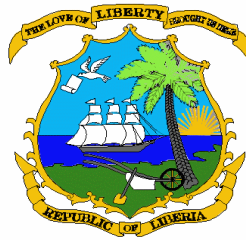

REPUBLIC OF LIBERIA

Insert name of Procuring Entity of the Government of
Liberia

Procurement of Works Smaller Contracts



Name and address of the Procuring Entity
REPUBLIC OF LIBERIA

Date: _____

Introduction

ENTIRE PAGE SHOULD BE DELETED BEFORE THE BIDDING DOCUMENTS ARE ISSUED

These Standard Bidding Documents originally prepared for use in projects financed under World Bank loans have been adapted by the Public Procurement and Concessions Commission (PPCC) for the Government of Liberia (GOL) and are required to be used by all Procuring Entities in Liberia as a model for **admeasurement** (unit prices or unit rates in a bill of quantities) and **lump sum** types of Contract, which are the most common in Works contracting. Lump sum contracts are used in particular for buildings and other forms of construction where the Works are well defined and are unlikely to change in quantity or specification, and where encountering difficult or unforeseen site conditions (for example, hidden foundation problems) is unlikely. The main text refers to admeasurement contracts. **Alternative clauses or texts are supplied for use with lump sum contracts.**¹

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

- (a) All the documents listed in the Table of Contents are normally required for the procurement of Works. However, they should be adapted as necessary to the circumstances of the particular Project.
- (b) The Procuring Entity shall prepare the Bidding Data Sheet (Section II), Special Conditions of Contract (Section VI), and Sections VII, VIII, IX which deal with Specifications, Drawings, and Bill of Quantities respectively, before issuing these Bidding Documents. In the few instances where the Bidder is requested to provide information, the note specifies it. **The footnotes and notes for the Procuring Entity (PE) are not part of the text; they should not be incorporated in the Bidding Documents issued to the bidders.**
- (c) These Bidding Documents are intended to serve on a repetitive basis for all Procuring Entities (PE) in Liberia and therefore modifications of the model to meet specific Project or Contract needs should be provided in the Bidding Data Sheet and the Special Conditions of Contract only, as amendments to the Instructions to Bidders and the General Conditions of Contract.

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

- (d) These standard Bidding Documents have been prepared to be used under post-qualification of the bidders. However they can also be used under pre-qualification, with relatively minor modifications. However, the documents do not address the bidder pre-qualification process per se.
- (e) All bids shall be issued in the English language, the language in accordance with the Public Procurement and Concessions Act (PPCA) and English being used nation wide in Liberia for commercial transactions.

Section I. Instructions to Bidders

TO BE DELETED BEFORE BIDDING DOCUMENTS ARE ISSUED

This Section of the Bidding Documents should provide the information necessary for bidders to prepare responsive bids, in accordance with the requirements of the GOL under the Public Procurement and Concessions Act. It should also give information on bid submission, opening and evaluation, and on the award of Contract.

Matters governing the performance of the Contractor, payments under the Contract, or matters affecting the risks, rights, and obligations of the parties under the Contract are not normally included in this Section, but rather under Section IV, General Conditions of Contract (GCC), and/or Section V, Special Conditions of Contract (SCC). If duplication of a subject is inevitable in the different sections of the documents, care must be exercised to avoid contradictions between clauses dealing with the same matter. It is also important that the applicable documents which form part of the contract (Section V 2.3) are spelt out under Section VI (2.3.1) in order of priority to aid interpretation in the event of any inadvertent duplication of results.

These Instructions to Bidders shall not be part of the Contract and shall cease to have effect once the Contract is signed.

TO BE DELETED

Table of Clauses

<u>Introduction</u>	2
<u>Section I. Instructions to Bidders</u>	5
<u>TO BE DELETED</u> Table of Clauses	5
Table of Clauses.....	6
<u>Section II. Bidding Data Sheet</u>	27
<u>Section III. Eligible Countries</u>	31
<u>(TO BE DELETED if not applicable)</u>	31
1. Contractor’s Bid.....	33
2. Qualification Information	35
3. Letter of Acceptance	38
4. Agreement.....	39
<u>Section V. General Conditions of Contract</u>	41
Table of Clauses.....	42
<u>Section VI. Special Conditions of Contract</u>	65
<u>Section VII. Specifications & Performance Requirements</u>	70
<u>Section VIII. Drawings</u>	71
<u>Section IX. Bill of Quantities</u>	72
<u>Section X. Security Forms</u>	74
<u>Form of Bid Security (Bank Guarantee)</u>	75
<u>Form of Bid Security (Bid Bond)</u>	77
<u>Bid-Securing Declaration</u>	79
<u>Performance Bank Guarantee</u>	81
<u>Performance Bond</u>	83
<u>Bank Guarantee for Advance Payment</u>	85
<u>Invitation for Bids</u>	87

Instructions to Bidders (ITB)

A. General

- 1. Scope of Bid**
 - 1.1 The Government of Liberia, (GOL) acting through (insert name of Procuring Entity), invites bids for the construction of Works, as described in the “Bid Data Sheet”, **BDS** and Section VI, “Special Conditions of Contract” (SCC). The name and identification number of the Contract are provided in the **BDS** and the SCC.
 - 1.2 The successful Bidder shall be expected to complete the Works by the Intended Completion Date specified in the **BDS** and SCC 1.1 (r).
 - 1.3 Throughout these Bidding Documents:
 - (a) the term “in writing” means communicated in written form (e.g. by mail, e-mail, fax, telex,) with proof of receipt;
 - (b) if the context so requires, “singular” means “plural” and vice versa; and
 - (c) “day” means calendar day.
- 2. Source of Funds**
 - 2.1 The GOL intends to apply part of public funds (or insert source of loan) or grant e.g. from IDA, **as defined in the BDS**, towards the cost of the Project, **as defined in the BDS**, to cover eligible payments under the Contract for the Works.

**3. Fraud and
Corruption**
**3.1 a-e TO BE
DELETED**

3.1 The Bidders, Suppliers, Contractors, and Consultants are required to observe the highest standard of ethics during the procurement and execution of contracts and all public funded contracts. In pursuit of this policy, Bidders should observe 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 practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the GOL, designed to establish bid prices at artificial, non competitive levels; and
- (iv) “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract;

3.2 Furthermore, bidders shall be aware of the provision stated in GCC Sub-Clause 59.2 (h) and the PPCA.

**4. Eligible
Bidders**

4.1 A Bidder, and all parties constituting the Bidder, may have the nationality of any country, subject to the provisions of Section III, Eligible Countries. A Bidder shall be deemed to have the nationality of a country if the Bidder is a citizen or is constituted, incorporated, or registered and operates in conformity with the provisions of the laws of that country. This criterion shall also apply to the determination of the nationality of proposed subcontractors.

4.2 A Bidder shall not have a conflict of interest. All Bidders found to have conflict of interest shall be disqualified. Bidders may be considered to have a conflict of interest with one or more parties in this bidding process, if they are associated, or 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 Project Manager for the Contract. A firm that has been engaged by the GOL to provide consulting services for the preparation or

supervision of the Works, and any of its affiliates **shall not be eligible to bid.**

- 4.3 GOL-owned enterprises in the country may be eligible only if they can establish that they (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) that they are not a dependent agency of the GOL or Sub-GOL.
- 4.4 Bidders shall provide such evidence of their continued eligibility satisfactory to the GOL, as the GOL shall reasonably request.

5. Qualifications of the Bidder

- 5.1 All bidders shall provide in Section IV, "Form of Bid, Qualification Information, Letter of Acceptance, and Agreement," a preliminary description of the proposed work method and schedule, including drawings and charts, as necessary.
- 5.2 In the event that pre-qualification of potential bidders has been undertaken, only bids from pre-qualified bidders shall be considered for award of Contract. These qualified bidders should submit with their bids any information updating their original pre-qualification applications or, alternatively, confirm in their bids that the originally submitted pre-qualification information remains essentially correct as of the date of bid submission. The update or confirmation should be provided in Section IV.
- 5.3 If the GOL has not undertaken pre-qualification of potential bidders, all bidders shall include the following information and documents with their bids in Section IV, unless otherwise **stated in the BDS:**
- (a) copies of original documents defining the constitution or legal status, place of registration, and principal place of business of the Bidder; written power of attorney of the signatory of the Bid to commit the Bidder;
 - (b) total monetary value of construction works performed for each of the last 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 was/is involved, the parties concerned, and the disputed amounts; and awards;
- (j) proposals for subcontracting components of the Works amounting to more than 10 percent of the Contract Price. The ceiling for sub contractor's participation is **stated in the BDS.**
- (k) evidence of payment of social security contributions, where applicable

5.4 Bids submitted by a joint venture of two or more firms as partners shall comply with the following requirements, unless otherwise **stated in the BDS**:

- (a) the Bid shall include all the information listed in ITB Sub-Clause 5.3 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 shall be nominated as being in charge, authorized to incur liabilities, and receive instructions for and on behalf of any and all partners of the joint venture; and
- (e) the execution of the entire Contract, including payment, shall be done exclusively with the partner in charge.
- (f) a copy of the Joint venture Agreement entered into by the partners shall be submitted with the bid; or a Letter of Intent to execute a joint venture agreement in the event of a successful bid shall be signed by all partners and submitted with the bid, together with a copy of the proposed Agreement.

- 5.5 To qualify for award of the Contract, bidders shall meet the following minimum qualifying criteria
- (a) an average annual financial amount of construction work over the period specified in the **BDS** of at least the multiple indicated in the **BDS**
 - (b) experience as prime contractor in the construction of at least the number of works of a nature and complexity equivalent to the Works over the period **specified in the BDS** (to comply with this requirement, works cited should be at least 70 percent complete);
 - (c) proposals for the timely acquisition (own, lease, hire, etc.) of the essential equipment **listed in the BDS**;
 - (d) a Contract Manager with five years' experience in works of an equivalent nature and volume, including no less than three years as Manager; and
 - (e) liquid assets and/or credit facilities, net of other contractual commitments and exclusive of any advance payments which may be made under the Contract, of no less than the amount **specified in the BDS**.²

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

- 5.6 The figures for each of the partners of a joint venture shall be added together to determine the Bidder's compliance with the minimum qualifying criteria of ITB Sub-Clauses 5.5 (a) and (e); however, for a joint venture to qualify, each of its partners must meet at least 25 percent of minimum criteria of ITB Sub-Clauses 5.5 (a), (b), and (e) for an individual Bidder, and the partner in charge at least 40 percent of those minimum criteria. Failure to comply with this requirement shall result in rejection of the joint venture's Bid. Subcontractors' experiences and resources shall not be taken into account in determining the Bidder's compliance with the qualifying criteria, unless otherwise **stated in the BDS**.
- 5.7 Domestic bidders and joint ventures of domestic bidders applying for eligibility for a 7½-percent margin of preference in bid evaluation shall supply all information to satisfy the criteria

² Usually the equivalent of the estimated payments flow over 4-6 months at the average (straight line distribution) construction rate. The actual period of reference shall depend on the speed with which the GOL shall pay the Contractor's monthly certificates.

for eligibility as described in ITB Clause 31.

6. One Bid per Bidder

- 6.1 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) shall cause all the proposals with the Bidder's participation to be disqualified.

