



Bahamas Department of Corrections Education Building

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# PROCUREMENT OF WORKS

## Price Comparison



**CSJP**  
BAHAMAS

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# Documents for Procurement of Works Price Comparison

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**Issued on:** *August 2021*

**PC No:** *CSJP-409-CP-O-4.4.6*

**Contracting Agency:** *The Ministry of National Security*

**Country:** *Nassau, The Bahamas*

**Section A. INVITATION FOR PRICE COMPARISON**



**The Ministry of National Security  
JFK Drive  
Nassau, The Bahamas**

August 23<sup>rd</sup> 2021

To: Bidder

**RE: 3499/OC-BH:L1033 Citizen Security and Justice Programme – Price Comparison for Refurbishment of Prison Education Building – Garment Manufacturing Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.**

Dear Sir or Madam:

The Ministry of National Security has received a loan from the Inter-American Development Bank toward the cost of Citizen Security and Justice Programme and it intends to apply part of the proceeds of this loan to payments under the Contract for **Refurbishment of Prison Education Building – Garment Manufacturing Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.**

The Ministry of National Security invites sealed offers from eligible and qualified Contractors for completion of **Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.**

The outcome of which is intended to support the reduction of recidivism on the island of New Providence.

This procurement process will be conducted in accordance with Policies for Procurement of Goods and Works financed by the Inter-American Development Bank *GN-2349-15*. During the RFQ Webinar, eligible Contractors may be issued the Documents for Procurement of Works – Price Comparison from The Ministry of National Security email [csjp@bahamas.gov.bs](mailto:csjp@bahamas.gov.bs) attention Osbourne Moxey, Procurement Specialist or visit [www.csjpbahamas.gov.bs](http://www.csjpbahamas.gov.bs) to download and inspect the respective documents. Please refer to the complete set of Price Comparison Documents that are attached to this invitation letter for your consideration and preparation of your technical and financial offer that meet the project requirements. The content of the Price Comparison set of documents includes:

The present invitation letter

The Instructions to bidders

The Bid Forms

The scope of work, Technical specifications and Performance requirements, Drawings, Bill of Quantities and Estimate

Contract forms

Annexes

The Bidder/Contractor must submit three (3) hard-copy submissions **and** one (1) electronic version on a flash drive. Bids must be delivered to the below address at or before **September 6, 2021 at 4:00pm**. Electronic bidding **shall not** be permitted. Late bids will be rejected and returned to sender. Bids will be opened physically in the presence of the bidders' representatives who choose to attend in person or "*on-line*" at the address below at 10:00am.

**Chairman  
Tenders Board  
Ministry of Finance  
Cecil Wallace Whitfield Centre  
West Bay Street  
P. O. Box N-3017  
Nassau, N. P. The Bahamas**

All bids shall be submitted in accordance to instructions provided.

The contract will be awarded to the Bidder whose Bid has been determined to be substantially responsive to the Bidding Documents and represents the lowest evaluated cost, provided that such Bidder has been determined to be eligible in accordance with the Inter-American Development Bank provisions.

Please confirm receipt of this letter immediately in writing by email [csjp@bahamas.gov.bs](mailto:csjp@bahamas.gov.bs) attention Osbourne Moxey, Procurement Specialist. If you do not intend to Bid, we would appreciate being so notified also in writing at your earliest opportunity.

Yours truly,



Dr. Dorcas Cox  
Project Manager, Citizen Security and Justice Programme  
(for) Permanent Secretary

## ***SECTION A. GENERAL INSTRUCTIONS***

### **Scope of Price Comparison**

The Government of The Commonwealth of The Bahamas as part of the implementation of the program Citizen Security and Justice Programme and through the Ministry of National Security invites offers for **Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces**. The refurbished area will be located on the **ground floor within the Educational Complex** at the prison. The project has priority-importance with The Ministry of National Security and an aggressive construction schedule will be tracked through to the completion of the project.

The Ministry of National Security reserves the right to accept or reject any or all Bids that are submitted for consideration and shall not will not defray any cost incurred by Bidders.

The nature of this Work is further described as, “Scope of work” and sub-section “Technical specifications”, “Performance requirements”, “Drawings” and “Bill of Quantities”

### **Time Limit**

2.1 Successful Bidder shall be expected to complete the Works by the Intended Completion Date specified below:

Execution period should not exceed six (6) months.

All quotes schedule exceeding the aforementioned period will be rejected.

Offers shall remain valid for a period of three months (90) days.

### **Fraud and Corruption / Prohibited Practices**

3.1 For all procurement processes finance by the Bank, clauses of Fraud and Corruption / Prohibited Practices shall be applied during the Price Comparison Process and throughout negotiation or execution of a contract. Section 1.16 of Policies GN-2349-15.

### **Eligible Bidders**

4.1 A Bidder, and all parties constituting the Bidder, shall be nationals from member countries of the Bank. Bidders from other countries shall be disqualified from participating in contracts intended to be financed in whole or in part from Bank loans. Annex I. *Eligible Countries* of this document establishes the Bank’s member countries, as well as the criteria to determine the nationality of the Bidders and the country of origin of goods and services.

### **Bidder Qualification**

All bidders shall provide in Section C, “Forms of Contractor’s Bid,” a preliminary description of the proposed work method and schedule, including *drawings and charts*, as necessary.

Bidders shall include the following information and documents as part of the requirements as set forth in the questionnaire within the **Document Annex** Section and further presented in Section C.

- a) copies of original documents defining the constitution or incorporation, and principal place of business of the Bidder; written power of attorney of the signatory of the Bid to commit the Bidder;
- b) total monetary value of construction works performed for each of the last five (5) years;

- c) experience in works of a similar nature and size for each of the last five (5) years, and details of work under way or contractually committed; and clients who may be contacted for further information on those contracts;
- d) major items of construction equipment proposed to carry out the Contract;
- e) qualifications and experience of key site management and technical personnel proposed for the Contract;
- f) evidence of adequacy of working capital for this Contract (access to line(s) of credit and availability of other financial resources);
- g) authorization to seek references from the Bidder's bankers if it is deemed necessary
- h) information regarding any litigation, current or during the last five (5) years, in which the Bidder was/is involved, the parties concerned, and the disputed amounts; and awards; if applicable
- i) proposals for subcontracting components of the Works amounting to more than ten (10) percent of the Contract Price. The ceiling for sub contractor's participation is stated in the Price comparison document.

5.3 To qualify for award, bidders shall meet the following minimum qualifying criteria

1. General Construction of commercial buildings valued at no less than One hundred and Fifty Thousand Dollars (BS150,000.00) on a singular project.
2. Completion of quality interior finishes
3. National Insurance Board letter of Good Standing
4. Public liability Insurance not less than \$500,000.00
5. Proof of ability to obtain Contractor's All Risk Insurance in the amount of B\$500,000.00
6. Installation of building services for commercial building inclusive of electrical mechanical and site civil works.
7. Valid Business License and Valid Tax Compliance Certificates
8. Established business office with either employed and/or contracted Quantity Surveyor.
9. Documented construction works health and safety program

## **PRICE COMPARISON DOCUMENTS**

### **6. Contents of the Price Comparison Documents**

6.1 The content of the Price Comparison documents includes:

- a) Letter of Invitation
- b) Description of Works [*Inclusive of all technical specifications documentation as necessary*]
- c) Form of Contractor's Bid
- d) Sample of Contract document
- e) Annexes [*attach all relevant annexes; Eligible countries, Prohibited Practices, Security Forms etc.*]

### **Clarification of Price Comparison Documents**

A prospective Bidder requiring any clarification of the Price Comparison Documents may notify the Contracting Agency in writing at the Contracting Agency's address indicated in the Bidding Document. Appropriate response will be given to all requests for clarification received earlier than **7 days** prior to the deadline for submission of offers.

## **PREPARATION OF BIDS**

### **Associated cost of Bid preparation**

8.1 The Bidder shall bear all costs associated to preparation and submission of his Bid. At his own responsibility and risk, the bidder is encouraged to visit and examine the Site of Works and its surroundings and obtain all information that may be necessary for preparing the Bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Bidder's own expense and the contracting agency shall in no case be responsible or liable for those costs.

### **Documents comprising the offer**

- 9.1 To be admissible, all offers must be written in *English* and include the following:
- i. Contractor's Bid Form
  - ii. Forms and declaration of compliance with the stated Administrative, Technical and Financial requirement.
  - iii. **Company Articles of Association**
  - iv. **Valid Business License**
  - v. **VAT Registration Certificate (TCC)**
  - vi. **Current Tax Compliance Certificate**
  - vii. **Bank Reference Letter for Principal Bank**
  - viii. **Proof of ability to obtain Contractor's All Risk Insurance in the amount of B\$500, 000.00**
  - ix. **Active Vendor ID**
  - x. **A minimum of two (2) Quality Performance References speaking to the track record of performance with particular emphasis on timely execution (results focused and performance driven), quality output, and demonstrating flexibility in dynamic environments (i.e. Leadership - strategic thinking, customer focused, strong communication skills)**

### **Bid Price**

10.1 The amount of the offer must cover all the works, supplies, taxes and fees of any kind necessary for the completion of the work in accordance with the specifications, drawings, and with regards to best practice for quality performance purposes. The unit prices used for the definition of the offer, should be stated on the Bill of Quantities presented in the technical specifications. If some articles of the Priced Bill of Quantities submitted are not rated, they would be considered included in the price of other items.

Prices are fixed and not subject to adjustment. The unit rates and prices shall be quoted by the Bidder entirely in the currency of the Contracting Agency's country [***BSD***].

10.3 Items in the Priced Bill of Quantities as part of this Price Comparison document **are not permitted** for submission in two or more currencies. And for the purpose of comparing bids during their evaluation all prices will be converted in ***BSD currency*** using the official exchange rate published by the Central Bank of The Bahamas at the deadline for submission of offers.

### **Submission, Sealing and Marking of Bids**

11.1 The Bidder prepares its offer including all required documents in one (1) original and **three (3) hard copy submission and one (1) electronic version on a flash drive**, clearly marking each copy as "ORIGINAL" and "COPY", respectively, and seal the two inner envelopes into an outer envelope. In case of discrepancy, the original text prevails over the copies.

11.2 The original and all copies of the bid shall be initialed by the person (s) duly authorized (s) to incur obligations on behalf of the contractor. This authorization shall be established by written power of attorney and a copy of the document should be attached to the offer.

11.3 The inner and outer envelopes shall:

- (a) be addressed to the  
**Chairman  
 Tenders Board  
 Ministry of Finance  
 Cecil Wallace Whitfield Centre  
 West Bay Street  
 P. O. Box N-3017  
 Nassau, N. P. The Bahamas**

(b) bear the name and identification number of the Contract;

**BDOCS Education Building :1. Barbering/Cosmetology Training Space; 2. Garment Making & Manufacturing Industries Space; 3. Electrical and Plumbing Training-Multipurpose Space.**

- (c) provide a warning not to open before the specified time and date for Bid  
 Do Not Open Before: **September 7, 2021**

The Contracting Agency (Ministry of National Security) shall evaluate and compare only the Bids determined to be substantially responsive on the basis of the qualification criteria described in this present Price Comparison document.

### **AWARD OF CONTRACT**

#### **Award criteria**

16.1 The Contracting Agency (Ministry of National Security) shall award the Contract to the Bidder whose Bid has been determined to be substantially responsive to the Bidding Documents and represents the lowest evaluated cost, provided that such Bidder has been determined to be (a) **eligible**, and (b) **qualified** in accordance with Price comparison clauses 4 and 5.

