



# **Request for Bids**

**Procurement of:**

## **Complete Solution for Driving License Information System, Personalization and Printing**

**Designing, Developing, Testing, Installing,  
Commissioning, Operating and Maintaining under  
(Build-Own-Operate) BOO Model**

<b>Purchaser:</b>	Government of Sri Lanka, Ministry of Transport & Civil Aviation
<b>Project:</b>	Driving License Project of Department of Motor Traffic
<b>Contract Title:</b>	Complete Solution for Driving License Information System, Personalization and Printing
<b>Country:</b>	Sri Lanka
<b>RFB No:</b>	DMT/ICB/DL/01/2020
<b>Issued on:</b>	2020-02-03

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## **PART 1 – BIDDING PROCEDURES**

## SECTION I - INSTRUCTIONS TO BIDDERS (ITB)

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## Section I - Instructions to Bidders

### A. GENERAL

- 1. Scope of Bid**
  - 1.1 The Purchaser, as indicated **in the BDS**, issues this bidding document for the supply and installation of the Information System as specified in Section VII, Purchaser's Requirements. The name, identification and number of this RFB are specified **in the BDS**.
  - 1.2 Unless otherwise stated, throughout this bidding document definitions and interpretations shall be as prescribed in the Section VIII, General Conditions of Contract.
  - 1.3 Throughout this bidding document:
    - (a) the term "in writing" means communicated in written form (e.g. by mail, e-mail, fax) with proof of receipt;
    - (b) if the context so requires, "singular" means "plural" and vice versa; and
    - (c) "Day" means calendar day.
- 2. Source of Funds**
  - 2.1 Payments under this contract will be financed by the source specified in the BDS.
- 3. Fraud and Corruption**
  - 3.1 The Purchaser requires compliance with the Anti-Corruption Guidelines, as set forth in Section VI.
  - 3.2 In further pursuance of this policy, Bidders shall permit and shall cause their agents (where declared or not), subcontractors, sub-consultants, service providers, suppliers, and their personnel, to permit the Purchaser to inspect all accounts, records and other documents relating to any initial selection process, prequalification process, bid submission, proposal submission and contract performance (in the case of award), and to have them audited by auditors appointed by the Purchaser.
- 4. Eligible Bidders**
  - 4.1 A Bidder may be a firm that is a private entity, a state-owned enterprise or institution subject to ITB 4.6, or any combination of such entities in the form of a joint venture (JV) under an existing agreement or with the intent to enter into such an agreement supported by a letter of intent. In the case of a joint venture, all members shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms. The JV shall nominate a Representative who shall have the authority to conduct all business for and on behalf of any and all the members of the JV during the Bidding process and,

in the event the JV is awarded the Contract, during contract execution. Unless specified **in the BDS**, there is no limit on the number of members in a JV.

4.2 A Bidder shall not have a conflict of interest. Any Bidder found to have a conflict of interest shall be disqualified. A Bidder may be considered to have a conflict of interest for the purpose of this Bidding process, if the Bidder:

- (a) directly or indirectly controls, is controlled by or is under common control with another Bidder; or
- (b) receives or has received any direct or indirect subsidy from another Bidder; or
- (c) has the same legal representative as another Bidder; or
- (d) has a relationship with another Bidder, directly or through common third parties, that puts it in a position to influence the Bid of another Bidder, or influence the decisions of the Purchaser regarding this Bidding process; or
- (e) any of its affiliates participates as a consultant in the preparation of the design or technical specifications of the Information System that are the subject of the Bid; or
- (f) any of its affiliates has been hired (or is proposed to be hired) by the Purchaser as Project Manager for the Contract implementation; or
- (g) would be providing goods, works, or non-consulting services resulting from or directly related to consulting services for the preparation or implementation of the project specified in the BDS ITB 2.1 that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm; or
- (h) has a close business or family relationship with a professional staff of the Purchaser who: (i) are directly or indirectly involved in the preparation of the bidding document or specifications of the Contract, and/or the Bid evaluation process of such Contract; or (ii) would be involved in the implementation or supervision of such Contract unless the conflict stemming from such relationship has been resolved in a manner acceptable to the Purchaser throughout the Bidding process and execution of the Contract.

