



**REQUEST FOR QUOTATION RFQ 003/17
(Works)**

NAME & ADDRESS OF FIRM	DATE: 17 January 2017
	REFERENCE: Construction of a total of 4 energy efficient greenhouses in Aygepar and Nerqin Karmir Aghbyur Communities of the RA Tavush Marz

Dear Sir / Madam:

We kindly request you to submit your quotation for Construction of a total of 4 energy efficient greenhouses in Aygepar and Nerqin Karmir Aghbyur Communities of the RA Tavush Marz, as detailed in Annex 1 of this RFQ. When preparing your quotation, please be guided by the form attached hereto as Annex 2.

Quotations may be submitted on or before **31 January 2017, 18:00** (local time) via ☒ *e-mail* OR ☒ *courier mail* to the address below:

United Nations Development Programme
14 Petros Adamyan, Yerevan, Armenia

or

tenders-armenia@undp.org

Quotations submitted by email must be limited to a maximum of 5MB, virus-free and no more than 3 email transmissions. They must be free from any form of virus or corrupted contents, or the quotations shall be rejected.

It shall remain your responsibility to ensure that your quotation will reach the address above on or before the deadline. Quotations that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your quotation by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

Please take note of the following requirements and conditions pertaining to the supply of the abovementioned works:

Delivery Terms [INCOTERMS 2010] (Pls. link this to price schedule)	-
--	---

Customs clearance ¹ , if needed, shall be done by:	-
Exact Address/es of Delivery Location/s (identify all, if multiple)	Aygepar and Nerqin Karmir Aghbyur Communities of the RA Tavush Marz
Latest Expected Delivery Date and Time (if delivery time exceeds this, quote may be rejected by UNDP)	<input checked="" type="checkbox"/> 60 days from the signing of Civil Works Contract <input checked="" type="checkbox"/> As per Delivery Schedule attached (Annex 1)
Delivery Schedule	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Packing Requirements	N/A
Preferred Currency of Quotation ²	<input checked="" type="checkbox"/> United States Dollars <input type="checkbox"/> Euro <input checked="" type="checkbox"/> Local Currency : Armenian drams
Value Added Tax on Price Quotation ³	<input checked="" type="checkbox"/> Must be exclusive of VAT and other applicable indirect taxes
Defect liability period	5 years after substantial completion of works
Deadline for the Submission of Quotation	Tuesday, January 31, 2017 at 18:00 (local time, GMT+4)
All documentations, including catalogs, instructions and operating manuals, shall be in this language	<input checked="" type="checkbox"/> English or <input checked="" type="checkbox"/> Others: Armenian
Documents to be submitted ⁴	<input checked="" type="checkbox"/> Duly Accomplished Form as provided in Annex 2 (Tables 1, 2, 3, 4, 5, 6, 7, 8), and in accordance with the list of requirements in Annex 1; <input checked="" type="checkbox"/> Latest Business Registration Certificate; <input checked="" type="checkbox"/> Latest Internal Revenue Certificate / Tax Clearance; <input checked="" type="checkbox"/> The Contractor/Subcontractor should submit the copies of licenses for conducting of the appropriate works. <input checked="" type="checkbox"/> Written Self-Declaration of not being included in the UN Security Council 1267/1989 list, UN Procurement Division List or other UN Ineligibility List; <input checked="" type="checkbox"/> List of at least 3 past similar contracts successfully completed <input checked="" type="checkbox"/> Reference letters from at least 3 past clients for the last 3 years. <input checked="" type="checkbox"/> Construction timetable <input checked="" type="checkbox"/> Proof of technical capacity (machinery and equipment) highlighting the models. <input checked="" type="checkbox"/> Proof of professional capacity (technical staff); CVs of main professional staff (experts). <input checked="" type="checkbox"/> Others: Written guarantee on availability of the required staff, workforce, machinery and equipment within two weeks after the contract signing

¹ Must be linked to INCO Terms chosen.

² Local vendors must comply with any applicable laws regarding doing business in other currencies. Conversion of currency into the UNDP preferred currency, if the offer is quoted differently from what is required, shall be based only on UN Operational Exchange Rate prevailing at the time of UNDP's issuance of Purchase Order.