#### **Contracting Agency's Right to Accept any Bid and to Reject any or all Bids**

The Contracting Agency (Ministry of National Security) reserves the right to accept or reject any Bid, and to cancel the bidding process and reject all bids, at any time prior to the award of Contract, without thereby incurring any liability to the affected Bidder (s) or any obligation to inform the affected Bidder (s) of the grounds for the Contracting Agency's action.

#### **Notification of Award and Signing of Agreement**

18.1 Contracting Agency will notify the successful Bidder in writing prior to expiration of the Bid validity period. A "Letter of Acceptance" shall provide further information on specific dates for reception of

performance security, signing of the agreement and state the sum that the Contracting Agency shall pay the Contractor in consideration of the execution, completion, and maintenance of the Works by the Contractor as prescribed by the Contract.

18.2 After notification of the award, unsuccessful bidders may request in writing to the Contracting Agency for a debriefing seeking explanations for the failure of their bids. The Contracting Agency (Ministry of National Security) shall promptly respond and explain in writing on which grounds unsuccessful bid was not selected.

#### **Variations in quantities at the contract award**

19.1 The Contracting Agency reserves the right, at the time of award to increase or decrease the quantities contained in the Bill of Quantities. However, the increase or decrease will not introduce changes in the unit prices or other terms of the contractor offer. The maximum percentage change in the total amount of work will be **30%** [*increase or decrease should not be more than 30%*]

**SECTION C. FORMS FOR CONTRACTOR’S BID**

**LETTER OF OFFER**

*[The Bidder shall fill in and submit this form with the Bid. If the Bidder objects to the Adjudicator proposed by the Contracting Agency in the Bidding Documents, it should so state in its Bid, and present an alternative candidate, together with the candidate’s daily fees and biographical data,].*

*[date]*

Identification No and Title of Contract:

To: **The Ministry of National Security**  
**John F. Kennedy Drive**  
**Nassau, The Bahamas**

Having examined the Price C Documents, including addenda \_\_\_\_\_, we offer to execute the **BDOCS Education Building :1. Barbering/Cosmetology Training Space; 2. Garment Making & Manufacturing Industries Space; 3. Electrical and Plumbing Training-Multipurpose Space).** *Contract* in accordance with the stated Technical specifications for the Contract Price of \_\_\_\_\_.

The Contract shall be paid in the following currencies:

Currency	Percentage payable in currency	Rate of exchange: <i>[insert number of local currency units per unit of foreign currency]</i>	Inputs for which foreign currency is required
(a)			
(b)			
(c)			
(d)			

The advance payment required is:

Amount	Currency
(a)	
(b)	
(c)	
(d)	

We accept the appointment of *the Office of The Attorney General* as the Adjudicator.

[or]

We do not accept the appointment of *Office of The Attorney General* as the Adjudicator, and propose instead that [insert name] be appointed as Adjudicator, whose daily fees and biographical data are attached.

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

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

We, including any subcontractors or suppliers for any part of the Contract, have nationalities from eligible countries in accordance with Clause 4. In the case that the works contract includes the supplying of goods and related services, we guarantee that these goods and related services will have their origin in any member country of the Bank.

We have no conflict of interest.

Our firm, its affiliates or subsidiaries—including any subcontractors or suppliers for any part of the contract—has not been declared ineligible by the Bank, or under the Contracting Agency’s country laws or official regulations.

We do not have any outstanding sanctions from the Bank or any other International Financial Institution.

We will use our best efforts to assist the Bank in any investigation.

We hereby agree that in competing for (and, if the award is made to us, in executing) the Contract, we undertake to observe the laws against fraud and corruption, including bribery, in force in the country of the Client.

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

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

Authorized Signature: \_\_\_\_\_  
 Name and Title of Signatory: \_\_\_\_\_  
 Name of Bidder: \_\_\_\_\_  
 Address: \_\_\_\_\_

### Bidder Qualification information form

Project name and country	Name of client and contact person	Type of work performed and year of completion	From <i>[Indicate Month and year start of work]</i>	To <i>[Indicate Month and year work completion]</i>	Value of contract (national currency equivalent )
(a)					
(b)					

The major items of Contractor's Equipment proposed for carrying out the Works are: *[List all information requested below in accordance with PC Sub-Clause 4.3 (d).]*

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

The qualifications and experience of key personnel proposed are attached. *[Attach biographical data; include the list of such staff in the following table]*

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

**PRICED BILL OF QUANTITIES – TECHNICAL STUDIES**  
**Program Citizen Security and Justice Programme**  
**Loan # 3499/OC-BH:L1033**

**Price Comparison for small works Lot#4 Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.**

Offer submitted by: \_\_\_\_\_ (name of Bidder)                      Date: \_\_\_\_\_

	Activities	Technical Specifications	Quantity	Unit	Unit price (currency)	Total Price	Amount in words
1	<i>Excavation</i>						
2	<i>Concrete</i>						
3	<i>Masonry</i>						
4	<i>Plumbing</i>						
5	<i>Electricity</i>						
6	<i>Carpentry</i>						
7	<i>Painting</i>						
8							
9							
10							
Taxes							
Total Amount							

**DETAILS ON UNIT PRICE**

<b>MATERIALS</b>				
Category	Quantity	Unit	Unit Price (G\$.)	Total Price (G\$.)
				0.00
				0.00
<b>TOTAL MATERIALS</b>				

<b>LABOR</b>				
Category	Quantity	Unit	Unit Price (G\$.)	Total Price (G\$)
				0.00
<b>TOTAL LABOR</b>				

<b>EQUIPMENT</b>				
Category	Quantity	Unit	Unit Price (G\$)	Total Prix (G\$)
				0.00
				0.00
				0.00
				0.00
				0.00
<b>TOTAL EQUIPMENT</b>				

DISBURSEMENT OR DIRECT COSTS (a + b + c) 0.00

GENERAL FEES AND TAXES ( % of 1) 0.00

MARGIN FOR RISKS AND BENEFITS ( ..... % of 1+2)

0.00

**TOTAL PRICE IN DOLLAR CURRENCY (1+2+3)**

### **PROPOSE METHODOLOGY AND SCHEDULE OF IMPLEMENTATION**

The Contractor shall provide a detailed program and schedule for the design and implementation of the work to be executed, including dates of commencement and completion for individual components and identification of milestones and the critical path. Program and implementation schedule will be prepared in accordance with the works requirements and must cover at least the following aspects:

- (a) Detailed information on the timetable for the design work, including the provision of design documents, review and approval of the design by the Engineer.
- (b) Detailed information on the timetable for obtaining any necessary permits to start the work, including the preparation of required studies, documents and applications justification.
- (c) Detailed information on the timetable for the completion of the Works, in accordance with contractual period of execution, with a bar chart showing in particular the critical path.
- (d) Detailed information on the proposed construction program acceptance testing,
- (e) commissioning and transfer of work completed



## **TENDER LAUNCH NOTICE TO BIDDERS**

### **Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.**

#### **Works**

#### **“Project: BH-L1033-CITIZEN SECURITY & JUSTICE PROGRAM”**

Institution: Inter-American Development Bank  
Country: The Commonwealth of The Bahamas  
Project Number: BH-L1033

This invitation for Bids follows the **IDB Procurement Policy GN-2349-15**

The **Government of The Bahamas** has received financing from the Inter-American Development Bank toward the cost of the **Citizen Security and Justice Programme** and it intends to apply part of the proceeds of this financing to payments under the Contract for the **Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.**

The **Ministry of National Security** request that the Bahamian General Contractors invited to Bid on the construction-refurbishment of the **Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.** and provide proof of the following at the time of the submission of the Bids

1. General Construction of commercial buildings valued at no less than Five hundred and Fifty Thousand Dollars (BS500,000.00) on a singular project.
2. Completion of quality interior finishes
3. National Insurance Board letter of Good Standing
4. Public liability Insurance not less than \$500,000.00
5. Proof of ability to obtain Contractor’s All Risk Insurance in the amount of B\$500,000.00
6. Installation of building services for commercial building inclusive of electrical mechanical and site civil works.
7. Valid Business License
8. Valid Tax Compliance certificate (TCC)

9. Established business office with either employed and/or contracted Quantity Surveyor.
10. Documented construction works health and safety program

The refurbished area is located on the **Ground Floor of the Educational Complex**. The project has priority-importance with The Ministry of National Security and an aggressive construction schedule will be tracked through to the completion of the project.

The project has priority-importance with The Ministry of National Security and an aggressive construction schedule will be tracked through to the completion of the project.

The Ministry of National Security reserves the right to accept or reject any or all Bids that are submitted for consideration and shall not will not defray any cost incurred by Bidders.

### **RBPB Security Vetting**

Relevant information on behalf of the winning Bidder will be handed to the Royal Bahamas Police Force for Security Vetting to ensure that no Bidders presently have Matters before the Courts or have been previously in conflict with the Law.

Additionally, a check to confirm that the Firm's name does not appear on the IDB's Sanctions List will also be conducted.

### **SECTION D. The scope of work (*Include Technical specifications and Performance requirements, Drawings, Bill of Quantities, etc.*)**

The works comprise the following:

Builder's Work  
Plumbing Work  
Electrical Work  
Air Conditioning Work

**Builder's Work** includes all carpentry, masonry, metal works, gypsum wall and ceiling assemblies, modular assemblies, thermal & moisture protection, building finishes to floors, walls and ceilings, and the installation, repair and maintenance of all types of building in any materials.

**Plumbing Works** includes the installation of all pipework required for sanitary sewer and water supply. It includes the installation of all pumps, water heaters, water storage tanks, sewer tanks, sewer discharge wells, water supply wells, and the installation of plumbing fixtures for all types of buildings. The General Contractor is to ensure that sub-contractors in this category hold a Master Plumbing License or Journeyman Plumber Certificate.

**Electrical Works** includes the installation of all electrical feeders and wiring necessary for

the supply of electrical power. The installation of all electrical outlets and switches. The installation of all light fixtures and lighting controls. The installation of all panels, and generators. The installation of all building low voltage systems including access control, security and surveillance systems, fire alarm systems and data and telecommunication systems. The General Contractor is to ensure that sub-contractors in this category hold a Three Phase Electricians License.

**Air Conditioning Works** include the fabrication and installation of all ductwork (metal and fireboard). The installation of all Condensing Units and Air Handling Equipment. The installation of chilled water lines, and refrigerant piping. The installation of temperature control devices. The installation of all building control/management systems. The General Contractor is to ensure that sub-contractors in this category demonstrate sufficient experience in the installation of Air Conditioning Systems.

The Contractor shall provide a list of projects completed or being undertaken which are comparable to the categories to those covered by the application in both types of work and financial spread and which illustrate technical capabilities, project management and degree of complexity.

