by the Engineer.

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

83. Retention

- 83.1 The Employer shall retain from each payment due to the Contractor the proportion stated in the Special Conditions of Contract until Completion of the whole of the Works.
- 83.2 On completion of the whole of the Works, half the total amount retained shall be repaid to the Contractor and half when the Defects Liability Period has passed and the Engineer has certified that all Defects notified by the Engineer to the Contractor before the end of this period have been corrected.
- 83.3 On completion of the whole Works, the Contractor may substitute retention money with an “on demand” Bank guarantee.

84. Liquidated Damages

- 84.1 The Contractor shall pay liquidated damages to the Employer at the rate per day stated in the Special Conditions of Contract for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the Special Conditions of Contract. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor’s liabilities.
- 84.2 If the Intended Completion Date is extended after liquidated damages have been paid, the Engineer shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate. The Contractor shall be paid interest on the overpayment, calculated from the date of payment to the date of repayment, at the rates specified in Sub-Clause 43.1.

85. Bonus

- 85.1 The Contractor shall be paid a Bonus calculated at the rate per calendar day stated in the Special Conditions of Contract for each day (less any days for which the Contractor is paid for acceleration) that the Completion is earlier than the Intended Completion Date. The Engineer shall certify that the Works are complete, although they may not be due to be complete.

86. Advance Payment

- 86.1 The Employer shall make advance payment to the Contractor of the amount stated in the Special Conditions of Contract by the date stated in the Special Conditions of Contract, against provision by the Contractor of an Unconditional Bank Guarantee in a form and by a bank acceptable to the Employer, denominated in Ethiopian Birr in the amount of the advance payment. The Guarantee shall remain effective until the advance payment has been repaid, but the amount of the Guarantee shall be progressively reduced by the amounts repaid by the Contractor. Interest will not be charged on the advance payment.
- 86.2 The Contractor is to use the advance payment only to pay for Equipment, Plant, Materials, and mobilization expenses required specifically for execution of the Contract. The Contractor shall demonstrate that advance payment has been used in this way by supplying copies of invoices or other documents to the Engineer.

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

87. Securities

87.1 The Contract Security shall be provided to the Employer no later than 15 days after receipt of the Letter of Acceptance and shall be issued in the form of a Bank Guarantee, or for Ethiopian Contractors only in the form of a Performance Bond. The Contract Security shall be issued in the format specified in the contract and in an amount specified in the Special Conditions of Contract and by a bank or surety acceptable to the Employer and denominated in Ethiopian Birr. The Contract Security shall be valid until a date 28 days from the date of issue of the Certificate of Completion in the case of a Bank Guarantee and until one year from the date of issue of the Certificate of Completion in the case of a Performance Bond.

88. Dayworks

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

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

88.3 The Contractor shall be paid for Dayworks subject to obtaining signed Dayworks forms.

89. Cost of Repairs

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

K. Finishing the Contract

90. Completion

90.1 The Contractor shall request the Engineer to issue a certificate of Completion of the Works, and the Engineer will do so upon deciding that the work is completed.

91. Taking Over

91.1 The Employer shall take over the Site and the Works within seven days of the Engineer's issuing a Certificate of Completion.

92. Final Account

92.1 The Contractor shall supply the Engineer with a detailed account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Engineer shall issue a Defects Liability Certificate and certify any final payment that is due to the Contractor within 60 days of receiving the Contractor's account if it is correct and complete. If it is not, the Engineer shall issue within 60 days a schedule that states the scope of the corrections or additions that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Engineer shall decide on the amount payable to the Contractor and issue a payment certificate.

93. Operating and Maintenance Manuals

93.1 If "as built" Drawings and/or operating and maintenance manuals are required, the Contractor shall supply them by the dates stated in the Special Conditions of Contract.

93.2 If the Contractor does not supply the Drawings and/or manuals by the dates stated in the Special Conditions of Contract, or they do not receive the Engineer's approval, the Engineer shall withhold the amount stated in the Special Conditions of Contract from payments due to the Contractor.

94. Termination

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

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

- (a) The Contractor stops work for 28 days when no stoppage of work is shown on the current Program and the stoppage has not been authorized by the Engineer;
- (b) The Engineer instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 28 days;
- (c) The Employer or the Contractor is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
- (d) A payment certified by the Engineer is not paid by the Employer to the Contractor within 90 days of the date of the Engineer's certificate;
- (e) The Engineer gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Engineer;
- (f) The Contractor does not maintain a Security, which is required;
- (g) The Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as defined in the Special Conditions of Contract; and

- (h) If the Contractor, in the judgment of the Employer has engaged in corrupt, fraudulent, collusive or coercive practices in competing for or in executing the Contract.

