**INVITATION TO BID**

**ITB-BIH/001/18**

 **Disposal of WP and MLRS Ammunition**

Bosnia and Herzegovina

****

**United Nations Development Programme**

January, 2018

**Section 1. Letter of Invitation**

January 15, 2018

 **Demilitarization works - Disposal of WP and MLRS Ammunition**

Dear Mr./Ms.

The United Nations Development Programme (UNDP) hereby invites you to submit a Bid to this Invitation to Bid (ITB) for the above-referenced subject divided in following two LOT’s.

**LOT 1- Disposal of White Phosphorus Ammunition**

**LOT 2- Disposal of MLRS Ammunition**

This ITB includes the following documents:

 Section 1 – This Letter of Invitation

Section 2 – Instructions to Bidders (including Data Sheet)

Section 3 – Schedule of Requirements and Technical Specifications

Section 4 – Bid Submission Form

Section 5 – Technical Bid Form

Section 6 – Price Schedule Form

Section 7 – Form for Bid Security

Section 8 – Form for Advanced Payment Guarantee

Section 9 – Contract to be signed, including General Terms and Conditions

If you have received this ITB through a direct invitation by UNDP, transferring this invitation to another firm requires notifying UNDP accordingly.

Your offer, comprising of a Technical Bid and Price Schedule, in separate sealed envelopes, should be submitted in accordance with Section 2.

Should you require any clarification, kindly communicate with the contact person identified in the attached Data Sheet as the focal point for queries on this ITB.

UNDP looks forward to receiving your Bid and thanks you in advance for your interest in UNDP procurement opportunities.

Yours sincerely,

UNDP Bosnia & Herzegovina Country Office

**United Nations Development Programme
Zmaja od Bosne bb, Sarajevo 71000
Bosnia and Herzegovina**

**Section 2: Instruction to Bidders**

**Definitions**

1. *“Bid”* refers to the Bidder’s response to the Invitation to Bid, including the Bid Submission Form, Technical Bid and Price Schedule and all other documentation attached thereto as required by the ITB.
2. *“Bidder”* refers to any legal entity that may submit, or has submitted, a Bid for the supply of goods and provision of related services requested by UNDP.
3. *“Contract”* refers to the legal instrument that will be signed by and between the UNDP and the successful Bidder, all the attached documents thereto, including the General Terms and Conditions (GTC) and the Appendices.
4. “*Country”* refers to the country indicated in the Data Sheet.
5. *“Data Sheet”* refers to such part of the Instructions to Bidders used to reflect conditions of the tendering process that are specific for the requirements of the ITB.
6. *“Day”* refers to calendar day.
7. *“Goods”* refer to any tangible product, commodity, article, material, wares, equipment, assets or merchandise that UNDP requires under this ITB.
8. *“Government”* refers to the Government of the country where the goods and related services provided/rendered specified under the Contract will be delivered or undertaken.
9. *“Instructions to Bidders”* refers to the complete set of documents which provides Bidders with all information needed and procedures to be followed in the course of preparing their Bid
10. *“ITB”* refers to the Invitation to Bid consisting of instructions and references prepared by UNDP for purposes of selecting the best supplier or service provider to fulfil the requirement indicated in the Schedule of Requirements and Technical Specifications.
11. *“LOI”* (Section 1 of the ITB) refers to the Letter of Invitation sent by UNDP to Bidders.
12. *“Material Deviation”* refers to any contents or characteristics of the bid that is significantly different from an essential aspect or requirement of the ITB, and (i) substantially alters the scope and quality of the requirements; (ii) limits the rights of UNDP and/or the obligations of the offeror; and (iii) adversely impacts the fairness and principles of the procurement process, such as those that compromise the competitive position of other offerors.
13. *“Schedule of Requirements and Technical Specifications”* refers to the document included in this ITB as Section 3 which lists the goods required by UNDP, their specifications, the related services, activities, tasks to be performed, and other information pertinent to UNDP’s receipt and acceptance of the goods.
14. *“Services”* refers to the entire scope of tasks related or ancillary to the completion or delivery of the goods required by UNDP under the ITB.
15. “*Supplemental Information to the ITB”* refers to a written communication issued by UNDP to prospective Bidders containing clarifications, responses to queries received from prospective Bidders, or changes to be made in the ITB, at any time after the release of the ITB but before the deadline for the submission of Bid.
16. **GENERAL**
17. UNDP hereby solicits Bids as a response to this Invitation to Bid (ITB). Bidders must strictly adhere to all the requirements of this ITB. No changes, substitutions or other alterations to the rules and provisions stipulated in this ITB may be made or assumed unless it is instructed or approved in writing by UNDP in the form of Supplemental Information to the ITB.

2. Submission of a Bid shall be deemed as an acknowledgement by the Bidder that all obligations stipulated by this ITB will be met and, unless specified otherwise, the Bidder has read, understood and agreed to all the instructions in this ITB.

3. Any Bid submitted will be regarded as an offer by the Bidder and does not constitute or imply the acceptance of any Bid by UNDP. UNDP is under no obligation to award a contract to any Bidder as a result of this ITB.

4. UNDP implements a policy of zero tolerance on proscribed practices, including fraud, corruption, collusion, unethical practices, and obstruction. UNDP is committed to preventing, identifying and addressing all acts of fraud and corrupt practices against UNDP as well as third parties involved in UNDP activities. (See

 <http://www.undp.org/about/transparencydocs/UNDP_Anti_Fraud_Policy_English_FINAL_june_2011.pdf> and <http://www.undp.org/content/undp/en/home/operations/procurement/procurement_protest/>for full description of the policies)

5. In responding to this ITB, UNDP requires all Bidders to conduct themselves in a professional, objective and impartial manner, and they must at all times hold UNDP’s interests’ paramount. Bidders must strictly avoid conflicts with other assignments or their own interests, and act without consideration for future work. All Bidders found to have a conflict of interest shall be disqualified. Without limitation on the generality of the above, Bidders, and any of their affiliates, shall be considered to have a conflict of interest with one or more parties in this solicitation process, if they:

### 5.1 Are, or have been associated in the past, with a firm or any of its affiliates which have been engaged UNDP to provide services for the preparation of the design, Schedule of Requirements and Technical Specifications, cost analysis/estimation, and other documents to be used for the procurement of the goods and related services in this selection process;

### 5.2 Were involved in the preparation and/or design of the programme /project related to the goods and related services requested under this ITB; or

### 5.3 Are found to be in conflict for any other reason, as may be established by, or at the discretion of, UNDP.

In the event of any uncertainty in the interpretation of what is potentially a conflict of interest, Bidders must disclose the condition to UNDP and seek UNDP’s confirmation on whether or not such conflict exists.

6. Similarly, the following must be disclosed in the Bid:

* 1. Bidders who are owners, part-owners, officers, directors, controlling shareholders, or key personnel who are family of UNDP staff involved in the procurement functions and/or the Government of the country or any Implementing Partner receiving the goods and related services under this ITB; and

6.4 Others that could potentially lead to actual or perceived conflict of interest, collusion or unfair competition practices. Failure of such disclosure may result in the rejection of the Bid.

7. The eligibility of Bidders that are wholly or partly owned by the Government shall be subject to UNDP’s further evaluation and review of various factors such as being registered as an independent entity, the extent of Government ownership/share, receipt of subsidies, mandate, access to information in relation to this ITB, and others that may lead to undue advantage against other Bidders, and the eventual rejection of the Bid.

8. All Bidders must adhere to the UNDP Supplier Code of Conduct, which may be found at this link: <http://web.ng.undp.org/procurement/undp-supplier-code-of-conduct.pdf>

1. **CONTENTS OF BID**

**9. Sections of Bid**

Bidders are required to complete, sign and submit the following documents:

* 1. Bid Submission Cover Letter Form (see ITB Section 4);
	2. Documents Establishing the Eligibility and Qualifications of the Bidder (see ITB Section 5);
	3. Technical Bid (see prescribed form in ITB Section 6);
	4. Price Schedule (see prescribed form in ITB Section 7);
	5. Bid Security, if applicable (if required and as stated in the DS nos. 9-11, see prescribed Form in ITB Section 8);
	6. Any attachments and/or appendices to the Bid (including all those specified under the **Data Sheet**)
1. **Clarification of Bid**

10.1 Bidders may request clarification of any of the ITB documents no later than the number of days indicated in the **Data Sheet** (DS no. 16) prior to the Bid submission date. Any request for clarification must be sent in writing via courier or through electronic means to the UNDP address indicated in the **Data Sheet** (DS no. 17). UNDP will respond in writing, transmitted by electronic means and will transmit copies of the response (including an explanation of the query but without identifying the source of inquiry) to all Bidders who have provided confirmation of their intention to submit a Bid.

10.2 UNDP shall endeavor to provide such responses to clarifications in an expeditious manner, but any delay in such response shall not cause an obligation on the part of UNDP to extend the submission date of the Bid, unless UNDP deems that such an extension is justified and necessary.

1. **Amendment of Bid**

11.1 At any time prior to the deadline for submission of Bid, UNDP may for any reason, such as in response to a clarification requested by a Bidder, modify the ITB in the form of a Supplemental Information to the ITB. All prospective Bidders will be notified in writing of all changes/amendments and additional instructions through Supplemental Information to the ITB and through the method specified in the **Data Sheet** (DS No. 18).

11.2 In order to afford prospective Bidders reasonable time to consider the amendments in preparing their Bid, UNDP may, at its discretion, extend the deadline for submission of Bid, if the nature of the amendment to the ITB justifies such an extension.

**C. PREPARATION OF BID**

1. **Cost**

The Bidder shall bear any and all costs related to the preparation and/or submission of the Bid, regardless of whether its Bid was selected or not. UNDP shall in no case be responsible or liable for those costs, regardless of the conduct or outcome of the procurement process.

1. **Language**

The Bid, as well as any and all related correspondence exchanged by the Bidder and UNDP, shall be written in the language (s) specified in the **Data Sheet** (DS No. 4). Any printed literature furnished by the Bidder written in a language other than the language indicated in the **Data Sheet**, must be accompanied by a translation in the preferred language indicated in the **Data Sheet**. For purposes of interpretation of the Bid, and in the event of discrepancy or inconsistency in meaning, the version translated into the preferred language shall govern. Upon conclusion of a contract, the language of the contract shall govern the relationship between the contractor and UNDP.

1. **Bid Submission Form**

The Bidder shall submit the Bid Submission Form using the form provided in Section 4 of this ITB.

1. **Technical Bid Format and Content**

Unless otherwise stated in the **Data Sheet** (DS no. 28), the Bidder shall structure the Technical Bid as follows:

15.1 Expertise of Firm/Organization – this section should provide details regarding management structure of the organization, organizational capability/resources, and experience of organization/firm, the list of projects/contracts (both completed and on-going, both domestic and international) which are related or similar in nature to the requirements of the ITB, manufacturing capacity of plant if Bidder is a manufacturer, authorization from the manufacturer of the goods if Bidder is not a manufacturer, and proof of financial stability and adequacy of resources to complete the delivery of goods and provision of related services required by the ITB (see ITB Clause 18and DS No. 26 for further details).The same shall apply to any other entity participating in the ITB as a Joint Venture or Consortium.

15.2 Technical Specifications and Implementation Plan – this section should demonstrate the Bidder’s response to the Schedule of Requirements and Technical Specifications by identifying the specific components proposed; how each of the requirements shall be met point by point; providing a detailed specification and description of the goods required, plans and drawings where needed; the essential performance characteristics, identifying the works/portions of the work that will be subcontracted; a list of the major subcontractors, and demonstrating how the bid meets or exceeds the requirements, while ensuring appropriateness of the bid to the local conditions and the rest of the project operating environment during the entire life of the goods provided. Details of technical bid must be laid out and supported by an Implementation Timetable, including Transportation and Delivery Schedule where needed, that is within the duration of the contract as specified in the **Data Sheet** (DSnoS.29 and 30).

Bidders must be fully aware that the goods and related services that UNDP require may be transferred, immediately or eventually, by UNDP to the Government partners, or to an entity nominated by the latter, in accordance with UNDP’s policies and procedures. All bidders are therefore required to submit the following in their bids:

* + 1. A statement of whether any import or export licences are required in respect of the goods to be purchased or services to be rendered, including any restrictions in the country of origin, use or dual use nature of the goods or services, including any disposition to end users;
		2. Confirmation that the Bidder has obtained license of this nature in the past, and have an expectation of obtaining all the necessary licenses, should their bid be rendered the most responsive; and
		3. Complete documentation, information and declaration of any goods classified or may be classified as “Dangerous Goods”.
	1. Management Structure and Key Personnel – This section should include the comprehensive curriculum vitae (CVs)of key personnel that will be assigned to support the implementation of the technical bid, clearly defining their roles and responsibilities. CVs should establish competence and demonstrate qualifications in areas relevant to the requirements of this ITB.

In complying with this section, the Bidder assures and confirms to UNDP that the personnel being nominated are available to fulfil the demands of the Contract during its stated full term. If any of the key personnel later becomes unavailable, except for unavoidable reasons such as death or medical incapacity, among other possibilities, UNDP reserves the right to render the Bid non-responsive. Any deliberate substitution of personnel arising from unavoidable reasons, including delay in the implementation of the project of programme through no fault of the Bidder, shall be made only with UNDP’s acceptance of the justification for substitution, and UNDP’s approval of the qualification of the replacement who shall be either of equal or superior credentials as the one being replaced.

15.4 Where the **Data Sheet** requires the submission of the Bid Security, the Bid Security shall be included along with the Technical Bid. The Bid Security may be forfeited by UNDP, and reject the Bid, in the event of any or any combination of the following conditions:

1. If the Bidder withdraws its offer during the period of the Bid Validity specified in the **Data Sheet** (DS no. 11), or;
2. If the Bid Security amount is found to be less than what is required by UNDP as indicated in the **Data Sheet** (DS no. 9), or;
3. In the case the successful Bidder fails:
4. to sign the Contract after UNDP has awarded it;
5. to comply with UNDP’s variation of requirement, as per ITB Clause 35; or
6. to furnish Performance Security, insurances, or other documents that UNDP may require as a condition to rendering effective the contract that may be awarded to the Bidder.
7. **Price Schedule**

The Price Schedule shall be prepared using the attached standard form (Section 7). It shall list all major cost components associated with the goods and related services, and the detailed breakdown of such costs. All goods and services described in the Technical Bid must be priced separately on a one-to-one correspondence. Any output and activities described in the Technical Bid but not priced in the Price Schedule, shall be assumed to be included in the prices of the items or activities, as well as in the final total price of the bid.