³ This must be reconciled with the INCO Terms required by the RFQ. Furthermore, VAT exemption status varies from one country to another. Pls. tick whatever is applicable to the UNDP CO/BU requiring the goods.

⁴ First 2 items in this list are mandatory for the supply of imported goods

Period of Validity of Quotes starting the Submission Date	<input type="checkbox"/> 60 days <input checked="" type="checkbox"/> 90 days <input type="checkbox"/> 120 days In exceptional circumstances, UNDP may request the Vendor to extend the validity of the Quotation beyond what has been initially indicated in this RFQ. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Quotation.
Partial Quotes	<input checked="" type="checkbox"/> Not permitted
Payment Terms ⁵	<input checked="" type="checkbox"/> The respective task upon timely completion will be accepted by the UNDP based on the signed final act for covered works, acceptance act and brief narrative reports. The final act is subject to approval by Project's Civil Engineer Consultant and have to be presented not later than within 5 days following the commissioning of the works for the given phase).
Liquidated Damages	<input checked="" type="checkbox"/> Will be imposed under the following conditions: Percentage of contract price per day of delay: 0.25% Max. no. of days of delay : 6 weeks Next course of action : contract termination
Evaluation Criteria [check as many as applicable]	<input checked="" type="checkbox"/> Technical responsiveness/Full compliance to requirements and lowest price ⁶ <input checked="" type="checkbox"/> Full acceptance of the UNDP General Terms and Conditions <input checked="" type="checkbox"/> Compliance to the following administrative criteria: - Bid should be submitted before the tender deadline. - Bid should be valid for the period as mentioned in section: Period Validity of Quotes. - Bid is signed by the Authorized person. - Bid includes all required documents as indicated in the section: Documents to be submitted. <input checked="" type="checkbox"/> Compliance to the following technical criteria a. A construction company with the valid Registration. b. Price offers can be submitted by legal entities having at least 3 years of proven experience in construction of greenhouses. c. Minimum 3 similar projects taken over the last 3 years. d. Valid license for requested works based on the technical documentation. e. Availability of relevant equipment/tools, staff and machinery. f. Works should be performed within 8 weeks.

⁵ UNDP preference is not to pay advanced amount upon signing of contract. If vendor strictly requires advanced payment, it will be limited only up to 20% of the total price quoted. For any higher percentage, or advanced payment of \$30,000 or higher, UNDP shall require the vendor to submit a bank guarantee or bank cheque payable to UNDP, in the same amount as the advanced payment made by UNDP to the vendor.

⁶ UNDP reserves the right not to award the contract to the lowest priced offer, if the second lowest price among the responsive offer is found to be significantly more superior, and the price is higher than the lowest priced compliant offer by not more than 10%, and the budget can sufficiently cover the price difference. The term "more superior"

UNDP will award to:	<input checked="" type="checkbox"/> One and only one supplier <input type="checkbox"/> One or more Supplier, depending on the following factors
Type of Contract to be Signed	<input type="checkbox"/> Purchase Order <input type="checkbox"/> Long-Term Agreement ⁷ (if LTA will be signed, specify the document that will trigger the call-off. E.g., PO, etc.) <input checked="" type="checkbox"/> Other Type/s of Contract: Civil works contract
Special conditions of Contract	<input checked="" type="checkbox"/> Cancellation of PO/Contract if the delivery/completion is delayed by 20 days or the quality of performed works is unsatisfactory. <input type="checkbox"/> Others
Conditions for Release of Payment	<input checked="" type="checkbox"/> Written Acceptance of Works by Author's Supervisor and Project Civil Engineer Consultant based on full compliance with RFQ requirements,
Annexes to this RFQ ⁸	<input checked="" type="checkbox"/> Specifications of the Goods/Works Required (Annex 1) <input checked="" type="checkbox"/> Form for Submission of Quotation (Annex 2) <input checked="" type="checkbox"/> General Terms and Conditions / Special Conditions (Annex 3). <input checked="" type="checkbox"/> Others Bill of Quantities, Drawings (Annex 4). Non-acceptance of the terms of the General Terms and Conditions (GTC) shall be grounds for disqualification from this procurement process.
Contact Person for Inquiries (Written inquiries only) ⁹	<p><i>procurement.armenia@undp.org</i></p> <p>Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.</p>

Goods offered shall be reviewed based on completeness and compliance of the quotation with the minimum specifications described above and any other annexes providing details of UNDP requirements.

