

STANDARD BIDDING DOCUMENTS

Supply and Installation of Information Systems

Single-Stage Bidding



The World Bank

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Preface

Background on IT Procurement

Large Information Technology (IT) and Systems (IS) contracts are among the most challenging to procure in World Bank-financed projects because:

- their technical content is diverse and difficult to define;
- they are highly affected by changing business objectives, organizational politics, and institutional capacity of the end-user;
- they are subject to rapid technological change over the project life-cycle; and
- they entail mixtures of professional engineering services and supply of diverse hard and soft technologies.

Thus, specialized Standard Bidding Documents (SBDs) became necessary to facilitate IT procurement¹ under World Bank financing. IT SBDs provide bidding and contracting models that facilitate successful installation, integration, and operation of a range of information technology applications — from straightforward supply and maintenance of technology products, to complex development, integration and operation of mission-critical information systems.

Borrowers may want to consult Procurement Guidance Note 8 on Selection of Standard Bidding Documents for IT Procurement which expands upon the different SBDs available or planned, and the circumstances of particular application for each. This note is available under Knowledge Base, Guidance Notes, at the Bank's Information Technology Procurement web site: <http://www.worldbank.org/itprocurementforum> .

When to Use this SBD?

This SBD for Supply and Installation of Information Systems (IS1STG SBD) is recommended for single-stage procurement of supply and installation of information

¹ IT procurement is the common term used to designate all procurements having to do with computing and communications technologies regardless of their hardware, software, supply or service components. The term Information Systems (IS) is used for this particular SBD in order to convey a connotation of its primary target use, i.e., the supply and installation of integrated information systems, which usually include major hardware and software components.

systems. Pending the development of a specialized SBD, this IS1STG SBD may also be used for procurement of systems engineering services.

Supply and Installation of Information Systems

Two key features distinguish supply & installation from goods procurements namely, increased supplier's risk and complex service requirements. Together these two features increase significantly the complexity and risk of the procurement and require different evaluation and contracting terms.

In Supply & Installation procurement the Supplier assumes responsibility for the design, supply, and installation of a facility defined by the Purchaser mainly in terms of performance specifications. Therefore, the Supplier's responsibility goes beyond the supply of whatever products or services the Purchaser requests, and extends to the provision of any other products or services required to make the facility perform to specifications.

IS Supply and Installation procurement, therefore, requires a degree of professional judgment and expertise from suppliers that is commensurate with the higher degree of risk they are called to assume. This frequently results in large and complex service components for this type of procurement.

Single-Stage Processing

When bidding is based on technical product or service specifications, single-stage procurement is usually appropriate, even for complex procurements. A good example would be the procurement of a large wide-area computing network with a variety of office support and application services, extensive operational acceptance testing requirements and centralized network management, where the basis for bidding is nevertheless a set of well-defined technical specifications and consequently the design risk is borne by the Purchaser.

Even when functional or performance specifications are developed by the purchaser, single-stage procurement is advisable if the specifications are likely to be met only by established products in the market. In this case, Bidders have no real design discretion and Purchasers are not likely to benefit from technical solutions not already widely known. For example, when procuring a complex application system, the Purchaser is likely to formulate its requirements through detailed functional specifications. However, if these specifications can only be met by established software packages, the full potential benefit of two-stage procurement is not available. In this case it might be better to use a single-stage process and a technical merit evaluation method that includes real product tests.

Complex, single-stage procurements may emphasize extensive bidder conferencing and clarification processes based on written communications and full disclosure to all bidders of questions, answers and specification changes. With the advent of electronic government procurement systems, the facilities for bidder conferencing, clarification, and resolution of issues raised about the adequacy or objectivity of specifications will become global, instant, and highly reliable.

Process for Feedback and Discussion of IT Procurement Issues

Over the several years of trial use since its first version in February 1999, this SBD was periodically updated with feedback received from World Bank borrowers, World Bank staff, and members of the IT Industry through the IT Procurement web site and through ad-hoc conferences.

The IT Procurement web site <http://worldbank.org/itprocurementforum> includes:

- a collection of Guidance Notes on IT procurement summarizing the discussions on important topics and outlining solutions proposed or implemented
- a facility to consult and download the available Standard Bidding Documents and/or trial versions of them, each one with a publication note explaining the changes made for each document version.

The World Bank welcomes further feedback on this Standard Bidding Document, particularly from people who have used it in actual procurement transactions. Please address your comments to:

Procurement Policy and Services Group
Operations Policy and Country Services (OPCS)

The World Bank

1818 H Street, N.W.

Washington, D.C. 20433, U.S.A.

e-mail: Pdocuments@worldbank.org

Internet: <http://www.worldbank.org/html/opr/procure/>

Instructions to Customize the Bidding Document for a Specific Procurement

As shown in the table below, this SBD contains two types of documents: those which must be used unchanged and those that should be customized specifically for each procurement. An electronic version of this SBD is available from the Bank's project staff or can be downloaded from <http://www.worldbank.org/html/opr/procure/>. This version can be used to customize the Invitation for Bids and Sections II, V, VI, and VII, to meet the requirements of the specific procurement. Sections I, III, and IV, however, must be incorporated unchanged in the Bidding Documents.

To be customized		To be used unchanged	
	Invitation for Bids		
Section II	Bid Data Sheet	Section I	Instructions to Bidders
Section V	Special Conditions of Contract	Section III	Eligibility for the Provision of Goods, Works, and Services in Bank-Financed Procurement
Section VI	Technical Requirements (including Implementation Schedule)	Section IV	General Conditions of Contract
Section VII	Sample Forms (including the Form of Contract Agreement)		

The specific details of the Instructions to Bidders must be included in the Bid Data Sheet only. Amendments to the General Conditions of Contract must be made through the Special Conditions of Contract. The Technical Requirements section should not be used to modify any of the subjects covered by Sections I, III, or IV.

Clauses included in Section V, Special Conditions of Contract, are illustrative and should be modified as appropriate to reflect the specific needs of each procurement. Because such modifications prevail over the General Conditions of Contract, major changes should be avoided unless absolutely necessary. If, in the opinion of the Purchaser, the specific nature of a procurement justifies a change, the World Bank should be consulted. Major changes require the approval of the Bank.

Some of the language presented in Section VI, Technical Requirements, as well as certain Sample Forms (so identified), are also illustrative. Appropriate modifications should be made to match the requirements of each particular procurement.

The following typographical conventions are used in this SBD:

- Standard SBD text is presented in a typeface such as used in this line (serif roman typeface).
- Explanatory text and notes are presented in a typeface such as that used in this line and in the body of this Preface (sans serif typeface).
- When parameters, options, instructions to prepare the Bidding Document, or explanatory notes appear directly within the standard text, they are enclosed with square brackets, italicized, and the key parameter bolded. For example:
“The Warranty Period is [*insert: **number***] months from the date of the Operational Acceptance of the System.”
- When options appear within the text, they are enclosed within square brackets and separated by the slash character “/”. For example:
“The language of all correspondence and documents related to the bid is [*select: **English / French / Spanish***].”
- *Otherwise, italic typeface is used to indicate guidance in selecting a word or clause which then follows in bolded italic typeface as a **parameter** or **option**, or follows enclosed in double quotation marks if suggested verbatim as “**fully formulated text**.”*

All explanatory text (i.e., all text in sans serif typeface) must be removed from the final Bidding Document. Also, all bracketed text must be either removed, if not relevant to the specific procurement, or selected for inclusion in the final Bidding Document. Where options are presented, one must be selected and the final chosen text should be presented in standard roman typeface. Such text, if in bold italic typeface, could simply be highlighted, un-bolded, the italics switched off, and any starting and ending quotation marks removed.

Footnotes that provide guidance and instruction to the Purchaser in preparing the Bidding Document should also be removed from the final draft. However, some Sample Forms contain footnotes that provide instructions to bidders on how the form should be prepared. These should remain in the final Bidding Document.

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INVITATION FOR BIDS (IFB)

Notes on the preparation of the Invitation for Bids (IFB) for a single-stage bidding process

In accordance with the Guidelines: Procurement under IBRD Loans and IDA Credits, the Invitation for Bids (IFB) / Specific Procurement Notice (SPN) shall be issued (in the language of the Bidding Document) as:

- (a) an advertisement in at least one newspaper of general circulation in the Purchaser's country and in the official gazette, if any;
- (b) a letter addressed to interested bidders who, following the publication of the General Procurement Notice, have expressed interest in bidding for the Information System for which the Invitation for Bids (IFB) is issued; and
- (c) optionally, Purchasers are encouraged to advertise the bidding opportunity for smaller contracts on a web portal run or used by the Purchaser or its Government, the United Nations Development Business (at least its on-line version), Development Gateway's dgMarket (<http://www.dgmarket.com/>), and/or via a circular to consular or diplomatic representatives of countries with potential bidders; and
- (d) for contracts valued at above 10 million USD equivalent, or as otherwise stipulated in the loan / credit or trade agreement, an advertisement in UN Development Business plus, possibly, any or all options listed in para. (c) above.

The World Bank will arrange for placing the IFB/SPN in Development Business and dgMarket. For inquiries about the U.N. Development Business publication contact:

Development Business, 1818 H Street, N.W., Washington, D.C. 20433 U.S.A.;
Telephone: 1-202-458-2397; Facsimile: 1-202-522-3316;
E-mail: dbusiness@worldbank.org; Internet: <http://www.devbusiness.com>

It is critical that the content of the Invitation for Bids be consistent with the Bid Data Sheet (BDS). In particular, the dates, times, and place for bid submission and opening and the amount required for bid security in the IFB must be carefully checked to ensure consistency with the BDS. Also, the IFB should list all the qualification criteria required for prospective Bidders to be responsive, as officially specified in the BDS (e.g., minimum financial capacity, the minimum number of other Information Systems installations previously carried out with substantially similar characteristics).

Invitation for Bids (IFB)

[insert: *Name of Country*]

[insert: *Name of Project*]

[insert: *Brief Description of the Information System*]

[insert: *Loan / Credit Number*]

[insert: *IFB Title*]

[insert: *IFB Number*]

1. This Invitation for Bids (IFB) follows the General Procurement Notice (GPN) for this project that appeared in Development Business, issue no. [insert: *number*] of [insert: *date*].¹
2. The [insert: *name of borrower*] [select: *has received / has applied for / intends to apply for*] a [select: *loan / credit*] from the [*International Bank for Reconstruction and Development / International Development Association*] toward the cost of [insert: *name of project*], and it intends to apply part of the proceeds of this [select: *loan / credit*] to payments under the agreement(s) resulting from this IFB: [insert: *name / no. of Contract(s)*].²
3. The [insert: *name of implementing agency*] serves as the implementing agency for the project and now invites sealed bids from eligible Bidders for [insert: *description of the Information System, including the key information technologies, equipment, and related services to be procured (e.g., installation, integration, training, technical support)*].^{3,4}
4. Bidding will be conducted using the International Competitive Bidding (ICB) procedures specified in the World Bank's Guidelines: Procurement under IBRD Loans and IDA Credits and is open to all Bidders from eligible source countries as defined in the Guidelines⁵ that meet the following minimum qualification criteria [insert: *key qualification criteria relating to previous experience, financial capacity, etc., from the BDS entry for ITB 6.1 (a)*].⁶
5. Interested eligible Bidders may obtain further information from [insert: *name of agency*] and inspect the bidding documents at the address given below⁷ from [insert: *office hours*].⁸
6. A complete set of bidding documents in [insert: *name of language*] may be purchased by interested Bidders on the submission of a written application to the address below [insert: *address at end of document*] and upon payment of a nonrefundable fee⁹ of [insert: *amount in local currency*] or in [insert: *amount in specified convertible currency*]. The method of payment will be [insert: *method of payment*].¹⁰ The document will be sent by [insert: *delivery procedure*].¹¹ [If applicable, add: A pre-bid meeting which potential bidders may attend will be held on {insert: *date*}.]

7. Bids must be delivered to the address below [*insert: address at end of document*] at or before [*insert: time and date*]. All bids must be accompanied by a bid security of not less than [*insert: a fixed amount in local currency or a minimum acceptable percentage of the bid price*] or an equivalent amount in a freely convertible currency.¹² Late bids will be rejected. Bids will be opened in the presence of the Bidders' representatives who choose to attend at the address below [*insert: address at end of document*] at [*insert: time and date*].¹³
8. The attention of prospective Bidders is drawn to (i) the fact that they will be required to certify in their bids that all software is either covered by a valid license or was produced by the Bidder and (ii) that violations are considered fraud, which is, among other remedies, punishable by potential blacklisting from participation in future World Bank-financed procurement.

[*insert: name of office*]

[*insert: name of officer*]

[*insert: postal address*] and / or

[*insert: street address*]

[*insert: telephone number, indicate country and city code*]

[*insert: facsimile number and/or e-mail address*]

Footnotes to IFB

1. Month, day, year; for example, June 7, 2003, or another unambiguous, internationally understood representation of the date.
2. Insert if applicable: "This Contract will be jointly co-financed by [insert: name of co-financing agency]. Bidding will be governed by the World Bank's eligibility rules and procedures."
3. A brief description of the Information System, including an indication of specific type(s) of key technologies, hardware, software, other products and equipment, as well as related services needed, including quantities, location, and number of project sites, and other information necessary to enable potential Bidders to decide whether or not to respond to the IFB.
4. Insert, if applicable: "The supply and installation period is [insert: number of days / months / years or dates]."
5. Occasionally, contracts may be financed out of special funds that would further restrict eligibility to a particular group of member countries. When this is the case, it should be mentioned in this paragraph. Also, indicate any margin of preference that may be granted as specified in the Loan or Credit Agreement and set forth in the bidding documents.
6. Bidding documents may require Bidders to have specific experience and/or certain financial or other capabilities; such key qualification criteria should also be included in this paragraph.
7. If this is not the address stated at the bottom of the Invitation for Bids, revise the text accordingly and include the address where the bidding documents may be inspected.
8. For example, 09:00 to 17:00 hours.
9. The fee should be nominal and only sufficient to defray advertising, printing, mailing/shipping, bid opening hall rental, and other related overhead costs.
10. For example, cashier's check, direct deposit to a specified bank and account number, etc.
11. The delivery procedure is usually airmail for overseas delivery and surface mail or courier for local delivery. If urgency or security dictates, courier services may also be required.
12. If bid security is required, the amount should be stated as a fixed amount or as "not less than" a specified percentage of the bid price.
13. The place for bid opening need not be the same as that for inspection or issuance of documents or for bid submission. If they differ, each address must appear at the end of paragraph 8 and be numbered; as for example (1), (2), (3). The text in the paragraph would then refer to address (1), (2), etc. However, only one office should be specified for submission of bids, and this location should be as close as possible to the place where bids will be opened to shorten the time between bid submission and opening.

SECTION I. INSTRUCTIONS TO BIDDERS (ITB)
(Single-Stage Bidding)

Notes on the Instructions to Bidders (ITB) for a single-stage bidding process

This section of the Bidding Documents provides the information necessary for Bidders to prepare and submit responsive bids that meet the Purchaser's requirements. The ITB describes the critical steps of bid submission, opening and evaluation, and the award of contract.

The ITB is to be used unchanged. Section II, which consists of the Bid Data Sheet (BDS), is designed to include provisions that supplement or specify additional information beyond that included in the ITB. This information is specific to each procurement and must be filled in completely by the Purchaser.

Matters governing the performance of the Supplier, payments under the Contract, and the risks, rights, and obligations of the parties under the Contract during actual performance are not included in the ITB, but rather are covered in the General Conditions of Contract (Section IV) and/or the Special Conditions of Contract (Section V). Different sections of the Bidding Documents should not overlap or duplicate the coverage of a particular topic, to avoid creating ambiguity and/or contradictions.

The ITB and BDS do not form part of the final Contract.

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Instructions to Bidders

A. GENERAL

- 1. Scope of Bid**
 - 1.1 The Purchaser named in the BDS and the SCC, or the Purchasing Agent, if specified in the BDS and the SCC, duly authorized by the Purchaser (interchangeably referred to as “the Purchaser” in these Bidding Documents), invites bids for the supply and installation of the Information System (IS), as briefly described in the BDS and specified in greater detail in these Bidding Documents.
 - 1.2 The title and identification number of the Invitation for Bids (IFB) and resulting Contract(s) are provided in the BDS.
- 2. Source of Funds**
 - 2.1 The Borrower named in the BDS has applied for or received a loan or credit (as identified in the BDS, and called a “loan” in these Bidding Documents) from the International Bank for Reconstruction and Development or the International Development Association (called “the Bank” in these Bidding Documents) equivalent to the amount indicated in the BDS toward the cost of the Project specified in the BDS. The Borrower intends to apply a portion of the proceeds of this loan to eligible payments under the Contract for which these Bidding Documents are issued.
 - 2.2 Payment by the Bank will be made only at the request of the Borrower, or the Borrower’s executing agency, and upon approval by the Bank in accordance with the terms and conditions of the Loan Agreement, and will be subject in all respects to the terms and conditions of that agreement. The Loan Agreement prohibits a withdrawal from the loan account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. No party other than the Borrower shall derive any rights from the Loan Agreement or have any claim to the loan proceeds.
- 3. Fraud and Corruption**
 - 3.1 It is the Bank’s policy to require that Borrowers (including beneficiaries of Bank loans), as well as Bidders, Suppliers, Contractors, and Consultants under Bank-financed contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuit of this policy, the

Bank:

- (a) defines, for the purposes of this provision, the terms set forth below as follows:
 - (i) “corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution; and
 - (ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Borrower, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial, noncompetitive levels and to deprive the Borrower of the benefits of free and open competition;
 - (b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the Contract;
 - (c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a Bank-financed contract if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing, a Bank-financed contract.
- 3.2 Furthermore, Bidders shall be aware of the provision stated in Clause 9.8 and Clause 41.2 of the General Conditions of Contract.
- 3.3 In pursuit of the policy defined in ITB Clause 3.1, the Bank will cancel the portion of the loan allocated to a contract for goods, works, or services if it at any time determines that corrupt or fraudulent practices were engaged in by representatives of the Borrower or of a beneficiary of the loan during the procurement or the execution of that contract, without the Borrower having taken timely and appropriate action satisfactory to the Bank to remedy the situation.
- 3.4 Any communications between the Bidder and the Purchaser related to matters of alleged fraud or corruption must be made in writing.
- 3.5 By signing the Bid Form, the Bidder represents that it either is the owner of the Intellectual Property Rights in the hardware,

software or materials offered, or that it has proper authorization and/or license to offer them from the owner of such rights. For the purpose of this Clause, Intellectual Property Rights shall be as defined in the GCC Clause 1.1 (c) (xvii). Willful misrepresentation of these facts shall be considered a fraudulent practice subject to the provisions of Clauses 3.1 through 3.4 above, without prejudice of other remedies that the Purchaser may take.

4. Eligible Bidders

- 4.1 Except as provided in ITB Clauses 4.2 and 4.3, this bidding process is open to:
- (a) if a pre-qualification process has been undertaken for the Contract(s) for which these Bidding Documents have been issued, those firms - in case of Joint Ventures with the same partner(s) and Joint Venture structure - that had been pre-qualified and are from eligible source countries as defined in the edition specified by the BDS of the Guidelines: Procurement under IBRD Loans and IDA Credits (the Procurement Guidelines),
 - (b) if a pre-qualification process has not been undertaken for the Contract(s) for which these Bidding Documents have been issued, then all firms from eligible source countries as defined in the Procurement Guidelines.

In either case, Joint Ventures which include members from ineligible source countries or ineligible firms shall not be permitted to bid.

- 4.2 Firms of a member country may be excluded from bidding if:
- (a) either: (i) as a matter of law or official regulation, the Borrower's country prohibits commercial relations with that country, provided that the Bank is satisfied that such exclusion does not preclude effective competition for the supply and installation of the Information System required; or (ii) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's country prohibits any import of goods from that country or any payments to persons or entities in that country.
 - (b) a firm was engaged by the Purchaser to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the Information System described in these Bidding Documents.
 - (c) government-owned enterprises in the Borrower's country

may participate only if they can establish that they (i) are legally and financially autonomous and (ii) operate under commercial law. No dependent agency of the Borrower or Sub-Borrower under a Bank-financed project shall be permitted to bid or submit a proposal for the procurement of goods or services under the project.

- 4.3 A firm declared ineligible by the Bank in accordance with Paragraph 1.15 (d) of the Procurement Guidelines shall be ineligible to bid for a Bank-financed contract during the period of time determined by the Bank.
- 4.4 Bidders shall provide such evidence of their continued eligibility satisfactory to the Purchaser, as the Purchaser shall reasonably request.

5. Eligible Goods and Services

- 5.1 For the purposes of these Bidding Documents, the Information System means all:
- (a) the required information technologies, including all information processing and communications-related hardware, software, supplies, and consumable items that the Supplier is required to supply and install under the Contract, plus all associated documentation, and all other materials and goods to be supplied, installed, integrated, and made operational (collectively called “the Goods” in some clauses of the ITB); and
 - (b) the related software development, transportation, insurance, installation, customization, integration, commissioning, training, technical support, maintenance, repair, and other services necessary for proper operation of the Information System to be provided by the selected Bidder and as specified in the Contract.
- 5.2 Funds from Bank loans are disbursed only for expenditures for an Information System made up of goods and services provided by nationals of, and produced in or supplied from, eligible source countries as defined in the Procurement Guidelines. An Information System is produced in a Bank member country when, in the territory of that country, through software development, manufacturing, or substantial and major assembly or integration of components, a commercially recognized product results that is substantially different in basic characteristics or in purpose or utility from its components. An Information System, or any component thereof, provided from a Bank member country may be excluded if that member country is subject to the conditions specified in ITB Clauses 4.2 (a) (i) or

(ii).

5.3 For purposes of this clause, the nationality of the Bidder is distinct from the country from which the Information System and its goods components are produced or from which the related services are supplied. A Bidder shall have the nationality of a country if the Bidder is domiciled, incorporated and operates under the laws of that country.

6. Qualifications of the Bidder

6.1 By submission of documentary evidence in its bid, the Bidder must establish to the Purchaser's satisfaction:

(a) that it has the financial, technical, and production capability necessary to perform the Contract, meets the qualification criteria specified in the BDS, and has a successful performance history. If a pre-qualification process has been undertaken for the Contract(s) for which these Bidding Documents have been issued, the Bidder shall, as part of its bid, update any information submitted with its application for pre-qualification;

(For the purposes of establishing a Bidder's qualifications, and unless stated to the contrary in the BDS, the experience and / or resources of any Subcontractor will not contribute to the Bidder's qualifications; only those of a Joint Venture partner will be considered.)

(b) that, in the case of a Bidder offering to supply those key goods components of the Information System identified in the BDS under the Contract that the Bidder did not itself manufacture or otherwise produce, the Bidder has been duly authorized by the Manufacturer or producer to supply those components in the Purchaser's country. (This will be accomplished by submission of Manufacturer's Authorization Forms, as indicated in the section entitled Sample Forms); and

(c) that, in the case of a Bidder not doing business within the Purchaser's country, the Bidder is or will be (if awarded the Contract) represented by an Agent in that country who is equipped and able to carry out the Bidder's maintenance, technical support, training, and repair obligations prescribed in the General and Special Conditions of Contract, and/or Technical Requirements.

6.2 Bids submitted by a Joint Venture of two or more firms as partners shall also comply with the following requirements:

(a) the bid shall be signed so as to be legally binding on all

partners;

- (b) one of the partners shall be nominated as being in charge, and this nomination shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the partners;
- (c) the partner in charge shall be authorized to incur liabilities and receive instructions for and on behalf of any and all partners of the Joint Venture, and the entire execution of the Contract, including payment, shall be done exclusively with the partner in charge;
- (d) the partner or combination of partners that is responsible for a specific component(s) of the Information System must meet the relevant minimum qualification criteria for that component;
- (e) a firm may submit bids either as a single Bidder on its own, or as a partner in one Joint Venture submitting bids in response to these Bidding Documents. Furthermore, a firm which is a Bidder, whether as a single Bidder or as a partner in a Joint Venture, cannot be a Subcontractor in other bids, except for the supply of commercially available hardware or software manufactured or produced by the firm, as well as purely incidental services such as installation/configuration, routine training, and ongoing maintenance/support. If the BDS for ITB Clause 6.1 (a) allows the qualification of Subcontractors nominated for certain components to be taken into account in assessing the Bidder's overall qualifications, any Subcontractor so nominated by any Bidder is automatically disqualified from being a Bidder itself or a partner in a Joint Venture. Non-compliance may result in the rejection of all bids in which the affected firm participates as Bidder or as partner in a Joint Venture. As long as in compliance with these provisions, or as long as unaffected by them due to not participating as Bidder or as partner in a Joint Venture, a firm may be proposed as a Subcontractor in any number of bids. If the BDS for ITB 28.1 permits the submission of bids for Subsystems, lots, or slices, then the provisions of this Clause 6.2 (e) apply only to bids for the same Subsystem(s), lot(s), or slice(s);
- (f) all partners of the Joint Venture shall be liable jointly and severally for the execution of the Contract in accordance with the Contract terms, and a statement to this effect shall be included in the authorization mentioned under ITB

Clause 6.2 (b) above, in the bid as well as in the Contract (in case of a successful bid).

- 6.3 If a Bidder intends to subcontract major items of supply or services, it shall include in the bid details of the name and nationality of the proposed Subcontractor, including vendors, for each of those items and shall be responsible for ensuring that any Subcontractor proposed complies with the requirements of ITB Clause 4, and that any Goods or Services components of the Information System to be provided by the Subcontractor comply with the requirements of ITB Clause 5 and the related evidence required by ITB Clause 13.1 (e) (iii) is submitted. Bidders are free to list more than one Subcontractor against each item. Quoted rates and prices will be deemed to apply, whichever Subcontractor is appointed, and no adjustment of the rates or prices will be permitted. The Purchaser reserves the right to delete any proposed Subcontractor from the list. This shall be done prior to Contract signature, by deleting such unacceptable Subcontractors from Appendix 3 to the Contract Agreement, which shall list the approved Subcontractors for each item prior to Contract signature. Subsequent additions and deletions from the list of approved Subcontractors shall be performed in accordance with GCC Clause 20 (as revised in the SCC, if applicable) and Appendix 3 to the Contract Agreement.

For the purposes of these Bidding Documents, a Subcontractor is any vendor or service provider with whom the Bidder contracts for the supply or execution of any part of the Information System to be provided by the Bidder under the Contract (such as the supply of major hardware, software, or other components of the required Information Technologies specified, or the performance of related Services, e.g., software development, transportation, installation, customization, integration, commissioning, training, technical support, maintenance, repair, etc.).

7. Cost of Bidding

- 7.1 The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Purchaser will in no case be responsible or liable for those costs.

8. Site Visit

- 8.1 The Bidder may wish to visit and examine the site or sites of the Information System and obtain for itself, at its own responsibility and risk, all information that may be necessary for preparing the bid and entering into the Contract. The costs of visiting the site or sites shall be at the Bidder's own expense.
- 8.2 The Purchaser will arrange for the Bidder and any of its personnel or agents to gain access to the relevant site or sites,

provided that the Bidder gives the Purchaser adequate notice of a proposed visit of at least fourteen (14) days. Alternatively, the Purchaser may organize a site visit or visits concurrently with the pre-bid meeting, as specified in the BDS for ITB Clause 10.2. Failure of a Bidder to make a site visit will not be a cause for its disqualification.

- 8.3 No site visits shall be arranged or scheduled after the deadline for the submission of the Bids and prior to the award of Contract.

B. THE BIDDING DOCUMENTS

9. Content of Bidding Documents

- 9.1 The contents of the Bidding Documents are listed below and should be read in conjunction with any addenda issued in accordance with ITB Clause 11:

Section I	Instructions to Bidders (ITB)
Section II	Bid Data Sheet (BDS)
Section III	Eligibility for the Provision of Goods, Works, and Services in Bank-Financed Procurement
Section IV	General Conditions of Contract (GCC)
Section V	Special Conditions of Contract (SCC)
Section VI	Technical Requirements (including Implementation Schedule)
Section VII	Sample Forms

- 9.2 Bidders are expected to examine all instructions, forms, terms, specifications, and other information in the Bidding Documents. Failure to furnish all information required by the Bidding Documents or to submit a bid not substantially responsive to the Bidding Documents in every respect will be at the Bidder's risk and may result in the rejection of its bid.
- 9.3 The Invitation for Bids is not formally part of the Bidding Documents and is included for reference only. In case of inconsistencies, the actual Bidding Documents shall prevail.

- 10. Clarification of Bidding Documents and Pre-bid Meeting**
- 10.1 A prospective Bidder requiring any clarification of the Bidding Documents may notify the Purchaser in writing at the Purchaser's address and by one of the means indicated in the BDS. Similarly, if a Bidder feels that any important provision in the documents will be unacceptable, such an issue should be raised as soon as possible. The Purchaser will respond in writing to any request for clarification or modification of the Bidding Documents that it receives no later than twenty-one (21) days prior to the deadline for submission of bids prescribed by the Purchaser. Copies of the Purchaser's response (including an explanation of the query but not identifying its source) will be sent to all prospective Bidders that received the Bidding Documents from the Purchaser.
- 10.2 When specified in the BDS, the Purchaser will organize and Bidders are welcome to attend a pre-bid meeting at the time and place indicated in the BDS. The purpose of the meeting will be to clarify issues and answer questions on any matter that may be raised at this stage, with particular attention to issues related to the Technical Requirements. Bidders are requested to submit any questions in writing to reach the Purchaser not later than one week before the meeting. Questions and answers will be transmitted in accordance with ITB Clause 10.1. Minutes of the meeting, including the questions raised and responses given, together with any responses prepared after the meeting, will be transmitted without delay to all those that received the Bidding Documents from the Purchaser. Any modification to the Bidding Documents listed in ITB Clause 9.1, which may become necessary as a result of the pre-bid meeting, shall be made by the Purchaser exclusively by issuing an Addendum pursuant to ITB Clause 11 and not through the minutes of the pre-bid meeting.
- 11. Amendment of Bidding Documents**
- 11.1 At any time prior to the deadline for submission of bids, the Purchaser may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, amend the Bidding Documents. Later amendments on the same subject modify or replace earlier ones.
- 11.2 Amendments will be provided in the form of Addenda to the Bidding Documents, which will be sent in writing to all prospective Bidders that received the Bidding Documents from the Purchaser. Addenda will be binding on Bidders. Bidders are required to immediately acknowledge receipt of any such Addenda. It will be assumed that the amendments contained in such Addenda will have been taken into account by the Bidder

in its bid.

- 11.3 In order to afford prospective Bidders reasonable time in which to take the amendment into account in preparing their bids, the Purchaser may, at its discretion, extend the deadline for the submission of bids, in which case, the Purchaser will notify all Bidders in writing of the extended deadline.

C. PREPARATION OF BIDS

12. Language of Bid

- 12.1 The bid prepared by the Bidder and all correspondence and documents related to the bid exchanged by the Bidder and the Purchaser shall be written in the language specified in the BDS, provided that any printed literature furnished by the Bidder as part of its bid may be written in another language, as long as such literature is accompanied by a translation of its pertinent passages in the language specified in the BDS, in which case, for purposes of interpretation of the bid, the translation shall govern.

13. Documents Comprising the Bid

- 13.1 The bid submitted by the Bidder shall comprise:
- (a) a Bid Form duly completed and signed by a person or persons duly authorized to bind the Bidder to the Contract;
 - (b) all Price Schedules duly completed in accordance with ITB Clauses 14, 15, and 18 and signed by a person or persons duly authorized to bind the Bidder to the Contract;
 - (c) bid security furnished in accordance with ITB Clause 17;
 - (d) written confirmation authorizing the signatory of the bid to commit the Bidder, in accordance with ITB Clause 19.2;
 - (e) Attachments:
 - (i) Attachment 1: Bidder's Eligibility

In the absence of pre-qualification, documents establishing to the Purchaser's satisfaction the Bidder's eligibility to bid, including but not limited to documentary evidence that the Bidder is legally incorporated in a territory of an eligible source country as defined under ITB Clause 4;
 - (ii) Attachment 2: Bidder's Qualifications

Documentary evidence establishing to the Purchaser's satisfaction, and in accordance with ITB Clause 6, that the Bidder is qualified to perform the Contract if its bid is accepted. In the case where pre-

qualification of Bidders has been undertaken, and pursuant to ITB Clause 6.1 (a), the Bidder must provide evidence on any changes in the information submitted as the basis for pre-qualification or, if there has been no change at all in said information, a statement to this effect;

Any Manufacturer's Authorizations specified as required in the BDS for ITB Clause 6.1 (b);

(iii) Attachment 3: Eligibility of Goods and Services

Documents establishing, to the Purchaser's satisfaction, that the Goods and Services components of the Information System to be supplied, installed, and/or performed by the Bidder are eligible Goods and Services as defined under ITB Clause 5. If awarded the Contract, the Bidder shall submit for such components of the Information System evidence of eligibility, which shall be confirmed by a certificate of origin issued at the time of shipment;

(iv) Attachment 4: Conformity of the Information System to the Bidding Documents

Documentary evidence establishing to the Purchaser's satisfaction, and in accordance with ITB Clause 16, that the Goods and Services components of the Information System to be supplied, installed, and/or performed by the Bidder conform to the Bidding Documents;

(v) Attachment 5: Proposed Subcontractors

A list of all major items of Goods or Services that the Bidder proposes to purchase or subcontract from others, and the name and nationality of the proposed Subcontractor, including vendors, for each of those items;

(vi) Attachment 6: Intellectual Property

A list of:

- (1) all Software included in the Bidder's bid, assigning each item to one of the software categories defined in GCC Clause 1.1 (c):
 - (A) System, General Purpose, and Application Software; and
 - (B) Standard and Custom Software.
- (2) all Custom Materials, as defined in GCC Clause

1.1 (c), included in the Bidder's bid.

All Materials not identified as Custom Materials shall be deemed Standard Materials, as defined in GCC Clause 1.1 (c).

Re-assignments among the Software and Materials categories, if necessary, will be made during the implementation of the Contract according to GCC Clause 39 (Changes to the System).

14. Bid Prices

14.1 All Goods and Services identified in the Supply and Installation Cost Sub-Table and the Recurrent Cost Sub-Table in Section VII (Forms 2.5 and 2.6), and all other Goods and Services proposed by the Bidder to fulfill the requirements of the Information System, must be priced separately in the format of the same tables and summarized in the corresponding Cost Summary Tables in the same Section. Prices must be quoted in accordance with the instructions provided in Section VII for the various cost tables, in the manner specified below.

14.2 The price of items that the Bidder has left blank in the cost tables provided in section VII shall be assumed to be included in the price of other items. Items omitted altogether from the cost tables shall be assumed to be omitted from the bid and, provided that the bid is substantially responsive, an adjustment to the bid price will be made during evaluation in accordance with ITB Clause 28.6 (c) (iii).

14.3 Unit prices must be quoted at a level of detail appropriate for calculation of any partial deliveries or partial payments under the contract, in accordance with the Implementation Schedule in Section VI, and with GCC and SCC Clause 12 – Terms of Payment. Bidders may be required to provide a breakdown of any composite or lump-sum items included in the Cost Tables.

14.4 The prices for Goods components of the System are to be expressed and shall be defined and governed in accordance with the rules prescribed in the edition of Incoterms specified in the BDS, and quoted in the appropriate columns of the cost tables of Section VII as follows:

(a) Goods supplied from outside the Purchaser's country:

Unless otherwise specified in the BDS, the prices shall be quoted on a CIP (named place of destination) basis, exclusive of all taxes, stamps, duties, levies, and fees imposed in the Purchaser's country. The named place of destination and special instructions for the contract of

carriage are as specified in the BDS. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible countries. Similarly, the Bidder may obtain insurance services from any eligible source country.

(b) Locally supplied Goods:

Unit prices of Goods offered from within the Purchaser's Country, shall be quoted on an EXW (ex factory, ex works, ex warehouse or off-the-shelf, as applicable) basis, including all customs duties, levies, fees, sales and other taxes incurred until delivery of the Goods, but excluding all VAT or sales and other taxes and duties/fees incurred for the Goods at the time of invoicing or sales transaction, if the Contract is awarded.

(c) Inland transportation:

Unless stated otherwise in the BDS, inland transportation, insurance and related local costs incidental to the delivery of the Goods to the designated Project Sites must be quoted separately as a Service item in accordance with ITB Clause 14.5, whether the Goods are to be supplied locally or from outside the Purchaser's country, except when these costs are already included in the price of the Goods, as is, e.g., the case, when ITB Clause 14.4 (a) specifies CIP, and the named places of destination are the Project Sites.

14.5 The price of Services shall be quoted in total for each service (where appropriate, broken down into unit prices), separated into their local and foreign currency components. Prices must include all taxes, duties, levies and fees whatsoever, except only VAT or other indirect taxes, or stamp duties, that may be assessed and/or apply in the Purchaser's country on/to the price of the Services invoiced to the Purchaser, if the Contract is awarded. Unless otherwise specified in the BDS, the prices must include all costs incidental to the performance of the Services, as incurred by the Supplier, such as travel, subsistence, office support, communications, translation, printing of materials, etc. Costs incidental to the delivery of the Services but incurred by the Purchaser or its staff, or by third parties, must be included in the price only to the extent such obligations are made explicit in these Bidding Documents (as, e.g., a requirement for the Bidder to include the travel and subsistence costs of trainees).

- 14.6 Prices for Recurrent Costs to be incurred during the Warranty Period, defined in SCC Clause 29.4 and during the Post-Warranty Period, defined in SCC Clause 1.1. (e) (xii), shall be quoted as Service prices in accordance with ITB Clause 14.5 on the Recurrent Costs Form in detail, and on the Recurrent Costs Summary Form in currency totals. Recurrent costs are all-inclusive of the costs of necessary Goods such as spare parts, software license renewals, labor, etc., needed for the continued and proper operation of the System and, if appropriate, of the Bidder's own allowance for price increases.
- 14.7 Unless otherwise specified in the BDS, prices quoted by the Bidder shall be fixed during the Bidder's performance of the Contract and not subject to increases on any account. Bids submitted that are subject to price adjustment will be rejected.

15. Bid Currencies

- 15.1 Prices shall be quoted in the following currencies:
- (a) The Bidder may quote its prices for all Information Technologies, associated Goods, and Services to be supplied from outside the Purchaser's Country entirely in the currency or currencies of Bank member countries. If the Bidder wishes to be paid in a combination of different currencies, it must quote unit prices accordingly, but no more than three foreign currencies may be used.
 - (b) Unless specified otherwise in the BDS, the Bidder shall express its prices for such Information Technologies, associated Goods, and Services to be supplied locally (i.e., from within the Purchaser's Country) in the currency of the Purchaser's Country.

16. Documents Establishing the Conformity of the Information System to the Bidding Documents

- 16.1 Pursuant to ITB Clause 13.1 (e) (iv), the Bidder shall furnish, as part of its bid, documents establishing the conformity to the Bidding Documents of the Information System that the Bidder proposes to supply and install under the Contract.
- 16.2 The documentary evidence of conformity of the Information System to the Bidding Documents shall be in the form of written descriptions, literature, diagrams, certifications, and client references, including:
- (a) the Bidder's technical bid, i.e., a detailed description of the Bidder's proposed technical solution conforming in all material aspects with the Technical Requirements (Section VI) and other parts of these Bidding Documents, overall as well as in regard to the essential technical and performance characteristics of each component making up the proposed

Information System;

- (b) an item-by-item commentary on the Purchaser's Technical Requirements, demonstrating the substantial responsiveness of the Information System offered to those requirements. In demonstrating responsiveness, the commentary shall include explicit cross references to the relevant pages in the supporting materials included in the bid. Whenever a discrepancy arises between the item-by-item commentary and any catalogs, technical specifications, or other preprinted materials submitted with the bid, the item-by-item commentary shall prevail;
- (c) a Preliminary Project Plan describing, among other things, the methods by which the Bidder will carry out its overall management and coordination responsibilities if awarded the Contract, and the human and other resources the Bidder proposes to use. The Plan should include a detailed Contract Implementation Schedule in bar chart form, showing the estimated duration, sequence, and interrelationship of all key activities needed to complete the Contract. The Preliminary Project Plan must also address any other topics specified in the BDS. In addition, the Preliminary Project Plan should state the Bidder's assessment of what it expects the Purchaser and any other party involved in the implementation of the Information System to provide during implementation and how the Bidder proposes to coordinate the activities of all involved parties;
- (d) a written confirmation that the Bidder accepts responsibility for the successful integration and interoperability of all components of the Information System as required by the Bidding Documents.

16.3 For purposes of the commentary to be furnished pursuant to ITB Clause 16.2 (b), the Bidder shall note that references to brand names or model numbers or national or proprietary standards designated by the Purchaser in its Technical Requirements are intended to be descriptive and not restrictive. Except where explicitly prohibited in the BDS for specific items or standards, the Bidder may substitute alternative brand/model names or standards in its bid, provided that it demonstrates to the Purchaser's satisfaction that the use of the substitute(s) will result in the Information System being able to perform substantially equivalent to or better than that specified in the Technical Requirements.

17. Bid Security

- 17.1 Unless otherwise specified in the BDS, the Bidder shall furnish, as part of its bid, a bid security in the amount stipulated in the BDS.
- 17.2 The bid security shall be denominated in the currency of the bid or in another freely convertible currency, and shall:
- (a) at the Bidder's option, be in the form of either a certified check, letter of credit, or a bank guarantee from a banking institution, or a bond issued by an insurance or bonding institution;
 - (b) be issued by a reputable institution selected by the bidder and located in any eligible country;
 - (c) be substantially in accordance with one of the forms of bid security included in Section VII or other form approved by the Purchaser prior to bid submission;
 - (d) be payable promptly upon written demand by the employer in case any of the conditions listed in ITB Clause 17.7 are invoked;
 - (e) be submitted in its original form; copies will not be accepted;
 - (f) remain valid for a period of at least 28 days beyond the original validity period of bids, or at least 28 days beyond any extended period of bid validity subsequently requested pursuant to ITB Clause 18.2.
- 17.3 The bid security of a Joint Venture shall be issued in the name of the Joint Venture submitting the bid and shall list all partners of the Joint Venture.
- 17.4 If a bid security is required in accordance with ITB Clause 17.1, any bid not accompanied by a substantially acceptable bid security in accordance with ITB Clauses 17.2 and 17.3, shall be rejected by the Purchaser as non-responsive.
- 17.5 The bid securities of unsuccessful Bidders will be returned as promptly as possible, but not later than twenty-eight (28) days after the expiration of the period of bid validity.
- 17.6 The bid security of the successful Bidder will be returned when the Bidder has signed the Agreement and furnished the required performance security.
- 17.7 The bid security may be forfeited:

- (a) if a Bidder:
 - (i) withdraws its bid during the period of bid validity specified by the Bidder on the Bid Form, except as provided in ITB Clause 23.3; or
 - (ii) fails to accept the Purchaser's corrections of arithmetic errors in the Bidder's bid (if any), in accordance with ITB Clause 26.2.
- (b) in the case of the successful Bidder, if the Bidder fails to:
 - (i) sign the Contract in accordance with ITB Clause 36; or
 - (ii) furnish performance security in accordance with ITB Clause 37.

**18. Period of
Validity of
Bids**

18.1 Bids shall remain valid, at a minimum, for the period specified in the BDS after the deadline date for bid submission prescribed by the Purchaser, pursuant to ITB Clause 21. A bid valid for a shorter period shall be rejected by the Purchaser as non-responsive. For the convenience of Bidders, the BDS spells out the minimal original expiration dates for the validity of the bid and, if applicable pursuant to ITB Clause 17.1, of the bid security. However, Bidders are responsible for adjusting the dates in the BDS in accordance with any extensions to the deadline date of bid submission pursuant to ITB Clause 21.2.

18.2 In exceptional circumstances, prior to expiry of the bid validity period, the Purchaser may request that the Bidders extend the period of validity for a specified additional period. The request and the responses to the request shall be made in writing. A Bidder may refuse the request without forfeiting its bid security. Except as provided in ITB Clause 18.3, a Bidder agreeing to the request will not be required or permitted to modify its bid, but will be required to extend the validity of its bid security correspondingly, pursuant to ITB Clause 17.2 (f).

18.3 In the case of fixed price contracts, if the award is delayed by a period exceeding fifty-six (56) days beyond the expiry of the initial bid validity, the contract price will be adjusted as specified in the request for extension. Bid evaluation will be based on the bid prices without taking into consideration the above correction.

**19. Format and
Signing of Bid**

19.1 The Bidder shall prepare an original and the number of copies/sets of the bid specified in the BDS, clearly marking each one as "ORIGINAL BID," "COPY NO. 1," "COPY NO. 2,"

etc., as appropriate. In the event of any discrepancy between them, the original shall govern.

- 19.2 The original and all copies of the bid, each consisting of the documents listed in ITB Clause 13.1, shall be typed or written in indelible ink and shall be signed by a person or persons duly authorized to sign on behalf of the Bidder. The authorization must be in writing and included in the bid pursuant to ITB Clause 13.1 (d). The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the bid, except for unamended printed literature, shall be initialed by the person or persons signing the bid.
- 19.3 The bid shall contain no interlineations, erasures, or overwriting, except to correct errors made by the Bidder, in which case such corrections shall be initialed by the person or persons signing the bid.
- 19.4 The Bidder shall furnish in the Bid Form (a sample of which is provided in the Sample Forms Section of the Bidding Documents) information regarding commissions or gratuities, if any, paid or to be paid to agents relating to this procurement and to the execution of the Contract should the Bidder be successful.