1. **Currencies**

All prices shall be quoted in the currency indicated in the **Data Sheet** (DS no. 15). However, where Bids are quoted in different currencies, for the purposes of comparison of all Bid:

* 1. UNDP will convert the currency quoted in the Bid into the UNDP preferred currency, in accordance with the prevailing UN operational rate of exchange on the last day of submission of Bid; and
	2. In the event that the Bid found to be the most responsive to the ITB requirement is quoted in another currency different from the preferred currency as per **Data Sheet** (DS no. 15), then UNDP shall reserve the right to award the contract in the currency of UNDP’s preference, using the conversion method specified above.
1. **Documents Establishing the Eligibility and Qualifications of the Bidder**
	1. The Bidder shall furnish documentary evidence of its status as an eligible and qualified vendor, using the forms provided under Section 5, Bidder Information Forms. In order to award a contract to a Bidder, its qualifications must be documented to UNDP’s satisfactions. These include, but are not limited to the following:
	2. That, in the case of a Bidder offering to supply goods under the Contract which the Bidder did not manufacture or otherwise produce, the Bidder has been duly authorized by the goods’ manufacturer or producer to supply the goods in the country of final destination;
	3. That the Bidder has the financial, technical, and production capability necessary to perform the Contract; and
	4. That, to the best of the Bidder’s knowledge, it is not included in the UN 1267 List or the UN Ineligibility List, nor in any and all of UNDP’s list of suspended and removed vendors.

18.2 Bids submitted by two (2) or more Bidders shall all be rejected by UNDP if they are found to have any of the following:

1. they have at least one controlling partner, director or shareholder in common; or
2. any one of them receive or have received any direct or indirect subsidy from the other/s; or
3. they have the same legal representative for purposes of this ITB; or
4. they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information about, or influence on the Bid of, another Bidder regarding this ITB process;
5. they are subcontractors to each other’s bid, or a subcontractor to one bid also submits another Bid under its name as lead Bidder; or
6. an expert proposed to be in the bid of one Bidder participates in more than one Bid received for this ITB process.  This condition does not apply to subcontractors being included in more than one Bid.
7. **Joint Venture, Consortium or Association**

If the Bidder is a group of legal entities that will form or have formed a joint venture, consortium or association at the time of the submission of the Bid, they shall confirm in their Bid that : (i) they have designated one party to act as a lead entity, duly vested with authority to legally bind the members of the joint venture jointly and severally, and this shall be duly evidenced by a duly notarized Agreement among the legal entities, which shall be submitted along with the Bid; and (ii) if they are awarded the contract, the contract shall be entered into, by and between UNDP and the designated lead entity, who shall be acting for and on behalf of all entities that comprise the joint venture.

After the bid has been submitted to UNDP, the lead entity identified to represent the joint venture shall not be altered without the prior written consent of UNDP.  Furthermore, neither the lead entity nor the member entities of the joint venture can:

1. Submit another Bid, either in its own capacity; nor
2. As a lead entity or a member entity for another joint venture submitting another Bid.

The description of the organization of the joint venture/consortium/association must clearly define the expected role of each of the entity in the joint venture in delivering the requirements of the ITB, both in the bid and in the Joint Venture Agreement.  All entities that comprise the joint venture shall be subject to the eligibility and qualification assessment by UNDP.

Where a joint venture is presenting its track record and experience in a similar undertaking as those required in the ITB, it should present such information in the following manner:

1. Those that were undertaken together by the joint venture; and
2. Those that were undertaken by the individual entities of the joint venture expected to be involved in the performance of the services defined in the ITB.

Previous contracts completed by individual experts working privately but who are permanently or were temporarily associated with any of the member firms cannot be claimed as the experience of the joint venture or those of its members, but should only be claimed by the individual experts themselves in their presentation of their individual credentials.

If the Bid of a joint venture is determined by UNDP as the most responsive Bid that offers the best value for money, UNDP shall award the contract to the joint venture, in the name of its designated lead entity, who shall sign the contract for and on behalf of all the member entities.

1. **Alternative Bid**

Unless otherwise specified in the **Data Sheet** (DS nos. 5 and 6), alternative bid shall not be considered. Where the conditions for its acceptance are met, or justifications are clearly established, UNDP reserves the right to award a contract based on an alternative bid.

1. **Validity Period**

21.1 Bid shall remain valid for the period specified in the **Data Sheet** (DS no. 8), commencing on the submission deadline date also indicated in the **Data Sheet** (DS no. 21). A Bid valid for a shorter period shall be immediately rejected by UNDP and rendered non-responsive.

21.2 In exceptional circumstances, prior to the expiration of the Bid validity period, UNDP may request Bidders to extend the period of validity of their Bid. The request and the responses shall be made in writing, and shall be considered integral to the Bid.

1. **Bidder’s Conference**

When appropriate, a Bidder’s conference will be conducted at the date, time and location specified in the **Data Sheet** (DS no. 7). All Bidders are encouraged to attend. Non-attendance, however, shall not result in disqualification of an interested Bidder. Minutes of the Bidder’s conference will be either posted on the UNDP website, or disseminated to the individual firms who have registered or expressed interest with the contract, whether or not they attended the conference. No verbal statement made during the conference shall modify the terms and conditions of the ITB unless such statement is specifically written in the Minutes of the Conference, or issued/posted as an amendment in the form of a Supplemental Information to the ITB.

**D. SUBMISSION AND OPENING OF BID**

1. **Submission**
	1. The Technical Bid and the Price Schedule **must** be submitted together and sealed together in one and the same envelope, delivered either personally, by courier, or by electronic method of transmission. If submission will not be done by electronic means, the Technical Bid and Price Schedule must be sealed together in an envelope whose external side must:
2. Bear the name of the Bidder;
3. Be addressed to UNDP as specified in the **Data Sheet** (DSno.20); and
4. Bear a warning not to open before the time and date for Bid opening as specified in the **Data Sheet** (DS no. 24)**.**

If the envelope is not sealed nor labeled as required, the Bidder shall assume the responsibility for the misplacement or premature opening of Bids to improper sealing and labeling by the Bidder.

* 1. Bidders must submit their Bid in the manner specified in the **Data Sheet** (DS nos. 22 and 23).When the Bidis expected to be in transit for more than 24 hours, the Bidder must ensure that sufficient lead time has been provided in order to comply with UNDP’s deadline for submission. UNDP shall indicate for its record that the official date and time of receiving the Bid is the actual date and time when the said Bid has physically arrived at the UNDP premises indicated in the **Data Sheet** (DS no. 20).
	2. Bidders submitting Bid by mail or by hand shall enclose the original and each copy of the Bid, in separate sealed envelopes, duly marking each of the envelopes as “Original Bid” and the others as “Copy of Bid”. The two envelopes, consisting of original and copies, shall then be sealed in an outer envelope. The number of copies required shall be as specified in the **Data Sheet** (DS no. 19)**.** In the event of any discrepancy between the contents of the “Original Bid” and the “Copy of Bid”, the contents of the original shall govern. The original version of the Bids shall be signed or initialed by the Bidder or person(s) duly authorized to commit the Bidder on every page. The authorization shall be communicated through a document evidencing such authorization issued by the highest official of the firm, or a Power of Attorney, accompanying the Bid.
	3. Bidders must be aware that the mere act of submission of a Bid, in and of itself, implies that the Bidder accepts the General Contract Terms and Conditions of UNDP as attached hereto as Section 11.
1. **Deadline for Submission of Bid and Late Bids**

Bid must be received by UNDP at the address and no later than the date and time specified in the **Data Sheet** (DSno.20 and 21).

UNDP shall not consider any Bid that arrives after the deadline for submission of Bid. Any Bid received by UNDP after the deadline for submission of Bid shall be declared late, rejected, and returned unopened to the Bidder.

1. **Withdrawal, Substitution, and Modification of Bid**

25.1 Bidders are expected to have sole responsibility for taking steps to carefully examine in detail the full consistency of its Bid to the requirements of the ITB, keeping in mind that material deficiencies in providing information requested by UNDP, or lack clarity in the description of goods and related services to be provided, may result in the rejection of the Bid. The Bidder shall assume any responsibility regarding erroneous interpretations or conclusions made by the Bidder in the course of understanding the ITB out of the set of information furnished by UNDP.

25.2 A Bidder may withdraw, substitute or modify its Bid after it has been submitted by sending a written notice in accordance with ITB Clause 23, duly signed by an authorized representative, and shall include a copy of the authorization (or a Power of Attorney). The corresponding substitution or modification of the Bid must accompany the respective written notice. All notices must be received by UNDP prior to the deadline for submission and submitted in accordance with ITB Clause 23 (except that withdrawal notices do not require copies). The respective envelopes shall be clearly marked “WITHDRAWAL,” “SUBSTITUTION,” or MODIFICATION”.

25.3 Bid requested to be withdrawn shall be returned unopened to the Bidders.

25.4 No Bid may be withdrawn, substituted, or modified in the interval between the deadline for submission of Bid and the expiration of the period of Bid validity specified by the Bidder on the Bid Submission Form or any extension thereof.

1. **Bid Opening**

UNDP will open the Bid in the presence of an ad-hoc committee formed by UNDP of at least two (2) members. If electronic submission is permitted, any specific electronic Bid opening procedures shall be as specified in the **Data Sheet** (DS no. 23).

The Bidders’ names, modifications, withdrawals, the condition of the envelope labels/seals, the number of folders/files and all other such other details as UNDP may consider appropriate, will be announced at the opening. No Bid shall be rejected at the opening stage, except for late submission, for which the Bid shall be returned unopened to the Bidder.

1. **Confidentiality**

Information relating to the examination, evaluation, and comparison of Bid, and the recommendation of contract award, shall not be disclosed to Bidders or any other persons not officially concerned with such process, even after publication of the contract award.

Any effort by a Bidder to influence UNDP in the examination, evaluation and comparison of the Bid or contract award decisions may, at UNDP’s decision, result in the rejection of its Bid.

In the event that a Bidder is unsuccessful, the Bidder may seek a meeting with UNDP for a debriefing. The purpose of the debriefing is discussing the strengths and weaknesses of the Bidder’s submission, in order to assist the Bidder in improving the bid presented to UNDP. The content of other bid and how they compare to the Bidder’s submission shall not be discussed.

**E. EVALUATION OF BID**

1. **Preliminary Examination of Bid**

UNDP shall examine the Bid to determine whether they are complete with respect to minimum documentary requirements, whether the documents have been properly signed, whether or not the Bidder is in the UN Security Council 1267/1989 Committee's list of terrorists and terrorist financiers, and in UNDP’s list of suspended and removed vendors, and whether the Bid are generally in order, among other indicators that may be used at this stage. UNDP may reject any Bid at this stage.

1. **Evaluation of Bid**
	1. UNDP shall examine the Bid to confirm that all terms and conditions under the UNDP General Terms and Conditions and Special Conditions have been accepted by the Bidder without any deviation or reservation.
	2. The evaluation team shall review and evaluate the Bids on the basis of their responsiveness to the Schedule of Requirements and Technical Specifications and other documentation provided, applying the procedure indicated in the **Data Sheet** (DS No. 25). Absolutely no changes may be made by UNDP in the criteria after all Bids have been received.
	3. UNDP reserves the right to undertake a post-qualification exercise, aimed at determining, to its satisfaction the validity of the information provided by the Bidder. Such post-qualification shall be fully documented and, among those that may be listed in the **Data Sheet** (DS No.33), may include, but need not be limited to, all or any combination of the following :
		1. Verification of accuracy, correctness and authenticity of the information provided by the bidder on the legal, technical and financial documents submitted;
		2. Validation of extent of compliance to the ITB requirements and evaluation criteria based on what has so far been found by the evaluation team;
		3. Inquiry and reference checking with Government entities with jurisdiction on the bidder, or any other entity that may have done business with the bidder;
		4. Inquiry and reference checking with other previous clients on the quality of performance on on-going or previous contracts completed;
		5. Physical inspection of the bidder’s plant, factory, branches or other places where business transpires, with or without notice to the bidder;
		6. Testing and sampling of completed goods similar to the requirements of UNDP, where available; and
		7. Other means that UNDP may deem appropriate, at any stage within the selection process, prior to awarding the contract.
2. **Clarification of Bid**

To assist in the examination, evaluation and comparison of bids, UNDP may, at its discretion, ask any Bidder to clarify its Bid.

UNDP’s request for clarification and the Bidder’s response shall be in writing. Notwithstanding the written communication, no change in the prices or substance of the Bid shall be sought, offered, or permitted, except to provide clarification, and confirm the correction of any arithmetic errors discovered by UNDP in the evaluation of the Bid, in accordance with ITB Clause 35.

Any unsolicited clarification submitted by a Bidder in respect to its Bid, which is not a response to a request by UNDP, shall not be considered during the review and evaluation of the Bid.

1. **Responsiveness of Bid**

UNDP’s determination of a Bid’s responsiveness will be based on the contents of the Bid itself.

A substantially responsive Bid is one that conforms to all the terms, conditions, and specifications of the ITB without material deviation, reservation, or omission.

If a Bid is not substantially responsive, it shall be rejected by UNDP and may not subsequently be made responsive by the Bidder by correction of the material deviation, reservation, or omission.

1. **Nonconformities, Reparable Errors and Omissions**
	1. Provided that a Bid is substantially responsive, UNDP may waive any non-conformities or omissions in the Bid that, in the opinion of UNDP, do not constitute a material deviation.
	2. Provided that a Bid is substantially responsive, UNDP may request the Bidder to submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities or omissions in the Bid related to documentation requirements. Such omission shall not be related to any aspect of the price of the Bid. Failure of the Bidder to comply with the request may result in the rejection of its Bid.
	3. Provided that the Bid is substantially responsive, UNDP shall correct arithmetical errors as follows:

### if there is a discrepancy between the unit price and the line item total that is obtained by multiplying the unit price by the quantity, the unit price shall prevail and the line item total shall be corrected, unless in the opinion of UNDP there is an obvious misplacement of the decimal point in the unit price, in which case the line item total as quoted shall govern and the unit price shall be corrected;

### if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and

### if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the amount in figures shall prevail subject to the above.

* 1. If the Bidder does not accept the correction of errors made by UNDP, its Bid shall be rejected.

**F. AWARD OF CONTRACT**

1. **Right to Accept, Reject, or Render Non-Responsive Any or All Bid**

33.1 UNDP reserves the right to accept or reject any Bid, to render any or all of the Bids as non-responsive, and to reject all Bids at any time prior to award of contract, without incurring any liability, or obligation to inform the affected Bidder(s) of the grounds for UNDP’s action. Furthermore, UNDP is not obligated to award the contract to the lowest price offer.

33.2 UNDP shall also verify, and immediately reject their respective Bid, if the Bidders are found to appear in the UN’s Consolidated List of Individuals and Entities with Association to Terrorist Organizations, in the List of Vendors Suspended or Removed from the UN Secretariat Procurement Division Vendor Roster, the UN Ineligibility List, and other such lists that as may be established or recognized by UNDP policy on Vendor Sanctions. (See

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

1. **Award Criteria**

Prior to expiration of the period of Bid validity, UNDP shall award the contract to the qualified and eligible Bidder that is found to be responsive to the requirements of the Schedule of Requirements and Technical Specification, and has offered the lowest price (See DS No. 32).