4.3 A firm that is a Bidder (either individually or as a JV member)

shall not participate as a Bidder or as JV member in more than one Bid except for permitted alternative Bids. Such participation shall result in the disqualification of all Bids in which the firm is involved. However, this does not limit the participation of a firm as a subcontractor in more than one Bid.

- 4.4 A Bidder may have the nationality of any country, subject to the restrictions pursuant to ITB 4.7. A Bidder shall be deemed to have the nationality of a country if the Bidder is constituted, incorporated or registered in and operates in conformity with the provisions of the laws of that country, as evidenced by its articles of incorporation (or equivalent documents of constitution or association) and its registration documents, as the case may be. This criterion also shall apply to the determination of the nationality of proposed sub-contractors or sub-consultants for any part of the Contract including related Services.
- 4.5 Bidders that are state-owned enterprises or institutions in Sri Lanka may be eligible to compete and be awarded a Contract(s) only if they can establish, in a manner acceptable to the Purchaser, that they (i) are legally and financially autonomous (ii) operate under commercial law, and (iii) are not under supervision of the Purchaser.
- 4.6 A Bidder shall not be under suspension from bidding by the Purchaser as the result of the operation of a Bid-Securing Declaration or Proposal-Securing Declaration.
- 4.7 Firms and individuals may be ineligible if (a) as a matter of law or official regulations, Government of Sri Lanka prohibits commercial relations with that country; or (b) 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 Government of Sri Lanka prohibits any import of goods or contracting of works or services from that country, or any payments to any country, person, or entity in that country.
- 4.8 This Bidding is open for all eligible Bidders.
- 4.9 A Bidder shall provide such documentary evidence of eligibility satisfactory to the Purchaser, as the Purchaser shall reasonably request.
- 4.10 A firm that is under a sanction of debarment by the Government of Sri Lanka from being awarded a contract is not eligible to participate in this procurement.

## **5. Eligible Goods and Services**

- 5.1 The Information Systems to be supplied under the Contract and financed by the Bank may have their origin in any country subject to the restrictions pursuant to ITB 4.7.



- 5.2 For the purposes of this bidding document, the term “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; 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.
- 5.3 For purposes of ITB 5.1 above, “origin” means the place where the goods and services making the Information System are produced in or supplied from. An Information System is deemed to be produced in a certain 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.

## **B. CONTENTS OF BIDDING DOCUMENT**

### **6. Sections of Bidding Document**

- 6.1 The bidding document consists of Parts 1, 2, and 3, which include all the sections indicated below, and should be read in conjunction with any Addenda issued in accordance with ITB 8:

#### **PART 1 - Bidding Procedures**

Section I -Instructions to Bidders (ITB)

Section II - Bid Data Sheet (BDS)

Section III -Evaluation and Qualification Criteria

Section IV -Bidding Forms

Section V -Fraud and Corruption

Section VI-Eligible Countries

## PART 2 - Purchaser's Requirements

Section VII -Requirements of the IS, including:

- Technical Requirements
- Implementation Schedule
- System Inventory Tables
- Background and Informational Materials

## PART 3 - Contract

Section VIII - General Conditions of Contract

Section IX -Special Conditions of Contract

Section X - Contract Forms

- 6.2 The Specific Procurement Notice – Request for Bids (RFB) issued by the Purchaser is not part of this bidding document.
- 6.3 Unless obtained directly from the Purchaser, the Purchaser is not responsible for the completeness of the document, responses to requests for clarification, the Minutes of the pre-Bid meeting (if any), or Addenda to the bidding document in accordance with ITB 8. In case of any contradiction, documents obtained directly from the Purchaser shall prevail.
- 6.4 The Bidder is expected to examine all instructions, forms, terms, and specifications in the bidding document and to furnish with its Bid all information or documentation as is required by the bidding document.
- 7. Clarification of Bidding Document, Site Visit, Pre-bid Meeting**
- 7.1 A Bidder requiring any clarification of the bidding document shall contact the Purchaser in writing at the Purchaser's address specified **in the BDS** or raise its enquiries during the pre-Bid meeting if provided for in accordance with ITB 7.4. The Purchaser will respond in writing to any request for clarification, provided that such request is received prior to the deadline for submission of Bids within a period specified **in the BDS**. The Purchaser's shall forward copies of its response to all Bidders who have acquired the bidding document in accordance with ITB 6.3, including a description of the inquiry but without identifying its source. If so specified **in the BDS**, the Purchaser shall also promptly publish its response at the web page identified **in the BDS**. Should the Purchaser deem it necessary to amend the bidding document as a result of a request for clarification, it shall do so following the procedure under ITB 8 and ITB 23.2.
- 7.2 The Bidder may wish to visit and examine the site where the

Information System is to be installed and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the Bid and entering into a contract. The costs of visiting the site shall be at the Bidder's own expense.