D. SUBMISSION OF BIDS

20. Sealing and Marking of Bids

- 20.1 The Bidder shall seal the original and each copy of the bid in separate envelopes, duly marking the envelopes as “ORIGINAL BID” and “COPY NO. [number].” The envelopes shall then be sealed in an outer envelope.
- 20.2 The inner and outer envelopes shall
- (a) be addressed to the Purchaser at the address given in the BDS, and
 - (b) bear the loan/Project name indicated in the BDS for ITB Clause 2.1, the Invitation for Bids title and number, and the Contract name(s), as indicated in the BDS for ITB Clause 1.2, and the statement “DO NOT OPEN BEFORE [time and date],” to be completed with the time and date specified in the BDS for ITB Clause 24.1.
- 20.3 The inner envelopes shall also indicate the name and address of the Bidder so that the bid can be returned unopened in case it is

declared “late.”

20.4 If the outer envelope is not sealed and marked as required by ITB Clause 20.2 above, the Purchaser will assume no responsibility for the bid’s misplacement or premature opening. If the outer envelope discloses the Bidder’s identity, the Purchaser will not guarantee the anonymity of the bid submission, but this disclosure will not constitute grounds for bid rejection.

21. Deadline for Submission of Bids

21.1 Bids must be received by the Purchaser at the address specified in the BDS for ITB Clause 20.2 no later than the time and date stated in the BDS.

21.2 The Purchaser may, at its discretion, extend this deadline for submission of bids by amending the Bidding Documents in accordance with ITB Clause 11.3, in which case all rights and obligations of the Purchaser and Bidders will thereafter be subject to the deadline as extended.

22. Late Bids

22.1 Any bid received by the Purchaser after the bid submission deadline prescribed by the Purchaser in the BDS for ITB Clause 21, will be rejected and returned unopened to the Bidder.

23. Modification or Withdrawal of Bids

23.1 The Bidder may modify or withdraw its bid after submission, provided that written notice of the modification or withdrawal is received by the Purchaser prior to the deadline prescribed for bid submission.

23.2 The Bidder’s modifications shall be prepared, sealed, marked, and dispatched as follows:

(a) The Bidders shall provide an original and the number of copies specified in the BDS for ITB Clause 19.1 of any modifications to its bid, clearly identified as such, in two inner envelopes duly marked “BID MODIFICATIONS -- ORIGINAL” and “BID MODIFICATIONS -- COPIES.” The inner envelopes shall be sealed in an outer envelope, which shall be duly marked “Bid Modifications.”

(b) Other provisions concerning the marking and dispatch of bid modifications shall be in accordance with ITB Clauses 20.2, 20.3, and 20.4.

23.3 A Bidder wishing to withdraw its bid shall notify the Purchaser in writing prior to the deadline prescribed for bid submission. A withdrawal notice may also be sent by electronic means such as fax or e-mail, but it must be followed by a signed confirmation copy, postmarked not later than the deadline for submission of

bids. The notice of withdrawal shall

- (a) be addressed to the Purchaser at the address named in the BDS for ITB Clause 20.2 (a), and
- (b) bear the Contract name, the IFB Title and IFB Number, and the words "Bid Withdrawal Notice." Bid withdrawal notices received after the bid submission deadline will be ignored, and the submitted bid will be deemed to be a validly submitted bid.

23.4 No bid may be withdrawn in the interval between the bid submission deadline and the expiration of the bid validity period specified in ITB Clause 18. Withdrawal of a bid during this interval may result in the forfeiture of the Bidder's bid security, pursuant to ITB Clause 17.7.

E. BID OPENING AND EVALUATION

24. Opening of Bids by Purchaser

24.1 The Purchaser will open all bids, including withdrawals and modifications, in public, in the presence of Bidders' representatives who choose to attend, at the time, on the date and at the place specified in the BDS. Bidders' representatives shall sign a register as proof of their attendance.

24.2 Envelopes marked as withdrawals shall be opened and read out first, and the inner envelope(s) of the corresponding bid as well as the inner envelope(s), if any, marked as modifications for the same bid, shall not be opened. No withdrawal shall be permitted unless the corresponding withdrawal notice is read out at bid opening. Envelopes marked as modifications shall be read out and opened together with the corresponding bid.

24.3 Bids shall be opened one at a time, reading out: the name of the Bidder and whether there is a modification; the total bid price including any unconditional discounts, and, if applicable, the prices and unconditional discounts for Subsystems, lots, or slices; the presence or absence of a bid security, if one was required; the presence or absence of requisite powers of attorney; any conditional discounts offered for the award of more than one Subsystem, lot, or slice, if the BDS for ITB Clause 28.1 permits such discounts to be considered in the bid evaluation; and any other such details as the Purchaser may consider appropriate.

24.4 Bids and modifications that are not opened and read out at bid

opening shall not be considered for further evaluation, irrespective of the circumstances.

24.5 The Purchaser will prepare minutes of the bid opening, including the information disclosed to those present in accordance with ITB Clause 24.3. The minutes will promptly be distributed to all Bidders that met the deadline for submitting bids.

25. Clarification of Bids

25.1 During the bid evaluation, the Purchaser may, at its discretion, ask the Bidder for a clarification of its bid. The request for clarification and the response shall be in writing, and no change in the price or substance of the bid shall be sought, offered, or permitted.

26. Preliminary Examination of Bids

26.1 The Purchaser will examine the bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order. In the case where a pre-qualification process has been undertaken for the Contract(s) for which these Bidding Documents have been issued, the Purchaser will ensure that each bid is from a pre-qualified Bidder, and in the case of a Joint Venture, that partners and structure of the Joint Venture are unchanged from those in the pre-qualification.

26.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price, which is obtained by multiplying the unit price and quantity, or between subtotals and the total price, the unit or subtotal price shall prevail, and the total price shall be corrected. If there is a discrepancy between words and figures, the amount in words will prevail. If a Bidder does not accept the correction of errors, its bid will be rejected and its bid security may be forfeited.

26.3 The Purchaser may waive any minor informality, nonconformity, or irregularity in a bid that does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Bidder.

26.4 Prior to the detailed evaluation, the Purchaser will determine whether each bid is of acceptable quality, is complete, and is substantially responsive to the Bidding Documents. For purposes of this determination, a substantially responsive bid is one that conforms to all the terms, conditions, and specifications of the Bidding Documents without material deviations, exceptions, objections, conditionalities, or reservations. A material deviation, exception, objection, conditionality, or

reservation is one: (i) that limits in any substantial way the scope, quality, or performance of the Information System; or (ii) that limits, in any substantial way that is inconsistent with the Bidding Documents, the Purchaser's rights or the successful Bidder's obligations under the Contract; or (iii) the acceptance of which would unfairly affect the competitive position of other Bidders who have submitted substantially responsive bids.

26.5 If a bid is not substantially responsive, it will be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the nonconformity. The Purchaser's determination of bid responsiveness will be based on the contents of the bid itself.

27. Conversion to Single Currency

27.1 For evaluation and comparison purposes, the Purchaser shall convert all bid prices expressed in various currencies and amounts into a single currency specified in the BDS, using the selling exchange rate established by the source and on the date also specified in the BDS.

28. Evaluation and Comparison of Bids

28.1 The Purchaser will evaluate and compare the bids that have been determined to be substantially responsive, pursuant to ITB Clause 26. The evaluation will be performed assuming either that:

- (a) the Contract will be awarded to the lowest evaluated Bidder for the entire Information System; or
- (b) if specified in the BDS, Contracts will be awarded to the Bidders for each individual Subsystem, lot, or slice defined in the Technical Requirements whose bids result in the lowest combined evaluated price for the entire System.

In the latter case, discounts that are conditional on the award of more than one Subsystem, lot, or slice may be offered in bids. However, such discounts will only be considered in the price evaluation if so confirmed in the BDS.

28.2 To be considered for Contract award, Bidders must have submitted bids

- (a) for which detailed bid evaluation using the same standards for compliance determination as listed in ITB Clauses 26.3 and 26.4 confirms that the bids are commercially and technically responsive, and include the hardware, Software, related equipment, products, Materials, and other Goods and Services components of the Information System in substantially the full required quantities for the entire Information System or, if allowed in the BDS for

ITB Clause 28.1, the individual Subsystem, lot or slice bid on; and are deemed by the Purchaser as commercially and technically responsive; and

- (b) that offer Information Technologies that are proven to perform up to the standards promised in the bid by having successfully passed the performance, benchmark, and/or functionality tests the Purchaser may require, pursuant to ITB Clause 31.2.

28.3 The Purchaser's evaluation of a bid will be made on the basis of prices quoted in accordance with ITB Clause 14 (Bid Prices).

28.4 If indicated by the BDS, the Purchaser's evaluation of responsive bids will take into account technical factors, in addition to cost factors. An Evaluated Bid Score (B) will be calculated for each responsive bid using the following formula, which permits a comprehensive assessment of the bid price and the technical merits of each bid:

$$B \equiv \frac{C_{low}}{C} X + \frac{T}{T_{high}} (1 - X)$$

where

C = Evaluated Bid Price

C_{low} = the lowest of all Evaluated Bid Prices among responsive bids

T = the total Technical Score awarded to the bid

T_{high} = the Technical Score achieved by the bid that was scored highest among all responsive bids

X = weight for the Price as specified in the BDS

The bid with the highest Evaluated Bid Score (B) among responsive bids shall be termed the Lowest Evaluated Bid and is eligible for Contract award, provided the Bidder was pre-qualified and/or it was found to be qualified to perform the Contract in accordance with ITB Clause 31 (Post-qualification).

28.5 If, in addition to the cost factors, the Purchaser has chosen to give weight to important technical factors (i.e., the price weight, X, is less than 1 in the evaluation), that cannot be reduced to life-cycle costs or pass/fail criteria, the Total Technical Points assigned to each bid in the Evaluated Bid Formula will be determined by adding and weighting the scores assigned by an evaluation committee to technical features of the bid in

accordance with the criteria set forth below.

- (a) The technical features to be evaluated are generally defined below and specifically identified in the BDS:
 - (i) Performance, capacity, or functionality features that either exceed levels specified as mandatory in the Technical Requirements; and/or influence the life-cycle cost and effectiveness of the Information System.
 - (ii) Usability features, such as ease of use, ease of administration, or ease of expansion, which influence the life-cycle cost and effectiveness of the Information System.
 - (iii) The quality of the Bidder's Preliminary Project Plan as evidenced by the thoroughness, reasonableness, and responsiveness of: (a) the task and resource schedules, both general and specific, and (b) the proposed arrangements for management and coordination, training, quality assurance, technical support, logistics, problem resolution, and transfer of knowledge, and other such activities as specified by the Purchaser in Section VI (Technical Requirements) or proposed by the Bidder based on the Bidder's experience.
- (b) Feature scores will be grouped into a small number of evaluation categories, generally defined below and specifically identified in the BDS, namely:
 - (i) The technical features that reflect how well the Information System meets the Purchaser's Business Requirements (including quality assurance and risk-containment measures associated with the implementation of the Information System).
 - (ii) The technical features that reflect how well the Information System meets the System's Functional Performance Standards.
 - (iii) The technical features that reflect how well the Information System meets the General Technical Requirements for hardware, network and communications, Software, and Services.
- (c) As specified in the BDS, each category will be given a weight and within each category each feature may also be

given a weight.

- (d) During the evaluation process, the evaluation committee will assign each desirable/preferred feature a whole number score from 0 to 4, where 0 means that the feature is absent, and 1 to 4 either represent predefined values for desirable features amenable to an objective way of rating (as is the case for, e.g., extra memory, or extra mass storage capacity, etc., if these extras would be conducive for the utility of the system), or if the feature represents a desirable functionality (e.g., of a software package) or a quality improving the prospects for a successful implementation (such as the strengths of the proposed project staff, the methodology, the elaboration of the project plan, etc., in the bid), the scoring will be 1 for the feature being present but showing deficiencies; 2 for meeting the requirements; 3 for marginally exceeding the requirements; and 4 for significantly exceeding the requirements.
- (e) The score for each feature (i) within a category (j) will be combined with the scores of features in the same category as a weighted sum to form the Category Technical Score using the following formula:

$$S_j \equiv \sum_{i=1}^k t_{ji} * w_{ji}$$

where:

t_{ji} = the technical score for feature “i” in category “j”

w_{ji} = the weight of feature “i” in category “j”

k = the number of scored features in category “j”

and $\sum_{i=1}^k w_{ji} = 1$

- (f) The Category Technical Scores will be combined in a weighted sum to form the total Technical Bid Score using the following formula:

$$T \equiv \sum_{j=1}^n S_j * W_j$$

where:

S_j = the Category Technical Score of category “j”

W_j = the weight of category “j” as specified in the BDS

n = the number of categories

and $\sum_{j=1}^n W_j = 1$

28.6 The Evaluated Bid Price (C) for each responsive bid will be determined as the sum of the Adjusted Bid Price (P) plus the Recurrent Costs (R);

where the Adjusted Bid Price (P) is determined as:

- (a) The price of the hardware, Software, related equipment, products, Materials and other Goods offered from within or from outside the Purchaser’s Country, in accordance with ITB 14.4; plus
- (b) The total price for all software development, transportation, insurance, installation, customization, integration, Commissioning, testing, training, technical support, repair, and other Services, in accordance with ITB 14.5;
- (c) with adjustments for:
 - (i) Deviations proposed to the Implementation Schedule in the Technical Requirements resulting in delayed or advanced completion of the entire Information System, if permitted in the BDS and provided they do not exceed the maximum permissible advance or delay period specified in the BDS. For evaluation purposes, a pro rata increase or decrease of the total bid price will be added or subtracted using the percentage(s) specified in the BDS for each week of delay or advance. Bids offering deliveries beyond the maximum permissible delay specified may be rejected.
 - (ii) Deviations taken to the Contract payment schedule specified in the SCC. If deviations are permitted in the BDS, the total bid price will be increased pro rata by the amount of interest that could otherwise be earned on the amount of any payments that would fall due under the proposed schedule earlier than the schedule stipulated in the Bidding Documents, at the annual interest rate specified in the BDS.
 - (iii) Goods and Services that are required for the

Information System but have been left out or are necessary to correct minor deviations of the bid will be added to the total bid price using costs taken from the highest prices from other responsive bids for the same Goods and Services, or in the absence of such information, the cost will be estimated at prevailing list prices. If the missing Goods and Services are a scored technical feature, the relevant score will be set at zero.

- (iv) Corrections to errors in arithmetic, in accordance with ITB Clause 26.2.
 - (v) Any discounts offered for the award of more than one Subsystem, lot, or slice, if the BDS for ITB Clause 28.1 permits the consideration of discounts in the price evaluation.
- (d) The Recurrent Costs (R) are reduced to net present value and determined using the following formula:

$$R \equiv \sum_{x=1}^{N+M} \frac{R_x}{(1+I)^x}$$

where

N = number of years of the Warranty Period, defined in SCC Clause 29.4

M = number of years of the Post-Warranty Services Period, as defined in SCC Clause 1.1.(e) (xii)

x = an index number 1, 2, 3, ... $N + M$ representing each year of the combined Warranty Service and Post-Warranty Service Periods.

R_x = total Recurrent Costs for year "x," as recorded in the Recurrent Cost Form.

I = discount rate to be used for the Net Present Value calculation, as specified in the BDS.

29. Domestic Preference

29.1 If indicated in the BDS, the Purchaser will grant a margin of preference for use of domestic Information Technologies and related Goods. Under this preference, for Goods supplied from outside the Purchaser's Country, the CIP (named place of destination) price, shall be increased by the applicable import tariff (custom duties and other import taxes) or fifteen (15) percent, whichever is less. If duties vary from item to item within the bid, the appropriate tariff for each item shall apply.

No preference shall be applied for any associated Services or works components of the bid.

29.2 No margin of preference will be granted for any other price component, and Bidders will not be permitted or required to modify the source of any hardware, Software, related equipment, Materials, products, or other Goods, as well as related Services after bid opening.

30. Contacting the Purchaser

30.1 From the time of bid opening to the time of Contract award, if any Bidder wishes to contact the Purchaser on any matter related to the bid, it should do so in writing.

30.2 If a Bidder tries to directly influence the Purchaser or otherwise interfere in the bid evaluation process and the Contract award decision, its bid may be rejected.

F. POST-QUALIFICATION AND AWARD OF CONTRACT

31. Post-qualification

31.1 The Purchaser will determine at its own cost and to its satisfaction whether the Bidder (including Joint Venture Partners, and any Subcontractors for which the BDS for ITB Clause 6.1 (a) permits that their qualifications count towards the required Bidder qualifications) that is selected as having submitted the Lowest Evaluated Bid is qualified to perform the Contract satisfactorily, in accordance with ITB Clause 6. If a pre-qualification process was undertaken for the Contract(s) for which these Bidding Documents were issued, the Purchaser will determine in the manner described above that no material changes have occurred after the pre-qualification that negatively affect the ability of the Bidder that has submitted the Lowest Evaluated Bid to perform the Contract.

31.2 Pursuant to ITB Clauses 6 and 16, and as additionally may be specified in the BDS, the determination will evaluate the Bidder's financial, technical, design, integration, customization, production, management, and support capabilities and will be based on an examination of the documentary evidence of the Bidder's qualifications, as well as other information the Purchaser deems necessary and appropriate. This determination may include visits or interviews with the Bidder's clients referenced in its bid, site inspections, and any other measures. If so specified in the BDS, at the time of post-qualification the Purchaser may also carry out tests to determine that the performance or functionality of the Information System offered

meets those stated in the Technical Requirements.

31.3 An affirmative post-qualification determination will be a prerequisite for award of the Contract to the Lowest Evaluated Bidder. A negative determination will result in rejection of the Bidder's bid, in which event the Purchaser will proceed to the next lowest evaluated Bidder to make a similar determination of that Bidder's capabilities to perform satisfactorily.

**32. Award
Criteria**

32.1 Subject to ITB Clause 34, the Purchaser will award the Contract to the Bidder whose bid has been determined to be substantially responsive and the Lowest Evaluated Bid, provided further that the Bidder has been determined to be qualified to perform the Contract satisfactorily, pursuant to ITB Clause 31.

**33. Purchaser's
Right to Vary
Quantities at
Time of Award**

33.1 The Purchaser reserves the right at the time of Contract award to increase or decrease, by the percentage(s) indicated in the BDS, any of the following:

- (a) the quantity of substantially identical Subsystems; or
- (b) the quantity of individual hardware, Software, related equipment, Materials, products, and other Goods components of the Information System; or
- (c) the quantity of Installation or other Services to be performed,

from that originally specified in the Technical Requirements (as amended by any Addenda issued pursuant to ITB Clause 11), without any change in unit prices or other terms and conditions.

**34. Purchaser's
Right to
Accept Any
Bid and to
Reject Any or
All Bids**

34.1 The Purchaser reserves the right to accept or reject any bid or to annul the bidding process and reject all bids at any time prior to Contract award, without thereby incurring any liability to the Bidders.

**35. Notification of
Award**

35.1 Prior to the expiration of the period of bid validity, the Purchaser will notify the successful Bidder in writing by registered letter, or by electronic means to be subsequently confirmed in writing by registered letter, that its bid has been accepted.

35.2 The notification of award will constitute the formation of the Contract.

35.3 Upon the successful Bidder's furnishing of the signed Form of Contract Agreement and the performance security pursuant to

ITB Clause 37, the Purchaser will promptly notify each unsuccessful Bidder and will discharge its bid security, pursuant to ITB Clause 17.

36. Signing of Contract

36.1 At the same time as the Purchaser notifies the successful Bidder that its bid has been accepted, the Purchaser will send the Bidder the Form of Contract Agreement provided in the Bidding Documents, incorporating all agreements between the parties.

36.2 As soon as practically possible, but no more than twenty-eight (28) days following receipt of the Form of Contract Agreement, the successful Bidder shall sign and date the Form of Contract Agreement and return it to the Purchaser.

37. Performance Security

37.1 As soon as practically possible, but no more than twenty-eight (28) days following receipt of notification of award from the Purchaser, the successful Bidder shall furnish the performance security in accordance with the GCC, using the Performance Security Bank Guarantee form provided in the Bidding Documents or another form acceptable to the Purchaser.

37.2 Failure of the successful Bidder to comply with the requirements of ITB Clause 36 or ITB Clause 37.1 shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security, in which event the Purchaser may make the award to the next lowest evaluated bid submitted by a qualified Bidder or call for new bids.

38. Adjudicator

38.1 Unless the BDS states otherwise, the Purchaser proposes that the person named in the BDS be appointed as Adjudicator under the Contract to assume the role of informal Contract dispute mediator, as described in GCC Clause 6. In this case, a résumé of the named person is attached to the BDS. The proposed hourly fee for the Adjudicator is specified in the BDS. The expenses that would be considered reimbursable to the Adjudicator are also specified in the BDS. If a Bidder does not accept the Adjudicator proposed by the Purchaser, it should state its non-acceptance in its Bid Form and make a counterproposal of an Adjudicator and an hourly fee, attaching a résumé of the alternative. If the successful Bidder and the Adjudicator nominated in the BDS happen to be from the same country, and this is not the country of the Purchaser too, the Purchaser reserves the right to cancel the Adjudicator nominated in the BDS and propose a new one. If by the day the Contract is signed, the Purchaser and the successful Bidder have not agreed on the appointment of the Adjudicator, the Adjudicator shall be appointed, at the request of either party, by the Appointing Authority specified in the SCC clause relating to GCC Clause

6.1.4, or if no Appointing Authority is specified there, the Contract will be implemented without an Adjudicator.

SECTION II. BID DATA SHEET (BDS)

Bid Data Sheet

The following specific information relating to the System to be procured and the procurement procedures that will be used shall complement, supplement, or amend the provisions in the Instructions to Bidders (ITB). Whenever there is a conflict, the provisions in the Bid Data Sheet (BDS) shall prevail over those in the ITB.

A. GENERAL

ITB 1.1	<p>Name of Purchaser: <i>[insert: name of Purchaser]</i></p> <p>Name of authorized Purchasing Agent: <i>[if appropriate, insert: name of the Purchasing Agent, otherwise state "none"]</i></p> <p>Description of the System for which bids are invited: <i>[insert: brief description of the System]</i></p> <p>Note: The description used in the Invitation for Bids / Specific Procurement Notice should be used.</p>
ITB 1.2	<p>Name of IFB: <i>[insert: name of IFB]</i></p> <p>Number of IFB: <i>[insert: number of IFB]</i></p> <p>Name of resulting Contract(s): <i>[insert: name of Contract(s)]</i></p> <p>Note: The Purchaser should establish a clear and recognizable numbering system for its contracts. When appropriate packaging involves the use of lots for independent, multi-site or multifunction Information Systems, then the name of the resultant Contracts should be indicated in a fashion that clearly and easily distinguishes between them. This will prevent unnecessary confusion and delay in the evaluation stage.</p>
ITB 2.1	<p>Name of the Borrower: <i>[insert: name of Borrower]</i></p> <p>Loan or credit number: <i>[insert: Loan / Credit number]</i></p> <p>Loan or credit amount: <i>[insert: Loan / Credit amount as stated in the Loan Agreement governing the Project]</i></p> <p>Name of Project: <i>[insert: name of Project]</i></p>
ITB 4.1 (a)	<p>Applicable edition of the Guidelines: Procurement under IBRD Loans and IDA Credits: <i>[insert either: the date of latest edition, for example "January 1995, Revised January and August 1996, September 1997, and January 1999" or insert: the date of the edition specified in the Loan Agreement governing the Project]</i></p>

ITB 6.1 (a)	<p>Qualification requirements for Bidders are:</p> <p><i>[As appropriate, specify: quantifiable qualification criteria for experience and/or financial viability].</i></p> <p>Note: Experience criteria may be specified as “During the past four (4) years, the Bidder must have completed three (3) successful contracts involving the development, installation, and provision of technical support for Information Systems of similar functional/technical characteristics and of a comparable scale (e.g., 500 workstations at 10 separate sites).” For financial viability, the Purchaser may require the Bidder to demonstrate annual turnover and liquidity of at least a minimum acceptable figure for, say, two of the last four years. Minimum acceptable annual turnover could typically be set, e.g., five (5) to ten (10) times the average annual cash-flow estimated for the proposed Contract.</p> <p>If bids for individual lots, slices, or Subsystems are permitted, the qualification criteria for each lot, slice, or Subsystem should be given separately.</p> <p>In the case where a pre-qualification process has been undertaken, the qualification criteria stated here should be the same criteria established in the pre-qualification.</p> <p><i>[If there are reasons to allow the qualifications of (some) Subcontractors to count for the Bidder, state “The qualifications of Subcontractors can count for the provision of the following key components:” followed by listing these key components.]</i></p> <p>Note: It would be appropriate to allow only such Subcontractors to be counted that provide well defined components or aspects of the Technical Requirements which usually would include sophisticated Services but would not merit making the provider jointly responsible for the success of the entire contract (as a Joint Venture partner would be). A prime example is to allow a Subcontractor nominated for providing ongoing hardware maintenance to count against any qualification criteria related to maintenance.</p>
ITB 6.1 (b)	<p>Manufacturer's Authorizations for Information Technologies - except for those technologies which the Bidder itself manufactures - are required for the following types/categories:</p> <p><i>[specify, for example: “none” / “all” / “all active (i.e. powered) equipment and all software”]</i></p> <p>Note: Authorizations for complex and critical technologies, such as servers, routers, or key software packages, should always be required.</p>

B. THE BIDDING DOCUMENTS

ITB 10.1	Purchaser's / duly authorized Purchasing Agent's address: <i>[insert: Purchaser's/Purchasing Agent's address, telephone and facsimile numbers, and e-mail address if any; also specify a responsible contact person or officer to whom bidder communications should be addressed]</i>
ITB 10.2	<p>Dates, times, and places for the pre-bid meeting: <i>[if no pre-bid meeting is planned, state "none," otherwise insert: date(s), time(s), and place(s)]</i></p> <p>Note: It is extremely difficult for Purchasers to describe perfectly their Information System requirements. Also the rapid pace of change in the IT sector means that bidders often have very constructive, more up-to-date questions and suggestions to make regarding the Purchaser's requirements. Therefore, the Bank strongly recommends a pre-bid meeting be set up for all major Information Systems procurement. In setting the date of the pre-bid meeting, the Purchaser should allow adequate time for Bidders to carefully read the Bidding Documents, organize the necessary participants (including partners), prepare queries, and obtain any necessary visa and travel documents.</p>

C. PREPARATION OF BIDS

ITB 12.1	The language of all correspondence and documents related to the bid is: <i>[select: English / French / Spanish]</i> . Unless explicitly specified in the Technical Requirements section, the key passages of all accompanying printed literature in any other language must be translated into the above language.
ITB 14.4	<p>The Incoterms edition is <i>["Incoterms 2000 — ICC Official Rules for the Interpretation of Trade Terms" published in September 1999 by the International Chamber of Commerce, 38 Cours Albert 1er, 75008 Paris, France]</i>.</p> <p>Note: For the current version of Incoterms consult the ICC web site at http://www.iccwbo.org/index_incoterms.asp</p>
ITB 14.4 (a)	<p>For foreign goods priced on a CIP (named place of destination) basis:</p> <p>(i) The contract of carriage shall include the cost of unloading the goods at destination, as well as payment</p>

	<p>by the Supplier of the cost of custom formalities, duties, taxes or other charges payable on the foreign Goods for their transit through any country other than the Purchaser's country.</p> <p>(ii) The named place of destination shall be the <i>[insert "Project Sites" or state the named port of entry or state another named place of destination]</i>.</p> <p>Note: See IT Procurement Guidance Note No. 9 for a discussion of the choice of CIP (project sites) as the default Incoterm for IT contracts. If there are minor differences in inland transport and insurance costs to different project sites, these costs must be averaged out in arriving at unique product prices.</p>
ITB 14.4 (c)	<p><i>Normally, don't include a BDS provision for this Clause. Alternatively, state the following (modified accordingly):</i></p> <p>The Purchaser will assume the responsibility, including for the transport risks, for arranging, at its cost, the inland transport of the <i>[if applicable: following]</i> Goods to the Project Sites.</p>
ITB 14.5	<p><i>Normally, don't include a BDS provision for this Clause. Alternatively, list any expenses incidental to the performance of Services and incurred by the Supplier, which the Purchaser will reimburse at cost against receipts, or will otherwise finance outside the Contract, and which, therefore, are not part of the bid price.</i></p>
ITB 14.7	<p>Prices quoted by the Bidder shall be <i>[state: "fixed;" or, if a price adjustment mechanism is required, for example, for Recurrent Costs, then specify the exact formula that will apply, including the nature of the indices that will be used]</i></p> <p>Note: In Information Systems procurement, the need for price adjustment is typically restricted to future labor costs for technical support and similar services. In such cases, a relevant price index linked to Information Technology labor costs should be used as the basis of the adjustment.</p>
ITB 15.1 (b)	<p>The currency to be used for quoting prices of the Goods and Services components of the System offered locally (i.e., from within the Purchaser's Country), as well as local currency expenditures for local technical support, training, maintenance, transportation, insurance, and other local services incidental to delivery, installation and operation of</p>

	<p>the System, is: [<i>select: currency of Purchaser's Country / other specific currency</i>].</p> <p>Note: Bid prices are usually lower if Bidders are allowed to quote and be paid in either the currency of expenditure or another internationally traded currency of their choice for each component of the System they offer.</p> <p>Normally the currency of bid and payment for locally supplied Goods and Services is the currency of the Purchaser's Country. However, Borrowers may allow domestic Bidders to bid in a stable foreign currency for their local costs. Alternatively, they may allow those prices to be adjusted. If payments must be made in the local currency to conform to local law or regulation, any such payments due to a domestic Supplier are converted from the currency of bid to the local currency at the exchange rate prevailing at the time of payment.</p> <p>The presence of such restrictions on the currency of payment for locally supplied Goods and Services, as well as the precise method of selecting the exchange rate to use in such a case (i.e., the date/time and source of the exchange rate), must be specified in the SCC regarding payment, along with the presence of such restrictions on the currency of payment for locally supplied Goods and Services for the System.</p> <p>If local bidders are required to bid in local currency and this currency is subject to high inflation, but the BDS does not allow these prices to be adjusted, then these bidders would need to build the inflation into their prices, putting them at a disadvantage compared to bidders bidding in stable foreign currencies when bid prices are evaluated and converted to a single currency pursuant to ITB Clause 27.</p>
ITB 16.2 (c)	<p>In addition to the topics described in ITB Clause 16.2 (c), the Preliminary Project Plan must address the following topics:</p> <p><i>[as appropriate, list additional topics for the Preliminary Project Plan (or reference the outline in the SCC and/or Technical Requirements), otherwise, state "none"]</i></p> <p>Note: Careful attention should be given to this item of the BDS. Information System contract performance is successful only when it is well planned and organized. The quality of a Bidder's Preliminary Project Plan and the people it offers to carry out its contract management, technical, and other services are key indicators of success.</p>

ITB 16.3	<p>In the interest of effective integration, cost-effective technical support, and reduced re-training and staffing costs, Bidders are required to offer specific brand names and models for the following limited number of specific items: <i>[as appropriate, state “none” or list brand-name items and references to the Technical Requirements where the items are detailed]</i>.</p>
ITB 17.1	<p>A bid security <i>[specify: will / will not]</i> be required.</p> <p>The amount of bid security required is: <i>[insert: fixed amount and currency]</i>.</p> <p>Note: The amount may be expressed either as a fixed amount or an amount “not less than” a specified percentage of the Bidder’s bid price. To avoid the premature indirect disclosure of bid prices to competitors by illegally acting commercial bank personnel or others who may know the value of a bidder’s security already issued, requesting bid security as a well-rounded fixed amount of about 1 to 2 percent of the budget estimate for the contract is strongly recommended. (Requiring higher bid security risks driving away potentially qualified Bidders.) Asking for smaller or no bid security, however, is acceptable for simple contracts where the market is relatively stable and mature.</p> <p>Also, in the case of Bidding Documents covering multiple Subsystems, slices, or lots, a bid security should be specified as representing no less than the total of the required bid security amounts per each lot, or no less than “x” percent of the total bid price for all Subsystems, slices, or lots, as covered by the bid.</p>
ITB 18.1	<p>The bid validity period shall be <i>[insert: number (X)]</i> days after the deadline for bid submission, as specified below in reference to ITB Clause 21. Accordingly, each bid shall be valid through <i>[insert: the actual date of the expiration of the bid validity period (i.e., the date that happens to be X days after the date of bid opening)]</i>.</p> <p>Note: The bid validity period should be sufficient to permit completion of the evaluation, review of the recommended award by the management of the implementing agency and the Bank, the receipt of all necessary approvals, including the Bank’s no-objection, and issuance of the notification of award. In most cases for straightforward Information Systems, ninety (90) days should be adequate, but whatever period is selected, it should be realistic so that requests for extensions are kept to the minimum.</p>

	<p><i>[If a bid security is required pursuant to ITB Clause 17.1, add:</i></p> <p>Accordingly, and pursuant to ITB Clause 17.2 (f), a bid with a bid security that expires before <i>[insert: the actual date of the expiration of the bid security, i.e., twenty-eight (28) days after the end of the bid validity period]</i> shall be rejected as non-responsive.]</p> <p>Note: Bank experience shows that many bids are rejected on the basis of simple errors in calculating the bid security validity period. Accordingly, it is recommended that the BDS explicitly states the date through which bid security must be valid. In this case, however, the Purchaser must not forget to amend this date accordingly in case the bid deadline gets extended pursuant to ITB Clause 21.</p>
ITB 19.1	<p>Required number of bid copies, besides the original: <i>[insert: number (X) of copies]</i></p> <p>Note: The required number should not be an excessive burden for bidders, especially if bids are expected to be voluminous. One original and four copies should be an upper limit.</p>

D. SUBMISSION OF BIDS

ITB 20.2 (a)	<p>The address for bid submission is: <i>[insert: address adequate for mail, courier, or physical delivery, including responsible officer or person]</i>.</p> <p>Note: Do not use a postal box or similar address.</p>
ITB 21.1	<p>Deadline for bid submission is: <i>[insert: date and time]</i>.</p> <p>Note: The bid submission date is generally six to twelve weeks from the date of issuance of the Bidding Documents, depending on the value, scope, and/or complexity of the System. The lower limit of six weeks would apply only when the content of the Technical Requirements is modest in volume and/or understandable by bidders with relative ease.</p>

E. BID OPENING AND EVALUATION

ITB 24.1	<p>Time, date, and place for bid opening are: <i>[insert: time, date, and place]</i>.</p>
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	<p>Note: The date for the bid opening should be the same as specified for the bid submission deadline, and the time should be shortly thereafter, to minimize possible complaints regarding insecure storage. If the address for bid submission and the place of bid opening are not the same, adequate time between bid submission deadline and bid opening times should be allowed, to accommodate physically moving the bids from one site to the other. However, this delay must be kept to a minimum and reflect only the requirements of logistics, say, no more than two hours.</p>
ITB 27.1	<p>The currency chosen for the purpose of converting to a common currency is: <i>[specify either: the local currency or a convertible currency commonly used for Information System procurement, for example, U.S. dollars]</i>.</p> <p>The source of exchange rate is: <i>[insert: publication, name of bank, etc.]</i>.</p> <p>Note: If the common currency is other than the local currency, for example, USD, indicate the name of an internationally circulated newspaper - e.g., The Financial Times - that lists daily currency selling exchange rates, which will be used for converting prices in foreign currencies. For prices in local currency and if the common currency selected above is the local currency, specify either the central bank or a commercial bank in the Purchaser's Country, and identify the publication, if any, where the specified rates are published.</p> <p>The date of exchange rate determination is: <i>[select: a date that shall not be earlier than four (4) weeks prior to the original deadline for the receipt of bids as specified for ITB Clause 21.1, and no later than the expiration of the original bid validity period]</i>. In case that no exchange rates are available on this date from the source indicated above, the latest available exchange rates from the same source prior to this date will be used.</p> <p>Note: Sample dates for determining the exchange rates for the purpose of converting bid prices to a common currency are, e.g., (a) a week before the deadline or earlier to assist Bidders in hedging their currency risks, (b) the day of the bid deadline itself, or (c) a date after the original bid deadline in order to somewhat equate the playing field for bids in local currency when that currency is subject to rapid inflation.</p>

ITB 28.1	<p>Bids for Subsystems, lots, or slices of the overall Information System [<i>specify: will / will not</i>] be accepted.</p> <p>Note: Keeping a single bid package obviously simplifies the evaluation and maintains clearer overall system implementation and warranty responsibilities. However, there may well be practical reasons to break a specific procurement package into parts that can be bid individually. If, therefore, bids will be accepted for one or more individual Subsystems, lots, or slices of the total Information System, include here the title of each Subsystem, lot, or slice for which bids can be submitted, as well as proper cross references to the Technical Requirements where a description of each Subsystem, lot, or slice can be found. Any other criterion that may affect award of more than one Subsystem, lot, or slice should also be specified here.</p> <p>Discounts for the award of multiple Subsystems, lots, or slices [<i>specify: will / will not</i>] be considered in bid evaluation.</p> <p>Note: Discounts for the award of multiple Subsystems, lots, or slices should be avoided when the evaluation is carried out taking into account technical factors, because otherwise the difficulty in establishing bid rankings for the individual lot, slice, or Subsystem awards may become unmanageable.</p>
ITB 28.4	<p>The bid evaluation [<i>specify: will / will not</i>] take into account technical factors in addition to cost factors.</p> <p>Note: If technical factors will be taken into account, insert the following, otherwise omit.</p> <p>The weight of the Price (“X” multiplied by 100 in the Evaluated Bid Score formula) = [<i>insert: percentage</i>]</p> <p>Note: The main criterion to determine this weight, and by implication the weight of technical quality factors in the evaluation, is the degree of professional judgment, project management, and risk management skills required from the Supplier’s team. The larger and more critical these skills, the more the procurement resembles a complex consulting services assignment and the higher should technical quality weigh in the evaluation. Percentages of up to 60% for quality and 40% for price are justified for these components. Service components requiring lesser, more easily available and measurable skills, should, of course, be rated at a lesser quality weight.</p> <p>Complex application software packages with differences in functionality and ease of use are also candidates where technical evaluation can be useful to allow the best, often justifiably higher-priced packages to remain in the</p>

	<p>competition while keeping competitive pressure on bid prices for them. Where the market shows significant differences between the quality and prices of packages (as currently, e.g., for geographical information systems as procured for the support of land management, financial management packages for Treasuries, or inter-bank settlement packages for Central Banks), up to 50% technical weight for these components could be justified. Conversely, where markets have resulted in a few mature products with, basically, similar advanced features, such as for operating systems or heavy-duty RDBMSs, the merit weight can be modest (20% or less, down to zero), and in this case be used to score the remaining few differences as far as these differences are of relevance for the Purchaser's business requirements.</p> <p>Straightforward procurement of even large amounts of standard technology and customary installation and maintenance services can be evaluated primarily on a price basis, giving quality a low weight ranging from 20% (e.g., when reflecting the capacity of high-performance servers, or different speeds and quality of telecommunications circuits) down to zero in the "off-the-shelf" cases of "Wintel" servers, workstations, printers, and LAN equipment.</p> <p>The total weight for the Technical Bid Score for a particular procurement package will be a blend of suitable weights of its major components. An approach to arriving at a blended figure is as follows:</p> <p>First, the total pre-bid price estimate E needs to be broken down into the price estimates of the main components by technical weight categories, e.g.,</p> <p>E_1 = complex services, with technical weight e_1 (say, 60%);</p> <p>E_2 = complex application package, with technical weight e_2 (say, 40%);</p> <p>...</p> <p>E_n = hardware, with technical weight e_n (say, 10%);</p> <p>Where $E = E_1 + E_2 + \dots + E_n$.</p> <p>In this case, the total weight for the Technical Bid Score for the entire procurement package expressed as a percentage figure would be:</p> $y = (E_1 * e_1 + E_2 * e_2 + \dots + E_n * e_n) / E$ <p>thereby determining the weight for Price in the formula for this ITB Clause as:</p> $X = (100 - y) / 100$ <p><u>Example:</u> If the total procurement package or lot is</p>
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	<p>estimated to cost \$5 million equivalent, and consists of complex software development services estimated at \$2 million and hardware plus basic software estimated at \$3 million, and 60% technical weight is allowed for the former, and 10% for the latter, then the total (blended) technical weight will be $(2*60 + 3*10)/5$, or 30%. In the example, the weight for the Technical Bid Score in the formula for the Evaluated Bid Score would be 0.3, and for the Price it would be 0.7. In real situations, actual figures may, of course, come out as fractions, and then may be rounded.</p>
ITB 28.5	<p><i>If the BDS for ITB Clause 28.4 above indicates that the Purchaser will not take into account technical factors in addition to cost factors in the bid evaluation, delete all remaining text in this BDS entry and state: "No technical/quality evaluation parameters are used in this procurement." Otherwise, provide the technical evaluation data below.</i></p> <p>(a),(b) The technical evaluation categories and the features to be evaluated within each category are as follows: <i>[insert: the list of categories and technical features within categories.]</i></p> <p>Note: The number of scored features should be kept to a minimum. This will keep the evaluation process manageable and transparent. It will also prevent the dilution of weight of critical technical factors. The scoring scheme should be based on a pre-specified assignment of points to pre-specified ranges of quantitative or qualitative technical factors. The operative goal of the scoring scheme is for a bidder to be able to accurately forecast its own technical score. The Purchaser may wish to prepare and reference an attachment to the Technical Requirements Section containing the detailed technical scoring scheme (also reflecting the next point, i.e., category and feature weights).</p> <p>(c),(e),(f) The evaluation weights for categories and technical features within categories are: <i>[insert weights for features and categories]</i>.</p> <p>Note: The weights for categories and for quantitative and qualitative features or factors within categories should be a compromise reflecting both the applicable weight range and the cost value (estimate) of the feature or factor. The same considerations apply as described in the Notes for BDS for ITB Clauses 28.4 and 28.5 (a) above.</p> <p>For instance, if the approach recommended in the Note under BDS for ITB Clause 28.4 is used to determine the overall weight of the Technical Bid Score, and if the same</p>

	<p>break-down (corresponding to estimates E_1 to E_n) is used to define the technical scoring categories, then the evaluation weight for each category can be computed as follows:</p> <p>The weight W_j for technical category E_j is:</p> $W_j = E_j \cdot e_j / (E_1 \cdot e_1 + E_2 \cdot e_2 + \dots + E_n \cdot e_n)$ <p>As can be seen, both the numerators and the denominator in this formula are values already computed per the Note under BDS for ITB Clause 28.4 for the total (blended) weight for the Technical Bid Score for the procurement package or lot.</p> <p><u>Example:</u> In the example of BDS for ITB Clause 28.4, the weight for the category “software development factors” would be $2 \cdot 60 / 150$, or 0.8, and for “hardware features” it would be $3 \cdot 10 / 150$, or 0.2. In this case, the total Technical Bid Score would be $T = S_1 \cdot 0.8 + S_2 \cdot 0.2$, where S_1 and S_2 are the Category Technical Scores, as added up for “software development” and “hardware” factors, respectively.</p> <p>IT Procurement Guidance Note No. 10 on the "Evaluation of Non-Price Factors in IT Procurement" provides more detailed coverage about approaches to designing technical evaluation methods.</p>
ITB 28.6 (c) (i)	<p>The Purchaser [<i>select: will / will not</i>] accept deviations in the schedule of installation and commissioning specified in the Implementation Schedule.</p> <p>Note: If schedule deviations are acceptable, state the maximum advance period is [<i>number of weeks</i>], and the maximum delay period is [<i>number of weeks</i>]</p> <p>The percentage for adjustment of a bid offering to complete installation and commissioning later than the specified date, but earlier than the maximum delay, is [<i>insert: percentage</i>] % of the bid price per week.</p> <p>Note: A rate of one-half percent (0.5%) per week is reasonable. However, if inflation in the local currency is expected to be high with Bidders quoting significant amounts in local currencies, different adjustment rates for local and foreign currency parts of the bid should be provided. The adjustment rate for local currency could be its current commercial borrowing rate.</p>
ITB 28.6 (c) (ii)	<p>The Purchaser [<i>select: will / will not</i>] accept deviations in the payment schedule in the SCC.</p>

	<p>Note: If deviations are accepted, add the following text.</p> <p>The percentage adjustment for payment schedule deviations is: <i>[insert: percentage]</i> % per week.</p> <p>Note: A rate of one-half percent (0.5%) per week is reasonable. However, if inflation in the local currency is expected to be high, then, as noted above, different adjustment rates for the local and foreign currency parts of the bid should be provided.</p>
ITB 28.6 (d)	<p>Interest Rate (I) for net present value calculations of recurrent costs = <i>[insert: interest rate]</i> percent per annum.</p> <p>Note: Ten percent per annum is a typical rate used. However, if inflation in the local currency is expected to be high, then, as noted above, different adjustment rates for local and foreign currency portions of the bid should be provided.</p>
ITB 29.1	<p>A margin of domestic preference <i>[specify: will / will not]</i> apply; and the price component in the bid against which the penalty will be applied will be the Products offered pursuant to ITB Clause 14.4 (a).</p>

F. POST-QUALIFICATION AND AWARD OF CONTRACT

ITB 31.2	<p>As additional post-qualification measures, the Information System (or components/parts of it) offered by the Lowest Evaluated Bidder may be subjected to the following tests and performance benchmarks prior to Contract award: <i>[specify: measures that will be used in the evaluation of bids, such as demonstration tests, performance benchmarks, documentation reviews, reference site visits, etc., and who will carry them out and how they will be conducted]</i>.</p> <p>Note: For demonstration or benchmark tests, specify full testing details and success criteria (alternatively, reference detailed discussion of testing in the Technical Requirements).</p>
ITB 33.1	<p>Percentage for quantity increase or decrease: <i>[insert: percentage]</i>.</p> <p>Note: The percentage of increase or decrease for hardware, software and similar components should normally not exceed 15 to 20 percent for each item and in the aggregate. If the System contains a number of virtually identical Subsystems, a specific percentage should be given,</p>

	<p>allowing a reasonable increase or decrease in the number of Subsystems to be contracted for at the time of Contract award.</p>
ITB 38.1	<p>The proposed Adjudicator is: <i>[insert: name and other identifying information “as per the résumé attached to this Bid Data Sheet”, or, exceptionally, state “There will be no Adjudicator under this Contract.”]</i></p> <p>Note: For the adjudication system to achieve its purpose (the quick and effective resolution of potential disputes), the Adjudicator should be a technical expert in the type of System covered by the Contract, with actual experience in Information System contract implementation. He/she should ideally, though not necessarily, come from a country other than that of the Purchaser, to avoid any appearance of a conflict of interest. However, it is preferable to propose an Adjudicator from the Purchaser’s country than to consider no adjudication.</p> <p>Normally, there should be an Adjudicator in the contract. The option of having no Adjudicator should be viewed as an exception, to be used only in relatively straightforward and short - about less than a year - contracts with little or no application software development or adaptation. The exception should be cleared by the World Bank.</p> <p>The proposed hourly fee is <i>[insert: amount and currency]</i>.</p> <p>The expenses that would be considered reimbursable to the Adjudicator are: <i>[specify: expense categories]</i>.</p> <p>Note: In addition to a fee for actual hours spent studying a case submitted for advice, an Adjudicator would expect to be reimbursed for all dispute-related telephone, fax, and other communications costs, as well as all costs associated with any trips to the site(s), if any.</p>

Attach résumé of proposed Adjudicator.