1. **Right to Vary Requirements at the Time of Award**

At the time of award of Contract, UNDP reserves the right to vary the quantity of the goods and/or related services, 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.

1. **Contract Signature**

Within fifteen (15) days from the date of receipt of the Contract, the successful Bidder shall sign and date the Contract and return it to UNDP.

Failure of the successful Bidder to comply with the requirement of ITB Section F.3 and this provision shall constitute sufficient grounds for the annulment of the award, and forfeiture of the Bid Security if any, and on which event, UNDP may award the Contract to the Bidder with the second highest rated Bid, or call for new Bid.

1. **Performance Security**

A performance security, if required, shall be provided in the amount and form provided in Section 9and by the deadline indicated in the **Data Sheet** (DS no. 14), as applicable. Where a Performance Security will be required, the submission of the said document, and the confirmation of its acceptance by UNDP, shall be a condition for the effectivity of the Contract that will be signed by and between the successful Bidder and UNDP.

1. **Bank Guarantee for Advanced Payment**

Except when the interests of UNDP so require, it is the UNDP’s preference to make no advanced payment(s) on contracts (i.e., payments without having received any outputs). In the event that the Bidder requires an advanced payment upon contract signature, and if such request is duly accepted by UNDP, and the said advanced payment exceeds 20% of the total Bid price, or exceed the amount of USD 30,000, UNDP shall require the Bidder to submit a Bank Guarantee in the same amount as the advanced payment. A bank guarantee for advanced payment shall be furnished in the form provided in Section 10.

1. **Vendor Protest**

UNDP’s vendor protest procedure provides an opportunity for appeal to those persons or firms not awarded a purchase order or contract through a competitive procurement process. In the event that a Bidder believes that it was not treated fairly, the following link provides further details regarding UNDP vendor protest procedures:<http://www.undp.org/procurement/protest.shtml>

**Section 2 – Instructions to Bidders (including Data Sheet)**

**DATA SHEET**

The following data for the supply of services shall complement / supplement the provisions in the Instruction to Bidders. In the case of a conflict between the Instruction to Bidders and the Data Sheet, the provisions in the Data Sheet shall prevail**.**

|  |  |  |  |
| --- | --- | --- | --- |
| **DS No.** | **Cross Ref. to Instructions** | **Data** | **Specific Instructions / Requirements** |
| 1 |  | Project Title: | **EU STAR – UNDP Bosnia and Herzegovina** |
| 2 |  | Title of **Works** Required: | **Demilitarization works - Disposal of WP and MLRS Ammunition, BiH.** **LOT 1- Disposal of White Phosphorus Ammunition** **LOT 2- Disposal of MLRS Ammunition**  |
| 3 |  | Country:  | Bosnia and Herzegovina |
| 4 | C.13 | Language of the Bid:  | 🗹English or🗹 BIH Local languages |
| 5 | C.20 | Conditions for Submitting Bid for Parts or sub-parts of the Total Requirements  | 🗹 Partial Bids are permitted.🗹 Partial LOTs are not permitted.🗹 Bidders can apply for more than 1 LOT**In case of applying for both LOTs, the Disposal Plan and Timetable must indicate capacity for performing works on both offered LOTs concurrently from the works commencement date)**  |
| 6 | C.20 | Conditions for Submitting Alternative Bid  | 🗹 Shall not be considered |
| 7 | C.22 | A pre-Bid conference:  | N/A |
| 8 | C.21.1 | Period of Bid Validity commencing on the submission date | 🗹120 days |
| 9 | B.9.5 C.15.4 b) | Bid Security | 🗹 Required  6,000 USD for LOT 110,000 USD for LOT2 |
| 10 | B.9.5 | Acceptable forms of Bid Security | 🗹Bank Guarantee Form (Section 7 template) |
| 11 | B.9.5C.15.4 a) | Validity of Bid Security | 🗹 120 days from the last day of Bid submission.Bid Security of unsuccessful Bidders shall be returned. |
| 12 |  | Advanced Payment upon signing of contract  | 🗹 Allowed up to a maximum of 10% of contract value contingent upon receipt and acceptance by UNDP of a bank guarantee for the full amount of the advance payment issued by a Bank and in a form acceptable to UNDP  |
| 13 |  | Liquidated Damages | 🗹 Will be imposed under the following conditions:Percentage of contract price **per week** of delay: **2.5 %**Max. no. of weeks of delay: **4**Next course of action: termination of contract |
| 14 | F.37 | Performance Security | 🗹 Required Amount: 10% of the contract value for period of 2 months from the anticipated date of technical reception of works.  Form: bank guarantee as per template in the section 9 |
| 15 | C.17C.17.2 | Preferred Currency of Bid and Method for Currency conversion | 🗹 BAM Local Currency 🗹 USD Currency*Reference date for determining UN Operational Exchange Rate:* Deadline date for Bid submission  |
| 16 | B.10.1 | Deadline for submitting requests for clarifications/ questions | 7 days before the submission date. |
| 17 | B.10.1 | Contact Details for submitting clarifications/questions | **UNDP BiH; General Services Unit****Attn: BIH-ITB-001 -18 Disposal of WP and MLRS Ammunition** Address: Zmaja od Bosne bb, Sarajevo 71000Facsimile: 387 33 552 330 E-mail: registry.ba@undp.org  |
| 18 | B.11.1 | Manner of Disseminating Supplemental Information to the ITB and responses/clarifications to queries | 🗹 Direct communication to prospective Bidders by email or fax and Posting on the website UNDP BIH:<http://www.ba.undp.org/content/bosnia_and_herzegovina/en/home/operations/procurement/>  |
| 19 | D.23.3 | No. of copies of Bid that must be submitted  | Original: 1 Copies: 1One copy identical to original documents to be delivered on electronic media (USB) |
| 20 | D.23.1 b)D.23.2D.24 | Bid submission address | United Nations Development Programme Zmaja od Bosne bb, Sarajevo 71000, General Services**Attn: BIH-ITB-001-18 Disposal of WP and MLRS Ammunition**  |
| 21 | C.21.1D.24 | Deadline of Bid Submission  | Date and Time: **February 12, 2018 12:00 AM** |
| 22 | D.23.2 | Manner of Submitting Bid | 🗹 Courier/Hand Delivery |
| 23 | D.23.2D.26 | Conditions and Procedures for electronic submission and opening, if allowed | N/A  |
| 24 | D.23.1 c) | Date, time and venue for public opening of Bid | **February 12, 2018 14:00** United Nations Development Programme Zmaja od Bosne bb, Sarajevo 71000,   |
| 25 |  | Evaluation method to be used in selecting the most responsive Bid | 🗹 Non-Discretionary “Pass/Fail” Criteria on the Technical Requirements; and 🗹 Lowest price offer of technically qualified/responsive Bid per LOT\* In the best interest of the organization, UNDP reserves the right not to award the Contract to the lowest priced bidder only in case when one bidder offers the lowest price for both LOTs but has no capacity to perform works concurrently on both offered LOTs. The bidder/s in subject will be awarded with LOT/LOTs according to assessed and proved capacity and for LOT/s with highest cost difference to next ranked bidder.  |
| 26 | C.15.1 | Required Documents that must be Submitted to Establish Qualification of Bidders (In “Certified True Copy” form only)  For both LOTs | 🗹 Certificate of Registration of the business, including Articles of Incorporation, or equivalent document if Bidder is not a corporation; 🗹 Tax Registration/Payment Certificate issued by the Internal Revenue Authority evidencing that the Bidder is updated with its tax payment obligations, or Certificate of Tax exemption, if any such privilege is enjoyed by the Bidder; Verified list of registered employees (names, profile, skills, years of experience included) on company letterhead;🗹 Verified list of registered employees (names, profile, skills, years of experience included) inclusive of certificates of ability to perform activities (Certificates on ammunition handling, processing, flammable and waste material handling) issued by official national institution for all involved in operations and CV’s of personnel to be engaged; Income Statement and Balance Sheet as required by the law of the Bidder’s country, for last three years; All information regarding any past and current litigation during the last two (2) years, in which the bidder is involved, indicating the parties concerned, the subject of the litigation, the amounts involved, and the final resolution if already concluded, if any;🗹 Certificates on management system ISO 9001:2015 and 14001:2015 or higher for neutralization of ammunition systems and explosive materials;🗹 Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.🗹 Solvency statement issued by bank, which is not older than 30 days of date when ITB was announced.🗹 All relevant permits/licenses to process/dispose ammunition, explosive and ammunition components in the licensed facility/location as required by state law in country of demilitarization work;🗹 License to process/recycle WP fill, duly issued by national authority (country of origin and actual location of the facility) (Only for LOT 1)🗹 List of projects performed for the last 5 years with similar nature and complexity, in the form of a table containing name of project, short description of works, value of works, plus client’s contact details who may be contacted for further information on those contracts;🗹 Calculated Current Ratio for 2014-2016(If CR is less than 1; UNDP shall verify financial capacity of the bidder and had the authority to seek references from concerned parties & banks on the bidder’ financial standing. UNDP had the right to reject any bid if submitted by a contractor whom investigation leads to a result that he is not financially capable and/or had serious financial problems);  |
| 27 |  | Other documents to be Submitted to Establish Eligibility (for both LOTs) | 🗹 Company Profile, which should not exceed fifteen (15) pages, including printed brochures and product catalogues relevant to the services being procured; 🗹 Official Letter of Appointment as local representative, if Bidder is submitting a Bid in behalf of an entity located outside the country;🗹 Ammunition disposal plan, covering in detail all of the relevant factors including timeframe, licensing from local authorities, method of disposal, contingency plans, safety measures, environmental monitoring and protection plan, methodology for the transport/disposal/recycling of munitions, identification of location and requirements, (equipment, facilities, human resources, certificates etc.), transportation plan with safety measures (where applicable), physical security plan; 🗹 Gantt Chart- Ammunition Demilitarization Timetable for all items of the Bill of Quantities (per LOT/LOT’s) with completion deadline;🗹 The list of transportation services to be used under the contract, and a statement confirming availability (owned or hired) as ADR regulated;🗹 Bid Security in the amount of 6,000.00 USD for Lot 1🗹 Bid Security in the amount of 10,000.00 USD for Lot 2🗹 Environmental Compliance Certificates, Accreditations, Markings/Labels, and other evidences of the Bidder’s practices which contributes to the ecological sustainability and reduction of adverse environmental impact (e.g., use of non-toxic substances, recycled raw materials, energy-efficient equipment, reduced carbon emission, etc.), either in its business practices or in the services according to relevant law in bidder’s country of operations. |
| 28 | C.15 | Structure of the Technical Bid and List of Documents to be Submitted | As per B. CONTENTS OF BID 2. Sections of BidAny attachments and/or appendices to the Bid (including all those specified under the Data Sheet) |
| 29 | C.15.2 | Latest Expected date for commencement of Contract |  March 01st, 2018 |
| 30 | C.15.2 | Maximum Expected duration of contract | 5-8 months for both LOTs Start March 2018 / Completion end of August-November 2018 The contract implementation time can be extended for additional 2-3 months from August 2018, pending coordination with the contractor and presented dynamic plan within the selected offer. In case of applying for both LOTs, the Disposal Plan and Timetable must indicate capacity for performing works on both offered LOTs concurrently from the works commencement date |
| 31 |  | UNDP will award the contract to: | 🗹 One or more, depending on the following factors:* Technical responsiveness/Full compliance to requirements per lot:
* Lowest price offer for technically qualified/responsive Bid per lot.

\* In the best interest of the organization, UNDP reserves the right not to award the Contract to the lowest priced bidder only in case when one bidder offers the lowest price for both LOTs but has no capacity to perform works concurrently on both offered LOTs. The bidder/s in subject will be awarded with LOT/LOTs according to assessed and proved capacity and for LOT/s with highest cost difference to next ranked bidder. |
| 32 | F.34 | Criteria for the Award and Evaluation of Bid | **Award Criteria** 🗹 Non-discretionary “Pass” or “Fail” rating on the detailed contents of the Schedule of Requirements and Technical Specifications 🗹 Compliance on the following qualification requirements:**Bid Evaluation Criteria**🗹 Minimum no. of years of experience in ammunition demilitarisation work: five [5];🗹 Average monetary value of ammunition disposal works performed in last three years should be no less than $ 250,000 per year;🗹 Minimum two (2) projects of similar nature and complexity undertaken over the past 5 years (according to lot);🗹 Minimum number and profile of registered employees to be engaged:* CV of one full time employed manager with minimum 5 years of experience in handling and disassembly of ammunition and in technologies for processing WP ammunition, respectively; **(For LOT 1)**
* Minimum 10 individuals employed full time or subcontracted with experience in handling and disassembly of ammunition and in technologies for processing WP ammunition, respectively; **(For LOT 1)**
* CV of one full time employed manager with minimum 5 years of experience in handling and disassembly of MLRS Ammunition, respectively; **(For LOT 2)**
* Minimum 10 individuals employed full time or subcontracted with experience in handling and disassembly of MLRS Ammunition, respectively; **(For LOT 2)**

🗹 Full compliance of Bid to the technical, financial and administrative requirements as stipulated under 26, 27 and *as indicated in Section 3a: Schedule of Requirements;*🗹 Appropriateness of the Implementation Ammunition Disposal Timetable; |
| 33 | E.29 | Post qualification Actions  | 🗹 Verification of accuracy, correctness and authenticity of the information provided by the bidder with regard to legal, technical and financial documents submitted; 🗹 Validation of extent of compliance to the ITB requirements and evaluation criteria based on what has so far been found by the evaluation team;🗹 Inquiry and reference checking with other previous clients on the quality of performance on ongoing or previous contracts completed. |
| 34 |  | Conditions for Determining Contract Effectivity |  🗹 UNDP’s receipt of Performance Bond valid 1 month from the anticipated date of Final report of completing the Disposal plan from Bidder, supported with final report from Verification Committee of MoD BiH and confirmed by UNDP’s external Verificator.🗹 UNDP’s approval of demilitarization plan |
| 35 |  | Other Information Related to the ITB | Before the final payment under the contract/s, awarded contractor / contractors are obliged to submit following: 1. Final report of completing the Disposal plan from Bidder, supported with final report from Verification Committee of MoD BiH and confirmed by UNDP’s external Verificator. ( for both LOTs)
2. To provide UNDP BiH with a proof that WP waste materials are disposed/recycled in a proper way and according to relevant legislation. (only for LOT 1).
 |

**Section 3 – Schedule of Requirements and Technical Specifications**

**Section 3a: Technical descriptions of the service**

**LOT 1- Disposal of White Phosphorus Ammunition**

* + - 1. **DESCRIPTION OF THE WORK:**

The work will include complete demilitarization of ammunition filled with white phosphorous up to the level of a substance-filled shell case (without any initiating elements, cartridge case and propellant charge) designated as HAZCLASS 4.2G. Upon disassembling, ammunition shell cases will be subjected to procedure of WP extraction. Once WP has been extracted it will be recycled by an accredited chemical or waste management company with references in disposal of white phosphorous. To complete the assignment, the potential contractor can opt between complete demilitarization in BiH with WP recycling, partial demilitarization with WP recycling abroad, or export of complete ammunition outside of BiH to process, ammunition components and recycle WP.