The quotation that complies with all of the specifications, requirements and offers the lowest price, as well as all other evaluation criteria indicated, shall be selected. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price (obtained by multiplying the unit price and quantity) shall be re-computed by UNDP. The unit price shall prevail and the total price shall be corrected. If the supplier does not accept the final price based on UNDP's re-computation and correction of errors, its quotation will be rejected.

as used in this provision shall refer to offers that have exceeded the pre-determined requirements established in the specifications.

⁷ Minimum of one (1) year period and may be extended up to a maximum of three (3) years subject to satisfactory performance evaluation

⁸ Where the information is available in the web, a URL for the information may simply be provided.

⁹ This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.

After UNDP has identified the lowest price offer, UNDP reserves the right to award the contract based only on the prices of the goods in the event that the transportation cost (freight and insurance) is found to be higher than UNDP's own estimated cost if sourced from its own freight forwarder and insurance provider.

At any time during the validity of the quotation, no price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the quotation. At the time of award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

Any Purchase Order that will be issued as a result of this RFQ shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a quotation implies that the vendor accepts without question the General Terms and Conditions of UNDP herein attached as Annex 3.

UNDP is not bound to accept any quotation, nor award a contract/Purchase Order, nor be responsible for any costs associated with a Supplier's preparation and submission of a quotation, regardless of the outcome or the manner of conducting the selection process.

Please be advised that UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a purchase order or contract in a competitive procurement process. **In the event that** you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link:

<http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/>

UNDP encourages every prospective Vendor to avoid and prevent conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, specifications, cost estimates, and other information used in this RFQ.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its suppliers to adhere to the UN Supplier Code of Conduct found in this link: http://www.un.org/depts/ptd/pdf/conduct_english.pdf

Thank you and we look forward to receiving your quotation.

Sincerely yours,

Procurement Unit
January 17, 2016

Technical Specification

A. Service Title

Construction of a total of 4 energy efficient greenhouses.

B. Project Title

“Integrated Support to Rural Development: Building Resilient Communities”.

C. Project Description

“Integrated Support to Rural Development: Building Resilient Communities” Project is implemented in bordering communities of Tavush Region of the Republic of Armenia. The overall goal of the project is to ensure balanced development of RA regions through an integrated socio-economic approach. The project aims at raising the quality of life and income level of the local population in 45 bordering communities of Tavush region.

D. Scope of Work

Within the scope of “Integrated Support to Rural Development: Building Resilient Communities” Project construct a total of 4 energy efficient small greenhouses in Aygepar and Nerqin Karmir Aghbyur Communities of the RA Tavush Marz.

№	General Information and Specifications	
1.	Beneficiary	Aygepar and Nerqin Karmir Aghbyur Community members of Tavush Region RA
2.	Total quantity of greenhouses	4
3.	Type of construction	Temporary structure
4.	External dimensions of the greenhouse and surface area (according to the attached drawings and specifications)	Width – 8m
5.		Length – 16 m
6.		Height – 3.2 m
7.		Surface area – 128 m ²
8.	Framework of greenhouse	Painted steel structure (according to the attached drawings and specifications)
9.	Doors	From both frontal sides (according to the attached drawings and specifications)
10.	Windows	From both frontal sides (according to the attached drawings and specifications)
11.	Concrete base for framework of greenhouse	Implementation of concrete point foundations according to the attached drawings and in accordance with the existing rules and regulations
12.	Cover of greenhouse	Two layer polyethylene strong and durable cover material (warranty assurance not less than 4 years and thickness not less than 160 microns)
13.	Electrical voltage inside of the greenhouse	220V
14.	Water supply and drip irrigation of greenhouse	Not provided
15.	Certifications of used materials	The Contractor should provide all supporting documents and certificates for the used materials
16.	Construction stages	One-phase
17.	Construction period	Commencement in February 2017, completion in March 2017
18.	Other works	Increase or decrease of work quantities in case of need only by written approval of the Customer

E. Institutional Arrangement

- The Contractor shall work under the direct supervision of “Integrated Support to Rural Development: Building Resilient Communities Project” Project Manager and directly report to him.
- The Contractor shall work in close cooperation with above mentioned project experts.