- 7.3 The Bidder and any of its personnel or agents will be granted permission by the Purchaser to enter upon its premises and lands for the purpose of such visit, but only upon the express condition that the Bidder, its personnel, and agents will release and indemnify the Purchaser and its personnel and agents from and against all liability in respect thereof, and will be responsible for death or personal injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.
- 7.4 The Bidder's designated representative is invited to attend a pre-Bid meeting and/or a site visit, if provided for **in the BDS**. The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage.
- 7.5 The Bidder is requested, as far as possible, to submit any questions in writing, to reach the Purchaser not later than one week before the meeting.
- 7.6 Minutes of the pre-Bid meeting, including the text of the questions raised without identifying the source, and the responses given, together with any responses prepared after the meeting, will be transmitted promptly to all Bidders who have acquired the bidding document in accordance with ITB 6.3. Any modification to the bidding document that may become necessary as a result of the pre-Bid meeting shall be made by the Purchaser exclusively through the issue of an Addendum pursuant to ITB 8 and not through the minutes of the pre-Bid meeting.
- 7.7 Nonattendance at the pre-Bid meeting will not be a cause for disqualification of a Bidder.

**8. Amendment of  
Bidding  
Document**

- 8.1 At any time prior to the deadline for submission of Bids, the Purchaser may amend the bidding document by issuing addenda.
- 8.2 Any addendum issued shall be part of the bidding document and shall be communicated in writing to all who have obtained the bidding document from the Purchaser in accordance with ITB 6.3. The Purchaser shall also promptly publish the addendum on the Purchaser's web page in accordance with ITB 7.1.
- 8.3 To give prospective Bidders reasonable time in which to take an addendum into account in preparing their Bids, the Purchaser may, at its discretion, extend the deadline for the submission of

Bids, pursuant to ITB 23.2

## C. PREPARATION OF BIDS

- 9. Cost of Bidding**                      9.1 The Bidder shall bear all costs associated with the preparation and submission of its Bid, and the Purchaser shall not be responsible or liable for those costs, regardless of the conduct or outcome of the Bidding process.
- 10. Language of Bid**                      10.1 The Bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Purchaser, shall be written in the language specified **in the BDS**. Supporting documents and printed literature that are part of the Bid may be in another language provided they are accompanied by an accurate translation of the relevant passages in the language specified **in the BDS**, in which case, for purposes of interpretation of the Bid, such translation shall govern.
- 11. Documents  
Comprising the Bid**                      11.1 The Bid shall comprise two envelopes submitted simultaneously, one containing the Technical Bid and the other the Financial Bid, both envelopes enclosed together in an outer single envelope.
- 11.2 The Technical Bid submitted by the Bidder shall comprise the following:
- (a) **Technical Bid** Submission Form;
  - (b) **Bid Security or Bid-Securing Declaration** in accordance with ITB 20;
  - (c) **Alternative Bid:** if permissible, in accordance with ITB 13;
  - (d) **Authorization:** written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with ITB 21.3;
  - (e) **Eligibility of Information System:** documentary evidence established in accordance with ITB 14.1 that the Information System offered by the Bidder in its Bid or in any alternative Bid, if permitted, are eligible;
  - (f) **Bidder's Eligibility:** documentary evidence in accordance with ITB 15 establishing the Bidder's eligibility and qualifications to perform the contract if its

Bid is accepted;

- (g) **Conformity:** documentary evidence established in accordance with ITB 16 that the Information System offered by the Bidder conform to the bidding document;
- (h) **Subcontractors:** list of subcontractors, in accordance with ITB 16.4;
- (i) **Intellectual Property:** a list of: Intellectual Property as defined in GCC Clause 15;
  - (i) all Software included in the Bid, assigning each item to one of the software categories defined in GCC Clause 1.1 (c):
    - a. System, General Purpose, and Application Software; or
    - b. Standard and Custom Software;
  - (ii) all Custom Materials, as defined in GCC Clause 1.1 (c), included in the 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 Information System); and
- (j) any other document required **in the BDS**.