**Quantities:**The Contractor will be responsible for demilitarization of ammunition as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| N. | ASS | Type and model  | Caliber | Unit |  QTY | Gross Weight (kg) |
| **1.** | Glamoč | Mortar shell 60 mm M63 WP | 60 | piece | 93 | 224 |
| **2.** | Glamoč | Mortar shell 60 mm smoke | 60 | piece | 4 | 8 |
| **3.** | Glamoč | Mortar shell 120 mm smoke | 120 | piece | 1 | 18,0 |
| **4.** | Glamoč | Projectile 105 mm smoke | 105 | piece | 4 | 42,0 |
| **5.** | Glamoč | Projectile 122 mm smoke | 122 | piece | 2 | 43,0 |
| **6.** | Glamoč | Mortar mine 120 mm M64 P2 smoke | 120 | piece | 106 | 1.908,0 |
| **7.** | Glamoč | Mortar mine 120 mm smoke | 120 | piece | 2 | 36,0 |
| **8.** | Krčmarice | Igniter Z2 | - | piece | 6.624 | 18.216,0 |
| **9.** | Rudo | Mortar shell 82 mm smoke M74 | 82 | piece | 203 | 1.160,0 |
| **10.** | Krčmarice | Mortar shell 82 mm smoke M74 | 82 | piece | 45 | 145,0 |
| **11.** | Daljani | Mortar shell 120 mm smoke M64 | 120 | piece | 2 | 36,0 |
| **12.** | TROM Doboj | Mortar shell 120 mm smoke | 120 | piece | 1 | 18,0 |
| **13.** | Grabež | Mortar shell 120 mm smoke | 120 | piece | 2 | 36,0 |

**The Contractors will be responsible for:**

* Conducting a General Risk Assessment covering all procedures and tasks;
* Taking over ammunition assigned for disposal;
* Transporting ammunition from the storages to the processing facility including national, international, and local transport;
* Operation at Licensed facility to be designated for ammunition processing and WP extraction;
* Conducting all procedures regarding certification of transported goods (ammunition/hazardous material), and obtaining permits (export, import, and transit) in line with international regulations;
* Preliminary inspection of ammunition;
* Preparatory works on ammunition;
* Disassembly of ammunition using appropriate equipment both machine and manually;
* Removal of all primers, propellant and all other explosive elements;
* Ensure that only authorized tool and equipment’s are used during the demilitarization process. This includes contractors conducting work-services in the Ammunition Process Buildings (APB);
* Safe disposal of the recovered propellant by burning; In accordance with IATG 10.10 –‘Demilitarization and destruction of conventional ammunition’
* Destruction of the primers;
* Rendering all other ammunition components beyond repair;
* Rendering all residues Free from Explosives (FfE);
* Residues to make them FfE, Free from Chemical (FFC);
* Rendering all disassembled components beyond repair;
* Packaging and labeling the loads (ammunition/hazardous matter) according to UN standards and ADR specification;
* Issuing “SAFE TO MOVE” certificates
* Demilitarization and disassembly of all other components using appropriate techniques and measures in accordance with the International Ammunition Technical Guidelines (IATG) and the procedures and demands of the Armed forces and the Ministry of Defense of BIH;
* Extraction of the WP fill from the shells;
* Recycling of WP;
* Issuing a certificate about the successful recycling of WP and complete FfE and FFC;
* Safe and ecological disposal of contaminated waste, for every step of the process, including final disposal of barrels and associated materials upon WP recycle;
* Independent verification on eco-friendly waste disposal done by certified company Reporting; and
* Development of the necessary photo and video documentation supporting the narrative and financial reports.
	+ - 1. **GENERAL SAFETY PROCEDURE TO BE ADHERED TO BY THE CONTRACTOR DURING ALL ASPECTS OF THE DEMILITARISATION WORK**

**COMPLIANCE.** The Contractor will be required to comply with all standard operational procedures (SOP) and ‘International Best Practices’ by adhering to the International Ammunition Technical Guidelines (IATG). The contractor must also comply with the prescribed by the authorized personnel of the military facility and UNDP following all applicable international standards. THE CONTRACTOR WILL FOLLOW ALL THE GUIDELINES LAID OUT IN IATG 07.10 - SAFETY AND RISK REDUCTION (AMMUNITION PROCESSING OPERATIONS). These include the following:

**SAFETY AND RISK REDUCTION:** The Contractor is to specifically refer to IATG 06.10 – ‘Control of explosives facilities’ IATG 06.30 ‘Storage and handling of ammunition’ and IATG 06.50 ‘Specific Safety Precautions’.

**RISK ASSESSMENT:** The Contractor is required to conduct and prepare a written Risk Assessment prior to starting any ammunition processing activity. This should be in accordance with the guidelines contained within IATG 02.10. The Contractors is to obtain the minimum information of the hazard properties of explosives articles for processing should be available for the individual carrying out the Risk Assessment: This should include:

* Design drawings;
* Previous processing technical instruction for type of explosive article;
* Sensitivity data (Obtained from manufacturer);
* Chemical stability information;
* Hazard classification codes; and
* Health Hazards, including Material Data sheet for hazardous substances.
	+ - * Directive 2000/76/EC of the European Parliament and of the Council on 04 December 2000 on the Incineration of Waste;
			* Directive 2003/105/EC of the European Parliament and of the Council of 16 December 2003 on the Control of Major-Accident Hazards (COMAH) involving dangerous substances;
			* Directive 2006/12/EX of the European Parliament and of the Council of 05 April 2006 on Waste; and
* Basel Convention on the control of Trans-Boundary Movements of Hazardous Wastes and their Disposal
* The Contractors must formally document all finding for the Risk Assessment. These include: explosive dust risk, low sensitiveness, explosive risk, health risks to personnel and irritant fumes etc.

**SAFE SYSTEM OF WORK (SSOW):** The Contractor shall ensure the safe processing of ammunition and explosives through the establishment of a SSOW This should include:

* + Trained and competent staff;
	+ Appropriate levels of direct supervision and management;
	+ Suitable written work instructions (Inspection and Repair Instructions) (I&RI);
	+ Appropriate tools and equipment; and
	+ Adequate work facilities.

**CONTROLLING THE RISK:** The Contractor shall introduce systems and techniques for controlling the RISK during all processing operations. This shall be done by:

**EXPLOSIVE LIMITS**: A major element of risk reduction shall be to limit the quantity of ammunition and explosives present in the Ammunition Process Building (APB). The physical Net Explosive Quantity (NEQ) stored shall be the minimum necessary for the safe and efficient conduct of the processing task and shall never exceed the necessary quantity for one day’s work;

**MAN LIMITS:** A limitation on the number of staff and visitors present within the APB shall be applied – This is known as ‘man limits’;

**LOWER RISK OPERATIONS:** Separate demilitarization processing tasks should not be conducted in a single location. One demilitarization task per APB. Separate tasks may be permitted simultaneously if the explosive risk in assessed as low. (A processing task shall never be considered as Low Risk where exposed explosive substances are present;

**RESTRICTED TASKS:** Due to high levels of risk, the contractor is to ensure that only named individuals who are specifically licensed to conduct operations that contain an inherent risk; and

**WORK INSTRUCTIONS:** Formal written work instructions shall be developed for EACH type of process task. The work instruction should consist of:

* + - General work instruction on the basic explosive safety that are applicable to all processing task; and
		- Specific work instructions applicable to a particular task.

**THE CONTRACTOR IS TO FOLLOW THE GUIDELINES LAID OUT IN IATG 06.50 and 07.10 .AN EXAMPLE OF A GENERAL WORK INSTRUCTION IS AT IATG 07.10, ANNEX C AND AN EXAMPLE OF A SPECIFIC WORK INSTRUCTION, IN THE FORM OF AN INSPECTION AND REPAIR INSTRUCTION (I&RI) IS AT IATG 07.20, ANNEX D.**

**SUPERVISION AND COMPETENCY OF STAFF**: The Contractor shall ensure that all staff are competent and trained to the appropriate level for each specific task. The Contractors is to maintain records and qualification records for all staff employed;

**PROCESSING FACILITY:** All ammunition processing tasks should take place in a purpose designed Ammunition Process Building where possible;

**EXPOSED AMMUNITION AND EXPLOSIVES**: The quantity of exposed explosives shall be kept to a minimum. All explosives that are not being worked on, should be appropriately covered to minimize the risk of initiation by spark; and

**REMOTE OPERATIONS**: The Contractor is to ensure that remote operations are the first choice whenever possible. However, Remote operations shall always be used when;

* The explosive composition is sensitive; and/or
* The operation is considered more likely than normal to result in an explosion.

Explosive items shall not be broken down until the risks have been assessed, the operation has been planned and the layout and system of work, with the appropriate safety measures approved. Where the risk assessment determines the need, breakdown operations considered to have an unacceptable hazard/ risk shall always be carried out remotely:

* Manual removal of fuses from large ammunition natures; i.e. artillery, mortar and tank ammunition, is to be discouraged;

**PERSONAL PROTECTIVE EQUIPMENT AND CLOTHING**: The Contractor after conducting the Risk Assessment is to supply Personal Protection Equipment and Clothing for the ammunition tasks identified. The PPEC should:

* + Provide a degree of protection against the effects of accidental fire or explosion;
	+ Provide protection from health hazards – (Identified in Material Data Hazard Sheets); and
	+ Reduce hazards such as static electricity. i.e. (Anti-static shoes and clothing).

**AUTHORIZED TOOLS AND EQUIPMENT**: The Contractor shall put in place a formal system to ensure that only authorized tools and equipment that are intrinsically safe are used in the process facility. For example, the use of iron or steel tools shall **NOT** be used when dealing with gunpowder or propellants and non-sparking tools/ materials, like brass used instead. A list of tools and equipment authorized for each process or task should be stated in the work instruction as per IATG 07.20, Clause 6.5 in Annex D; Authorized tools will also apply to any contractors working on site. If the contractor wishes to use unauthorized tools, the APB must cease work and all ammunition removed.

**GENERAL PROCEDURES**: The Contractor shall adhere to the following procedures:

* + Pre-and post-work inspections;
	+ Ensure that all entrance and exits are kept clear;
	+ Minimize flammable materials in the APB;
* Segregation, safe and environmental disposal of explosive wastes. This includes waste-water for TNT wash-out facilities. TNT is classified as a poisonous substance to both Humans and animals, especially Fish. Steaming out requires that special precautions be taken to prevent contamination of the surrounding area and of aquifers in particular. Operatives are at particular risk from the toxic effects of TNT. Appropriate risk assessments shall be made and personal protective equipment and medical surveillance may invariably be required;

* + Temperature in the APBs (temperature range should be between 13°C and 24°C);
* Humidity in APB (Kept below 70% humidity);
	+ Maintain the APB clear from rubbish (potential fire risk);
	+ Spark prevention – (Use non-ferrous tools);
	+ Electrostatic Discharge (See IATG 06.50 Special safety precautions); and
	+ Radio Frequency Hazards (Mobile phones are prohibited in APBs).

**CONTIGENCY PLANNING**: The Contractor shall have in place procedures to deal with accidents. (See IATG 11.10 Ammunition accidents – reporting and investigation);

**THUNDERSTORMS**. All work shall cease and all ammunition packed away during thunderstorms;

**UNSAFE AMMUNITION**: The Contractor is to develop procedures to deal with any spillage of explosives or propellants and ammunition natures found in an UNSAFE condition. i.e. exudation of explosives or ammunition natures inadvertently dropped);

* All stocks shall be regularly inspected. Such inspections, with special reference to the onset of rust/ corrosion, to ensure that the explosives are disposed of before they become dangerous; and
* All ammunition and components shall be safely packed for transportation and handling after the demilitarization process. The contractor is to issue a ‘Certificate of Safety’ to ensure the explosives and ammunition are correctly packed and safe for transportation and handling and issued with a ‘Safe to Move Certificate’.
	+ - 1. **INSTITUTIONAL ARRANGEMENT**

**Safety and security.** During the disposal of ammunition, the Contractor will undertake all necessary security measures prescribed by the MoD/AF BiH ammunition disposal guidelines, UNDP, national, regional, and international standards. Security for all materials covered by this agreement will be provided by the Contractors to meet the highest safety standards possible, until that point in time when they are demilitarized in their entirety. Any violations of safety, security, thefts or disappearance of materials from the Contract’s site that are covered by this agreement will be immediately reported to UNDP.

**License to operate and export modus:**

Bidder needs a valid license issued by the state Ministry on foreign trade and economic relationships. Ministry of defense will act at authorized exporter of the materials;

Bidder need to possess all necessary license to operate under the legislative of the country of origin and actual location of the facility.

**Reporting:** Weekly reporting will be conducted in accordance with procedures prescribed by the Ministry of Defense and the AF BiH.

* The Contractor will submit a weekly report stating the results for that week and the plan for the following. This plan will encompass a day-to-day over view of the caliber of ammunition, type, and daily rate by rounds and per gross weight together with a precise overview of the residual material also show as per type, origin and weight;
* All weekly and monthly reporting will be accompanied by photo and/or video documentation that will record the process of certification of the disposed quantities and remaining items;
* This photo documentation does not come under the promotional material clause and it will be separately made to document the process of disposal for archive purposes;
* One milestone report will consist of the following:
	+ Invoice;
	+ Overview report;
	+ A table stating all of the above-mentioned details of the items being disposed of;
	+ All certificates supporting the disposal of ammunition related to this contract only; and
	+ Signed verification and transfer of residuals document for the items in question.
	+ Final independent report on safe waste disposal.

These documents together with monthly report of achieving the objectives from the Disposal Timetable from the contract will form a base for any payment. Failing to conform/comply with this reporting mechanism, necessary to uphold the transparency of the process, will prevent the payment of delivered invoices/payments.

**Scrap material**

In case that the demilitarized ammunition cartridges filled with white phosphorous are going to be transported outside the country for final disposal (extraction/recycling) the interested company should retain the residual material that will remain after the disposal procedures. It is expected that the offered price for the assignment is already being reduced and adjusted for the projected income obtained from the future sale of the residual materials at the current market prices.

**Oversight.** The Contractor will report to the EU STAR Project Manager. Their work will be under direct scrutiny of the UNDP’s ammunition specialists. All required changes in the Disposal plan, activities or required method and steps will be presented to the Project Officer pending approval or suggestion on how to continue.