- The Contractor shall construct greenhouses in Aygepar and Nerqin Karmir Aghbyur communities according to the customer's specifications and drawings.
- Implemented construction works should comply with the requirements of the RA Building Code.
- The Contractor should meet the deadlines of works.
- The Contractor shall collaborate with monitoring groups of above mentioned communities during the entire period of contract.
- If the Project experts reveals that the implemented works do not ensure required quality, all the defects should be corrected by the Contractor at its own expenses within the project time-frame.

F. Duration of the Work

February 2017 – March 2017

G. Duty Station

Aygepar and Nerqin Karmir Aghbyur Communities of the RA Tavush Region.

The planned construction drawings, specification and bill of quantities are attached.

FORM FOR SUBMITTING SUPPLIER'S QUOTATION

(This Form must be submitted only using the Supplier's Official Letterhead/Stationery)

We, the undersigned, hereby accept in full the UNDP General Terms and Conditions, and hereby offer to supply the items listed below in conformity with the specification and requirements of UNDP as per RFQ Reference No. **RFQ 003/17**:

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

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

Table 1: General information

1. Bidder's Legal Name <i>[insert Bidder's legal name]</i>
2. In case of Joint Venture (JV), legal name of each party: <i>[insert legal name of each party in JV]</i>
3. Actual or intended Country/ies of Registration/Operation: <i>[insert actual or intended Country of Registration]</i>
4. Year of Registration in its Location: <i>[insert Bidder's year of registration]</i>
5. Legal Address/es in Country/ies of Registration/Operation: <i>[insert Bidder's legal address in country of registration]</i>
6. Banking details:
7. Value and Description of Top three (3) Biggest Contract for the past three (3) years
8. List available licenses and their validity:
9. List contact details of at least 3 business partners/clients that can provide references on similar nature works.
10. Bidder's Authorized Representative Information Name: <i>[insert Authorized Representative's name]</i> Address: <i>[insert Authorized Representative's Address]</i> Telephone/Fax numbers: <i>[insert Authorized Representative's telephone/fax numbers]</i> Email Address: <i>[insert Authorized Representative's email address]</i>
11. Are you in the UNPD List 1267.1989 or UN Ineligibility List ? <input type="checkbox"/> YES or <input type="checkbox"/> NO
12. Attached are copies of original documents of: <div style="text-align: center;"> <input type="checkbox"/> All eligibility document requirements listed in the Data Sheet </div>

Table 2: Similar construction works within past 3 years

Name of project	Client	Contract Value	Period of activity	Types of activities undertaken	Status or Date Completed	References Contact Details (Name, Phone, Email)

Table 3: Personnel

#	Name	Position	Qualification	Work experience, years	Status: permanent/temporary

Table 4. Current liabilities

#	Brief contract description (type of work, volumes)	% of performed works on the date of bid submission	Name of the involved personnel (please indicate the personnel which to be involved in this assignment)
1			
2			
3			
4			
...			
N			

Table 5: Schedule of works:

#	Work type	Duration	Start date	End date
1	Leveling of greenhouse area and purchasing of construction materials			
2	Construction of greenhouse (purchase and transportation of materials, preparation of structure and installation)			

Table 6: Financial offer

No.	Deliverables	Price (currency) VAT exclusive
1	Construction of a total of 4 energy efficient greenhouses in Aygepar and Nerqin Karmir Aghbyur Communities of the RA Tavush Marz	
2	Total	

Table 7: Bill of Quantities

The Bidders are requested to provide the cost breakdown for the above given prices for each deliverable based Attached Bill of Quantities (BoQ_003-17_eng.xls) and Specifications (Specification of materials_003-17_eng.xls). Quotation with NO completed Bill of Quantities will be disqualified.