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# Specifications & Performance Requirements

## Appendix A: Specifications of Materials

### Architectural Specifications:

Do not scale drawings

Contact architect for dimensions not shown or in conflict. Verify all dimensions on site prior to construction

### Roof:

- Finish: Hot Mopped Membrane Surface Roofing (painted with reflective mastic coating)
- Water Proofing: 30Lbs. roof felt/tar paper or approved peel and stick “Grace Ice and Water shield” Black – or better
- Sheathing: 5/8” CDX roofing plywood
- Soffits: 1/2” Exterior grade plywood painted with exterior grade elastomeric breathable non-led water-based paint
- Insulation: Spray on insulation to the underside of plywood sheathing to the depth of Roof trusses
- Flashing: Galvanized or aluminum flashing and counter flashing or better

### Stucco Plaster:

- Exterior – 3/4” three coat system plaster
- Interior – 1/2” three coat system plaster

### Ceilings:

- Interior – 24” x 24” lay in drop ceiling system
- Exterior – At Entry Porch only – 1/2” green Gyp. Board mold and moisture resistant – painted with exterior grade elastomeric breathable non-led water-based paint

### Interior Walls:

- Standard walls Gypsum Board – 5/8” “Sheet Rock” Brand or better
- Provide plywood blocking for support of televisions, shelving and other hanging objects on interior wall
- Wet areas –
- Kitchen backsplash – 3” x 6” white subway tile over 1/2” cement board
- Janitors closet - standard white 6 x 6 wall tiles over 1/2” cement board
- Bathrooms - standard white 6 x 6 wall tiles over 1/2” cement board
- Paint – Elastomeric mold resistant non-led water-based paint
- Baseboard – 6” standard baseboard
- Crown Molding – 6” crown molding or 4” crown molding on 1 x 6” frieze, whichever is more cost effective

### Floors:

- Exterior: Entry Porch only – 24” x 24” non-slip, exterior grade resilient tile
- Interior Floors - 24” x 24” non-slip, interior grade resilient tile

- Ramps and Exterior steps – Concrete floated finish with control joints
- Windows: refer to window schedule for sizes, operation and configuration
- Exterior – Aluminum commercial grade Hurricane Impact Resistant window glazing for exterior windows – operable
- Interior – Operable sliding windows with non-impact resistant tempered glass glazing
- Interior Casing – 1 x 4” flat finish painted

**Doors: refer to window schedule for sizes, operation and configuration**

- Exterior – Aluminum commercial grade Hurricane Impact Resistant door glazing for exterior doors
- Interior – French Doors with non-impact resistant tempered glass glazing
- Interior Casing – 1 x 4” flat finish painted

**Structural Specifications:**

Do not scale drawings

Contact architect for dimensions not shown or in conflict. Verify all dimensions on site prior to construction Contact building inspector or architect/engineer 48 hours prior to placing concrete.

Concrete strength to be at 3,500 psi minimum @ 28 days.

All reinforcing steel of size #2, #3 and #4 to be astm a 615 grade 40 (40 ksi yield ) minimum

All reinforcing steel of #5 and #6 or larger to be astm a 615 grade 60 (60 ksi yield ) minimum.

All reinforcing laps 36 bar diameters (2'0"minimum)

All footings to be cut 6"minimum into compacted fill with a bearing capacity of at least 2,500 psf.

For all tie beams, lap top bars at mid-span, lap bottom bars at columns

Hook discontinuous ends of all beam top bars 1'6" into adjacent beams or columns.

Hook all columns verticals 1'-0" into roof beams and parapet cap beams.

Turn all roof beam corners with 4-#5's bent 90 degrees with 2'-0" on each leg.

Concrete cover:

footing	- 3"
columns	- 1.1/2"
beams	- 1.1/2"
slabs	- 3/4"

Structural steel to be a 36 (36 ksi yield) minimum.

Field welding of structural steel is not permitted without engineer's written approval (except joist seat connections and decking to joist connection.

Submit roof truss shop drawings, including member sizes, to engineer and architect for approval prior to fabrication

All wood structural members to be of no.2 southern pine (pressure treated) or better.

Duro wall reinforcement every other course (16"o/c.) typ. for all walls.

**Stem walls**

Foundation stem wall to be reinforced as follows:

3-6 courses shall be r/w #4@32"o/c

6-9 courses shall be r/w #5@16"o/c e.w.

over 9 courses engineer to be notified

Openings: All openings shall be r/w #5 at each side, cells to be filled w/concrete

**Mechanical Specifications:**

- Do not scale drawings
- Refer to Mechanical (a/c) drawings for product brands and fittings and all specifications not listed here
- All Mechanical (a/c) installations to be performed in accordance with mechanical drawings and accordance with latest edition of the Bahamas Building Code.
- All mechanical equipment to be high efficiency, high Seer, to allow for electrical/power supplied by solar panels

**Electrical Specifications:**

- Do not scale drawings
- Refer to Electrical drawings for product brands and fittings and all specifications not listed here
- All Electrical installations to be performed in accordance with Electrical drawings and accordance with latest edition of the Bahamas Building Code.
- All ceiling light fixtures to be energy saver LED to fit 2x2 ceiling grid.

**Plumbing Specifications:**

- Do not scale drawings
- Refer to Plumbing drawings for product brands and fittings and all specifications not listed here
- All Plumbing installations to be performed in accordance with plumbing drawings and accordance with latest edition of the Bahamas Building Code.
- All plumbing equipment to be high efficiency, to allow for electrical/power supplied by solar panels

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## Appendix B: Bills of Quantities

**(Note: The Bills of Quantities is only a guide cannot and does not instruct the Contractor for construction sequencing, means and methods of construction, nor does it replace the Contractor's construction schedule)**

### Foundations:

- See drawings and specifications for foundation details
- Trenching for foundation footings
- Install steel (with laterals welded as required) in trenches for reinforcing in concrete footings
- Inspection before pouring
- Pour concrete for foundation footings

### Foundation Walls and Floor Slab:

- Install blocks and reinforcing steel for Foundation and building walls
- Pour concrete/grout in all block cells for foundation walls
- Floor Slab to be 2'-0" above finished grade
- Install engineered fill to be compacted beneath floor slab
- Install under slab plumbing lines and drains
- Termite Spraying to be performed before laying vapor barrier and pouring floor slab
- Vapor Barrier to be installed, see drawings for specs.
- Install steel welded wire mesh – see drawings for details
- Install under-slab electrical conduit
- Form up sides of foundation walls with forming ply wood for floor slab pouring
- Inspection before pouring
- Pour Floor slab and level/float as poured with concrete

### Walls:

- Continue reinforcing steel for tie columns up to Belt course height
- Install Masonry Concrete blocks on floor slab for exterior walls, leave window and door openings and allow for electrical and a/c chases through walls.
- Form work with forming ply wood added for tie columns, window and door lintels
- Add steel for window and door lintels and lower beams and grouted cells next to openings 3'-0" or more
- Inspect all steel before pouring tie columns and window and door lintels
- Pour tie columns and window and door lintels and grouted cells next to openings 3'-0" or more with concrete
- Block up above lintels and beams to underside of belt beams
- Form up for concrete belt beams
- Install reinforcing steel for belt beams – see drawings and spec for details.
- Inspection Before Pouring
- Pour all belt beams with concrete
- Form up and install steel reinforcing for front parapet wing wall, sloped side walls on each end of building and sloped side walls above entry and reception areas.

- Inspect before pouring,
- Pour front parapet wall, slopes side walls and higher sloped side walls above entry, and reception areas with concrete.
- Ensure hurricane straps and lag bolts for wood plate are embedded and in concrete when poured

**Roofing:**

- All prefab wood trusses to be pre-approved with shop drawings submitted by General Contractor to engineer and architect.
- Install 3x6 PT wood top plate(s) for trusses
- Install Joist hangers on inside face of front wall for approved prefab wood trusses @ 24" o.c.
- Install approved prefab wood trusses @ 24" o.c. on wood top plate and joist hangers
- Install ply wood roof grade sheathing, fasten as per building code.
- Apply waterproofing per specs and drawings
- Apply all flashings, counter flashings and vent covers to close up gaps
- Apply membrane roofing surface
- Paint membrane surface with reflective mastic paint
- Install roofing solar panels

**Mechanical:**

- Install electrical conduit for wires power to A/c equipment
- Install plumbing drain lines for a/c equipment
- Install a/c trunk lines for duct work in ceilings and through all chases, tape and suspend as required
- A/c Inspections required at each phase

**Electrical:**

- Install electrical conduit for wires power to building (incl., under slabe runs)
- Install meter cans, main distribution panel (MDP) as well as any sub panel boxes only (no circuitry as yet)
- Install and pull electrical wires from panel(s) to power points, lighting locations, switches and outlets
- Install light fixtures, outlets and special electrical items
- Electrical Inspections required at each phase

**Plumbing:**

- Install electrical conduit for power to plumbing equipment
- Install plumbing drain lines (incl., under slabe runs) and plumbing water supply lines (overhead)
- Install all vents and roof penetrations
- Connect plumbing supply lines to water supply at road
- Connect drain lines to septic tank
- Install gas tank regulator for range at kitchen
- Plumbing Inspections required at each phase

**Finishes:**

- After roof installation install Exterior Doors and Exterior Windows with all applicable flashing and counter flashing – “dry-in” building
- Start plaster finishes on exterior and interior sides of exterior block walls
- Install 2' x 2' acoustical drop ceiling framing
- Install PT wood framing for interior walls, allow for interior door and interior window openings
- Install plumbing, electrical and a/c before closing up interior wall framing
- Install gypsum board on regular interior walls/rooms
- Install cement board/green board on kitchen, bathroom and janitor's closet walls
- Tape and bed all joints gypsum board wall, use commercial/metal corner beads at all corners
- Install smooth plaster on all gypsum board walls,
- Inspect interior walls for smoothness of plaster, sand and prep for painting
- Complete plastering finishes on exterior and interior sides of exterior block walls
- Install tiles on kitchen backsplash, bathroom walls and janitor's closet walls
- Install floor tiles throughout
- Install baseboard throughout
- Prime and paint all remaining walls, trims and moldings
- Install kitchen cabinets and bag cubbies at reception area
- Install a/c equipment
- Install electrical switches, light fixtures, plates and other electrical finishing items
- Install door and window hardware
- Install crown molding
- Install acoustical ceiling lay-in tiles
- Final Construction cleaning commences
- Arrange Occupancy inspections
- Receive occupancy certificate

## SECTION E. Contract forms



The Ministry of National Security  
JFK Drive  
Nassau, The Bahamas

[Date]

To: [name of Contractor]  
[Address]

**RE: Letter of Acceptance - 3499/OC-BH: L1033 Citizen Security and Justice Programme Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.**

Dear Sir or Madam:

This is to notify you that your Bid dated [insert date] for execution of the refurbishment of the **Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.**

Contract Price of [insert amount in numbers and words] [insert name of currency], in accordance with the Instructions to Bidders is hereby accepted by our Agency.

We accept that *the Office of the Attorney General* be appointed as the Adjudicator.<sup>1</sup>

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

Authorized Signature: \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Agency: \_\_\_\_\_

Attachment: Agreement

### Agreement

*[The Agreement shall incorporate any corrections or modifications to the Bid resulting from corrections of errors (ITB Clause 28), price adjustment during the evaluation process (ITB Sub-Clause 16.3, selection of an alternative offer (ITB Clause 18), acceptable deviations (ITB Clause 27), or any other mutually-agreeable changes allowed for*

<sup>1</sup> To be used only if the Contractor disagrees in the Bid with the Adjudicator proposed by the Contracting Agency in the Instructions to Bidders, and has accordingly offered another candidate.

*in the Conditions of Contract, such as changes in key personnel, subcontractors, scheduling, and the like.]*

This Agreement, made the *[insert day]* day of *[insert month]*, *[insert year]* between *Ministry of National Security, John F. Kennedy Drive* (hereinafter called “the Contracting Agency”) and *[insert name and address of Contractor]* (hereinafter called “the Contractor”) of the other part.

Whereas the Contracting Agency is desirous that the Contractor execute **Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces** (hereinafter called “the Works”) and the Contracting Agency has accepted the Bid by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

Now this Agreement witnesseth as follows:

In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to, and they shall be deemed to form and be read and construed as part of this Agreement.

In consideration of the payments to be made by the Contracting Agency to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Contracting Agency to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.