11.3 The Financial Bid submitted by the Bidder shall comprise the following.

- (a) **Financial Bid** Submission Form;
- (b) the applicable Price Schedules, in accordance with ITB 12, ITB 14, and ITB 15;
- (c) any other document required in the BDS.

11.4 The Bidder shall furnish in the Financial Bid Submission Form information on commissions and gratuities, if any, paid or to be paid to agents or any other party relating to this Bid.

## 12. Bid Submission Forms and Price

12.1 The Bidder shall submit the Technical Bid Submission Form and the Financial Bid Submission Form, using the relevant forms furnished in Section IV, Bidding Forms. These forms

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| <b>Schedule</b>  | <p>must be completed without any alterations to the text, and no substitutes shall be accepted except as provided under ITB 21.3. All blank spaces shall be filled in with the information requested.</p> <p>12.2 The Bidder shall submit, as part of the Financial Bid, the Price Schedule using the form furnished in Section IV, Bidding Forms.</p>  |
| <b>13. Alternative Bids</b>  | <p>13.1 Unless otherwise indicated in the BDS, alternative Bids shall not be considered.</p>  |
| <b>14. Documents<br/>Establishing the<br/>Eligibility of the<br/>Information System</b>            | <p>14.1 To establish the eligibility of the Information System in accordance with ITB 5, Bidders shall submit documentary evidence consisting of a statement on the country of origin of the Information System offered.</p>  |
| <b>15. Documents<br/>Establishing the<br/>Eligibility and<br/>Qualifications of the<br/>Bidder</b> | <p>15.1 To establish its eligibility and qualifications to perform the Contract in accordance with Section III, Evaluation and Qualification Criteria, the Bidder shall provide the information requested in the corresponding information sheets included in Section IV, Bidding Forms.</p>  |
| <b>16. Documents<br/>Establishing<br/>Conformity of the<br/>Information System</b>                 | <p>16.1 Pursuant to ITB 11.1 (h), 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 design, supply and install under the Contract</p> <p>16.2 The documentary evidence of conformity of the Information System to the bidding documents including:</p> <ul style="list-style-type: none"> <li>(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 Preliminary Project Plan must also address any other topics <b>specified in the BDS</b>. 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;</li> <li>(b) written confirmation that the Bidder accepts responsibility for the successful integration and interoperability of all components of the Information</li> </ul> |

System as required by the bidding documents;

- (c) 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 Bidder is encouraged to use the Technical Responsiveness Checklist (or Checklist Format) in the Sample Bidding Forms (Section IV). 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;
- (d) support material (e.g., product literature, white papers, narrative descriptions of technologies and/or technical approaches), as required and appropriate; and
- (e) any separate and enforceable contract(s) for Recurrent Cost items which the BDS ITB 17.2 required Bidders to bid.

16.3 References to brand names or model numbers or national or proprietary standards designated by the Purchaser in the bidding documents 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.

16.4 For major items of the Information System as listed by the Purchaser in Section III, Evaluation and Qualification Criteria, which the Bidder intends to purchase or subcontract, the Bidder shall give details of the name and nationality of the proposed subcontractors, including manufacturers, for each of those items. In addition, the Bidder shall include in its Bid information establishing compliance with the requirements specified by the Purchaser for these items. Quoted rates and prices will be deemed to apply to whichever subcontractor is appointed, and no adjustment of the rates and prices will be permitted.

16.5 The Bidder shall be responsible for ensuring that any subcontractor proposed complies with the requirements of ITB 4, and that any goods or services to be provided by the

subcontractor comply with the requirements of ITB 5 and ITB 16.1.

## 17. Bid Prices

- 17.1 Unless otherwise specified in the **BDS**, Bidders shall quote for the entire Information System on a “single responsibility” basis such that the total bid price covers all the Supplier’s obligations mentioned in or to be reasonably inferred from the RFB including the design, manufacture, supply, installation, testing, commissioning of the Information System and, where so required in the RFBdocument, the acquisition of all permits, approvals and licenses, etc.; the operation, maintenance and training services and any other items and services.
- 17.2 **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.