Table 8: Other information related to this RFQ

Other information related to this RFQ	Your answers		
	<i>Yes, we accept</i>	<i>No, we cannot accept</i>	<i>If you cannot accept, please suggest your conditions</i>
Works performance duration: 8 weeks.			
Minimum 3 years of experience in similar contract.			
Minimum 3 similar projects taken over the last 3 years.			
Acceptance of payment conditions			
Period of Validity of Quotes (min 90 days)			
Full acceptability of UNDP General provisions and conditions			
Availability of Company's state registration certificate			
Availability of relevant equipment/tools, staff and machinery			
Availability of appropriate licenses.			

All other information that we have not provided automatically implies our full compliance with the requirements, terms and conditions of the RFQ.

[Name and Signature of the Supplier's Authorized Person]
[Designation]
[Date]

General Conditions of Contract for Civil Works

Date _____

Dear Sir/Madam,

Ref.: _____/ _____/ _____ **[INSERT PROJECT NUMBER AND TITLE]**

The United Nations Development Programme (hereinafter referred to as "UNDP"), wishes to engage your company, duly incorporated under the Laws of _____ **[INSERT NAME OF THE COUNTRY]** (hereinafter referred to as the "Contractor") in order to perform _____ **[INSERT SUMMARY DESCRIPTION OF THE WORKS]** (hereinafter referred to as the "Works"), in accordance with the following Contract:

1.Contract Documents

- 1.1 This Contract is subject to the UNDP General Conditions for Civil Works, _____ **[INSERT REVISION NUMBER AND DATE FROM THE CONTRACTS DOCUMENTS LIBRARY]**, attached hereto as Annex I. The provisions of such Annex shall control the interpretation of this Contract and in no way shall be deemed to have been derogated by the contents of this letter and any other Annexes, unless otherwise expressly stated under section 4 of this letter, entitled "Special Conditions".
- 1.2 The Contractor and UNDP also agree to be bound by the provisions contained in the following documents, which shall take precedence over one another in case of conflict in the following order:
- a) this letter;
 - b) the Technical Specifications and Drawings [ref.dated.....], attached hereto as Annex II;
 - c) the Contractor's Tender _____ **[IF THE CONTRACT IS ON THE BASIS OF UNIT PRICE, INSERT: including the Priced Bill of Quantities]** [ref....., dated], as clarified by the agreed minutes of the negotiation meeting¹⁰ [dated.....], not attached hereto but known to and in the possession of both parties.
- 1.3 All the above shall form the Contract between the Contractor and UNDP, superseding the contents of any other negotiations and/or agreements, whether oral or in writing, pertaining to the subject of this Contract.

¹⁰ If there are updates to the technical proposal or correspondence exchanged in clarification of certain aspects, reference them too, provided that they are acceptable to UNDP. Otherwise, aspects which resolution is pending should be dealt with in this letter itself or in the Technical Specifications/Drawings, as appropriate.

_____ [INSERT NAME AND ADDRESS OF
THE CONTRACTOR]

2. Obligations of the Contractor

- 2.1 The Contractor shall commence work within ____ [INSERT NUMBER OF DAYS] days from the date on which he shall have been given access to the Site and received the notice to commence from the Engineer, and shall perform and substantially complete the Works by .././.... [INSERT DATE], in accordance with the Contract. The Contractor shall provide all materials, supplies, labour and other services necessary to that end.
- 2.2 The Contractor shall submit to the Engineer the Programme of Work referred to in Clause 13 of the General Conditions by .././.... [INSERT DATE].
- 2.3 The Contractor represents and warrants the accuracy of any information or data provided to UNDP for the purpose of entering into this Contract, as well as the quality of the Works foreseen under this Contract in accordance with the highest industrial and professional standards.