The Contracting Agency hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

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

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

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

Binding Signature of Contracting Agency *[signature of an authorized representative of the Contracting Agency]*

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

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## **General Conditions of Contract - A. General**

## 1. Definitions

### 1.1 Boldface type is used to identify defined terms.

- (a) The **Adjudicator** is the person appointed jointly by the Contracting Agency and the Contractor to resolve disputes in the first instance, as provided for in GCC Clauses 24 and 25 hereunder.
- (b) **Bill of Quantities** means the priced and completed Bill of Quantities forming part of the Bid.
- (c) **Compensation Events** are those defined in GCC Clause 44 hereunder.
- (d) The **Completion Date** is the date of completion of the Works as certified by the Project Manager, in accordance with GCC Sub-Clause 55.1.
- (e) The **Contract** is the Contract between the Contracting Agency and the Contractor to execute, complete, and maintain the Works. It consists of the documents listed in GCC Clause 2.3 below.
- (f) The **Contractor** is a person or corporate body whose Bid to carry out the Works has been accepted by the Contracting Agency.
- (g) The **Contractor's Bid** is the completed bidding document submitted by the Contractor to the Contracting Agency.
- (h) The **Contract Price** is the price stated in the Letter of Acceptance and thereafter as adjusted in accordance with the provisions of the Contract.
- (i) **Days** are calendar days; months are calendar months.
- (j) **Dayworks** are varied work inputs subject to payment on a time basis for the Contractor's employees and Equipment, in addition to payments for associated Materials and Plant.
- (k) A **Defect** is any part of the Works not completed in accordance with the Contract.
- (l) The **Defects Liability Certificate** is the certificate issued by Project Manager upon correction of defects by the Contractor.
- (m) The **Defects Liability Period** is the period **named in the SCC** Sub-Clause 35.1 and calculated from the Completion Date.
- (n) **Drawings** include calculations and other information provided or approved by the Project Manager for the execution of the Contract.

- (o) The **Contracting Agency** is the party who employs the Contractor to carry out the Works, **as specified in the SCC.**
- (p) **Equipment** is the Contractor's machinery and vehicles brought temporarily to the Site to construct the Works.
- (q) The **Initial Contract Price** is the Contract Price listed in the Contracting Agency's Letter of Acceptance.
- (r) The **Intended Completion Date** is the date on which it is intended that the Contractor shall complete the Works. The Intended Completion Date is **specified in the SCC.** The Intended Completion Date may be revised only by the Project Manager by issuing an extension of time or an acceleration order.
- (s) **Materials** are all supplies, including consumables, used by the Contractor for incorporation in the Works.
- (t) **Plant** is any integral part of the Works that shall have a mechanical, electrical, chemical, or biological function.
- (u) The **Project Manager** is the person **named in the SCC** (or any other competent person appointed by the Contracting Agency and notified to the Contractor, to act in replacement of the Project Manager) who is responsible for supervising the execution of the Works and administering the Contract.
- (v) **SCC** means Special Conditions of Contract
- (w) The **Site** is the area **defined as such in the SCC.**
- (x) **Site Investigation Reports** are those that were included in the bidding documents and are factual and interpretative reports about the surface and subsurface conditions at the Site.
- (y) **Specification** means the Specification of the Works included in the Contract and any modification or addition made or approved by the Project Manager.
- (z) The **Start Date** is **given in the SCC.** It is the latest date when the Contractor shall commence execution of the Works. It does not necessarily coincide with any of the Site Possession Dates.
- (aa) A **Subcontractor** is a person or corporate body who has a Contract with the Contractor to carry out a part of the work in the Contract, which includes work on the Site.
- (bb) **Temporary Works** are works designed, constructed, installed, and removed by the Contractor that are needed for construction or installation of the Works.

- (cc) A **Variation** is an instruction given by the Project Manager which varies the Works.
- (dd) The **Works** are what the Contract requires the Contractor to construct, install, and turn over to the Contracting Agency, **as defined in the SCC**.

- 2. Interpretation**
  - 2.1 In interpreting these GCC, singular also means plural, male also means female, and the other way around. Headings have no significance. Words have their normal meaning under the language of the Contract unless specifically defined. The Project Manager shall provide instructions clarifying queries about these GCC.
  - 2.2 If sectional completion is **specified in the SCC**, references in the GCC to the Works, the Completion Date, and the Intended Completion Date apply to any Section of the Works (other than references to the Completion Date and Intended Completion Date for the whole of the Works).
  - 2.3 The documents forming the Contract shall be interpreted in the following order of priority:
    - (a) Agreement,
    - (b) Letter of Acceptance,
    - (c) Contractor's Bid,
    - (d) Special Conditions of Contract,
    - (e) General Conditions of Contract,
    - (f) Specifications,
    - (g) Drawings,
    - (h) Activity Schedule and
    - (i) any other document **listed in the SCC** as forming part of the Contract.
- 3. Language and Law**
  - 3.1 The language of the Contract and the law governing the Contract are **stated in the SCC**.
- 4. Project Manager's Decisions**
  - 4.1 Except where otherwise specifically stated, the Project Manager shall decide contractual matters between the Contracting Agency and the Contractor in the role representing the Contracting Agency.
- 5. Delegation**
  - 5.1 The Project Manager may delegate any of his duties and responsibilities to other people, except to the Adjudicator, after notifying the Contractor, and may cancel any delegation after notifying the Contractor.
- 6. Communications**
  - 6.1 Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is delivered.

- 7. Subcontracting** 7.1 The Contractor may subcontract with the approval of the Project Manager, but may not assign the Contract without the approval of the Contracting Agency in writing. Subcontracting shall not alter the Contractor's obligations.
- 8. Other Contractors** 8.1 The Contractor shall cooperate and share the Site with other contractors, public authorities, utilities, and the Contracting Agency between the dates given in the Schedule of Other Contractors, as **referred to in the SCC**. The Contractor shall also provide facilities and services for them as described in the Schedule. The Contracting Agency may modify the Schedule of Other Contractors, and shall notify the Contractor of any such modification.
- 9. Personnel** 9.1 The Contractor shall employ the key personnel named in the Schedule of Key Personnel, as **referred to in the SCC**, to carry out the functions stated in the Schedule or other personnel approved by the Project Manager. The Project Manager shall approve any proposed replacement of key personnel only if their relevant qualifications and abilities are substantially equal to or better than those of the personnel listed in the Schedule.
- 9.2 If the Project Manager asks the Contractor to remove a person who is a member of the Contractor's staff or work force, stating the reasons, the Contractor shall ensure that the person leaves the Site within seven days and has no further connection with the work in the Contract.
- 10. Contracting Agency's and Contractor's Risks** 10.1 The Contracting Agency carries the risks which this Contract states are the Contracting Agency's risks, and the Contractor carries the risks which this Contract states are Contractor's risks.
- 11. Contracting Agency's Risks** 11.1 From the Start Date until the Defects Correction Certificate has been issued, the following are the Contracting Agency's risks:
- (a) The risk of personal injury, death, or loss of or damage to property (excluding the Works, Plant, Materials, and Equipment), which are due to
    - (i) use or occupation of the Site by the Works or for the purpose of the Works, which is the unavoidable result of the Works or
    - (ii) negligence, breach of statutory duty, or interference with any legal right by the Contracting Agency or by any person employed by or contracted to him except the Contractor.
  - (b) The risk of damage to the Works, Plant, Materials, and Equipment to the extent that it is due to a fault of the Contracting Agency or in the Contracting Agency's design,

or due to war or radioactive contamination directly affecting the country where the Works are to be executed.

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

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

## **12. Contractor's Risks**

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

## **13. Insurance**

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

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

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

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

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

- 13.5 Both parties shall comply with any conditions of the insurance policies.
- 14. Site Investigation Reports** 14.1 The Contractor, in preparing the Bid, shall rely on any Site Investigation Reports **referred to in the SCC**, supplemented by any information available to the Bidder.
- 15. Queries about the Special Conditions of Contract** 15.1 The Project Manager shall clarify queries on the **SCC**.
- 16. Contractor to Construct the Works** 16.1 The Contractor shall construct and install the Works in accordance with the Specifications and Drawings.
- 17. The Works to Be Completed by the Intended Completion Date** 17.1 The Contractor may commence execution of the Works on the Start Date and shall carry out the Works in accordance with the Program submitted by the Contractor, as updated with the approval of the Project Manager, and complete them by the Intended Completion Date.
- 18. Approval by the Project Manager** 18.1 The Contractor shall submit Specifications and Drawings showing the proposed Temporary Works to the Project Manager, who is to approve them if they comply with the Specifications and Drawings.
- 18.2 The Contractor shall be responsible for design of Temporary Works.
- 18.3 The Project Manager's approval shall not alter the Contractor's responsibility for design of the Temporary Works.
- 18.4 The Contractor shall obtain approval of third parties to the design of the Temporary Works, where required.
- 18.5 All Drawings prepared by the Contractor for the execution of the temporary or permanent Works, are subject to prior approval by the Project Manager before their use.
- 19. Safety** 19.1 The Contractor shall be responsible for the safety of all activities on the Site.
- 20. Discoveries** 20.1 Anything of historical or other interest or of significant value unexpectedly discovered on the Site shall be the property of the Contracting Agency. The Contractor shall notify the Project Manager of such discoveries and carry out the Project Manager's instructions for dealing with them.
- 21. Possession of the Site** 21.1 The Contracting Agency shall give possession of all parts of the Site to the Contractor. If possession of a part is not given by the date **stated in the SCC**, the Contracting Agency shall be deemed to have delayed the start of the relevant activities, and this shall be a Compensation Event.

- 22. Access to the Site** 22.1 The Contractor shall allow the Project Manager and any person authorized by the Project Manager access to the Site and to any place where work in connection with the Contract is being carried out or is intended to be carried out.
- 23. Instructions, Inspections and Audits** 23.1 The Contractor shall carry out all instructions of the Project Manager which comply with the applicable laws where the Site is located.
- 23.2 The Contractor shall permit the Bank to inspect their accounts, records and other documents relating to the submission of bids and contract performance and to have them audited by auditors appointed by the Bank. The Contractor shall maintain all documents and records related to the Bank-financed project for seven (7) years after completion of the work. The Contractor shall deliver any document necessary for the investigation of allegations of prohibited practices and require to employees or agents with knowledge of the Bank-financed project to respond to questions from the Bank.
- 24. Disputes** 24.1 If the Contractor believes that a decision taken by the Project Manager was either outside the authority given to the Project Manager by the Contract or that the decision was wrongly taken, the decision shall be referred to the Adjudicator within 14 days of the notification of the Project Manager's decision.
- 25. Procedure for Disputes** 25.1 The Adjudicator shall give a decision in writing within 28 days of receipt of a notification of a dispute.
- 25.2 The Adjudicator shall be paid by the hour at the **rate specified in the BDS and SCC**, together with reimbursable expenses of the types specified in the SCC, and the cost shall be divided equally between the Contracting Agency and the Contractor, whatever decision is reached by the Adjudicator. Either party may refer a decision of the Adjudicator to an Arbitrator within 28 days of the Adjudicator's written decision. If neither party refers the dispute to arbitration within the above 28 days, the Adjudicator's decision shall be final and binding.
- 25.3 The arbitration shall be conducted in accordance with the arbitration procedures published by the institution named and in the place specified **in the SCC**.
- 26. Replacement of Adjudicator** 26.1 Should the Adjudicator resign or die, or should the Contracting Agency and the Contractor agree that the Adjudicator is not functioning in accordance with the provisions of the Contract, a new Adjudicator shall be jointly appointed by the Contracting Agency and the Contractor. In case of disagreement between the Contracting Agency and the Contractor, within 30 days, the Adjudicator shall be designated by the Appointing Authority **designated in the SCC** at the request of either party, within 14 days of receipt of such request.