For the purpose of this paragraph:

"Corrupt practice" means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution.

"Fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract;

"Collusive practices" means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Employer, designed to establish prices at artificial, noncompetitive levels; and

"Coercive practices" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a contract.

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

- 94.4 Notwithstanding the above, the Employer may terminate the Contract for convenience.

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

95. Payment upon Termination

- 95.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Engineer shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate and less the percentage to apply to the value of the work not completed, as indicated in the Special Conditions of Contract. Additional Liquidated Damages shall not apply. If the total amount due to the Employer exceeds any payment due to the Contractor, the difference shall be a debt payable to the Employer.

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

96. Property

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

97. Release from Performance

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

Section 8. Special Conditions of Contract

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

GCC Clause Reference	Special Conditions
GCC 1.1	<p>The Employer is: Africa Reinsurance Corporation.</p> <p>Address: Yeshi Building, Bole road, 4th floor</p> <p>Tel.: +251-09-11-69-1884, Addis Ababa, Ethiopia</p> <p>40 The Engineer is: Eskinder Architects</p> <p>41 Address: Tigat Building, 5th floor</p> <p>Tel: +251-912506630, Addis Ababa, Ethiopia</p> <p>The name and procurement reference number of the Contract is: NA</p> <p>The Works consist of: Shoring system construction of Africa Reinsurance Office building project.</p> <p>The Site is located at “Megenagna” area 75m from Megenagna round about and is defined in Drawings Nos.: FN01/02 – FN02/02.</p> <p>42 The Start Date shall be: July 11, 2021.</p> <p>43 The Intended Completion Date for the whole of the Works shall be 45 Calendar days.</p>
GCC 2.3	<p>The following documents also form part of the Contract:</p> <p>Schedule of information provided by the contractor.</p> <p>Approved technical specification provided by the contractor</p>
GCC 8.1	The Schedule of Other Contractors is part of the Contract
GCC 9.1	The Schedule of Key Personnel is part of the Contract
(i) GC C 11.1	The Employer’s risks are as specified in the GCC.

GCC Clause Reference	Special Conditions
GCC 13.1	<p>The minimum insurance cover and deductibles shall be:</p> <p>(a) The minimum cover for insurance of the Works, Plant and materials is 110% of contract value.</p> <p>(b) The maximum deductible for insurance of the Works, Plant and materials is Eth. Birr 500,000</p> <p>(c) The minimum cover for insurance of Equipment is 100% of the value of equipment required for the performance of the contract.</p> <p>(d) The maximum deductible for insurance of Equipment is Eth. Birr 250,000.</p> <p>(e) The minimum cover for insurance of property is Eth. Birr 2,500,000.</p> <p>(f) The maximum deductible for insurance of property is Eth. Birr 250,000.</p> <p>(g) The minimum cover for personal injury or death insurance is Eth. Birr 2,000,000 with no deductible.</p>
GCC 25.2	Fees and types of reimbursable expenses to be paid to the Adjudicator are: “The adjudicator shall be assigned during contract negotiation.”
GCC 25.3	<p>The institution whose arbitration procedures shall be used is: _____.</p> <p>Arbitration shall take place at:</p> <p>“The adjudicator shall be assigned during contract negotiation.”</p>
GCC 26.1	<p>The Appointing Authority for the Adjudicator is:</p> <p>“The adjudicator shall be assigned during contract negotiation.”</p>
GCC 27.1	The Contractor shall submit a revised Program for the Works within 15 days of delivery of the Notice of Acceptance.
(ii) GC C 27.3	<p>The period between Program updates is 30 days.</p> <p>The amount to be withheld for late submission of an updated Program is 5 % of the contract value.</p>
(iii) GC C 35.1	The Defects Liability Period is 365 days.
GCC 37.1	This Contract is an admeasurement Contract.
GCC 44.1(l)	The following events shall also be Compensation Events: “None”
GCC 45.1	The Engineer shall not adjust the Contract Price if taxes, duties and other levies are changed that subsequently affect the Contract Price.