**Monitoring and verification.** The BiH Ministry of Defense has established a Verification Committee with overall responsibility to monitor and verify the process of destruction in line with defined Options of full control in the process of demilitarization. The Contractor will be responsible to log every step of the process and to issue certification for any stage completed. This will be confirmed by the Verification Commission of the Ministry of Defense of Bosnia and Herzegovina and results noted towards the demilitarization plan. UNDP staff will be monitoring the process and receiving and verifying report as per contractual obligations. The contractor will be responsible for weekly cooperation with the Verification Committee on site and will also report to the Committee the weekly quantities destroyed.

**LOT 2- Disposal of MLRS Ammunition**

1. **DESCRIPTION OF THE WORK**

The work will include complete demilitarization of various natures of MLRS ammunition in a reverse engineering process to render the all elements of ammunition FFE and certified non-usable for any ammunition application in the future. To complete the assignment, the potential contractor can opt between complete demilitarization in BiH, partial demilitarization in BIH and abroad, or export of complete ammunition outside of BiH to process demilitarization of ammunition.

**Quantities:**The contractor will be responsible for demilitarization of ammunition as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| N. | Type and model  | Caliber | Unit |  QTY |
| **1.** | Rocket 107 mm | 107 | piece | 679 |
| **2.** | Rocket 122 mm | 122 | piece | 1345 |
| **3.** | Rocket 128 mm | 128 | piece | 4666 |

**The Contractor will be responsible for:**

* Conducting a General Risk Assessment covering all procedures and tasks;
* Taking over ammunition assigned for disposal;
* Transporting ammunition from the storages to the processing facility including national, international, and local transport;
* Operation at Licensed facility to be designated for ammunition processing;
* Conducting all procedures regarding certification of transported goods (ammunition/hazardous material), and obtaining permits (export, import, and transit) in line with international regulations;
* Preliminary inspection of ammunition;
* Preparatory works on ammunition;
* Disassembly of ammunition using appropriate equipment both machine and manually;
* Removal of all primers, propellant and all other explosive elements;
* Ensure that only authorized tool and equipment’s are used during the demilitarization process. This includes contractors conducting work-services in the Ammunition Process Buildings (APB);
* Safe disposal of the recovered propellant by burning; In accordance with IATG 10.10 –‘Demilitarization and destruction of conventional ammunition’
* Destruction of the primers;
* Burning out the tracer elements;
* Rendering all other ammunition components beyond repair;
* Rendering all residues Free from Explosives (FfE);
* Rendering all disassembled components beyond repair;
* Packaging and labeling the loads (ammunition/hazardous matter) according to UN standards and ADR specification;
* Issuing “SAFE TO MOVE” certificates
* Demilitarization and disassembly of all other components using appropriate techniques and measures in accordance with the International Ammunition Technical Guidelines (IATG) and the procedures and demands of the Armed forces and the Ministry of Defense of BIH;
* Safe and ecological disposal of contaminated waste, for every step of the process, by products;
* Independent verification on eco-friendly waste disposal done by certified company Reporting; and
* Development of the necessary photo and video documentation supporting the narrative and financial reports.
1. **GENERAL SAFETY PROCEDURE TO BE ADHERED TO BY THE CONTRACTOR DURING ALL ASPECTS OF THE DEMILITARIZATION WORK**

**COMPLIANCE.** The contractor will be required to comply with all standard operational procedures (SOP) and ‘International Best Practices’ by adhering to the International Ammunition Technical Guidelines (IATG). The contractor must also comply with the prescribed by the authorized personnel of the military facility and UNDP following all applicable international standards. THE CONTRACTOR WILL FOLLOW ALL THE GUIDELINES LAID OUT IN IATG 07.10 - SAFETY AND RISK REDUCTION (AMMUNITION PROCESSING OPERATIONS). These include the following:

**SAFETY AND RISK REDUCTION**: The contractor is to specifically refer to IATG 06.10 – ‘Control of explosives facilities’ IATG 06.30 ‘Storage and handling of ammunition’ and IATG 06.50 ‘Specific Safety Precautions’.

**RISK ASSESSMENT**: The contractor is required to conduct and prepare a written Risk Assessment prior to starting any ammunition processing activity. This should be in accordance with the guidelines contained within IATG 02.10. The Contractor is to obtain the minimum information of the hazard properties of explosives articles for processing should be available for the individual carrying out the Risk Assessment: This should include:

* Design drawings;
* Previous processing technical instruction for type of explosive article;
* Sensitivity data (Obtained from manufacturer);
* Chemical stability information;
* Hazard classification codes; and
* Health Hazards, including Material Data sheet for hazardous substances.
	+ - * Directive 2000/76/EC of the European Parliament and of the Council on 04 December 2000 on the Incineration of Waste;
			* Directive 2003/105/EC of the European Parliament and of the Council of 16 December 2003 on the Control of Major-Accident Hazards (COMAH) involving dangerous substances;
			* Directive 2006/12/EX of the European Parliament and of the Council of 05 April 2006 on Waste; and
* Basel Convention on the control of Trans-Boundary Movements of Hazardous Wastes and their Disposal
* The Contractor must formally document all finding for the Risk Assessment. These include: explosive dust risk, low sensitiveness, explosive risk, health risks to personnel and irritant fumes etc.

**SAFE SYSTEM OF WORK (SSOW)**: The contractor shall ensure the safe processing of ammunition and explosives through the establishment of a SSOW This should include:

* + Trained and competent staff;
	+ Appropriate levels of direct supervision and management;
	+ Suitable written work instructions (Inspection and Repair Instructions) (I&RI);
	+ Appropriate tools and equipment; and
	+ Adequate work facilities.

**CONTROLLING THE RISK:** The Contractor shall introduce systems and techniques for controlling the RISK during all processing operations. This shall be done by:

**EXPLOSIVE LIMITS:** A major element of risk reduction shall be to limit the quantity of ammunition and explosives present in the Ammunition Process Building (APB). The physical Net Explosive Quantity (NEQ) stored shall be the minimum necessary for the safe and efficient conduct of the processing task and shall never exceed the necessary quantity for one day’s work;

**MAN LIMITS**: A limitation on the number of staff and visitors present within the APB shall be applied – This is known as ‘man limits’;

**LOWER RISK OPERATIONS**: Separate demilitarization processing tasks should not be conducted in a single location. One demilitarization task per APB. Separate tasks may be permitted simultaneously if the explosive risk in assessed as low. (A processing task shall never be considered as Low Risk where exposed explosive substances are present;

**RESTRICTED TASKS**: Due to high levels of risk, the contractor is to ensure that only named individuals who are specifically licensed to conduct operations that contain an inherent risk; and

**WORK INSTRUCTIONS**: Formal written work instructions shall be developed for EACH type of process task. The work instruction should consist of:

* + - General work instruction on the basic explosive safety that are applicable to all processing task; and
		- Specific work instructions applicable to a particular task.

**THE CONTRACTOR IS TO FOLLOW THE GUIDELINES LAID OUT IN IATG 06.50 and 07.10 .AN EXAMPLE OF A GENERAL WORK INSTRUCTION IS AT IATG 07.10, ANNEX C AND AN EXAMPLE OF A SPECIFIC WORK INSTRUCTION, IN THE FORM OF AN INSPECTION AND REPAIR INSTRUCTION (I&RI) IS AT IATG 07.20, ANNEX D.**

**SUPERVISION AND COMPETENCY OF STAFF**: The Contractor shall ensure that all staff are competent and trained to the appropriate level for each specific task. The Contractor is to maintain records and qualification records for all staff employed;

**PROCESSING FACILITY**: All ammunition processing tasks should take place in a purpose designed Ammunition Process Building where possible;

**EXPOSED AMMUNITION AND EXPLOSIVES**: The quantity of exposed explosives shall be kept to a minimum. All explosives that are not being worked on, should be appropriately covered to minimize the risk of initiation by spark; and

**REMOTE OPERATIONS**: The contractor is to ensure that remote operations are the first choice whenever possible. However, Remote operations shall always be used when;

* The explosive composition is sensitive; and/or
* The operation is considered more likely than normal to result in an explosion.

Explosive items shall not be broken down until the risks have been assessed, the operation has been planned and the layout and system of work, with the appropriate safety measures approved. Where the risk assessment determines the need, breakdown operations considered to have an unacceptable hazard/ risk shall always be carried out remotely:

* Manual removal of fuses from large ammunition natures; i.e. artillery, mortar and tank ammunition, is to be discouraged;

**PERSONAL PROTECTIVE EQUIPMENT AND CLOTHING**: The contractor after conducting the Risk Assessment is to supply Personal Protection Equipment and Clothing for the ammunition tasks identified. The PPEC should:

* + Provide a degree of protection against the effects of accidental fire or explosion;
	+ Provide protection from health hazards – (Identified in Material Data Hazard Sheets); and
	+ Reduce hazards such as static electricity. i.e. (Anti-static shoes and clothing).

**AUTHORIZED TOOLS AND EQUIPMENT**: The Contractor shall put in place a formal system to ensure that only authorized tools and equipment that are intrinsically safe are used in the process facility. For example, the use of iron or steel tools shall **NOT** be used when dealing with gunpowder or propellants and non-sparking tools/ materials, like brass used instead. A list of tools and equipment authorized for each process or task should be stated in the work instruction as per IATG 07.20, Clause 6.5 in Annex D; Authorized tools will also apply to any contractors working on site. If the contractor wishes to use unauthorized tools, the APB must cease work and all ammunition removed.

**GENERAL PROCEDURES**: The contractor shall adhere to the following procedures:

* + Pre-and post-work inspections;
	+ Ensure that all entrance and exits are kept clear;
	+ Minimize flammable materials in the APB;
* Segregation, safe and environmental disposal of explosive wastes. This includes waste-water for TNT wash-out facilities. TNT is classified as a poisonous substance to both Humans and animals, especially Fish. Steaming out requires that special precautions be taken to prevent contamination of the surrounding area and of aquifers in particular. Operatives are at particular risk from the toxic effects of TNT. Appropriate risk assessments shall be made and personal protective equipment and medical surveillance may invariably be required;

* + Temperature in the APBs (temperature range should be between 13°C and 24°C);
* Humidity in APB (Kept below 70% humidity);
	+ Maintain the APB clear from rubbish (potential fire risk);
	+ Spark prevention – (Use non-ferrous tools);
	+ Electrostatic Discharge (See IATG 06.50 Special safety precautions); and
	+ Radio Frequency Hazards (Mobile phones are prohibited in APBs).

**CONTIGENCY PLANNING:** The Contractor shall have in place procedures to deal with accidents. (See IATG 11.10 Ammunition accidents – reporting and investigation);

**THUNDERSTORMS**. All work shall cease and all ammunition packed away during thunderstorms;

**UNSAFE AMMUNITION**: The Contractor is to develop procedures to deal with any spillage of explosives or propellants and ammunition natures found in an UNSAFE condition. i.e. exudation of explosives or ammunition natures inadvertently dropped);

* All stocks shall be regularly inspected. Such inspections, with special reference to the onset of rust/ corrosion, to ensure that the explosives are disposed of before they become dangerous; and
* All ammunition and components shall be safely packed for transportation and handling after the demilitarization process. The contractor is to issue a ‘Certificate of Safety’ to ensure the explosives and ammunition are correctly packed and safe for transportation and handling and issued with a ‘Safe to Move Certificate’.
1. **INSTITUTIONAL ARRANGEMENT**

**Safety and security.** During the disposal of ammunition, the Bidder will undertake all necessary security measures prescribed by the MoD/AF BiH ammunition disposal guidelines, UNDP, national, regional, and international standards. Security for all materials covered by this agreement will be provided by the Bidder to meet the highest safety standards possible, until that point in time when they are demilitarized in their entirety. Any violations of safety, security, thefts or disappearance of materials from the Bidder’s site that are covered by this agreement will be immediately reported to UNDP.

**License to operate and export modus:**

Bidder needs a valid license issued by the state Ministry on foreign trade and economic relationships. Ministry of defense will act at authorized exporter of the materials;

Bidder need to possess all necessary license to operate under the legislative of the country of origin and actual location of the facility.

**Reporting:** Weekly reporting will be conducted in accordance with procedures prescribed by the Ministry of Defense and the AF BiH.

* The Contractor will submit a weekly report stating the results for that week and the plan for the following. This plan will encompass a day-to-day over view of the caliber of ammunition, type, and daily rate by rounds and per gross weight together with a precise overview of the residual material also show as per type, origin and weight;
* All weekly and monthly reporting will be accompanied by photo and/or video documentation that will record the process of certification of the disposed quantities and remaining items;
* This photo documentation does not come under the promotional material clause and it will be separately made to document the process of disposal for archive purposes;
* One milestone report will consist of the following:
	+ Invoice;
	+ Overview report;
	+ A table stating all of the above-mentioned details of the items being disposed of;
	+ All certificates supporting the disposal of ammunition related to this contract only; and
	+ Signed verification and transfer of residuals document for the items in question.
	+ Final independent report on safe waste disposal.

These documents together with monthly report of achieving the objectives from the Disposal Timetable from the contract will form a base for any payment. Failing to conform/comply with this reporting mechanism, necessary to uphold the transparency of the process, will prevent the payment of delivered invoices/payments.

**Scrap material**

a. In case that the MLRS Ammunition are going to be transported outside of the country for disposal the interested company should be informed that scrap material left after the disposal process is not the subject of return to the MoD BiH, it is expected that the offered price for the assignment is reduced and adjusted for the projected income obtained (by the bidder) from the future sale of the residual materials at the current market prices.

b. In case that the MLRS Ammunition are going to be disposed in the country, scrap material left after the disposal process must be returned to the MoD BiH.

**Oversight.** The Bidder will report to the EU STAR Project Manager. All required changes in the Disposal plan, activities or required method and steps will be presented to the Project Officer pending approval or suggestion on how to continue.

**Monitoring and verification.** The BiH Ministry of Defense has established a Verification Committee with overall responsibility to monitor and verify the process of destruction in line with defined Options of full control in the process of demilitarization. The Bidder will be responsible to log every step of the process and to issue certification for any stage completed. This will be confirmed by the Verification Commission of the Ministry of Defense of Bosnia and Herzegovina and results noted towards the demilitarization plan. UNDP staff will be monitoring the process and receiving and verifying report as per contractual obligations. The Bidder will be responsible for weekly cooperation with the Verification Committee on site and will also report to the Committee the weekly quantities destroyed.