## B. Time Control

### 27. Program

- 27.1 Within the time **stated in the SCC**, after the date of the Letter of Acceptance, the Contractor shall submit to the Project Manager for approval a Program showing the general methods, arrangements, order, and timing for all the activities in the Works.
- 27.2 An update of the Program shall be a program showing the actual progress achieved on each activity and the effect of the progress achieved on the timing of the remaining work, including any changes to the sequence of the activities.
- 27.3 The Contractor shall submit to the Project Manager for approval an updated Program at intervals no longer than the period **stated in the SCC**. If the Contractor does not submit an updated Program within this period, the Project Manager may withhold the amount **stated in the SCC** from the next payment certificate and continue to withhold this amount until the next payment after the date on which the overdue Program has been submitted.
- 27.4 The Project Manager's approval of the Program shall not alter the Contractor's obligations. The Contractor may revise the Program and submit it to the Project Manager again at any time. A revised Program shall show the effect of Variations and Compensation Events.

### 28. Extension of the Intended Completion Date

- 28.1 The Project Manager shall extend the Intended Completion Date if a Compensation Event occurs or a Variation is issued which makes it impossible for Completion to be achieved by the Intended Completion Date without the Contractor taking steps to accelerate the remaining work, which would cause the Contractor to incur additional cost.
- 28.2 The Project Manager shall decide whether and by how much to extend the Intended Completion Date within 21 days of the Contractor asking the Project Manager for a decision upon the effect of a Compensation Event or Variation and submitting full supporting information. If the Contractor has failed to give early warning of a delay or has failed to cooperate in dealing with a delay, the delay by this failure shall not be considered in assessing the new Intended Completion Date.

### 29. Acceleration

- 29.1 When the Contracting Agency wants the Contractor to finish before the Intended Completion Date, the Project Manager shall obtain priced proposals for achieving the necessary acceleration from the Contractor. If the Contracting Agency accepts these proposals, the Intended Completion Date shall be adjusted accordingly and confirmed by both the Contracting Agency and the Contractor.
- 29.2 If the Contractor's priced proposals for an acceleration are accepted by the Contracting Agency, they are incorporated in the Contract Price and treated as a Variation.

- 30. Delays Ordered by the Project Manager** 30.1 The Project Manager may instruct the Contractor to delay the start or progress of any activity within the Works.
- 31. Management Meetings** 31.1 Either the Project Manager or the Contractor may require the other to attend a management meeting. The business of a management meeting shall be to review the plans for remaining work and to deal with matters raised in accordance with the early warning procedure.
- 31.2 The Project Manager shall record the business of management meetings and provide copies of the record to those attending the meeting and to the Contracting Agency. The responsibility of the parties for actions to be taken shall be decided by the Project Manager either at the management meeting or after the management meeting and stated in writing to all who attended the meeting.
- 32. Early Warning** 32.1 The Contractor shall warn the Project Manager at the earliest opportunity of specific likely future events or circumstances that may adversely affect the quality of the work, increase the Contract Price, or delay the execution of the Works. The Project Manager may require the Contractor to provide an estimate of the expected effect of the future event or circumstance on the Contract Price and Completion Date. The estimate shall be provided by the Contractor as soon as reasonably possible.
- 32.2 The Contractor shall cooperate with the Project Manager in making and considering proposals for how the effect of such an event or circumstance can be avoided or reduced by anyone involved in the work and in carrying out any resulting instruction of the Project Manager.

### **C. Quality Control**

- 33. Identifying Defects** 33.1 The Project Manager shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Project Manager may instruct the Contractor to search for a Defect and to uncover and test any work that the Project Manager considers may have a Defect.
- 34. Tests** 34.1 If the Project Manager instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a Defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no Defect, the test shall be a Compensation Event.
- 35. Correction of Defects** 35.1 The Project Manager shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion, and is **defined in the SCC**. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.

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

**36. Uncorrected Defects**

36.1 If the Contractor has not corrected a Defect within the time specified in the Project Manager's notice, the Project Manager shall assess the cost of having the Defect corrected, and the Contractor shall pay this amount.

**D. Cost Control**

**37. Activity Schedule**

37.1 The Contractor shall provide updated Activity Schedules within 14 days of being instructed to by the Project Manager.

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

**38. Changes in the Quantities**

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

**39. Variations**

39.1 All Variations shall be included in updated Programs "and Activity Schedules" produced by the Contractor.

**40. Payments for Variations**

40.1 The Contractor shall provide the Project Manager with a quotation for carrying out the Variation when requested to do so by the Project Manager. The Project Manager shall assess the quotation, which shall be given within seven (7) days of the request or within any longer period stated by the Project Manager, before the Variation is ordered.

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

40.4 If the Project Manager decides that the urgency of varying the work would prevent a quotation being given and considered without delaying the work, no quotation shall be given and the Variation shall be treated as a Compensation Event.

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

**41. Cash Flow Forecasts**

41.1 When the Program "or Activity Schedule" is updated, the Contractor shall provide the Project Manager with an updated cash flow forecast.

The cash flow forecast shall include different currencies, as defined in the Contract, converted as necessary using the Contract exchange rates.

#### **42. Payment Certificates**

- 42.1 The Contractor shall submit to the Project Manager monthly statements of the estimated value of the work executed less the cumulative amount certified previously.
- 42.2 The Project Manager shall check the Contractor's monthly statement and certify the amount to be paid to the Contractor.
- 42.3 The value of work executed shall be determined by the Project Manager.
- 42.4 The value of work executed shall comprise the value of completed activities in the Activity Schedule.
- 42.5 The value of work executed shall include the valuation of Variations and Compensation Events.
- 42.6 The Project Manager may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.

#### **43. Payments**

- 43.1 Payments shall be adjusted for deductions for advance payments and retention. The Contracting Agency shall pay the Contractor the amounts certified by the Project Manager within 28 days of the date of each certificate. If the Contracting Agency makes a late payment, the Contractor shall be paid interest on the late payment in the next payment. Interest shall be calculated from the date by which the payment should have been made up to the date when the late payment is made at the prevailing rate of interest for commercial borrowing for each of the currencies in which payments are made.
- 43.2 If an amount certified is increased in a later certificate or as a result of an award by the Adjudicator or an Arbitrator, the Contractor shall be paid interest upon the delayed payment as set out in this clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.
- 43.3 Unless otherwise stated, all payments and deductions shall be paid or charged in the proportions of currencies comprising the Contract Price.
- 43.4 Items of the Works for which no rate or price has been entered in shall not be paid for by the Contracting Agency and shall be deemed covered by other rates and prices in the Contract.

#### **44. Compensation Events**

- 44.1 The following shall be Compensation Events:
  - (a) The Contracting Agency does not give access to a part of the Site by the Site Possession Date pursuant to GCC Sub-Clause 21.1.
  - (b) The Contracting Agency modifies the Schedule of Other Contractors in a way that affects the work of the Contractor under the Contract.

- (c) The Project Manager orders a delay or does not issue Drawings, Specifications, or instructions required for execution of the Works on time.
- (d) The Project Manager instructs the Contractor to uncover work done, or to carry out additional tests upon work, which is then found to have no Defects.
- (e) The Project Manager unreasonably does not approve a subcontract to be let.
- (f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Letter of Acceptance from the information issued to bidders (including the Site Investigation Reports), from information available publicly and from a visual inspection of the Site.
- (g) The Project Manager gives an instruction for dealing with an unforeseen condition, caused by the Contracting Agency, or additional work required for safety or other reasons.
- (h) Other contractors, public authorities, utilities, or the Contracting Agency do not work within the dates and other constraints stated in the Contract, and they cause delay or extra cost to the Contractor.
- (i) The advance payment is delayed.
- (j) The effects on the Contractor of any of the Contracting Agency's Risks.
- (k) The Project Manager unreasonably delays issuing a Certificate of Completion.

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

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

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

## 45. Tax

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

## 46. Currencies

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

## 47. Price Adjustment

- 47.1 Prices shall be adjusted for fluctuations in the cost of inputs only if **provided for in the SCC**. If so provided, the amounts certified in each payment certificate, before deducting for Advance Payment, shall be adjusted by applying the respective price adjustment factor to the payment amounts due in each currency. A separate formula of the type indicated below applies to each Contract currency:

$$P_c = A_c + B_c (I_{mc}/I_{oc})$$

where:

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

$A_c$  and  $B_c$  are coefficients<sup>2</sup> **specified in the SCC**, representing the nonadjustable and adjustable portions, respectively, of the Contract Price payable in that specific currency "c;" and

$I_{mc}$  is the index prevailing at the end of the month being invoiced and  $I_{oc}$  is the index prevailing 28 days before Bid opening for inputs payable; both in the specific currency "c."

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

## 48. Retention

- 48.1 The Contracting Agency shall retain from each payment due to the Contractor the proportion **stated in the SCC** until Completion of the whole of the Works.
- 48.2 On completion of the whole of the Works and the Project Manager certification of completion of the works according to GCC Sub-Clause 55.1, half the total amount retained shall be repaid to the Contractor and half when the Defects Liability Period has passed and the Project Manager has certified that all Defects notified by the Project Manager to the Contractor before the end of this period have been corrected.

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<sup>2</sup> The sum of the two coefficients  $A_c$  and  $B_c$  should be 1 (one) in the formula for each currency. Normally, both coefficients shall be the same in the formulae for all currencies, since coefficient A, for the nonadjustable portion of the payments, is a very approximate figure (usually 0.15) to take account of fixed cost elements or other nonadjustable components. The sum of the adjustments for each currency are added to the Contract Price.

48.3 On completion of the whole Works and the Project Manager certification of completion of the works according to GCC Sub-Clause 55.1, the Contractor may substitute retention money with an “on demand” Bank guarantee.

#### **49. Liquidated Damages**

49.1 The Contractor shall pay liquidated damages to the Contracting Agency at the rate per day **stated in the SCC** for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount **defined in the SCC**. The Contracting Agency may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor’s liabilities.

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

#### **50. Bonus**

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

#### **51. Advance Payment**

51.1 The Contracting Agency shall make advance payment to the Contractor of the amounts **stated in the SCC** by the date **stated in the SCC**, against provision by the Contractor of an Unconditional Bank Guarantee in a form and by a bank acceptable to the

51.2 Contracting Agency in amounts and currencies equal to the advance payment. The Guarantee shall remain effective until the advance payment has been repaid, but the amount of the Guarantee shall be progressively reduced by the amounts repaid by the Contractor. Interest shall not be charged on the advance payment.

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

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

#### **52. Securities**

52.1 The Performance Security shall be provided to the Contracting Agency no later than the date specified in the Letter of Acceptance and shall be issued in an amount **specified in the SCC**, by a bank or surety

acceptable to the Contracting Agency, and denominated in the types and proportions of the currencies in which the Contract Price is payable. The Performance Security shall be valid until a date 28 days later than the date of issue of the Certificate of Completion in the case of a Bank Guarantee, and until one year later than the date of issue of the Completion Certificate in the case of a Performance Bond.

### **53. Daywork**

- 53.1 If applicable, the Daywork rates in the Contractor's Bid shall be used for small additional amounts of work only when the Project Manager has given written instructions in advance for additional work to be paid for in that way.
- 53.2 All work to be paid for as Daywork shall be recorded by the Contractor on forms approved by the Project Manager. Each completed form shall be verified and signed by the Project Manager within two days of the work being done.
- 53.3 The Contractor shall be paid for Dayworks subject to obtaining signed Dayworks forms.

### **54. Cost of Repairs**

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

## **E. Finishing the Contract**

### **55. Completion**

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

### **56. Taking Over**

- 56.1 The Contracting Agency shall take over the Site and the Works within seven (7) days of the Project Manager's issuing a certificate of Completion.