- 7. Cost of Bidding** 7.1 The Bidder shall bear all costs associated with the preparation and submission of the Bid, the GOL and the PE shall in no case be responsible or liable for those costs.
- 8. Site Visit** 8.1 The Bidder, at the Bidder's own responsibility and risk, is encouraged to visit and examine the Site of Works and its surroundings and obtain all information that may be necessary for preparing the Bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Bidder's own expense.

B. Bidding Documents

- 9. Contents of Bidding Documents** 9.1 The set of Bidding Documents comprises the documents listed in the table below and addenda issued in accordance with ITB Clause 11:

Invitation for Bids

Section I	Instructions to Bidders
Section II	Bidding Data Sheet
Section III	Eligible Countries
Section IV	Forms of Bid, Qualification Information, Letter of acceptance, Agreement
Section V	General Conditions of Contract
Section VI	Special Conditions of Contract
Section VII	Specifications
Section VIII	Drawings
Section IX	Bill of Quantities ³
Section X	Forms of Securities

- 10. Clarification of Bidding Documents** 10.1 A prospective Bidder requiring any clarification of the Bidding Documents may notify the GOL in writing at the GOL's address **indicated in the BDS**. The GOL shall respond to any request for clarification received earlier than 21 days⁴ prior to the deadline for submission of bids. Copies of the GOL's response shall be forwarded to all purchasers of the Bidding Documents, including a description of the inquiry, but without identifying its source.
- 11. Amendment of** 11.1 Before the deadline for submission of bids, the GOL may modify

³ *In lump sum contracts, delete "Bill of Quantities" and replace with "Activity Schedule".*

⁴ *It may be necessary to extend the deadline for submission of bids if the GOL's response results in substantial changes to the Bidding Documents. See ITB Clause 11 below.*

Bidding Documents

the Bidding Documents by issuing addenda.

- 11.2 Any addendum thus issued shall be part of the Bidding Documents and shall be communicated in writing to all purchasers of the Bidding Documents.⁵ Prospective bidders shall acknowledge receipt of each addendum in writing to the GOL.
- 11.3 To give prospective bidders reasonable time in which to take an addendum into account in preparing their bids, the GOL shall extend, as necessary, the deadline for submission of bids, in accordance with ITB Sub-Clause 21.2 below.

C. Preparation of Bids

12. Language of Bid

- 12.1 All documents relating to the Bid shall be in the language **specified in the BDS.**

13. Documents Comprising the Bid

- 13.1 The Bid submitted by the Bidder shall comprise the following:
- (a) The Bid (in the format indicated in Section IV);
 - (b) Bid Security, or Bid-Securing Declaration, in accordance with ITB Clause 17, if required;
 - (c) priced Bill of Quantities;⁶
 - (d) Qualification Information Form and Documents;
 - (e) Alternative offers where invited;
- and any other materials required to be completed and submitted by bidders, as **specified in the BDS.**

14. Bid Prices

- 14.1 The Contract shall be for the whole Works, as described in ITB Sub-Clause 1.1, based on the priced Bill of Quantities⁷ submitted by the Bidder.
- 14.2 The Bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities.⁸ Items for which no rate or price is entered by the Bidder shall not be paid for by the GOL when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities. Corrections, if any, shall be

⁵ *It is therefore important that the PE maintain a complete and accurate list of recipients of the Bidding Documents and their addresses.*

⁶ *In lump sum contracts, delete “priced Bill of Quantities” and replace with “priced Activity Schedule.”*

⁷ *In lump sum contracts, delete “priced Bill of Quantities” and replace with “priced Activity Schedule.”*

⁸ *In lump sum contracts, delete “described in the Bill of Quantities” and replace with “described in the drawings and specifications and listed in the Activity Schedule.”*

made by crossing out, initialing, dating and rewriting.

14.3 All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bids, shall be included in the rates, prices, and total Bid price submitted by the Bidder.⁹

14.4 The rates and prices¹⁰ quoted by the Bidder shall be subject to adjustment during the performance of the Contract if **provided for in the BDS** and SCC and the provisions of Clause 47 of the General Conditions of Contract. The Bidder shall submit with the Bid all the information required under the Special Conditions of Contract and GCC Clause 47.

15. Currencies of Bid and Payment

15.1 The unit rates and prices¹¹ shall be quoted by the Bidder entirely in the currency of the Republic of Liberia as **specified in the BDS** Foreign currency requirements shall be indicated as percentages of the Bid price (excluding provisional sums¹²) and shall be payable at the option of the Bidder in up to three foreign currencies.

15.2 The rates of exchange to be used by the Bidder in arriving at the local currency equivalent and the percentages mentioned in paragraph 15.1 above shall be the selling rates for similar transactions established by the authority **specified in the BDS** prevailing on the date 28 days prior to the latest deadline for submission of bids. These exchange rates shall apply for all payments so that no exchange risk shall be borne by the Bidder. If the Bidder uses other rates of exchange, the provisions of ITB Clause 29.1 shall apply; in any case, payments shall be computed using the rates quoted in the Bid.

15.3 Bidders shall indicate details of their expected foreign currency requirements in the Bid.

15.4 Bidders may be required by the GOL to clarify their foreign currency requirements and to substantiate that the amounts included in the rates and prices,¹³ **if required in the BDS**, are reasonable and responsive to ITB Sub-Clause 15.1.

⁹ *In lump sum contracts, delete “rates, prices, and.”*

¹⁰ *In lump sum contracts, delete “rates and prices” and replace with “lump sum price.”*

¹¹ *In lump sum contracts, delete “unit rates and prices” and replace with “lump sum price.”*

¹² *Provisional sums are monetary sums specified by the GOL in the Bill of Quantities, to be used at his discretion for nominated subcontractors and other specified purposes.*

¹³ *For lump sum contracts, delete “rates and prices” and replace with “Lump Sum.”*

- 16. Bid Validity**
- 16.1 Bids shall remain valid for the period¹⁴ **specified in the BDS.**
- 16.2 In exceptional circumstances, the GOL may request that the bidders extend the period of validity for a specified additional period. The request and the bidders' responses shall be made in writing. If a Bid Security is requested in accordance with ITB Clause 17, it shall be extended up to 28 days after the deadline of the extended bid validity period. A Bidder may refuse the request without forfeiting the Bid Security or execution of its Bid Securing Declaration. A Bidder agreeing to the request shall not be required or permitted to modify its Bid, except as provided in ITB Clause 17.
- 16.3 In the case of contracts in which the Contract Price is fixed (not subject to price adjustment), if the period of bid validity is extended beyond 56 days, the amounts payable in local and foreign currency to the Bidder selected for award, shall be adjusted as specified in the request for extension. Bid evaluation shall be based on the Bid Price without taking the above correction into consideration.
- 17. Bid Security and Bid-Securing Declaration**
- 17.1 **If required in the BDS,** the Bidder shall furnish as part of its Bid, a Bid Security or a Bid-Securing Declaration in original form as specified in the BDS.
- 17.2 The Bid Security shall be in the **amount specified in the BDS** and denominated in the currency of the Republic of Liberia or the currency of the Bid or in another freely convertible currency, and shall:
- (a) at the bidder's option, be in the form of either a letter of credit, or a bank guarantee from a banking institution, or a bond or surety issued by an insurance or bonding institution;
 - (b) be issued by a reputable institution selected by the bidder and located in any country. If the institution issuing the bond or surety is located outside the Republic of Liberia, it shall have a correspondent financial institution located in the Republic of Liberia to make it enforceable.
 - (c) be substantially in accordance with one of the forms of Bid Security or Bid-Securing Declaration included in Section X

¹⁴ *The period is a realistic time, usually not less than 35 days nor more than 105, allowing for bid evaluation, clarifications, and the World Bank's "no objection" (where awards of Contract are subject to prior review).*

“Security Forms,” or other form approved by the Purchaser prior to bid submission;

- (d) be payable promptly upon written demand by the GOL in case the conditions listed in ITB Clause 17.5 are invoked;
- (e) be submitted in its original form; copies shall not be accepted;
- (f) remain valid for a period of 28 days beyond the validity period of the bids, as extended, if applicable, in accordance with ITB Clause 16.2.

17.3 If a Bid Security or a Bid- Securing Declaration is required in accordance with ITB Sub-Clause 17.1, any bid not accompanied by a substantially responsive Bid Security or Bid-Securing Declaration in accordance with ITB Sub-Clause 17.1, shall be rejected by the GOL as non-responsive.

17.4 The Bid Security or the Bid- Securing Declaration of unsuccessful Bidders shall be returned as promptly as possible upon the successful Bidder’s furnishing of the performance security.

17.5 The Bid Security may be forfeited or the Bid–Securing Declaration executed:

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

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

18. Alternative Proposals by

18.1 Alternatives shall not be considered, unless specifically **allowed in the BDS**. If so allowed, ITB Sub-Clauses 18.1 and 18.2 shall

Bidders

govern, and BDS shall specify which of the following options shall be allowed:

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

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

**19. Format and
Signing of Bid**

19.1 The Bidder shall prepare one original of the documents comprising the Bid as described in ITB Clause 13, bound with the volume containing the Form of Bid, and clearly marked "ORIGINAL." In addition, the Bidder shall submit copies of the Bid, in the number **specified in the BDS**, and clearly marked as "COPIES." In the event of discrepancy between them, the original shall prevail.

19.2 The original and all copies of the Bid shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Bidder, pursuant to ITB Sub-Clause 5.3 (a). All pages of the Bid where entries or amendments have been made shall be initialed by the person or persons signing the Bid.

19.3 The Bid shall contain no alterations or additions, except those to comply with instructions issued by the PE, or as necessary to correct errors made by the Bidder, in which case such corrections shall be initialed by the person or persons signing the Bid.

19.4 The Bidder shall furnish information as described in the Form of Bid on commissions or gratuities, if any, paid or to be paid to agents relating to this Bid, and to contract execution if the Bidder is awarded the contract.

D. Submission of Bids

20. Submission, Sealing and Marking of Bids

20.1 Bidders may always submit their bids by mail or by hand. When so **specified in the BDS**, bidders shall have the option of submitting their bids electronically. Bidders submitting bids electronically shall follow the procedures **specified in the BDS**. 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.”

20.2 The inner and outer envelopes shall

- (a) be addressed to the PE at the address¹⁵ **provided in the BDS**;
- (b) bear the name and identification number of the Contract as **defined in the BDS** and SCC; and
- (c) provide a warning not to open before the specified time and date for Bid opening as **defined in the BDS**.

20.3 In addition to the identification required in ITB Sub-Clause 20.2, the inner envelopes shall indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared late, pursuant to ITB Clause 22.

20.4 If the outer envelope is not sealed and marked as above, the PE shall assume no responsibility for the misplacement or premature opening of the Bid.

21. Deadline for Sub-mission of Bids

21.1 Bids shall be delivered to the PE at the address specified above no later than the time and date **specified in the BDS**.

21.2 The PE may extend the deadline for submission of bids by issuing an amendment in accordance with ITB Clause 11, in which case all rights and obligations of the PE and the bidders previously subject to the original deadline shall then be subject to the new deadline.