Section 3b: Related Services

Further to the Schedule of Requirements in the preceding Table, Bidders are requested to take note of the following additional requirements, conditions, and related services pertaining to the fulfillment of the requirements:

|  |  |
| --- | --- |
| Delivery Term [INCOTERMS 2010] *(Pls. link this to price schedule)* | 🗹 DDP (bidder’s facilities assigned for demilitarization work (per LOTs)  |
| Exact Address of service | 🗹 As per Bidders offer for demilitarization work (per LOTs) |
| End of service Date | 150 calendar days from the contract commencement date |
| Work requirements/conditions | The Bidders is obliged to perform works fully in accordance with relevant national standards and regulations and the Disposal Plan and its requirements, conditions, instructions and stipulated standards. |
| Testing Requirements | N/A |
| Commissioning | Final Inspection of works will be performed by UNDP EU STAR Project Team and Verification Committee from MoD BiH. |
| Warranty | N/A |
| All supporting documentations such as catalogs, instructions and operating manuals, shall be in this language  | 🗹 Local language or English  |
| Payment Terms  | 🗹 Based upon Invoices submitted by the Contractor and Interim Payment Certificates issued by the Verification Committee from MoD BiH, UNDP shall make progress payments. The period covered by each Invoice shall be at monthly bases during the Time for completion. Invoices shall indicate the percentage of completion of each portion of Works as of the end of the period covered by the Invoice. Each Invoice shall be based on the Ammunition Demilitarization Plan submitted by the Contractor in accordance with the tender documents.🗹 Invoices reflecting final payment certificates shall be paid within 30 (thirty) days of the date of their receipt and acceptance by UNDP. |

**Section 4: Bid Submission Form**

***(This should be written in the Letterhead of the Bidder. Except for indicated fields, no changes may be made in this template.)***

Insert: Location

Insert: Date

To: [*insert: Name and Address of UNDP focal point]*

Dear Sir/Madam:

 We, the undersigned, hereby offer to supply the goods and related services required for [*insert: title of goods and services required as per ITB*]in accordance with your Invitation to Bid dated Insert: bid date. We are hereby submitting our Bid, which includes the Technical Bid and Price Schedule.

We hereby declare that:

1. All the information and statements made in this Bid are true and we accept that any misrepresentation contained in it may lead to our disqualification;
2. We are currently not on the removed or suspended vendor list of the UN or other such lists of other UN agencies, nor are we associated with, any company or individual appearing on the 1267/1989 list of the UN Security Council;
3. We have no outstanding bankruptcy or pending litigation or any legal action that could impair our operation as a going concern; and
4. We do not employ, nor anticipate employing, any person who is or was recently employed by the UN or UNDP.

We confirm that we have read, understood and hereby fully accept the Schedule of Requirements and Technical Specifications describing the duties and responsibilities required of us in this ITB, and the General Terms and Conditions of UNDP’s Standard Contract for this ITB.

We agree to abide by this Bid for *[insert: period of validity as indicated in Data Sheet].*

 We undertake, if our Bid is accepted, to initiate the supply of goods and provision of related services not later than the date indicated in the Data Sheet.

We fully understand and recognize that UNDP is not bound to accept this Bid, that we shall bear all costs associated with its preparation and submission, and that UNDP will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the evaluation.

 We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]:

Name and Title of Signatory:

Name of Firm:

Contact Details:

 *[please mark this letter with your corporate seal, if available]*

Bidder Information Form

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

ITB No.: *001-18*

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|  |
| --- |
| 1. Bidder’s Legal Name *[insert Bidder’s legal name]*  |
| 2. In case of Joint Venture (JV), legal name of each party: *[insert legal name of each party in JV]* |
| 3. Actual or intended Country/ies of Registration/Operation: *[insert actual or intended Country of Registration]* |
| 4. Year of Registration in its Location: *[insert Bidder’s year of registration]* |
| 5. Countries of Operation | 6. No. of staff in each Country | 7.Years of Operation in each Country |
| 8. Legal Address/es in Country/ies of Registration/Operation:*[insert Bidder’s legal address in country of registration]* |
| 9. Value and Description of Top three (3) Biggest Contract for the past three (3) years |
| 10. Latest Credit Rating (Score and Source, if any)  |
| 11. Brief description of litigation history (disputes, arbitration, claims, etc.), indicating current status and outcomes, if already resolved.  |
| 12. Bidder’s Authorized Representative Information Name: *[insert Authorized Representative’s name]*  Address: *[insert Authorized Representative’s Address]* Telephone/Fax numbers: *[insert Authorized Representative’s telephone/fax numbers]* Email Address: *[insert Authorized Representative’s email address]* |
| 13. Are you in the UNPD List 1267.1989 or UN Ineligibility List?☐ YES or ☐ NO |
| 14. Attached are copies of original documents of: ☐All eligibility document requirements listed in the Data Sheet☐If Joint Venture/Consortium – copy of the Memorandum of Understanding/Agreement or Letter of Intent to form a JV/Consortium, or Registration of JV/Consortium, if registered☐If case of Government corporation or Government-owned/controlled entity, documents establishing legal and financial autonomy and compliance with commercial law. |

Joint Venture Partner Information Form (if Registered)

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

ITB No.: *[001-18]*

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|  |
| --- |
| 1. Bidder’s Legal Name: *[insert Bidder’s legal name]* |
| 2. JV’s Party legal name: *[insert JV’s Party legal name]* |
| 3. JV’s Party Country of Registration: *[insert JV’s Party country of registration]* |
| 4. Year of Registration: *[insert Party’s year of registration]* |
| 5. Countries of Operation | 6. No. of staff in each Country | 7.Years of Operation in each Country |
| 8. Legal Address/es in Country/ies of Registration/Operation: *[insert Party’s legal address in country of registration]* |
| 9. Value and Description of Top three (3) Biggest Contract for the past three (3) years |
| 10. Latest Credit Rating (if any) :Click here to enter text. |
| 1. Brief description of litigation history (disputes, arbitration, claims, etc.), indicating current status and outcomes, if already resolved. Click here to enter text.
 |
| 13. JV’s Party Authorized Representative InformationName: *[insert name of JV’s Party authorized representative]*Address: *[insert address of JV’s Party authorized representative]*Telephone/Fax numbers: *[insert telephone/fax numbers of JV’s Party authorized representative]*Email Address: *[insert email address of JV’s Party authorized representative]* |
| 14. Attached are copies of original documents of:*[check the box(es) of the attached original documents]*☐All eligibility document requirements listed in the Data Sheet☐Articles of Incorporation or Registration of firm named in 2.☐In case of government owned entity, documents establishing legal and financial autonomy and compliance with commercial law. |

Section 5: Technical Bid Form

|  |
| --- |
| **Disposal of WP and MLRS Ammunition**  |

|  |  |
| --- | --- |
| **Name of Bidding Organization / Firm:** |  |
| **Country of Registration:**  |  |
| **Name of Contact Person for this Bid:** |  |
| **Address:** |  |
| **Phone / Fax:** |  |
| **Email:** |  |

|  |
| --- |
| **SECTION 1: EXPERTISE OF FIRM/ ORGANISATION** |
| 1.1 Brief Description of Bidder as an Entity: Provide a brief description of the organization / firm submitting the Bid, its legal mandates/authorized business activities, the year and country of incorporation, and approximate annual budget, etc. Include reference to reputation, or any history of litigation and arbitration in which the organisation / firm has been involved that could adversely affect or impact the delivery of goods and/or performance of related services, indicating the status/result of such litigation/arbitration.1.2. Financial Capacity: Based on the latest Audited Financial Statement (Income Statement and Balance Sheet) describe the financial capacity (liquidity, stand-by credit lines, etc.) of the bidder to engage into the contract. Include any indication of credit rating, industry rating, etc.1.3. Track Record and Experiences: Provide the following information regarding corporate experience within at least the last five (5) years which are related or relevant to those required for this Contract.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Name of project** | **Client** | **Contract Value** | **Period of activity** | **Types of activities undertaken** | **Status or Date Completed** | **References Contact Details (Name, Phone, Email)** |
|  |  |  |  |  |  |  |
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| **SECTION 2 - SCOPE OF SUPPLY, TECHNICAL SPECIFICATIONS, AND RELATED SERVICES** |
| *This section should demonstrate the Bidder’s responsiveness to the specification by identifying the specific components proposed, addressing the requirements, as specified, point by point; providing a detailed description of the essential performance characteristics proposed; and demonstrating how the proposed bid meets or exceeds the specifications.*2.1. Scope of service/work: Please provide a detailed description of the service/work to be performed, indicating clearly how they comply with the technical specifications required by the ITB (see below table and Section 3a1); describe how the organisation/firm will supply the related services, keeping in mind the appropriateness to local conditions and work/service environment.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **No.** | **Description of work** | **Equipment** | **Capability** | **Qty** | **Quality Certificat (indicate all that applies and if attached)** |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

*A supporting document with full details may be annexed to this section*2.2. Technical Quality Assurance Mechanisms: The bid shall also include details of the Bidder’s internal technical and quality assurance review mechanisms, all the appropriate quality certificates, licenses and other documents attesting to the superiority of the capability and quality of the service/work and technologies to be performed. 2.3. Reporting and Monitoring: Please provide a brief description of the mechanisms proposed for this project for reporting to the UNDP and partners, including a reporting schedule. 2.4. Subcontracting: Explain whether any work would be subcontracted, to whom, how much percentage of the work, the rationale for such, and the roles of the proposed sub-contractors. Special attention should be given to providing a clear picture of the role of each entity and how everyone will function as a team. 2.5. Risks / Mitigation Measures: Please describe the potential risks for the implementation of this work that may impact achievement and timely completion of expected results as well as their quality. Describe measures that will be put in place to mitigate these risks.2.6 Implementation Timelines: The Bidder shall submit a Gantt Chart or Disposal Schedule Plan indicating the detailed sequence of activities that will be undertaken and their corresponding timing. 2.7. Partnerships (Optional): Explain any partnerships with local, international or other organizations that are planned for the implementation of the project. Special attention should be given to providing a clear picture of the role of each entity and how everyone will function as a team. Letters of commitment from partners and an indication of whether some or all have successfully worked together on other previous projects is encouraged. 2.8. Anti-Corruption Strategy (Optional): Define the anti-corruption strategy that will be applied in this project to prevent the misuse of funds. Describe the financial controls that will be put in place.2.9 Statement of Full Disclosure: This is intended to disclose any potential conflict in accordance with the definition of “conflict” under Section 4 of this document, if any.2.10 Other: Any other comments or information regarding the bid and its implementation. |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **SECTION 3: PERSONNEL**3.1 Management Structure: Describe the overall management approach toward planning and implementing the contract. Include an organization chart for the management of the contract, if awarded.3.2 Staff Time Allocation: Provide a spreadsheet will be included to show the activities of each personnel involved in the implementation of the contract. Where the expertise of the personnel is critical to the success of the contract, UNDP will not allow substitution of personnel whose qualifications had been reviewed and accepted during the bid evaluation. (If substitution of such some personnel is unavoidable, substitution or replacement will be subject to the approval of UNDP. No increase in costs will be considered as a result of any substitution).3.3 Qualifications of Key Personnel. Provide the CVs for key personnel (Team Leader, Managerial and general staff) that will be provided to support the implementation of this project. CVs should demonstrate qualifications in area of expertise relevant to the Contract. Please use the format below:

|  |  |
| --- | --- |
| **Name:** |  |
| **Role in Contract Implementation:** |  |
| **Nationality:**  |  |
| **Contact information:** |  |
| **Countries of Relevant Work Experience:** |  |
| **Language Skills:** |  |
| **Education and other Qualifications:** |  |
| **Summary of Experience:** *Highlight experience in the region and on similar projects.* |
| Relevant Experience (From most recent): |
| **Period: From – To** | **Name of activity/ Project/ funding organisation, if applicable:** | **Job Title and Activities undertaken/Description of actual role performed:** |
| *e.g. June 2010-January 2011* |  |  |
| *Etc.* |  |  |
| *Etc.*  |  |  |
| **References (minimum of 3):** | *Name**Designation**Organization**Contact Information – Address; Phone; Email; etc.* |
| **Declaration:**I confirm my intention to serve in the stated position and present availability to serve for the term of the proposed contract. I also understand that any wilful misstatement described above may lead to my disqualification, before or during my engagement.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Signature of the Nominated Team Leader/Member Date Signed |
|  |

 |

Section 6: Price Schedule Form

The Bidder is required to prepare the Price Schedule as indicated in the Instruction to Bidders.

The Price Schedule must provide a detailed cost breakdown of all goods and related services to be provided, from unit price to work price. Separate figures must be provided for each functional grouping or category, if any.

Any estimates for cost-reimbursable items, such as travel of experts and out-of-pocket expenses, should be listed separately.

**The format shown on the following pages is suggested for use as a guide in preparing the Price Schedule. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as examples.**

**LOT 1**

1. **Cost Breakdown per Deliverable Items**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| N. | ASS | Type and model  | Caliber | Unit |  QTY | Unit price | Total(USD)Without VAT | VAT | Total with VAT |
| 1. | Glamoč | Mortar shell 60 mm M63 WP | 60 | piece | 93 |  |  |  |  |
| 2. | Glamoč | Mortar shell 60 mm smoke | 60 | piece | 4 |  |  |  |  |
| 3. | Glamoč | Mortar shell 120 mm smoke | 120 | piece | 1 |  |  |  |  |
| 4. | Glamoč | Projectile 105 mm smoke | 105 | piece | 4 |  |  |  |  |
| 5. | Glamoč | Projectile 122 mm smoke | 122 | piece | 2 |  |  |  |  |
| 6. | Glamoč | Mortar mine 120 mm M64 P2 smoke | 120 | piece | 106 |  |  |  |  |
| 7. | Glamoč | Mortar mine 120 mm smoke | 120 | piece | 2 |  |  |  |  |
| 8. | Krčmarice | Igniter Z2 | - | piece | 6.624 |  |  |  |  |
| 9. | Rudo | Mortar shell 82 mm smoke M74 | 82 | piece | 203 |  |  |  |  |
| 10. | Krčmarice | Mortar shell 82 mm smoke M74 | 82 | piece | 45 |  |  |  |  |
| 11. | Daljani | Mortar shell 120 mm smoke M64 | 120 | piece | 2 |  |  |  |  |
| 12. | TROM Doboj | Mortar shell 120 mm smoke | 120 | piece | 1 |  |  |  |  |
| 13. | Grabež | Mortar shell 120 mm smoke | 120 | piece | 2 |  |  |  |  |
|  |  |  |  |  |  | TOTAL |  |  |  |

1. **Cost Breakdown by Cost Component**

The Bidders are requested to provide the cost breakdown for the above given prices for each deliverable based on the following format. UNDP shall use the cost breakdown for the price reasonability assessment purposes as well as the calculation of price if both parties have agreed to add new deliverables to the scope of Services.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Activity | Unit | # of Units | Unit Price | Total |
| 1. **Management**
 |  |  |  |  |
| Team Leader |  |  |  |  |
| 1. **Ammunition Disassembly and Processing**
 |  |  |  |  |
| Chief Operator |  |  |  |  |
| Ammunition Technicians |  |  |  |  |
| Ammunition Handlers |  |  |  |  |
| 1. **Machines and Equipment**
 |  |  |  |  |
| Machines |  |  |  |  |
| Manual Tools |  |  |  |  |
| Machine Consumables  |  |  |  |  |
| 1. **Packing and Licensing**
 |  |  |  |  |
| Licensing Officer |  |  |  |  |
| 1. **Protective Equipment**
 |  |  |  |  |
| Personal Protective Equipment and Clothing  |  |  |  |  |
| 1. **Transportation**
 |  |  |  |  |
| Licenses and permits |  |  |  |  |
| Transportation |  |  |  |  |
| TOTAL WITHOUT VAT: |  |  |  |  |
| VAT: |  |  |  |  |
| GRAND TOTAL: |  |  |  |  |