OPTION 1 (FIXED PRICE)

3. Price and Payment¹¹

- 3.1 In full consideration of the complete and satisfactory performance of the Works under this Contract, UNDP shall pay the Contractor a fixed contract price of _____ [INSERT CURRENCY & AMOUNT IN FIGURES AND WORDS].
- 3.2 The price of this Contract is not subject to any adjustment or revision because of price or currency fluctuations or the actual costs incurred by the Contractor in the performance of the Contract.
- 3.3 Invoices shall be submitted by the Contractor to the Engineer upon achievement of the corresponding milestones and for the following amounts:

<u>MILESTONE</u> ¹²	<u>AMOUNT</u>	<u>DATE</u>
Upon signature of Contract/./....
....././....
Upon substantial completion of Works/./....
Upon final completion of Works/./....

OPTION 2 (COST REIMBURSEMENT)

3. Price and payment

¹¹ This version of section 3 is to be used for fixed price contracts. Fixed price contracts should normally be used when it is possible to estimate with reasonable accuracy the costs of the activities which are the subject of the Contract.

¹² In the case of advance payments, the amount should not exceed 15%.

- 3.1 The total estimated price of the Contract is contained in the Bill of Quantities and amounts to _____ **[INSERT CURRENCY & AMOUNT IN FIGURES AND WORDS]**.
- 3.2 The final price of the Contract will be determined on the basis of the actual quantities of work and materials utilized in the complete and satisfactory performance of the Works as certified by the Engineer and the unit prices contained in the Contractor's financial proposal. Such unit prices are fixed and are not subject to any variation whatsoever.
- 3.3 If the Contractor foresees that the final price of the Contract may exceed the total estimated price contained in 3.1 above, he shall so inform the Engineer without delay, in order for UNDP to decide, at its discretion, to increase the estimated price of the Contract as a result of a larger quantity of work/material or to reduce the quantity of work to be performed or materials to be used. UNDP shall not be responsible for payment of any amount in excess of that stipulated in 3.1 above unless this latter amount has been increased by means of a written amendment of this Contract in accordance with its paragraph 8 below.
- 3.4 The Contractor shall submit an invoice for _____ **[INSERT AMOUNT AND CURRENCY OF THE ADVANCE PAYMENT IN FIGURES & WORDS]** upon signature of this Contract by both parties, invoices for the work performed and materials utilized every _____ **[INSERT PERIOD OF TIME OR MILESTONES]** and a final invoice within 30 days from the issuance of the Certificate of Substantial Completion by the Engineer.¹³

[THE FOLLOWING CLAUSES ARE COMMON TO OPTIONS 1 & 2 AND MUST BE NUMBERED ACCORDING TO THE OPTION CHOSEN FOR ARTICLE 3]

- 3.@ UNDP shall effect payment of the invoices after receipt of the certificate of payment issued by the Engineer, approving the amount contained in the invoice. The Engineer may make corrections to that amount, in which case UNDP may effect payment for the amount so corrected. The Engineer may also withhold invoices if the work is not performed at any time in accordance with the terms of the Contract or if the necessary insurance policies or performance security are not valid and/or in order. The Engineer shall process the invoices submitted by the Contractor within 15 days of their receipt.
- 3.@ Payments effected by UNDP to the Contractor shall be deemed neither to relieve the Contractor of its obligations under this Contract nor as acceptance by UNDP of the Contractor's performance of the Works.
- 3.@ Payment of the final invoice shall be effected by UNDP after issuance of the Certificate of Final Completion by the Engineer.

4. Special conditions¹⁴

- 4.1 The advance payment to be made upon signature of the contract by both parties is contingent upon receipt and acceptance by UNDP of a bank guarantee ¹⁵for the full amount of the advance payment issued by a Bank and in a form acceptable to UNDP.¹⁶

¹³ In the case of advance payments, the amount should not exceed 15%.

¹⁴ Under this Section, the Programme Officer may propose special clauses in order to adapt the model contract to the specific situation. In this sample clause 4, several clauses of common use are given. If they are not required, they should be deleted.

¹⁵ If the legislation of the Country of the Contractor forbids the use of bank guarantees, a bond may be accepted.

¹⁶ This clause must be used when an advance payment of \$50,000 or more is granted to the Consultant..