## 18. Currencies of Bid and Payment

- 18.1 The currency(ies) of the Bid and currencies of payment shall be the same. The Bidder shall quote in the currency of the Purchaser’s Country the portion of the Bid price that corresponds to expenditures incurred in the currency of the Purchaser’s Country, unless otherwise specified **in the BDS**.

## 19. Period of Validity of Bids

- 19.1 Bids shall remain valid for the period specified **in the BDS** after the Bid submission deadline date prescribed by the Purchaser in accordance with ITB 23.1. A Bid valid for a shorter period shall be rejected by the Purchaser as nonresponsive.
- 19.2 In exceptional circumstances, prior to the expiration of the Bid validity period, the Purchaser may request Bidders to extend the period of validity of their Bids. The request and the responses shall be made in writing. If a Bid Security is requested in accordance with ITB 20.1, it shall also be extended for twenty-eight days (28) beyond the deadline of the extended validity period. A Bidder may refuse the request without forfeiting its Bid Security. A Bidder granting the request shall not be required or permitted to modify its Bid.

## 20. Bid Security

- 20.1 The Bidder shall furnish as part of its Bid, either a Bid-Securing Declaration or a Bid Security as specified **in the BDS**, in original form and, in the case of a Bid Security, in the amount and currency specified **in the BDS**.
- 20.2 A Bid-Securing Declaration shall use the form included in Section IV, Bidding Forms.



20.3 If a Bid Security is specified pursuant to ITB 20.1, the bid security shall be a demand guarantee in any of the following forms at the Bidder's option:

- (a) an unconditional guarantee issued by a non-bank financial institution (such as an insurance, bonding or surety company);
- (b) an irrevocable letter of credit;
- (c) a cashier's or certified check; or
- (d) another security indicated **in the BDS**,

from a reputable source from an eligible country. If an unconditional guarantee is issued by a non-bank financial institution located outside the Purchaser's Country the issuing non-bank financial institution shall have a correspondent financial institution located in the Purchaser's Country to make it enforceable unless the Purchaser has agreed in writing, prior to Bid submission, that a correspondent financial institution is not required.

20.4 In the case of a bank guarantee, the Bid Security shall be submitted either using the Bid Security Form included in Section IV, Bidding Forms or in another substantially similar format approved by the Purchaser prior to Bid submission. In either case, the form must include the complete name of the Bidder. The Bid Security shall be valid for twenty-eight days (28) beyond the original validity period of the Bid, or beyond any period of extension if requested under ITB 19.2.

20.5 If a Bid Security or a Bid-Securing Declaration is specified pursuant to ITB 20.1, any Bid not accompanied by a substantially responsive Bid Security or Bid-Securing Declaration shall be rejected by the Purchaser as non-responsive.

20.6 If a Bid Security is specified pursuant to ITB 20.1, the Bid Security of unsuccessful Bidders shall be returned as promptly as possible upon the successful Bidder's furnishing of the Performance Security pursuant to ITB 48.

20.7 The Bid Security of the successful Bidder shall be returned as promptly as possible once the successful Bidder has signed the Contract and furnished the required Performance Security.

20.8 The Bid Security may be forfeited or the Bid-Securing Declaration executed:

- (a) if a Bidder withdraws its Bid during the period of Bid validity specified by the Bidder on the Letter of Bid; or
- (b) if the successful Bidder fails to:
  - (i) sign the Contract in accordance with ITB 47; or
  - (ii) furnish a performance security in accordance with ITB 48.

20.9 The Bid Security or the Bid-Securing Declaration of a JV shall be in the name of the JV that submits the bid. If the JV has not been legally constituted into a legally enforceable JV at the time of Bidding, the Bid Security or the Bid-Securing Declaration shall be in the names of all future members as named in the letter of intent referred to in ITB 4.1 and ITB 11.2.

20.10 If a Bid Security is not required **in the BDS**, and;

- (a) if a Bidder withdraws its Bid during the period of Bid validity specified by the Bidder on the Letter of Bid Form, except as provided in ITB 19.2; or
- (b) if the successful Bidder fails to: sign the Contract in accordance with ITB 47; or furnish a Performance Security in accordance with ITB 48;

the Purchaser may, if provided for **in the BDS**, declare the Bidder disqualified to be awarded a contract by the Purchaser for a period of time as stated **in the BDS**.