**\*Total cost expressed in ‘Cost Breakdown per Deliverable Items’ must be equal to ‘Cost Breakdown by Cost Component’.**

**\*\* The format shown above is suggested for use as a guide in preparing the Price Schedule. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as an example.**

**LOT 2**

1. **Cost Breakdown per Deliverable Items**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| N. | ASS | Type and model | Caliber | Unit | QTY | GrossWeight (kg) | Total(USD)Without VAT | VAT | **TOTAL** |
| **1.** |  | Rocket 107 mm | 107 | piece | 679 |  |  |  |  |
| **2.** |  | Rocket 122 mm | 122 | piece | 1345 |  |  |  |  |
| **3.** |  | Rocket 128 mm | 128 | piece | 4666 |  |  |  |  |
|  |  |  |  |  |  | **TOTAL** |  |  |  |

1. **Cost Breakdown by Cost Component**

The Bidders are requested to provide the cost breakdown for the above given prices for each deliverable based on the following format. UNDP shall use the cost breakdown for the price reasonability assessment purposes as well as the calculation of price if both parties have agreed to add new deliverables to the scope of Services.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Activity | Unit | # of Units | Unit Price | Total |
| 1. **Management**
 |  |  |  |  |
| Team Leader |  |  |  |  |
| 1. **Ammunition Disassembly and Processing**
 |  |  |  |  |
| Chief Operator |  |  |  |  |
| Ammunition Technicians |  |  |  |  |
| Ammunition Handlers |  |  |  |  |
| 1. **Machines and Equipment**
 |  |  |  |  |
| Machines |  |  |  |  |
| Manual Tools |  |  |  |  |
| Machine Consumables  |  |  |  |  |
| 1. **Packing and Licensing**
 |  |  |  |  |
| Licensing Officer |  |  |  |  |
| 1. **Protective Equipment**
 |  |  |  |  |
| Personal Protective Equipment and Clothing  |  |  |  |  |
| 1. **Transportation**
 |  |  |  |  |
| Licenses and permits |  |  |  |  |
| Transportation |  |  |  |  |
| Transportation |  |  |  |  |
| TOTAL WITHOUT VAT: |  |  |  |  |
| VAT: |  |  |  |  |
| GRAND TOTAL: |  |  |  |  |

**\*Total cost expressed in ‘Cost Breakdown per Deliverable Items’ must be equal to ‘Cost Breakdown by Cost Component’.**

**\*\* The format shown above is suggested for use as a guide in preparing the Price Schedule. The format includes specific expenditures, which may or may not be required or applicable but are indicated to serve as an example.**

**Section 7: FORM FOR BID SECURITY**

*(This must be finalized using the official letterhead of the Issuing Bank. Except for indicated fields, no changes may be made in this template.)*

To: UNDP

WHEREAS (hereinafter called “the Bidder”) has submitted a Bid to UNDP dated , to deliver goods and execute related services for (hereinafter called “the Bid”):

AND WHEREAS it has been stipulated by you that the Bidder shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security in the event that the Bidder:

1. Fails to sign the Contract after UNDP has awarded it;
2. Withdraws its Bid after the date of the opening of the Bid;
3. Fails to comply with UNDP’s variation of requirement, as per ITB Section F.3; or
4. Fails to furnish Performance Security, insurances, or other documents that UNDP may require as a condition to rendering the contract effective.

AND WHEREAS we have agreed to give the Bidder such this Bank Guarantee:

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

This guarantee shall be valid until a date 30 day from the date of issue by UNDP of a certificate of full acceptance of all goods and satisfactory performance / completion of all related services by the Bidder.

### SIGNATURE AND SEAL OF THE GUARANTOR BANK

Date

Name of Bank

Address

Section 8: Form for Advanced Payment Guarantee[[1]](#footnote-1)

*\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [Bank’s Name, and Address of Issuing Branch or Office]*

**Beneficiary:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ *[Name and Address of UNDP]*

**Date:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ++++++++++++++

**ADVANCE PAYMENT GUARANTEE No.:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of *[amount in words]* (*[amount in figures]*) is to be made against an advance payment guarantee.

At the request of the Contractor, we *[name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[amount in words]* (*[amount in figures]*)[[2]](#footnote-2) 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 has used the advance payment for purposes other than toward providing the goods and related services under the Contract.

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 \_\_\_\_\_\_\_\_\_\_\_ at *[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 certified monthly statements which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of the monthly payment certificate indicating that the Consultants have made full repayment of the amount of the advance payment, or on the \_\_ day of \_\_\_\_\_\_\_\_\_\_\_, 2\_\_\_, 20\_\_ 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.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

*[signature(s)]*

*Note: All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product.*

Section 9: Contract

|  |
| --- |
| MODEL CONTRACT FOR 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 meeting[[3]](#footnote-3) [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.

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [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 Payment**

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:

 MILESTONE AMOUNT DATE

 Upon substantial

 completion of Works ............ ../../....

 Upon substantial

 completion of Works ........... ../../....

 Upon final

 completion of Works ........... ../../....

**OPTION 2 (COST REIMBURSEMENT)**

**3. Price and payment**

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.

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

3.5 UNDP shall effect payment of the invoices after receipt of the certificate of payment issued by the Engineer, approving the amount contained in the invoice. The Engineer may make corrections to that amount, in which case UNDP may 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.

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

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

**4. Special conditions**

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

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. 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]**.

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]**

 **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ [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]**

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 \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# General Conditions of Contract for Works

 1. Definitions

 2. Singular and Plural

 3. Headings or Notes

 4. Legal Relationships

 5. General Duties/Powers of Engineer

 6. Contractor's General Obligations/Responsibilities

 7. Assignment and Subcontracting

 8. Drawings

 9. Work Book

 10. Performance Security

 11. Inspection of Site

 12. Sufficiency of Tender

 13. Programme of Work to be Furnished

 14. Weekly Site Meeting

 15. Change Orders

 16. Contractor's Superintendence

 17. Contractor's Employees

 18. Setting-Out

 19. Watching and Lighting

 20. Care of Works

 21. Insurance of Works, Etc.

 22. Damage to Persons and Property

 23. Liability Insurance

 24. Accident or Injury to Workmen

 25. Remedy on Contractor's Failure to Insure

 26. Compliance with Statutes, Regulations, Etc.

 27. Fossils, Etc.

 28. Copyright, Patents and Other Proprietary Rights, and Royalties

 29. Interference With Traffic and Adjoining Properties

 30. Extraordinary Traffic and Special Loads

 31. Opportunities for Other Contractors

 32. Contractor to Keep Site Clean

 33. Clearance of Site on Substantial Completion

 34. Labour

 35. Returns of Labour, Plant, Etc.

 36. Materials, Workmanship and Testing

 37. Access to Site

 38. Examination of Work Before Covering Up

 39. Removal of Improper Work and Materials

 40. Suspension of Work

 41. Possession of Site

 42. Time for Completion

 43. Extension of Time for Completion

 44. Rate of Progress

 45. Liquidated Damages for Delay

 46. Certificate of Substantial Completion

 47. Defects Liability

 48. Alterations, Additions and Omissions

 49. Plant, Temporary Works and Materials

 50. Approval of Materials, Etc., Not Implied

 51. Measurement of Works

 52. Liability of the Parties

 53. Authorities

 54. Urgent Repairs

 55. Increase and Decrease of Costs

 56. Taxation

 57. Blasting

 58. Machinery

 59. Temporary Works and Reinstatement

 60. Photographs and Advertising

 61. Prevention of Corruption

 62. Date Falling on Holiday

 63. Notices

 64. Language, Weights and Measures

 65. Records, Accounts, Information and Audit

 66. Force Majeure

 67. Suspension by the UNDP

 68. Termination by the UNDP

 69. Termination by the Contractor

 70. Rights and Remedies of the UNDP

 71. Settlement of Disputes

 72. Privileges and Immunities

 Appendix I: Formats of Performance Security

 Performance Bank Guarantee

 Performance Bond

**DEFINITIONS**

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

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

**SINGULAR AND PLURAL**

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

**HEADINGS OR NOTES**

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

**LEGAL RELATIONSHIPS**

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

**GENERAL DUTIES/POWERS OF ENGINEER**

1. The Engineer shall provide administration of Contract as provided in the Contract Documents. In particular, he shall perform the functions hereinafter described.
2. The Engineer shall be the Employer's representative vis-à-vis the Contractor during construction and until final payment is due. The Engineer shall advise and consult with the Employer. The Employer's instructions to the Contractor shall be forwarded through the Engineer. The Engineer shall have authority to act on behalf of the Employer only to the extent provided in the Contract Documents as they may be amended in writing in accordance with the Contract. The duties, responsibilities and limitations of authority of the Engineer as the Employer's representative during construction as set forth in the Contract shall not be modified or extended without the written consent of the Employer, the Contractor and the Engineer.
3. The Engineer shall visit the Site at intervals appropriate to the stage of construction to familiarize himself generally with the progress and quality of the Works and to determine in general if the Works are proceeding in accordance with the Contract Documents. On the basis of his on-site observations as an Engineer, he shall keep the Employer informed of the progress of the Works.
4. The Engineer shall not be responsible for and will not have control or charge of construction means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Works or the Temporary Works. The Engineer shall not be responsible for or have control or charge over the acts or omissions of the Contractor (including the Contractor's failure to carry out the Works in accordance with the Contract) and of Sub-contractors or any of their agents or employees, or any other persons performing services for the Works, except if such acts or omissions are caused by the Engineer's failure to perform his functions in accordance with the contract between the Employer and the Engineer.
5. The Engineer shall at all times have access to the Works wherever and whether in preparation or progress. The Contractor shall provide facilities for such access so that the Engineer may perform his functions under the Contract.
6. Based on the Engineer's observations and an evaluation of the documentation submitted by the Contractor together with the invoices, the Engineer shall determine the amounts owed to the Contractor and shall issue Certificates for Payment as appropriate.
7. The Engineer shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for conformity with the design concept of the Works and with the provisions of the Contract Documents. Such action shall be taken with reasonable promptness so as to cause no delay. The Engineer's approval of a specific item shall not indicate approval of an assembly of which the item is a component.
8. The Engineer shall interpret the requirements of the Contract Documents and judge the performance thereunder by the Contractor. All interpretations and orders of the Engineer shall be consistent with the intent of and reasonably inferable from the Contract Documents and shall be in writing or in the form of drawings. Either party may make a written request to the Engineer for such interpretation. The Engineer shall render the interpretation necessary for the proper execution of the Works with reasonable promptness and in accordance with any time limit agreed upon. Any claim or dispute arising from the interpretation of the Contract Documents by the Engineer or relating to the execution or progress of the Works shall be settled as provided in Clause 71 of these General Conditions.
9. Except as otherwise provided in the Contract, the Engineer shall have no authority to relieve the Contractor of any of his obligations under the Contract nor to order any work involving delay in completion of the Works or any extra payment to the Contractor by the Employer, or to make any variations to the Works.
10. In the event of termination of the employment of the Engineer, the Employer shall appoint another suitable professional to perform the Engineer's duties.
11. The Engineer shall have authority to reject work which does not conform to the Contract Documents. Whenever, in his opinion, he considers it necessary or advisable for the implementation of the intent of the Contract Documents, he will have authority to require special inspection or testing of the work whether or not such work be then fabricated, installed or completed. However, neither the Engineer's authority to act nor any reasonable decision made by him in good faith either to exercise or not to exercise such authority shall give rise to any duty or responsibility of the Engineer to the Contractor, any subcontractor, any of their agents or employees, or any other person performing services for the Works.
12. The Engineer shall conduct inspections to determine the dates of Substantial Completion and Final Completion, shall receive and forward to the Employer for the Employer's review written warranties and related documents required by the Contract and assembled by the Contractor, and shall issue a final Certificate for Payment upon compliance with the requirements of Clause 47 hereof and in accordance with the Contract.
13. If the Employer and Engineer so agree, the Engineer shall provide one or more Engineer's Representative(s) to assist the Engineer in carrying out his responsibilities at the site. The Engineer shall notify in writing to the Contractor and the Employer the duties, responsibilities and limitations of authority of any such Engineer's Representative(s).

**CONTRACTOR'S GENERAL OBLIGATIONS/RESPONSIBILITIES**

1. **Obligation to Perform in Accordance with Contract**

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

**6.2 Responsibility for Site Operations**

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

1. **Responsibility for Employees**

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

1. **Source of Instructions**

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

1. **Officials Not to Benefit**

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

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

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

1. **Confidential Nature of Documents**

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

**ASSIGNMENT AND SUBCONTRACTING**

1. Assignment of Contract

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

1. **Subcontracting**

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

and be in conformity with the provisions of the Contract.

1. **Assignment of Subcontractor's Obligations**

In the event of a subcontractor having undertaken towards the Contractor in respect of the work executed or the goods, materials, Plant or services supplied by such subcontractor for the Works, any continuing obligation extending for a period exceeding that of the Defects Liability Period under the Contract, the Contractor shall at any time after the expiration of such Period, assign to the Employer, at the Employer's request and cost, the benefit of such obligation for the unexpired duration thereof.

**DRAWINGS**

1. **Custody of drawings**

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

1. **One copy of Drawings to be kept on Site**

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

1. **Disruption of Progress**

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

**WORK BOOK**

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

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

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

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

**PERFORMANCE SECURITY**

1. As guarantee for his proper and efficient performance of the Contract, the Contractor shall on signature of the Contract furnish the Employer with a Performance Security issued for the benefit of the Employer. The amount and character of such security (bond or guarantee) shall be as indicated in the Contract.
2. The Performance Bond or Bank Guarantee must be issued by an acceptable insurance company or accredited bank, in the format included in Appendix I to these General Conditions, and must be valid up to twenty-eight days after issuance by the Engineer of the Certificate of Final Completion. The Performance Bond or Bank Guarantee shall be returned to the Contractor within twenty-eight days after the issuance by the Engineer of the Certificate of Final Completion, provided that the Contractor shall have paid all money owed to the Employer under the Contract.
3. If the surety of the Performance Bond or Bank Guarantee is declared bankrupt or becomes insolvent or its right to do business in the country of execution of the Works is terminated, the Contractor shall within five (5) days thereafter substitute another bond or guarantee and surety, both of which must be acceptable to the Employer.