**SECTION III. ELIGIBILITY FOR THE PROVISION OF GOODS,
WORKS, AND SERVICES IN BANK-FINANCED PROCUREMENT**

Notes on the Eligibility section

Purchasers may obtain the latest Eligibility sheet from either the Bank's project staff or the World Bank's web site <http://www.worldbank.org/html/pic/PROCURE.html>. Replace the following page with the most current text. Restrictions listed at the web site with respect to IDA11, IDA12 or the IDA Interim Trust Fund need only be included if the procurement is financed by a credit from one of these funds. Otherwise, the Eligibility section must remain unaltered.

Public Information Center
Eligibility for the Provision of Goods, Works, and Services in Bank-Financed Procurement

As of March 2003¹

For the information of borrowers and bidders, and with reference to paragraph 1.6, footnote 9, of the Guidelines: Procurement under IBRD Loans and IDA Credits, dated January 1995 (revised January and August 1996, September 1997, and January 1999), set forth below is a list of countries from which Bidders, Goods, and Services are not eligible to participate in procurement financed by the World Bank or IDA.²

- Andorra
- Cuba
- Democratic People's Republic of Korea (North Korea)
- Liechtenstein
- Monaco
- Nauru
- Tuvalu

In addition, Bidders, Goods, and Services from other countries or territories may be declared ineligible by a provision in the Bidding Documents if the borrower's country has excluded them by a law, an official regulation, or an act of compliance meeting the requirements of paragraph 1.8 (a) of the Guidelines: Procurement under IBRD Loans and IDA Credits.

The Loan/Credit Agreement also prohibits a withdrawal from the Loan/Credit Account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of the Bank, is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. At the present time, this prohibition applies to

- Iraq

¹ The current listing of eligible countries can be viewed on the Public Information Center's web page at <http://www.worldbank.org/html/pic/PROCURE.html>. A list of firms debarred from participating in World Bank projects is available at <http://www.worldbank.org/html/opr/procure/debarr.html>

² Any questions regarding this list should be addressed to the Director, Procurement Policy & Services Group, Operations Policy & Country Services, The World Bank.

SECTION IV. GENERAL CONDITIONS OF CONTRACT

Notes on the General Conditions of Contract (GCC)

The General Conditions of Contract (GCC) contained in this section are to be read in conjunction with the Special Conditions of Contract (SCC) in Section V and the other documents listed in the Contract Agreement. Together they form a complete document expressing all the rights and obligations of the parties to the Contract.

The GCC must remain unaltered. Contract-specific information, deletions, extensions, and modifications to the GCC shall be introduced only through the SCC.

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General Conditions of Contract

A. CONTRACT AND INTERPRETATION

1. Definitions

1.1 In this Contract, the following terms shall be interpreted as indicated below.

(a) contract elements

- (i) “Contract” means the Contract Agreement entered into between the Purchaser and the Supplier, together with the Contract Documents referred to therein. The Contract Agreement and the Contract Documents shall constitute the Contract, and the term “the Contract” shall in all such documents be construed accordingly.
- (ii) “Contract Documents” means the documents specified in Article 1.1 (Contract Documents) of the Form of Contract Agreement (including any amendments to these Documents).
- (iii) “Contract Agreement” means the agreement entered into between the Purchaser and the Supplier using the Form of Contract Agreement contained in the Sample Forms Section of the Bidding Documents and any modifications to this form agreed to by the Purchaser and the Supplier. The date of the Contract Agreement shall be recorded in the signed form.
- (iv) “GCC” means the General Conditions of Contract.
- (v) “SCC” means the Special Conditions of Contract.
- (vi) “Technical Requirements” means the Technical Requirements Section of the Bidding Documents.
- (vii) “Implementation Schedule” means the Implementation Schedule Sub-section of the Technical Requirements.
- viii) “Contract Price” means the price or prices defined in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement.
- (ix) “Procurement Guidelines” refers to the edition

specified in the SCC of the World Bank Guidelines: Procurement under IBRD Loans and IDA Credits.

- (x) “Bidding Documents” refers to the collection of documents issued by the Purchaser to instruct and inform potential suppliers of the processes for bidding, selection of the winning bid, and Contract formation, as well as the contractual conditions governing the relationship between the Purchaser and the Supplier. The General and Special Conditions of Contract, the Technical Requirements, and all other documents included in the Bidding Documents reflect the World Bank Procurement Guidelines that the Purchaser is obligated to follow during procurement and administration of this Contract.
- (b) entities
- (i) “Purchaser” means the person purchasing the Information System, as specified in the SCC.
 - (ii) “Project Manager” means the person appointed by the Purchaser in the manner provided in GCC Clause 18.1 (Project Manager) and named as such in the SCC to perform the duties delegated by the Purchaser.
 - (iii) “Supplier” means the person(s) whose bid to perform the Contract has been accepted by the Purchaser and is named as such in the Contract Agreement.
 - (iv) “Supplier’s Representative” means any person nominated by the Supplier and named as such in the Contract Agreement and approved by the Purchaser in the manner provided in GCC Clause 18.2 (Supplier’s Representative) to perform the duties delegated by the Supplier.
 - (v) “Subcontractor,” including vendors, means any person to whom any of the obligations of the Supplier, including preparation of any design or supply of any Information Technologies or other Goods or Services, is subcontracted directly or indirectly by the Supplier.
 - (vi) “Adjudicator” means the person named in Appendix 2 of the Contract Agreement,

appointed by agreement between the Purchaser and the Supplier to make a decision on or to settle any dispute or difference between the Purchaser and the Supplier referred to him or her by the parties, pursuant to GCC Clause 6.1 (Adjudicator).

- (vii) “The World Bank” (also called “The Bank”) means the International Bank for Reconstruction and Development (IBRD) or the International Development Association (IDA).

(c) scope

- (i) “Information System,” also called “the System,” means all the Information Technologies, Materials, and other Goods to be supplied, installed, integrated, and made operational (exclusive of the Supplier’s Equipment), together with the Services to be carried out by the Supplier under the Contract.
- (ii) “Subsystem” means any subset of the System identified as such in the Contract that may be supplied, installed, tested, and commissioned individually before Commissioning of the entire System.
- (iii) “Information Technologies” means all information processing and communications-related hardware, Software, supplies, and consumable items that the Supplier is required to supply and install under the Contract.
- (iv) “Goods” means all equipment, machinery, furnishings, Materials, and other tangible items that the Supplier is required to supply or supply and install under the Contract, including, without limitation, the Information Technologies and Materials, but excluding the Supplier’s Equipment.
- (v) “Services” means all technical, logistical, management, and any other Services to be provided by the Supplier under the Contract to supply, install, customize, integrate, and make operational the System. Such Services may include, but are not restricted to, activity management and quality assurance, design,

development, customization, documentation, transportation, insurance, inspection, expediting, site preparation, installation, integration, training, data migration, Pre-commissioning, Commissioning, maintenance, and technical support.

- (vi) “The Project Plan” means the document to be developed by the Supplier and approved by the Purchaser, pursuant to GCC Clause 19, based on the requirements of the Contract and the Preliminary Project Plan included in the Supplier’s bid. The “Agreed and Finalized Project Plan” is the version of the Project Plan approved by the Purchaser, in accordance with GCC Clause 19.2. Should the Project Plan conflict with the Contract in any way, the relevant provisions of the Contract, including any amendments, shall prevail.
- (vii) “Software” means that part of the System which are instructions that cause information processing Subsystems to perform in a specific manner or execute specific operations.
- (viii) “System Software” means Software that provides the operating and management instructions for the underlying hardware and other components, and is identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be Systems Software. Such System Software includes, but is not restricted to, micro-code embedded in hardware (i.e., “firmware”), operating systems, communications, system and network management, and utility software.
- (ix) “General-Purpose Software” means Software that supports general-purpose office and software development activities and is identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be General-Purpose Software. Such General-Purpose Software may include, but is not restricted to, word processing, spreadsheet, generic database management, and application development

software.

- (x) “Application Software” means Software formulated to perform specific business or technical functions and interface with the business or technical users of the System and is identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be Application Software.
- (xi) “Standard Software” means Software identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be Standard Software.
- (xii) “Custom Software” means Software identified as such in Appendix 4 of the Contract Agreement and such other Software as the parties may agree in writing to be Custom Software.
- (xiii) “Source Code” means the database structures, dictionaries, definitions, program source files, and any other symbolic representations necessary for the compilation, execution, and subsequent maintenance of the Software (typically, but not exclusively, required for Custom Software).
- (xiv) “Materials” means all documentation in printed or printable form and all instructional and informational aides in any form (including audio, video, and text) and on any medium, provided to the Purchaser under the Contract.
- (xv) “Standard Materials” means all Materials not specified as Custom Materials.
- (xvi) “Custom Materials” means Materials developed by the Supplier at the Purchaser’s expense under the Contract and identified as such in Appendix 5 of the Contract Agreement and such other Materials as the parties may agree in writing to be Custom Materials. Custom Materials includes Materials created from Standard Materials.
- (xvii) “Intellectual Property Rights” means any and

all copyright, moral rights, trademark, patent, and other intellectual and proprietary rights, title and interests worldwide, whether vested, contingent, or future, including without limitation all economic rights and all exclusive rights to reproduce, fix, adapt, modify, translate, create derivative works from, extract or re-utilize data from, manufacture, introduce into circulation, publish, distribute, sell, license, sublicense, transfer, rent, lease, transmit or provide access electronically, broadcast, display, enter into computer memory, or otherwise use any portion or copy, in whole or in part, in any form, directly or indirectly, or to authorize or assign others to do so.

(xviii) “Supplier’s Equipment” means all equipment, tools, apparatus, or things of every kind required in or for installation, completion and maintenance of the System that are to be provided by the Supplier, but excluding the Information Technologies, or other items forming part of the System.

(d) activities

(i) “Delivery” means the transfer of the Goods from the Supplier to the Purchaser in accordance with the current edition Incoterms specified in the Contract.

(ii) “Installation” means that the System or a Subsystem as specified in the Contract is ready for Commissioning as provided in GCC Clause 26 (Installation).

(iii) “Pre-commissioning” means the testing, checking, and any other required activity that may be specified in the Technical Requirements that are to be carried out by the Supplier in preparation for Commissioning of the System as provided in GCC Clause 26 (Installation).

(iv) “Commissioning” means operation of the System or any Subsystem by the Supplier following Installation, which operation is to be carried out by the Supplier as provided in GCC Clause 27.1 (Commissioning), for the purpose of carrying out Operational Acceptance Test(s).

- (v) “Operational Acceptance Tests” means the tests specified in the Technical Requirements and Agreed and Finalized Project Plan to be carried out to ascertain whether the System, or a specified Subsystem, is able to attain the functional and performance requirements specified in the Technical Requirements and Agreed and Finalized Project Plan, in accordance with the provisions of GCC Clause 27.2 (Operational Acceptance Test).
 - (vi) “Operational Acceptance” means the acceptance by the Purchaser of the System (or any Subsystem(s) where the Contract provides for acceptance of the System in parts), in accordance with GCC Clause 27.3 (Operational Acceptance).
- (e) place and time
- (i) “Purchaser’s Country” is the country named in the SCC.
 - (ii) “Supplier’s Country” is the country in which the Supplier is legally organized, as named in the Contract Agreement.
 - (iii) “Project Site(s)” means the place(s) specified in the SCC for the supply and installation of the System.
 - (iv) “Eligible Country” means the countries and territories eligible for participation in procurements financed by the World Bank as defined in the Guidelines: Procurement under IBRD Loans and IDA Credits. (**Note:** The World Bank maintains a list of countries from which Bidders, Goods, and Services are not eligible to participate in procurement financed by the Bank. The list is regularly updated and can be obtained from the Public Information Center of the Bank or its web site on procurement. A copy of the negative list is contained in the Section of the Bidding Documents entitled “Eligibility for the Provision of Goods, Works, and Services in Bank-Financed Procurement”).
 - (v) “Day” means calendar day of the Gregorian

Calendar.

- (vi) “Week” means seven (7) consecutive Days, beginning the day of the week as is customary in the Purchaser’s Country.
- (vii) “Month” means calendar month of the Gregorian Calendar.
- (viii) “Year” means twelve (12) consecutive Months.
- (ix) “Effective Date” means the date of fulfillment of all conditions specified in Article 3 (Effective Date for Determining Time for Achieving Operational Acceptance) of the Contract Agreement, for the purpose of determining the Delivery, Installation, and Operational Acceptance dates for the System or Subsystem(s).
- (x) “Contract Period” is the time period during which this Contract governs the relations and obligations of the Purchaser and Supplier in relation to the System, as specified in the SCC.
- (xi) “Defect Liability Period” (also referred to as the “Warranty Period”) means the period of validity of the warranties given by the Supplier commencing at date of the Operational Acceptance Certificate of the System or Subsystem(s), during which the Supplier is responsible for defects with respect to the System (or the relevant Subsystem[s]) as provided in GCC Clause 29 (Defect Liability).
- (xii) “The Post-Warranty Services Period” means the number of years defined in the SCC (if any), following the expiration of the Warranty Period during which the Supplier may be obligated to provide Software licenses, maintenance, and/or technical support services for the System, either under this Contract or under separate contract(s).
- (xiii) “The Coverage Period” means the Days of the Week and the hours of those Days during which maintenance, operational, and/or technical support services (if any) must be available.

- 2. Contract Documents**
- 2.1 Subject to Article 1.2 (Order of Precedence) of the Contract Agreement, all documents forming part of the Contract (and all parts of these documents) are intended to be correlative, complementary, and mutually explanatory. The Contract shall be read as a whole.
- 3. Interpretation**
- 3.1 Language
- 3.1.1 Unless the Supplier is a national of the Purchaser's Country and the Purchaser and the Supplier agree to use the national language, all Contract Documents, all correspondence, and communications to be given shall be written in the language specified in the SCC, and the Contract shall be construed and interpreted in accordance with that language.
- 3.1.2 If any of the Contract Documents, correspondence, or communications are prepared in any language other than the governing language under GCC Clause 3.1.1 above, the translation of such documents, correspondence, or communications shall prevail in matters of interpretation. The originating party, with respect to such documents, correspondence, and communications, shall bear the costs and risks of such translation.
- 3.2 Singular and Plural
- The singular shall include the plural and the plural the singular, except where the context otherwise requires.
- 3.3 Headings
- The headings and marginal notes in the GCC are included for ease of reference and shall neither constitute a part of the Contract nor affect its interpretation.
- 3.4 Persons
- Words importing persons or parties shall include firms, corporations, and government entities.
- 3.5 Incoterms
- Unless inconsistent with any provision of the Contract, the meaning of any trade term and the rights and obligations of parties thereunder shall be as prescribed by the current Incoterms ("Incoterms 2000" or a more recent version if and as published). Incoterms are the international rules for interpreting trade terms published by the International

Chamber of Commerce, 38 Cours Albert 1er, 75008 Paris, France.

3.6 Entire Agreement

The Contract constitutes the entire agreement between the Purchaser and Supplier with respect to the subject matter of Contract and supersedes all communications, negotiations, and agreements (whether written or oral) of parties with respect to the subject matter of the Contract made prior to the date of Contract.

3.7 Amendment

No amendment or other variation of the Contract shall be effective unless it is in writing, is dated, expressly refers to the Contract, and is signed by a duly authorized representative of each party to the Contract.

3.8 Independent Supplier

The Supplier shall be an independent contractor performing the Contract. The Contract does not create any agency, partnership, joint venture, or other joint relationship between the parties to the Contract.

Subject to the provisions of the Contract, the Supplier shall be solely responsible for the manner in which the Contract is performed. All employees, representatives, or Subcontractors engaged by the Supplier in connection with the performance of the Contract shall be under the complete control of the Supplier and shall not be deemed to be employees of the Purchaser, and nothing contained in the Contract or in any subcontract awarded by the Supplier shall be construed to create any contractual relationship between any such employees, representatives, or Subcontractors and the Purchaser.

3.9 Joint Venture or Consortium

If the Supplier is a Joint Venture or consortium of two or more persons, all such firms shall be jointly and severally bound to the Purchaser for the fulfillment of the provisions of the Contract and shall designate one of such persons to act as a leader with authority to bind the Joint Venture or consortium. The composition or constitution of the Joint Venture or consortium shall not be altered without the prior consent of the Purchaser.

3.10 Nonwaiver

3.10.1 Subject to GCC Clause 3.10.2 below, no relaxation, forbearance, delay, or indulgence by either party in enforcing any of the terms and conditions of the Contract or the granting of time by either party to the other shall prejudice, affect, or restrict the rights of that party under the Contract, nor shall any waiver by either party of any breach of Contract operate as waiver of any subsequent or continuing breach of Contract.

3.10.2 Any waiver of a party's rights, powers, or remedies under the Contract must be in writing, must be dated and signed by an authorized representative of the party granting such waiver, and must specify the right and the extent to which it is being waived.

3.11 Severability

If any provision or condition of the Contract is prohibited or rendered invalid or unenforceable, such prohibition, invalidity, or unenforceability shall not affect the validity or enforceability of any other provisions and conditions of the Contract.

3.12 Country of Origin

"Origin" means the place where the Information Technologies, Materials, and other Goods for the System were produced or from which the Services are supplied. Goods are produced when, through manufacturing, processing, Software development, or substantial and major assembly or integration of components, a commercially recognized product results that is substantially different in basic characteristics or in purpose or utility from its components. The Origin of Goods and Services is distinct from the nationality of the Supplier and may be different.

4. Notices

4.1 Unless otherwise stated in the Contract, all notices to be given under the Contract shall be in writing and shall be sent by personal delivery, airmail post, special courier, cable, telegraph, telex, facsimile, electronic mail, or Electronic Data Interchange (EDI) to the address of the relevant party as specified in the SCC, with the following provisions.

4.1.1 Any notice sent by cable, telegraph, telex, facsimile,

electronic mail, or EDI shall be confirmed within two (2) days after dispatch by notice sent by airmail post or special courier, except as otherwise specified in the Contract.

4.1.2 Any notice sent by airmail post or special courier shall be deemed (in the absence of evidence of earlier receipt) to have been delivered ten (10) days after dispatch. In proving the fact of dispatch, it shall be sufficient to show that the envelope containing such notice was properly addressed, stamped, and conveyed to the postal authorities or courier service for transmission by airmail or special courier.

4.1.3 Any notice delivered personally or sent by cable, telegraph, telex, facsimile, electronic mail, or EDI shall be deemed to have been delivered on the date of its dispatch.

4.1.4 Either party may change its postal, cable, telex, facsimile, electronic mail, or EDI address or addressee for receipt of such notices by ten (10) days' notice to the other party in writing.

4.2 Notices shall be deemed to include any approvals, consents, instructions, orders, and certificates to be given under the Contract.

5. Governing Law

5.1 The Contract shall be governed by and interpreted in accordance with the laws of the country specified in the SCC.

6. Settlement of Disputes

6.1 Adjudication

6.1.1 If any dispute of any kind whatsoever shall arise between the Purchaser and the Supplier in connection with or arising out of the Contract, including without prejudice to the generality of the foregoing, any question regarding its existence, validity, or termination, or the operation of the System (whether during the progress of implementation or after its achieving Operational Acceptance and whether before or after the termination, abandonment, or breach of the Contract), the parties shall seek to resolve any such dispute or difference by mutual consultation. If the parties fail to resolve such a dispute or difference by mutual consultation, within fourteen (14) days after one party has notified the other in writing of the

dispute or difference, then, if the Contract Agreement in Appendix 2 includes and names an Adjudicator, the dispute shall be referred in writing by either party to the Adjudicator, with a copy to the other party. If there is no Adjudicator specified in the Contract Agreement, the mutual consultation period stated above shall last 28 days (instead of 14), upon expiry of which either party may move to the notification of arbitration pursuant to GCC Clause 6.2.1.

6.1.2 The Adjudicator shall give his or her decision in writing to both parties within twenty-eight (28) days of a dispute being referred to the Adjudicator. If the Adjudicator has done so, and no notice of intention to commence arbitration has been given by either the Purchaser or the Supplier within fifty-six (56) days of such reference, the decision shall become final and binding upon the Purchaser and the Supplier. Any decision that has become final and binding shall be implemented by the parties forthwith.

6.1.3 The Adjudicator shall be paid an hourly fee at the rate specified in the Contract Agreement plus reasonable expenditures incurred in the execution of duties as Adjudicator, and these costs shall be divided equally between the Purchaser and the Supplier.

6.1.4 Should the Adjudicator resign or die, or should the Purchaser and the Supplier agree that the Adjudicator is not fulfilling his or her functions in accordance with the provisions of the Contract, a new Adjudicator shall be jointly appointed by the Purchaser and the Supplier. Failing agreement between the two within twenty-eight (28) days, the new Adjudicator shall be appointed at the request of either party by the Appointing Authority specified in the SCC, or, if no Appointing Authority is specified in SCC, the Contract shall, from this point onward and until the parties may otherwise agree on an Adjudicator or an Appointing Authority, be implemented as if there is no Adjudicator.

6.2 Arbitration

6.2.1 If either the Purchaser or the Supplier is dissatisfied with the Adjudicator's decision, or if the Adjudicator fails to give a decision within twenty-eight (28) days of a dispute being referred to him or her, then either

the Purchaser or the Supplier may, within fifty-six (56) days of such reference, give notice to the other party, with a copy for information to the Adjudicator, of its intention to commence arbitration, as provided below, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.

6.2.2 Any dispute in respect of which a notice of intention to commence arbitration has been given, in accordance with GCC Clause 6.2.1, shall be finally settled by arbitration. Arbitration may be commenced prior to or after Installation of the Information System.

6.2.3 Arbitration proceedings shall be conducted in accordance with the rules of procedure specified in the SCC.

6.3 Notwithstanding any reference to the Adjudicator or arbitration in this clause,

- (a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree;
- (b) the Purchaser shall pay the Supplier any monies due the Supplier.

B. SUBJECT MATTER OF CONTRACT

7. Scope of the System

7.1 Unless otherwise expressly limited in the SCC or Technical Requirements, the Supplier's obligations cover the provision of all Information Technologies, Materials and other Goods as well as the performance of all Services required for the design, development, and implementation (including procurement, quality assurance, assembly, associated site preparation, Delivery, Pre-commissioning, Installation, Testing, and Commissioning) of the System, in accordance with the plans, procedures, specifications, drawings, codes, and any other documents specified in the Contract and the Agreed and Finalized Project Plan.

7.2 The Supplier shall, unless specifically excluded in the Contract, perform all such work and / or supply all such items and Materials not specifically mentioned in the Contract but that can be reasonably inferred from the

Contract as being required for attaining Operational Acceptance of the System as if such work and / or items and Materials were expressly mentioned in the Contract.

7.3 The Supplier's obligations (if any) to provide Goods and Services as implied by the Recurrent Cost Form of the Supplier's bid, such as consumables, spare parts, and technical services (e.g., maintenance, technical assistance, and operational support), are as specified in the SCC, including the relevant terms, characteristics, and timings.

8. Time for Commencement and Operational Acceptance

8.1 The Supplier shall commence work on the System within the period specified in the SCC, and without prejudice to GCC Clause 28.2, the Supplier shall thereafter proceed with the System in accordance with the time schedule specified in the Implementation Schedule in the Technical Requirements Section and any refinements made in the Agreed and Finalized Project Plan.

8.2 The Supplier shall achieve Operational Acceptance of the System (or Subsystem(s) where a separate time for Operational Acceptance of such Subsystem(s) is specified in the Contract) within the time specified in the SCC and in accordance with the time schedule specified in the Implementation Schedule in the Technical Requirements Section and any refinements made in the Agreed and Finalized Project Plan, or within such extended time to which the Supplier shall be entitled under GCC Clause 40 (Extension of Time for Achieving Operational Acceptance).

9. Supplier's Responsibilities

9.1 The Supplier shall conduct all activities with due care and diligence, in accordance with the Contract and with the skill and care expected of a competent provider of information technologies, information systems, support, maintenance, training, and other related services, or in accordance with best industry practices. In particular, the Supplier shall provide and employ only technical personnel who are skilled and experienced in their respective callings and supervisory staff who are competent to adequately supervise the work at hand.

9.2 The Supplier confirms that it has entered into this Contract on the basis of a proper examination of the data relating to the System provided by the Purchaser and on the basis of information that the Supplier could have obtained from a visual inspection of the site (if access to the site was available) and of other data readily available to the Supplier

relating to the System as at the date twenty-eight (28) days prior to bid submission. The Supplier acknowledges that any failure to acquaint itself with all such data and information shall not relieve its responsibility for properly estimating the difficulty or cost of successfully performing the Contract.

- 9.3 The Supplier shall be responsible for timely provision of all resources, information, and decision making under its control that are necessary to reach a mutually Agreed and Finalized Project Plan (pursuant to GCC Clause 19.2) within the time schedule specified in the Implementation Schedule in the Technical Requirements Section. Failure to provide such resources, information, and decision making may constitute grounds for termination pursuant to GCC Clause 41.2.
- 9.4 The Supplier shall acquire in its name all permits, approvals, and/or licenses from all local, state, or national government authorities or public service undertakings in the Purchaser's Country that are necessary for the performance of the Contract, including, without limitation, visas for the Supplier's and Subcontractor's personnel and entry permits for all imported Supplier's Equipment. The Supplier shall acquire all other permits, approvals, and/or licenses that are not the responsibility of the Purchaser under GCC Clause 10.4 and that are necessary for the performance of the Contract.
- 9.5 The Supplier shall comply with all laws in force in the Purchaser's Country. The laws will include all national, provincial, municipal, or other laws that affect the performance of the Contract and are binding upon the Supplier. The Supplier shall indemnify and hold harmless the Purchaser from and against any and all liabilities, damages, claims, fines, penalties, and expenses of whatever nature arising or resulting from the violation of such laws by the Supplier or its personnel, including the Subcontractors and their personnel, but without prejudice to GCC Clause 10.1. The Supplier shall not indemnify the Purchaser to the extent that such liability, damage, claims, fines, penalties, and expenses were caused or contributed to by a fault of the Purchaser.
- 9.6 The Supplier shall, in all dealings with its labor and the labor of its Subcontractors currently employed on or connected with the Contract, pay due regard to all recognized festivals, official holidays, religious or other customs, and all local

laws and regulations pertaining to the employment of labor.

- 9.7 Any Information Technologies or other Goods and Services that will be incorporated in or be required for the System and other supplies shall have their Origin, as defined in GCC Clause 3.12, in a country that shall be an Eligible Country, as defined in GCC Clause 1.1 (e) (iv).
- 9.8 The Supplier shall permit the Bank to inspect the Supplier's accounts and records relating to the performance of the Supplier and to have them audited by auditors appointed by the Bank, if so required by the Bank.
- 9.9 Other Supplier responsibilities, if any, are as stated in the SCC.

10. Purchaser's Responsibilities

- 10.1 The Purchaser shall ensure the accuracy of all information and/or data to be supplied by the Purchaser to the Supplier, except when otherwise expressly stated in the Contract.
- 10.2 The Purchaser shall be responsible for timely provision of all resources, information, and decision making under its control that are necessary to reach an Agreed and Finalized Project Plan (pursuant to GCC Clause 19.2) within the time schedule specified in the Implementation Schedule in the Technical Requirements Section. Failure to provide such resources, information, and decision making may constitute grounds for Termination pursuant to GCC Clause 41.3.1 (b).
- 10.3 The Purchaser shall be responsible for acquiring and providing legal and physical possession of the site and access to it, and for providing possession of and access to all other areas reasonably required for the proper execution of the Contract.
- 10.4 If requested by the Supplier, the Purchaser shall use its best endeavors to assist the Supplier in obtaining in a timely and expeditious manner all permits, approvals, and/or licenses necessary for the execution of the Contract from all local, state, or national government authorities or public service undertakings that such authorities or undertakings require the Supplier or Subcontractors or the personnel of the Supplier or Subcontractors, as the case may be, to obtain.
- 10.5 In such cases where the responsibilities of specifying and acquiring or upgrading telecommunications and/or electric power services falls to the Supplier, as specified in the Technical Requirements, SCC, Agreed and Finalized Project Plan, or other parts of the Contract, the Purchaser shall use its best endeavors to assist the Supplier in obtaining such

services in a timely and expeditious manner.

- 10.6 The Purchaser shall be responsible for timely provision of all resources, access, and information necessary for the Installation and Operational Acceptance of the System (including, but not limited to, any required telecommunications or electric power services), as identified in the Agreed and Finalized Project Plan, except where provision of such items is explicitly identified in the Contract as being the responsibility of the Supplier. Delay by the Purchaser may result in an appropriate extension of the Time for Operational Acceptance, at the Supplier's discretion.
- 10.7 Unless otherwise specified in the Contract or agreed upon by the Purchaser and the Supplier, the Purchaser shall provide sufficient, properly qualified operating and technical personnel, as required by the Supplier to properly carry out Delivery, Pre-commissioning, Installation, Commissioning, and Operational Acceptance, at or before the time specified in the Technical Requirements Section's Implementation Schedule and the Agreed and Finalized Project Plan.
- 10.8 The Purchaser will designate appropriate staff for the training courses to be given by the Supplier and shall make all appropriate logistical arrangements for such training as specified in the Technical Requirements, SCC, the Agreed and Finalized Project Plan, or other parts of the Contract.
- 10.9 The Purchaser assumes primary responsibility for the Operational Acceptance Test(s) for the System, in accordance with GCC Clause 27.2, and shall be responsible for the continued operation of the System after Operational Acceptance. However, this shall not limit in any way the Supplier's responsibilities after the date of Operational Acceptance otherwise specified in the Contract.
- 10.10 The Purchaser is responsible for performing and safely storing timely and regular backups of its data and Software in accordance with accepted data management principles, except where such responsibility is clearly assigned to the Supplier elsewhere in the Contract.
- 10.11 All costs and expenses involved in the performance of the obligations under this GCC Clause 10 shall be the responsibility of the Purchaser, save those to be incurred by the Supplier with respect to the performance of the Operational Acceptance Test(s), in accordance with GCC Clause 27.2.
- 10.12 Other Purchaser responsibilities, if any, are as stated in the

SCC.

C. PAYMENT

- 11. Contract Price**
- 11.1 The Contract Price shall be as specified in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement.
- 11.2 The Contract Price shall be a firm lump sum not subject to any alteration, except:
- (a) in the event of a Change in the System pursuant to GCC Clause 39 or to other clauses in the Contract;
 - (b) in accordance with the price adjustment formula (if any) specified in the SCC.
- 11.3 The Supplier shall be deemed to have satisfied itself as to the correctness and sufficiency of the Contract Price, which shall, except as otherwise provided for in the Contract, cover all its obligations under the Contract.
- 12. Terms of Payment**
- 12.1 The Supplier's request for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the System or Subsystem(s), Delivered, Pre-commissioned, Installed, and Operationally Accepted, and by documents submitted pursuant to GCC Clause 22.5 and upon fulfillment of other obligations stipulated in the Contract.
- The Contract Price shall be paid as specified in the SCC.
- 12.2 No payment made by the Purchaser herein shall be deemed to constitute acceptance by the Purchaser of the System or any Subsystem(s).
- 12.3 Payments shall be made promptly by the Purchaser, but in no case later than forty five (45) days after submission of a valid invoice by the Supplier. In the event that the Purchaser fails to make any payment by its respective due date or within the period set forth in the Contract, the Purchaser shall pay to the Supplier interest on the amount of such delayed payment at the rate(s) specified in the SCC for the period of delay until payment has been made in full, whether before or after judgment or arbitration award.
- 12.4 All payments shall be made in the currency(ies) specified in the Contract Agreement, pursuant to GCC Clause 11. For

Goods and Services supplied locally, payments shall be made in the currency of the Purchaser's Country, unless otherwise specified in the SCC.

- 12.5 Unless otherwise specified in the SCC, payment of the foreign currency portion of the Contract Price for Goods supplied from outside the Purchaser's Country shall be made to the Supplier through an irrevocable letter of credit opened by an authorized bank in the Supplier's Country and will be payable on presentation of the appropriate documents. It is agreed that the letter of credit will be subject to Article 10 of the latest revision of Uniform Customs and Practice for Documentary Credits, published by the International Chamber of Commerce, Paris.

13. Securities

13.1 Issuance of Securities

The Supplier shall provide the securities specified below in favor of the Purchaser at the times and in the amount, manner, and form specified below.

13.2 Advance Payment Security

13.2.1 As specified in the SCC, the Supplier shall provide a security equal in amount and currency to the advance payment, and valid until the System is Operationally Accepted.

13.2.2 The security shall be in the form provided in the Bidding Documents or in another form acceptable to the Purchaser. The amount of the security shall be reduced in proportion to the value of the System executed by and paid to the Supplier from time to time and shall automatically become null and void when the full amount of the advance payment has been recovered by the Purchaser. The way the value of the security is deemed to become reduced and, eventually, voided is as specified in the SCC. The security shall be returned to the Supplier immediately after its expiration.

13.3 Performance Security

13.3.1 The Supplier shall, within twenty-eight (28) days of the notification of Contract award, provide a security for the due performance of the Contract in the amount and currency specified in the SCC.

13.3.2 The security shall be in one of the following forms:

- (a) a bank guarantee, in the form provided in the Sample Forms Section of the Bidding Documents, or an irrevocable letter of credit issued by a reputable bank located in the Purchaser's Country or outside the Purchaser's Country, acceptable to the Purchaser; or
- (b) a cashier's or certified check.

13.3.3 The security shall automatically become null and void once all the obligations of the Supplier under the Contract have been fulfilled, including, but not limited to, any obligations during the Warranty Period and any extensions to the period. The security shall be returned to the Supplier no later than thirty (30) days after its expiration.

13.3.4 The security shall be reduced:

- (a) pro rata by the portion of the Contract Price payable for any Subsystem(s) that has achieved Operational Acceptance, if permitted by the Contract, on the date of such Operational Acceptance;
- (b) by the amount specified in the SCC, to reflect Operational Acceptance of the entire System, on the date of such Operational Acceptance, so that the reduced security would only cover the remaining warranty obligations of the Supplier.

14. Taxes and Duties

14.1 For Goods or Services supplied from outside the Purchaser's country, the Supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the Purchaser's country. Any duties, such as importation or customs duties, and taxes and other levies, payable in the Purchaser's country for the supply of Goods and Services from outside the Purchaser's country are the responsibility of the Purchaser unless these duties or taxes have been made part of the Contract Price in Article 2 of the Contract Agreement and the Price Schedule it refers to, in which case the duties and taxes will be the Supplier's responsibility.

14.2 For Goods or Services supplied locally, the Supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted Goods or Services to the Purchaser. The only exception are taxes or duties, such

as value-added or sales tax or stamp duty as apply to, or are clearly identifiable, on the invoices and provided they apply in the Purchaser's country, and only if these taxes, levies and/or duties are also excluded from the Contract Price in Article 2 of the Contract Agreement and the Price Schedule it refers to.

- 14.3 If any tax exemptions, reductions, allowances, or privileges may be available to the Supplier in the Purchaser's Country, the Purchaser shall use its best efforts to enable the Supplier to benefit from any such tax savings to the maximum allowable extent.
- 14.4 For the purpose of the Contract, it is agreed that the Contract Price specified in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement is based on the taxes, duties, levies, and charges prevailing at the date twenty-eight (28) days prior to the date of bid submission in the Purchaser's Country (also called "Tax" in this GCC Clause 14.4). If any Tax rates are increased or decreased, a new Tax is introduced, an existing Tax is abolished, or any change in interpretation or application of any Tax occurs in the course of the performance of the Contract, which was or will be assessed on the Supplier, its Subcontractors, or their employees in connection with performance of the Contract, an equitable adjustment to the Contract Price shall be made to fully take into account any such change by addition to or reduction from the Contract Price, as the case may be.

D. INTELLECTUAL PROPERTY

15. Copyright

- 15.1 The Intellectual Property Rights in all Standard Software and Standard Materials shall remain vested in the owner of such rights.
- 15.2 The Purchaser agrees to restrict use, copying, or duplication of the Standard Software and Standard Materials in accordance with GCC Clause 16, except that additional copies of Standard Materials may be made by the Purchaser for use within the scope of the project of which the System is a part, in the event that the Supplier does not deliver copies within thirty (30) days from receipt of a request for such Standard Materials.
- 15.3 The Purchaser's contractual rights to use the Standard Software or elements of the Standard Software may not be

assigned, licensed, or otherwise transferred voluntarily except in accordance with the relevant license agreement or as may be otherwise specified in the SCC.

15.4 As applicable, the Purchaser's and Supplier's rights and obligations with respect to Custom Software or elements of the Custom Software, including any license agreements, and with respect to Custom Materials or elements of the Custom Materials are specified in the SCC. Subject to the SCC, the Intellectual Property Rights in all Custom Software and Custom Materials specified in Appendices 4 and 5 of the Contract Agreement (if any) shall, at the date of this Contract or on creation of the rights (if later than the date of this Contract), vest in the Purchaser. The Supplier shall do and execute or arrange for the doing and executing of each necessary act, document, and thing that the Purchaser may consider necessary or desirable to perfect the right, title, and interest of the Purchaser in and to those rights. In respect of such Custom Software and Custom Materials, the Supplier shall ensure that the holder of a moral right in such an item does not assert it, and the Supplier shall, if requested to do so by the Purchaser and where permitted by applicable law, ensure that the holder of such a moral right waives it.

15.5 The parties shall enter into such (if any) escrow arrangements in relation to the Source Code to some or all of the Software as are specified in the SCC and in accordance with the SCC.

16. Software License Agreements

16.1 Except to the extent that the Intellectual Property Rights in the Software vest in the Purchaser, the Supplier hereby grants to the Purchaser license to access and use the Software, including all inventions, designs, and marks embodied in the Software.

Such license to access and use the Software shall:

- (a) be:
 - (i) nonexclusive;
 - (ii) fully paid up and irrevocable (except that it shall terminate if the Contract terminates under GCC Clauses 41.1 or 41.3);
 - (iii) valid throughout the territory of the Purchaser's Country (or such other territory as specified in the SCC); and
 - (iv) subject to additional restrictions (if any) as

specified in the SCC.

- (b) permit the Software to be:
 - (i) used or copied for use on or with the computer(s) for which it was acquired (if specified in the Technical Requirements and/or the Supplier's bid), plus a backup computer(s) of the same or similar capacity, if the primary is(are) inoperative, and during a reasonable transitional period when use is being transferred between primary and backup;
 - (ii) as specified in the SCC, used or copied for use on or transferred to a replacement computer(s), (and use on the original and replacement computer(s) may be simultaneous during a reasonable transitional period) provided that, if the Technical Requirements and/or the Supplier's bid specifies a class of computer to which the license is restricted and unless the Supplier agrees otherwise in writing, the replacement computer(s) is(are) within that class;
 - (iii) if the nature of the System is such as to permit such access, accessed from other computers connected to the primary and/or backup computer(s) by means of a local or wide-area network or similar arrangement, and used on or copied for use on those other computers to the extent necessary to that access;
 - (iv) reproduced for safekeeping or backup purposes;
 - (v) customized, adapted, or combined with other computer software for use by the Purchaser, provided that derivative software incorporating any substantial part of the delivered, restricted Software shall be subject to same restrictions as are set forth in this Contract;
 - (vi) as specified in the SCC, disclosed to, and reproduced for use by, support service suppliers and their subcontractors, (and the Purchaser may sublicense such persons to use and copy for use the Software) to the extent reasonably necessary to the performance of their support service contracts, subject to the same restrictions as are set forth in this Contract; and

(vii) disclosed to, and reproduced for use by, the Purchaser and by such other persons as are specified in the SCC (and the Purchaser may sublicense such persons to use and copy for use the Software), subject to the same restrictions as are set forth in this Contract.

16.2 The Standard Software may be subject to audit by the Supplier, in accordance with the terms specified in the SCC, to verify compliance with the above license agreements.

17. Confidential Information

17.1 Except if otherwise specified in the SCC, the Purchaser and the Supplier (“the Receiving Party”) shall each keep confidential and shall not, without the written consent of the other party to this Contract (“the Disclosing Party”), divulge to any third party any documents, data, or other information of a confidential nature (“Confidential Information”):

- (a) furnished directly or indirectly by the Disclosing Party in connection with this Contract; or
- (b) where the Supplier is the Receiving Party, generated by the Supplier in the course of the performance of its obligations under the Contract and relating to the businesses, finances, suppliers, employees, or other contacts of the Purchaser or the Purchaser’s use of the System,

whether such information has been furnished or generated prior to, during, or following termination of the Contract (“Confidential Information”).

17.2 Notwithstanding the above:

- (a) the Supplier may furnish to its Subcontractor Confidential Information of the Purchaser to the extent reasonably required for the Subcontractor to perform its work under the Contract; and
- (b) the Purchaser may furnish Confidential Information of the Supplier: (i) to its support service suppliers and their subcontractors to the extent reasonably required for them to perform their work under their support service contracts; and (ii) to its affiliates and subsidiaries,

in which event the Receiving Party shall ensure that the person to whom it furnishes Confidential Information of the Disclosing Party is aware of and abides by the Receiving Party’s obligations under this GCC Clause 17 as if that

person were party to the Contract in place of the Receiving Party.

- 17.3 The Purchaser shall not, without the Supplier's prior written consent, use any Confidential Information received from the Supplier for any purpose other than the operation, maintenance and further development of the System. Similarly, the Supplier shall not, without the Purchaser's prior written consent, use any Confidential Information received from the Purchaser for any purpose other than those that are required for the performance of the Contract.
- 17.4 The obligation of a party under GCC Clauses 17.1, 17.2, and 17.3 above, however, shall not apply to that information which:
- (a) now or hereafter enters the public domain through no fault of the Receiving Party;
 - (b) can be proven to have been possessed by the Receiving Party at the time of disclosure and that was not previously obtained, directly or indirectly, from the Disclosing Party;
 - (c) otherwise lawfully becomes available to the Receiving Party from a third party that has no obligation of confidentiality.
- 17.5 The above provisions of this GCC Clause 17 shall not in any way modify any undertaking of confidentiality given by either of the parties to this Contract prior to the date of the Contract in respect of the System or any part thereof.
- 17.6 The provisions of this GCC Clause 17 shall survive the termination, for whatever reason, of the Contract for three (3) years or such longer period as may be specified in the SCC.

E. SUPPLY, INSTALLATION, TESTING, COMMISSIONING, AND ACCEPTANCE OF THE SYSTEM

18. Representatives 18.1 Project Manager

If the Project Manager is not named in the Contract, then within fourteen (14) days of the Effective Date, the Purchaser shall appoint and notify the Supplier in writing of the name of the Project Manager. The Purchaser may from

time to time appoint some other person as the Project Manager in place of the person previously so appointed and shall give a notice of the name of such other person to the Supplier without delay. No such appointment shall be made at such a time or in such a manner as to impede the progress of work on the System. Such appointment shall take effect only upon receipt of such notice by the Supplier. Subject to the extensions and/or limitations specified in the SCC (if any), the Project Manager shall have the authority to represent the Purchaser on all day-to-day matters relating to the System or arising from the Contract. All notices, instructions, orders, certificates, approvals, and all other communications under the Contract shall be given by the Project Manager, except as otherwise provided for in this Contract.

All notices, instructions, information, and other communications given by the Supplier to the Purchaser under the Contract shall be given to the Project Manager, except as otherwise provided for in this Contract.

18.2 Supplier's Representative

18.2.1 If the Supplier's Representative is not named in the Contract, then within fourteen (14) days of the Effective Date, the Supplier shall appoint the Supplier's Representative and shall request the Purchaser in writing to approve the person so appointed. The request must be accompanied by a detailed curriculum vitae for the nominee, as well as a description of any other System or non-System responsibilities the nominee would retain while performing the duties of the Supplier's Representative. If the Purchaser does not object to the appointment within fourteen (14) days, the Supplier's Representative shall be deemed to have been approved. If the Purchaser objects to the appointment within fourteen (14) days giving the reason therefor, then the Supplier shall appoint a replacement within fourteen (14) days of such objection in accordance with this GCC Clause 18.2.1.

18.2.2 Subject to the extensions and/or limitations specified in the SCC (if any), the Supplier's Representative shall have the authority to represent the Supplier on all day-to-day matters relating to the System or arising from the Contract. The Supplier's Representative

shall give to the Project Manager all the Supplier's notices, instructions, information, and all other communications under the Contract.