### **57. Final Account**

- 57.1 The Contractor shall supply the Project Manager with a detailed account of the total amount that the Contractor considers payable under the Contract before the end of the Defects Liability Period. The Project Manager shall issue a Defects Liability Certificate and certify any final payment that is due to the Contractor within 56 days of receiving the Contractor's account if it is correct and complete. If it is not, the Project Manager shall issue within 56 days a schedule that states the scope of the corrections or additions that are necessary. If the Final Account is still unsatisfactory after it has been resubmitted, the Project Manager shall decide on the amount payable to the Contractor and issue a payment certificate.

### **58. Operating and Maintenance Manuals**

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

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

## 59. Termination

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

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

- (a) the Contractor stops work for 28 days when no stoppage of work is shown on the current Program and the stoppage has not been authorized by the Project Manager;
- (b) the Project Manager instructs the Contractor to delay the progress of the Works, and the instruction is not withdrawn within 28 days;
- (c) the Contracting Agency or the Contractor is made bankrupt or goes into liquidation other than for a reconstruction or amalgamation;
- (d) a payment certified by the Project Manager is not paid by the Contracting Agency to the Contractor within 84 days of the date of the Project Manager's certificate;
- (e) the Project Manager gives Notice that failure to correct a particular Defect is a fundamental breach of Contract and the Contractor fails to correct it within a reasonable period of time determined by the Project Manager;
- (f) the Contractor does not maintain a Security, which is required;
- (g) the Contractor has delayed the completion of the Works by the number of days for which the maximum amount of liquidated damages can be paid, as **defined in the SCC**;
- (h) if the Contractor, in the judgment of the Contracting Agency has engaged in prohibited practices in competing for or in executing the Contract, as established in the Policies of the Inter-American Development Bank, indicated in Clause 60 of these GCC.

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

59.4 Notwithstanding the above, the Contracting Agency may terminate the Contract for convenience at any time.

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

**60. Prohibited Practices**  
*exclusive clause for loan agreements signed under policy GN-2349-15*

60.1 The Bank requires that all Borrowers (including grant beneficiaries), Executing Agencies and Contracting Agencies, including members of its personnel, as well as all firms, entities and individuals participating in a Bank-financed activity acting as, *inter alia*, bidders, proposers, suppliers, contractors, consultants, sub-contractors, sub-consultants, service providers and concessionaires (including their respective officers, employees and representatives or agents, irrespective of whether the agency is express or implied), adhere to the highest ethical standards, and report to the Bank<sup>3</sup> all suspected acts of Prohibited Practices of which they have knowledge or become aware both, during the bidding process and throughout the negotiation or execution of a contract. Prohibited Practices are: (i) corrupt practices; (ii) fraudulent practices; (iii) coercive practices; (iv) collusive practices; (v) obstructive practices; and (vi) misappropriation of funds. The Bank has established mechanisms to report allegations of Prohibited Practices. Any allegation shall be submitted to the Bank's Office of Institutional Integrity (OII) for the appropriate investigation. The Bank has adopted procedures to sanction those who have incurred in Prohibited Practices. The Bank also entered into an agreement with other International Financial Institutions (IFIs) to mutually recognize debarment decisions.

(a) For the purposes of this provision, the definitions of Prohibited Practices are as follows:

- (i) “*corrupt practice*” is the offering, giving, receiving or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
- (ii) “*fraudulent practice*” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (iii) “*collusive practice*” is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;
- (iv) “*coercive practice*” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
- (v) “*obstructive practice*” is
  - (i) destroying, falsifying, altering or concealing of evidence material to an IDB Group investigation, or making false statements to

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<sup>3</sup> Information on how to present allegations of Prohibited Practices, the application of rules regarding investigation and sanctions process, and the agreement regulating the mutual recognition of sanctions among the IFI's are available on the Bank's web site ([www.iadb.org/integrity](http://www.iadb.org/integrity))

investigators with the intent to impede an IDB Group investigation;

- (ii) threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to an IDB Group investigation or from pursuing the investigation, or
  - (iii) acts intended to impede the exercise of the IDB Group's contractual rights of audit or inspection provided for under ITB 3.1(f) below or access to information; and
- (vi) "*misappropriation*" is the use of IDB Group financing or resources for an improper or unauthorized purpose, committed either intentionally or through reckless disregard.

(b) If, the Bank determines that at any stage of the procurement or implementation of a contract the Borrower (including beneficiaries of grants), Executing Agencies, Contracting Agencies, any firm, entity or individual participating in a Bank-financed activity as, *inter alia*, bidders, proposers, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, goods or service providers, concessionaires, (including their respective officers, employees and representatives or agents irrespective of whether the attribution is express or implied) engaged in a Prohibited Practice during the award or implementation of the contract, the Bank may:

- (i) not finance any proposal to award a contract for works, goods or services, and consulting services;
- (ii) suspend disbursement of the operation if it is determined at any stage that an employee, agent or representative of the Borrower, Executing Agency or Employer has engaged in a Prohibited Practice;
- (iii) declare Misprocurement and cancel, and/or accelerate repayment of the portion of a loan or grant earmarked for a contract, when there is evidence that the representative of the Borrower, or Beneficiary of a grant, has not taken the adequate remedial measures (including, *inter alia*, providing adequate notice to the Bank upon learning of the Prohibited Practice) within a time period which the Bank considers reasonable;
- (iv) issue the firm, entity or individual a reprimand in the form of a formal letter of censure for its behavior;
- (v) declare that a firm, entity, or individual is ineligible, either permanently or for a stated period of time, to participate and/or be awarded additional contracts financed with IDB Group resources;

- (vi) impose other sanctions that it deems to be appropriate, among others, the restitution of funds and of fines equivalent to the reimbursement for costs associated with investigations and proceedings contemplated in the Sanctions Procedures. Such other sanctions may be imposed in addition to or in lieu of the sanctions referred above (the “abovementioned” sanctions are reprimand and debarment/ineligibility);
  - (vii) extend the sanctions imposed on any individual, entity or firm that, directly or indirectly, owns or controls a sanctioned entity, is owned or controlled by a sanctioned entity or is the object of common ownership or control with a sanctioned entity, as well as to officials, employees, affiliates or representatives or agents of a sanctioned entity who also own a sanctioned entity and / or exercise control over a sanctioned entity, even if it has not been concluded that those parties directly incurred in a Prohibited Practice; and/or
  - (viii) refer the matter to appropriate law enforcement authorities.
- (c) The provisions of ITB 60.1 (b) (i) and (ii) shall also be applicable when such parties have been temporarily suspended from eligibility to be awarded additional contracts pending a final outcome of a sanction proceeding, or otherwise.
- (d) The imposition of any action to be taken by the Bank pursuant to the provisions referred to above may be made public.
- (e) Pursuant to the Agreement for Mutual Enforcement of Debarment Decisions entered into with other IFIs, any firm, entity or individual bidding for or participating in a Bank-financed activity or acting as bidders, proposers, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers, concessionaires, personnel of the Borrower (including grant Beneficiaries), Executing Agencies or Contracting Agencies, (including their respective officers, employees, representatives and agents, irrespective of whether the attribution is expressed or implied) may be subject to a sanction. For purposes of this paragraph the term “sanction” shall mean any debarment, conditions on future contracting or any publicly-disclosed action taken in response to a violation of an IFI’s applicable framework for addressing allegations of Prohibited Practices.
- (f) The Bank requires that all applicants, bidders, proposers, suppliers, and their representatives or agents, contractors, consultants, officers or employees, sub-contractors, service providers and concessionaires permit the Bank to inspect accounts, records and other documents relating to the submission of bids and contract performance as well as to have them audited by personnel appointed by the Bank. Applicants,

bidders, proposers, suppliers, and their representatives or agents, contractors, consultants, sub-contractors, sub-consultants, service providers and concessionaires shall fully assist the Bank with its investigation. The Bank also requires that all applicants, bidders, proposers, suppliers, and their representatives or agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers and concessionaires: (i) maintain all documents and records related to the Bank-financed activities for seven (7) years after completion of the work contemplated in the relevant contract; (ii) deliver any document necessary for the investigation of allegations of Prohibited Practices; and (iii) ensure that employees, representatives or agents of the applicants, bidders, proposers, suppliers and their representatives or agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers or concessionaires who have knowledge that the Bank financed the activities to respond to questions from Bank personnel or any properly designated investigator, agent, auditor or consultant relating to the investigation. If the applicant, bidder, supplier and its representative or agent, contractor, consultant, personnel, sub-contractor, sub-consultant, service provider or concessionaire fails to cooperate and/or comply with the Bank's request, or otherwise obstructs the investigation, the Bank, discretionally, may take appropriate action against the applicant bidder, supplier and its agent or representative, contractor, consultant, personnel, sub-contractor, service provider or concessionaire.

- (g) If the Borrower procures goods or services, works or consulting services directly from a specialized agency, all provisions regarding Prohibited Practices and to the correspondent sanctions shall apply in their entirety to applicants, bidders, proposers, suppliers and their representatives or agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers, and concessionaires, (including their respective officers, employees, and representatives or agents, irrespective of whether the agency is express or implied), or to any other entities that signed contracts with such specialized agency to supply such goods, works, or non-consulting services in connection with the Bank-financed activities. The Bank will retain the right to require the Borrower to invoke remedies such as contract suspension or termination. Specialized agencies shall consult the Bank's list of suspended or debarred firms and individuals. In the event a specialized agency signs a contract or purchase order with a firm or an individual suspended or debarred by the Bank, the Bank will not finance the related expenditures and will apply other remedies as appropriate.

60.2 By submitting bids bidders and proposers represent and warrant:

- (a) that they have read and understood the Bank's definition of Prohibited Practices and the applicable sanctions pursuant to the Sanctions Procedures;
- (b) that they have not engaged in any Prohibited Practice

as set forth herein during the selection, negotiation, adjudication or execution of this contract;

- (c) that they have not misrepresented or concealed any material facts during the procurement or contract negotiation processes or during the performance of the contract;
- (d) that neither they nor their representatives or agents, sub-contractors, sub-consultants, directors, key personnel or principal shareholders have been declared ineligible to be awarded a contract by the Bank
- (e) that all commissions, representative or agents' fees, facilitating payments or revenue-sharing agreements related to the Bank-financed activities have been disclosed; and
- (f) that they acknowledge that the breach of any of these representations may constitute a basis for the adoption by the Bank of one or more of the measures set forth in ITB 3.1 (b).

## **61. Payment upon Termination**

- 61.1 If the Contract is terminated because of a fundamental breach of Contract by the Contractor, the Project Manager shall issue a certificate for the value of the work done and Materials ordered less advance payments received up to the date of the issue of the certificate and less the percentage to apply to the value of the work not completed, as **indicated in the SCC**. Additional Liquidated Damages shall not apply. If the total amount due to the Contracting Agency exceeds any payment due to the Contractor, the difference shall be a debt payable to the Contracting Agency.
- 61.2 If the Contract is terminated for the Contracting Agency's convenience or because of a fundamental breach of Contract by the Contracting Agency, the Project Manager shall issue a certificate for the value of the work done, Materials ordered, the reasonable cost of removal of Equipment, repatriation of the Contractor's personnel employed solely on the Works, and the Contractor's costs of protecting and securing the Works, and less advance payments received up to the date of the certificate.

## **62. Property**

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

## **63. Release from Performance**

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

#### **64. Payment's Suspension of Bank Loan**

- 64.1 In the event that the Bank suspends the Loan or Credit to the Contracting Agency, from which part of the payments to the Contractor are being made:
- (a) The Contracting Agency is obligated to notify the Contractor of such suspension within 7 days of having received the Bank's suspension notice.
  - (b) If the Contractor has not received sums due it within the 28 days for payment provided for in Sub-Clause 43.1, the Contractor may immediately issue a 14-day termination notice.