GCC Clause Reference	Special Conditions
GCC 47.1	The Contract is not subject to price adjustment in accordance with Clause 47 of the Conditions of Contract.
GCC 48.1	The proportion of payments retained is 5 percent .
(iv) GC C 49.1	The liquidated damages for the whole of the Works are 0.1% of the final Contract Price per day. The maximum amount of liquidated damages for the whole of the Works is 10 percent of the final Contract Price.
GCC 51.1	The Advance Payment will be equivalent to 20 percent of the Contract Price and will be paid in Ethiopian Birr. It will be paid to the Contractor no later than 15 days .
GCC 51.3	The Advance Payment will be repaid by deducting proportionate amounts from each payment certificate.
(v) GC C 52.1	The Contract Security shall be for 10% of the Contract Price:
GCC 58.1	The date by which operating and maintenance manuals are required is September 15, 2021 . The date by which “as built” drawings are required is September 15, 2021 .
GCC 58.2	The amount to be withheld for failing to produce “as built” drawings and/or operating and maintenance manuals by the date required is 50,000 Ethiopian Birr.
GCC 60.1	The percentage to apply to the value of the work not completed, representing the Employer’s additional cost for completing the Works, is 10 percent .

Section 9. Contract Forms

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Agreement

Procurement Reference No:

THIS AGREEMENT made the _____ day of _____, _____, between _____ of _____ (hereinafter “the Employer”), of the one part, and _____ of _____ (hereinafter “the Contractor”), of the other part:

Whereas the Employer is desirous that the Contractor execute _____ (hereinafter called “the Works”) and the Employer has accepted the Bid by the Contractor for the execution and completion of such Works and the remedying of any defects therein for the Contract Price of the equivalent of Ethiopian Birr _____ (_____).

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 Contract referred to.
- (vi) 2. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.
3. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects 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.
4. The Contract Price or such other sum as may be payable shall be paid in Ethiopian Birr.

IN WITNESS whereof the parties thereto have caused this Agreement to be executed in accordance with the law specified in the Special Conditions of Contract on the day, month and year indicated above.

Signed by _____ (for the Employer)

Name: _____ Position: _____

Signed by _____ (for the Contractor)

Name: _____ Position: _____

Witnesses

1. -----
2. -----

Note for Bidders: The Contract Security should be on the letterhead of the issuing Financial Institution and should be signed by a person with the proper authority to sign documents that are binding on the Financial Institution.

Contract Security (Bank Guarantee)

Contract Security (Unconditional Bank Guarantee)

Date: **[insert date]**

Procurement Reference No.: **[insert procurement reference number]**

To: **[name and address of Employer]**

WHEREAS **[name and address of Contractor]** (hereinafter called “the Contractor”) has undertaken, in pursuance of Contract No. **[number]** dated **[date]** to execute **[name of Contract and brief description of Works]** (hereinafter called “the Contract”);

AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with his obligations in accordance with the Contract;

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee;

NOW THEREFORE WE hereby affirm that we are the Guarantor and responsible to you, on behalf of the Contractor, up to a total of **[amount of Guarantee]** **[amount in words]**, such sum being payable in the types and proportions of currencies in which the Contract Price is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of **[amount of Guarantee]** as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

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

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

This Guarantee shall be valid until a date 28 days from the date of issue of the Certificate of Completion.

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.

Signature and seal of the Guarantor _____

Name of Financial Institution _____

Address _____

Date _____

Note for Bidders: The Performance Bond should be on the letterhead of the issuing Institution and should be signed by a person with the proper authority to sign documents that are binding on the Institution.

Performance Bond

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

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

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

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

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

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

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

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

Signed by _____

On behalf of **[name of Contractor]** in the capacity of _____

In the presence of _____

Date _____

Signed by _____

On behalf of **[name of Contractor]** in the capacity of _____

In the presence of _____

Date _____

Note for Bidders: The Advance Payment Security should be on the letterhead of the issuing Financial Institution and should be signed by a person with the proper authority to sign documents that are binding on the Financial Institution.

Advance Payment Security

Bank Guarantee for Advance Payment

To: **[name and address of Employer]**
[Name of Contract]

Gentlemen:

In accordance with the provisions of the Conditions of Contract, Clause 51 (“Advance Payment”) of the above-mentioned Contract **[name and address of Contractor]** (hereinafter called “the Contractor”) shall deposit with **[name of Employer]** a Bank Guarantee to guarantee his proper and faithful performance under the said Clause of the Contract in an amount of **[amount of Guarantee]** **[amount in words]**.

We, the **[Bank or Financial Institution]**, as instructed by the Contractor, agree unconditionally and irrevocably to guarantee as primary obligator and not as Surety merely, the payment to **[name of Employer]** on his first demand without whatsoever right of objection on our part and without his first claim to the Contractor, in the amount not exceeding **[amount of Guarantee]** **[amount in words]**.

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

This Guarantee shall remain valid and in full effect from the date of the advance payment under the Contract until **[name of Employer]** receives full repayment of the same amount from the Contractor.

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

Yours truly,

Signature and seal: _____

Name of Bank/Financial Institution: _____

Address: _____

Date: _____