- 4.2 The amounts of the payments referred to under section 3.6 above shall be subject to a deduction of _____ **[INSERT PERCENTAGE OF TOTAL CONTRACT PRICE THAT THE ADVANCE REPRESENTS]** % (... percent) of the amount accepted for payment until the cumulative amount of the deductions so effected shall equal the amount of the advance payment.¹⁷ Should the cumulative amount of the deductions so made be lower than the amount of the advance payment after the date of substantial completion of the Works, UNDP may deduct the amount equal to the difference between the advance payment and the cumulative deductions from the payments due after substantial completion or may recover such amount from the bank guarantee referred to in 4.1 above.
- 4.3 The Performance **[SELECT BOND/GUARANTEE]** referred to in Clause 10 of the General Conditions shall be submitted by the Contractor for an amount of _____ **[INSERT -PERCENTAGE OF THE TOTAL]**

ESTIMATED OR FIXED PRICE OF THE CONTRACT IN THE CASE OF A GUARANTEE AND 30% IN THE CASE OF A BOND].¹⁸

- 4.4 ***[THE USE OF THIS CLAUSE REQUIRES APPROVAL BY THE PROJECT DIRECTOR/UNDP PROGRAMME OFFICER]*** The Contractor may submit invoices for materials and plant stored at the Site, provided they are necessary and adequate for the performance of the Works and they are protected from weather conditions and duly insured as per the instructions of the Engineer.
- 4.5 The liability insurance referred to in Clause 23 of the General Conditions shall be taken out by the Contractor for an amount of.....**[CONSULT THE ENGINEER FOR APPROPRIATE AMOUNT]**.
- 4.6 According to Clause 45 of the General Conditions, the liquidated damages for delay shall be ____ **[INSERT PERCENTAGE]** of the price of the Contract per week of delay, up to a maximum of 10% of the final price of the Contract.

5. Submission of invoices

- 5.1 One original and one copy of every invoice shall be submitted by mail by the Contractor for each payment under the Contract to the Engineer's address specified in clause 8.2.
- 5.2 Invoices submitted by fax shall not be accepted by UNDP.

6. Time and manner of payment

- 6.1 Invoices shall be paid within thirty (30) days of the date of their receipt and acceptance by UNDP.
- 6.2 All payments shall be made by UNDP to the following Bank account of the Contractor:

_____ **[NAME OF THE BANK]**

¹⁷ This clause must be used when an advance payment is granted (whatever the amount) in a cost reimbursement contract.

¹⁸ The reason for the distinction between a 10% bank guarantee and a 30% performance bond is that bank guarantees are generally unconditional and can be called directly without proof of nonperformance, whereas most performance bonds are conditional and require some proof of nonperformance. There are usually additional costs and time delays incurred with cashing a performance bond and so a higher percentage is requested to cover the extra work involved. Some banks outside of the U.S. may call certain guarantee instruments, "performance bonds or guarantees" although they may only be conditional guarantees. It is important to review the text of the instrument to determine whether it is a conditional or unconditional guarantee.

_____ [ACCOUNT NUMBER]

_____ [ADDRESS OF THE BANK]

7. Modifications

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

8. Notifications

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

For the UNDP:

_____ [INSERT NAME OF RR OR
DIVISION CHIEF]

Chief

United Nations Development Programme

Ref. ____/____/____ [INSERT CONTRACT REFERENCE & NUMBER]

Telex: _____

Fax: _____

Cable: _____

For the Contractor:

[Insert Name, Address and Telex,
Fax and Cable Numbers]

- 8.2 For the purposes of communications with the Engineer, the address of the Engineer shall be as follows:

[Insert Name, Address and Telex,
Fax and Cable Numbers of the Engineer]

OR

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

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

Yours sincerely,

[INSERT NAME OF RR or Bureau/Division Director]

For [Insert name of the company/organization]

Agreed and Accepted:

Signature _____

Name _____

Title _____

Date _____

Annex 4

The Bill of Quantities and Drawings are attached separately.

The Bidders are requested to provide the cost breakdown for the above given prices for each deliverable based Attached Bill of Quantities (BoQ_Stock watering point in Karchaghbyur_ENG_final.xls). Quotation with NO completed Bill of Quantities will be disqualified.