**INSPECTION OF SITE**

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

**SUFFICIENCY OF TENDER**

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

**PROGRAMME OF WORK TO BE FURNISHED**

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

**WEEKLY SITE MEETING**

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

**CHANGE ORDERS**

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

**CONTRACTOR'S SUPERINTENDENCE**

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

**CONTRACTOR'S EMPLOYEES**

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

**SETTING-OUT**

The Contractor shall be responsible for the true and proper setting out of the Works in relation to original points, lines and levels of reference given by the Engineer in writing and for the correctness of the position, levels, dimensions and alignment of all parts of the Works and for the provision of all necessary instruments, appliances and labor in connection therewith. If, at any time during the progress of the Works, any error shall appear or arise in the position, levels, dimensions or alignment of any part of the Works, the Contractor, on being required so to do by the Engineer, shall, at his own cost, rectify such error to the satisfaction of the Engineer.

**WATCHING AND LIGHTING**

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

**CARE OF WORKS**

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

**INSURANCE OF WORKS, ETC.**

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

1. The Works, together with the materials and Plant for incorporation therein, to their full replacement cost, plus an additional sum of ten (10) per cent of such replacement cost, to cover any additional costs of and incidental to the rectification of loss or damage including professional fees and the cost of demolishing and removing any part of the Works and of removing debris of whatsoever nature;
2. The Contractor's equipment and other things brought on to the Site by the Contractor to the replacement value of such equipment and other things;
3. An insurance to cover the liabilities and warranties of Section 52(4);

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

**DAMAGE TO PERSONS AND PROPERTY**

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

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

**LIABILITY INSURANCE**

1. **Obligation to take out Liability Insurance**

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

1. **Minimum Amount of Liability Insurance**

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

1. **Provision to Indemnify Employer**

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

**ACCIDENT OR INJURY TO WORKMEN**

1. The Employer shall not be liable for or in respect of any damages or compensation payable at law in respect or in consequence of any accident or injury to any workman or other person in the employment of the Contractor or any sub-Contractor, save and except an accident or injury resulting from any act or default of the Employer, his agents or servants. The Contractor shall indemnify, hold and save harmless the Employer against all such damages and compensation, save and except as aforesaid, and against all claims, proceedings, costs, charges and expenses whatsoever in respect thereof or in relation thereto.
2. Insurance Against Accident, etc., to Workmen

The Contractor shall insure against such liability with an insurer approved by the Employer, which approval shall not be unreasonably withheld, and shall continue such insurance during the whole of the time that any persons are employed by him for the Works and shall, when required, produce to the Engineer such policy of insurance and the receipt for payment of the current premium. Provided always that, in respect of any persons employed by any subcontractor, the Contractor's obligation to insure as aforesaid under this sub-clause shall be satisfied if the subcontractor shall have insured against the liability in respect of such persons in such manner that the Employer is indemnified under the policy but the Contractor shall require such subcontractor to produce to the Engineer when required such policy of insurance and the receipt for the current premium, and obtain the insertion of a provision to that effect in its contract with the subcontractor.

**REMEDY ON CONTRACTOR'S FAILURE TO INSURE**

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

**COMPLIANCE WITH STATUTES, REGULATIONS, ETC.**

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

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

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

1. **COPYRIGHT, PATENT AND OTHER PROPRIETARY RIGHTS, AND ROYALTIES**
2. The Contractor shall hold harmless and fully indemnify the Employer from and against all claims and proceedings for or on account of infringement of any patent rights, design trademark or name or other protected rights in respect of any Plant, equipment, machine, work or material used for or in connection with the Works or Temporary Works and from and against all claims, demands proceedings, damages, costs, charges and expenses whatsoever in respect thereof or in relation thereto, except where such infringement results from compliance with the design or Specification provided by the Engineer.
3. Except where otherwise specified, the Contractor shall pay all tonnage and other royalties, rent and other payments or compensation, if any, for getting stone, sand, gravel, clay or other materials required for the Works or Temporary Works.
4. **INTERFERENCE WITH TRAFFIC AND ADJOINING PROPERTIES**

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

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

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

1. **CONTRACTOR TO KEEP SITE CLEAN**

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

1. **CLEARANCE OF SITE ON SUBSTANTIAL COMPLETION**

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

1. **LABOUR**
2. **Engagement of Labour**

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

1. **Supply of Water**

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

1. **Alcoholic Drinks or Drugs**

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

1. **Arms and Ammunition**

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

1. **Holiday and Religious Customs**

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

1. **Epidemics**

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

1. **Disorderly Conduct, etc.**

The Contractor shall at all times take all reasonable precautions to prevent any unlawful riotous or disorderly conduct by or amongst his employees and for the preservation of peace and the protection of persons and property in the neighborhood of the Works against the same.

1. **Observance by Sub-Contractors**

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

1. **Legislation applicable to Labour**

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

**RETURNS OF LABOUR, PLANT, ETC.**

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

## MATERIALS, WORKMANSHIP AND TESTING

1. **Materials and Workmanship**
2. All materials and workmanship shall be of the respective kinds described in the Contract and in accordance with the Engineer's instructions and shall be subjected from time to time to such tests as the Engineer may direct at the place of manufacture or fabrication, or on the Site or at all or any of such places. The Contractor shall provide such assistance, instruments, machines, labour and materials as are normally required for examining, measuring and testing any work and the quality, weight or quantity of any materials used and shall supply samples of materials before incorporation in the Works for testing as may be selected and required by the Engineer. All testing equipment and instruments provided by the Contractor shall be used only by the Engineer or by the Contractor in accordance with the instructions of the Engineer.
3. No material not conforming with the Specifications in the Contract may be used for the Works without prior written approval of the Employer and instruction of the Engineer, provided always that if the use of such material results or may result in increasing the Contract Price, the procedure in Clause 48 shall apply.
4. **Cost of Samples**

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

1. **Cost of Tests**

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

1. Those clearly intended by or provided for in the Contract Documents.
2. Those involving load testing or tests to ensure that the design of the whole of the Works or any part of the Works is appropriate for the purpose which it was intended to fulfill.

## ACCESS TO SITE

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

## EXAMINATION OF WORK BEFORE COVERING UP

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

## REMOVAL OF IMPROPER WORK AND MATERIALS

1. **Engineer's power to order removal**

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

1. The removal from the Site within such time or times as may be specified in the order of any materials which in the opinion of the Engineer are not in accordance with the Contract;
2. The substitution of proper and suitable materials; and
3. The removal and proper re-execution (notwithstanding any previous test thereof or interim payment therefore) of any work which in respect of materials or workmanship is not in the opinion of the Engineer in accordance with the Contract.
4. **Default of Contractor in carrying out Engineer's Instructions**

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

## SUSPENSION OF WORK

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

## POSSESSION OF SITE

1. **Access to Site**

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

1. **Wayleaves, etc.**

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

1. **Limits of the Site**

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

## TIME FOR COMPLETION

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

## EXTENSION OF TIME FOR COMPLETION

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

## RATE OF PROGRESS

The whole of the materials, plant and labour to be provided by the Contractor and the mode, manner and speed of execution and completion of the Works are to be of a kind and conducted in a manner to the satisfaction of the Engineer. Should the rate of progress of the Works or any part thereof be at any time in the opinion of the

Engineer too slow to ensure the completion of the Works by the prescribed time or extended time for completion, the Engineer shall so notify the Contractor in writing and the Contractor shall thereupon take such steps as the Contractor may think necessary and the Engineer may approve to expedite progress so as to complete the Works by the prescribed time or extended time for completion. If the work is not being carried on by day and by night and the Contractor shall request permission to work by night as well as by day, then, if the Engineer shall grant such permission, the Contractor shall not be entitled to any additional payment. All work at night shall be carried out without unreasonable noise and disturbance. The contractor shall indemnify the Employer from and against any claims or liability for damages on account of noise or other disturbance created while or in carrying out the work and from and against all claims, demands, proceedings, costs and expenses whatsoever in regard or in relation to such noise or other disturbance. The Contractor shall submit in triplicate to the Engineer at the end of each month signed copies of explanatory Drawings or any other material showing the progress of the Works.

## LIQUIDATED DAMAGES FOR DELAY

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

## CERTIFICATE OF SUBSTANTIAL COMPLETION

1. **Substantial Completion of the Works**

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

1. **Substantial Completion of Sections or Parts of the Works**

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

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

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

## DEFECTS LIABILITY

1. **Defects Liability Period**

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

1. **Completion of Outstanding Work and Remedying of Defects**

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

1. **Cost of Execution of Work of Repair, etc.**

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

1. **Remedy on Contractor's Failure to Carry Out Work Required**

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

1. **Certificate of Final Completion**

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

##  ALTERATIONS, ADDITIONS AND OMISSIONS

##  Variations

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

1. increase or decrease the quantity of any work under the Contract;
2. omit any such work;
3. change the character or quality or kind of any such work;
4. change the levels, lines, positions and dimensions of any part of the Works;
5. execute additional work of any kind necessary for the completion of the Works, and no such variation shall in any way vitiate or invalidate the Contract.
6. **Variations Increasing Cost of Contract or altering the Works.**

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

## Orders for Variations to be in Writing

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

## Valuation of Variations

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

## PLANT, TEMPORARY WORKS AND MATERIALS

## Plant, etc., Exclusive Use for the Works

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

1. **Removal of Plant, etc.**

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

## Employer not liable for Damage to Plant

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

## Ownership of paid material and work

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

## Equipment and supplies furnished by Employer

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

## APPROVAL OF MATERIALS ETC., NOT IMPLIED

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

## MEASUREMENT OF WORKS

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

## LIABILITY OF THE PARTIES

1. The Works shall not be considered as completed until a Certificate of Final Completion shall have been signed by the Engineer and delivered to the Employer stating that the Works have been completed and that the Contractor has fulfilled all his obligations under Clause 47 to his satisfaction.
2. The Employer shall not be liable to the Contractor for any matter arising out of or in connection with the Contract or the execution of the Works unless the Contractor shall have made a claim in writing in respect thereof before the giving of the Certificate of Final Completion and in accordance with the Contract.

## Unfulfilled Obligations

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

## Contractor Responsible

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

## AUTHORITIES

1. The Employer shall have the right to enter upon the Site and expel the Contractor therefrom without thereby voiding the Contract or releasing the Contractor from any of his obligations or liabilities under the Contract or affecting the rights and powers conferred on the Employer and the Engineer by the Contract in any of the following cases:
2. If the Contractor is declared bankrupt or claims bankruptcy or court protection against his creditors or if the Contractor is a company or member of a company which was dissolved by legal action;
3. If the Contractor makes arrangements with his creditors or agrees to carry out the Contract under an inspection committee of his creditors;
4. If the Contractor withdraws from the Works or assigns the Contract to others in whole or in part without the Employer's prior written approval;
5. If the Contractor fails to commence the Works or shows insufficient progress to the extent which in the opinion of the Engineer will not enable him to meet the target completion date of the Works;
6. If the Contractor suspends the progress of the Works without due cause for fifteen (15) days after receiving from the Engineer written notice to proceed;
7. If the Contractor fails to comply with any of the Contract conditions or fails to fulfill his obligations and does not remedy the cause of his failure within fifteen (15) days after being notified to do so in writing;
8. If the Contractor is not executing the work in accordance with standards of workmanship specified in the Contract;
9. If the Contractor gives or promises to give a present or loan or reward to any employee of the Employer or of the Engineer.

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

## Evaluation after Re-entry

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

## Payment After Re-entry

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

## URGENT REPAIRS

If by reason of any accident or failure or other event occurring to, in or in connection with the Works or any part thereof either during the execution of the Works or during the Defects Liability Period any remedial or other work or repair shall in the opinion of the Engineer be urgently necessary for security and the Contractor is unable or unwilling at once to do such work or repair, the Employer may by his own or other workmen do such work or repair as the Engineer may consider necessary. If the work or repair so done by the Employer is work which in the opinion of the Engineer the Contractor was liable to do at his own expense under the Contract, all costs and charges properly incurred by the Employer in so doing shall on demand be paid by the Contractor to the Employer or may be deducted by the Employer from any monies due or which may become due to the Contractor provided always that the Engineer shall as soon after the occurrence of any such emergency as may be reasonably practicable notify the Contractor thereof in writing.

1. **INCREASE AND DECREASE OF COSTS**

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

## TAXATION

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

## BLASTING

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

## MACHINERY

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

## TEMPORARY WORKS AND REINSTATEMENT

The Contractor shall provide and maintain all temporary roads and tracks necessary for movement of plant and materials and clear same away at completion and make good all works damaged or disturbed. The Contractor shall submit drawings and full particulars of all Temporary Works to the Engineer before commencing same. The Engineer may require modifications to be made if he considers them to be insufficient and the Contractor shall give effect to such modifications but shall not be relieved of his responsibilities. The Contractor shall provide and maintain weather-proof sheds for storage of material pertinent to the Works both for his own use and for the use of the Employer and clear same away at the completion of the Works. The Contractor shall divert as required, at his own cost and subject to the approval of the Engineer, all public utilities encountered during the progress of the Works, except those specially indicated on the drawings as being included in the Contract. Where diversions of services are not required in connection with the Works, the Contractor shall uphold, maintain and keep the same in working order in existing locations. The Contractor shall make good, at his own expense, all damage to telephone, telegraph and electric cable or wires, sewers, water or other pipes and other services, except where the Public Authority or Private Party owning or responsible for the same elects to make good the damage. The costs incurred in so doing shall be paid by the Contractor to the Public Authority or Private Party on demand.

## PHOTOGRAPHS AND ADVERTISING

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

## PREVENTION OF CORRUPTION

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

## DATE FALLING ON HOLIDAY

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

## NOTICES

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

## LANGUAGE, WEIGHTS AND MEASURES

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

## RECORDS, ACCOUNTS, INFORMATION AND AUDIT

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

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

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

## FORCE MAJEURE

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

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

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

## SUSPENSION BY THE UNDP

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

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

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

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

##  TERMINATION BY THE UNDP

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

Upon termination of this Contract:

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

## TERMINATION BY THE CONTRACTOR

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

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

## RIGHTS AND REMEDIES OF THE UNDP

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

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

## SETTLEMENT OF DISPUTES

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

## Notification

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

## Consultation

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

## Conciliation

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

## Arbitration

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

## PRIVILEGES AND IMMUNITIES

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

1. *This Guarantee shall be required if the Contractor will require advanced payment of more than 20% of the contract amount, or if the absolute amount of the advanced payment required will exceed the amount of USD 30,000, or its equivalent if the price offer is not in USD, using the exchange rate stated in the Data Sheet. The Contractor’s Bank must issue the Guarantee using the contents of this template.* [↑](#footnote-ref-1)
2. *The Guarantor Bank shall insert an amount representing the amount of the advanced payment and denominated either in the currency/ies of the advanced payment as specified in the Contract.* [↑](#footnote-ref-2)
3. [↑](#footnote-ref-3)