All notices, instructions, information, and all other communications given by the Purchaser or the Project Manager to the Supplier under the Contract shall be given to the Supplier's Representative or, in its absence, its deputy, except as otherwise provided for in this Contract.

18.2.3 The Supplier shall not revoke the appointment of the Supplier's Representative without the Purchaser's prior written consent, which shall not be unreasonably withheld. If the Purchaser consents to such an action, the Supplier shall appoint another person of equal or superior qualifications as the Supplier's Representative, pursuant to the procedure set out in GCC Clause 18.2.1.

18.2.4 The Supplier's Representative and staff are obliged to work closely with the Purchaser's Project Manager and staff, act within their own authority, and abide by directives issued by the Purchaser that are consistent with the terms of the Contract. The Supplier's Representative is responsible for managing the activities of its personnel and any subcontracted personnel.

18.2.5 The Supplier's Representative may, subject to the approval of the Purchaser (which shall not be unreasonably withheld), at any time delegate to any person any of the powers, functions, and authorities vested in him or her. Any such delegation may be revoked at any time. Any such delegation or revocation shall be subject to a prior notice signed by the Supplier's Representative and shall specify the powers, functions, and authorities thereby delegated or revoked. No such delegation or revocation shall take effect unless and until a copy of such a notice has been delivered to the Purchaser and the Project Manager.

18.2.6 Any act or exercise by any person of powers, functions and authorities so delegated to him or her in accordance with GCC Clause 18.2.5 shall be deemed to be an act or exercise by the Supplier's

Representative.

18.3 Objections and Removals

18.3.1 The Purchaser may by notice to the Supplier object to any representative or person employed by the Supplier in the execution of the Contract who, in the reasonable opinion of the Purchaser, may have behaved inappropriately, be incompetent, or be negligent. The Purchaser shall provide evidence of the same, whereupon the Supplier shall remove such person from work on the System.

18.3.2 If any representative or person employed by the Supplier is removed in accordance with GCC Clause 18.3.1, the Supplier shall, where required, promptly appoint a replacement.

19. Project Plan

19.1 In close cooperation with the Purchaser and based on the Preliminary Project Plan included in the Supplier's bid, the Supplier shall develop a Project Plan encompassing the activities specified in the Contract. The contents of the Project Plan shall be as specified in the SCC and/or Technical Requirements.

19.2 The Supplier shall formally present to the Purchaser the Project Plan in accordance with the procedure specified in the SCC.

19.3 If required, the impact on the Implementation Schedule of modifications agreed during finalization of the Agreed and Finalized Project Plan shall be incorporated in the Contract by amendment, in accordance with GCC Clauses 39 and 40.

19.4 The Supplier shall undertake to supply, install, test, and commission the System in accordance with the Agreed and Finalized Project Plan and the Contract.

19.5 The Progress and other reports specified in the SCC shall be prepared by the Supplier and submitted to the Purchaser in the format and frequency specified in the Technical Requirements.

20. Subcontracting

20.1 Appendix 3 (List of Approved Subcontractors) to the Contract Agreement specifies critical items of supply or services and a list of Subcontractors for each item that are considered acceptable by the Purchaser. If no Subcontractors are listed for an item, the Supplier shall

prepare a list of Subcontractors it considers qualified and wishes to be added to the list for such items. The Supplier may from time to time propose additions to or deletions from any such list. The Supplier shall submit any such list or any modification to the list to the Purchaser for its approval in sufficient time so as not to impede the progress of work on the System. The Purchaser shall not withhold such approval unreasonably. Such approval by the Purchaser of a Subcontractor(s) shall not relieve the Supplier from any of its obligations, duties, or responsibilities under the Contract.

20.2 The Supplier may, at its discretion, select and employ Subcontractors for such critical items from those Subcontractors listed pursuant to GCC Clause 20.1. If the Supplier wishes to employ a Subcontractor not so listed, or subcontract an item not so listed, it must seek the Purchaser's prior approval under GCC Clause 20.3.

20.3 For items for which pre-approved Subcontractor lists have not been specified in Appendix 3 to the Contract Agreement, the Supplier may employ such Subcontractors as it may select, provided: (i) the Supplier notifies the Purchaser in writing at least twenty-eight (28) days prior to the proposed mobilization date for such Subcontractor; and (ii) by the end of this period either the Purchaser has granted its approval in writing or fails to respond. The Supplier shall not engage any Subcontractor to which the Purchaser has objected in writing prior to the end of the notice period. The absence of a written objection by the Purchaser during the above specified period shall constitute formal acceptance of the proposed Subcontractor. Except to the extent that it permits the deemed approval of the Purchaser of Subcontractors not listed in the Contract Agreement, nothing in this Clause, however, shall limit the rights and obligations of either the Purchaser or Supplier as they are specified in GCC Clauses 20.1 and 20.2, in the SCC, or in Appendix 3 of the Contract Agreement.

21. Design and Engineering

21.1 Technical Specifications and Drawings

21.1.1 The Supplier shall execute the basic and detailed design and the implementation activities necessary for successful installation of the System in compliance with the provisions of the Contract or, where not so specified, in accordance with good industry practice.

The Supplier shall be responsible for any discrepancies, errors or omissions in the

specifications, drawings, and other technical documents that it has prepared, whether such specifications, drawings, and other documents have been approved by the Project Manager or not, provided that such discrepancies, errors, or omissions are not because of inaccurate information furnished in writing to the Supplier by or on behalf of the Purchaser.

21.1.2 The Supplier shall be entitled to disclaim responsibility for any design, data, drawing, specification, or other document, or any modification of such design, drawings, specification, or other documents provided or designated by or on behalf of the Purchaser, by giving a notice of such disclaimer to the Project Manager.

21.2 Codes and Standards

Wherever references are made in the Contract to codes and standards in accordance with which the Contract shall be executed, the edition or the revised version of such codes and standards current at the date twenty-eight (28) days prior to date of bid submission shall apply unless otherwise specified in the SCC. During Contract execution, any changes in such codes and standards shall be applied after approval by the Purchaser and shall be treated in accordance with GCC Clause 39.3.

21.3 Approval/Review of Technical Documents by the Project Manager

21.3.1 The Supplier shall prepare and furnish to the Project Manager the documents as specified in the SCC for the Project Manager's approval or review.

Any part of the System covered by or related to the documents to be approved by the Project Manager shall be executed only after the Project Manager's approval of these documents.

GCC Clauses 21.3.2 through 21.3.7 shall apply to those documents requiring the Project Manager's approval, but not to those furnished to the Project Manager for its review only.

21.3.2 Within fourteen (14) days after receipt by the Project Manager of any document requiring the Project Manager's approval in accordance with GCC Clause

21.3.1, the Project Manager shall either return one copy of the document to the Supplier with its approval endorsed on the document or shall notify the Supplier in writing of its disapproval of the document and the reasons for disapproval and the modifications that the Project Manager proposes. If the Project Manager fails to take such action within the fourteen (14) days, then the document shall be deemed to have been approved by the Project Manager.

21.3.3 The Project Manager shall not disapprove any document except on the grounds that the document does not comply with some specified provision of the Contract or that it is contrary to good industry practice.

21.3.4 If the Project Manager disapproves the document, the Supplier shall modify the document and resubmit it for the Project Manager's approval in accordance with GCC Clause 21.3.2. If the Project Manager approves the document subject to modification(s), the Supplier shall make the required modification(s), and the document shall then be deemed to have been approved, subject to GCC Clause 21.3.5. The procedure set out in GCC Clauses 21.3.2 through 21.3.4 shall be repeated, as appropriate, until the Project Manager approves such documents.

21.3.5 If any dispute or difference occurs between the Purchaser and the Supplier in connection with or arising out of the disapproval by the Project Manager of any document and/or any modification(s) to a document that cannot be settled between the parties within a reasonable period, then, in case the Contract Agreement includes and names an Adjudicator, such dispute or difference may be referred to the Adjudicator for determination in accordance with GCC Clause 6.1 (Adjudicator). If such dispute or difference is referred to an Adjudicator, the Project Manager shall give instructions as to whether and if so, how, performance of the Contract is to proceed. The Supplier shall proceed with the Contract in accordance with the Project Manager's instructions, provided that if the Adjudicator upholds the Supplier's view on the dispute and if the Purchaser has not given notice under GCC Clause 6.1.2, then the Supplier shall be reimbursed by the Purchaser for any

additional costs incurred by reason of such instructions and shall be relieved of such responsibility or liability in connection with the dispute and the execution of the instructions as the Adjudicator shall decide, and the Time for Achieving Operational Acceptance shall be extended accordingly.

21.3.6 The Project Manager's approval, with or without modification of the document furnished by the Supplier, shall not relieve the Supplier of any responsibility or liability imposed upon it by any provisions of the Contract except to the extent that any subsequent failure results from modifications required by the Project Manager or inaccurate information furnished in writing to the Supplier by or on behalf of the Purchaser.

21.3.7 The Supplier shall not depart from any approved document unless the Supplier has first submitted to the Project Manager an amended document and obtained the Project Manager's approval of the document, pursuant to the provisions of this GCC Clause 21.3. If the Project Manager requests any change in any already approved document and/or in any document based on such an approved document, the provisions of GCC Clause 39 (Changes to the System) shall apply to such request.

22. Procurement, Delivery, and Transport

22.1 Subject to GCC Clause 14.2, the Supplier shall manufacture or procure and transport all the Information Technologies, Materials, and other Goods in an expeditious and orderly manner to the Project Site.

22.2 Delivery of the Information Technologies, Materials, and other Goods shall be made by the Supplier in accordance with the Technical Requirements.

22.3 Early or partial deliveries require the explicit written consent of the Purchaser, which consent shall not be unreasonably withheld.

22.4 Transportation

22.4.1 The Supplier shall provide such packing of the Goods as is required to prevent their damage or deterioration during shipment. The packing, marking, and documentation within and outside the packages shall comply strictly with the Purchaser's instructions to the

Supplier.

22.4.2 The Supplier will bear responsibility for and cost of transport to the Project Sites in accordance with the terms and conditions used in the specification of prices in the Price Schedules, including the terms and conditions of the associated Incoterms.

22.4.3 Unless otherwise specified in the SCC, The Supplier shall be free to use transportation through carriers registered in any eligible country and to obtain insurance from any eligible source country.

22.5 Unless otherwise specified in the SCC, the Supplier will provide the Purchaser with shipping and other documents, as specified below:

22.5.1 For Goods supplied from outside the Purchaser's Country:

Upon shipment, the Supplier shall notify the Purchaser and the insurance company contracted by the Supplier to provide cargo insurance by telex, cable, facsimile, electronic mail, or EDI with the full details of the shipment. The Supplier shall promptly send the following documents to the Purchaser by mail or courier, as appropriate, with a copy to the cargo insurance company:

- (a) two copies of the Supplier's invoice showing the description of the Goods, quantity, unit price, and total amount;
- (b) usual transportation documents;
- (c) insurance certificate;
- (d) certificate(s) of origin; and
- (e) estimated time and point of arrival in the Purchaser's Country and at the site.

22.5.2 For Goods supplied locally (i.e., from within the Purchaser's country):

Upon shipment, the Supplier shall notify the Purchaser by telex, cable, facsimile, electronic mail, or EDI with the full details of the shipment. The Supplier shall promptly send the following documents to the

Purchaser by mail or courier, as appropriate:

- (a) two copies of the Supplier's invoice showing the Goods' description, quantity, unit price, and total amount;
- (b) delivery note, railway receipt, or truck receipt;
- (c) certificate of insurance;
- (d) certificate(s) of origin; and
- (e) estimated time of arrival at the site.

22.6 Customs Clearance

- (a) The Purchaser will bear responsibility for, and cost of, customs clearance into the Purchaser's country in accordance the particular Incoterm(s) used for Goods supplied from outside the Purchaser's country in the Price Schedules referred to by Article 2 of the Contract Agreement.
- (b) At the request of the Purchaser, the Supplier will make available a representative or agent during the process of customs clearance in the Purchaser's country for goods supplied from outside the Purchaser's country. In the event of delays in customs clearance that are not the fault of the Supplier:
 - (i) the Supplier shall be entitled to an extension in the Time for Achieving Operational Acceptance, pursuant to GCC Clause 40;
 - (ii) the Contract Price shall be adjusted to compensate the Supplier for any additional storage charges that the Supplier may incur as a result of the delay.

23. Product Upgrades

23.1 At any point during performance of the Contract, should technological advances be introduced by the Supplier for Information Technologies originally offered by the Supplier in its bid and still to be delivered, the Supplier shall be obligated to offer to the Purchaser the latest versions of the available Information Technologies having equal or better performance or functionality at the same or lesser unit prices, pursuant to GCC Clause 39 (Changes to the System).

23.2 At any point during performance of the Contract, for Information Technologies still to be delivered, the Supplier

will also pass on to the Purchaser any cost reductions and additional and/or improved support and facilities that it offers to other clients of the Supplier in the Purchaser's Country, pursuant to GCC Clause 39 (Changes to the System).

- 23.3 During performance of the Contract, the Supplier shall offer to the Purchaser all new versions, releases, and updates of Standard Software, as well as related documentation and technical support services, within thirty (30) days of their availability from the Supplier to other clients of the Supplier in the Purchaser's Country, and no later than twelve (12) months after they are released in the country of origin. In no case will the prices for these Software exceed those quoted by the Supplier in the Recurrent Costs Form in its bid.
- 23.4 During the Warranty Period, unless otherwise specified in the SCC, the Supplier will provide at no additional cost to the Purchaser all new versions, releases, and updates for all Standard Software that are used in the System, within thirty (30) days of their availability from the Supplier to other clients of the Supplier in the Purchaser's country, and no later than twelve (12) months after they are released in the country of origin of the Software.
- 23.5 The Purchaser shall introduce all new versions, releases or updates of the Software within eighteen (18) months of receipt of a production-ready copy of the new version, release, or update, provided that the new version, release, or update does not adversely affect System operation or performance or require extensive reworking of the System. In cases where the new version, release, or update adversely affects System operation or performance, or requires extensive reworking of the System, the Supplier shall continue to support and maintain the version or release previously in operation for as long as necessary to allow introduction of the new version, release, or update. In no case shall the Supplier stop supporting or maintaining a version or release of the Software less than twenty four (24) months after the Purchaser receives a production-ready copy of a subsequent version, release, or update. The Purchaser shall use all reasonable endeavors to implement any new version, release, or update as soon as practicable, subject to the twenty-four-month-long stop date.

24. Implementation, Installation, and Other Services

- 24.1 The Supplier shall provide all Services specified in the Contract and Agreed and Finalized Project Plan in accordance with the highest standards of professional competence and integrity.
- 24.2 Prices charged by the Supplier for Services, if not included in the Contract, shall be agreed upon in advance by the parties (including, but not restricted to, any prices submitted by the Supplier in the Recurrent Cost Schedules of its Bid) and shall not exceed the prevailing rates charged by the Supplier to other purchasers in the Purchaser's Country for similar services.

25. Inspections and Tests

- 25.1 The Purchaser or its representative shall have the right to inspect and/or test any components of the System, as specified in the Technical Requirements, to confirm their good working order and/or conformity to the Contract at the point of delivery and/or at the Project Site.
- 25.2 The Purchaser and the Project Manager or their designated representatives shall be entitled to attend any such inspections and/or tests of the components, provided that the Purchaser shall bear all costs and expenses incurred in connection with such attendance, including but not limited to all inspection agent fees, travel, and related expenses.
- 25.3 Should the inspected or tested components fail to conform to the Contract, the Purchaser may reject the component(s), and the Supplier shall either replace the rejected component(s), or make alterations as necessary so that it meets the Contract requirements free of cost to the Purchaser.
- 25.4 The Project Manager may require the Supplier to carry out any inspection and/or test not specified in the Contract, provided that the Supplier's reasonable costs and expenses incurred in the carrying out of such inspection and/or test shall be added to the Contract Price. Further, if such inspection and/or test impedes the progress of work on the System and/or the Supplier's performance of its other obligations under the Contract, due allowance will be made in respect of the Time for Achieving Operational Acceptance and the other obligations so affected.
- 25.5 If any dispute or difference of opinion shall arise between the parties in connection with or caused by an inspection and/or with regard to any component to be incorporated in the System that cannot be settled amicably between the parties within a reasonable period of time, either party may

invoke the process pursuant to GCC Clause 6 (Settlement of Disputes), starting with referral of the matter to the Adjudicator in case an Adjudicator is included and named in the Contract Agreement.

26. Installation of the System

26.1 As soon as the System, or any Subsystem, has, in the opinion of the Supplier, been delivered, Pre-commissioned, and made ready for Commissioning and Operational Acceptance Testing in accordance with the Technical Requirements the SCC and the Agreed and Finalized Project Plan, the Supplier shall so notify the Purchaser in writing.

26.2 The Project Manager shall, within fourteen (14) days after receipt of the Supplier's notice under GCC Clause 26.1, either issue an Installation Certificate in the form specified in the Sample Forms Section in the Bidding Documents, stating that the System, or major component or Subsystem (if Acceptance by major component or Subsystem is specified in the Contract), has achieved Installation by the date of the Supplier's notice under GCC Clause 26.1, or notify the Supplier in writing of any defects and/or deficiencies, including, but not limited to, defects or deficiencies in the interoperability or integration of the various components and/or Subsystems making up the System. The Supplier shall use all reasonable endeavors to promptly remedy any defect and/or deficiencies that the Project Manager has notified the Supplier of. The Supplier shall then promptly carry out retesting of the System or Subsystem and, when in the Supplier's opinion the System or Subsystem is ready for Commissioning and Operational Acceptance Testing, notify the Purchaser in writing, in accordance with GCC Clause 26.1. The procedure set out in this GCC Clause 26.2 shall be repeated, as necessary, until an Installation Certificate is issued.

26.3 If the Project Manager fails to issue the Installation Certificate and fails to inform the Supplier of any defects and/or deficiencies within fourteen (14) days after receipt of the Supplier's notice under GCC Clause 26.1, or if the Purchaser puts the System or a Subsystem into production operation, then the System (or Subsystem) shall be deemed to have achieved successful Installation as of the date of the Supplier's notice or repeated notice, or when the Purchaser put the System into production operation, as the case may be.

27. Commissioning and Operational

27.1 Commissioning

27.1.1 Commissioning of the System (or Subsystem if

Acceptance

specified in the Contract) shall be commenced by the Supplier:

- (a) immediately after the Installation Certificate is issued by the Project Manager, pursuant to GCC Clause 26.2; or
- (b) as otherwise specified in the Technical Requirement or the Agreed and Finalized Project Plan; or
- (c) immediately after Installation is deemed to have occurred, under GCC Clause 26.3.

27.1.2 The Purchaser shall supply the operating and technical personnel and all materials and information reasonably required to enable the Supplier to carry out its obligations with respect to Commissioning.

Production use of the System or Subsystem(s) shall not commence prior to the start of formal Operational Acceptance Testing.

27.2 Operational Acceptance Tests

27.2.1 The Operational Acceptance Tests (and repeats of such tests) shall be the primary responsibility of the Purchaser (in accordance with GCC Clause 10.9), but shall be conducted with the full cooperation of the Supplier during Commissioning of the System (or Subsystem[s] if specified in the Contract), to ascertain whether the System (or major component or Subsystem[s]) conforms to the Technical Requirements and meets the standard of performance quoted in the Supplier's bid, including, but not restricted to, the functional and technical performance requirements. The Operational Acceptance Tests during Commissioning will be conducted as specified in the SCC, the Technical Requirements and/or the Agreed and Finalized Project Plan.

At the Purchaser's discretion, Operational Acceptance Tests may also be performed on replacement Goods, upgrades and new version releases, and Goods that are added or field-modified after Operational Acceptance of the System.

27.2.2 If for reasons attributable to the Purchaser, the Operational Acceptance Test of the System (or

Subsystem[s] or major component if allowed by the SCC and/or the Technical Specifications) cannot be successfully completed within the period specified in the SCC, from the date of Installation or any other period agreed upon in writing by the Purchaser and the Supplier, the Supplier shall be deemed to have fulfilled its obligations with respect to the technical and functional aspects of the Technical Specifications, SCC and/or the Agreed and Finalized Project Plan, and GCC Clause 28.2 and 28.3 shall not apply.

27.3 Operational Acceptance

27.3.1 Subject to GCC Clause 27.4 (Partial Acceptance) below, Operational Acceptance shall occur in respect of the System, when

- (a) the Operational Acceptance Tests, as specified in the Technical Requirements, and/or SCC and/or the Agreed and Finalized Project Plan have been successfully completed; or
- (b) the Operational Acceptance Tests have not been successfully completed or have not been carried out for reasons that are attributable to the Purchaser within the period from the date of Installation or any other agreed-upon period as specified in GCC Clause 27.2.2 above; or
- (c) the Purchaser has put the System into production or use for sixty (60) consecutive days. If the System is put into production or use in this manner, the Supplier shall notify the Purchaser and document such use.

27.3.2 At any time after any of the events set out in GCC Clause 27.3.1 have occurred, the Supplier may give a notice to the Project Manager requesting the issue of an Operational Acceptance Certificate.

27.3.3 After consultation with the Purchaser, and within fourteen (14) days after receipt of the Supplier's notice, the Project Manager shall:

- (a) issue an Operational Acceptance Certificate; or
- (b) notify the Supplier in writing of any defect or deficiencies or other reason for the failure of the

Operational Acceptance Tests; or

- (c) issue the Operational Acceptance Certificate, if the situation covered by GCC Clause 27.3.1 (b) arises.

27.3.4 The Supplier shall use all reasonable endeavors to promptly remedy any defect and/or deficiencies and/or other reasons for the failure of the Operational Acceptance Test that the Project Manager has notified the Supplier of. Once such remedies have been made by the Supplier, the Supplier shall notify the Purchaser, and the Purchaser, with the full cooperation of the Supplier, shall use all reasonable endeavors to promptly carry out retesting of the System or Subsystem. Upon the successful conclusion of the Operational Acceptance Tests, the Supplier shall notify the Purchaser of its request for Operational Acceptance Certification, in accordance with GCC Clause 27.3.3. The Purchaser shall then issue to the Supplier the Operational Acceptance Certification in accordance with GCC Clause 27.3.3 (a), or shall notify the Supplier of further defects, deficiencies, or other reasons for the failure of the Operational Acceptance Test. The procedure set out in this GCC Clause 27.3.4 shall be repeated, as necessary, until an Operational Acceptance Certificate is issued.

27.3.5 If the System or Subsystem fails to pass the Operational Acceptance Test(s) in accordance with GCC Clause 27.2, then either:

- (a) the Purchaser may consider terminating the Contract, pursuant to GCC Clause 41.2.2;

or

- (b) if the failure to achieve Operational Acceptance within the specified time period is a result of the failure of the Purchaser to fulfill its obligations under the Contract, then the Supplier shall be deemed to have fulfilled its obligations with respect to the relevant technical and functional aspects of the Contract, and GCC Clauses 30.3 and 30.4 shall not apply.

27.3.6 If within fourteen (14) days after receipt of the Supplier's notice the Project Manager fails to issue the

Operational Acceptance Certificate or fails to inform the Supplier in writing of the justifiable reasons why the Project Manager has not issued the Operational Acceptance Certificate, the System or Subsystem shall be deemed to have been accepted as of the date of the Supplier's said notice.

27.4 Partial Acceptance

27.4.1 If specified in the Contract, Installation and Commissioning shall be carried out individually for each identified major component or Subsystem(s) of the System. In this event, the provisions in the Contract relating to Installation and Commissioning, including the Operational Acceptance Test, shall apply to each such major component or Subsystem individually, and Operational Acceptance Certificate(s) shall be issued accordingly for each such major component or Subsystem of the System, subject to the limitations contained in GCC Clause 27.4.2.

27.4.2 The issuance of Operational Acceptance Certificates for individual major components or Subsystems pursuant to GCC Clause 27.4.1 shall not relieve the Supplier of its obligation to obtain an Operational Acceptance Certificate for the System as a whole (if specified in the Contract) once all major components and Subsystems have been supplied, installed, tested, and commissioned.

27.4.3 In the case of minor components for the System that by their nature do not require Commissioning or an Operational Acceptance Test (e.g., minor fittings, furnishings or site works, etc.), the Project Manager shall issue an Operational Acceptance Certificate within fourteen (14) days after the fittings and/or furnishings have been delivered and/or installed or the site works have been completed. The Supplier shall, however, use all reasonable endeavors to promptly remedy any defects or deficiencies in such minor components detected by the Purchaser or Supplier.

F. GUARANTEES AND LIABILITIES

28. Operational Acceptance Time 28.1 The Supplier guarantees that it shall complete the supply, Installation, Commissioning, and achieve Operational

Guarantee

Acceptance of the System (or Subsystems, if specified in the Contract) within the time periods specified in the Implementation Schedule in the Technical Requirements Section and/or the Agreed and Finalized Project Plan pursuant to GCC Clause 8.2, or within such extended time to which the Supplier shall be entitled under GCC Clause 40 (Extension of Time for Achieving Operational Acceptance).

- 28.2 If the Supplier fails to supply, install, commission, and achieve Operational Acceptance of the System (or Subsystems if specified in the Contract) within the time for achieving Operational Acceptance specified in the Implementation Schedule in the Technical Requirement or the Agreed and Finalized Project Plan, or any extension of the time for achieving Operational Acceptance previously granted under GCC Clause 40 (Extension of Time for Achieving Operational Acceptance), the Supplier shall pay to the Purchaser liquidated damages at the rate specified in the SCC as a percentage of the Contract Price, or the relevant part of the Contract Price if a Subsystem has not achieved Operational Acceptance. The aggregate amount of such liquidated damages shall in no event exceed the amount specified in the SCC (“the Maximum”). Once the Maximum is reached, the Purchaser may consider termination of the Contract, pursuant to GCC Clause 41.2.2.
- 28.3 Unless otherwise specified in the SCC, liquidated damages payable under GCC Clause 28.2 shall apply only to the failure to achieve Operational Acceptance of the System (and Subsystems) as specified in the Implementation Schedule in the Technical Requirements and/or Agreed and Finalized Project Plan. This Clause 28.3 shall not limit, however, any other rights or remedies the Purchaser may have under the Contract for other delays.
- 28.4 If liquidated damages are claimed by the Purchaser for the System (or Subsystem), the Supplier shall have no further liability whatsoever to the Purchaser in respect to the Operational Acceptance time guarantee for the System (or Subsystem). However, the payment of liquidated damages shall not in any way relieve the Supplier from any of its obligations to complete the System or from any other of its obligations and liabilities under the Contract.

29. Defect Liability

- 29.1 The Supplier warrants that the System, including all Information Technologies, Materials, and other Goods supplied and Services provided, shall be free from defects in the design, engineering, Materials, and workmanship that

prevent the System and/or any of its components from fulfilling the Technical Requirements or that limit in a material fashion the performance, reliability, or extensibility of the System and/or Subsystems. Exceptions and/or limitations, if any, to this warranty with respect to Software (or categories of Software), shall be as specified in the SCC. Commercial warranty provisions of products supplied under the Contract shall apply to the extent that they do not conflict with the provisions of this Contract.

- 29.2 The Supplier also warrants that the Information Technologies, Materials, and other Goods supplied under the Contract are new, unused, and incorporate all recent improvements in design that materially affect the System's or Subsystem's ability to fulfill the Technical Requirements.
- 29.3 In addition, the Supplier warrants that: (i) all Goods components to be incorporated into the System form part of the Supplier's and/or Subcontractor's current product lines, (ii) they have been previously released to the market, and (iii) those specific items identified in the SCC (if any) have been in the market for at least the minimum periods specified in the SCC.
- 29.4 The Warranty Period shall commence from the date of Operational Acceptance of the System (or of any major component or Subsystem for which separate Operational Acceptance is provided for in the Contract) and shall extend for the length of time specified in the SCC.
- 29.5 If during the Warranty Period any defect as described in GCC Clause 29.1 should be found in the design, engineering, Materials, and workmanship of the Information Technologies and other Goods supplied or of the Services provided by the Supplier, the Supplier shall promptly, in consultation and agreement with the Purchaser regarding appropriate remedying of the defects, and at its sole cost, repair, replace, or otherwise make good (as the Supplier shall, at its discretion, determine) such defect as well as any damage to the System caused by such defect. Any defective Information Technologies or other Goods that have been replaced by the Supplier shall remain the property of the Supplier.
- 29.6 The Supplier shall not be responsible for the repair, replacement, or making good of any defect or of any damage to the System arising out of or resulting from any of the

following causes:

- (a) improper operation or maintenance of the System by the Purchaser;
- (b) normal wear and tear;
- (c) use of the System with items not supplied by the Supplier, unless otherwise identified in the Technical Requirements, or approved by the Supplier; or
- (d) modifications made to the System by the Purchaser, or a third party, not approved by the Supplier.

29.7 The Supplier's obligations under this GCC Clause 29 shall not apply to:

- (a) any materials that are normally consumed in operation or have a normal life shorter than the Warranty Period; or
- (b) any designs, specifications, or other data designed, supplied, or specified by or on behalf of the Purchaser or any matters for which the Supplier has disclaimed responsibility, in accordance with GCC Clause 21.1.2.

29.8 The Purchaser shall give the Supplier a notice promptly following the discovery of such defect, stating the nature of any such defect together with all available evidence. The Purchaser shall afford all reasonable opportunity for the Supplier to inspect any such defect. The Purchaser shall afford the Supplier all necessary access to the System and the site to enable the Supplier to perform its obligations under this GCC Clause 29.

29.9 The Supplier may, with the consent of the Purchaser, remove from the site any Information Technologies and other Goods that are defective, if the nature of the defect, and/or any damage to the System caused by the defect, is such that repairs cannot be expeditiously carried out at the site. If the repair, replacement, or making good is of such a character that it may affect the efficiency of the System, the Purchaser may give the Supplier notice requiring that tests of the defective part be made by the Supplier immediately upon completion of such remedial work, whereupon the Supplier shall carry out such tests.

If such part fails the tests, the Supplier shall carry out further repair, replacement, or making good (as the case may be) until that part of the System passes such tests. The tests shall

be agreed upon by the Purchaser and the Supplier.

29.10 If the Supplier fails to commence the work necessary to remedy such defect or any damage to the System caused by such defect within the time period specified in the SCC, the Purchaser may, following notice to the Supplier, proceed to do such work or contract a third party (or parties) to do such work, and the reasonable costs incurred by the Purchaser in connection with such work shall be paid to the Purchaser by the Supplier or may be deducted by the Purchaser from any monies due the Supplier or claimed under the Performance Security.

29.11 If the System or Subsystem cannot be used by reason of such defect and/or making good of such defect, the Warranty Period for the System shall be extended by a period equal to the period during which the System or Subsystem could not be used by the Purchaser because of such defect and/or making good of such defect.

29.12 Items substituted for defective parts of the System during the Warranty Period shall be covered by the Defect Liability Warranty for the remainder of the Warranty Period applicable for the part replaced or three (3) months, whichever is greater.

29.13 At the request of the Purchaser and without prejudice to any other rights and remedies that the Purchaser may have against the Supplier under the Contract, the Supplier will offer all possible assistance to the Purchaser to seek warranty services or remedial action from any subcontracted third-party producers or licensor of Goods included in the System, including without limitation assignment or transfer in favor of the Purchaser of the benefit of any warranties given by such producers or licensors to the Supplier.

30. Functional Guarantees

30.1 The Supplier guarantees that, once the Operational Acceptance Certificate(s) has been issued, the System represents a complete, integrated solution to the Purchaser's requirements set forth in the Technical Requirements and it conforms to all other aspects of the Contract. The Supplier acknowledges that GCC Clause 27 regarding Commissioning and Operational Acceptance governs how technical conformance of the System to the Contract requirements will be determined.

30.2 "Year 2000 Compliance." The Supplier warrants that the Information Systems and Technologies being supplied under

this Contract are designed or modified, and fully tested, to operate without interruption or manual intervention in compliance with Contract requirements for dates before and after 2000 AD, including correct treatment of year 2000 as a leap year, date data century recognition, calculations that accommodate same-century and multi-century formulas and date values, and date data interface fields that allow the specification of century.

- 30.3 If, for reasons attributable to the Supplier, the System does not conform to the Technical Requirements or does not conform to all other aspects of the Contract, the Supplier shall at its cost and expense make such changes, modifications, and/or additions to the System as may be necessary to conform to the Technical Requirements and meet all functional and performance standards. The Supplier shall notify the Purchaser upon completion of the necessary changes, modifications, and/or additions and shall request the Purchaser to repeat the Operational Acceptance Tests until the System achieves Operational Acceptance.
- 30.4 If the System (or Subsystem[s]) fails to achieve Operational Acceptance, the Purchaser may consider termination of the Contract, pursuant to GCC Clause 41.2.2, and forfeiture of the Supplier's performance security in accordance with GCC Clause 13.3 in compensation for the extra costs and delays likely to result from this failure.

**31. Intellectual
Property Rights
Warranty**

- 31.1 The Supplier hereby represents and warrants that:
- (a) the System as supplied, installed, tested, and accepted;
 - (b) use of the System in accordance with the Contract; and
 - (c) copying of the Software and Materials provided to the Purchaser in accordance with the Contract

do not and will not infringe any Intellectual Property Rights held by any third party and that it has all necessary rights or at its sole expense shall have secured in writing all transfers of rights and other consents necessary to make the assignments, licenses, and other transfers of Intellectual Property Rights and the warranties set forth in the Contract, and for the Purchaser to own or exercise all Intellectual Property Rights as provided in the Contract. Without limitation, the Supplier shall secure all necessary written agreements, consents, and transfers of rights from its employees and other persons or entities whose services are

used for development of the System.

**32. Intellectual
Property Rights
Indemnity**

32.1 The Supplier shall indemnify and hold harmless the Purchaser and its employees and officers from and against any and all losses, liabilities, and costs (including losses, liabilities, and costs incurred in defending a claim alleging such a liability), that the Purchaser or its employees or officers may suffer as a result of any infringement or alleged infringement of any Intellectual Property Rights by reason of:

- (a) installation of the System by the Supplier or the use of the System, including the Materials, in the country where the site is located;
- (b) copying of the Software and Materials provided the Supplier in accordance with the Agreement; and
- (c) sale of the products produced by the System in any country, except to the extent that such losses, liabilities, and costs arise as a result of the Purchaser's breach of GCC Clause 32.2.

32.2 Such indemnity shall not cover any use of the System, including the Materials, other than for the purpose indicated by or to be reasonably inferred from the Contract, any infringement resulting from the use of the System, or any products of the System produced thereby in association or combination with any other goods or services not supplied by the Supplier, where the infringement arises because of such association or combination and not because of use of the System in its own right.

32.3 Such indemnities shall also not apply if any claim of infringement:

- (a) is asserted by a parent, subsidiary, or affiliate of the Purchaser's organization;
- (b) is a direct result of a design mandated by the Purchaser's Technical Requirements and the possibility of such infringement was duly noted in the Supplier's Bid; or
- (c) results from the alteration of the System, including the Materials, by the Purchaser or any persons other than the Supplier or a person authorized by the Supplier.

32.4 If any proceedings are brought or any claim is made against

the Purchaser arising out of the matters referred to in GCC Clause 32.1, the Purchaser shall promptly give the Supplier notice of such proceedings or claims, and the Supplier may at its own expense and in the Purchaser's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim.

If the Supplier fails to notify the Purchaser within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Purchaser shall be free to conduct the same on its own behalf. Unless the Supplier has so failed to notify the Purchaser within the twenty-eight (28) days, the Purchaser shall make no admission that may be prejudicial to the defense of any such proceedings or claim. The Purchaser shall, at the Supplier's request, afford all available assistance to the Supplier in conducting such proceedings or claim and shall be reimbursed by the Supplier for all reasonable expenses incurred in so doing.

- 32.5 The Purchaser shall indemnify and hold harmless the Supplier and its employees, officers, and Subcontractors from and against any and all losses, liabilities, and costs (including losses, liabilities, and costs incurred in defending a claim alleging such a liability) that the Supplier or its employees, officers, or Subcontractors may suffer as a result of any infringement or alleged infringement of any Intellectual Property Rights arising out of or in connection with any design, data, drawing, specification, or other documents or materials provided to the Supplier in connection with this Contract by the Purchaser or any persons (other than the Supplier) contracted by the Purchaser, except to the extent that such losses, liabilities, and costs arise as a result of the Supplier's breach of GCC Clause 32.8.
- 32.6 Such indemnity shall not cover any use of the design, data, drawing, specification, or other documents or materials, other than for the purpose indicated by or to be reasonably inferred from the Contract, or any infringement resulting from the use of the design, data, drawing, specification, or other documents or materials, or any products produced thereby, in association or combination with any other Goods or Services not provided by the Purchaser or any other person contacted by the Purchaser, where the infringement arises because of such association or combination and not because of the use of the design, data, drawing, specification,

or other documents or materials in its own right.

32.7 Such indemnities shall also not apply:

- (a) if any claim of infringement is asserted by a parent, subsidiary, or affiliate of the Supplier's organization;
- (b) to the extent that any claim of infringement caused by the alteration, by the Supplier, or any persons contracted by the Supplier, of the design, data, drawing, specification, or other documents or materials provided to the Supplier by the Purchaser or any persons contracted by the Purchaser.

32.8 If any proceedings are brought or any claim is made against the Supplier arising out of the matters referred to in GCC Clause 32.5, the Supplier shall promptly give the Purchaser notice of such proceedings or claims, and the Purchaser may at its own expense and in the Supplier's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim. If the Purchaser fails to notify the Supplier within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Supplier shall be free to conduct the same on its own behalf. Unless the Purchaser has so failed to notify the Supplier within the twenty-eight (28) days, the Supplier shall make no admission that may be prejudicial to the defense of any such proceedings or claim. The Supplier shall, at the Purchaser's request, afford all available assistance to the Purchaser in conducting such proceedings or claim and shall be reimbursed by the Purchaser for all reasonable expenses incurred in so doing.

33. Limitation of Liability

33.1 Provided the following does not exclude or limit any liabilities of either party in ways not permitted by applicable law:

- (a) the Supplier shall not be liable to the Purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Supplier to pay liquidated damages to the Purchaser; and
- (b) the aggregate liability of the Supplier to the Purchaser, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this

limitation shall not apply to any obligation of the Supplier to indemnify the Purchaser with respect to intellectual property rights infringement.

G. RISK DISTRIBUTION

34. Transfer of Ownership

34.1 With the exception of Software and Materials, the ownership of the Information Technologies and other Goods shall be transferred to the Purchaser at the time of Delivery or otherwise under terms that may be agreed upon and specified in the Contract Agreement.

34.2 Ownership and the terms of usage of the Software and Materials supplied under the Contract shall be governed by GCC Clause 15 (Copyright) and any elaboration in the Technical Requirements.

34.3 Ownership of the Supplier's Equipment used by the Supplier and its Subcontractors in connection with the Contract shall remain with the Supplier or its Subcontractors.

35. Care of the System

35.1 The Purchaser shall become responsible for the care and custody of the System or Subsystems upon their Delivery. The Purchaser shall make good at its own cost any loss or damage that may occur to the System or Subsystems from any cause from the date of Delivery until the date of Operational Acceptance of the System or Subsystems, pursuant to GCC Clause 27 (Commissioning and Operational Acceptance), excepting such loss or damage arising from acts or omissions of the Supplier, its employees, or subcontractors.

35.2 If any loss or damage occurs to the System or any part of the System by reason of:

(a) (insofar as they relate to the country where the Project Site is located) nuclear reaction, nuclear radiation, radioactive contamination, a pressure wave caused by aircraft or other aerial objects, or any other occurrences that an experienced contractor could not reasonably foresee, or if reasonably foreseeable could not reasonably make provision for or insure against, insofar as such risks are not normally insurable on the insurance market and are mentioned in the general exclusions of the policy of insurance taken out under GCC Clause 37;

(b) any use not in accordance with the Contract, by the

Purchaser or any third party ;

- (c) any use of or reliance upon any design, data, or specification provided or designated by or on behalf of the Purchaser, or any such matter for which the Supplier has disclaimed responsibility in accordance with GCC Clause 21.1.2,

the Purchaser shall pay to the Supplier all sums payable in respect of the System or Subsystems that have achieved Operational Acceptance, notwithstanding that the same be lost, destroyed, or damaged. If the Purchaser requests the Supplier in writing to make good any loss or damage to the System thereby occasioned, the Supplier shall make good the same at the cost of the Purchaser in accordance with GCC Clause 39. If the Purchaser does not request the Supplier in writing to make good any loss or damage to the System thereby occasioned, the Purchaser shall either request a change in accordance with GCC Clause 39, excluding the performance of that part of the System thereby lost, destroyed, or damaged, or, where the loss or damage affects a substantial part of the System, the Purchaser shall terminate the Contract pursuant to GCC Clause 41.1.

- 35.3 The Purchaser shall be liable for any loss of or damage to any Supplier's Equipment which the Purchaser has authorized to locate within the Purchaser's premises for use in fulfillment of Supplier's obligations under the Contract, except where such loss or damage arises from acts or omissions of the Supplier, its employees, or subcontractors.

**36. Loss of or
Damage to
Property;
Accident or
Injury to
Workers;
Indemnification**

- 36.1 The Supplier and each and every Subcontractor shall abide by the job safety, insurance, customs, and immigration measures prevalent and laws in force in the Purchaser's Country.
- 36.2 Subject to GCC Clause 36.3, the Supplier shall indemnify and hold harmless the Purchaser and its employees and officers from and against any and all losses, liabilities and costs (including losses, liabilities, and costs incurred in defending a claim alleging such a liability) that the Purchaser or its employees or officers may suffer as a result of the death or injury of any person or loss of or damage to any property (other than the System, whether accepted or not) arising in connection with the supply, installation, testing, and Commissioning of the System and by reason of the negligence of the Supplier or its Subcontractors, or their employees, officers or agents, except any injury, death, or

property damage caused by the negligence of the Purchaser, its contractors, employees, officers, or agents.

- 36.3 If any proceedings are brought or any claim is made against the Purchaser that might subject the Supplier to liability under GCC Clause 36.2, the Purchaser shall promptly give the Supplier notice of such proceedings or claims, and the Supplier may at its own expense and in the Purchaser's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim. If the Supplier fails to notify the Purchaser within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Purchaser shall be free to conduct the same on its own behalf. Unless the Supplier has so failed to notify the Purchaser within the twenty-eight (28) day period, the Purchaser shall make no admission that may be prejudicial to the defense of any such proceedings or claim. The Purchaser shall, at the Supplier's request, afford all available assistance to the Supplier in conducting such proceedings or claim and shall be reimbursed by the Supplier for all reasonable expenses incurred in so doing.
- 36.4 The Purchaser shall indemnify and hold harmless the Supplier and its employees, officers, and Subcontractors from any and all losses, liabilities, and costs (including losses, liabilities, and costs incurred in defending a claim alleging such a liability) that the Supplier or its employees, officers, or Subcontractors may suffer as a result of the death or personal injury of any person or loss of or damage to property of the Purchaser, other than the System not yet achieving Operational Acceptance, that is caused by fire, explosion, or any other perils, in excess of the amount recoverable from insurances procured under GCC Clause 37 (Insurances), provided that such fire, explosion, or other perils were not caused by any act or failure of the Supplier.
- 36.5 If any proceedings are brought or any claim is made against the Supplier that might subject the Purchaser to liability under GCC Clause 36.4, the Supplier shall promptly give the Purchaser notice of such proceedings or claims, and the Purchaser may at its own expense and in the Supplier's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim. If the Purchaser fails to notify the Supplier within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Supplier

shall be free to conduct the same on its own behalf. Unless the Purchaser has so failed to notify the Supplier within the twenty-eight (28) days, the Supplier shall make no admission that may be prejudicial to the defense of any such proceedings or claim. The Supplier shall, at the Purchaser's request, afford all available assistance to the Purchaser in conducting such proceedings or claim and shall be reimbursed by the Purchaser for all reasonable expenses incurred in so doing.

36.6 The party entitled to the benefit of an indemnity under this GCC Clause 36 shall take all reasonable measures to mitigate any loss or damage that has occurred. If the party fails to take such measures, the other party's liabilities shall be correspondingly reduced.

37. Insurances

37.1 The Supplier shall at its expense take out and maintain in effect, or cause to be taken out and maintained in effect, during the performance of the Contract, the insurance set forth below. The identity of the insurers and the form of the policies shall be subject to the approval of the Purchaser, who should not unreasonably withhold such approval.

(a) Cargo Insurance During Transport

as applicable, 110 percent of the price of the Information Technologies and other Goods in a freely convertible currency, covering the Goods from physical loss or damage during shipment through receipt at the Project Site.

(b) Installation "All Risks" Insurance

as applicable, 110 percent of the price of the Information Technologies and other Goods covering the Goods at the site from all risks of physical loss or damage (excluding only perils commonly excluded under "all risks" insurance policies of this type by reputable insurers) occurring prior to Operational Acceptance of the System.

(c) Third-Party Liability Insurance

On terms as specified in the SCC, covering bodily injury or death suffered by third parties (including the Purchaser's personnel) and loss of or damage to property (including the Purchaser's property and any Subsystems that have been accepted by the Purchaser)

occurring in connection with the supply and installation of the Information System.

(d) Automobile Liability Insurance

In accordance with the statutory requirements prevailing in the Purchaser's Country, covering use of all vehicles used by the Supplier or its Subcontractors (whether or not owned by them) in connection with the execution of the Contract.

(e) Other Insurance (if any), as specified in the SCC.

37.2 The Purchaser shall be named as co-insured under all insurance policies taken out by the Supplier pursuant to GCC Clause 37.1, except for the Third-Party Liability, and the Supplier's Subcontractors shall be named as co-insured under all insurance policies taken out by the Supplier pursuant to GCC Clause 37.1 except for Cargo Insurance During Transport. All insurer's rights of subrogation against such co-insured for losses or claims arising out of the performance of the Contract shall be waived under such policies.