## **21. Format and Signing of Bid**

21.1 The Bidder shall prepare one original of the documents comprising the Bid as described in ITB 11 and clearly mark it "ORIGINAL." Alternative Bids, if permitted in accordance with ITB 13, shall be clearly marked "ALTERNATIVE". In addition, the Bidder shall submit copies of the Bid, in the number specified **in the BDS** and clearly mark them "COPY." In the event of any discrepancy between the original and the copies, the original shall prevail.

21.2 Bidders shall mark as "CONFIDENTIAL" information in their Bids which is confidential to their business. This may include proprietary information, trade secrets, or commercial or financially sensitive information.

- 21.3 The original and all copies of the Bid shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Bidder. This authorization shall consist of a written confirmation as specified **in the BDS** and shall be attached to the Bid. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the Bid where entries or amendments have been made shall be signed or initialed by the person signing the Bid.
- 21.4 In case the Bidder is a JV, the Bid shall be signed by an authorized representative of the JV on behalf of the JV, and so as to be legally binding on all the members as evidenced by a power of attorney signed by their legally authorized representatives.
- 21.5 Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Bid.

## **D. SUBMISSION AND OPENING OF BIDS**

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

- 22.1 Bidders may submit their bids by mail or by hand. When so specified in the BDS, Bidders shall have the option of submitting their bids electronically. Procedures for submission, sealing and marking are as follows:
- (a) Bidders submitting Bids by mail or by hand shall enclose the original of the Technical Bid, the original of the Financial Bid, and each copy of the Technical Bid and each copy of the Financial Bid, including alternative Bids, if permitted in accordance with ITB 13, in separate sealed envelopes, duly marking the envelopes as “ORIGINAL - TECHNICAL BID”, “ORIGINAL - FINANCIAL BID” and “COPY NO... - TECHNICAL BID” and “COPY NO.... - FINANCIAL BID”, as appropriate. These envelopes containing the original and the copies shall then be enclosed in one single envelope. The rest of the procedure shall be in accordance with ITB 22.2 to ITB 22.5.
  - (b) Bidders submitting Bids electronically shall follow the electronic bid submission procedures specified in the BDS.

22.2 The inner and outer envelopes shall:

- (a) bear the name and address of the Bidder;
- (b) be addressed to the Purchaser in accordance with ITB 23.1;
- (c) bear the specific identification of this Bidding process indicated in accordance with ITB 1.1

22.3 The outer envelopes and the inner envelopes containing the Technical Bids shall bear a warning not to open before the time and date for the opening of Technical Bids, in accordance with ITB 26.1.

22.4 The inner envelopes containing the Financial Bids shall bear a warning not to open until advised by the Purchaser in accordance with ITB 26.2.

22.5 If all envelopes are not sealed and marked as required, the Purchaser will assume no responsibility for the misplacement or premature opening of the Bid.

**23. Deadline for  
Submission of  
Bids**

23.1 Bids must be received by the Purchaser at the address and no later than the date and time indicated **in the BDS**. When so specified **in the BDS**, Bidders shall have the option of submitting their Bids electronically. Bidders submitting Bids electronically shall follow the electronic Bid submission procedures specified **in the BDS**.

23.2 The Purchaser may, at its discretion, extend this deadline for submission of Bids by amending the bidding documents in accordance with ITB 8, in which case all rights and obligations of the Purchaser and Bidders will thereafter be subject to the deadline as extended.

**24. Late Bids**

24.1 The Purchaser shall not consider any Bid that arrives after the deadline for submission of Bids, in accordance with ITB 23. Any Bid received by the Purchaser after the deadline for submission of Bids shall be declared late, rejected, and returned unopened to the Bidder.

**25. Withdrawal, Substitution, and Modification of Bids**

25.1 A Bidder may withdraw, substitute, or modify its Bid after it has been submitted by sending a written notice, duly signed by an authorized representative, and shall include a copy of the authorization in accordance with ITB 21.3, (except that withdrawal notices do not require copies). The corresponding substitution or modification of the Bid must accompany the respective written notice. All notices must be:

- (a) prepared and submitted in accordance with ITB 21 and ITB 22 (except that withdrawals notices do not require copies), and in addition, the respective envelopes shall be clearly marked “WITHDRAWAL,” “SUBSTITUTION,” “MODIFICATION;” and
- (b) received by the Purchaser prior to the deadline prescribed for submission of Bids, in accordance with ITB 23.