¹⁵ *The receiving address should be an office that is staffed during normal working hours by personnel authorized to certify time and date of receipt and assure safekeeping until Bid opening. A post office address is not satisfactory. The address must be the same as the receiving address described in the Invitation for Bids.*

-
- 22. Late Bids** 22.1 Any Bid received by the PE after the deadline prescribed in ITB Clause 21 shall be returned unopened to the Bidder.
- 23. Withdrawal, Substitution and Modification of Bids** 23.1 Bidders may withdraw, substitute or modify their Bids by giving notice in writing before the deadline prescribed in ITB Clause 21.
- 23.2 Each Bidder's withdrawal, substitution or modification notice shall be prepared, sealed, marked, and delivered in accordance with ITB Clauses 19 and 20, with the outer and inner envelopes additionally marked or "WITHDRAWAL," "SUBSTITUTION," OR "MODIFICATION" as appropriate.
- 23.3 No Bid may be substituted or modified after the deadline for submission of Bids.
- 23.4 Withdrawal of a Bid between the deadline for submission of bids and the expiration of the period of Bid validity specified in the Bidding Data or as extended pursuant to ITB Sub-Clause 16.2 may result in the forfeiture of the Bid Security or execution of the Bid -Securing Declaration pursuant to ITB Clause 17.
- 23.5 Bidders may only offer discounts to, or otherwise modify the prices of their bids, by submitting Bid modifications in accordance with this clause or included in the initial Bid

E. Bid Opening and Evaluation

- 24. Bid Opening** 24.1 The PE shall open the bids, including modifications made pursuant to Clause 23, in the presence of the bidders' representatives who choose to attend at the time and in the place **specified in the BDS**. Any specific opening procedures required if electronic bidding is permitted in accordance with ITB Sub-Clause 20.1, shall be as specified in the BDS.
- 24.2 Envelopes marked "WITHDRAWAL" shall be opened and read out first. Bids for which an acceptable notice of withdrawal has been submitted pursuant to ITB Clause 23 shall not be opened.
- 24.3 The bidders' names, the Bid prices, the total amount of each Bid and of any alternative Bid (if alternatives have been requested or permitted), any discounts, Bid withdrawals, substitutions, or modifications, the presence or absence of Bid Security or Bid-Securing Declaration, if required, and such other details as the PE may consider appropriate, shall be announced by the Procurement Committee of the PE at the opening. No bid shall be rejected at bid opening except for the late bids pursuant to ITB Clause 22. Substitution Bids and modifications submitted pursuant to ITB

Clause 23 that are not opened and read out at bid opening shall not be considered for further evaluation regardless of the circumstances. Late, withdrawn and substituted bids shall be returned un-opened to bidders

24.4 The PE shall prepare Minutes of the Bid Opening, including the information disclosed, to those present, in accordance with ITB Sub-Clause 24.3.¹⁶

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

26. Clarification of Bids 26.1 To assist in the examination, evaluation, and comparison of Bids, the PE may, at the PE's discretion, ask any Bidder for clarification of the Bidder's Bid, including breakdowns of unit rates.¹⁷ 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 GOL in the evaluation of the Bids in accordance with ITB Clause 28.

27. Examination of Bids and Determination of Responsiveness 27.1 Prior to the detailed evaluation of Bids, the PE shall determine whether each Bid (a) meets the eligibility criteria defined in ITB Clause 4; (b) has been properly signed; (c) is accompanied by the Security or the Bid Securing Declaration, if required; and (d) is substantially responsive to the requirements of the Bidding Documents.

27.2 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 PE's or GOL's rights or the Bidder's obligations under the

¹⁶ *In respect of the World Bank (and generally donor funded jobs) A copy of the minutes should be sent by the GOL to the World Bank together with the Bid evaluation report, for contracts subject to prior review.*

¹⁷ *In lump sum contracts, delete "unit rates" and replace with "the prices in the Activity Schedule."*

Contract; or (c) whose rectification would affect unfairly the competitive position of other bidders presenting substantially responsive bids.

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

28. Correction of Errors

28.1 Bids determined to be substantially responsive shall be checked by the PE for any arithmetic errors. Errors shall be corrected by the PE as follows:¹⁸

- (a) where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern; and
- (b) where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted shall govern, unless in the opinion of the PE there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted shall govern, and the unit rate shall be corrected.

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

29. Currency for Bid Evaluation

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

¹⁸ *In lump sum contracts, delete from “as follows” to the end, and replace with the following: “as follows: where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.”*

- 30. Evaluation and Comparison of Bids**
- 30.1 The BEP of the PE shall evaluate and compare only the bids determined to be substantially responsive in accordance with ITB Clause 27.
- 30.2 In evaluating the bids, the BEP shall determine for each Bid the evaluated Bid price by adjusting the Bid price as follows:
- (a) making any correction for errors pursuant to ITB Clause 28;
 - (b) excluding provisional sums and the provision, if any, for contingencies in the Bill of Quantities,¹⁹ but including Daywork,²⁰ where priced competitively;
 - (c) making an appropriate adjustment for any other acceptable variations, deviations, or alternative offers submitted in accordance with ITB Clause 18; and
 - (d) making appropriate adjustments to reflect discounts or other price modifications offered in accordance with ITB Sub-Clause 23.5.
- 30.3 The PE 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 PE shall not be taken into account in Bid Evaluation.
- 30.4 The estimated effect of any price adjustment conditions under GCC Clause 47, during the period of implementation of the Contract, shall not be taken into account in Bid evaluation.
- 30.5²¹
- 31. Preference for Domestic Bidders**
- 31.1 If so **indicated in the BDS**, domestic contractors may receive a margin of preference in Bid Evaluation, for which this clause shall apply.²²

¹⁹ In lump sum contracts, delete "Bill of Quantities" and replace with "Activity Schedule."

²⁰ Daywork is work carried out following instructions of the Project Manager and paid for on the basis of time spent by workers, and the use of materials and the Contractor's equipment, at the rates quoted in the Bid. For Daywork to be priced competitively for Bid evaluation purposes, the GOL must list tentative quantities for individual items to be costed against Daywork (e.g., a specific number of tractor driver staff-days, or a specific tonnage of Portland cement), to be multiplied by the bidders' quoted rates and included in the total Bid price.

²¹ If the Bidding Documents include two or more lots, add ITB Sub-Clause 30.5: "In the case of several lots, pursuant to ITB Sub-Clause 30.2 (d), the PE shall determine the application of discounts so as to minimize the combined cost of all the lots."

²² This Clause may be used only where the domestic preference is expressly permitted by the Loan Agreement.

31.2 Domestic bidders shall provide all evidence necessary to prove that they meet the following criteria to be eligible for a 10 percent margin of preference in the comparison of their bids with those of bidders who do not qualify for the preference. They should:

- (a) be registered within the country of the Republic of Liberia;
- (b) have majority ownership by nationals of the Republic of Liberia;
- (c) not subcontract more than 10 percent of the Contract Price, excluding provisional sums, to foreign contractors.

31.3 The following procedure shall be used to apply the margin of preference:

- (a) Responsive bids shall be classified into the following groups:
 - (i) Group A: bids offered by domestic bidders and joint ventures meeting the criteria of ITB Sub-Clause 31.2; and
 - (ii) Group B: all other bids.
- (b) For the purpose of further evaluation and comparison of bids only, an amount equal to 10 percent of the evaluated Bid prices determined in accordance with ITB Sub-Clause 30.2 shall be added to all bids classified in Group B.

F. Award of Contract

32. Award Criteria

32.1 Subject to ITB Clause 33, the Contract shall be awarded 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 ITB Clause 4, and (b) qualified in accordance with the provisions of ITB Clause 5.

- 33. PE's Right to Accept any Bid and to Reject any or all Bids**
- 33.1 Notwithstanding ITB Clause 32, the PE 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 PE's action.²³
- 34. Notification of Award and Signing of Agreement**
- 34.1 The Bidder whose Bid has been accepted shall be notified of the award by the PE prior to expiration of the Bid validity period in writing. This letter (hereinafter and in the GCC called the "Letter of Acceptance") shall state the sum that the PE shall pay the Contractor in consideration of the execution, completion, and maintenance of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Contract called the "Contract Price").
- 34.2 The Letter of Acceptance shall constitute the formation of the Contract, subject to the Bidder furnishing the Performance Security in accordance with ITB Clause 35 and signing the Agreement in accordance with ITB Sub-Clause 34.3.
- 34.3 The Agreement shall incorporate all agreements between the GOL and the successful Bidder. It shall be signed by the GOL and sent to the successful Bidder, within 28 days following the Letter of Acceptance's date. Within 21 days of receipt, the successful Bidder shall sign the Agreement and deliver it to the GOL.
- 34.4 The PE shall publish in the (*insert appropriate publication*) e.g. *Public Procurement Bulletin*) the results identifying the bid and lot numbers and the following information: (i) name of each bidder who submitted a bid; (ii) bid prices as read out at bid opening; (iii) name and evaluated prices of each bid that was evaluated; (iv) name of bidders whose bids were rejected and the reasons for their rejection; and (v) name of the winning bidder, and the price it offered, as well as the duration and summary scope of the contract awarded. After publication of the award, unsuccessful bidders may request in writing to the Purchaser for a debriefing seeking explanations for the failure of their bids. The Purchaser shall promptly respond in writing to any unsuccessful Bidder who, after publication of contract award requests the Purchaser in writing to explain on which grounds its bid was not selected.

²³ PE's shall not reject bids or annul bidding processes, except as permitted by virtue of the Public Procurement & Concessions Act (PPCA).

-
- 35. Performance Security**
- 35.1 Within 21 days after receipt of the Letter of Acceptance, the successful Bidder shall sign the contract and deliver to the PE a Performance Security in the amount stipulated in the GCC and in the form (**Bank** Guarantee or Bond) **stipulated in the BDS**, denominated in the type and proportions of currencies in the Letter of Acceptance and in accordance with the GCC.
- 35.2 If the Performance Security is provided by the successful Bidder in the form of a Bank Guarantee, it shall be issued at the Bidder's option, by a bank located in the country of the PE, or by a foreign bank acceptable to the PE through a correspondent bank located in Liberia.
- 35.3 If the Performance Security is to be provided by the successful Bidder in the form of a Bond, it shall be issued by a surety which the Bidder has determined to be acceptable to the PE.
- 35.4 Failure of the successful Bidder to comply with the requirements of ITB Sub-Clauses 35.1 and 34.3 shall constitute sufficient grounds for cancellation of the award and forfeiture of the Bid Security or execution of the Bid-Securing Declaration. Upon the successful Bidder's, signing of the Agreement and furnishing of the Performance Security pursuant to ITB Clause 35.1, the PE shall promptly notify the name of the winning bidder to each unsuccessful bidder and shall discharge the Bid Securities of the unsuccessful bidders pursuant to ITB Clause 17.4.
- 36. Advance Payment and Security**
- 36.1 The PE shall provide an Advance Payment on the Contract Price as stipulated in the GCC, subject to a maximum amount, as **stated in the BDS**. The Advance Payment shall be guaranteed by a Security. Section X "Security Forms" provides a Bank Guarantee for Advance Payment form.
- 37. Adjudicator**
- 37.1 The PE proposes the person **named in the BDS** to be appointed as Adjudicator under the Contract, at an hourly fee **specified in the BDS**, plus reimbursable expenses. If the Bidder disagrees with this proposal, the Bidder should so state in the Bid. If, in the Letter of Acceptance, the PE has not agreed on the appointment of the Adjudicator, the Adjudicator shall be appointed by the Appointing Authority designated in the BDS and the SCC at the request of either party.