37.3 The Supplier shall deliver to the Purchaser certificates of insurance (or copies of the insurance policies) as evidence that the required policies are in full force and effect.

37.4 The Supplier shall ensure that, where applicable, its Subcontractor(s) shall take out and maintain in effect adequate insurance policies for their personnel and vehicles and for work executed by them under the Contract, unless such Subcontractors are covered by the policies taken out by the Supplier.

37.5 If the Supplier fails to take out and/or maintain in effect the insurance referred to in GCC Clause 37.1, the Purchaser may take out and maintain in effect any such insurance and may from time to time deduct from any amount due the Supplier under the Contract any premium that the Purchaser shall have paid to the insurer or may otherwise recover such amount as a debt due from the Supplier.

37.6 Unless otherwise provided in the Contract, the Supplier shall prepare and conduct all and any claims made under the policies effected by it pursuant to this GCC Clause 37, and all monies payable by any insurers shall be paid to the Supplier. The Purchaser shall give to the Supplier all such

reasonable assistance as may be required by the Supplier in connection with any claim under the relevant insurance policies. With respect to insurance claims in which the Purchaser's interest is involved, the Supplier shall not give any release or make any compromise with the insurer without the prior written consent of the Purchaser. With respect to insurance claims in which the Supplier's interest is involved, the Purchaser shall not give any release or make any compromise with the insurer without the prior written consent of the Supplier.

38. Force Majeure

38.1 "Force Majeure" shall mean any event beyond the reasonable control of the Purchaser or of the Supplier, as the case may be, and which is unavoidable notwithstanding the reasonable care of the party affected and shall include, without limitation, the following:

- (a) war, hostilities, or warlike operations (whether a state of war be declared or not), invasion, act of foreign enemy, and civil war;
- (b) rebellion, revolution, insurrection, mutiny, usurpation of civil or military government, conspiracy, riot, civil commotion, and terrorist acts;
- (c) confiscation, nationalization, mobilization, commandeering or requisition by or under the order of any government or de jure or de facto authority or ruler, or any other act or failure to act of any local state or national government authority;
- (d) strike, sabotage, lockout, embargo, import restriction, port congestion, lack of usual means of public transportation and communication, industrial dispute, shipwreck, shortage or restriction of power supply, epidemics, quarantine, and plague;
- (e) earthquake, landslide, volcanic activity, fire, flood or inundation, tidal wave, typhoon or cyclone, hurricane, storm, lightning, or other inclement weather condition, nuclear and pressure waves, or other natural or physical disaster;
- (f) failure, by the Supplier, to obtain the necessary export permit(s) from the governments of the Country(s) of Origin of the Information Technologies or other Goods, or Supplier's Equipment provided that the Supplier has made all reasonable efforts to obtain the required export permit(s), including the exercise of due

diligence in determining the eligibility of the System and all of its components for receipt of the necessary export permits.

- 38.2 If either party is prevented, hindered, or delayed from or in performing any of its obligations under the Contract by an event of Force Majeure, then it shall notify the other in writing of the occurrence of such event and the circumstances of the event of Force Majeure within fourteen (14) days after the occurrence of such event.
- 38.3 The party who has given such notice shall be excused from the performance or punctual performance of its obligations under the Contract for so long as the relevant event of Force Majeure continues and to the extent that such party's performance is prevented, hindered, or delayed. The Time for Achieving Operational Acceptance shall be extended in accordance with GCC Clause 40 (Extension of Time for Achieving Operational Acceptance).
- 38.4 The party or parties affected by the event of Force Majeure shall use reasonable efforts to mitigate the effect of the event of Force Majeure upon its or their performance of the Contract and to fulfill its or their obligations under the Contract, but without prejudice to either party's right to terminate the Contract under GCC Clause 38.6.
- 38.5 No delay or nonperformance by either party to this Contract caused by the occurrence of any event of Force Majeure shall:
- (a) constitute a default or breach of the Contract;
 - (b) (subject to GCC Clauses 35.2, 38.3, and 38.4) give rise to any claim for damages or additional cost or expense occasioned by the delay or nonperformance;
- if, and to the extent that, such delay or nonperformance is caused by the occurrence of an event of Force Majeure.
- 38.6 If the performance of the Contract is substantially prevented, hindered, or delayed for a single period of more than sixty (60) days or an aggregate period of more than one hundred and twenty (120) days on account of one or more events of Force Majeure during the time period covered by the Contract, the parties will attempt to develop a mutually satisfactory solution, failing which, either party may terminate the Contract by giving a notice to the other.
- 38.7 In the event of termination pursuant to GCC Clause 38.6, the

rights and obligations of the Purchaser and the Supplier shall be as specified in GCC Clauses 41.1.2 and 41.1.3.

- 38.8 Notwithstanding GCC Clause 38.5, Force Majeure shall not apply to any obligation of the Purchaser to make payments to the Supplier under this Contract.

H. CHANGE IN CONTRACT ELEMENTS

39. Changes to the System

39.1 Introducing a Change

39.1.1 Subject to GCC Clauses 39.2.5 and 39.2.7, the Purchaser shall have the right to propose, and subsequently require, the Project Manager to order the Supplier from time to time during the performance of the Contract to make any change, modification, addition, or deletion to, in, or from the System (interchangeably called “Change”), provided that such Change falls within the general scope of the System, does not constitute unrelated work, and is technically practicable, taking into account both the state of advancement of the System and the technical compatibility of the Change envisaged with the nature of the System as originally specified in the Contract.

A Change may involve, but is not restricted to, the substitution of updated Information Technologies and related Services in accordance with GCC Clause 23 (Product Upgrades).

39.1.2 The Supplier may from time to time during its performance of the Contract propose to the Purchaser (with a copy to the Project Manager) any Change that the Supplier considers necessary or desirable to improve the quality or efficiency of the System. The Purchaser may at its discretion approve or reject any Change proposed by the Supplier.

39.1.3 Notwithstanding GCC Clauses 39.1.1 and 39.1.2, no change made necessary because of any default of the Supplier in the performance of its obligations under the Contract shall be deemed to be a Change, and such change shall not result in any adjustment of the Contract Price or the Time for Achieving

Operational Acceptance.

- 39.1.4 The procedure on how to proceed with and execute Changes is specified in GCC Clauses 39.2 and 39.3, and further details and sample forms are provided in the Sample Forms Section in the Bidding Documents.
- 39.1.5 Moreover, the Purchaser and Supplier will agree, during development of the Project Plan, to a date prior to the scheduled date for Operational Acceptance, after which the Technical Requirements for the System shall be “frozen.” Any Change initiated after this time will be dealt with after Operational Acceptance.

39.2 Changes Originating from Purchaser

- 39.2.1 If the Purchaser proposes a Change pursuant to GCC Clauses 39.1.1, it shall send to the Supplier a “Request for Change Proposal,” requiring the Supplier to prepare and furnish to the Project Manager as soon as reasonably practicable a “Change Proposal,” which shall include the following:
- (a) brief description of the Change;
 - (b) impact on the Time for Achieving Operational Acceptance;
 - (c) detailed estimated cost of the Change;
 - (d) effect on Functional Guarantees (if any);
 - (e) effect on any other provisions of the Contract.
- 39.2.2 Prior to preparing and submitting the “Change Proposal,” the Supplier shall submit to the Project Manager an “Change Estimate Proposal,” which shall be an estimate of the cost of preparing the Change Proposal, plus a first approximation of the suggested approach and cost for implementing the changes. Upon receipt of the Supplier’s Change Estimate Proposal, the Purchaser shall do one of the following:
- (a) accept the Supplier’s estimate with instructions to the Supplier to proceed with the preparation

of the Change Proposal;

(b) advise the Supplier of any part of its Change Estimate Proposal that is unacceptable and request the Supplier to review its estimate;

(c) advise the Supplier that the Purchaser does not intend to proceed with the Change.

39.2.3 Upon receipt of the Purchaser's instruction to proceed under GCC Clause 39.2.2 (a), the Supplier shall, with proper expedition, proceed with the preparation of the Change Proposal, in accordance with GCC Clause 39.2.1. The Supplier, at its discretion, may specify a validity period for the Change Proposal, after which if the Purchaser and Supplier has not reached agreement in accordance with GCC Clause 39.2.6, then GCC Clause 39.2.7 shall apply.

39.2.4 The pricing of any Change shall, as far as practicable, be calculated in accordance with the rates and prices included in the Contract. If the nature of the Change is such that the Contract rates and prices are inequitable, the parties to the Contract shall agree on other specific rates to be used for valuing the Change.

39.2.5 If before or during the preparation of the Change Proposal it becomes apparent that the aggregate impact of compliance with the Request for Change Proposal and with all other Change Orders that have already become binding upon the Supplier under this GCC Clause 39 would be to increase or decrease the Contract Price as originally set forth in Article 2 (Contract Price) of the Contract Agreement by more than fifteen (15) percent, the Supplier may give a written notice of objection to this Request for Change Proposal prior to furnishing the Change Proposal. If the Purchaser accepts the Supplier's objection, the Purchaser shall withdraw the proposed Change and shall notify the Supplier in writing of its acceptance.

The Supplier's failure to so object to a Request for Change Proposal shall neither affect its right to object to any subsequent requested Changes or Change Orders, nor affect its right to take into

account, when making such subsequent objection, the percentage increase or decrease in the Contract Price that any Change not objected to by the Supplier represents.

39.2.6 Upon receipt of the Change Proposal, the Purchaser and the Supplier shall mutually agree upon all matters contained in the Change Proposal. Within fourteen (14) days after such agreement, the Purchaser shall, if it intends to proceed with the Change, issue the Supplier a Change Order. If the Purchaser is unable to reach a decision within fourteen (14) days, it shall notify the Supplier with details of when the Supplier can expect a decision. If the Purchaser decides not to proceed with the Change for whatever reason, it shall, within the said period of fourteen (14) days, notify the Supplier accordingly. Under such circumstances, the Supplier shall be entitled to reimbursement of all costs reasonably incurred by it in the preparation of the Change Proposal, provided that these do not exceed the amount given by the Supplier in its Change Estimate Proposal submitted in accordance with GCC Clause 39.2.2.

39.2.7 If the Purchaser and the Supplier cannot reach agreement on the price for the Change, an equitable adjustment to the Time for Achieving Operational Acceptance, or any other matters identified in the Change Proposal, the Change will not be implemented. However, this provision does not limit the rights of either party under GCC Clause 6 (Settlement of Disputes).

39.3 Changes Originating from Supplier

39.3.1 If the Supplier proposes a Change pursuant to GCC Clause 39.1.2, the Supplier shall submit to the Project Manager a written "Application for Change Proposal," giving reasons for the proposed Change and including the information specified in GCC Clause 39.2.1. Upon receipt of the Application for Change Proposal, the parties shall follow the procedures outlined in GCC Clauses 39.2.6 and 39.2.7, except that the words "Change Proposal" shall be read, for the purposes of this GCC Clause 39.3.1 as "Application for Change Proposal."

However, should the Purchaser choose not to proceed or the Purchaser and the Supplier cannot come to agreement on the change during any validity period that the Supplier may specify in its Application for Change Proposal, the Supplier shall not be entitled to recover the costs of preparing the Application for Change Proposal, unless subject to an agreement between the Purchaser and the Supplier to the contrary.

40. Extension of Time for Achieving Operational Acceptance

40.1 The time(s) for achieving Operational Acceptance specified in the Schedule of Implementation shall be extended if the Supplier is delayed or impeded in the performance of any of its obligations under the Contract by reason of any of the following:

- (a) any Change in the System as provided in GCC Clause 39 (Change in the Information System);
- (b) any occurrence of Force Majeure as provided in GCC Clause 38 (Force Majeure);
- (c) default of the Purchaser; or
- (d) any other matter specifically mentioned in the Contract;

by such period as shall be fair and reasonable in all the circumstances and as shall fairly reflect the delay or impediment sustained by the Supplier.

40.2 Except where otherwise specifically provided in the Contract, the Supplier shall submit to the Project Manager a notice of a claim for an extension of the time for achieving Operational Acceptance, together with particulars of the event or circumstance justifying such extension as soon as reasonably practicable after the commencement of such event or circumstance. As soon as reasonably practicable after receipt of such notice and supporting particulars of the claim, the Purchaser and the Supplier shall agree upon the period of such extension. In the event that the Supplier does not accept the Purchaser's estimate of a fair and reasonable time extension, the Supplier shall be entitled to refer the matter to the provisions for the Settlement of Disputes pursuant to GCC Clause 6.

40.3 The Supplier shall at all times use its reasonable efforts to minimize any delay in the performance of its obligations under the Contract.

41. Termination

41.1 Termination for Purchaser's Convenience

41.1.1 The Purchaser may at any time terminate the Contract for any reason by giving the Supplier a notice of termination that refers to this GCC Clause 41.1.

41.1.2 Upon receipt of the notice of termination under GCC Clause 41.1.1, the Supplier shall either as soon as reasonably practical or upon the date specified in the notice of termination

- (a) cease all further work, except for such work as the Purchaser may specify in the notice of termination for the sole purpose of protecting that part of the System already executed, or any work required to leave the site in a clean and safe condition;
- (b) terminate all subcontracts, except those to be assigned to the Purchaser pursuant to GCC Clause 41.1.2 (d) (ii) below;
- (c) remove all Supplier's Equipment from the site, repatriate the Supplier's and its Subcontractors' personnel from the site, remove from the site any wreckage, rubbish, and debris of any kind;
- (d) in addition, the Supplier, subject to the payment specified in GCC Clause 41.1.3, shall
 - (i) deliver to the Purchaser the parts of the System executed by the Supplier up to the date of termination;
 - (ii) to the extent legally possible, assign to the Purchaser all right, title, and benefit of the Supplier to the System, or Subsystem, as at the date of termination, and, as may be required by the Purchaser, in any subcontracts concluded between the Supplier and its Subcontractors;
 - (iii) deliver to the Purchaser all nonproprietary drawings, specifications, and other documents prepared by the Supplier or its Subcontractors as of the date of

termination in connection with the System.

41.1.3 In the event of termination of the Contract under GCC Clause 41.1.1, the Purchaser shall pay to the Supplier the following amounts:

- (a) the Contract Price, properly attributable to the parts of the System executed by the Supplier as of the date of termination;
- (b) the costs reasonably incurred by the Supplier in the removal of the Supplier's Equipment from the site and in the repatriation of the Supplier's and its Subcontractors' personnel;
- (c) any amount to be paid by the Supplier to its Subcontractors in connection with the termination of any subcontracts, including any cancellation charges;
- (d) costs incurred by the Supplier in protecting the System and leaving the site in a clean and safe condition pursuant to GCC Clause 41.1.2 (a); and
- (e) the cost of satisfying all other obligations, commitments, and claims that the Supplier may in good faith have undertaken with third parties in connection with the Contract and that are not covered by GCC Clauses 41.1.3 (a) through (d) above.

41.2 Termination for Supplier's Default

41.2.1 The Purchaser, without prejudice to any other rights or remedies it may possess, may terminate the Contract forthwith in the following circumstances by giving a notice of termination and its reasons therefor to the Supplier, referring to this GCC Clause 41.2:

- (a) if the Supplier becomes bankrupt or insolvent, has a receiving order issued against it, compounds with its creditors, or, if the Supplier is a corporation, a resolution is passed or order is made for its winding up (other than a voluntary liquidation for the purposes of amalgamation or

reconstruction), a receiver is appointed over any part of its undertaking or assets, or if the Supplier takes or suffers any other analogous action in consequence of debt;

- (b) if the Supplier assigns or transfers the Contract or any right or interest therein in violation of the provision of GCC Clause 42 (Assignment); or
- (c) if the Supplier, in the judgment of the Purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract, including but not limited to willful misrepresentation of facts concerning ownership of Intellectual Property Rights in, or proper authorization and/or licenses from the owner to offer, the hardware, software, or materials provided under this Contract.

For the purposes of this Clause:

“corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in contract execution.

“fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Purchaser, and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial noncompetitive levels and to deprive the Purchaser of the benefits of free and open competition.

41.2.2 If the Supplier:

- (a) has abandoned or repudiated the Contract;
- (b) has without valid reason failed to commence work on the System promptly;
- (c) persistently fails to execute the Contract in accordance with the Contract or persistently neglects to carry out its obligations under the Contract without just cause;
- (d) refuses or is unable to provide sufficient

Materials, Services, or labor to execute and complete the System in the manner specified in the Agreed and Finalized Project Plan furnished under GCC Clause 19 at rates of progress that give reasonable assurance to the Purchaser that the Supplier can attain Operational Acceptance of the System by the Time for Achieving Operational Acceptance as extended;

then the Purchaser may, without prejudice to any other rights it may possess under the Contract, give a notice to the Supplier stating the nature of the default and requiring the Supplier to remedy the same. If the Supplier fails to remedy or to take steps to remedy the same within fourteen (14) days of its receipt of such notice, then the Purchaser may terminate the Contract forthwith by giving a notice of termination to the Supplier that refers to this GCC Clause 41.2.

41.2.3 Upon receipt of the notice of termination under GCC Clauses 41.2.1 or 41.2.2, the Supplier shall, either immediately or upon such date as is specified in the notice of termination:

- (a) cease all further work, except for such work as the Purchaser may specify in the notice of termination for the sole purpose of protecting that part of the System already executed or any work required to leave the site in a clean and safe condition;
- (b) terminate all subcontracts, except those to be assigned to the Purchaser pursuant to GCC Clause 41.2.3 (d) below;
- (c) deliver to the Purchaser the parts of the System executed by the Supplier up to the date of termination;
- (d) to the extent legally possible, assign to the Purchaser all right, title and benefit of the Supplier to the System or Subsystems as at the date of termination, and, as may be required by the Purchaser, in any subcontracts concluded between the Supplier and its Subcontractors;
- (e) deliver to the Purchaser all drawings,

specifications, and other documents prepared by the Supplier or its Subcontractors as at the date of termination in connection with the System.

- 41.2.4 The Purchaser may enter upon the site, expel the Supplier, and complete the System itself or by employing any third party. Upon completion of the System or at such earlier date as the Purchaser thinks appropriate, the Purchaser shall give notice to the Supplier that such Supplier's Equipment will be returned to the Supplier at or near the site and shall return such Supplier's Equipment to the Supplier in accordance with such notice. The Supplier shall thereafter without delay and at its cost remove or arrange removal of the same from the site.
- 41.2.5 Subject to GCC Clause 41.2.6, the Supplier shall be entitled to be paid the Contract Price attributable to the portion of the System executed as at the date of termination and the costs, if any, incurred in protecting the System and in leaving the site in a clean and safe condition pursuant to GCC Clause 41.2.3 (a). Any sums due the Purchaser from the Supplier accruing prior to the date of termination shall be deducted from the amount to be paid to the Supplier under this Contract.
- 41.2.6 If the Purchaser completes the System, the cost of completing the System by the Purchaser shall be determined. If the sum that the Supplier is entitled to be paid, pursuant to GCC Clause 41.2.5, plus the reasonable costs incurred by the Purchaser in completing the System, exceeds the Contract Price, the Supplier shall be liable for such excess. If such excess is greater than the sums due the Supplier under GCC Clause 41.2.5, the Supplier shall pay the balance to the Purchaser, and if such excess is less than the sums due the Supplier under GCC Clause 41.2.5, the Purchaser shall pay the balance to the Supplier. The Purchaser and the Supplier shall agree, in writing, on the computation described above and the manner in which any sums shall be paid.

41.3 Termination by Supplier

41.3.1 If:

- (a) the Purchaser has failed to pay the Supplier any sum due under the Contract within the specified period, has failed to approve any invoice or supporting documents without just cause pursuant to the SCC, or commits a substantial breach of the Contract, the Supplier may give a notice to the Purchaser that requires payment of such sum, with interest on this sum as stipulated in GCC Clause 12.3, requires approval of such invoice or supporting documents, or specifies the breach and requires the Purchaser to remedy the same, as the case may be. If the Purchaser fails to pay such sum together with such interest, fails to approve such invoice or supporting documents or give its reasons for withholding such approval, fails to remedy the breach or take steps to remedy the breach within fourteen (14) days after receipt of the Supplier's notice; or
- (b) the Supplier is unable to carry out any of its obligations under the Contract for any reason attributable to the Purchaser, including but not limited to the Purchaser's failure to provide possession of or access to the site or other areas or failure to obtain any governmental permit necessary for the execution and/or completion of the System;

then the Supplier may give a notice to the Purchaser of such events, and if the Purchaser has failed to pay the outstanding sum, to approve the invoice or supporting documents, to give its reasons for withholding such approval, or to remedy the breach within twenty-eight (28) days of such notice, or if the Supplier is still unable to carry out any of its obligations under the Contract for any reason attributable to the Purchaser within twenty-eight (28) days of the said notice, the Supplier may by a further notice to the Purchaser referring to this GCC Clause 41.3.1, forthwith terminate the Contract.

- 41.3.2 The Supplier may terminate the Contract immediately by giving a notice to the Purchaser to that effect, referring to this GCC Clause 41.3.2, if the Purchaser becomes bankrupt or insolvent, has a

receiving order issued against it, compounds with its creditors, or, being a corporation, if a resolution is passed or order is made for its winding up (other than a voluntary liquidation for the purposes of amalgamation or reconstruction), a receiver is appointed over any part of its undertaking or assets, or if the Purchaser takes or suffers any other analogous action in consequence of debt.

41.3.3 If the Contract is terminated under GCC Clauses 41.3.1 or 41.3.2, then the Supplier shall immediately:

- (a) cease all further work, except for such work as may be necessary for the purpose of protecting that part of the System already executed, or any work required to leave the site in a clean and safe condition;
- (b) terminate all subcontracts, except those to be assigned to the Purchaser pursuant to Clause 41.3.3 (d) (ii);
- (c) remove all Supplier's Equipment from the site and repatriate the Supplier's and its Subcontractor's personnel from the site.
- (d) In addition, the Supplier, subject to the payment specified in GCC Clause 41.3.4, shall:
 - (i) deliver to the Purchaser the parts of the System executed by the Supplier up to the date of termination;
 - (ii) to the extent legally possible, assign to the Purchaser all right, title, and benefit of the Supplier to the System, or Subsystems, as of the date of termination, and, as may be required by the Purchaser, in any subcontracts concluded between the Supplier and its Subcontractors;
 - (iii) to the extent legally possible, deliver to the Purchaser all drawings, specifications, and other documents prepared by the Supplier or its Subcontractors as of the date of termination in connection with the System.

41.3.4 If the Contract is terminated under GCC Clauses 41.3.1 or 41.3.2, the Purchaser shall pay to the Supplier all payments specified in GCC Clause 41.1.3, and reasonable compensation for all loss, except for loss of profit, or damage sustained by the Supplier arising out of, in connection with, or in consequence of such termination.

41.3.5 Termination by the Supplier pursuant to this GCC Clause 41.3 is without prejudice to any other rights or remedies of the Supplier that may be exercised in lieu of or in addition to rights conferred by GCC Clause 41.3.

41.4 In this GCC Clause 41, the expression “portion of the System executed” shall include all work executed, Services provided, and all Information Technologies, or other Goods acquired (or subject to a legally binding obligation to purchase) by the Supplier and used or intended to be used for the purpose of the System, up to and including the date of termination.

41.5 In this GCC Clause 41, in calculating any monies due from the Purchaser to the Supplier, account shall be taken of any sum previously paid by the Purchaser to the Supplier under the Contract, including any advance payment paid pursuant to the SCC.

42. Assignment

42.1 Neither the Purchaser nor the Supplier shall, without the express prior written consent of the other, assign to any third party the Contract or any part thereof, or any right, benefit, obligation, or interest therein or thereunder, except that the Supplier shall be entitled to assign either absolutely or by way of charge any monies due and payable to it or that may become due and payable to it under the Contract.

SECTION V. SPECIAL CONDITIONS OF CONTRACT (SCC)

Notes on the preparation of the Special Conditions of Contract (SCC)

The SCC are analogous to the Bid Data Sheet (BDS) in that they are used to specify in one place all the important information, deletions, changes, and additions relating to a standard part of the Bidding Documents necessary to provide proper contractual coverage for a particular Information System (System). In this instance, the deletions, changes, and additions relate to the General Conditions of Contract (GCC). Users should avoid in general, however, introducing major changes to the GCC. The standard GCC provisions provide a balanced framework within which a System can be supplied and installed that is fair to both the Purchaser and the successful Bidder. Major changes can upset this balance and therefore will require the clearance of the Regional Procurement Advisor.

As for the BDS, illustrative sample text and explanatory notes are provided for each Special Condition to assist the Purchaser in preparing more appropriate and focused SCC. Much of the sample text may be adopted directly. The Purchaser may have to modify or expand the suggested text, however, to accommodate the specific circumstances of the Purchaser, the Purchaser's Country and/or the System the Purchaser wishes to procure. In particular, the Purchaser must ensure that the SCC clearly and completely specify:

- (a) all the Contract-specific information that the GCC explicitly state will be specified in the SCC (e.g., governing law and language, names of the Purchaser and the Supplier, currency(ies) of payment);
- (b) any modifications to the GCC that are required so that the Contract fits the specific circumstances of the System (e.g., details of the operational acceptance tests that will be carried out or the specific nature of any maintenance service obligations that the Supplier will have to carry out);
- (c) any GCC clause, sub-clause that is non-applicable and should be deleted;
and
- (d) any additional Contract conditions called for by the specific nature of the procurement and the risks associated with it, which are not adequately covered by the standard GCC.

Since the SCC complete, complement, and extend the GCC, the structure of the SCC presented here is designed to mirror that of the GCC themselves. For ease of use, most, if not all SCC clauses should be explicitly linked to specific standard GCC clauses and sub-clauses and be presented in the same sequence. The Purchaser should take great

care to maintain and verify the accuracy of all cross references used linking the two sections. Also, in preparing the SCC, the Purchaser should avoid at all costs introducing duplications and/or contradictions between the SCC and the GCC. When such contradictions occur, the SCC prevail over the GCC, but in the process they create ambiguity and confusion that can undermine the Purchaser's ability to exercise its rights under the Contract. In addition to maintaining the harmony between the SCC and the GCC, the Purchaser should also ensure that the Technical Requirements (and the Implementation Schedule that is part of the Technical Requirements) and the SCC remain internally consistent.

These SBD are written so that a single Contract can cover, if needed, all the supply and service responsibilities potentially required throughout the life-cycle of a typical Information System, including:

- (a) The period covering the supply, Delivery, Pre-commissioning, Installation, Commissioning, and Operational Acceptance of the System;
- (b) The Warranty Period, following Operational Acceptance, during which the System is in use and the Supplier remains liable for the repair of any defects that are discovered in the System, and to provide any other Services specified in these SCC; and
- (c) The Post-Warranty Services Period, during which the Supplier is obligated to provide those Goods and Services that were: (i) identified in the Recurrent Cost Form and (ii) specified in the SCC as obligations of the Supplier. These obligations may include, for example: providing software licenses annually, emergency repair and other technical support, hardware and software maintenance, etc.

To the extent that the items in the Post-Warranty Services Period can be classified as normal recurrent operational costs of the Purchaser (as compared with one-time costs associated with the Contract), the ability of the World Bank to finance them may be affected, since normally such costs are the responsibility of the Borrower. Accordingly, in many Bank-financed projects, recurrent cost items during the Post-Warranty Services Period are acquired under separate, free-standing contract(s) between the Purchaser and the Supplier (or other suppliers). These contracts are either self-financed or financed by other lenders. However such costs are financed, it is in the Purchaser's interest to carefully identify the key recurrent cost items that are likely to be required in the Bidding Documents and invite Bidders to quote for them in competition, because more economic prices are likely to result.

In addition to specifying these items in the Recurrent Cost Form of the Bidding Documents and incorporating them into the bid evaluation process specified in the ITB and BDS, the Purchaser must also specify the technical and other features of these recurrent obligations in the Technical Requirements and/or the SCC. For example, the coverage period, the required response times, and how the maintenance services are carried out all need to be defined.

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Special Conditions of Contract

The following Special Conditions of Contract (SCC) shall supplement or amend the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions of the SCC shall prevail over those in the General Conditions of Contract. For the purposes of clarity, any referenced GCC clause numbers are indicated in the left column of the SCC.

Note: The following are sample clauses. The Purchaser must complete, modify, add, or delete the following sample SCC clauses as appropriate. If a GCC clause is not applicable to the specific procurement, then add a clause to the SCC stating that the specific GCC clause is deleted. Also, whenever the GCC does not cover an important contractual matter, then add a suitable clause or clauses, in the most appropriate place in the SCC.

A. CONTRACT AND INTERPRETATION

1. Definitions (GCC Clause 1)

GCC 1.1 (a) (ix)	The applicable edition of the World Bank Guidelines: Procurement under IBRD Loans and IDA Credits is dated: <i>[insert: the date of the edition specified in the Loan Agreement governing the Project]</i> or, if the loan/credit has not been approved, insert: <i>the date of latest edition, for example “January 1995, as last revised and issued in January 1999]</i> .
GCC 1.1 (b) (i)	The Purchaser is: <i>[insert: name of Purchaser]</i> . Note: The Borrower and Purchaser need not be the same. If they are the same, restate the Borrower’s identity for this Clause.
GCC 1.1 (b) (ii)	The Project Manager is: <i>[insert: name and/or the official title of Project Manager]</i> . Note: If the Project Manager is not named in time for the preparation of the Bidding Documents, he/she must be named within fourteen days of the Effectiveness Date as specified in GCC Clause 18.1.
GCC 1.1 (e) (i)	The Purchaser’s Country is: <i>[insert: name of country]</i> .
GCC 1.1 (e) (iii)	The Project Site(s) is/are: <i>[insert: identity of site, street address, and city, or insert: “as specified in the Implementation Schedule in the Technical Requirements Section”]</i> .

GCC 1.1 (e) (x)	<i>State: “The Contract shall continue in force until the Information System and all the Services have been provided unless the Contract is terminated earlier in accordance with the terms set out in the Contract.” or insert: necessary and appropriate dates.</i>
GCC 1.1. (e) (xii)	The Post-Warranty Services Period is <i>[insert: number of months]</i> starting with the completion of the Warranty Period.

2. Contract Documents (GCC Clause 2)

GCC 2	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 2.”</i>
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3. Interpretation (GCC Clause 3)

GCC 3.1.1	The language of the Contract, all correspondence and communications to be given, and all other documentation to be prepared and supplied under the Contract not otherwise specified in the Technical Requirements shall be: <i>[specify: English / French / Spanish]</i> .
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4. Notices (GCC Clause 4)

GCC 4.1	<p>Notices shall be addressed to: <i>[insert: name, or if notices should be delivered to the Purchaser given in GCC Clause 1.1 (b) (i), state: “name as given in GCC Clause 1.1 (b) (i)”]</i>.</p> <p>Notices shall be delivered to the above named person at: <i>[as appropriate, insert: postal, personal delivery, cable, telegraph, telex, facsimile, and electronic mail addresses.]</i></p> <p>Note: If the Purchaser wishes to use Electronic Data Interchange (EDI) to communicate with the Supplier, it should specify the standards and protocols (for example ANSI X12 or ISO EDIFACT). The details may then be revised at Contract finalization. If so, add the following text.</p> <p>For Electronic Data Interchange (EDI) the Purchaser and Supplier will use the following standards, protocols, addresses, and procedures <i>[insert: standards, protocols, addresses; also describe: any</i></p>
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	<i>relevant procedures]</i> .
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5. Governing Law (GCC Clause 5)

GCC 5.1	The Contract shall be interpreted in accordance with the laws of: <i>[insert: name of country]</i> .
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6. Settlement of Disputes (GCC Clause 6)

GCC 6.1.4	The Appointing Authority for the Adjudicator is: <i>[insert: the name of an impartial international technical organization in the information technology sector, or, if no Adjudicator is used in this Contract Agreement or no organization has been identified and agreed to serve as Appointing Authority for the Adjudicator, state “not applicable.”]</i> .
GCC 6.2.3	<p>The rules of procedure for arbitration proceedings are:</p> <p>(a) <u>if the Supplier is foreign (including a Joint Venture when at least one partner is foreign):</u></p> <p>Note: For Contracts entered into with foreign Suppliers, international commercial arbitration may have practical advantages over other dispute settlement methods. The World Bank should not be named as arbitrator, nor should it be asked to name an arbitrator. Among the rules to govern the arbitration proceedings, the Purchaser may wish to consider the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules of 1976, the Rules of Conciliation and Arbitration of the International Chamber of Commerce (ICC), the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce, or the Rules of the London Court of International Arbitration.</p> <p><i>If the Purchaser chooses the UNCITRAL Arbitration Rules, the following sample clause should be inserted:</i></p> <p>Any dispute, controversy or claim arising out of or relating to this Contract, or breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL</p>

	<p>Arbitration Rules as at present in force.</p> <p><i>If the Purchaser chooses the Rules of ICC, the following sample clause should be inserted:</i></p> <p>All disputes arising in connection with the present Contract shall be finally settled under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed in accordance with said Rules.</p> <p><i>If the Purchaser chooses the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce, the following sample clause should be inserted:</i></p> <p>Any dispute, controversy or claim arising out of or in connection with this Contract, or the breach termination or invalidity thereof, shall be settled by arbitration in accordance with the Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.</p> <p><i>If the Purchaser chooses the Rules of the London Court of International Arbitration, the following clause should be inserted:</i></p> <p>Any dispute arising out of or in connection with this Contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration under the Rules of the London Court of International Arbitration, which rules are deemed to be incorporated by reference to this clause.</p> <p>(b) <u>if the Supplier is a national of the Purchaser's country:</u></p> <p>Note: For Contracts entered into with a national of the Purchaser's country, the Contract may provide for adjudication/arbitration in accordance with the laws of the Purchaser's country.</p> <p><i>For such Contracts, the following sample clause should be inserted:</i></p>
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	<p>Any dispute between the Purchaser and a Supplier who is a national of the Purchaser's country arising in connection with the present Contract shall be referred to adjudication or arbitration in accordance with the laws of the Purchaser's country.</p> <p>Note: The Bidding Documents should contain one Clause (a) to be retained in the event of a Contract with a foreign Supplier and one Clause (b) to be retained in the event of a Contract with a Supplier who is a national of the Purchaser's country.</p>
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B. SUBJECT MATTER OF CONTRACT

7. Scope of the System (GCC Clause 7)

GCC 7.3	<p>The Supplier's obligations under the Contract will include the following recurrent cost items, as identified in the Recurrent Cost Form in the Supplier's Bid:</p> <p><i>[specify: the recurrent cost items/services that are included in the Contract; also provide cross reference to the place in the Technical Requirements where each item/service is specified in detail.]</i></p> <p>Note: The requirements in terms of recurrent cost items should be defined here, reflected in the Recurrent Cost Table as applicable to either Warranty or Post-Warranty periods, and elaborated in the Technical Requirements. See also notes to SCC Clause 29.4 regarding services that are not typically included in commercial warranties.</p> <p>If the Purchaser expects that wear and tear on System components will necessitate routine replacement of such components, and if Purchaser technical staff will perform these repair and replacement tasks, the Purchaser may wish to consider adding the following clause to the SCC that obligates the Supplier to stock and/or provide certain spare parts.</p> <p>The Supplier agrees to supply spare parts required for the operation and maintenance of the System, as stated below, for the <i>[insert: number of years]</i> beginning with Operational Acceptance. Moreover, the price of such spare parts shall be those specified in the spare parts price schedule submitted by the Supplier as part of its bid. These prices shall include the purchase price for such spare parts and other costs and expenses (including the Supplier's fees) relating to the supply of spare parts.</p>
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	<p><i>[list the spare parts needs, or reference the line items in the Spare Parts Price Schedule in the Supplier's bid, if the Supplier is the source of the identity of the spares, i.e., reflecting its own understanding of its own technologies.]</i></p> <p>Note: The need to ensure the availability of spare parts sources, above and beyond those the Supplier would routinely and implicitly need to perform under its defect liability and/or maintenance responsibilities, generally is not a major issue for the Information Technologies available in the market today. A System is likely to become commercially obsolete long before it begins to develop physical defects.</p>
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8. Time for Commencement and Operational Acceptance (GCC Clause 8)

GCC 8.1	The Supplier shall commence work on the System within: <i>[insert: number]</i> of days from the Effective Date of the Contract.
GCC 8.2	Operational Acceptance will occur on or before: <i>[insert: Operational Acceptance date consistent with the Implementation Schedule in the Technical Requirements Section.]</i>

9. Supplier's Responsibilities (GCC Clause 9)

GCC 9.9	The Supplier shall have the following additional responsibilities: <i>[as appropriate, insert: additional responsibilities; or state: "none"]</i> .
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10. Purchaser's Responsibilities (GCC Clause 10)

GCC 10.12	The Purchaser shall have the following additional responsibilities: <i>[as appropriate, insert: additional responsibilities; or state: "none"]</i> .
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C. PAYMENT

11. Contract Price (GCC Clause 11)

GCC 11.2 (c)	<p>Adjustments to the Contract Price shall be as follows: [state: “none” or specify: the items, adjustment formula or formulas, and the relevant price indices].</p> <p>Note: Price adjustment is not generally associated with Information System procurements and, in particular, Information System procured using the single-stage bidding process. Price adjustment is normally recommended when: (i) performance of the Contract is expected to last more than eighteen (18) months; (ii) the cost of an important input, such as labor, is subject to inflation (or deflation); and (iii) meaningful price indices are readily available and well accepted. Thus, for example, if the Contract provides a substantial number of recurrent cost items following Operational Acceptance, would the inclusion of an SCC to permit adjustment be appropriate. In such cases, adjustment should be limited to those items only and use appropriate indices that accurately mirror the relevant price trends.</p>
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12. Terms of Payment (GCC Clause 12)

GCC 12.1	<p>Subject to the provisions of GCC Clause 12 (Terms of Payment), the Purchaser shall pay the Contract Price to the Supplier in the manner specified below. Except as otherwise noted, all payments shall be made for the portion of the Contract Price corresponding to the goods or services actually Delivered, Installed, or Operationally Accepted, per the Contract Implementation Schedule, at unit prices and in the currencies specified in the Price Schedules of the Contract Agreement.</p> <p>(a) Advance Payment</p> <p>Ten percent (10%) of the entire Contract Price, exclusive of all Recurrent Costs, shall be paid against receipt of a claim accompanied by the Advance Payment Security specified in GCC Clause 13.2.</p> <p>Note: The advance payment may be higher than 10% in cases where Supplier's mobilization costs (i.e., costs between Contract effectiveness and the first scheduled Contract payment) are likely to be much larger than the advance payment, resulting in substantial negative cash flow for the Supplier. This happens</p>
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	<p>primarily in projects (such as procurement of process control systems for complex industrial plants or processes) where the Supplier must acquire expensive items on its own account (such as an IT hardware/software platform, or third party software licenses) to customize and configure a solution system prior to the first scheduled payment milestone. In these cases, the entire schedule of payments below obviously needs to be adjusted accordingly.</p> <p>(b) Information Technologies, Materials, and other Goods, with the exception of Custom Software and Custom Materials:</p> <p>sixty percent (60%) of the total or pro-rata Contract Price against Delivery</p> <p>ten percent (10%) of the total or pro-rata Contract Price against Installation</p> <p>ten percent (10%) of the total or pro-rata Contract Price against Operational Acceptance.</p> <p>(c) Custom Software and Custom Materials:</p> <p>sixty percent (60%) of the total or pro-rata Contract Price against Installation</p> <p>twenty percent (20%) of the total or pro-rata Contract Price against Operational Acceptance.</p> <p>Note: Large custom software development or system integration contracts are usually paid in increments against Purchaser's acceptance of major intermediate deliverables defined in the implementation schedule as key milestones. In those cases, the above payment terms should be modified accordingly (obviously already during preparation of the Bidding Documents) and refer to the milestones in the Implementation Schedule.</p> <p>In general, any software implementation which requires more than three months from effectiveness of the Contract to Installation of the software, and then more than another three months until Operational Acceptance - whether the implementation involves parameterization or customization of packaged software, or custom development – would need a more detailed Payment Clause 12.1 (c) than the simple default clause of above. Milestones could be the completion of software requirements specifications, software design document, development of a prototype for a major subsystem, delivery of a pilot implementation of the software for a subsystem or the entire system, etc. The payment terms should allow the Supplier an adequate cash flow against objective</p>
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	<p>achievements on the path to a working end product.</p> <p>(d) Services other than Training:</p> <p>eighty percent (80%) of the pro-rata Contract Price for services performed will be paid monthly in arrears, on submission and Purchaser's approval of invoices.</p> <p>Note: Some Contracts may involve considerable "Services other than Training" (and services other than software customization). For instance, there could be the digitization of maps using the procured Geographical Information System (GIS), or the scanning, indexing and conversion of paper documents, or the conversion or migration of existing electronic data sets. In these cases, payment may be keyed to acceptance of intermediate deliverables or completion of service delivery phases defined in the project implementation schedule, rather than merely to the passage of time, as illustrated. In designing this type of payment terms, the Purchaser has an obligation to balance and ensure consistency between its own interest to pay only against value received, the supplier's need for a reasonable cash flow, the design of the project implementation schedule, the specification of service milestones and even the process for acceptance testing of intermediate deliverables (when milestones completion would be subject to such testing).</p> <p>(e) Training</p> <p>thirty percent (30%) of the total Contract Price for training services at the start of the full training program.</p> <p>fifty percent (50%) of the pro-rata Contract Price for training services performed will be paid monthly in arrears, on submission and approval of appropriate invoices</p> <p>(f) Complete System Integration</p> <p>ten percent (10%) of the entire Contract Price, exclusive of all Recurrent Costs, as final payment against Operational Acceptance of the System as a complete, integrated system.</p> <p>Note: If a separate Operational Acceptance for the System as an integrated whole is not required, increase by 10% points the final payment percentages of all other goods and services above.</p> <p>(g) Recurrent Costs</p> <p>one hundred percent (100%) of the price of the services actually delivered will be paid monthly in arrears, on submission and Purchaser's approval of invoices.</p>
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	<p>Note: If the recurrent costs are relatively minor, or if otherwise convenient, this provision could be modified to, e.g., invoicing for 3 or 6 months at a time, and/or allowing the presentation of the invoices at the start of each payment period.</p>
GCC 12.3	<p>The Purchaser shall pay to the Supplier interest on the delayed payments at a rate of: <i>[insert: number (X) followed by “percent” or “%”]</i>.</p>
GCC 12.4	<p>For Goods and Services supplied locally, the Purchaser will pay the Supplier in <i>[insert: currency of payment, or alternatively insert “in the currency stated in the Contract Agreement and the Price Schedules it refers to”]</i>.</p> <p>Note: The specified currency, usually the currency of the Purchaser’s Country, must be the same as that stated in the Bid Data Sheet for locally supplied Goods and Services. In cases where local regulations require payment for local costs in the local currency but where this currency is subject to inflation, the Purchaser may wish to allow Bidders to quote and invoice for these costs in another currency. In those cases, the method of conversion into local currency must be specified as follows:</p> <p><i>If the Supplier is allowed to bid locally supplied Goods and Services in a different currency, but actual payments must be in the local currency, insert: The Supplier will invoice the Purchaser in the currency used in the Contract Agreement and the Price Schedules it refers to, for Goods and Services supplied locally, and the conversion between this currency and [insert: name of local currency] for payment purposes - in case the two currencies are different - will be made as of the actual payment date using the exchange rate found in [insert: source of exchange rate].</i></p>
GCC 12.5	<p>Payment for Goods supplied from outside the Purchaser’s Country shall be in the form of: <i>[state “an irrevocable letter of credit,” or insert: alternative method of payment, or state “There is no special payment method for Goods supplied from outside the Purchaser’s Country”]</i>.</p> <p>Note: The alternative method of payment should be in accordance with the World Bank’s Disbursement Letter for the Loan, and with the size of the Special Account. Foreign suppliers usually prefer to be paid by Letter of Credit which, therefore, will make bidding more attractive for them. Before offering this form of payment via this clause, however, it is important to bear in mind that the World Bank issues its Special Commitment for a Letter of Credit</p>

	<p>only when the foreign currency portion covered: i) exceeds the threshold specified for Special Account disbursements, and ii) applies to Goods supplied from abroad, not to services (except incidental installation services if within less than 10% of the cost of the goods). Without the World Bank's Special Commitment, the Purchaser may have to provide security to the commercial bank where the letter of credit gets established, which could be a costly proposition.</p> <p>Therefore, Letter of Credit should be the specified payment method for computer hardware (including any pre-installed software) that is likely to be imported, has a substantial production cost, and would be of an estimated size/quantity and expense so that the defined payment installments could not conveniently be covered by a Special Account.</p>
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13. Securities (GCC Clause 13)

GCC 13.2.1	<p>The Supplier shall provide within twenty-eight (28) days of the notification of Contract award an Advance Payment Security in the amount and currency of the Advance Payment specified in SCC Clause 12 above.</p>
GCC 13.2.2	<p>The reduction in value and expiration of the Advance Payment Security are calculated as follows: <i>[state, for example:</i></p> <p><i>“$P*a/(100-a)$, where “P” is the sum of all payments effected so far to the Supplier (excluding the Advance Payment), and “a” is the Advance Payment expressed as a percentage of the Contract Price pursuant to the SCC for GCC 12.1.” or</i></p> <p><i>specify a method of reduction of the value and expiration of the Advance Payment Security explicitly linked to major milestones and/or payments (see the following Note), or</i></p> <p><i>state some other appropriate rule.]</i></p> <p>Note: As an example for the first alternative, if the Advance Payment is 10% of the Contract Price, the reduction in value of the security is computed as the sum of all payments made after the advance payment, multiplied by 10, and divided by 90. The residual value of the security thus will be the original value of the security minus the computed reduction in value. This way, the Advance Payment Security gets recovered gradually over all remaining payments of the Contract, proportionally to the size of the actual payments (whether full or pro-rata), and will only expire with the last contractual payment made to the Supplier.</p>