#### **65. Eligibility**

- 65.1 The Contractor and its Subcontractors shall have the nationality of a Bank's member country. A Contractor or Subcontractor shall be deemed to have the nationality of a country if it complies with the following requirements:
- (a) **An individual** is considered to be a national of a member country of the Bank if he or she meets either of the following requirements:
    - (i) is a citizen of a member country; or
    - (ii) has established his/her domicile in a member country as a "bona fide" resident and is legally entitled to work in the country of domicile.
  - (a) **A firm** is considered to have the nationality of a member country if it meets the two following requirements:
    - (i) is legally constituted or incorporated under the laws of a member country of the Bank; and
    - (ii) more than fifty percent (50%) of the firm's capital is owned by individuals or firms from member countries of the Bank.
- 65.2 All members of a JVCA and all subcontractors must meet the nationality criteria set forth above.
- 65.3 All the Goods and Related Services to be supplied under the Contract and financed by the Bank shall have their origin in any Bank's member country. Goods have their origin in a member country of the Bank if they have been mined, grown, harvested, or produced in a member country of the Bank. A good has been produced when through manufacture, processing or assembly another commercially recognized article results that differs substantially in its basic characteristics, function or purpose of utility from its parts or components.

## Special Conditions of Contract

*Except where otherwise indicated, all SCC should be filled in by the Contracting Agency prior to issuance of the Bidding Documents. Schedules and reports to be provided by the Contracting Agency should be annexed.*

<b>A. General</b>	
<b>GCC 1.1 (m)</b>	The Defects Liability Period is <b>90 days</b>
<b>GCC 1.1 (o)</b>	The Contracting Agency is <i>Ministry of National Security, J F Kennedy Drive, Nassau N. P. The Bahamas.</i>
<b>GCC 1.1 (r)</b>	The Intended Completion Date for the whole of the Works shall not exceed <b>Six (6) Months</b> from the date of commencement.
<b>GCC 1.1 (u)</b>	The Project Manager is <i>Dr. Dorcas Cox Project Manager</i>
<b>GCC 1.1 (w)</b>	The Site is located <i>at Fox Hill</i> and is defined in drawings and is defined in <b>Section D</b>
<b>GCC 1.1 (z)</b>	The Start Date shall be no more than <b>Fourteen (14) Days</b> from the date of Letter of Acceptance
<b>GCC 1.1 (dd)</b>	<i>1) The Works consist of the construction of the</i> <b>Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.</b> <i>and associated site works.</i>
<b>GCC 2.2</b>	Sectional Completions with different completion date to the completion date for the whole works are: <b>N/A</b>
<b>GCC 2.3</b>	<i>2) The following documents in</i> <b>Section D</b> <i>also form part of the Contract:</i> <b>Bill of Quantities for Refurbishment of Prison Education Building - Garment Manufacturing, Barbering/Cosmetology Training Space, and Electrical and Plumbing Training-Multipurpose Spaces.</b>
<b>GCC 3.1</b>	The language of the contract is <b>English</b> , The law that applies to the Contract is the law of <i>the Commonwealth of The Bahamas</i>
<b>GCC 8.1</b>	Schedule of other contractors: <i>[insert Schedule of Other Contractors, if appropriate]</i>
<b>GCC 9.1</b>	Key Personnel: <b>General Contractor to provide listing upon receipt of Letter of Acceptance for inclusion within contract documents</b>
<b>GCC 13.1</b>	The minimum insurance amounts and deductibles shall be:  (a) for loss or damage to the Works, Plant and Materials: <i>\$100,000</i>  (b) For loss or damage to Equipment: <i>\$100,000</i>

	<p>(c) for loss or damage to property (except the Works, Plant, Materials, and Equipment) in connection with Contract <i>\$100,000</i></p> <p>(d) for personal injury or death:</p> <p>(i) of the Contractor's employees: <i>\$100,000</i></p> <p>(ii) of other people: <i>\$100,000</i></p>
<b>GCC 14.1</b>	Site Investigation Reports are: <i>Please refer to Scope of Works &amp; Bill of Quantities</i>
<b>GCC 21.1</b>	The Site Possession Date(s) shall be no more than <i>14 Days from date of Letter of Acceptance</i>
<b>GCC 25.2</b>	Fees and types of reimbursable expenses to be paid to the Adjudicator: <b>TBD</b>
<b>GCC 25.3</b>	<i>Institution whose arbitration procedures shall be used: The Bahamas Government Office of the Attorney General</i>
<b>GCC 26.1</b>	Appointing Authority for the Adjudicator: <i>The Bahamas Government Office of the Attorney General</i>
<b>B. Time Control</b>	
<b>GCC 27.1</b>	The Contractor shall submit for approval by the Procurement Specialist, Construction Manager and Project Manager a Program for the Works within <b>ten (10)</b> days from the date of the Letter of Acceptance.
<b>GCC 27.3</b>	<p>The period between Program updates is <i>thirty (30) days</i>.</p> <p>The amount to be withheld for late submission of an updated Program is <i>five hundred dollars (\$500)</i></p>
<b>C. Quality Control</b>	
<b>GCC 35.1</b>	The Defects Liability Period is: <i>Ninety (90) days</i> .
<b>D. Cost Control</b>	
<b>GCC 46.1</b>	The currency of the Contracting Agency's country is: <i>Bahamian dollars</i>
<b>GCC 47.1</b>	<p>The Contract is not subject to price adjustment in accordance with GCC Clause 47, and the following information regarding coefficients does not apply.</p> <p><i>[Price adjustment is mandatory for contracts which provide for time of completion exceeding 18 months]</i></p> <p>The coefficients for adjustment of prices are:</p> <p>(a) For currency <i>[insert name of currency]</i>:</p> <p>(i) <i>[insert percentage]</i> percent non adjustable element (coefficient A).</p>

	<p>(ii) <i>[insert percentage]</i> percent adjustable element (coefficient B).</p> <p>(b) For currency <i>[insert name of currency]</i>:</p> <p>(i) <i>[insert percentage]</i> percent non adjustable element (coefficient A).</p> <p>(ii) <i>[insert percentage]</i> percent adjustable element (coefficient B).</p> <p>The Index I for local currency shall be <i>[insert index]</i>.</p> <p>The Index I for the specified international currency shall be <i>[insert index]</i>.</p> <p><i>[These proxy indices shall be proposed by the Contractor, subject to acceptance by the Contracting Agency]</i></p> <p>The Index I for currencies other than the local currency and the specified international currency shall be <i>[insert index]</i>.</p> <p><i>[These proxy indices shall be proposed by the Contractor, subject to acceptance by the Contracting Agency.]</i></p>
<b>GCC 48.1</b>	The proportion of payments retained is: <b><i>Ten (10%) percent</i></b>
<b>GCC 49.1</b>	The liquidated damages for the whole of the Works are <b>\$250 per day</b> . The maximum amount of liquidated damages for the whole of the Works is <b>10%</b> of the final Contract Price.
<b>GCC 50.1</b>	The Bonus for the whole of the Works is <b><i>Not Applicable</i></b> . The maximum amount of Bonus for the whole of the Works is <b><i>Not Applicable</i></b> .
<b>GCC 51.1</b>	The Advance Payments shall be: <b>10% of contract value</b> and shall be paid to the Contractor no later than <b>14 days following receipt of Advance Demand Guarantee</b>
<b>GCC 52.1</b>	The Bank Guarantee amount of 10% of the contract price
<b>E. Finishing the Contract</b>	
<b>GCC 58.1</b>	<p>The date by which operating and maintenance manuals are required is <b>thirty (30) days</b> following the completion of project.</p> <p>The date by which “as built” drawings are required is <b>thirty (30) days</b> following the completion of project</p>
<b>GCC 58.2</b>	The amount to be withheld for failing to produce “as built” drawings and/or operating and maintenance manuals by the date required in GCC 58.1 is <b>\$2,500.00</b>
<b>GCC 59.2 (g)</b>	The maximum number of days is <b>Thirty (30) days</b>
<b>GCC 61.1</b>	The percentage to apply to the value of the work not completed is <b>10% Retainage</b>

**SECTION F. Annexes**

Annex I. *Eligible Countries*

Annex II. *Prohibited Practices*

Annex III. *Security Forms*

## **Annex I. *Eligible Countries***

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

#### ***1) List of Member Countries and Territories when the Inter-American Development Bank is financing:***

*Argentina, Austria, Bahamas, Barbados, Belgium, Belize, Bolivia, Brazil, Canada, Colombia, Costa Rica, Chile, Croatia, Denmark, Dominican Republic, Ecuador, El Salvador, Finland, France, Germany, Guatemala, Guyana, Haiti, Honduras, Israel, Italy, Jamaica, Japan, Mexico, Netherlands, Nicaragua, Norway, Panama, Paraguay, People's Republic of China, Peru, Portugal, Republic of Korea, Slovenia, Spain, Suriname, Sweden, Switzerland, Trinidad & Tobago, United Kingdom, United States, Uruguay and Venezuela.*

#### ***Eligible Territories***

*a) Guadeloupe, French Guiana, Martinique, Reunion – as Departments of France*

*b) U.S. Virgin Islands, Puerto Rico, Guam – as Territories of the USA*

*c) Aruba – as a constituent country of the Kingdom of the Netherlands; and Bonaire, Curacao, Saint Marten, Saba, St Eustatius – as Departments of the Kingdom of the Netherlands*

*d) Hong Kong – as a Special Administrative Region of the People's Republic of China*

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### **2) Nationality and origin of Goods and Services Criteria**

These policy provisions make it necessary to establish criteria to determine: a) the nationality of the firms and individuals eligible to bid or participate in a bank-financed contract and b) the country of origin of goods, and services. For these determinations, the following criteria shall be used:

#### **A) Nationality.**

a) **An individual** is considered to be a national of a member country of the Bank if he or she meets either of the following requirements:

i i. is a citizen of a member country; or

ii ii. has established his/her domicile in a member country as a “bona fide” resident and is legally entitled to work in the country of domicile.

b) **A firm** is considered to have the nationality of a member country if it meets the two following requirements:

i i. is legally constituted or incorporated under the laws of a member country of the Bank; and

ii ii. more than fifty percent (50%) of the firm's capital is owned by individuals or firms from member countries of the Bank.

All members of a JVCA and all subcontractors must meet the nationality criteria set forth above.

#### **B) Origin of Goods.**

Goods have their origin in a member country of the Bank if they have been mined, grown, harvested, or produced in a member country of the Bank. A good has been produced when through manufacture, processing or assembly another commercially recognized article results that differs substantially in its basic characteristics, function or purpose of utility from its parts or components.

For a good consisting of several individual components that need to be interconnected (either by the supplier, the purchaser or by a third party) to make the good operative and regardless of the complexity of the interconnection, the Bank considers that such good is eligible for financing if the assembly of the components took place in a member country, regardless of the origin of the components. When the good is a set of several individual goods that are normally packaged and sold commercially as a single unit, the good is considered to originate in the country where the set was packaged and shipped to the purchaser.

For purpose of origin, goods labeled “made in the European Union” shall be eligible without the need to identify the corresponding specific country of the European Union.

The origin of materials, parts or components of the goods or the nationality of the firm that produces, assembles, distributes or sells the goods, does not determine the origin of the goods.

### **C) Origin of Services.**

The country of origin of services is that of the individual or firm providing the services as determined under the nationality criteria set forth above. These criteria apply to services ancillary to the supply of goods (such as transportation, insurance, erection, assembly, etc.), to construction services and to consulting services.