Section II. Bidding Data Sheet²⁴

A. General	
ITB 1.1	<p>The Employer is <i>[Insert the Procuring Entity of the GOL]</i></p> <p>The Works are <i>[Insert brief description of the Works]</i></p> <p>The name and identification of the contract are <i>[insert name and identification number of contract]</i></p>
ITB 1.2	The Intended Completion Date is <i>[insert date or implementation period in days]</i>
ITB 2.1	The Employer is <i>[insert name of Employer being the Procuring Entity acting on behalf of the GOL, if different from the GOL].</i>
ITB 2.1	
ITB 2.1	<p>The Project is <i>[insert name and summary description of the Project]</i></p> <p>The loan/credit number is <i>[insert number if available].</i></p>
ITB 4.3	.
ITB 5.3²⁵	The information required from bidders in ITB Sub-Clause 5.3 is modified as follows: <i>[list any additions or deletions to list in ITB Sub-Clause 5.3; otherwise list "none"]</i> .
ITB 5.3 (j)	The threshold for sub contractor's participation is: <i>[Insert the percentage]</i>
ITB 5.4	The qualification data required from bidders in ITB Sub-Clause 5.4 are modified as follows: <i>[list any additions or deletions to list in ITB Sub-Clause 5.4; otherwise list "none"]</i> .
ITB 5.5	The qualification criteria in ITB Sub-Clause 5.5 are modified as follows: <i>[list any additions or deletions to list in ITB Sub-Clause 5.5; otherwise insert t "none"]</i> .
ITB 5.5 (a)	<p>The multiple is: <i>[insert multiple; usually two]</i></p> <p>The period is: <i>[insert number of years; usually 5 years]</i></p>

²⁴ This section should be filled out by the PE before issuance of the Bidding Documents.

²⁵ Delete if pre-qualification has been conducted.

ITB 5.5 (b)	The number is: <i>[insert number; usually two]</i> The period is: <i>[insert number of years; usually 5 years]</i>
ITB 5.5 (c)	The essential equipment to be made available for the Contract by the successful Bidder shall be: <i>[insert equipment list]</i> .
ITB 5.5 (e)²⁶	The minimum amount of liquid assets and/or credit facilities net of other contractual commitments of the successful Bidder shall be <i>[insert figure in international trading currency specified in Bidding Data]</i> .
ITB 5.6	Subcontractors' experience and resources <i>[insert "shall" or "shall not"]</i> be taken into account.
B. Bidding Documents	
ITB 10.1	The Employer's address for clarification is: <i>[insert address]</i>
C. Preparation of Bids	
ITB 12.1	The language of the bid is: <i>[Insert English]</i> <i>Bidders are to submit their bids in English as above indicated. Bidders shall not submit bids in more than one language. The Contract to be signed with the winning Bidder shall be written in the English language in which the Bid was submitted, which shall be the language that shall govern the contractual relations between the GOL/PE and the winning Bidder. A Bidder shall not sign a translated version of its Contract"]</i>
ITB 13.1	Any additional materials required to be completed and submitted by the Bidders are <i>[insert list, if none, state "none"]</i> .
ITB 14.4	The Contract <i>[specify "is" or "is not"]</i> subject to price adjustment in accordance with GCC Clause 47. <i>[Price adjustment is mandatory when the expected completion time exceeds 18 months]</i>
ITB 15.1	The currency of the Republic of Liberia is <i>[Name of the currency]</i> .
ITB 15.2	The authority for establishing the rates of exchange shall be <i>[insert name, usually the Central Bank of Liberia]</i> .
ITB 15.4	Bidders <i>[insert "are" or "are not"]</i> required to substantiate the rates and prices

²⁶ Delete if pre-qualification has been conducted.

ITB 16.1	The Bid shall be valid for <i>[insert number of days]</i>
ITB 17.1	<p><i>[Select one of the following options]</i></p> <ul style="list-style-type: none"> • No Bid Security is required. OR • Bid shall include a Bid Security issued by a bank or a by a surety using the form for bid security (bank guarantee or bid bond) included in Section X Security Forms. The Bid Security shall be <i>[insert amount in local currency should be the same as provided in the Invitation to Bid]</i> or an equivalent amount in a freely convertible currency. OR • Bid shall include a Bid-Securing Declaration using the form included in Section X.”
ITB 17.2	The Bid Security amount is <i>[insert amount. It should not exceed 3 percent of the estimated value of the Works. For reasons of confidentiality, a fixed sum should be specified, in preference to a percentage of the Bid price.]</i>
ITB 18.1	<p>Alternative Bids <i>[insert “shall be” or “shall not be”]</i> considered.</p> <p><i>[If alternatives shall be considered insert “the GOL shall only consider (insert “Option One” or” Option Two”)].</i></p>
ITB 19.1	The number of copies of the Bid to be completed and returned shall be <i>[insert number of copies]</i>
D. Submission of Bids	
ITB 20.1	Bidders may submit their bids electronically: <i>[insert “Yes” or “No”; if yes insert description of the procedures].</i>
ITB 20.2 (a)	<p>The PE’s address for the purpose of Bid submission is <i>[insert the receiving address provided in the Invitation for Bids:</i></p> <p><i>Attention:</i>;</p> <p><i>Address:</i>;</p> <p><i>Floor-Room number:</i></p> <p><i>City, ZIP Code:</i>;</p> <p><i>Country:]</i>.</p>
ITB 20.2 (b)	Name and Identification number of the contract as given in ITB 1.1 above in this sheet.

ITB 20.2 (c)	The warning should read “DO NOT OPEN BEFORE <i>[insert date and time]</i> ”
ITB 21.1	The deadline for submission of bids shall be <i>[insert time and date]</i> ;
E. Bid Opening and Evaluation	
ITB 24.1	The bid opening shall take place at: <i>[insert precise address including room #]</i> Date: <i>[insert date]</i> ; Time: <i>[insert time]</i>
ITB 31.1	Domestic contractors <i>[insert “may” or “shall not,” as appropriate]</i> receive a margin of preference in Bid evaluation.
F. Award of Contract	
ITB 35.1	The Standard Form of Performance Security acceptable to the GOL shall be <i>[insert “a Bank Guarantee” or “a Performance Bond”]</i> . <i>[A Bank Guarantee shall be unconditional (on demand) (see Section X: Security Forms). An amount of 5 to 10 percent of the Contract Price is commonly specified for Performance Bank Guarantees. A Performance Bond is an undertaking by a bonding or insurance company (surety) to complete the construction in the event of default by the Contractor, or to pay the amount of the Bond to the GOL. An amount of 30 percent of the Contract Price is commonly used internationally for this type of security (see Section X: Security Forms).]</i>
ITB 36.1	The Advance Payment shall be limited to <i>[insert percentage]</i> percent of the Contract Price. <i>[Normally 10 to 30 percent of the Contract Price. The amount shall be adequate to minimize the needs of the Contractor to borrow for the Contract, notably in foreign currency(ies).]</i>
ITB 37.1	The Adjudicator proposed by the GOL/PE is <i>[insert name and address]</i> . The hourly fee for this proposed Adjudicator shall be <i>[insert amount and currency]</i> . The biographical data of the proposed Adjudicator is as follows: <i>[provide relevant information, such as education, experience, age, nationality, and present position; attach additional pages as necessary].</i> The Appointing Authority is <i>[insert complete legal name and address]</i>

Section III. Eligible Countries

TO BE DELETED WHEN ISSUING BID DOCUMENTS

1. Subject to the Provisions of the PPCA, the GOL permits firms and individuals from all countries to offer goods, works and services to PE in Liberia. As an exception, firms of a Country or goods manufactured in a Country may be excluded if:

As a matter of law or official regulation, the GOL prohibits commercial relations with that Country, provided that such exclusion does not preclude effective competition for the supply of the Goods or Works required, or

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 GOL prohibits any import of goods from that Country or any payments to persons or entities in that Country.

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

- (a) *[insert list of countries prohibited under official regulations of the country] if applicable*
- (b) *[insert list of countries which are barred under UN Security Council Chapter VII]*

(TO BE DELETED if not applicable)

**Section IV. Forms of Bid, Qualification Information,
Letter of Acceptance, and Agreement**

1. Contractor's Bid

The **Bidder** shall fill in and submit this Bid form with the Bid.

If the Bidder object to the Adjudicator proposed by the GOL in the Bidding Documents, it should so state in its Bid, and present an alternative candidate together with the candidate's daily fees and biographical data, in accordance with ITB Clause 37.

date]

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

To: *[name and address of PE]*

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

The Contract shall be paid in the following currencies:

Currency	Percentage payable in currency	Rate of exchange: one foreign equals <i>[insert local]</i>	Inputs for which foreign currency is required
(a)			
(b)			

The advance payment required is:

Amount	Currency
(a)	
(b)	

This Bid and your written acceptance of it shall constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Bid you receive.

We hereby confirm that this Bid complies with the Bid validity and, if required, Bid Security or Bid-Securing Declaration as required by the Bidding Documents and specified in the BDS.

We, including any subcontractors or suppliers for any part of the Contract, have nationalities from eligible countries in accordance with ITB Sub-Clause 4.1;

We accept the appointment of *[insert name proposed in Bid Data Sheet]* as the Adjudicator

[or]

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

We have no conflict of interest in accordance with ITB Sub-Clause 4.2;

Our firm, its affiliates or subsidiaries—including any subcontractors or suppliers for any part of the contract—has not been declared ineligible by the **GOL**, or under the GOL's country laws or official regulations, in accordance with ITB Sub-Clauses 4.3 and 4.4.

Commissions or gratuities, if any, paid or to be paid by us to agents relating to this Bid, and to contract execution if we are awarded the contract, are listed below:

Name and address of agent	Amount and Currency	Purpose of Commission or gratuity
_____	_____	_____
_____	_____	_____
_____	_____	_____
(if none, state "none")		

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Bidder: _____

Address: _____

2. Qualification Information

*[The information to be filled in by **bidders** in the following pages shall be used for purposes of post-qualification or for verification of pre-qualification as provided for in ITB Clause 5. This information shall not be incorporated in the Contract. Attach additional pages as necessary. Pertinent sections of attached documents should be translated into English. If used for pre-qualification verification, the Bidder should fill in updated information only.]*

1. Individual Bidders or Individual Members of Joint Ventures

- 1.1 Constitution or legal status of Bidder: *[attach copy]*
 Place of registration: *[insert]*
 Principal place of business: *[insert]*
 Power of attorney of signatory of Bid: *[attach]*
- 1.2 Annual amounts of construction works performed during the last *[insert number pursuant to BDS sub clause 4.5(a)]* years *[insert amounts in the national currency equivalent]*
- 1.3 Number *[insert number pursuant to BDS sub clause 4.5 (b)]* of works of a nature and amount similar to the Works performed as prime Contractor over the last *[insert number pursuant to BDS 4.5(b)]* years. *[The amounts should be indicated in the same currency used for Item 1.2 above. Also list details of work under way or committed, including expected completion date(s).]*

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

- 1.4 Major items of Contractor's Equipment proposed for carrying out the Works. *[List all information requested below. Refer also to ITB Sub-Clause 5.3 (d).]*

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

- 1.5 Qualifications and experience of key personnel proposed for administration and execution of the Contract. *[Attach biographical data. Refer also to ITB Sub-Clause 5.3 (e) and GCC Sub-Clause 9.1.]*

Position	Name	Years of experience (general)	Years of experience in proposed position
(a)			
(b)			

- 1.6 Proposed subcontracts and firms involved. Refer to GCC Clause 7.