	<p>The second alternative could be used when Suppliers would face high mobilization costs, such as for putting a software development team in place at the Purchaser's site(s). For instance, the provisions could state that half of the value of the security would be deemed as recovered when the Supplier's team is in place, and the other half, when the hardware and packaged software has been delivered and installed. There may be other practical reasons to allow Suppliers an early recovery of the security linked to specific milestones and/or payments.</p>
GCC 13.3.1	<p>The Performance Security shall be denominated in [<i>insert currency</i>] for an amount equal to [<i>insert: number</i>] percentage of the Contract Price excluding any Recurrent Costs.</p> <p>Note: The general rule is that the Performance Security is denominated in the currency or currencies of the contract or in a freely convertible currency acceptable to the Purchaser. It should be set as no more than ten (10) percent of the Contract Price, excluding Recurrent Costs. Provision of the Performance Security increases the transaction costs incurred by the successful Bidder, which it can recover only by increasing its price. Therefore, for a simple system, Performance Security in an amount of only six (6) percent of the Contract Price would provide adequate protection while for a moderately complex system, eight (8) percent should be sufficient.</p>
GCC 13.3.4 (b)	<p>During the Warranty Period (i.e., after Operational Acceptance of the System), the Performance Security shall be reduced to [<i>insert: number</i>] percentage of the Contract Price, exclusive of the Recurrent Costs.</p> <p>Note: An appropriate amount for the Performance Security for a (three-year) Warranty Period would be between one (1) and two and a half (2.5) percent of the Contract Price, exclusive of the Recurrent Costs. It may be appropriate to further reduce the size of the Security, if any, during the Post-Warranty Service Period.</p>

14. Taxes and Duties (GCC Clause 14)

GCC 14	[<i>insert: necessary and appropriate clauses, or state "There are no Special Conditions of Contract applicable to GCC Clause 14"</i>].
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D. INTELLECTUAL PROPERTY

15. Copyright (GCC Clause 15)

GCC 15.3	<p>The Purchaser may assign, license, or otherwise voluntarily transfer its contractual rights to use the Standard Software or elements of the Standard Software, without the Supplier's prior written consent, under the following circumstances:</p> <p><i>[state: "none," or else specify: circumstances]</i></p> <p>Note: If the Purchaser is a corporate or commercial entity, it may choose to specify the conditions under which contractual rights would be conveyed to any purchaser of the concern, or any successor entities following a group reorganization or bankruptcy or other insolvency procedures. Purchasers with other organizational structures may need to add other similar provisions.</p>
GCC 15.4	<p>The Purchaser's and Supplier's rights and obligations with respect to Custom Software or elements of the Custom Software are as follows <i>[state: "not applicable" if Custom Software is not part of the System; otherwise, specify: items, rights, obligations, restrictions, exceptions, and provisos]</i>.</p> <p>The Purchaser's and Supplier's rights and obligations with respect to Custom Materials or elements of the Custom Materials are as follows <i>[state: "not applicable" if Custom Materials are not part of the System; otherwise, specify: items, rights, obligations, restrictions, exceptions, and provisos]</i>.</p> <p>Note: There is a broad spectrum of strategies that the Purchaser can adopt regarding Intellectual Property Rights in Custom Software (and in Custom Materials). One extreme case is that the Purchaser retains all Intellectual Property Rights and tightly restricts what the Supplier can do with the Custom Software and information related to it. This approach may be appropriate when the Purchaser has highly sensitive procedures embedded in the Custom Software (e.g., a central bank's settlement system) or commercial competitive concerns regarding wider use of the Software, designs, or information, or where the Purchaser considers that it is contributing valuable know-how to the development of the Custom Software and wishes to share in future profits with the Supplier that derives from exploitation of that know-how. The other extreme case is where the Purchaser retains no Intellectual Property Rights in the Custom Software and only licenses its use from the Supplier. This approach is most appropriate when the Supplier wants to take advantage of</p>

	<p>the potential cost reduction in allowing the Supplier to commercialize the Custom Software (rather than sharing in future profits) and where the Purchaser has no proprietary or commercial concerns regarding its reuse.</p> <p>A wide variety of intermediate arrangements can be appropriate, depending on the circumstances. These would entail variations of what the Purchaser is entitled to do with the software, designs, and related information (and under what conditions). These rights and obligations include the following: (i) duplicating and using the software on different equipment, such as back-ups, additional computers, replacements, upgraded units, etc.; (ii) transferring the license or sublicensing the software for other entities to use, modify, develop, commercialize, etc.; (iii) sharing proprietary information regarding the Custom Software with various parties. The Purchaser's obligations and rights (and the conditions under which those rights and obligations apply) can vary substantially also. These include: (i) what the Purchaser must and can do with the CASE files, Source Code, and executable code of the Custom Software; (ii) sharing, reselling, and otherwise providing access to the software, designs and related information; and (iii) auditing for license compliance.</p> <p>The Supplier's rights in relation to the Custom Software may:</p> <ul style="list-style-type: none"> • Be limited to use in order to support the Purchaser; or • Extend to commercial exploitation by re-licensing to third-party customers. <p>If the Supplier's rights extend to commercial exploitation, they may be limited as follows:</p> <ul style="list-style-type: none"> • There may be an interim period, designed to protect the Purchaser's competitive edge, during which the Supplier is not permitted to exploit commercially; and/or • The Supplier may be prohibited from licensing the Custom Software to certain categories of customer (for example, direct competitors of the Purchaser) or in certain territories (for example, the Purchaser's Country), either for a limited period or indefinitely; and/or • The Supplier may be required to pay royalties to the Purchaser when it licenses third parties to use the Custom Software. <p>The first two of these categories of limitation are intended to protect the Purchaser's competitive edge. The third is intended to allow the Purchaser to share in future profits made by the Supplier through exploitation of the Custom Software. Royalty arrangements will have to be backed up by obligations to report to the Purchaser regarding future sales of products to which</p>
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	<p>royalties apply and audit rights of that the Purchaser can check that the Supplier's reports are accurate. Clearly, if royalty arrangements are put in place, the value of the Custom Software to the Supplier is reduced so the Purchaser may not benefit from an up-front cost saving.</p> <p>The Purchaser's rights in relation to the Custom Software may also be restricted to "user" rights or extended to commercial exploitation. If the Purchaser is to be treated as a mere user of the Custom Software, it might accept restrictions on use similar to those imposed in relation to the Standard Software (indeed, the default position in the GCC is that the Custom Software will be licensed to the Purchaser on exactly the same terms as the Standard Software if the Intellectual Property Rights in the Custom Software does not vest in the Purchaser). It may, however, also expect to have access to, and a right to use, CASE files and Source Code to the Custom Software (whereas, at best, Source Code to the Standard Software is likely to be deposited in escrow).</p> <p>If the Purchaser is to be permitted to exploit the Custom Software commercially, its exploitation rights may be limited in similar ways to the ways in which the Purchaser's rights may be limited.</p> <p>It may be appropriate to apply different arrangements to various elements of the Custom Software, according to their commercial sensitivity and potential for exploitation and the degree of competitive advantage that they afford to the Purchaser.</p> <p>The various possible arrangements can be achieved by a variety of contractual mechanisms. Ownership of Intellectual Property Rights in the Custom Software may vest the Supplier or the Purchaser, with the owner of those rights granting an appropriate license to the other party. This license may be subject to various degrees of exclusivity, depending on the desired commercial outcome (for example, the Supplier may own the Intellectual Property Rights in the Custom Software by granting to the Purchaser a license that is exclusive, in relation to exploitation in the Purchaser's Country, for two years).</p> <p>If an exclusive license is to be granted, competition law issues will need to be considered in some jurisdictions.</p> <p>Each is sufficiently different as to render virtually all sample text inappropriate in numerous cases. Accordingly, the Purchaser of Custom Software will, in most instances, require the services of an appropriately skilled lawyer to draft SCC for the rights and obligations regarding Custom Software (more particularly, the variety of rights and obligations that potentially apply to different items of Custom Software).</p>
GCC 15.5	<i>If not applicable, state: "no software escrow contract is required for the</i>

	<p><i>execution of the Contract;” otherwise, specify: maximum number of days during which a separate escrow contract must be agreed upon with a reputable escrow agent and any specific rights and obligations that the Purchaser wishes to establish in advance.</i></p> <p>Note: Special software escrow arrangements are generally needed in relation to Contracts for the supply of Software, particularly Application Software, where there is concern about the ability of the Supplier to provide ongoing support throughout the life of the System. The protection provided by an escrow arrangement, however, should be weighed against the costs of administering it. The actual language of the escrow contract will vary depending on the laws of the country in which the escrow deposit is to be made (which may be the Purchaser’s Country or another country with a suitable legal regime) and the escrow agent selected (escrow agents generally have their own standard form contracts). Provisions may cover:</p> <ul style="list-style-type: none"> (i) the Supplier’s obligations to deliver the Source Code to the escrow agent and make replacement deposits to ensure that the Source Code is up to date; (ii) the Supplier’s warranties that the Source Code is at all times capable of being used to generate the latest version of the executable code to the relevant Software in use by the Purchaser and suitable to enable the Purchaser to support and develop the Software; (iii) the escrow agent’s obligations to keep the Source Code secure and confidential; (iv) the escrow agent’s obligations in relation to verification of the Source Code (to ensure that it is Source Code and that it is capable of generating the executable code); (v) the obligations of the Supplier and the Purchaser in relation to payment of the escrow agent’s fee; (vi) the escrow agent’s right and obligation to release the Source Code to the Purchaser in certain specified “release events” (e.g., bankruptcy or insolvency of the Supplier or the Supplier’s failure to make deposits or to support the Software); (vii) limitations and exclusions of the escrow agent’s liability; (viii) the circumstances in which the escrow arrangement will terminate, and what will happen to the deposited Source Code on termination; and (ix) confidentiality undertakings to be given by the Purchaser on release of the Source Code.
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16. Software License Agreements (GCC Clause 16)

GCC 16.1 (a) (iii)	The Standard Software license shall be valid [state: <i>“throughout the territory of the Purchaser’s Country;”</i> or specify: <i>geographical coverage other than the Purchaser’s Country, if such coverage is necessary and appropriate, for example to cover the area in which the Purchaser’s business group operates in</i>].
GCC 16.1 (a) (iv)	<p>Use of the software shall be subject to the following additional restrictions [state: <i>“none”</i> or specify: <i>restrictions</i>].</p> <p>Note: In the interest of soliciting lower bid prices, Purchasers may wish to consider defining limitations in the use of the software. For example:</p> <ul style="list-style-type: none"> (a) restrictions on the number of records in particular categories that may be held by the System; (b) restrictions on the numbers of transactions in particular categories that may be processed by the System in any day, week, month, or other specified period; (c) restrictions on the number of persons who may be authorized to use the System at any time; (d) restrictions on the number of persons who may access the System simultaneously at any time; or (e) restrictions on the number of workstations that may be connected to the System at any time. <p>Note that, from the point of view of the Purchaser, if restrictions of any of these kinds (or any similar kind) are to be imposed and there is a real likelihood that the limits may be reached, it would be better to specify additional license fees that are payable when the limits are reached rather than imposing an absolute prohibition on exceeding the limits.</p>
GCC 16.1 (b) (ii)	The Software license shall permit the Software to be used or copied for use or transferred to a replacement computer [state: <i>“provided the replacement computer falls within approximately the same class of machine and maintains approximately the same number of users, if a multi-user machine;”</i> or specify: <i>other necessary and appropriate restrictions on the replacement computer</i>].
GCC 16.1 (b) (vi)	The Software license shall permit the Software to be disclosed to and reproduced for use (including a valid sublicense) by [state: <i>“support service suppliers or their subcontractors, exclusively for such suppliers or subcontractors in the performance of their support service contracts;”</i> or specify: <i>other necessary and</i>

	<p><i>appropriate support entities and terms</i>], subject to the same restrictions set forth in this Contract.</p> <p>Note: The Purchaser may also wish to specify, for example, that such entities shall be not direct competitors of the Supplier.</p>
GCC 16.1 (b) (vii)	<p>In addition to the persons specified in GCC Clause 16.1 (b) (vi), the Software may be disclosed to, and reproduced for use by, <i>[specify: categories of person]</i> subject to the same restrictions as are set forth in this Contract.</p> <p>Note: The Purchaser may, for example, wish to specify the members of the Purchaser's business group that are not direct competitors of the Supplier and that the Purchaser must obtain and provide the Supplier written evidence from such parties that such parties will abide by the terms of the Contract as if they were party to the Contract.</p>
GCC 16.2	<p>The Supplier's right to audit the Standard Software will be subject to the following terms:</p> <p>Note: Such terms may include, for example:</p> <p>The Purchaser will make available to the Supplier within seven (7) days of a written request accurate and up-to-date records of the number and location of copies, the number of authorized users, or any other relevant data required to demonstrate use of the Standard Software as per the license agreement.</p> <p>or</p> <p>The Purchaser will allow, under a pre-specified procedure, execution of embedded software functions under Supplier's control, and unencumbered transmission of resulting information on software usage.</p> <p>or, if on-site audits are acceptable, the Purchaser may specify conditions on the duration and number of audits per year; the hours or days during which audits may be conducted; the categories of software subject to audit; the procedures for access to Purchaser's hardware or software; the number and affiliation of individual auditors; the timing and terms of advance notice; the indemnity by Supplier for losses, liabilities, and costs incurred by the Purchaser as a direct result of the audit; etc.</p>

17. Confidential Information (GCC Clause 17)

GCC 17.1	<p><i>State: “There are no modifications to the confidentiality terms expressed in GCC Clause 17.1;” or, if necessary and appropriate, specify: persons, topics, and conditions for which the confidentiality clause does not apply.</i></p> <p>Note: The Purchaser may wish to give members of its business group or related agencies, for example, access to certain specific types of technical and / or financial information it obtains or develops with respect to the Supplier and its Information Technologies. The SCC covering such an exemption should define the individuals covered and generally provide that the Purchaser will ensure that such parties are aware of and will abide by the Purchaser’s obligations under GCC Clause 17 as if such party were a party to the Contract in place of the Purchaser.</p>
GCC 17.6	<p>The provisions of this GCC Clause 17 shall survive the termination, for whatever reason, of the Contract for <i>[insert: “the period specified in the GCC” or insert: number (x) years]</i>.</p>

E. SUPPLY, INSTALLATION, TESTING, COMMISSIONING, AND ACCEPTANCE OF THE SYSTEM

18. Representatives (GCC Clause 18)

GCC 18.1	<p>The Purchaser’s Project Manager shall have the following additional powers and / or limitations to his or her authority to represent the Purchaser in matters relating to the Contract <i>[state necessary and appropriate clauses, or state “no additional powers or limitations.”]</i>.</p>
GCC 18.2.2	<p>The Supplier’s Representative shall have the following additional powers and / or limitations to his or her authority to represent the Supplier in matters relating to the Contract <i>[state necessary and appropriate clauses, or state “no additional powers or limitations.”]</i>.</p> <p>Note: Any additional powers or limitations of the Supplier’s Representative will, of necessity, be subject to discussions at Contract finalization and the SCC amended accordingly.</p>

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19. Project Plan (GCC Clause 19)

GCC 19.1	<p>Chapters in the Project Plan shall address the following subject: [<i>for example, specify:</i></p> <ul style="list-style-type: none"> (a) <i>Project Organization and Management Plan;</i> (b) <i>Delivery and Installation Plan</i> (c) <i>Training Plan</i> (d) <i>Pre-commissioning and Operational Acceptance Testing Plan</i> (e) <i>Warranty Service Plan</i> (f) <i>Task, Time, and Resource Schedules</i> (g) <i>Post-Warranty Service Plan (if applicable)</i> (h) <i>Technical Support Plan (if applicable)</i> (i) <i>etc.</i> <p><i>Further details regarding the required contents of each of the above chapters are contained in the Technical Requirements, Section (insert: reference)].</i></p> <p>Note: The outline for the Project Plan given above should be essentially the same as that specified for the Preliminary Project Plan that Bidders were required to submit with their bids.</p>
GCC 19.2	<p>Within [<i>insert: number (N); for example, thirty (30)</i>] days from the Effective Date of the Contract, the Supplier shall present a Project Plan to the Purchaser. The Purchaser shall, within [<i>insert: number (N); for example, fourteen (14)</i>] days of receipt of the Project Plan, notify the Supplier of any respects in which it considers that the Project Plan does not adequately ensure that the proposed program of work, proposed methods, and/or proposed Information Technologies will satisfy the Technical Requirements and/or the SCC (in this Clause 19.2 called “non-conformities” below). The Supplier shall, within [<i>insert: number (N); for example, five (5)</i>] days of receipt of such notification, correct the Project Plan and resubmit to the Purchaser. The Purchaser shall, within [<i>insert: number (N); for example, five (5)</i>] days of resubmission of the Project Plan, notify the Supplier of any remaining non-conformities. This procedure shall be repeated as necessary until the Project Plan is free from non-conformities. When the Project Plan is free from</p>

	<p>non-conformities, the Purchaser shall provide confirmation in writing to the Supplier. This approved Project Plan (“the Agreed and Finalized Project Plan”) shall be contractually binding on the Purchaser and the Supplier.</p>
GCC 19.5	<p>The Supplier shall submit to the Purchaser the following reports: <i>[state “none,” or specify, for example:</i></p> <p><i>(a) Monthly (Quarterly) progress reports, summarizing:</i></p> <p><i>(i) results accomplished during the prior period;</i></p> <p><i>(ii) cumulative deviations to date from schedule of progress milestones as specified in the Agreed and Finalized Project Plan;</i></p> <p><i>(iii) corrective actions to be taken to return to planned schedule of progress; proposed revisions to planned schedule;</i></p> <p><i>(iv) other issues and outstanding problems; proposed actions to be taken;</i></p> <p><i>(v) resources that the Supplier expects to be provided by the Purchaser and/or actions to be taken by the Purchaser in the next reporting period;</i></p> <p><i>(vi) other issues or potential problems the Supplier foresees that could impact on project progress and/or effectiveness.]</i></p> <p>Note: Other reports may be needed to monitor Contract performance/progress with System implementation, for example:</p> <p><i>(*) inspection and quality assurance reports</i></p> <p><i>(*) training participants test results</i></p> <p><i>(*) monthly log of service calls and problem resolutions</i></p>

20. Subcontracting (GCC Clause 20)

GCC 20	<p><i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 20.”</i></p>
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21. Design and Engineering (GCC Clause 21)

GCC 21.2	The Contract shall be executed in accordance with the edition or the revised version of all referenced codes and standards current at the date [<i>state</i> “as specified in the GCC,” or <i>insert:</i> “(number) of days before bid submission.”]
GCC 21.3.1	<p>The Supplier shall prepare and furnish to the Project Manager the following documents for which the Supplier must obtain the Project Manager’s approval before proceeding with work on the System or any Subsystem covered by the documents. [<i>state</i> “none” or <i>specify, for example:</i></p> <ul style="list-style-type: none"> (*) <i>detailed site surveys;</i> (*) <i>final Subsystem configurations;</i> (*) <i>etc.]</i>

22. Procurement, Delivery, and Transport (GCC Clause 22)

GCC 22.5	The Supplier shall provide the Purchaser with shipping and other documents [<i>state</i> “as specified in the GCC,” or <i>specify</i> other documentation requirements as necessary and appropriate].
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23. Product Upgrades (GCC Clause 23)

GCC 23.4	<p>The Supplier shall provide the Purchaser: [<i>state</i> “with all new versions, releases, and updates to all Standard Software during the Warranty Period, for free, as specified in the GCC,” or <i>specify</i> other requirements as necessary and appropriate].</p> <p>Note: Mandating that all new versions, releases, and updates of Standard Software will be passed on for free during the Warranty Period is a comprehensive requirement, the benefits of which must be balanced against the perceived costs in the mind of the successful Bidder at the time of bid submission. To require the Supplier to provide for free only new releases and updates, but agreeing that it would be reimbursed for the supply of complete new versions might be more cost-effective. Other solutions might be to shorten the time period during which updates, etc., would have to be supplied for free, for example, to only the first year of the Warranty Period; or alternatively, a more narrow set of Standard Software could be covered.</p>
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24. Implementation, Installation, and Other Services (GCC Clause 24)

GCC 24	<p><i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 24.”</i></p> <p>Note: The Services appropriate for a particular System may include maintenance services during the Post-Warranty Service Period. They may also include a prearranged amount or type of technical assistance (e.g., systems analysis or programming in relation to subsequent expansions of the System) or certain types of operation support, such as network management or ongoing data conversion. These should be specified in the Technical Requirement Section.</p>
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25. Inspections and Tests (GCC Clause 25)

GCC 25	<p><i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 25.”</i></p> <p>Note: Purchasers may wish to consider employing qualified inspectors to inspect and certify the Information Technologies, Materials, and other Goods prior to shipment. This can minimize the number of cases where the Purchaser receives shipped goods that do not conform to the Technical Requirements and shorten the repair or replacement time.</p>
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26. Installation of the System (GCC Clause 26)

GCC 26	<p><i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 26.”</i></p>
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27. Commissioning and Operational Acceptance (GCC Clause 27)

GCC 27.2.1	<p>Operational Acceptance Testing shall be conducted in accordance with <i>[specify: System or the Subsystems, the tests, the test procedures, and the required results for acceptance; alternatively reference the relevant section(s) of the Technical Requirements where acceptance testing details are given.]</i></p> <p>Note: Few aspects of Information Technology procurement are more critical to the successful implementation of a System than the specification of Operational Acceptance Tests. It is imperative that the Purchaser prepare the specification for these tests as carefully as the overall specification of the System itself. The description should be sufficiently comprehensive, unambiguous,</p>
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	<p>and verifiable to result in proper operation of the System with minimal confusion or controversy between the Purchaser and its management, the Supplier, and any users.</p> <p>In addition, where the Contract covers the Installation and acceptance testing of a number of Subsystems, the nature of the acceptance tests required for each Subsystem, and for the final tests to be carried out on the entire System once all Subsystems have been completed, needs to be clearly specified here and/or in the Technical Requirements and which party bears responsibility for correcting any defects discovered during the final tests of the entire System needs to be identified.</p>
GCC 27.2.2	<p>If the Operational Acceptance Test of the System, or Subsystem(s), cannot be successfully completed within [<i>insert: number no more than ninety (90)</i>] days from the date of Installation or any other period agreed upon by the Purchaser and the Supplier, then GCC Clause 27.3.5 (a) or (b) shall apply, as the circumstances may dictate.</p>

F. GUARANTEES AND LIABILITIES

28. Operational Acceptance Time Guarantee (GCC Clause 28)

GCC 28.2	<p>Liquidated damages shall be assessed at [<i>insert: number</i>] percent per week. The maximum liquidated damages are [<i>insert: number</i>] percent of the Contract Price, or relevant part of the Contract Price if the liquidated damages apply to a Subsystem.</p> <p>Note: Typical percentages are, respectively, one half of one percent (0.5%) per week and ten percent (10%) of the total. The rates specified here must be consistent with the related entries in the Bid Data Sheet especially if differing rates are used to discount prices in foreign and local currencies as a mechanism to account for high inflation in the local currency. In some instances, the Purchaser may wish to consider specifying liquidated damages on a daily basis. If so, the above text should be modified accordingly.</p>
GCC 28.3	<p>Liquidated damages shall be assessed [<i>state “only with respect to achieving Operational Acceptance;” otherwise, indicate: at other milestones, such as Installation</i>].</p> <p>Note: Establishing more milestones for liquidated damages may</p>

	<p>provide a somewhat greater degree of control and assurances regarding the pace of the implementation of the System. However, this will come at a price of increased complexity of Contract management and increased perceptions of financial risks on the part of Bidders. This most likely will lead to higher bid prices. In most cases, Operational Acceptance should be the most appropriate financial control for ensuring the timeliness of implementation, since it captures the impact of earlier delays and is, in the final analysis, the milestone that truly matters. Whatever milestones are selected, it is critical that the Implementation Schedule in the Technical Requirements Section precisely specify what Subsystems or other components are covered and when the milestone is set. These, of course, can be refined and revised through the Agreed and Finalized Project Plan.</p>
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29. Defect Liability (GCC Clause 29)

GCC 29.1	<p>For Software, exceptions or limitations to the Supplier’s warranty obligations shall be as follows: <i>[state: “None;” or specify: category or categories of Software and the corresponding exceptions or limitations]</i>.</p> <p>Note: Software is never completely error or “bug” free. Thus, the Purchaser may wish to refine or to limit the Supplier’s warranty obligations. Properly done, this can reduce Bidder’s perceptions of financial risk and help lower bid prices. However, the Purchaser should balance the potential savings against the risks to reliable and effective operation of the System and the related costs to the Purchaser. These trade-offs are very specific to the type of the System and its uses. These trade-offs are also changing very rapidly with technological development. Accordingly, the Bank recommends that Purchaser’s consult experts in the relevant areas for an up-to-date assessment of the risks and the most appropriate text to express any such exceptions and limitations.</p>
GCC 29.3 (iii)	<p>The Supplier warrants that the following items have been released to the market for the following specific minimum time periods: <i>[state: “No specific minimum time requirements are established for this Contract other than that the Information Technologies must have been previously released to the market;” or specify: specific types of technologies and specific minimum time periods; for example, “All Standard Software must have been commercially available in the market for at least three</i></p>

	<i>months”]</i> .
GCC 29.4	<p>The Warranty Period (N) shall begin from the date of Operational Acceptance of the System or subsystem and extend for [<i>state: “36 months;” or, if a different period is desired, specify: number of months; or, if appropriate, specify the periods that may apply to different types of technologies, e.g., hardware and software]</i>.</p> <p>Note: Industry practice with respect to warranties is evolving. Currently, many IT manufacturers offer a thirty-six (36) month warranty, particularly for certain Hardware such as servers and workstations. Warranties for software are seldom longer than one year. Warranties for longer than 12 months for printers and other heavily used devices that contain mechanical components can be expensive. When defining the Warranty period according to these practices, Purchasers should be careful to recognize that services such as resident engineer support, new software releases and end-user help desk support are not typically included in commercial warranties and should be priced separately in the Recurrent Cost Table.</p>
GCC 29.10	<p>During the Warranty Period, the Supplier must commence the work necessary to remedy defects or damage within [<i>insert: number of (working) days / number of hours]</i> of notification.</p> <p>Note: The time specified here must strike a reasonable balance between the response time the typical qualified Supplier can physically achieve and the importance of maintaining continued System operation. If too short a time period is specified, Suppliers will need to protect themselves by adding a contingency to their bid prices. In many cases, the Purchaser should develop a set of response times for different degrees of seriousness of the defects and/or categories of IT and/or specific Subsystems. The most appropriate and economical set of response times are highly dependent on the specific System, its use, and the relevant conditions in the Purchaser’s Country. The Bank strongly recommends the Purchaser seek expert advice in this matter.</p>

30. Functional Guarantees (GCC Clause 30)

GCC 30	<p><i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 30.”</i></p> <p>Note: In the event that Information Systems and Technologies would</p>
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	have to conform to other calendar system(s), here would be the place to specify related requirements in addition to, or in variation of, the requirements in GCC clause 30.2.
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31. Intellectual Property Rights Warranty (GCC Clause 31)

GCC 31	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 31.”</i>
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32. Intellectual Property Rights Indemnity (GCC Clause 32)

GCC 32	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 32.”</i>
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33. Limitation of Liability (GCC Clause 33)

GCC 33	<i>Normally, state “There are no Special Conditions of Contract applicable to GCC Clause 33.”</i>
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G. RISK DISTRIBUTION

34. Transfer of Ownership (GCC Clause 34)

GCC 34	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 34.”</i>
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35. Care of the System (GCC Clause 35)

GCC 35	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 35.”</i>
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36. Loss of or Damage to Property; Accident or Injury to Workers; Indemnification (GCC Clause 36)

GCC 36	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 36.”</i>
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37. Insurances (GCC Clause 37)

GCC 37.1 (c)	The Supplier shall obtain Third-Party Liability Insurance in the amount of [<i>insert: monetary value</i>] with deductible limits of no more than [<i>insert: monetary value</i>]. The insured Parties shall be [<i>list insured parties</i>]. The Insurance shall cover the period from [<i>insert: beginning date, in terms of the date of Contract Effectiveness</i>] until [<i>insert: expiration date, in terms of the date of Contract Effectiveness or Completion</i>].
GCC 37.1 (e)	<p><i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 37.”</i></p> <p><i>For example:</i></p> <p>The Supplier shall obtain Worker’s Compensation Insurance in accordance with the statutory requirements of [<i>insert: the Purchaser’s Country</i>]. Specifically: [<i>insert: requirements</i>]. The Insurance shall cover the period from [<i>insert: beginning date, in terms of the date of Contract Effectiveness</i>] until [<i>insert: expiration date, in terms of the date of Contract Effectiveness or Completion</i>].</p> <p>The Supplier shall obtain Employer’s Liability Insurance in accordance with the statutory requirements of [<i>insert: the Purchaser’s Country</i>]. Specifically: [<i>insert: requirements</i>]. The Insurance shall cover the period from [<i>insert: beginning date, in terms of the date of Contract Effectiveness</i>] until [<i>insert: expiration date, in terms of the date of Contract Effectiveness or Completion</i>].</p>

38. Force Majeure (GCC Clause 38)

GCC 38	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 38.”</i>
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H. CHANGE IN CONTRACT ELEMENTS

39. Changes to the System (GCC Clause 39)

GCC 39	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 39.”</i>
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40. Extension of Time for Achieving Operational Acceptance (GCC Clause 40)

GCC 40	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 40.”</i>
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41. Termination (GCC Clause 41)

GCC 41	<i>Normally, state “There are no Special Conditions of Contract applicable to GCC Clause 41.”</i>
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42. Assignment (GCC Clause 42)

GCC 42	<i>Insert: necessary and appropriate clauses, or state “There are no Special Conditions of Contract applicable to GCC Clause 42.”</i>
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**SECTION VI. TECHNICAL REQUIREMENTS (INCLUDING
IMPLEMENTATION SCHEDULE)**

Notes on the preparation of the Technical Requirements

The Technical Requirements should include all the technical details that Bidders need, in combination with the Implementation Schedule and the supporting System Inventory Tables, to prepare realistic, responsive, and competitive bids.

The Technical Requirements should, as much as possible, be based on and expressed in terms of the Purchaser's business, rather than technological needs. This leaves it up to the market to determine what specific Information Technologies can best satisfy these business needs. Nevertheless, in the case of a relatively straight-forward Information System, where the business needs have been clearly linked to technological requirements, it would be acceptable to prepare Technical Requirements that describe technologies known to satisfy those business needs. Even in these cases, however, the requirements must be vendor neutral and specified to elicit the widest range of possible technical responses.

References to brand names, catalog numbers, or other details that limit the source of any item or component to a specific manufacturer should be avoided. Where such references are unavoidable, the words "or substantially equivalent" should be added to permit Bidders to bid equivalent or superior technologies. Only in the most exceptional circumstances may Bidders be required to offer brand-name items and the equivalency clause be omitted. Bank's consideration for exception requires that:

- (a) a brand-name component appears to have no equivalent or superior alternative, because of its unique ability to reliably interoperate with a relatively large base of existing technologies, to conform with the Purchaser's adopted technological standards, and to offer overwhelming savings in terms of avoided costs for retraining, data conversion, macro / business template redevelopment, etc.;
- (b) the Bank has agreed in advance, during project preparation, that such brand-name restrictions are warranted; and
- (c) such brand-name components are the absolute fewest possible and each component has been explicitly identified in the Bid Data Sheet for ITB Clause 16.3 (IS1STG SBD) or ITB Clause 14.3 (IS2STG SBD).

Similarly, where national standards or codes of practice are specified, the Purchaser should include a statement that other national or international standards “that are substantially equivalent” will also be acceptable.

To help ensure comparable bids and ease Contract execution, the Purchaser’s requirements must be stated as clearly as possible, with minimum room for differing interpretations. Thus, wherever possible, technical specifications should include definitive characteristics and quantifiable measures. If technical characteristics in a specific range, or above or below specific thresholds, are required, then these should be clearly specified. For example, the expandability of a server should be stated as “no less than four processors.” Technical specifications that state only “four processors” create unnecessary uncertainty for Bidders regarding whether or not, for example, a server that could be expanded up to six processor boards would be technically responsive.

Quantitative technical specifications must, however, be employed with care. They can dictate technical architectures and, thus, be unnecessarily restrictive. For example, a quantitative requirement for the minimum width of the data path in a processor may be unnecessarily restrictive. Instead, a specification of a required level of standard performance benchmark test may be more appropriate, allowing different technical approaches to achieving the Purchaser’s functional and performance objectives. In general, the Purchaser should try to use widely accepted direct measures of performance and functionality whenever possible and carefully review specifications for those that might dictate technical architectures.

It is important that the Requirements clearly identify which are mandatory features (for which a bid’s nonconformance might require rejection for non-responsiveness) and which are preferable features that can be included or excluded from a bid at the Bidder’s option. To enhance the clarity of the specifications, Purchasers are advised to use the word “MUST” (in bold capitals) in sentences describing mandatory requirements. The Technical Responsiveness Checklist is also a useful device to ensure that mandatory and preferred features are clearly indicated.

This section of the SBD contains a sample outline that will help Purchasers organize and present in a comprehensive way both the business purpose and technical characteristics of the System to be supplied and installed. The major sections are:

- (A) Background (description of the project, history, and structure of the agency, purpose of the System, etc.)
- (B) Business Function and Performance Requirements

- (C) Technical Specifications
- (D) Testing Requirements
- (E) Implementation Schedule
- (F) Required Format for Technical Bid
- (G) Technical Responsiveness Checklist
- (H) Attachments (e.g., drawings of site premises, descriptions of existing technologies, sample data, and reports, etc.)

Preparation of the Implementation Schedule in Chapter E warrants further explanation and guidance.

Notes on preparation of the Implementation Schedule

The Implementation Schedule presents in summary form:

- (a) the key Information Technologies, Materials, and other Goods and Services that comprise the System to be supplied and/or performed by the successful Bidder (including a breakdown showing all Subsystems);
- (b) the quantities of such Information Technologies, Materials, and other Goods and Services;
- (c) the site(s) where the System will be installed and the services performed; and
- (d) when Installation, and Operational Acceptance should take place for all Subsystems and/or major components of the System, and the overall System itself, as well as any other major Contract milestones. Note that the delivery date is not presented in the Implementation Schedule but left for bidders to provide. Delivery, under Incoterms 2000 for CIP, refers to the shipment date when the Supplier delivers the goods to the first carrier at the port of embarkation, not to the arrival of the goods at the destination site. Delivery (shipment) date therefore varies according to the country of origin of the goods and the Supplier's chosen method of transport.

The target completion dates given in the Implementation Schedule must be realistic, and the Schedule itself must contain enough clear information to enable Bidders to quickly prepare responsive bids with realistic and competitive prices. These prices are to be submitted in the format of the Price Schedules included in the Sample Forms Section of these SBD.

Thus, the breakdown provided in the Implementation Schedule should closely mirror that given in the Price Schedules. If inconsistencies are introduced in these two key forms, confusion and delays will likely occur during the evaluation.

The Implementation Schedule also fulfills a variety of other important functions:

- (a) the performance milestones in the Schedule are used to construct the payment schedule given in the Special Conditions of Contract;
- (b) the Schedule is a key tool that the Purchaser utilizes to monitor and supervise day-to-day performance by the Supplier;
- (c) the application of the liquidated damages provision in the General Conditions of Contract is linked directly to the dates given in the Schedule; and
- (d) the quantities for each item shown in the Schedule are used as the starting point for any quantity variations the Purchaser may wish to request at the time of Contract award pursuant to ITB Clause 33.1 (IS1STG SBD) or ITB Clause 45.1 (IS2STG SBD).

The sample tables provided in this section of the SBD are designed to help the Purchaser organize and present the necessary information. They comprise:

- (a) an Implementation Schedule Table;
- (b) System Inventory Tables (Supply and Installation cost items and Recurrent cost items);
- (c) a Site Table(s); and
- (d) a Table of Holidays and other Non-Working Days.

The Purchaser should modify these tables, as required, to suit the particulars of the System (and Subsystems) to be supplied and installed. The sample text provided for various sections of the tables is illustrative only and should be modified or deleted as appropriate.

The Implementation Schedule Table should provide:

- (a) brief identifying descriptions for the major Subsystems and/or major components of the System and the site(s) where they will be installed;
- (b) the Purchaser's required completion time, specified in weeks from date of Contract Effectiveness, for Installation and Achieving Operational

Acceptance, for each Subsystem and major component, as well as for Operational Acceptance of the entire System itself (if required); and

- (c) a clear indication of which completion date(s) would be used for assessment of Liquidated Damages.

In specifying the Schedule, it is essential that the target completion dates be realistic and achievable in light of the capacity of both the average Supplier and the Purchaser to carry out their respective contract obligations. Also, the Purchaser must take care to ensure that the dates specified in the Schedule are consistent with any specified elsewhere in the Bidding Documents, especially in the SCC (e.g., in relation to the Time for Achieving Operational Acceptance and/or times specified for the submission and acceptance of the Agreed and Finalized Project Plan).

The System Inventory Tables give a more detailed description of each of the Information Technologies, Materials, and other Goods and Services needed for the System (broken down by Subsystem, if applicable), the required quantities of each, and the location of each on a specific site (e.g., building, floor, room, department, etc.). Each entry in the System Inventory Tables should be cross referenced to the relevant section of the Technical Requirements where that component is described in greater detail. There are two sample formats given for the System Inventory Tables: one for the Supply and Installation cost items and the second for recurrent cost items needed (if any). The second version of the table permits the Purchaser to obtain price information about items that are needed during the Warranty and Post-Warranty Service Periods and beyond.

The Site Table(s) provides information regarding the physical location of the site(s) where the System is to be supplied, installed, and operated. The site(s) may consist of a number of branch offices in remote regions, different departments or offices in the same city, or a combination of these. The Purchaser must specify this information in sufficient detail so that Bidders can accurately estimate costs related to:

- (a) Delivery and insurance;
- (b) Installation, including cabling and inter-building communications, etc.;
- (c) any subcontracts needed to perform post-warranty operational support services, such as emergency repair, maintenance, and other support services; and
- (d) any other related Service obligations the successful Bidder will have to perform under the Contract, including related travel and subsistence costs.

This information will also help Bidders identify which site(s) may warrant a site visit during the period they are preparing their bids. If the System presents complex installation problems, a detailed site layout drawings should be included in the Bidding Documents.

If the System comprises a number of Subsystems or components that can be supplied and installed separately and are organized into separate "lots" for bidding, evaluation, and Contract award purposes, each such lot should be described in separate sets of Implementation Schedule, System Inventory, and Site Tables.

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Technical Requirements

Note: The following is only a sample outline. Entries should be modified, extended, and/or deleted, as appropriate for the particular System to be supplied and installed.

A. BACKGROUND

0.1 The Purchaser

0.1.1 *[provide: an overview of the Agency's legal basis, organizational role, and core objectives]*

0.1.2 *[provide: an overview of the stakeholders and decision-making arrangements applicable to the System and performance of the Contract]*

[as applicable, state: "Attachment X to these Technical Requirements provides a more detailed description regarding stakeholders and the Purchaser's project management arrangements."]

0.2 Business Objectives of the Purchaser

0.2.1 *[provide: an overview of the current business objectives, procedures, and processes and how they will be affected by the System]*

0.2.2 *[provide: an overview of the changes in objectives, procedures, and processes to be made possible by the System]*

0.2.3 *[provide: a brief description of the expected benefits of the System]*

0.3 Acronyms Used in These Technical Requirements

0.3.1 *[compile: a table of organizational and technical acronyms used in the Requirements. This can be done, for example, by extending the following table]*

	Term	Explanation
	bps	bits per second
	cps	characters per second
	DBMS	Database management system
	DOS	Disk Operating System
	dpi	dots per inch

	Term	Explanation
	Ethernet	IEEE 802.3 Standard LAN protocol
	GB	gigabyte
	Hz	Hertz (cycles per second)
	IEEE	Institute of Electrical and Electronics Engineers
	ISO	United Nations International Standards Organization
	KB	kilobyte
	kVA	Kilovolt ampere
	LAN	Local area network
	lpi	lines per inch
	lpm	lines per minute
	MB	megabyte
	MTBF	Mean time between failures
	NIC	Network interface card
	NOS	Network operating system
	ODBC	Open Database Connectivity
	OLE	Object Linking and Embedding
	OS	Operating system
	PCL	Printer Command Language
	ppm	pages per minute
	RAID	Redundant array of inexpensive disks
	RAM	Random access memory
	RISC	Reduced instruction-set computer
	SCSI	Small Computer System Interface
	SNMP	Simple Network Management Protocol
	SQL	Structured Query Language
	TCP/IP	Transmission Control Protocol / Internet Protocol
	V	Volt

B. BUSINESS FUNCTION AND PERFORMANCE REQUIREMENTS

1.1 Business Requirements to Be Met by the System

1.1.1 *[describe, at the appropriate level of detail for the System being supplied and installed: the specific business processes and procedures that will be automated by the System]*

Note: The need to define the detailed business functions to be satisfied by the System is less critical for the Systems likely to be procured using these SBD than for more complex Systems.

1.1.2 *[as appropriate, describe: the relevant legal codes and regulations that govern the business processes and procedures that will be automated with the System; if appropriate, prepare: an attachment with the proper references or quotations from the regulations]*

Note: If appropriate, the Purchaser should prepare an attachment to the Technical Requirements containing references to the relevant regulations and codes or duplicate the relevant text by attachment.

1.2 Functional Performance Requirements of the System

1.2.1 *[describe, at the appropriate level of detail for the particular System being supplied and installed: the relevant throughput and/or response times for specific business processes and procedures automated by the System; also describe: in business process terms, the relevant conditions under which the System must achieve these performance standards (e.g., the number of concurrent users, type of transactions, type and quantity of business data that the System must process in achieving these performance standards, etc.)]*

Note: As indicated above, performance requirements in business function terms are less critical for many of the Systems to be procured using the single-stage bidding process. Nevertheless, whenever feasible, business functions should be stated and used as the basis for performance specifications. Relying solely on technological requirements can inadvertently restrict competition.

1.3 Related Information Technology Issues and Initiatives

1.3.1 *[if compatibility with existing systems based on other information technologies is an issue, or if the Purchaser plans to undertake any other information technology initiatives that might affect the most appropriate design or implementation strategy for the System to be supplied and installed, provide, at the appropriate level of detail: an overview of the related issue or initiatives]*

C. TECHNICAL SPECIFICATIONS

2.0 General Technical Requirements

- 2.0.1 Language Support: All information technologies must provide support for the *[insert: either national or business language(s) of the end-user(s)]*. Specifically, all display technologies and software must support the ISO *[insert: character set number]* character set and perform sorting according to *[insert: appropriate standard method]*.
- 2.0.2 DATES: All information technologies MUST properly display, calculate, and transmit date data, including, but not restricted to 21st-Century date data.
- 2.0.3 Electrical Power: All active (powered) equipment must operate on [specify: voltage range and frequency range, e.g., 220v +/- 20v, 50Hz +/- 2Hz]. All active equipment must include power plugs standard in *[insert: Purchaser's Country]*.
- 2.0.4 Environmental: Unless otherwise specified, all equipment must operate in environments of *[specify, temperature, humidity, and dust conditions, e.g., 10-30 degrees centigrade, 20-80 percent relative humidity, and 0-40 grams per cubic meter of dust]*.
- 2.0.5 Safety:
- 2.0.5.1 Unless otherwise specified, all equipment must operate at noise levels no greater than *[insert: maximum number, e.g., 55]* decibels.
- 2.0.5.2 All electronic equipment that emits electromagnetic energy must be certified as meeting *[insert: emission standard, e.g., US FCC class B or EN 55022 and EN 50082-1]*, or equivalent, emission standards.
- 2.1 Computing Hardware Specifications**
- 2.1.1 *[specify: processing unit 1]*:
- 2.1.1.1 Processing unit performance: As configured for the bid, the processing unit must, at a minimum,
- (a) achieve *[specify: standard benchmark test or tests and minimum performance levels, for example, "SPECint92 rating of 2000"]*
- (or, for PCs)
- be equipped with *[specify: microprocessor type, for example, "an Intel Pentium Pro microprocessor, or at least substantially equivalent"]* and operate at *[specify: minimum clock speed, for example "200 MHz or greater"]*
- (b) provide input-output performance, as follows *[specify: minimum input-output performance levels (e.g., data bus transfer rates; standard peripheral interfaces; minimum number of concurrent terminal sessions, etc.)]*
- 2.1.1.2 Processor expandability: *[for example, specify: minimum acceptable number of processors; minimum acceptable levels of performance; minimum acceptable degree of expandability for processors /*

performance, relative to bid configuration; minimum acceptable number of internal Subsystem expansion slots; etc.,]

2.1.1.3 Processor memory and other storage: *[for example, specify: main memory; cache memory; disk storage; tape storage; CD-ROM; optical WORM; etc.]*

Note: If the upgrade requirements over the next few years for processing power, memory, etc., are reasonably well known at the time the Bidding Documents are to be issued, the Purchaser is encouraged to incorporate these requirements in the Recurrent Cost Table and include them in the Contract Price. This will subject them to competition and provide a way contractually to control future price increases. This approach reserves for the Purchaser the option of including upgrades in the Contract, even if upgrades are not needed in the end. An SCC needs to be included clarifying how upgrades will be treated in the final Contract.