25.2 Bids requested to be withdrawn in accordance with ITB 25.1 shall be returned unopened to the Bidders.

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

**26. Bid Opening**

26.1 The Purchaser shall open the Technical Bids in public at the address, on the date, and time specified in the BDS in the presence of Bidder’s designated representatives and anyone who choose to attend. Any specific electronic bid opening procedures required if electronic bidding is permitted in accordance with ITB 23.1, shall be as specified in the BDS.

26.2 The Financial Bids will remain unopened and will be held in custody of the Purchaser until the time of opening of the Financial Bids. The date, time, and location of the opening of Financial Bids will be advised in writing by the Purchaser. If the Technical Bid and the Financial Bid are submitted together in one envelope, the Purchaser may reject the Bid. Alternatively, the Financial Bid may be immediately resealed for later evaluation.

26.3 First, envelopes marked “Withdrawal” shall be opened and read out and recorded, and the envelope with the corresponding Bid shall not be opened, but returned to the Bidder. No Bid withdrawal shall be permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out and recorded at Bid opening.

26.4 Next, outer envelopes marked “Substitution” shall be opened. The inner envelopes containing the Substitution Technical Bid and/or Substitution Financial Bid shall be exchanged for the corresponding envelopes being substituted, which are to be returned to the Bidder unopened. Only the Substitution Technical Bid, if any, shall be opened, read out, and recorded. Substitution Financial Bid will remain unopened in accordance with ITB 26.2. No envelope shall be substituted unless the corresponding substitution notice contains a valid authorization to request the substitution and is read out and recorded at bid opening.

26.5 Next, outer envelopes marked “Modification” shall be opened. No Technical Bid and/or Financial Bid shall be modified unless the corresponding modification notice contains a valid authorization to request the modification and is read out and recorded at the opening of Technical Bids. Only the Technical Bids, both Original as well as Modification, are to be opened, read out, and recorded at the opening. Financial Bids, both Original as well as Modification, will remain unopened in accordance with ITB 26.2.

26.6 All other envelopes holding the Technical Bids shall be opened one at a time, and the following read out and recorded.

- (a) the name of the Bidder;
- (b) whether there is a modification or substitution;
- (c) the presence of a bid security or a Bid-Securing Declaration, if required; and
- (d) any other details as the Purchaser may consider appropriate.

Only Technical Bids and alternative Technical Bids read out and recorded at bid opening shall be considered for evaluation. Unless otherwise specified in the BDS, all pages of the Technical Bid Submission Form are to be initialed by at least three representatives of the Purchaser attending the bid opening. No Bid shall be rejected at the opening of Technical Bids except for late bids, in accordance with ITB 24.1.

26.7 The Purchaser shall prepare a record of the opening of Technical Bids that shall include, as a minimum: the name of the Bidder and whether there is a withdrawal, substitution, modification, or alternative offer; and the presence or absence of a bid security or a Bid-Securing Declaration, if one was required. The Bidders’ representatives who are present shall be requested to sign the record. The omission of a Bidder’s signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Bidders.

- 26.8 At the end of the evaluation of the Technical Bids, the Purchaser will invite bidders who have submitted substantially responsive Technical Bids and who have been determined as being qualified for award to attend the opening of the Financial Bids. The date, time, and location of the opening of Financial Bids will be advised in writing by the Purchaser. Bidders shall be given reasonable notice of the opening of Financial Bids.
- 26.9 The Purchaser will notify Bidders in writing who have been rejected on the grounds of being substantially nonresponsive to the requirements of the Bidding Document and return their Financial Bids unopened.
- 26.10 The Purchaser shall conduct the opening of Financial Bids of all Bidders who submitted substantially responsive Technical Bids, in the presence of Bidders' representatives who choose to attend at the address, on the date, and time specified by the Purchaser. The Bidder's representatives who are present shall be requested to sign a register evidencing their attendance.
- 26.11 All envelopes containing Financial Bids shall be opened one at a time and the following read out and recorded.
- (a) the name of the Bidder;
  - (b) whether there is a modification or substitution;
  - (c) the Bid Prices, including any discounts and alternative offers; and
  - (d) any other details as the Purchaser may consider appropriate.