Sections of the Works	Value of subcontract	Subcontractor (name and address)	Experience in similar work
(a)			
(b)			

- 1.7 Financial reports for the last *[insert number; usually 5]* years: balance sheets, profit and loss statements, auditors' reports, etc. *[List below and attach copies.]*
- 1.8 Evidence of access to financial resources to meet the qualification requirements: cash in hand, lines of credit, etc. List below and attach copies of support documents.
- 1.9 Name, address, and telephone, telex, and facsimile numbers of banks that may provide references if contacted by the GOL/PE.
- 1.10 Information on current litigation(s) in which the Bidder is involved.
- 1.11 Evidence of payment of social security contributions, where applicable

Other party(ies)	Cause of dispute	Amount involved
(a)		
(b)		

- 1.11 Proposed Program (work method and schedule). Descriptions, drawings, and charts, as necessary, to comply with the requirements of the Bidding Documents.

- 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 shall be nominated as being in charge, authorized to incur liabilities, and receive instructions for and on behalf of any and all partners of the 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 the BDS.

3. Letter of Acceptance

[letterhead paper of the Procuring Entity or GOL]

[The Letter of Acceptance shall be the basis for formation of the Contract as described in ITB Clauses 34 and 35. This Standard Form of Letter of Acceptance shall be filled in and sent to the successful Bidder only after evaluation of bids has been completed.

[insert date]

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

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

This is to notify you that your Bid dated *[insert date]* for execution of the *[insert name of the Contract and identification number, as given in the SCC]* for the Contract Price of the equivalent²⁷ of *[insert amount in numbers and words]* *[insert name of currency]*, as corrected and modified²⁸ in accordance with the Instructions to Bidders is hereby accepted by us.

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

- (a) We accept that *[insert name proposed by bidder]* be appointed as the Adjudicator.
- (b) We do not accept that *[insert name of proposed by bidder]* be appointed as Adjudicator and by sending a copy of this Letter of Acceptance to *[insert name of the Appointing Authority]*, we are hereby requesting *[insert name]*, the Appointing Authority to appoint the Adjudicator in accordance with ITB Clause 37.1.

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

Authorized Signature: _____

Name and Title of Signatory: _____

Name of PE: _____

Attachment: Agreement

²⁷ Delete "of the equivalent" if the Contract Price is expressed wholly in one currency.

²⁸ Delete "corrected and" or "and modified" if not applicable. See Notes on Standard Form of Agreement, next page.

4. Agreement

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

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

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

Now this Agreement witnesseth as follows:

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

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

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

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

Binding Signature of Employer *[signature of an authorized representatives of the GOL]*

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

Note:

Representatives of the GOL serving as authorized signatories shall include:

- 1. The Minister Responsible for Finance ;*
- 2. The Minister Responsible for Justice;*
- 3. The Head of the Procuring Entity executing the Project.*

Section V. General Conditions of Contract

TO BE DELETED BEFORE BIDDING DOCUMENTS ARE ISSUED

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

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

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

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

Table of Clauses

A. General.....	44
1. Definitions.....	44
2. Interpretation.....	46
3. Language and Law	47
4. Project Manager’s Decisions	47
5. Delegation	47
6. Communications	47
7. Subcontracting	47
8. Other Contractors.....	47
9. Personnel.....	47
10. GOL’s and Contractor’s Risks.....	48
11. GOL’s Risks.....	48
12. Contractor’s Risks.....	48
13. Insurance	49
14. Site Investigation Reports	49
15. Queries about the the Special Conditions of Contract	49
16. Contractor to Construct the Works	50
17. The Works to Be Completed by the Intended Completion Date	50
18. Approval by the Project Manager	50
19. Safety	50
20. Discoveries.....	50
21. Possession of the Site.....	50
22. Access to the Site	50
23. Instructions.....	51
24. Disputes.....	51
25. Procedure for Disputes.....	51
26. Replacement of Adjudicator	51
B. Time Control.....	52
27. Program.....	52
28. Extension of the Intended Completion Date	52
29. Acceleration	52
30. Delays Ordered by the Project Manager	53
31. Management Meetings	53
32. Early Warning	53
C. Quality Control	53
33. Identifying Defects	53
34. Tests	54
35. Correction of Defects	54
36. Uncorrected Defects.....	54

D. Cost Control.....	54
37. Bill of Quantities.....	54
38. Changes in the Quantities	54
39. Variations.....	55
40. Payments for Variations.....	55
41. Cash Flow Forecasts	56
42. Payment Certificates	56
43. Payments	56
44. Compensation Events.....	57
45. Tax	58
46. Currencies	58
47. Price Adjustment.....	58
48. Retention.....	59
49. Liquidated Damages	59
50. Bonus	60
51. Advance Payment	60
52. Securities.....	60
53. Dayworks	61
54. Cost of Repairs.....	61
E. Finishing the Contract	61
55. Completion.....	61
56. Taking Over	61
57. Final Account.....	61
58. Operating and Maintenance Manuals	62
59. Termination.....	62
60. Payment upon Termination.....	63
61. Property.....	64
62. Release from Performance	64
63. Suspension of World Bank Loan or Credit.....	64

General Conditions of Contract

A. General

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

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

made or approved by the Project Manager.

- (z) The **Start Date** is **given in the SCC**. It is the latest date when the Contractor shall commence execution of the Works. It does not necessarily coincide with any of the Site Possession Dates.
- (aa) A **Subcontractor** is a person or corporate body who has a Contract with the Contractor to carry out a part of the work in the Contract, which includes work on the Site.
- (bb) **Temporary Works** are works designed, constructed, installed, and removed by the Contractor that are needed for construction or installation of the Works.
- (cc) A **Variation** is an instruction given by the Project Manager which varies the Works.
- (dd) The **Works** are what the Contract requires the Contractor to construct, install, and turn over to the GOL, **as defined in the SCC**.

2. Interpretation

- 2.1 In interpreting these GCC, 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 Project Manager shall provide instructions clarifying queries about these GCC.
- 2.2 If sectional completion is **specified in the SCC**, references in the GCC to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).
- 2.3 The documents forming the Contract shall be interpreted in the following order of priority:
 - (ee) Agreement,
 - (ff) Letter of Acceptance,
 - (gg) Contractor's Bid,
 - (hh) Special Conditions of Contract,
 - (ii) General Conditions of Contract,
 - (jj) Specifications,

- (kk) Drawings,
- (ll) Bill of Quantities,²⁹ and
- (mm) any other document **listed in the SCC** as forming part of the Contract.
- 3. Language and Law** 3.1 The language of the Contract and the law governing the Contract are **stated in the SCC**.
- 4. Project Manager's Decisions** 4.1 Except where otherwise specifically stated, the Project Manager shall decide contractual matters between the Employer and the Contractor in the role representing the Employer.
- 5. Delegation** 5.1 The Project Manager may delegate any of his duties and responsibilities to other people, except to the Adjudicator, after notifying the Contractor, and may cancel any delegation after notifying the Contractor.
- 6. Communications** 6.1 Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is delivered.
- 7. Subcontracting** 7.1 The Contractor may subcontract with the approval of the Project Manager, but may not assign the Contract without the approval of the Employer in writing. Subcontracting shall not alter the Contractor's obligations.
- 8. Other Contractors** 8.1 The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Employer between the dates given in the Schedule of Other Contractors, as **referred to in the SCC**. The Contractor shall also provide facilities and services for them as described in the Schedule. The Employer may modify the Schedule of Other Contractors, and shall notify the Contractor of any such modification.
- 9. Personnel** 9.1 The Contractor shall employ the key personnel named in the Schedule of Key Personnel, as **referred to in the SCC**, to carry out the functions stated in the Schedule or other personnel approved by the Project Manager. The Project Manager shall approve any proposed replacement of key personnel only if their relevant qualifications and abilities are substantially equal to or better than those of the personnel listed in the Schedule.
- 9.2 If the Project Manager asks the Contractor to remove a person who is a member of the Contractor's staff or work force, stating

²⁹ In lump sum contracts, delete "Bill of Quantities" and replace with "Activity Schedule."

the reasons, the Contractor shall ensure that the person leaves the Site within seven days and has no further connection with the work in the Contract.

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

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

**11. Employer's
Risks**

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

(a) The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment), which are due to

(i) use or occupation of the Site by the Works or for the purpose of the Works, which is the unavoidable result of the Works or

(ii) negligence, breach of statutory duty, or interference with any legal right by the Employer or by any person employed by or contracted to him except the Contractor.

(b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Employer or in the Employer's design, or due to war or radioactive contamination directly affecting the country where the Works are to be executed.

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

(a) a Defect which existed on the Completion Date,

(b) an event occurring before the Completion Date, which was not itself an Employer's risk, or

(c) the activities of the Contractor on the Site after the Completion Date.

**12. Contractor's
Risks**

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

are Contractor's risks.

13. Insurance

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

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

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

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

13.4 Alterations to the terms of an insurance shall not be made without the approval of the Project Manager.

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

14. Site Investigation Reports

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

15. Queries about the Special Conditions of Contract

15.1 The Project Manager shall clarify queries on the **SCC**.

-
- 16. Contractor to Construct the Works** 16.1 The Contractor shall construct and install the Works in accordance with the Specifications and Drawings.
- 17. The Works to Be Completed by the Intended Completion Date** 17.1 The Contractor may commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program submitted by the Contractor, as updated with the approval of the Project Manager, and complete them by the Intended Completion Date.
- 18. Approval by the Project Manager** 18.1 The Contractor shall submit Specifications and Drawings showing the proposed Temporary Works to the Project Manager, who is to approve them if they comply with the Specifications and Drawings.
- 18.2 The Contractor shall be responsible for design of Temporary Works.
- 18.3 The Project Manager's approval shall not alter the Contractor's responsibility for design of the Temporary Works.
- 18.4 The Contractor shall obtain approval of third parties to the design of the Temporary Works, where required.
- 18.5 All Drawings prepared by the Contractor for the execution of the temporary or permanent Works, are subject to prior approval by the Project Manager before this use.
- 19. Safety** 19.1 The Contractor shall be responsible for the safety of all activities on the Site.
- 20. Discoveries** 20.1 Anything of historical or other interest or of significant value unexpectedly discovered on the Site shall be the property of the Employer. The Contractor shall notify the Project Manager of such discoveries and carry out the Project Manager's instructions for dealing with them.
- 21. Possession of the Site** 21.1 The Employer shall give possession of all parts of the Site to the Contractor. If possession of a part is not given by the date **stated in the SCC**, the Employer shall be deemed to have delayed the start of the relevant activities, and this shall be a Compensation Event.
- 22. Access to the Site** 22.1 The Contractor shall allow the Project Manager and any person authorized by the Project Manager access to the Site and to any place where work in connection with the Contract is being carried out or is intended to be carried out.