2.1.1.4 Processing unit fault tolerance: *[for example, specify: error checking; failure detection, prediction, reporting, and management; redundant power supplies and other modules; “hot-swappable modules”; etc.]*

2.1.1.5 Processing unit management features: *[for example, specify: features and supported standards; local and remote management; etc.]*

2.1.1.6 Processing unit input and output devices: *[for example, specify: network interfaces and controllers; display; keyboard; mouse; bar-code, smart-card, and identification-card readers; modems; audio and video interfaces and devices; etc.]*

2.1.1.7 Other processing unit features: *[for example, specify: power-saving features; battery life for portable equipment; etc.]*

2.1.1.8 Other processing unit-related equipment and furnishings: *[for example, specify: UPS, equipment cabinet, data safe, environmental control equipment, etc.]*

2.1.2 *[specify: processing unit type 2]:*

2.1.n Shared Output and Input Devices:

2.1.n.0 General Requirements: Unless otherwise specified, all shared output and input devices must be capable of handling A4 standard sized paper.

2.1.n.1 Printers: *[for example, specify: high-speed, high-quality printer; standard-speed, high-quality printer; high-speed, large-format (A3) printer; color, high-quality printer, video and output devices; etc.]*

2.1.n.2 Scanners: *[for example, specify: scanner resolution; paper- / film-handling features; speed; etc.]*

2.2 Network and Communications Specifications

2.2.1 Local Area Network(S):

2.2.1.1 Equipment and software: *[for example, specify: as appropriate, for each type of equipment and software: protocols supported; performance levels; expandability, fault tolerance, administration, management and security features; etc.]*

2.2.1.2 Cabling: *[for example, specify: cable type(s); topology(ies); cable protectors, channels and other installation standards (e.g., ANSI / EIA / TIA 598); cable labeling schemes, references to premises drawings; etc.]*

2.2.2 Wide-Area Network:

2.2.2.1 Equipment and software: *[for example, specify: protocols supported; performance levels; expandability; fault tolerance; administration, management, and security features; etc.]*

2.2.2.2 Telecommunications Services: *[for example, specify: media; capacity; protocols supported; performance levels; expandability; fault tolerance; administration, management, and security features; etc.]*

2.2.3 Other communications equipment: *[for example, specify: modems; facsimile devices; modem and facsimile servers, etc.]*

2.3 Software Specifications

2.3.1 System Software and System-Management Utilities:

2.3.1.1 Processing unit type 1: *[for example, specify: operating system; back-up, optimization, anti-virus, and other utilities; systems administration, maintenance, and troubleshooting tools; etc.]*

2.3.2 Networking and Communications Software: *[for example, specify: protocols, media and equipment to be supported; network services, management and administration features; security and failure management features; etc.]*

2.3.3 General-Purpose Software: *[for example, specify: office automation software; programming tools and libraries; etc.]*

2.3.4 Database Software and Development Tools: *[for example, specify: database and database management feature; development tools and environments; etc.]*

2.3.5 Business Application Software: *[for example, specify: specific business functions to be supported; application management feature; customization options and tools; etc.]*

2.4 System Management, Administration, and Security Specifications

2.4.0 General Requirements: In addition to the management, administration, and security requirements specified in each sections covering the various hardware and software components of the System, the System must also provide for the

following management, administration, and security features at the overall system level.

2.4.1 Technical management and troubleshooting:

2.4.2 User and usage administration:

2.4.3 Security:

2.5 Service Specifications

2.5.1 System Integration: *[for example, describe: existing information Systems (as appropriate, reference the relevant attachment to the Technical Specifications containing any detailed description of existing Systems); and specify: technical and functional level of integration with the System.]*

2.5.2 Training and Training Materials:

2.5.2.1 User: *[for example, specify: minimum curricula, modes of training, modes of testing, and training materials for: the introduction to computers, the operation of the relevant equipment incorporated in the System, as well as the operation of the Software applications incorporated in the System; as appropriate, reference the relevant attachment to the Technical Requirements containing any detailed information regarding the available training facilities; etc.]*

2.5.2.2 Technical:

2.5.2.3 Management:

...

2.5.3 Technical Support:

2.5.3.1 Warranty Service: *[for example, specify: coverage period; response time and problem-resolution performance standards; modes of service, such as on-site, on-call, or return to warehouse; etc.]*

2.5.3.2 User support / hot line: *[for example, specify: coverage period; response time and problem resolution performance standards; etc.]*

2.5.3.3 Technical Assistance: *[for example, specify: categories of technical staff required; anticipated tasks and objectives; response-time performance standards; etc.]*

2.5.3.4 Post-warranty maintenance services: *[for example, specify: coverage period; response time and problem-resolution performance standards; modes of service, such as on-site, on-call, or return to warehouse; etc.]*

...

2.5.4 Data Conversion and Migration: *[for example, specify: volume of data; type, structure, and media of data; timing of conversion; quality assurance and validation methods; etc.]*

...

2.6 Documentation Requirements

2.6.1 END-User documents: *[for example, specify: type(s) of end-user documents; language; content; formats; quality control and revision management; medium; reproduction and distribution methods; etc.]*

2.6.2 Technical Documents: *[for example, specify: type(s) of technical documents; language; content; formats; quality control and revision management; medium;, reproduction and distribution methods; etc.]*

2.7 Consumables and Other Recurrent Cost Items

2.8 Other Non-IT Goods

D. TESTING AND QUALITY ASSURANCE REQUIREMENTS

3.1 Inspections

3.1.1 Factory Inspections: *[if any, specify: the items, criteria, and methods to be employed by the Purchaser, or its agent, during factory inspections of the Information Technologies and other Goods prior to their shipment to the site(s).]*

3.1.2 Inspections following delivery: *[if any, specify: the items, criteria, and methods to be employed by the Purchaser, or its agent, upon delivery and unpacking of the Information Technologies and other Goods to the Site(s).]*

3.2 Pre-commissioning Tests

3.2.0 In addition to the Supplier's standard check-out and set-up tests, the Supplier (with the assistance of the Purchaser) must perform the following tests on the System and its Subsystems before Installation will be deemed to have occurred and the Purchaser will issue the Installation Certificate(s) (pursuant to GCC Clause 26 and related SCC clauses).

3.2.1 *[specify: Subsystem 1 (as defined in the Site Table[s] attached to the Implementation Schedule) specify: tests, test conditions, success criteria, etc.]*

3.2.2 *[specify: Subsystem 2 (as defined in the Site Table{s}) specify: tests, test conditions, success criteria, etc.]*

3.2.n The Entire System: Pre-commissioning Tests for the entire System are: *[specify: tests, test conditions, success criteria, etc.]*

3.3 Operational Acceptance Tests

3.3.0 Pursuant to GCC Clause 28 and related SCC clauses, the Purchaser (with the assistance of the Supplier) will perform the following tests on the System and

its Subsystems following Installation to determine whether the System and the Subsystems meet all the requirements mandated for Operational Acceptance.

- 3.3.1 *[specify: Subsystem 1 (as defined in the Implementation Schedule) specify: tests, test conditions, success criteria, etc.]*
- 3.3.2 *[specify: Subsystem 2 (as defined in the Implementation Schedule) specify: tests, test conditions, success criteria, etc.]*
- 3.3.n The Entire System: Pre-commissioning Tests for the entire System are: *[specify: tests, test conditions, success criteria, etc.]*

Note: The complexity of the Operational Acceptance Testing needed will vary in accordance with the complexity of the System being procured. For Systems to be procured using the single-stage bidding process, Operational Acceptance Testing may simply consist of requiring a specified period of trouble-free System or Subsystem operation under normal operating conditions. For more complex Systems, Operational Acceptance testing will require extensive, clearly defined tests under either production or mock-production conditions.

E. IMPLEMENTATION SCHEDULE

Implementation Schedule Table

System, Subsystem, or lot number: *[if a multi-lot procurement, insert: lot number, otherwise state “entire System procurement”]*
[Specify desired installation and acceptance dates for all items in Schedule below, modifying the sample line items and sample table entries as needed.]

Line Item No.	Subsystem / Item	Configuration Table No.	Site / Site Code	Delivery (Bidder to specify in the Preliminary Project Plan)	Installation (weeks from Effectiveness)	Acceptance (weeks from Effectiveness)	Liquidated Damages Milestone
0	Project Plan	--	--		--	W6	no
1	Headquarters Subsystem	1	HQ		--	--	--
1.1	Hardware, LAN & General-Purpose Software	1	“		W16	W20	yes
1.2	Database system	1	“		W20	W24	yes
1.3	Training	1	“		--	W44	no
2.0	Region 1 Branch Offices Subsystem(s)	2	R1.1, R1.2, ... R1.n				
2.1	Hardware, LAN & General-Purpose Software	2	“				
2.2	Training	2	“				

Line Item No.	Subsystem / Item	Configuration Table No.	Site / Site Code	Delivery (Bidder to specify in the Preliminary Project Plan)	Installation (weeks from Effectiveness)	Acceptance (weeks from Effectiveness)	Liquidated Damages Milestone
	etc.						
j	Region J Branch Offices Subsystems	j	Rj.1, Rj.2, ... Rj.m				
j.1	Hardware, LAN & General-Purpose Software	“	“				
j.2	Training	“	“				
j.3	etc.						
:							
k	WAN and integrated database access Subsystems	k	all sites				
k.1	WAN	“					
k.2	Database access software	“					
k.3	Training	“					
k.4	etc.						
l	etc.						

Line Item No.	Subsystem / Item	Configuration Table No.	Site / Site Code	Delivery (Bidder to specify in the Preliminary Project Plan)	Installation (weeks from Effectiveness)	Acceptance (weeks from Effectiveness)	Liquidated Damages Milestone
m	Data conversion service	m	HQ				
:	etc.						
x	Operational Acceptance of Complete and Integrated System	--	all sites		--	W__	yes
z	Recurrent Cost Items		--				
z.1	Headquarters Recurrent Cost Items	n.1	HQ				no
x.2	Region 1 Recurrent Cost Items	n.2	R1.1, R1.2, ... R1.m				no
x.3	etc.	:	:				
x.j+1	Region J Recurrent Cost Items	n.j	Rj.1, Rj.2, ... Rj.m				no
	etc.						

Note: Refer to the System Inventory Table(s) below for the specific items and components that constitute the Subsystems or item. Refer to the Site Table(s) below for details regarding the site and the site code.

-- indicates not applicable. “ indicates repetition of table entry above.

System Inventory Table (Supply and Installation Cost Items) [insert: *identifying number*]

System, Subsystem, or lot number: [*if a multi-lot procurement, insert: lot number, otherwise state “entire System procurement”*]

Line item number: [*specify: relevant line item number from the Implementation Schedule (e.g., 1.1)*]

[*as necessary for the supply and installation of the System, specify: the detailed components and quantities in the System Inventory Table below for the line item specified above, modifying the sample components and sample table entries as needed. Repeat the System Inventory Table as needed to cover each and every line item in the Implementation Schedule that requires elaboration.*]

Component No.	Component	Relevant Technical Specifications No.	Additional Site Information (e.g., building, floor, department, etc.)	Quantity
1.	Hardware (Headquarters)		--	--
1.1	Hardware -- Finance Department		Main Building, fourth floor	--
1.1.1	Advanced workstations		“	4
1.1.2	Standard workstations		“	12
1.1.3	High-speed laser printer		“	1
1.1.4	Standard-speed laser printer		“	3
1.1.4	Continuous-feed printer		“	3
1.1.5	etc.			
:				

Component No.	Component	Relevant Technical Specifications No.	Additional Site Information (e.g., building, floor, department, etc.)	Quantity
2.	LAN (Headquarters)			--
2.1	Wiring Closet Hardware		One set each for floors 1-5 of Main Building and floors 3-4 of Annex	--
2.1.1	Hubs		“	7
2.1.2	Punch-down panel		“	7
2.1.3	Uninterruptible power supply (small)		“	7
2.1.4	Lockable equipment rack		“	7
2.1.5	etc.			
:				
2.2	In-building Wiring			--
2.2.1	Server Room		Room 44, 4th floor of Annex	--
2.2.1.1	dedicated telephone lines (data)		“	2 nodes
2.2.2	Backbone and risers (fiber optic)		Server room and all wiring closets	28 nodes

Component No.	Component	Relevant Technical Specifications No.	Additional Site Information (e.g., building, floor, department, etc.)	Quantity
2.2.3	Departmental wiring			--
2.2.3.1	Finance Department		Main Building, 4th floor, all offices, secretarial stations, and printer stations	40 nodes
:				
3.	General-Purpose Software			
:				

Note: -- indicates not applicable. “ indicates repetition of table entry above.

System Inventory Table (Recurrent Cost Items) [insert: *identifying number*]

System, Subsystem, or lot number: [*if a multi-lot procurement, insert: lot number, otherwise state “entire System procurement”*]

Line item number: [*specify: relevant line item number from the Implementation Schedule (e.g., z.1)*]

[*as necessary for the supply and installation of the System, specify: the detailed components and quantities in the System Inventory Table below for the line item specified above, modifying the sample components and sample table entries as needed. Repeat the System Inventory Table as needed to cover each and every line item in the Implementation Schedule that requires elaboration.]*

Component No.	Component	Relevant Technical Specifications No.	Warranty Period Quantities/Requirements			Post-Warranty Service Period Quantities/Requirements		
			Y1	Y2	Y3	Y4	...	Yn
1.	Hardware Maintenance (Post Warranty Period)		--	--	--	all items, all sites	...	main server & WAN
	...							
2.	Software Licenses and Updates:		--					
2.1	System and General-Purpose Software		--	all items, all sites	all items, all sites	all items, all sites	none	none
2.2	Application, Standard, and Custom Software		--	HQ	HQ	HQ	HQ	HQ

Component No.	Component	Relevant Technical Specifications No.	Warranty Period Quantities/Requirements			Post-Warranty Service Period Quantities/Requirements		
			Y1	Y2	Y3	Y4	...	Yn
	...							
3.	Technical Services							
3.1	Sr. Systems Analyst		80 days	40 days	20 days	10 days	0	0
3.2	Sr. Programmer		20 days	40 days	60 days	40 days	0	0
3.3	Sr. Network Specialist, etc.		--	20 days	20 days	0	0	0
	...							
4.	Telecommunications Services		...	...	...	...	...	...
5.	[Other recurrent services, if any]		...	...	...	...	...	...

Note: -- indicates not applicable. “ indicates repetition of table entry above.

Site Table(s)

System, Subsystem, or lot number: *[if a multi-lot procurement, insert: **lot number**, otherwise state “entire System procurement”]*
*[specify: **the detailed information regarding the site(s) at which the System is to be operated**]*

Site Code	Site	City / Town / Region	Primary Street Address	Drawing Reference No. (if any)
HQ	Headquarters			
R1	Region 1			
R1.1	Region 1 Head Office			
R1.2	ABC Branch Office			
R1.3	DEF Branch Office			

Table of Holidays and Other Non-Working Days

[specify: *the days for each month for each year that are non-working days, due to Holidays or other business reasons (other than weekends).*]

Month	20xy	20xy+1	20xy+2	20zz
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								

F. REQUIRED FORMAT OF TECHNICAL BIDS

5.1 Description of the Information Technologies, Materials, Other Goods, and Services

- 5.1.0 The Bidder must provide detailed descriptions of the essential technical, performance, or other relevant characteristics of all key Information Technologies, Materials, other Goods, and Services offered in the bid (e.g., version, release, and model numbers). Without providing sufficient clear detail, Bidders run the risk of their bids being declared non-responsive.
- 5.1.1 To assist in the bid evaluation, the detailed descriptions should be organized and cross referenced in the same manner as the Bidder's item-by-item commentary on the Technical Requirements described in Section 5.2 below. All information provided by cross reference must, at a minimum, include clear titles and page numbers.
- 5.1.2 *[specify: any other technical information related to the Information Technologies, Materials, other Goods, and Services necessary to assess the responsiveness of the Technical Bid, for example, histories of the Information Technologies offered, if demonstrated capacity to revise and extend these technologies is a mandatory criterion for technical responsiveness to be used in the evaluation.]*

5.2 Item-by-Item Commentary on the Technical Requirements

- 5.2.0 The Bidder must provide an item-by-item commentary on the Purchaser's Technical Requirements, demonstrating the substantial responsiveness of the overall design of the System and the individual Information Technologies, Goods, and Services offered to those Requirements, see ITB Clause 16.2 (b) (IS1STG SBD) or ITB Clause 14.2 (b) (IS2STG SBD).
- 5.2.1 In demonstrating the responsiveness of its bid, the Bidder is strongly urged to use the Technical Responsiveness Checklist provided in Section G of the Technical Requirements. Failure to do so, increases significantly the risk that the Bidder's Technical Bid will be declared technically non-responsive. Among other things, the checklist should contain explicit cross references to the relevant pages in the Bidder's Technical Bid.

5.3 Preliminary Project Plan

- 5.3.0 The Bidder must prepare a Preliminary Project Plan describing, among other things, the methods and human and material resources that the Bidder proposes to employ in the design, management, coordination, and execution of all its responsibilities, if awarded the Contract, as well as the estimated duration and completion date for each major activity. The Preliminary Project Plan must also address the topics and points of emphasis specified in *[state: "SCC Clause 19" including any additional items stated in the Bid Data Sheet for ITB Clause 16.2 (c) (IS1STG SBD) or ITB Clause 14.2 (c)*

(IS2STG SBD)]. The Preliminary Project Plan should also state the Bidder's assessment of the major responsibilities of the Purchaser and any other involved third parties in System supply and installation, as well as the Bidder's proposed means for coordinating activities by each of the involved parties to avoid delays or interference.

5.3.1 In addition to the topics and points of emphasis, the Preliminary Project Plan **MUST** address [*for example, specify: what steps will be taken if there is a failure; how project progress will be reported; etc.*].

5.3.2 [*specify: any additional requirements regarding the format of the Preliminary Project Plan, for example, must it be submitted in a specific word processing format, in addition to hard copy, etc.*].

5.4 Confirmation of Responsibility for Integration and Interoperability of Information Technologies

5.4.0 The Bidder must submit a written confirmation that, if awarded the Contract, it shall accept responsibility for successful integration and interoperability of all the proposed Information Technologies included in the System, as further specified in the Bidding Documents.

G. TECHNICAL RESPONSIVENESS CHECKLIST

Note on Preparation of the Checklist for Purchasers: The following is a sample format that is designed to help Bidders quickly understand:

- (a) the Technical Specification given in the Technical Requirements;
- (b) whether each Requirement is mandatory or only “preferred”; and
- (c) to ensure that each Bidder includes along with a specific response to the Purchaser, a cross reference to the supporting information provided elsewhere in its Technical Bid.

It is important that the tables be prepared carefully and completely, with accurate references to the relevant section and paragraph numbers in the Technical Requirements so that Bidders will be more likely to submit complete information, particularly regarding the mandatory and scored Requirements. In preparing each Checklist entry, Purchasers should start with an abbreviated text of each Requirement so that Bidders can quickly confirm that they are responding to the right Requirement. Inconsistencies between the Checklist and the referenced section in the Technical Requirements should be avoided. Giving Bidders a revisable, “electronic” version of the Checklist as part of the Bidding Documents will enhance the completeness of bids.

Technical Responsiveness Checklist

Note to Bidders: The following Checklist is provided to help the Bidder organize and consistently present its Technical Bid. For each of the following Technical Requirements, the Bidder must describe how its Technical Bid responds to each Requirement. In addition, the Bidder must provide cross references to the relevant supporting information, if any, included in the bid. The cross reference should identify the relevant document(s), page number(s), and paragraph(s). The Technical Responsiveness Checklist does not supersede the rest of the Technical Requirements (or any other part of the Bidding Documents). If a requirement is not mentioned in the Checklist, that does not relieve the Bidder from the responsibility of including supporting evidence of compliance with that other requirement in its Technical Bid. One- or two-word responses (e.g. “Yes,” “No,” “Will comply,” etc.) are normally not sufficient to confirm technical responsiveness with Technical Requirements.

Tech. Require. No. 1	Technical Requirement: <i>[insert: abbreviated description of Requirement]</i>	<i>[specify: Mandatory or Preferred]</i>
Bidder’s technical reasons supporting compliance:		
Bidder’s cross references to supporting information in Technical Bid:		

Tech. Require. No. 2	Technical Requirement: <i>[insert: abbreviated description of Requirement]</i>	<i>[specify: Mandatory or Preferred]</i>
Bidder’s technical reasons supporting compliance:		
Bidder’s cross references to supporting information in Technical Bid:		

...

H. ATTACHMENTS

- Attachment 1:** Existing Information Systems / Information Technologies
- Attachment 2:** Site Drawings and Site Survey Information
- Attachment 3:** Sample Reports, Data Entry Forms, Data, Coding Schemes, Etc.
- Attachment 4:** Relevant Legal Codes, Regulations, Etc.
- Attachment 5:** Available Training Facilities
- Attachment 6:** The Purchaser's Project and Corporate Management Structure

SECTION VII. SAMPLE FORMS

Notes to the Purchaser on the preparation of the Sample Forms

The Sample Forms provided in these SBD provide standard formats for a number of the key documents that the Purchaser and Bidders will exchange in the process of bidding, awarding, and implementing the Contract. Most of the Sample Forms are to be completed and/or modified by the Purchaser to suit the particular System being procured and included in the Bidding Documents before they are released to potential Bidders, or to the winning Bidder, as the case may be. In turn, the Bidders or winning Bidder must complete other forms and submit them to the Purchaser. Notes providing instructions for the Purchaser, the Bidders, and the winning Bidder have been provided. To avoid confusion, the Supplier should remove all the instructions to the Purchaser from the final version of the Bidding Documents that is released to potential Bidders.

To the fullest extent possible, the typographical aides used in the previous sections of the SBD continue in this section. General explanatory text that appears in sans serif typeface (such as this text) remains intended for the Purchaser. General instructions or explanatory text aimed at Bidders and/or the winning Bidder appear in standard roman typeface, but indicators are included showing they are aimed at Bidders. Instructions that appear directly in the Forms, continue to be in italicized roman typeface, set off with square brackets and generally intended for the Bidders or the winning Bidder. If an instruction is meant for the Purchaser, it is identified as such. Purchasers are encouraged to provide as many of these Sample Forms in revisable, electronic format in the Bidding Documents. This will expedite bid preparation, reduce the number of inadvertent mistakes made by Bidders, and, as a result, simplify the evaluation.

Bid Form and Form of Contract Agreement: Except as indicated by blanks and/or instructions to fill in information, the text of the Bid Form and the Contract Agreement should be left unaltered in the Bidding Documents from how it appears in these SBD. At the time of Contract award, the Purchaser has an opportunity to add the final details needed in the Contract Agreement form, by making any necessary insertions or changes to Article 1.1 (Contract Documents) and Article 3 (Effective Date) and listing only the actual Appendices that will be incorporated in the final Contract. (These Appendices should also be completed in accordance with the instructions provided at the beginning of each Appendix.)

Since the Price Schedules will form part of the final Contract, if there have been any corrections or modifications to the winning bid resulting from price corrections, pursuant to the Instructions to Bidders, these too should be reflected in the Price Schedules at the time

of Contract award and appended to the Contract Agreement in Appendix 6 (Revised Price Schedules).

Price Schedules: The price breakdown given in the sample Price Schedules generally follows the usual breakdown requested for Information Technology procurement, except that further breakdowns are required (e.g., between Technologies/Goods and Services, and between domestic and foreign Technologies and other Goods) in order for the Bank's domestic preference procedure to be applied. It is essential that Bidders submit their prices in the manner prescribed by the Price Schedules. Failure to do so may result in loss of the preference, if applicable.

For the more straightforward or well specified Systems that are covered by the single-stage bidding process, the Purchaser is encouraged to fill in the precise System, Subsystem, component, and item/description details in the Price Schedules prior to issuance of the Bidding Documents. This will result in bid pricing that is more uniform, making the comparison of bid prices more efficient and reducing the number of ambiguities that require clarification. If Bidders are left to fill in item/description details (which may be necessary for complex Systems when such details cannot be easily identified in advance by the Purchaser), the commercial evaluation becomes more difficult. Other guidance and instructions appear in the subsection containing the schedules and in the schedules themselves.

Manufacturer's Authorization Form: In accordance with ITB Clause 6.1 (b), Bidders must submit, as part of their bids, Manufacturer's Authorization Form(s) in the format provided in the SBD for all items specified in the Bid Data Sheet.

List of Proposed Subcontractors: In accordance with ITB Clause 6.3, a Bidder must submit, as part of its bid, a list of critical items, or those estimated to cost more than 10 percent of the bid price, that the Bidder proposes to subcontract. The list should also include the names and place of registration of the Subcontractors proposed for each item and a summary of their qualifications.

List of Software and Materials: In accordance with ITB Clause 13.1 (e) (vi) (IS1STG SBD) or ITB Clauses 13.1 (c) (vi) and 25.1 (e) (vi) (IS2STG SBD), a Bidder must submit, as part of its bid, a list of all the Software it will provide, assigning each item to one of the following categories: (A) System, General Purpose, or Application Software; or (B) Standard or Custom Software. The Bidder must also submit a list of all Custom Materials. These should be recorded in the sample List of Software and Materials Table included in the

Bidding Documents. If provided for in the Bid Data Sheet, the Purchaser may reserve the right to assign key System Software items to a particular category.

Bidder Qualification Forms: As required by ITB Clause 6.1.

Bid Security Form: Regarding ITB Clause 17.2 (IS1STG SBD) or ITB Clause 29.2 (IS2STG SBD), the Purchaser should include the Bid Security form provided in the SBD in the Bidding Documents. If it wishes to use another form, it must obtain the Bank's prior no-objection.

Performance Security Form: Pursuant to GCC Clause 13.3, the successful Bidder is required to provide the Performance Security within twenty-eight (28) days of notification of Contract award.

Advance Payment Bank Guarantee: Pursuant to GCC Clause 13.2, the successful Bidder is required to provide a bank guarantee securing the advance payment, if the SCC related to GCC Clause 12.1 provides for one.

Installation and Operational Acceptance Certificates: Recommended formats for these certificates are included in these SBD. Unless the Purchaser has good reason to require procedures that differ from those recommended, or to require different wording in the certificates, the procedures and forms shall be included unchanged. If the Purchaser wishes to amend the recommended procedures and/or certificates, it may propose alternatives for the approval of the World Bank before release of the Bidding Documents to potential Bidders.

Change Order Procedures and Forms: Similar to the Installation and Operational Acceptance Certificates, the Change Estimate Proposal, Estimate Acceptance, Change Proposal, Change Order, and related Forms should be included in the Bidding Documents unaltered. If the Purchaser wishes to amend the recommended procedures and/or certificates, it may propose alternatives for the approval of the Bank before release of the Bidding Documents.

Notes to Bidders on the preparation of Sample Forms

The Purchaser has prepared the forms in this section of the Bidding Documents to suit the specific requirements of the System being procured. They are derived from the forms contained in the World Bank's Standard Bidding Documents for the Supply and Installation of Information Systems. In its bid, the Bidder must use these forms (or forms that present in the same sequence substantially the same information). Bidders should not introduce changes without the Purchaser's prior written consent (which may also require the clearance of the World Bank). If the Bidder has a question regarding the meaning or appropriateness of the contents or format of the forms and/or the instructions contained in them, these questions should be brought to the Purchaser's attention as soon as possible during the bid clarification process, either at the pre-bid meeting or by addressing them to the Purchaser in writing pursuant to ITB Clause 10.

The Purchaser has tried to provide explanatory text and instructions to help the Bidder prepare the forms accurately and completely. The instructions that appear directly on the forms themselves are indicated by use of typographical aides such as italicized text within square brackets as is shown in the following example taken from the Bid Form:

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

In preparing its bid, the Bidder must ensure all such information is provided and that the typographical aides are removed. Failure to do so may render the bid non-responsive.

The sample forms provide a standard set of documents that support the procurement process as it moves forward from the stage of bidding, through Contract formation and onto Contract performance. The first set of forms must be completed and submitted as part of the bid prior to the deadline for bid submission. These include: (i) the Bid Form; (ii) the Price Schedules; (iii) the Manufacturer's Authorization Forms; (iv) the List of Proposed Subcontractors; (v) the Bid Security; and other forms as found in sub-sections 1 through 4 of this Section VII of the Bidding Documents.

- **The Bid Form:** In addition to being the place where official confirmation of the bid price, the currency breakdown, the completion date(s), and other important Contract details are expressed, the Bid Form is also used by the Bidder to confirm - in case adjudication applies in this Contract - its acceptance of the Purchaser's proposed Adjudicator, or to propose an alternative. If the bid is being submitted on behalf of a Joint Venture, it is essential that the Bid Form be signed by the partner in charge and that it be supported by the authorizations and power of attorney required pursuant to ITB Clause 6.2. Given widespread concern about illegal use of licensed software, Bidders will be asked to certify in the Bid Form that either the Software included in the bid was developed and is owned by the Bidder, or, if not, the Software is covered by valid licenses with the proprietor of the Software.
- **Price Schedules:** The prices quoted in the Price Schedules should constitute full and fair compensation for supply, installation, and achieving Operational Acceptance of the System as described in the Technical Requirements based on the Implementation Schedule, and the terms and conditions of the proposed Contract as set forth in the Bidding Documents. Prices should be given for each line item provided in the Schedules,

with costs carefully aggregated first at the Subsystem level and then for the entire System. If the Price Schedules provide only a summary breakdown of items and components, or do not cover some items unique to the Bidder's specific technical solution, the Bidder may extend the Schedules to capture those items or components. If supporting price and cost tables are needed for a full understanding of the bid, they should be included.

Arithmetical errors should be avoided. If they occur, the Purchaser will correct them according to ITB Clause 26.2 (IS1STG SBD) or ITB Clause 38.2 (IS2STG SBD) without consulting the Bidder. Major omissions, inconsistencies, or lack of substantiating detail can lead to rejection of a bid for commercial non-responsiveness. Presenting prices according to the breakdown prescribed in the Price Schedules is also essential for another reason. If a bid does not separate prices in the prescribed way, and, as a result, the Purchaser cannot apply the domestic preference provision described in ITB Clause 29 (IS1STG SBD) or ITB Clause 41 (IS2STG SBD), the Bidder will lose the benefit of the preference. Once bids are opened, none of these problems can be rectified. At that stage, Bidders are not permitted to change their bid prices to overcome errors or omissions.

- **Manufacturer's Authorizations:** In accordance with ITB Clause 6.1 (b), a Bidder must submit, as part of its bid, Manufacturer's Authorization Forms in the format provided in the Bidding Documents for all items specified in the Bid Data Sheet.
- **List of Proposed Subcontractors:** In accordance with ITB Clause 6.3, a Bidder must submit, as part of its bid, a list of proposed subcontracts for complex Technologies, Goods, and Service items (and those estimated to cost more than 10 percent of the total bid price). The list should also include the names and places of registration of the Subcontractors proposed for each item and a summary of their qualifications.
- **List of Software and Materials:** In accordance with ITB Clause 13.1 (e) (vi) (IS1STG SBD) or ITB Clauses 13.1 (c) (vi) and 25.1 (e) (vi) (IS2STG SBD), Bidders must submit, as part of their bids, lists of all the Software included in the bid assigned to one of the following categories: (A) System, General Purpose, or Application Software; or (B) Standard or Custom Software. Bidders must also submit a list of all Custom Materials. If provided for in the Bid Data Sheet, the Purchaser may reserve the right to reassign certain key Software to a different category.
- **Qualification Information Forms:** In accordance with ITB Clause 6, the Purchaser will determine whether the Bidder is qualified to undertake the Contract. This entails financial, technical as well as performance history criteria which are specified in the BDS for ITB Clause 6. The Bidder must provide the necessary information for the Purchaser to make this assessment through the forms in this sub-section. The forms contain additional detailed instructions which the Bidder must follow.
- **Bid Security:** The Bidder shall provide the Bid Security, either in the form included in these sample forms or in another form acceptable to the Purchaser, pursuant to the provisions in the Instructions to Bidders. If a Bidder wishes to use an alternative Bid Security format, it should ensure that the revised format provides substantially the same protection as the standard format; failing that, it runs the risk of rejection for commercial non-responsiveness.

Bidders need not provide the Performance Security and Advance Payment Bank Guarantee with their bids. Only the Bidder selected for award by the Purchaser will be required to provide these securities.

The following Forms are to be completed and submitted by the successful Bidder following notification of award: (i) Contract Agreement, with all Appendices; (ii) Performance Security; and (iii) Bank Guarantee for Advance Payment.

- **Contract Agreement:** In addition to specifying the parties and the Contract Price, the Contract Agreement is where the: (i) Supplier Representative; (ii) if applicable, agreed Adjudicator and his/her compensation; and (iii) the List of Approved Subcontractors are specified. In addition, modifications to the successful Bidder's Bid Price Schedules are attached to the Agreement. These contain corrections and adjustments to the Supplier's bid prices to correct errors, adjust the Contract Price to reflect – if applicable - any extensions to bid validity beyond the last day of original bid validity plus 56 days, etc.
- **Performance Security:** Pursuant to GCC Clause 13.3, the successful Bidder is required to provide the Performance Security in the form contained in this section of these Bidding Documents and in the amount specified in accordance with the SCC.
- **Bank Guarantee for Advance Payment:** Pursuant to GCC Clause 13.2, the successful Bidder is required to provide the Bank Guarantee for Advance Payment in the form contained in this section of these Bidding Documents or another form acceptable to the Purchaser. If a Bidder wishes to propose a different Advance Payment Security form, it should submit a copy to the Purchaser promptly for review and confirmation of acceptability before the bid submission deadline. The amount of the advance payment to be guaranteed is specified in SCC Clause 13 (which itself typically refers back to SCC Clause 12, Terms of Payment).

The Purchaser and Supplier will use the following additional forms during Contract implementation to formalize or certify important Contract events: (i) the Installation and Operational Acceptance Certificates; and (ii) the various Change forms. These and the procedures for their use during performance of the Contract are included in the Bidding Documents for the information of Bidders.

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1. BID FORM (SINGLE-STAGE BIDDING)

Date: [Bidder insert: **date of bid**]

Loan/Credit No.: [Purchaser insert: **number**]

IFB: [Purchaser insert: **IFB name and number**]

Contract: [Purchaser insert: **name of Contract**]

To: [Purchaser insert: **name and address of Purchaser**]

Dear Sir or Madam:

Having examined the Bidding Documents, including Addenda Nos. [insert **numbers**], the receipt of which is hereby acknowledged, we, the undersigned, offer to supply, install, achieve Operational Acceptance of, and support the Information System under the above-named Contract in full conformity with the said Bidding Documents for the sum of:

	[insert: amount of local currency in words]	([insert: amount of local currency in figures from corresponding Grand Total entry of the Grand Summary Cost Table])
plus	[insert: amount of foreign currency A in words]	([insert: amount of foreign currency A in figures from corresponding Grand Total entry of the Grand Summary Cost Table])
	[as appropriate, add the following]	
plus	[insert: amount of foreign currency B in words]	([insert: amount of foreign currency B in figures from corresponding Grand Total entry of the Grand Summary Cost Table])
plus	[insert: amount of foreign currency C in words]	([insert: amount of foreign currency C in figures from corresponding Grand Total entry of the Grand Summary Cost Table])

or such other sums as may be determined in accordance with the terms and conditions of the Contract. The above amounts are in accordance with the Price Schedules attached herewith and made part of this bid.

We undertake, if our bid is accepted, to commence work on the Information System and to achieve Installation and Operational Acceptance within the respective times stated in the Bidding Documents.

If our bid is accepted, we undertake to provide an advance payment security and a performance security in the form, in the amounts, and within the times specified in the Bidding Documents.

[As appropriate, include or delete the following paragraph]

“We accept the appointment of *[Purchaser insert: **name of proposed Adjudicator from the Bid Data Sheet**]* as the Adjudicator.”

[and delete the following paragraph, or, as appropriate, delete the above and include the following, or, if no Adjudicator is stated in the Bid Data Sheet, delete both the above and the following]

“We do not accept the appointment of *[Purchaser insert: **name of proposed Adjudicator from the Bid Data Sheet**]* as the Adjudicator, and we propose instead that *[insert: **name**]* be appointed as Adjudicator, whose résumé and hourly fees are attached.”

We hereby certify that the Software offered in this bid and to be supplied under the Contract (i) either is owned by us, or (ii) if not owned by us, is covered by a valid license from the proprietor of the Software.

We agree to abide by this bid, which, in accordance with ITB Clauses 13 and 16, consists of this letter (Bid Form) and the enclosures listed below, for a period of *[Purchaser insert: **number from Bid Data Sheet**]* days from the date fixed for submission of bids as stipulated in the Bidding Documents, and it shall remain binding upon us and may be accepted by you at any time before the expiration of that period.

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
------------------------------	------------------------	---

Etc. *[if none, state: “none”]*

Until the formal final Contract is prepared and executed between us, this bid, together with your written acceptance of the bid and your notification of award, shall constitute a binding contract between us. We understand that you are not bound to accept the lowest or any bid you may receive.

Dated this *[insert: **ordinal**]* day of *[insert: **month**]*, *[insert: **year**]*.

Signed:

Date:

In the capacity of [*insert: title or position*]

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

ENCLOSURES:

Price Schedules

Bid Security

Signature Authorization [*plus, in the case of a Joint Venture Bidder, list all other authorizations pursuant to ITB Clause 6.2*]

Attachment 1 Bidder's Eligibility

Attachment 2 Bidder's Qualifications (including Manufacturer's Authorizations)

Attachment 3 Eligibility of Goods and Services

Attachment 4 Conformity of the Information System to the Bidding Documents

Attachment 5 Proposed Subcontractors

Attachment 6 Intellectual Property (Software and Materials Lists)

[*if appropriate, specify further attachments or other enclosures*]

Bid Table of Contents and Checklist

Note: Purchasers should expand and modify (as appropriate) the following table to reflect the required elements of the Bidder’s bid. As the following note to Bidders explains, it is in both the Purchaser’s and Bidder’s interest to provide this table and accurately fill it out.

Note: Bidders should expand and (if appropriate) modify and complete the following table. The purpose of the table is to provide the Bidder with a summary checklist of items that must be included in the bid as described in ITB Clauses 13.1 and 16, in order for the bid to be considered for Contract award. The table also provides a summary page reference scheme to ease and speed the Purchaser’s bid evaluation process.

Item	present: y/n	page no.
Bid Form		
Price Schedules		
Bid Security.....		
Signature Authorization (for Joint Ventures additionally including the authorizations listed in ITB Clause 6.2)....		
Attachment 1		
Attachment 2		
Manufacturer’s Authorizations		
Attachment 3		
Attachment 4		
Attachment 5		
Attachment 6		
.....		

2. PRICE SCHEDULE FORMS

Note: in information systems procurement, the Contract Price (and payment schedule) should be linked as much as possible to achievement of operational capabilities, not just to the physical delivery of technology.

2.1 Preamble

Note: Purchasers should highlight any special requirements of the System and Contract in a Preamble to the Price Schedules. The following is an example of one such preamble.

General

1. The Price Schedules are divided into separate Schedules as follows:

- 2.2 Grand Summary Cost Table
- 2.3 Supply and Installation Cost Summary Table
- 2.4 Recurrent Cost Summary Table
- 2.5 Supply and Installation Cost Sub-Table(s)
- 2.6 Recurrent Cost Sub-Tables(s)
- 2.7 Country of Origin Code Table

[insert: any other Schedules as appropriate]

2. The Schedules do not generally give a full description of the information technologies to be supplied, installed, and operationally accepted, or the Services to be performed under each item. However, it is assumed that Bidders shall have read the Technical Requirements and other sections of these Bidding Documents to ascertain the full scope of the requirements associated with each item prior to filling in the rates and prices. The quoted rates and prices shall be deemed to cover the full scope of these Technical Requirements, as well as overhead and profit.
3. If Bidders are unclear or uncertain as to the scope of any item, they shall seek clarification in accordance with the Instructions to Bidders in the Bidding Documents prior to submitting their bid.

Pricing

4. Prices shall be filled in indelible ink, and any alterations necessary due to errors, etc., shall be initialed by the Bidder. As specified in the Bid Data Sheet, prices shall be fixed and firm for the duration of the Contract.
5. Bid prices shall be quoted in the manner indicated and in the currencies specified in Clause 14 of the Instructions to Bidders in the Bidding Documents. Prices must correspond to items of the scope and quality defined in the Technical Requirements or elsewhere in these Bidding Documents.
6. The Bidder must exercise great care in preparing its calculations, since there is no opportunity to correct errors once the deadline for submission of bids has passed. A single error in specifying a unit price can therefore change a Bidder's overall total bid price substantially, make the bid noncompetitive, or subject the Bidder to possible loss.

The Purchaser will correct any arithmetic error in accordance with the provisions of ITB Clause 26.2 (IS1STG SBD) or ITB Clause 38.2 (IS2STG SBD).

7. Unless otherwise indicated in the BDS, where there are discrepancies between the product of quantities and unit prices (or rates) and the relevant total (or subtotals), the product of prices and quantities shall prevail, and the totals (or subtotals) shall be corrected accordingly. Similarly, where there are discrepancies between subtotals and totals (or higher aggregates), the subtotals shall prevail, and the totals (or higher aggregates) shall be corrected accordingly.
8. Payments will be made to the Supplier in the currency or currencies indicated under each respective item. As specified in ITB Clause 15.1 (IS1STG SBD) or ITB Clause 28.1 (IS2STG SBD), no more than three foreign currencies may be used. The price of an item should be unique regardless of installation site.

2.2 Grand Summary Cost Table

		<i>[insert: Local Currency]</i> Price	<i>[insert: Foreign Currency A]</i> Price	<i>[insert: Foreign Currency B]</i> Price	<i>[insert: Foreign Currency C]</i> Price
1.	Supply and Installation Costs (from Supply and Installation Cost Summary Table)				
2.	Recurrent Costs (from Recurrent Cost Summary Table)				
3.	Grand Totals (to Bid Form)				

Name of Bidder:		
Authorized Signature of Bidder:		

2.3 Supply and Installation Cost Summary Table

System or Subsystem number: *[if a multi-lot procurement, insert: **Subsystem number**; otherwise state “entire System procurement”] [as necessary for supply, installation, and achieving Operational Acceptance of the System, specify items in the Table below, modifying, deleting, or expanding the sample line items and sample table entries as needed.]*

Costs MUST reflect prices and rates quoted in accordance with ITB Clauses 14 and 15 (IS1STG SBD) or ITB Clauses 27 and 28 (IS2STG SBD).

Line Item No.	Subsystem / Item	Supply and Installation Cost Sub-Table No.	Supply & Installation Prices				
			Locally supplied items	Items supplied from outside the Purchaser's Country			
			<i>[insert: Local Currency] Price</i>	<i>[insert: Local Currency] Price</i>	<i>[insert: Foreign Currency A] Price</i>	<i>[insert: Foreign Currency B] Price</i>	<i>[insert: Foreign Currency C] Price</i>
0	Project Plan	--	--	--	--	--	--
1	Headquarters Subsystem	1					
1.1	Hardware, LAN & general-purpose Software	1					
1.2	Database System	1					
1.3	Training	1					
2	Region 1 Branch Offices Subsystems	2					

			Supply & Installation Prices				
			Locally supplied items	Items supplied from outside the Purchaser's Country			
Line Item No.	Subsystem / Item	Supply and Installation Cost Sub-Table No.	<i>[insert: Local Currency]</i> Price	<i>[insert: Local Currency]</i> Price	<i>[insert: Foreign Currency A]</i> Price	<i>[insert: Foreign Currency B]</i> Price	<i>[insert: Foreign Currency C]</i> Price
2.1	Hardware, LAN & general-purpose Software	2					
2.2	Training	2					
j	Region J Branch Offices Subsystems	j					
j.1	Hardware, LAN & general-purpose Software	“					
j.2	Subsystem Design and Programming Services						
j.3	Training	“					
:							
k	WAN and integrated database access Subsystems	k					
k.1	WAN	“					
k.2	Database Access Software	“					
k.3	Training	“					

			Supply & Installation Prices				
			Locally supplied items	Items supplied from outside the Purchaser's Country			
Line Item No.	Subsystem / Item	Supply and Installation Cost Sub-Table No.	<i>[insert: Local Currency]</i> Price	<i>[insert: Local Currency]</i> Price	<i>[insert: Foreign Currency A]</i> Price	<i>[insert: Foreign Currency B]</i> Price	<i>[insert: Foreign Currency C]</i> Price
:							
m	Data Conversion Service	m					
SUBTOTALS							
TOTAL (To Grand Summary Table)							

Note: - - indicates not applicable. “ indicates repetition of table entry above. Refer to the relevant Supply and Installation Cost Sub-Table for the specific components that constitute each Subsystem or line item in this summary table

Name of Bidder:		
Authorized Signature of Bidder:		

2.4 Recurrent Cost Summary Table

System or Subsystem number: *[if a multi-lot procurement, insert: **Subsystem number**, otherwise state “entire System procurement”] [as necessary for the operation of the System, specify items in the Table below, modifying the sample line items and sample table entries as needed.]*

Costs MUST reflect prices and rates quoted in accordance with ITB Clause 14 (IS1STG SBD) or ITB Clause 27 (IS2STG SBD).

Line Item No.	Subsystem / Item	Recurrent Cost Sub-Table No.	<i>[insert: Local Currency]</i> Price	<i>[insert: Foreign Currency A]</i> Price	<i>[insert: Foreign Currency B]</i> Price	<i>[insert: Foreign Currency C]</i> Price
z	Recurrent Cost Items					
z.1	Headquarters Recurrent Cost Items	n.1				
z.2	Region 1 Recurrent Cost Items	n.2				
	Subtotals (to Grand Summary Table)					

Note: - - indicates not applicable. “ indicates repetition of table entry above. Refer to the relevant Recurrent Cost Sub-Tables for the specific components that constitute the Subsystem or line item in this summary table.