## **Annex II. Prohibited Practices**

Extract from Standard Bidding Documents; Procurement for Procurement of Goods: IDB, January 2020  
Part I Section I.A.3. Prohibited Practices

### Prohibited Practices

3.1 The Bank requires that all Borrowers (including grant beneficiaries), Executing Agencies and Contracting Agencies, including members of its personnel, as well as all firms, entities and individuals participating in a Bank-financed activity acting as, *inter alia*, bidders, proposers, suppliers, contractors, consultants, sub-contractors, sub-consultants, service providers and concessionaires (including their respective officers, employees and representatives or agents, irrespective of whether the agency is express or implied), adhere to the highest ethical standards, and report to the Bank<sup>4</sup> all suspected acts of Prohibited Practices of which they have knowledge or become aware both, during the bidding process and throughout the negotiation or execution of a contract. Prohibited Practices are: (i) corrupt practices; (ii) fraudulent practices; (iii) coercive practices; (iv) collusive practices; (v) obstructive practices; and (vi) misappropriation of funds. The Bank has established mechanisms to report allegations of Prohibited Practices. Any allegation shall be submitted to the Bank’s Office of Institutional Integrity (OII) for the appropriate investigation. The Bank has adopted procedures to sanction those who have incurred in Prohibited Practices. The Bank also entered into an agreement with other International Financial Institutions (IFIs) to mutually recognize debarment decisions.

(g) For the purposes of this provision, the definitions of Prohibited Practices are as follows:

- (i) “*corrupt practice*” is the offering, giving, receiving or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
- (ii) “*fraudulent practice*” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain

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<sup>4</sup> Information on how to present allegations of Prohibited Practices, the application of rules regarding investigation and sanctions process, and the agreement regulating the mutual recognition of sanctions among the IFI’s are available on the Bank’s web site ([www.iadb.org/integrity](http://www.iadb.org/integrity))

a financial or other benefit or to avoid an obligation;

- (iii) “*collusive practice*” is an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;
  - (iv) “*coercive practice*” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - (v) “*obstructive practice*” is
    - (i) destroying, falsifying, altering or concealing of evidence material to an IDB Group investigation, or making false statements to investigators with the intent to impede an IDB Group investigation;
    - (ii) threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to an IDB Group investigation or from pursuing the investigation, or
    - (iii) acts intended to impede the exercise of the IDB Group’s contractual rights of audit or inspection provided for under ITB 3.1(f) below or access to information; and
  - (vi) a “*misappropriation*” is the use of IDB Group financing or resources for an improper or unauthorized purpose, committed either intentionally or through reckless disregard.
- (h) If, the Bank determines that at any stage of the procurement or implementation of a contract the Borrower (including beneficiaries of grants), Executing Agencies, Contracting Agencies, any firm, entity or individual participating in a Bank-financed activity as, *inter alia*, bidders, proposers, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, goods or service providers, concessionaires, (including their respective officers, employees and representatives or agents irrespective of whether the attribution is express or implied) engaged in a Prohibited Practice during the award or implementation of the contract, the Bank may:
- (i) not finance any proposal to award a contract for works, goods or services, and consulting services;
  - (ii) suspend disbursement of the operation if it is determined at any stage that an employee, agent or representative of the Borrower, Executing Agency or Purchaser has engaged in a Prohibited Practice;
  - (iii) declare Misprocurement and cancel, and/or accelerate repayment of the portion of a loan or grant earmarked for a contract, when there is evidence that the representative of the Borrower, or Beneficiary of a grant, has not taken the adequate remedial measures (including, *inter alia*, providing adequate notice to the Bank upon learning of the Prohibited Practice) within a time period which the Bank considers reasonable;

- (iv) issue the firm, entity or individual a reprimand in the form of a formal letter of censure for its behavior;
- (v) declare that a firm, entity, or individual is ineligible, either permanently or for a stated period of time, to participate and/or be awarded additional contracts financed with IDB Group resources;
- (vi) impose other sanctions that it deems to be appropriate, among others, the restitution of funds and of fines equivalent to the reimbursement for costs associated with investigations and proceedings contemplated in the Sanctions Procedures. Such other sanctions may be imposed in addition to or in lieu of the sanctions referred above (the “abovementioned” sanctions are reprimand and debarment/ineligibility);
- (vii) extend the sanctions imposed on any individual, entity or firm that, directly or indirectly, owns or controls a sanctioned entity, is owned or controlled by a sanctioned entity or is the object of common ownership or control with a sanctioned entity, as well as to officials, employees, affiliates or representatives or agents of a sanctioned entity who also own a sanctioned entity and / or exercise control over a sanctioned entity, even if it has not been concluded that those parties directly incurred in a Prohibited Practice; and/or
- (viii) refer the matter to appropriate law enforcement authorities.
- (i) The provisions of ITB 3.1 (b) (i) and (ii) shall also be applicable when such parties have been temporarily suspended from eligibility to be awarded additional contracts pending a final outcome of a sanction proceeding, or otherwise.
- (j) The imposition of any action to be taken by the Bank pursuant to the provisions referred to above may be made public.
- (k) Pursuant to the Agreement for Mutual Enforcement of Debarment Decisions entered into with other IFIs, any firm, entity or individual bidding for or participating in a Bank-financed activity or acting as bidders, proposers, suppliers, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers, concessionaires, personnel of the Borrower (including grant Beneficiaries), Executing Agencies or Contracting Agencies, (including their respective officers, employees, representatives and agents, irrespective of whether the attribution is expressed or implied) may be subject to a sanction. For purposes of this paragraph the term “sanction” shall mean any debarment, conditions on future contracting or any publicly-disclosed action taken in response to a violation of an IFI’s applicable framework for addressing allegations of Prohibited Practices.
- (l) The Bank requires that all applicants, bidders, proposers, suppliers, and their representatives or agents, contractors, consultants, officers or employees, sub-contractors, service providers and concessionaires permit the Bank to inspect accounts, records and other documents relating to the submission of bids and contract performance as well as to have them audited by personnel appointed by the Bank. Applicants, bidders, proposers, suppliers, and their representatives or

agents, contractors, consultants, sub-contractors, sub-consultants, service providers and concessionaires shall fully assist the Bank with its investigation. The Bank also requires that all applicants, bidders, proposers, suppliers, and their representatives or agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers and concessionaires: (i) maintain all documents and records related to the Bank-financed activities for seven (7) years after completion of the work contemplated in the relevant contract; (ii) deliver any document necessary for the investigation of allegations of Prohibited Practices; and (iii) ensure that employees, representatives or agents of the applicants, bidders, proposers, suppliers and their representatives or agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers or concessionaires who have knowledge that the Bank financed the activities to respond to questions from Bank personnel or any properly designated investigator, agent, auditor or consultant relating to the investigation. If the applicant, bidder, supplier and its representative or agent, contractor, consultant, personnel, sub-contractor, sub-consultant, service provider or concessionaire fails to cooperate and/or comply with the Bank's request, or otherwise obstructs the investigation, the Bank, discretionally, may take appropriate action against the applicant bidder, supplier and its agent or representative, contractor, consultant, personnel, sub-contractor, service provider or concessionaire.

- (m) If the Borrower procures goods or services, works or consulting services directly from a specialized agency, all provisions under section 3 regarding Prohibited Practices and to the correspondent sanctions shall apply in their entirety to applicants, bidders, proposers, suppliers and their representatives or agents, contractors, consultants, personnel, sub-contractors, sub-consultants, service providers, and concessionaires, (including their respective officers, employees, and representatives or agents, irrespective of whether the agency is express or implied), or to any other entities that signed contracts with such specialized agency to supply such goods, works, or non-consulting services in connection with the Bank-financed activities. The Bank will retain the right to require the Borrower to invoke remedies such as contract suspension or termination. Specialized agencies shall consult the Bank's list of suspended or debarred firms and individuals. In the event a specialized agency signs a contract or purchase order with a firm or an individual suspended or debarred by the Bank, the Bank will not finance the related expenditures and will apply other remedies as appropriate.

3.2 By submitting bids bidders and proposers represent and warrant:

- (n) that they have read and understood the Bank's definition of Prohibited Practices and the applicable sanctions pursuant to the Sanctions Procedures;
- (o) that they have not engaged in any Prohibited Practice as set forth herein during the selection, negotiation, adjudication or execution of this contract;
- (p) that they have not misrepresented or concealed any material facts during the procurement or contract negotiation processes or during the performance of the

contract;

- (q) that neither they nor their representatives or agents, sub-contractors, sub-consultants, directors, key personnel or principal shareholders have been declared ineligible to be awarded a contract by the Bank
- (r) that all commissions, representative or agents' fees, facilitating payments or revenue-sharing agreements related to the Bank-financed activities have been disclosed; and
- (s) that they acknowledge that the breach of any of these representations may constitute a basis for the adoption by the Bank of one or more of the measures set forth in ITB 3.1 (b).

## Annex III. Security Forms

### Performance Bank Guarantee (Unconditional)

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

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

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

**Date:** *[insert date]*

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

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

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

At the request of the Contractor, we *[insert name of Bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]* (*[insert amount in words]*),<sup>5</sup> such sum being payable in the types and proportions of currencies in which the Contract Price is payable, upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire no later than twenty-eight days from the date of issuance of the Taking-Over Certificate, calculated based on a copy of such Certificate which shall be provided to us, or on the *[insert number day of [insert month], [insert year]*],<sup>6</sup> whichever occurs first. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No.758, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded.

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

<sup>5</sup> The Guarantor (bank) shall insert an amount representing the percentage of the Contract Price specified in the Contract and denominated either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Employer.

<sup>6</sup> Insert the date twenty-eight days after the expected Completion date. The Employer should note that in the event of an extension of the time for completion of the Contract, the Employer would need to request an extension of this Guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the Guarantee. In preparing this Guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this Guarantee for a period not to exceed [six months][one year], in response to the Employer's written request for such extension, such request to be presented to the Guarantor before the expiry of the Guarantee."

# Advance Payment Security Demand Guarantee

*[Guarantor letterhead or SWIFT identifier code]*

**Beneficiary:** *[Insert name and Address of Purchaser]*

**Date:** *[Insert date of issue]*

**ADVANCE PAYMENT GUARANTEE No.:** *[Insert guarantee reference number]*

**Guarantor:** *[Insert name and address of place of issue, unless indicated in the letterhead]*

We have been informed that *[insert name of Supplier, which in the case of a joint venture shall be the name of the joint venture]* (hereinafter called "the Applicant") has entered into Contract No. *[insert reference number of the contract]* dated *[insert date]* with the Beneficiary, for the execution of *[insert name of contract and brief description of Goods and related Services]* (hereinafter called "the Contract").

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

At the request of the Applicant, we as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of *[insert amount in figures]* (\_\_\_\_\_) *[insert amount in words]*<sup>1</sup> upon receipt by us of the Beneficiary's complying demand supported by the Beneficiary's statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating either that the Applicant:

- (a) has used the advance payment for purposes other than toward delivery of Goods; or
- (b) has failed to repay the advance payment in accordance with the Contract conditions, specifying the amount which the Applicant has failed to repay.

A demand under this guarantee may be presented as from the presentation to the Guarantor of a certificate from the Beneficiary's bank stating that the advance payment referred to above has been credited to the Applicant on its account number *[insert number]* at *[insert name and address of Applicant's bank]*.

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Applicant as specified in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the interim payment certificate indicating that ninety (90) percent of the Accepted Contract Amount, has been certified for payment, or on the *[insert day]* day of *[insert month]*, 2 *[insert year]*, 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 (URDG) 2010 Revision, ICC Publication No.758, except that the supporting statement under Article 15(a) is hereby excluded.

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*[signature(s)]*

**Note:** *All italicized text (including footnotes) is for use in preparing this form and shall be deleted from the final product.*

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<sup>1</sup> *The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Purchaser.*