- 23. Instructions, Inspections and Audits** 23.1 The Contractor shall carry out all instructions of the Project Manager which comply with the applicable laws where the Site is located.
- 24. Disputes** 24.1 If the Contractor believes that a decision taken by the Project Manager was either outside the authority given to the Project Manager by the Contract or that the decision was wrongly taken, the decision shall be referred to the Adjudicator within 14 days of the notification of the Project Manager's decision.
- 25. Procedure for Disputes** 25.1 The Adjudicator shall give a decision in writing within 28 days of receipt of a notification of a dispute.
- 25.2 The Adjudicator shall be paid by the hour at the **rate specified in the BDS and SCC**, together with reimbursable expenses of the types specified in the Contract Data, and the cost shall be divided equally between the Employer and the Contractor, whatever decision is reached by the Adjudicator. Either party may refer a decision of the Adjudicator to an Arbitrator within 28 days of the Adjudicator's written decision. If neither party refers the dispute to arbitration within the above 28 days, the Adjudicator's decision shall be final and binding.
- 25.3 The arbitration shall be conducted in accordance with the arbitration procedures published by the institution named and in the place specified **in the SCC**.
- 26. Replacement of Adjudicator** 26.1 Should the Adjudicator resign or die, or should the Employer and the Contractor agree that the Adjudicator is not functioning in accordance with the provisions of the Contract, a new Adjudicator shall be jointly appointed by the Employer and the Contractor. In case of disagreement between the Employer and the Contractor, within 30 days, the Adjudicator shall be designated by the Appointing Authority **designated in the SCC** at the request of either party, within 14 days of receipt of such request.

B. Time Control

- 27. Program**
- 27.1 Within the time **stated in the SCC**, after the date of the Letter of Acceptance, the Contractor shall submit to the Project Manager for approval a Program showing the general methods, arrangements, order, and timing for all the activities in the Works.
- 27.2 An update of the Program shall be a program showing the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities.
- 27.3 The Contractor shall submit to the Project Manager for approval an updated Program at intervals no longer than the period **stated in the SCC**. If the Contractor does not submit an updated Program within this period, the Project Manager may withhold the amount **stated in the SCC** from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program has been submitted.
- 27.4 The Project Manager's approval of the Program shall not alter the Contractor's obligations. The Contractor may revise the Program and submit it to the Project Manager again at any time. A revised Program shall show the effect of Variations and Compensation Events.
- 28. Extension of the Intended Completion Date**
- 28.1 The Project Manager shall extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date without the Contractor taking steps to accelerate the remaining work, which would cause the Contractor to incur additional cost.
- 28.2 The Project Manager shall decide whether and by how much to extend the Intended Completion Date within 21 days of the Contractor asking the Project Manager for a decision upon the effect of a Compensation Event or Variation and submitting full supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.
- 29. Acceleration**
- 29.1 When the Employer wants the Contractor to finish before the Intended Completion Date, the Project Manager shall obtain priced proposals for achieving the necessary acceleration from

the Contractor. If the Employer accepts these proposals, the Intended Completion Date shall be adjusted accordingly and confirmed by both the Employer and the Contractor.

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

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

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

**31. Management
Meetings**

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

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

32. Early Warning

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

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

C. Quality Control

**33. Identifying
Defects**

33.1 The Project Manager shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The

Project Manager may instruct the Contractor to search for a Defect and to uncover and test any work that the Project Manager considers may have a Defect.

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

D. Cost Control

- 37. Bill of Quantities**³⁰ 37.1 The Bill of Quantities shall contain items for the construction, installation, testing, and commissioning work to be done by the Contractor.
- 37.2 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.
- 38. Changes in the Quantities**³¹ 38.1 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

³⁰ In lump sum contracts, delete "Bill of Quantities" and replace with "Activity Schedule," and replace GCC Sub-Clauses 37.1 and 37.2, as follows:

37.1 The Contractor shall provide updated Activity Schedules within 14 days of being instructed to by the Project Manager. The activities on the Activity Schedule shall be coordinated with the activities on the Program.

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

³¹ In lump sum contracts, delete "Bill of Quantities" and replace with "Activity Schedule," and replace entire GCC Clause 38 with new GCC Sub-Clause 38.1, as follows:

percent, provided the change exceeds 1 percent of the Initial Contract Price, the Project Manager shall adjust the rate to allow for the change.

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

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

39. Variations

39.1 All Variations shall be included in updated Programs³² produced by the Contractor.

40. Payments for Variations

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

40.2 If the work in the Variation corresponds with an item description in the Bill of Quantities and if, in the opinion of the Project Manager, 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.³³

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

40.4 If the Project Manager decides that the urgency of varying the work would prevent a quotation being given and considered

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

³² *In lump sum contracts, add "and Activity Schedules" after "Programs."*

³³ *In lump sum contracts, delete this paragraph.*

without delaying the work, no quotation shall be given and the Variation shall be treated as a Compensation Event.

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

41. Cash Flow Forecasts

41.1 When the Program³⁴ is updated, the Contractor shall provide the Project Manager with an updated cash flow forecast. The cash flow forecast shall include different currencies, as defined in the Contract, converted as necessary using the Contract exchange rates.

42. Payment Certificates

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

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

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

42.4 The value of work executed shall comprise the value of the quantities of the items in the Bill of Quantities completed.³⁵

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

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

43. Payments

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

³⁴ *In lump sum contracts, add "or Activity Schedule" after "Program."*

³⁵ *In lump sum contracts, replace this paragraph with the following: "The value of work executed shall comprise the value of completed activities in the Activity Schedule."*

- 43.2 If an amount certified is increased in a later certificate or as a result of an award by the Adjudicator or an Arbitrator, the Contractor shall be paid interest upon the delayed payment as set out in this clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.
- 43.3 Unless otherwise stated, all payments and deductions shall be paid or charged in the proportions of currencies comprising the Contract Price.
- 43.4 Items of the Works for which no rate or price has been entered in shall not be paid for by the Employer and shall be deemed covered by other rates and prices in the Contract.

**44. Compensation
Events**

- 44.1 The following shall be Compensation Events:
- (a) The Employer does not give access to a part of the Site by the Site Possession Date pursuant to GCC Sub-Clause 21.1.
 - (b) The Employer modifies the Schedule of Other Contractors in a way that affects the work of the Contractor under the Contract.
 - (c) The Project Manager orders a delay or does not issue Drawings, Specifications, or instructions required for execution of the Works on time.
 - (d) The Project Manager instructs the Contractor to uncover or to carry out additional tests upon work, which is then found to have no Defects.
 - (e) The Project Manager unreasonably does not approve a subcontract to be let.
 - (f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Letter of Acceptance from the information issued to bidders (including the Site Investigation Reports), from information available publicly and from a visual inspection of the Site.
 - (g) The Project Manager gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.
 - (h) Other contractors, public authorities, utilities, or the Employer 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 Project Manager unreasonably delays issuing a Certificate of Completion.

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

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

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

45. Tax

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

46. Currencies

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

47. Price Adjustment

47.1 Prices shall be adjusted for fluctuations in the cost of inputs only if **provided for in the SCC**. If so provided, the amounts certified in each payment certificate, before deducting for Advance Payment, shall be adjusted by applying the respective

price adjustment factor to the payment amounts due in each currency. A separate formula of the type indicated below applies to each Contract currency:

$$P_c = A_c + B_c \text{ Imc/Ioc}$$

where:

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

A_c and B_c are coefficients³⁶ **specified in the SCC**, representing the nonadjustable and adjustable portions, respectively, of the Contract Price payable in that specific currency “c;” and

Imc is the index prevailing at the end of the month being invoiced and Ioc is the index prevailing 28 days before Bid opening for inputs payable; both in the specific currency “c.”

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

48. Retention

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

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

48.3 On completion of the whole Works, the Contractor may substitute retention money with an “on demand” Bank guarantee.

49. Liquidated Damages

49.1 The Contractor shall pay liquidated damages to the Employer at the rate per day **stated in the SCC** for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the

³⁶ *The sum of the two coefficients A_c and B_c should be 1 (one) in the formula for each currency. Normally, both coefficients shall be the same in the formulae for all currencies, since coefficient A, for the nonadjustable portion of the payments, is a very approximate figure (usually 0.15) to take account of fixed cost elements or other nonadjustable components. The sum of the adjustments for each currency are added to the Contract Price.*

amount **defined in the SCC**. The Employer may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor's liabilities.

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

50. Bonus

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

51. Advance Payment

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

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

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

52. Securities

52.1 The Performance Security shall be provided to the Employer no later than the date specified in the Letter of Acceptance and shall

be issued in an amount **specified in the SCC**, by a bank or surety acceptable to the Employer, and denominated in the types and proportions of the currencies in which the Contract Price is payable. The Performance Security shall be valid until a date 28 days 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 Completion Certificate in the case of a Performance Bond.

53. Dayworks

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

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

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

54. Cost of Repairs

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

E. Finishing the Contract

55. Completion

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

56. Taking Over

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

57. Final Account

57.1 The Contractor shall supply the Project Manager with a detailed account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Project Manager shall issue a Defects Liability Certificate and certify any final payment that is due to the Contractor within 56 days of receiving the Contractor's account if it is correct and complete. If it is not, the Project Manager shall issue within 56 days a schedule that states the scope of the corrections or

additions that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Project Manager shall decide on the amount payable to the Contractor and issue a payment certificate.

58. Operating and Maintenance Manuals

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

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

59. Termination

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

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

- (a) the Contractor stops work for 28 days when no stoppage of work is shown on the current Program and the stoppage has not been authorized by the Project Manager;
- (b) the Project Manager instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 28 days;
- (c) the Employer or the Contractor is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
- (d) a payment certified by the Project Manager is not paid by the Employer to the Contractor within 84 days of the date of the Project Manager’s certificate;
- (e) the Project Manager gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Project Manager;
- (f) the Contractor does not maintain a Security, which is required; and
- (g) the Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as **defined in the SCC**.

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

For the purpose of this paragraph:

- (i) “corrupt practice” means the offering, giving, receiving or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.
- (ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Employer, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Employer of the benefits of free and open competition.
- (i) (iii) “collusive practice” means a scheme or arrangement between two or more Bidders, with or without the knowledge of the Employer, designed to establish bid prices at artificial, noncompetitive levels; and
- (iv) “coercive practice” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract;

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

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

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

60. Payment upon Termination

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

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

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

61. Property

61.1 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.

62. Release from Performance

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

63. Suspension of World Bank Loan or Credit

63.1 In the event that the World Bank suspends the Loan or Credit to the Employer, from which part of the payments to the Contractor are being made:

- (a) The Employer is obligated to notify the Contractor of such suspension within 7 days of having received the World Bank's suspension notice.
- (b) If the Contractor has not received sums due it within the 28 days for payment provided for in Sub-Clause 43.1, the Contractor may immediately issue a 14-day termination notice.

Section VI. Special Conditions of Contract

Except where otherwise indicated, all SCC should be filled in by the Procuring Entity/GOL prior to issuance of the Bidding Documents. Schedules and reports to be provided by the Procuring Entity/GOL should be annexed.