Name of Bidder:		
Authorized Signature of Bidder:		

2.5 Supply and Installation Cost Sub-Table [insert: identifying number]

System or Subsystem number: [if a multi-lot procurement, insert: **Subsystem number**; otherwise state **“entire System procurement”**]

Line item number: [specify: **relevant line item number from the Supply and Installation Cost Summary Table (e.g., 1.1)**]

[as necessary for supply, installation, and achieving Operational Acceptance of the System, specify: **the detailed components and quantities in the Sub-Table below for the line item specified above, modifying the sample components and sample table entries as needed.** Repeat the Sub-Table as needed to cover each and every line item in the Supply and Installation Cost Summary Table that requires elaboration.]

Prices, rates, and subtotals MUST be quoted in accordance with ITB Clauses 14 and 15 (IS1STG SBD) or ITB Clauses 27 and 28 (IS2STG SBD). Unit prices for the same item appearing several times in the table must be identical in amount and currency.

				Unit Prices / Rates					Total Prices				
				Supplied Locally	Supplied from outside the Purchaser’s Country				Supplied Locally	Supplied from outside the Purchaser’s Country			
Component No.	Component Description	Country of Origin Code	Quantity	[insert: local currency]	[insert: local currency]	[insert: foreign currency A]	[insert: foreign currency B]	[insert: foreign currency C]	[insert: local currency]	[insert: local currency]	[insert: foreign currency A]	[insert: foreign currency B]	[insert: foreign currency C]
1.1	Hardware – Finance Department	--	--	--	--	--	--	--					
1.1.1	Supply of Advanced workstations		4										
1.1.2	Standard Workstations		12										
1.1.3	High-speed Laser Printer		1										

Component No.	Component Description	Country of Origin Code	Quantity	Unit Prices / Rates					Total Prices				
				Supplied Locally	Supplied from outside the Purchaser's Country				Supplied Locally	Supplied from outside the Purchaser's Country			
				<i>[insert: local currency]</i>	<i>[insert: local currency]</i>	<i>[insert: foreign currency A]</i>	<i>[insert: foreign currency B]</i>	<i>[insert: foreign currency C]</i>	<i>[insert: local currency]</i>	<i>[insert: local currency]</i>	<i>[insert: foreign currency A]</i>	<i>[insert: foreign currency B]</i>	<i>[insert: foreign currency C]</i>
1.1.4	Standard-speed Laser Printer		3										
1.1.5	Continuous-feed Printer		3										
1.1.6	Design and Programming Services related to Financial Report												
1.1.7	Local transport and insurance												
2.	LAN - Headquarters		--	--	--	--	--	--					
2.1	Supply of Wiring Closet Hardware		--	--	--	--	--	--					
2.1.1	Hubs		7										

Component No.	Component Description	Country of Origin Code	Quantity	Unit Prices / Rates					Total Prices				
				Supplied Locally	Supplied from outside the Purchaser's Country				Supplied Locally	Supplied from outside the Purchaser's Country			
				<i>[insert: local currency]</i>	<i>[insert: local currency]</i>	<i>[insert: foreign currency A]</i>	<i>[insert: foreign currency B]</i>	<i>[insert: foreign currency C]</i>	<i>[insert: local currency]</i>	<i>[insert: local currency]</i>	<i>[insert: foreign currency A]</i>	<i>[insert: foreign currency B]</i>	<i>[insert: foreign currency C]</i>
2.1.2	Punch-down panel		7										
2.1.3	Uninterrupted Power Supply (small)		7										
2.1.4	Lockable Equipment Rack		7										
:													
2.2	In-Building Wiring		--	--	--	--	--	--					
2.2.1	Server Room		--	--	--	--	--	--					
2.2.1.1	Dedicated Telephone Lines (data)		2 nodes										
2.2.2	Backbone and Risers (Fiber optic)		28 nodes										
2.2.3	Departmental Wiring		--	--	--	--	--	--					

Component No.	Component Description	Country of Origin Code	Quantity	Unit Prices / Rates					Total Prices				
				Supplied Locally	Supplied from outside the Purchaser's Country				Supplied Locally	Supplied from outside the Purchaser's Country			
				[insert: local currency]	[insert: local currency]	[insert: foreign currency A]	[insert: foreign currency B]	[insert: foreign currency C]	[insert: local currency]	[insert: local currency]	[insert: foreign currency A]	[insert: foreign currency B]	[insert: foreign currency C]
2.2.3.1	Finance Department		40 nodes										
2.3	In-Building Wiring (Goods)		--	--	--	--	--	--					
2.4	Local transport and insurance for Region 1 sites												
3.	Supply of General-Purpose Software	--	--	--	--	--	--	--					
Subtotals (to [insert: line item] of Supply and Installation Cost Summary Table)													

Note: -- indicates not applicable. “ indicates repetition of table entry above

Name of Bidder:	
Authorized Signature of Bidder:	

2.6 Recurrent Cost Sub-Table [insert: identifying number]

Lot number: [if a multi-lot procurement, insert: lot number, otherwise state “single lot procurement”]

Line item number: [specify: relevant line item number from the Recurrent Cost Summary Table (e.g., z.1)]

Currency: [specify: the currency of the Recurrent Costs in which the costs expressed in this Sub-Table are expressed]

[as necessary for operation of the System, specify: the detailed components and quantities in the Sub-Table below for the line item specified above, modifying the sample components and sample table entries as needed. Repeat the Sub-Table as needed to cover each and every line item in the Recurrent Cost Summary Table that requires elaboration.]

Costs MUST reflect prices and rates quoted in accordance with ITB Clauses 14 and 15 (IS1STG SBD) or ITB Clauses 27 and 28 (IS2STG SBD). Unit prices for the same item appearing several times in the table must be identical in amount and currency.

		Maximum all-inclusive costs (for costs in [insert: currency])						
		Warranty Period			Post-Warranty Service Period			
Component No.	Component	Y1	Y2	Y3	Y4	...	Yn	Sub-total for [insert: currency]
1.	Hardware Maintenance (Post-Warranty Period)	--	--	--				
2.	Software Licenses & Updates	--						
2.1	System and General-Purpose Software	--						
2.2	Application, Standard and Custom Software	--						
3.	Technical Services							
3.1	Sr. Systems Analyst							
3.2	Sr. Programmer							

		Maximum all-inclusive costs (for costs in [insert: currency])						
		Warranty Period			Post-Warranty Service Period			
Component No.	Component	Y1	Y2	Y3	Y4	...	Yn	Sub-total for [insert: currency]
3.3	Sr. Network Specialist, etc.							
4.	Telecommunications costs [to be detailed]							
5.	[Identify other recurrent costs as may apply]							
	Annual Subtotals:							--
Cumulative Subtotal (to [insert: currency] entry for [insert: line item] in the Recurrent Cost Summary Table)								

Note: -- indicates not applicable. “ indicates repetition of table entry above.

Name of Bidder:		
Authorized Signature of Bidder:		

3. OTHER BID FORMS AND LISTS

3.1 Manufacturer's Authorization Form

Date:
 ICB No.:
 Invitation for Bid No.:
 Bid & Lot Nos.:

To: _____

WHEREAS _____ who are official producers of
 _____ and having production facilities at
 _____ do hereby authorize
 _____ located at
 _____ (hereinafter, the "Bidder")
 to submit a bid and subsequently negotiate and sign a Contract with you for resale of the
 following Products produced by us, for the quantities, specifications and delivery schedule
 called for by the Supply Requirements associated with the above Invitation for Bids:

We hereby extend to you a full guarantee and warranty in accordance with Clause 29, Defect Liability, of the General Conditions of Contract and with our own standard product warranty, and duly authorize the Bidder to act on our behalf in fulfilling all warranty obligations with respect to the above-listed products offered for resale by the Bidder in relation to this Invitation for Bids.

We also certify that the Bidder is qualified by us to provide the following maintenance, technical or help desk support, new version upgrade and/or other services related to the above-listed Products in accordance with Clause 7-Scope of the System, of the General Conditions of Contract:

Name _____ In the capacity of _____

Signed _____

Duly authorized to sign the authorization for and on behalf of : _____

Dated on _____ day of _____, _____.

Note: This letter of authority must be on the letterhead of the Producer, must be signed by a person competent and having the power of attorney to bind the Producer, and must be included by the Bidder in its bid as specified in the Instructions to Bidders.

3.5.1 General Information Form

All individual firms and each partner of a Joint Venture that are bidding must complete the information in this form. Nationality information should be provided for all owners or Bidders that are partnerships or individually owned firms.

Where the Bidder proposes to use named Subcontractors for highly specialized components of the Information System, the following information should also be supplied for the Subcontractor(s), together with the information in Forms 3.5.2, 3.5.3, 3.5.3a, 3.5.4, and 3.5.5. Joint Ventures must also fill out Form 3.5.2a.

1.	Name of firm	
2.	Head office address	
3.	Telephone	Contact
4.	Fax	Telex
5.	Place of incorporation / registration	Year of incorporation / registration

Nationality of owners ¹		
	Name	Nationality
1.		
2.		
3.		
4.		
5.		
^{1/} To be completed by all owners of partnerships or individually owned firms.		

3.5.2 General Information Systems Experience Record

Name of Bidder or partner of a Joint Venture
--

All individual firms and all partners of a Joint Venture must complete the information in this form with regard to the management of Information Systems contracts generally. The information supplied should be the annual turnover of the Bidder (or each member of a Joint Venture), in terms of the amounts billed to clients for each year for work in progress or completed, converted to U.S. dollars at the rate of exchange at the end of the period reported. The annual periods should be calendar years, with partial accounting for the year up to the date of submission of applications. This form may be included for Subcontractors only if the Bid Data Sheet for ITB Clause 6.1 (a) explicitly permits experience and resources of (certain) Subcontractors to contribute to the Bidder's qualifications.

A brief note on each contract should be appended, describing the nature of the Information System, duration and amount of contract, managerial arrangements, purchaser, and other relevant details.

Use a separate sheet for each partner of a Joint Venture.

Bidders should not enclose testimonials, certificates, and publicity material with their applications; they will not be taken into account in the evaluation of qualifications.

Annual turnover data (applicable activities related activities only)		
Year ¹	Turnover	US\$ equivalent
1.		
2.		
3.		
4.		
5.		
^{1/} Commencing with the partial year up to the date of submission of bids		

3.5.2a Joint Venture Summary

Names of all partners of a Joint Venture
1. Partner in charge
2. Partner
3. Partner
4. Partner
5. Partner
6. etc.

Total value of annual construction turnover, in terms of Information System billed to clients, in US\$ equivalent, converted at the rate of exchange at the end of the period reported:

Annual turnover data (applicable activities only; US\$ equivalent)						
Partner	Form 2 page no.	Year 1	Year 2	Year 3	Year 4	Year 5
1. Partner in charge						
2. Partner						
3. Partner						
4. Partner						
5. Partner						
6. Etc.						
Totals						

3.5.3 Particular Information Systems Experience Record

Name of Bidder or partner of a Joint Venture
--

On separate pages, using the format of Form 3.5.3a, the Bidder is requested to list contracts of a similar nature, complexity, and requiring similar information technology and methodologies to the contract or contracts for which these Bidding Documents are issued, and which the Bidder has undertaken during the period, and of the number, specified in the BDS for ITB Clause 6.1 (a). Each partner of a Joint Venture should separately provide details of its own relevant contracts. The contract value should be based on the payment currencies of the contracts converted into U.S. dollars, at the date of substantial completion, or for ongoing contracts at the time of award.

3.5.3a Details of Contracts of Similar Nature and Complexity

Name of Bidder or partner of a Joint Venture
--

Use a separate sheet for each contract.

1.	Number of contract	
	Name of contract	
	Country	
2.	Name of Purchaser	
3.	Purchaser address	
4.	Nature of Information Systems and special features relevant to the contract for which the Bidding Documents are issued	
5.	Contract role (check one) <input type="checkbox"/> Prime Supplier <input type="checkbox"/> Management Contractor <input type="checkbox"/> Subcontractor <input type="checkbox"/> Partner in a Joint Venture	
6.	Amount of the total contract/subcontract/partner share (in specified currencies at completion, or at date of award for current contracts) Currency Currency Currency	
7.	Equivalent amount US\$ Total contract: \$_____ ; Subcontract: \$_____ ; Partner share: \$_____ ;	
8.	Date of award/completion	
9.	Contract was completed _____ months ahead/behind original schedule (if behind, provide explanation).	
10.	Contract was completed US\$ _____ equivalent under/over original contract amount (if over, provide explanation).	
11.	Special contractual/technical requirements.	
12.	Indicate the approximate percent of total contract value (and US\$ amount) of Information System undertaken by subcontract, if any, and the nature of such Information System.	

3.5.4 Summary Sheet: Current Contract Commitments / Work in Progress

Name of Bidder or partner of a Joint Venture

Bidders and each partner to an Joint Venture bid should provide information on their current commitments on all contracts that have been awarded, or for which a letter of intent or acceptance has been received, or for contracts approaching completion, but for which an unqualified, full completion certificate has yet to be issued.

Name of contract	Purchaser, contact address/tel./fax	Value of outstanding Information System (current US\$ equivalent)	Estimated completion date	Average monthly invoicing over last six months (US\$/month)
1.				
2.				
3.				
4.				
5.				
etc.				

3.5.5 Financial Capabilities

Name of Bidder or partner of a Joint Venture
--

Bidders, including each partner of a Joint Venture, shall provide financial information to demonstrate that they meet the requirements stated in the BDS for ITB Clause 6.1 (a). Each Bidder or partner of a Joint Venture shall complete this form. If necessary, separate sheets shall be used to provide complete banker information. A copy of the audited balance sheets shall be attached.

Autonomous subdivisions of parent conglomerate businesses shall submit financial information related only to the particular activities of the subdivision.

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

Summarize actual assets and liabilities in U.S. dollar equivalent (at the rates of exchange current at the end of each year) for the previous five calendar years. Based upon known commitments, summarize projected assets and liabilities in U.S. dollar equivalent for the next two calendar years, unless the withholding of such information by stock market listed public companies can be substantiated by the Bidder.

Financial information in US\$ equivalent	Actual: Previous five years					Projected: Next two years	
	5	4	3	2	1	1	2
1. Total assets							
2. Current assets							
3. Total liabilities							
4. Current liabilities							
5. Profits before taxes							
6. Profits after taxes							

Specify proposed sources of financing, such as liquid assets, unencumbered real assets, lines of credit, and other financial means, net of current commitments, available to meet the total

construction cash flow demands of the subject contract or contracts as indicated in the BDS for ITB Clause 6.1 (a).

Source of financing	Amount (US\$ equivalent)
1.	
2.	
3.	
4.	

Attach audited financial statements—including, as a minimum, profit and loss account, balance sheet, and explanatory notes—for the period stated in the BDS for ITB Clause 6.1 (a) (for the individual Bidder or each partner of a Joint Venture).

If audits are not required by the laws of Bidders' countries of origin, partnerships and firms owned by individuals may submit their balance sheets certified by a registered accountant, and supported by copies of tax returns,

3.5.6 Personnel Capabilities

Name of Bidder

For specific positions essential to contract management and implementation (and/or those specified in the Bidding Documents, if any), Bidders should provide the names of at least two candidates qualified to meet the specified requirements stated for each position. The data on their experience should be supplied on separate sheets using one Form 3.5.6a for each candidate.

Bidders may propose alternative management and implementation arrangements requiring different key personnel, whose experience records should be provided.

1.	Title of position
	Name of prime candidate
	Name of alternate candidate
2.	Title of position
	Name of prime candidate
	Name of alternate candidate
3.	Title of position
	Name of prime candidate
	Name of alternate candidate
4.	Title of position
	Name of prime candidate
	Name of alternate candidate

3.5.6a Candidate Summary

Name of Bidder

Position	Candidate <input type="checkbox"/> Prime <input type="checkbox"/> Alternate	
Candidate information	Name of candidate	Date of birth
	Professional qualifications	
Present employment	Name of Employer	
	Address of Employer	
	Telephone	Contact (manager / personnel officer)
	Fax	Telex
	Job title of candidate	Years with present Employer

Summarize professional experience over the last twenty years, in reverse chronological order. Indicate particular technical and managerial experience relevant to the project.

From	To	Company/Project/ Position/Relevant technical and management experience

3.5.7 Technical Capabilities

Name of Bidder

The Bidder shall provide adequate information to demonstrate clearly that it has the technical capability to meet the requirements for the Information System. With this form, the Bidder should summarize important certifications, proprietary methodologies, and/or specialized technologies which the Bidder proposes to utilize in the execution of the Contract or Contracts.

3.5.8 Litigation History

Name of Bidder or partner of a Joint Venture

Bidders, including each of the partners of a Joint Venture, shall provide information on any history of litigation or arbitration resulting from contracts executed in the last five years or currently under execution. A separate sheet should be used for each partner of a Joint Venture.

Year	Award FOR or AGAINST Bidder	Name of client, cause of litigation, and matter in dispute	Disputed amount (current value, US\$ equivalent)

4. BID SECURITY FORM (BANK GUARANTEE).

[insert: Bank's Name, and Address of Issuing Branch or Office]

Beneficiary: *[insert: Name and Address of Purchaser]*

Date: *[insert: date]*

BID GUARANTEE No.: *[insert: Bid Guarantee Number]*

We have been informed that *[insert: name of the Bidder]* (hereinafter called "the Bidder") has submitted to you its bid dated *[insert: bid date]* (hereinafter called "the Bid") for the execution of *[insert: name of contract]* under Invitation for Bids No. *[insert: IFB number]* ("the IFB").

Furthermore, we understand that, according to your conditions, bids must be supported by a bid guarantee.

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

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

This guarantee will expire: (a) if the Bidder is the successful bidder, upon our receipt of copies of the contract signed by the Bidder and the performance security issued to you upon the instruction of the Bidder; or (b) if the Bidder is not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder of the name of the successful bidder; or (ii) twenty-eight days after the expiration of the Bidder's bid.

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

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

[signature(s)]

4A. BID SECURITY FORM (BID BOND)

BOND NO. _____

BY THIS BOND [*insert: name of Bidder*] as Principal (hereinafter called “the Principal”), and [*insert: name, legal title, and address of surety*], authorized to transact business in [*insert: name of country of Purchaser*], as Surety (hereinafter called “the Surety”), are held and firmly bound unto [*insert name of Purchaser*] as Obligee (hereinafter called “the Purchaser”) in the sum of [*insert amount of Bond*] ⁽¹⁾. [*insert: amount in words*], for the payment of which sum, well and truly to be made, we, the said Principal and Surety, bind ourselves, our successors and assigns, jointly and severally, firmly by these presents.

WHEREAS the Principal has submitted a written Bid to the Purchaser dated the ___ day of _____, 20___, for the supply of [*insert: name and/or description of goods*] (hereinafter called the “Bid”).

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

- (1) withdraws its Bid during the period of bid validity specified by the Bidder on the Bid Form; or
- (2) refuses to accept the correction of errors in its bid price in accordance with the Instructions to Bidders; or
- (3) having been notified of the acceptance of its Bid by the Purchaser during the period of Bid validity;
 - (a) fails or refuses to execute the Contract Form in accordance with the Instructions to Bidders, if required; or
 - (b) fails or refuses to furnish the Performance Security in accordance with the Instructions to Bidders;

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

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

Invitation to Bid. Any demand in respect of this Bond should reach the Surety not later than the above date.

IN TESTIMONY WHEREOF, the Principal and the Surety have caused these presents to be executed in their respective names this ____ day of _____ 20__.

Principal: _____

Surety: _____

Corporate Seal (where appropriate)

(Signature)

(Signature)

(Printed name and title)

(Printed name and title)

^{1/} The amount of the Bond shall be denominated in the currency of the Purchaser's country or the equivalent amount in a freely convertible currency.

5. FORM OF CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT is made

the [*insert: ordinal*] day of [*insert: month*], [*insert: year*].

BETWEEN

- (1) [*insert: Name of Purchaser*], a [*insert: description of type of legal entity, for example, an agency of the Ministry of . . .*] of the Government of [*insert: country of Purchaser*], or corporation incorporated under the laws of [*insert: country of Purchaser*] and having its principal place of business at [*insert: address of Purchaser*] (hereinafter called “the Purchaser”), and
- (2) [*insert: name of Supplier*], a corporation incorporated under the laws of [*insert: country of Supplier*] and having its principal place of business at [*insert: address of Supplier*] (hereinafter called “the Supplier”).

WHEREAS the Purchaser desires to engage the Supplier to supply, install, achieve Operational Acceptance of, and support the following Information System [*insert: brief description of the Information System*] (“the System”), and the Supplier has agreed to such engagement upon and subject to the terms and conditions appearing below in this Contract Agreement.

NOW IT IS HEREBY AGREED as follows:

Article 1.

1.1 Contract Documents (Reference GCC Clause 1.1 (a) (ii))

Contract Documents

The following documents shall constitute the Contract between the Purchaser and the Supplier, and each shall be read and construed as an integral part of the Contract:

- (a) This Contract Agreement and the Appendices attached to the Contract Agreement
- (b) Special Conditions of Contract
- (c) General Conditions of Contract
- (d) Technical Requirements (including Implementation Schedule)
- (e) The Supplier’s bid and original Price Schedules
- (f) [*Add here: any other documents*]

1.2 Order of Precedence (Reference GCC Clause 2)

In the event of any ambiguity or conflict between the Contract Documents listed above, the order of precedence shall be the order in which the Contract Documents are listed in Article 1.1 (Contract Documents) above, provided that Appendix 7 shall prevail over all provisions of the Contract Agreement and the other Appendices attached to the Contract Agreement and all the other Contract Documents listed in Article 1.1 above.

1.3 Definitions (Reference GCC Clause 1)

Capitalized words and phrases used in this Contract Agreement shall have the same meanings as are ascribed to them in the General Conditions of Contract.

Article 2.

**Contract Price
and Terms of
Payment**

2.1 Contract Price (Reference GCC Clause 1.1(a)(viii) and GCC Clause 11)

The Purchaser hereby agrees to pay to the Supplier the Contract Price in consideration of the performance by the Supplier of its obligations under the Contract. The Contract Price shall be the aggregate of: *[insert: amount of foreign currency A in words], [insert: amount in figures],* plus *[insert: amount of foreign currency B in words], [insert: amount in figures],* plus *[insert: amount of foreign currency C in words], [insert: amount in figures],* *[insert: amount of local currency in words], [insert: amount in figures],* as specified in the Grand Summary Price Schedule.

The Contract Price shall be understood to reflect the terms and conditions used in the specification of prices in the detailed price schedules, including the terms and conditions of the associated Incoterms, and the taxes, duties and related levies if and as identified. Taxes, duties and related levies not specified in the Contract Price and/or the detailed price schedules are handled according to the provisions of GCC Clause 14.

Article 3.

**Effective Date
for
Determining
Time for
Operational
Acceptance**

3.1 Effective Date (Reference GCC Clause 1.1 (e) (ix))

The time allowed for supply, installation, and achieving Operational Acceptance of the System shall be determined from the date when all of the following conditions have been fulfilled:

- (a) This Contract Agreement has been duly executed for and on behalf of the Purchaser and the Supplier;
- (b) The Supplier has submitted to the Purchaser the performance security and the advance payment guarantee, in accordance with GCC Clause 13.2 and GCC Clause 13.3;

- (c) The Purchaser has paid the Supplier the advance payment, in accordance with GCC Clause 12;
- (d) *[specify here: any other conditions, for example, opening/confirmation of letter of credit]*.

Each party shall use its best efforts to fulfill the above conditions for which it is responsible as soon as practicable.

- 3.2 If the conditions listed under 3.1 are not fulfilled within two (2) months from the date of this Contract Agreement because of reasons not attributable to the Supplier, the parties shall discuss and agree on an equitable adjustment to the Contract Price and the Time for Achieving Operational Acceptance and/or other relevant conditions of the Contract.

Article 4.

Appendixes

- 4.1 The Appendixes listed below shall be deemed to form an integral part of this Contract Agreement.
- 4.2 Reference in the Contract to any Appendix shall mean the Appendixes listed below and attached to this Contract Agreement, and the Contract shall be read and construed accordingly.

APPENDIXES

- Appendix 1 Supplier's Representative
- Appendix 2 Adjudicator *[if there is no Adjudicator, state (“not applicable”)]*
- Appendix 3 List of Approved Subcontractors
- Appendix 4 Categories of Software
- Appendix 5 Custom Materials
- Appendix 6 Revised Price Schedules (if any)
- Appendix 7 Minutes of Contract Finalization Discussions and Agreed-to Contract Amendments

IN WITNESS WHEREOF the Purchaser and the Supplier have caused this Agreement to be duly executed by their duly authorized representatives the day and year first above written.

For and on behalf of the Purchaser

Signed:

in the capacity of [*insert: title or other appropriate designation*]

in the presence of

For and on behalf of the Supplier

Signed:

in the capacity of [*insert: title or other appropriate designation*]

in the presence of

CONTRACT AGREEMENT

dated the [*insert: number*] day of [*insert: month*], [*insert: year*]

BETWEEN

[*insert: name of Purchaser*], “the Purchaser”

and

[*insert: name of Supplier*], “the Supplier”

Appendix 1. Supplier's Representative

In accordance with GCC Clause 1.1 (b) (iv), the Supplier's appointed Representative is:

Name: *[insert: name, or state "to be nominated within fourteen (14) days of the Effective Date"]*

Title: *[insert: title, or state "to be specified within fourteen (14) days of the Effective Date"]*

Appendix 2. Adjudicator

In accordance with GCC Clause 1.1 (b) (vi), the agreed-upon Adjudicator(s) is (are):

Name: [insert: ***name***]

Title: [insert: ***title***]

Address: [insert: ***postal address***]

Telephone: [insert: ***telephone***]

In accordance with GCC Clause 6.1.3, the agreed-upon fees and reimbursable expenses are:

Hourly Fees: [insert: ***hourly fees***]

Reimbursable Expenses: [list: ***reimbursables***]

Pursuant to GCC Clause 6.1.4, if at the time of Contract signing, agreement has not been reached between the Purchaser and the Supplier, an Adjudicator will be appointed by the Appointing Authority named in the SCC.

Appendix 3. List of Approved Subcontractors

The Purchaser has approved use of the following Subcontractors nominated by the Supplier for carrying out the item or component of the System indicated. Where more than one Subcontractor is listed, the Supplier is free to choose between them, but it must notify the Purchaser of its choice sufficiently in advance of the time when the subcontracted work needs to commence to give the Purchaser reasonable time for review. In accordance with GCC Clause 20.1, the Supplier is free to submit proposals for Subcontractors for additional items from time to time. No subcontracts shall be placed with any such Subcontractors for additional items until the Subcontractors have been approved in writing by the Purchaser and their names have been added to this list of Approved Subcontractors, subject to GCC Clause 20.3.

[specify: item, approved Subcontractors, and their place of registration that the Supplier proposed in the corresponding attachment to its bid and that the Purchaser approves that the Supplier engage during the performance of the Contract. Add additional pages as necessary.]

Item	Approved Subcontractors	Place of Registration

Appendix 6. Revised Price Schedules

The attached Revised Price Schedules (if any) shall form part of this Contract Agreement and, where differences exist, shall supersede the Price Schedules contained in the Supplier's Bid. These Revised Price Schedules reflect any corrections or adjustments to the Supplier's bid price, pursuant to the ITB Clauses 18.3, 26.2, and 33.1 (IS1STG SBD) or ITB Clauses 30.3, 38.2, and 45.1 (IS2STG SBD).

Appendix 7. Minutes of Contract Finalization Discussions and Agreed-to Contract Amendments

The attached Contract amendments (if any) shall form part of this Contract Agreement and, where differences exist, shall supersede the relevant clauses in the GCC, SCC, Technical Requirements, or other parts of this Contract as defined in GCC Clause 1.1 (a) (ii).

6. PERFORMANCE AND ADVANCE PAYMENT SECURITY FORMS

6.1 Performance Security Bank Guarantee

(unconditional)

Date: [*insert: date*]

Loan/Credit Number: [*insert: loan or credit number from IFB*]

IFB: [*insert: title and number of IFB*]

Contract: [*insert: name or number of Contract*]

To: [*insert: name and address of Purchaser*]

Dear Sir or Madam:

We refer to the Contract Agreement (“the Contract”) signed on [*insert: date*] between you and [*insert: name of Supplier*] (“the Supplier”) concerning design, supply, installation, and achieving Operational Acceptance of [*insert: a brief description of the Information System*]. By this letter we, the undersigned, [*insert: name of Bank*], a bank (or company) organized under the laws of [*insert: country of Bank*] and having its registered/principal office at [*insert: address of Bank*], (hereinafter, “the Bank”) do hereby jointly and severally with the Supplier irrevocably guarantee payment owed to you by the Supplier, pursuant to the Contract, up to the sum of [*insert: amount in numbers and words*]. This guarantee shall be reduced or expire as provided for by GCC Clause 13.3.

We undertake to make payment under this Letter of Guarantee upon receipt by us of your first written demand signed by your duly authorized officer declaring the Supplier to be in default under the Contract and without cavil or argument any sum or sums within the above-named limits, without your need to prove or show grounds or reasons for your demand and without the right of the Supplier to dispute or question such demand. Our liability under this Letter of Guarantee shall be to pay to you whichever is the lesser of the sum so requested or the amount then guaranteed under this Letter in respect of any demand duly made under this Letter prior to expiry of this Letter of Guarantee, without being entitled to inquire whether or not this payment is lawfully demanded.

This Letter of Guarantee shall be valid from the date of issue until the date of expiration of the guarantee, as governed by the Contract. Except for the documents herein specified, no other documents or other action shall be required, notwithstanding any applicable law or regulation. Our liability under this Letter of Guarantee shall become null and void immediately upon its expiry, whether it is returned or not, and no claim may be made under this Letter after such expiry or after the aggregate of the sums paid by us to you shall equal the sums guaranteed under this Letter, whichever is the earlier. All notices to be given under this Letter shall be given by registered (airmail) post to the addressee at the address herein set out or as otherwise advised by and between the parties hereto.

We hereby agree that any part of the Contract may be amended, renewed, extended, modified, compromised, released, or discharged by mutual agreement between you and the

Supplier, and this security may be exchanged or surrendered without in any way impairing or affecting our liabilities hereunder without notice to us and without the necessity for any additional endorsement, consent, or guarantee by us, provided, however, that the sum guaranteed shall not be increased or decreased.

No action, event, or condition that by any applicable law should operate to discharge us from liability hereunder shall have any effect and we hereby waive any right we may have to apply such law, so that in all respects our liability hereunder shall be irrevocable and, except as stated herein, unconditional in all respects.

For and on behalf of the Bank

Signed:

Date:

in the capacity of: [*insert: title or other appropriate designation*]

Common Seal of the Bank

6.2 Advance Payment Bank Guarantee

Date: [*insert: date*]

Loan/Credit Number: [*insert: loan or credit number from IFB*]

IFB: [*insert: title and number of IFB*]

Contract: [*insert: name and number of Contract*]

To: [*insert: name and address of Purchaser*]

Dear Sir or Madam:

We refer to the Contract Agreement (“the Contract”) signed on [*insert: date*] between you and [*insert: name of Supplier*] (“the Supplier”) concerning design, supply, installation, and achieving Operational Acceptance of [*insert: a brief description of the Information System*].

Whereas, in accordance with the terms of the said Contract, the Purchaser has agreed to pay or cause to be paid to the Supplier an Advance Payment in the amount of [*insert: amount in numbers and words, for each currency of the Advance Payment*] due to the Supplier.

By this letter we, the undersigned, [*insert: name of Bank*], a bank (or company) organized under the laws of [*insert: country of Bank*] and having its registered/principal office at [*insert: address of Bank*], (hereinafter, “the Bank”) do hereby jointly and severally with the Supplier irrevocably guarantee repayment of the said amounts upon the first demand of the Purchaser without cavil or argument in the event that the Supplier fails to commence or fulfill its obligations under the terms of the said Contract, and in the event of such failure, refuses to repay all or part (as the case may be) of the said Advance Payment to the Purchaser. Provided always that the Bank’s obligation shall be limited to an amount equal to the outstanding balance of the Advance Payment as calculated in accordance with the Special Conditions of Contract for GCC Clause 13.2.2.

This Guarantee shall remain in full force from the date upon which the said Advance Payment is received by the Supplier until the date upon which the Supplier has fully repaid the amount so advanced to the Purchaser in accordance with the terms of the Contract. At the time at which the outstanding amount is nil, this Guarantee shall become null and void, whether the original is returned to us or not. Any claims to be made under this Guarantee must be received by the Bank during its period of validity.

For and on behalf of the Bank

Signed:

Date:

in the capacity of: [insert: *title or other appropriate designation*]

Common Seal of the Bank

7. INSTALLATION AND ACCEPTANCE CERTIFICATES

7.1 Installation Certificate Form

Date: [*insert: date*]

Loan/Credit Number: [*insert: loan or credit number from IFB*]

IFB: [*insert: title and number of IFB*]

Contract: [*insert: name and number of Contract*]

To: [*insert: name and address of Supplier*]

Dear Sir or Madam:

Pursuant to GCC Clause 26 (Installation of the System) of the Contract entered into between yourselves and the [*insert: name of Purchaser*] (hereinafter the "Purchaser") dated [*insert: date of Contract*], relating to the [*insert: brief description of the Information System*], we hereby notify you that the System (or a Subsystem or major component thereof) was deemed to have been correctly installed on the date specified below.

1. Description of the System (or relevant Subsystem or major component: [*insert: description*]
2. Date of Installation: [*insert: date*]

Notwithstanding the above, you are required to complete the outstanding items listed in the attachment to this certificate as soon as practicable. This letter shall not relieve you of your obligation to achieve Operational Acceptance of the System in accordance with the Contract nor of your obligations during the Warranty Period.

For and on behalf of the Purchaser

Signed:

Date:

in the capacity of: [*state: "Project Manager" or state the title of a higher level authority in the Purchaser's organization*]

7.2 Operational Acceptance Certificate Form

Date: [insert: *date*]

Loan/Credit Number: [insert: *loan or credit number from IFB*]

IFB: [insert: *name of System or Subsystem and number of IFB*]

Contract: [insert: *name of System or Subsystem and number of Contract*]

To: [insert: *name and address of Supplier*]

Dear Sir or Madam:

Pursuant to GCC Clause 27 (Commissioning and Operational Acceptance) of the Contract entered into between yourselves and the [insert: *name of Purchaser*] (hereinafter the "Purchaser") dated [insert: *date of Contract*], relating to the [insert: *brief description of the Information System*], we hereby notify you the System (or the Subsystem or major component identified below) successfully completed the Operational Acceptance Tests specified in the Contract. In accordance with the terms of the Contract, the Purchaser hereby takes over the System (or the Subsystem or major component identified below), together with the responsibility for care and custody and the risk of loss thereof on the date mentioned below.

1. Description of the System (or Subsystem or major component): [insert: *description*]
2. Date of Operational Acceptance: [insert: *date*]

This letter shall not relieve you of your remaining performance obligations under the Contract nor of your obligations during the Warranty Period.

For and on behalf of the Purchaser

Signed:

Date:

in the capacity of: [state: *"Project Manager" or higher level authority in the Purchaser's organization*]

8. CHANGE ORDER PROCEDURES AND FORMS

Date: *[insert: date]*

Loan/Credit Number: *[insert: loan or credit number from IFB]*

IFB: *[insert: name of System or Subsystem and number of IFB]*

Contract: *[insert: name or System or Subsystem and number of Contract]*

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General

Change Order Log

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- 8.1 Change Request Proposal Form
- 8.2 Change Estimate Proposal Form
- 8.3 Estimate Acceptance Form
- 8.4 Change Proposal Form
- 8.5 Change Order Form
- 8.6 Application for Change Proposal Form

General

This section provides samples of procedures and forms for carrying out changes to the System during the performance of the Contract in accordance with GCC Clause 39 (Changes to the System) of the Contract.

Change Order Log

The Supplier shall keep an up-to-date Change Order Log to show the current status of Change Requests and Changes Orders authorized or pending. Changes shall be entered regularly in the Change Order Log to ensure that the log is kept up-to-date. The Supplier shall attach a copy of the current Change Order Log in the monthly progress report to be submitted to the Purchaser.

References to Changes

- (1) Change Request Proposals shall be serially numbered CR-X-nnn.
- (2) Change Estimate Proposals shall be serially numbered CN-X-nnn.
- (3) Estimate Acceptances shall be serially numbered CA-X-nnn.
- (4) Change Proposals shall be serially numbered CP-X-nnn.
- (5) Change Orders shall be serially numbered CO-X-nnn.

Note: (a) Change Requests issued from the Purchaser's Home Office and the site representatives of the Purchaser shall have the following respective references:

Home Office CR-H-nnn

Site CR-S-nnn

- (b) The above number "nnn" is the same for a Change Request Proposal, a Change Estimate Proposal, an Estimate Acceptance, a Change Proposal, and a Change Order.

8.1 Change Request Proposal Form

(Purchaser's Letterhead)

Date: [insert: *date*]

Loan/Credit Number: [insert: *loan or credit number from IFB*]

IFB: [insert: *name of System or Subsystem or number of IFB*]

Contract: [insert: *name of System or Subsystem or number of Contract*]

To: [insert: *name of Supplier and address*]

Attention: [insert: *name and title*]

Dear Sir or Madam:

With reference to the above-referenced Contract, you are requested to prepare and submit a Change Proposal for the Change noted below in accordance with the following instructions within [insert: *number*] days of the date of this letter.

1. Title of Change: [insert: *title*]
2. Change Request No./Rev.: [insert: *number*]
3. Originator of Change: Purchaser: [insert: *name of originator*]
Supplier: (by Application for Change Proposal No. [insert: *number of proposal*]):
4. Brief Description of Change: [insert: *description*]
5. System (or Subsystem or major component affected by requested Change): [insert: *description*]
6. Technical documents and/or drawings for the request of Change:

- | Document or Drawing No. | Description |
|-------------------------|---|
| 7. | Detailed conditions or special requirements of the requested Change: <i>[insert: description]</i> |
| 8. | Procedures to be followed: <ul style="list-style-type: none">(a) Your Change Proposal will have to show what effect the requested Change will have on the Contract Price.(b) Your Change Proposal shall explain the time it will take to complete the requested Change and the impact, if any, it will have on the date when Operational Acceptance of the entire System agreed in the Contract.(c) If you believe implementation of the requested Change will have a negative impact on the quality, operability, or integrity of the System, please provide a detailed explanation, including other approaches that might achieve the same impact as the requested Change.(d) You should also indicate what impact the Change will have on the number and mix of staff needed by the Supplier to perform the Contract.(e) You shall not proceed with the execution of work related to the requested Change until we have accepted and confirmed the impact it will have on the Contract Price and the Implementation Schedule in writing. |
| 9. | As next step, please respond using the Change Estimate Proposal Form, indicating how much it will cost you to prepare a concrete Change Proposal that will describe the proposed approach for implementing the Change, all its elements, and will also address the points in paragraph 8 above pursuant to GCC Clause 39.2.1. Your Change Estimate Proposal should contain a first approximation of the proposed approach, and implications for schedule and cost, of the Change. |

For and on behalf of the Purchaser

Signed:

Date:

in the capacity of: *[state: "Project Manager" or higher level authority in the Purchaser's organization]*

8.2 Change Estimate Proposal Form

(Supplier's Letterhead)

Date: [insert: *date*]

Loan/Credit Number: [insert: *loan or credit number from IFB*]

IFB: [insert: *name of System or Subsystem and number of IFB*]

Contract: [insert: *name of System or Subsystem and number of Contract*]

To: [insert: *name of Purchaser and address*]

Attention: [insert: *name and title*]

Dear Sir or Madam:

With reference to your Change Request Proposal, we are pleased to notify you of the approximate cost of preparing the below-referenced Change in accordance with GCC Clause 39.2.1 of the Contract. We acknowledge that your agreement to the cost of preparing the Change Proposal, in accordance with GCC Clause 39.2.2, is required before we proceed to prepare the actual Change Proposal including a detailed estimate of the cost of implementing the Change itself.

1. Title of Change: [insert: *title*]
2. Change Request No./Rev.: [insert: *number*]
3. Brief Description of Change (including proposed implementation approach): [insert: *description*]
4. Schedule Impact of Change (initial estimate): [insert: *description*]
5. Initial Cost Estimate for Implementing the Change: [insert: *initial cost estimate*]

6. Cost for Preparation of Change Proposal: *[insert: cost in the currencies of the Contract]*, as detailed below in the breakdown of prices, rates, and quantities.

For and on behalf of the Supplier

Signed:

Date:

in the capacity of: *[state: “Supplier’s Representative” or other higher level authority in the Supplier’s organization]*

8.3 Estimate Acceptance Form

(Purchaser's Letterhead)

Date: [insert: *date*]

Loan/Credit Number: [insert: *loan or credit number from IFB*]

IFB: [insert: *name of System or Subsystem and number of IFB*]

Contract: [insert: *name of System or Subsystem and number of Contract*]

To: [insert: *name of Supplier and address*]

Attention: [insert: *name and title*]

Dear Sir or Madam:

We hereby accept your Change Estimate and agree that you should proceed with the preparation of a formal Change Proposal.

1. Title of Change: [insert: *title*]
2. Change Request No./Rev.: [insert: *request number / revision*]
3. Change Estimate Proposal No./Rev.: [insert: *proposal number / revision*]
4. Estimate Acceptance No./Rev.: [insert: *estimate number / revision*]
5. Brief Description of Change: [insert: *description*]
6. Other Terms and Conditions:

In the event that we decide not to order the Change referenced above, you shall be entitled to compensation for the cost of preparing the Change Proposal up to the

amount estimated for this purpose in the Change Estimate Proposal, in accordance with GCC Clause 39 of the General Conditions of Contract.

For and on behalf of the Purchaser

Signed:

Date:

in the capacity of: [state: ***“Project Manager” or higher level authority in the Purchaser’s organization***]

8.4 Change Proposal Form

(Supplier's Letterhead)

Date: [insert: *date*]

Loan/Credit Number: [insert: *loan or credit number from IFB*]

IFB: [insert: *name of System or Subsystem and number of IFB*]

Contract: [insert: *name of System or Subsystem and number of Contract*]

To: [insert: *name of Purchaser and address*]

Attention: [insert: *name and title*]

Dear Sir or Madam:

In response to your Change Request Proposal No. [insert: *number*], we hereby submit our proposal as follows:

1. Title of Change: [insert: *name*]
2. Change Proposal No./Rev.: [insert: *proposal number/revision*]
3. Originator of Change: Purchaser [insert: *name*]
Supplier [insert: *name*]
4. Brief Description of Change: [insert: *description*]
5. Reasons for Change: [insert: *reason*]
6. The System Subsystem, major component, or equipment that will be affected by the requested Change: [insert: *description*]

7. Technical documents and/or drawings for the requested Change:

Document or Drawing No.	Description
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8. Estimate of the increase/decrease to the Contract Price resulting from the proposed Change: [*insert: amount in currencies of Contract*], as detailed below in the breakdown of prices, rates, and quantities.

Total lump sum cost of the Change:

Cost to prepare this Change Proposal (i.e., the amount payable if the Change is not accepted, limited as provided by GCC Clause 39.2.6)

9. Additional Time for Achieving Operational Acceptance required due to the Change:
[*insert: amount in days / weeks*]
10. Effect on the Functional Guarantees: [*insert: description*]
11. Effect on the other terms and conditions of the Contract: [*insert: description*]
12. Validity of this Proposal: for a period of [*insert: number*] days after receipt of this Proposal by the Purchaser
13. Procedures to be followed:
- (a) You are requested to notify us of your acceptance, comments, or rejection of this detailed Change Proposal within [*insert: number*] days from your receipt of this Proposal.
 - (b) The amount of any increase and/or decrease shall be taken into account in the adjustment of the Contract Price.

For and on behalf of the Supplier

Signed:

Date:

in the capacity of: [state: ***“Supplier’s Representative” or other higher level authority in the Supplier’s organization***]

[insert: amount in foreign currency A] plus [insert: amount in foreign currency B] plus [insert: amount in foreign currency C] plus [insert: amount in local currency]

6. Adjustment of Time for Achieving Operational Acceptance: *[insert: amount and description of adjustment]*
7. Other effects, if any: *[state: “none” or insert description]*

For and on behalf of the Purchaser

Signed:

Date:

in the capacity of: *[state: “Project Manager” or higher level authority in the Purchaser’s organization]*

For and on behalf of the Supplier

Signed:

Date:

in the capacity of: *[state “Supplier’s Representative” or higher level authority in the Supplier’s organization]*

8.6 Application for Change Proposal Form

(Supplier's Letterhead)

Date: [*insert: date*]

Loan/Credit Number: [*insert: loan or credit number from IFB*]

IFB: [*insert: name of System or Subsystem and number of IFB*]

Contract: [*insert: name of System or Subsystem and number of Contract*]

To: [*insert: name of Purchaser and address*]

Attention: [*insert: name and title*]

Dear Sir or Madam:

We hereby propose that the below-mentioned work be treated as a Change to the System.

1. Title of Change: [*insert: name*]
2. Application for Change Proposal No./Rev.: [*insert: number / revision*] dated: [*insert: date*]
3. Brief Description of Change: [*insert: description*]
4. Reasons for Change: [*insert: description*]
5. Order of Magnitude Estimation: [*insert: amount in currencies of the Contract*]
6. Schedule Impact of Change: [*insert: description*]
7. Effect on Functional Guarantees, if any: [*insert: description*]

8. Appendix: [insert: **titles** (if any); otherwise state **“none”**]

For and on behalf of the Supplier

Signed:

Date:

in the capacity of: [state: **“Supplier’s Representative”** or **higher level authority in the Supplier’s organization**]