A. General	
GCC 1.1 (m)	The Defects Liability Period is <i>[insert period of time calculated from the Completion Date]</i>
GCC 1.1 (o)	The Employer is <i>[insert name, address, and name of Procuring Entity]</i> .
GCC 1.1 (r)	The Intended Completion Date for the whole of the Works shall be <i>[insert date]</i> <i>[If different dates are specified for completion of the Works by section (“sectional completion” or milestones), these dates should be listed here]</i>
GCC 1.1 (u)	The Project Manager is <i>[insert name, address, and name of authorized representative]</i> .
GCC 1.1 (w)	The Site is located at <i>[insert address of Site]</i> and is defined in drawings No. <i>[insert numbers]</i>
GCC 1.1 (z)	The Start Date shall be <i>[insert date]</i> .
GCC 1.1 (dd)	The Works consist of <i>[insert brief summary, including relationship to other contracts under the Project]</i> .
GCC 2.2	Sectional Completions are: <i>[insert nature and dates, if appropriate]</i>
GCC 2.3(i)	The following documents also form part of the Contract: <i>[list documents]</i>
GCC 3.1	The language of the contract is <i>[insert name of the language. The language shall be that of the bid]</i> . The law that applies to the Contract is the law of <i>[insert name of Country]</i> .
GCC 8.1	Schedule of other contractors: <i>[insert Schedule of Other Contractors, if appropriate]</i>
GCC 9.1	Key Personnel: <i>[insert Schedule of Key Personnel]</i>
GCC 13.1	The minimum insurance amounts and deductibles shall be:

	<p>(a) For the Works, Plant and Materials: <i>[insert amounts]</i>.</p> <p>(b) For loss or damage to Equipment: <i>[insert amounts]</i>.</p> <p>(c) For loss or damage to property (except the Works, Plant, Materials, and Equipment) in connection with Contract <i>[insert amounts]</i>.</p> <p>(d) for personal injury or death:</p> <p>(i) of the Contractor’s employees: <i>[amount]</i>.</p> <p>(ii) of other people: <i>[amount]</i>.</p>
GCC 14.1	Site Investigation Reports are: <i>[list Site Investigation Reports]</i>
GCC 15.1	Queries. <i>[list if appropriate]</i>
GCC 21.1	The Site Possession Date(s) shall be: <i>[insert location(s) and date(s)]</i>
GCC 25.2	Fees and types of reimbursable expenses to be paid to the Adjudicator: <i>[insert hourly fees and reimbursable expenses]</i> .
GCC 25.3	<p><i>[For smaller contracts, the institution is usually from Liberia. For larger contracts, and contracts that are likely to be awarded to international contractors, it is recommended that the arbitration procedure of an international institution]</i></p> <p>Institution whose arbitration procedures shall be used:</p> <p><i>[For larger contracts with international contractors, it is recommended to select one institution among those listed below; insert the corresponding wording]</i></p> <p>“United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules:</p> <p>Sub-Clause 25.3—Any dispute, controversy, or claim arising out of or relating to this Contract, or breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.”</p> <p>or</p> <p>“Rules of Conciliation and Arbitration of the International Chamber of Commerce (ICC):</p> <p>Sub-Clause 25.3—All disputes arising in connection with the present Contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more</p>

	<p>arbitrators appointed in accordance with said Rules.”</p> <p>or</p> <p>“Rules of Arbitration Institute of the Stockholm Chamber of Commerce:</p> <p>Sub-Clause 25.3—Any dispute, controversy, or claim arising out of or in connection with this Contract, or the breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.”</p> <p>or</p> <p>“Rules of the London court of International Arbitration:</p> <p>Sub-Clause 25.3—Any dispute arising out of or in connection with this Contract, including any question regarding its existence, validity, or termination shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration, which rules are deemed to be incorporated by reference to this clause.”</p> <p>The place of arbitration shall be: <i>[Insert city and country]</i></p>
GCC 26.1	Appointing Authority for the Adjudicator: <i>[insert name of Authority]</i> .
B. Time Control	
GCC 27.1	The Contractor shall submit for approval a Program for the Works within <i>[number]</i> days from the date of the Letter of Acceptance.
GCC 27.3	<p>The period between Program updates is <i>[insert number]</i> days.</p> <p>The amount to be withheld for late submission of an updated Program is <i>[insert amount]</i>.</p>
C. Quality Control	
GCC 35.1	<p>The Defects Liability Period is: <i>[insert number]</i> days.</p> <p><i>[The Defects Liability Period is usually limited to 12 months, but could be less in very simple cases]</i></p>
D. Cost Control	
GCC 46.1	The currency of the Republic of Liberia country is: <i>[insert name of currency of the Republic of Liberia]</i> .
GCC 47.1	The Contract <i>[insert “is” or “is not”]</i> subject to price adjustment in

	<p>accordance with GCC Clause 47, and the following information regarding coefficients <i>[specify “does” or “does not”]</i> apply.</p> <p><i>[Price adjustment is mandatory for contracts which provide for time of completion exceeding 18 months]</i></p> <p>The coefficients for adjustment of prices are:</p> <p>(a) For currency <i>[insert name of currency]</i>:</p> <p>(i) <i>[insert percentage]</i> percent non adjustable element (coefficient A).</p> <p>(ii) <i>[insert percentage]</i> percent adjustable element (coefficient B).</p> <p>(b) For currency <i>[insert name of currency]</i>:</p> <p>(i) <i>[insert percentage]</i> percent non adjustable element (coefficient A).</p> <p>(ii) <i>[insert percentage]</i> percent adjustable element (coefficient B).</p> <p>The Index I for local currency shall be <i>[insert index]</i>.</p> <p>The Index I for the specified international currency shall be <i>[insert index]</i>.</p> <p><i>[These proxy indices shall be proposed by the Contractor, subject to acceptance by the Procuring Entity]</i></p> <p>The Index I for currencies other than the local currency and the specified international currency shall be <i>[insert index]</i>.</p> <p><i>[These proxy indices shall be proposed by the Contractor, subject to acceptance by the Procuring Entity.]</i></p>
GCC 48.1	<p>The proportion of payments retained is: <i>[insert percentage]</i></p> <p><i>[The retention amount is usually close to 5 percent and in no case exceeds 10 percent.]</i></p>
GCC 49.1	<p>The liquidated damages for the whole of the Works are <i>[insert percentage of the final Contract Price]</i> per day. The maximum amount of liquidated damages for the whole of the Works is <i>[insert percentage]</i> of the final Contract Price.</p> <p><i>[Usually liquidated damages are set between 0.05 percent and 0.10 percent per day, and the total amount is not to exceed between 5 percent and 10 percent of the Contract Price. If Sectional Completion and Damages per Section have been agreed, the latter should be specified here]</i></p>
GCC 50.1	<p>The Bonus for the whole of the Works is <i>[insert percentage of final</i></p>

	<p><i>Contract Price]</i> per day. The maximum amount of Bonus for the whole of the Works is <i>[insert percentage]</i> of the final Contract Price.</p> <p><i>[If early completion would provide benefits to the Procuring Entity, this clause should remain; otherwise delete. The Bonus is usually numerically equal to the liquidated damages.]</i></p>
GCC 51.1	The Advance Payments shall be: <i>[insert amount(s)]</i> and shall be paid to the Contractor no later than <i>[insert date(s)]</i> .
GCC 52.1	<p>The Performance Security amount is <i>[insert amount(s) denominated in the types and proportions of the currencies in which the Contract Price is payable, or in a freely convertible currency acceptable to the Procuring Entity]</i></p> <p>(a) Bank Guarantee: <i>[insert percentage and amount(s)]</i> .</p> <p>(b) Performance Bond : <i>[insert percentage and amount(s)]</i> .</p> <p><i>[A Bank Guarantee shall be unconditional (on demand) (see Section X. Security Forms). An amount of 5 to 10 percent of the Contract Price is commonly specified for Performance Bank Guarantees. A Performance Bond is an undertaking by a bonding or insurance company (surety) to complete the construction in the event of default by the Contractor, or to pay the amount of the Bond to the Procuring Entity. An amount of 30 percent of the Contract Price is commonly used internationally for this type of security (see Section X. Security Forms).]</i></p>
E. Finishing the Contract	
GCC 58.1	<p>The date by which operating and maintenance manuals are required is <i>[insert date]</i>.</p> <p>The date by which “as built” drawings are required is <i>[insert date]</i>.</p>
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 in GCC 58.1 is <i>[insert amount in local currency]</i> .
GCC 59.2 (g)	The maximum number of days is: <i>[insert number; consistent with clause 41.1 on liquidated damages]</i> .
GCC 60.1	The percentage to apply to the value of the work not completed, representing the Procuring Entity’s additional cost for completing the Works, is <i>[insert percentage]</i> .

Section VII. Specifications & Performance Requirements

TO BE DELETED BEFORE BIDDING DOCUMENTS ARE ISSUED

A set of precise and clear Specifications is a prerequisite for bidders to respond realistically and competitively to the requirements of the PE without qualifying or conditioning their bids. In the context of international competitive bidding, the Specifications must be drafted to permit the widest possible competition and, at the same time, present a clear statement of the required standards of workmanship, materials, and performance of the goods and services to be procured. Only if this is done shall the objectives of economy, efficiency, and fairness in procurement be realized, responsiveness of bids be ensured, and the subsequent task of Bid evaluation facilitated. The Specifications should require that all goods and materials to be incorporated in the Works be new, unused, of the most recent or current models, and incorporate all recent improvements in design and materials unless provided otherwise in the Contract.

Samples of Specifications from previous similar projects in Liberia or a country with similar conditions are useful for the preparation of Specifications. Most Specifications are normally written specially by the PE to suit the Contract Works in hand. There is no standard set of Specifications for universal application in all sectors in all countries, but there are established principles and practices, which are reflected in these documents.

There are considerable advantages in standardizing General Specifications for repetitive Works in recognized public sectors, such as highways, ports, railways, urban housing, irrigation, and water supply, in the same country or region where similar conditions prevail. The General Specifications should cover all classes of workmanship, materials, and equipment commonly involved in construction, although not necessarily to be used in a particular Works Contract. Deletions or addendums should then adapt the General Specifications to apply them to the particular Works.

Care must be taken in drafting Specifications to ensure that they are not restrictive. In the Specifications of standards for goods, materials, and workmanship, recognized international standards should be used as much as possible. Where other particular standards are used, whether national standards of the Republic of Liberia or other standards, the Specifications should state that goods, materials, and workmanship that meet other authoritative standards, and which ensure substantially equal or higher quality than the standards mentioned, shall also be acceptable. To that effect, the following sample clause may be inserted in the Special Conditions or Specifications.

These Notes for Preparing Specifications are intended only as information for PE or the person drafting the bidding documents and should not be included in the Bidding Documents.

TO BE DELETED

Section VIII. Drawings

Insert here a list of Drawings. The actual Drawings, including site plans, should be attached to this section or annexed in a separate folder.

Section IX. Bill of Quantities³⁷

Objectives

The objectives of the Bill of Quantities are:

- (a) to provide sufficient information on the quantities of Works to be performed to enable bids to be prepared efficiently and accurately; and*
- (b) when a Contract has been entered into, to provide a priced Bill of Quantities for use in the periodic valuation of Works executed.*

In order to attain these objectives, Works should be itemized in the Bill of Quantities in sufficient detail to distinguish between the different classes of Works, or between Works of the same nature carried out in different locations or in other circumstances which may give rise to different considerations of cost. Consistent with these requirements, the layout and contents of the Bill of Quantities should be as simple and brief as possible.

Daywork Schedule

A Daywork Schedule should be included only if the probability of unforeseen work, outside the items included in the Bill of Quantities, is high. To facilitate checking by the PE of the realism of rates quoted by the bidders, the Daywork Schedule should normally comprise the following:

- (a) A list of the various classes of labor, materials, and Constructional Plant for which basic daywork rates or prices are to be inserted by the Bidder, together with a statement of the conditions under which the Contractor shall be paid for work executed on a daywork basis.*
- (b) Nominal quantities for each item of daywork, to be priced by each Bidder at daywork rates as Bid. The rate to be entered by the Bidder against each basic daywork item should include the Contractor's profit, overheads, supervision, and other charges.*

Provisional Sums

A general provision for physical contingencies (quantity overruns) may be made by including a provisional sum in the Summary Bill of Quantities. Similarly, a contingency allowance for possible price increases should be provided as a provisional sum in the Summary priced Bill of Quantities. The inclusion of such provisional sums often facilitates budgetary approval by avoiding the need to request periodic supplementary approvals as the future need arises. Where such provisional sums or contingency allowances are used, the Special Conditions of

³⁷ *In lump sum contracts, the "Bill of Quantities" is prepared for information; it is not contractual. The contractual document prepared by the Bidder shall be a "Schedule of Activities."*

Contract should state the manner in which they shall be used, and under whose authority (usually the Project Manager's).

The estimated cost of specialized work to be carried out, or of special goods to be supplied, by other contractors (refer to GCC Clause 8) should be indicated in the relevant part of the Bill of Quantities as a particular provisional sum with an appropriate brief description. A separate procurement procedure is normally carried out by the PE to select such specialized contractors. To provide an element of competition among the bidders in respect of any facilities, amenities, attendance, etc., to be provided by the successful Bidder as prime Contractor for the use and convenience of the specialist contractors, each related provisional sum should be followed by an item in the Bill of Quantities inviting the Bidder to quote a sum for such amenities, facilities, attendance, etc.

These Notes for Preparing a Bill of Quantities are intended only as information for the PE or the person drafting the Bidding Documents. They should not be included in the final documents.

Section X. Security Forms

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

Form of Bid Security (Bank Guarantee)

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

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

Beneficiary: *[insert name and address of Procuring Entity]*

Date: *[insert date]*

BID GUARANTEE No.: *[insert number]*

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

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

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

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

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

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

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

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

Form of Bid Security (Bid Bond)

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

BOND NO. *[insert Bond number]*

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

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

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

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

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

The Surety hereby agrees that its obligation shall remain in full force and affect up to and including the date 28 days after the date of expiration of the Bid validity as stated in the

Invitation to Bid or extended by the Procuring Entity at any time prior to this date, notice of which extension(s) to the Surety being hereby waived.

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

Principal: _____

Surety: _____

Corporate Seal (where appropriate)

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

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

[insert printed name and title]

[insert printed name and title]

Bid-Securing Declaration

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

Date: [insert date]

Name of contract: [insert name]

Contract Identification N^o: [insert number]

Invitation for Bid No.: [insert number]

To: _____

We, the undersigned, declare that:

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

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

Name *[insert printed or typed name]*

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

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

Performance Bank Guarantee (Unconditional)

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

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

Beneficiary: *[insert name and address of Procuring Entity]*

Date: *[insert date]*

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

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

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

At the request of the Contractor, we *[insert name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]* (*[insert amount in words]*),³⁸ such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire no later than twenty-eight days from the date of issuance of the Taking-Over Certificate, calculated based on a copy of such Certificate which shall be provided to us, or on the *[insert number day of [insert month], [insert year],*³⁹ whichever

³⁸ *The Guarantor (bank) shall insert an amount representing the percentage of the Contract Price specified in the Contract and denominated either in the currency(ies) of the Contract or a freely convertible currency acceptable to the GOL.*

³⁹ *Insert the date twenty-eight days after the expected Completion date. The PE should note that in the event of an extension of the time for completion of the Contract, the GOL would need to request an extension of this Guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the Guarantee. In preparing this Guarantee, the PE might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this Guarantee for a period not to exceed [six months][one year], in response to the PE's written request for such extension, such request to be presented to the Guarantor before the expiry of the Guarantee."*

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

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

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

Performance Bond

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

By this Bond, *[insert name and address of Contractor]* as Principal (hereinafter called “the Contractor”) and *[insert name, legal title, and address of surety, bonding company, or insurance company]* as Surety (hereinafter called “the Surety”), are held and firmly bound unto *[insert name and address of contracting Ministry, Authority or agency of the Procuring Entity]* as Obligee (hereinafter called “the Procuring Entity”) in the amount of *[insert amount of Bond]* *[insert amount of Bond in words]*,⁴⁰ 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 Procuring Entity dated⁴¹ the *[insert number]* day of *[insert month]*, *[insert year]* for *[insert name of Contract]* in accordance with the documents, plans, specifications, and amendments thereto, which to the extent herein provided for, are by reference made part hereof and are hereinafter referred to as the Contract.

Now, therefore, the Condition of this Obligation is such that, if the Contractor shall promptly and faithfully perform the said Contract (including any amendments thereto), then this obligation shall be null and void; otherwise it shall remain in full force and effect. Whenever the Contractor shall be, and declared by the Procuring Entity to be, in default under the Contract, the Procuring Entity having performed the Procuring Entity’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 Procuring Entity for completing the Contract in accordance with its terms and conditions, and upon determination by the Procuring Entity and the Surety of the lowest responsive Bidder, arrange for a Contract between such Bidder and Procuring Entity 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 Procuring Entity to the

⁴⁰ *An amount is to be inserted by the Surety, representing the percentage of the Contract Price specified in the Contract Data, and denominated either in the currency(ies) of the Contract or in a freely convertible currency of type and amount acceptable to the GOL.*

⁴¹ *Date of Letter of Acceptance or Agreement.*

Contractor under the Contract, less the amount properly paid by the Procuring Entity to the Contractor; or

- (3) pay the Procuring Entity the amount required by the Procuring Entity 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 Procuring Entity named herein or the heirs, executors, administrators, successors, and assigns of the Procuring Entity.

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

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

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

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

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

Bank Guarantee for Advance Payment

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

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

Beneficiary: *[insert name and address of Procuring Entity]*

Date: *[insert date]*

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

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

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

At the request of the Contractor, we *[insert name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]* (*[insert amount in words]*⁴²) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation under the Contract because the Contractor used the Advance Payment for purposes other than the costs of mobilization in respect of the Works.

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

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

⁴² *The Guarantor shall insert an amount representing the amount of the Advance Payment and denominated either in the currency(ies) of the Advance Payment as specified in the Contract, or in a freely convertible currency acceptable to the GOL.*

*[insert month], [insert year],*⁴³ whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

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

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

⁴³ *Insert the expected expiration date of the Time For Completion. The GOL/PE should note that in the event of an extension of the Time For Completion of the Contract, the GOL would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the PE might consider adding the following text to the form, at the end of the penultimate paragraph: “ We agree to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the PE’s written request for such extension, such request to be presented to us before the expiry of the guarantee.”*

Invitation for Bids

*[The Invitation for Bids (IFB) (see para. 2.8 of the World **Bank** Guidelines: Procurement under IBRD Loans and IDA Credits, May 2004 shall be issued as:*

- (a) an advertisement in at least one newspaper of general circulation in the Republic of Liberia and in the official gazette, or in an electronic portal with free access, and*
- (b) an advertisement in UN Development Business on-line and in DG Market, and/or in well-known technical magazines (the latter being mandatory if specified in the Loan or Credit Agreement)*

SAMPLE FORMAT FOR INVITATION FOR BIDS**Invitation for Bids (IFB)**

[insert name of Country]

[insert name of Project]

[insert loan / credit number]

[insert IFB title and Number]

1. This Invitation for Bids follows the General Procurement Notice for this Project that appeared in *Development Business*, issue no. *[insert number]* of *[insert date]*.¹
2. The *Procuring Entity* *[insert “has received/has applied for/intends to apply for”]* a *[insert “loan” or “credit”]* from the *[insert “the International Bank for Reconstruction and Development” or “the International Development Association”]* toward the cost of *[insert name of Project]*, and it intends to apply part of the proceeds of this *[insert “loan” or “credit”]* to payments under the Contract for *[insert name/no. of Contract]*.²
3. The *Procuring Entity* now invites sealed bids from eligible and qualified bidders for *[insert brief description of the Works to be procured]*.³ The delivery/construction period is *[insert number of days/months/years or dates]*.
4. Bidding will be conducted through the International Competitive Bidding (ICB) procedures approved by the Public Procurement & Concessions Commission specified in the World Bank’s *Guidelines: Procurement under IBRD Loans and IDA Credits*, and is open to all bidders from Eligible Source Countries as defined in the Bidding Documents.⁵
5. Interested eligible bidders may obtain further information from *[insert complete legal name of Procuring Entity; insert name and e-mail of officer in charge]* and inspect the Bidding Documents at the address given below *[state address at end of this ITB]* from *[insert office hours]*.⁶
6. Qualifications requirements include: *[insert key technical, financial, legal and other requirements]*. A margin of preference for eligible national contractors/joint ventures *[insert “shall” or “shall not” be applied, as appropriate]*.
7. A complete set of Bidding Documents in *[insert name of language(s)]* may be purchased by interested bidders on the submission of a written Application to the address below and upon payment of a non refundable fee⁷ *[insert amount in local currency]* or in *[insert amount in specified convertible currency]*. The method of payment will be *[insert method of payment]*.⁸ The Bidding Documents will be sent by *[insert delivery procedure]*.⁹

8. Bids must be delivered to the address below at or before *[insert time and date]*. Electronic bidding *[insert “shall” or “shall not”]* be permitted. Late bids will be rejected. Bids will be opened physically *[insert “ and electronically” if electronic bidding is permitted]* in the presence of the bidders’ representatives who choose to attend in person or on-line at the address below at *[insert time and date]*.

9 All bids *[insert “shall” or “shall not”]* be accompanied by a *[insert “Bid Security” or “Bid-Securing Declaration”, as appropriate and if required]* of *[insert amount in local currency or an equivalent amount in a freely convertible currency, or a minimum percentage of bid price in case of a Bid Security]*¹⁰

10. The address(es) referred to above is(are): *[insert detailed address(es) including complete legal name of the Procuring Entity, Office designation (room number) , name of Officer, Street address, City (code), Country; insert electronic address if electronic bidding is permitted; insert different addresses if addresses for purchase of bidding documents, bid submission and bid opening are different]*

FOOTNOTES TO BE DELETED

-
1. *Day, month, year; for example, 31 January 1996.*
 2. *[Insert if applicable: “ This contract will be jointly financed by [insert name of cofinancing agency]. Bidding will be governed by [e.g. the World Bank’s eligibility rules and procedure.”].*
 3. *A brief description of the type(s) of Goods or Works should be provided, including quantities, location of Project, and other information necessary to enable potential bidders to decide whether or not to respond to the Invitation.*
 5. *Occasionally, contracts may be financed out of special funds that would further restrict eligibility to a particular group of member countries. When this is the case, it should be mentioned in this paragraph. Also indicate any margin of preference that may be granted as specified in [e.g. the Loan or Credit Agreement and set forth in the Bidding Documents.*
 6. *For example, 9.00 AM to 5.00 PM.*
 7. *The fee, should defray the printing and mailing/shipping costs); it should not deter competition.*
 8. *For example, cashier’s check, direct deposit to specified account number.*
 9. *The delivery procedure is usually airmail for overseas delivery and surface mail or courier for local delivery, or by electronic means if electronic bidding is permitted. If urgency or security dictates, courier services may be required for overseas delivery.*
 10. *The amount of Bid Security should be stated as a fixed amount or as a minimum percentage of the Bid Price. Alternatively, if a Bid Security or a Bid-Securing Declaration is not required (often the case in supply contracts), the paragraph should so state.*