Only Financial Bids, discounts, and alternative offers read out and recorded during the opening of Financial Bids shall be considered for evaluation. Unless otherwise specified in the BDS, all pages of the Financial Bid Submission Form and Price Schedules are to be initialed by at least three representatives of the Purchaser attending the bid opening. No Bid shall be rejected at the opening of Financial Bids.

- 26.12 The Purchaser shall prepare a record of the opening of Financial Bids that shall include, as a minimum: the name of the Bidder, the Bid Price (per lot if applicable), any discounts, and alternative offers. The Bidders' representatives who are present shall be requested to sign the record. The omission of a Bidder's signature on the record shall not invalidate the contents and effect of the record. A copy of the record shall be distributed to all Bidders who submitted bids on time, and posted online when electronic bidding is permitted.

## **E. Evaluation and Comparison of Bids**

- 27. Confidentiality**
- 27.1 Information relating to the evaluation of Bids and recommendation of contract award, shall not be disclosed to Bidders or any other persons not officially concerned with the Bidding process until the Notification of Intention to Award the Contract is transmitted to all Bidders in accordance with ITB 42.
- 27.2 Any effort by a Bidder to influence the Purchaser in the evaluation of the Bids or Contract award decisions may result in the rejection of its Bid.
- 27.3 Notwithstanding ITB 27.2, from the time of Bid opening to the time of Contract award, if any Bidder wishes to contact the Purchaser on any matter related to the Bidding process, it should do so in writing.
- 28. Clarification of Bids**
- 28.1 To assist in the examination, evaluation, and comparison of the Bids, and qualification of the Bidders, the Purchaser may, at its discretion, ask any Bidder for a clarification of its Bid. Any clarification submitted by a Bidder that is not in response to a request by the Purchaser shall not be considered. The Purchaser's request for clarification and the response shall be in writing. No change in the prices or substance of the Bid shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Purchaser in the evaluation of the Bids, in accordance with ITB 32.
- 28.2 If a Bidder does not provide clarifications of its Bid by the date and time set in the Purchaser's request for clarification, its Bid may be rejected.
- 29. Deviations, Reservations, and Omissions**
- 29.1 During the evaluation of Bids, the following definitions apply:
- (a) "Deviation" is a departure from the requirements specified in the bidding document;
  - (b) "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the bidding document; and
  - (c) "Omission" is the failure to submit part or all of the information or documentation required in the bidding document.



**30. Examination of Technical Bids**

- 30.1 The Purchaser shall examine the Technical Bid to confirm that all documents and technical documentation requested in ITB 11.2 have been provided, and to determine the completeness of each document submitted.

The Purchaser will examine the Technical Bids, to determine whether they have been properly signed, whether required sureties have been furnished and are substantially complete (e.g., not missing key parts of the bid or silent on excessively large portions of the Technical Requirements).

- 30.2 The Purchaser shall confirm that the following documents and information have been provided in the Technical Bid. If any of these documents or information is missing, the offer shall be rejected:

- (a) Technical Bid Submission Form in accordance with ITB 12.1;
- (b) written confirmation of authorization to commit the Bidder;
- (c) bid security or Bid-Securing Declaration, if applicable; and
- (d) Manufacturer's Authorization, if applicable.

**31. Responsiveness of Technical Bid**

- 31.1 The Purchaser's determination of a Technical Bid's responsiveness is to be based on the contents of the Technical Bid itself, as defined in ITB11.

The Purchaser will examine the information supplied by the Bidders Pursuant to ITB 11 and ITB 16, and in response to other requirements in the Bidding document, taking into account the following factors:

- (a) overall completeness and compliance with the Technical Requirements; and deviations from the Technical Requirements;

- (b) suitability of the Information System offered in relation to the conditions prevailing at the site; and the suitability of the implementation and other services proposed, as described in the Preliminary Project Plan included in the bid;
- (c) achievement of specified performance criteria by the Information System;
- (d) compliance with the time schedule called for by the Implementation Schedule and any alternative time schedules offered by Bidders, as evidenced by a milestone schedule provided in the Preliminary Project Plan included in the bid;
- (e) type, quantity, quality, and long-term availability of maintenance services and of any critical consumable items necessary for the operation of the Information System;
- (f) any other relevant technical factors that the Purchaser deems necessary or prudent to take into consideration;
- (g) any proposed deviations in the bid to the contractual and technical provisions stipulated in the bidding documents.

The Purchaser's evaluation of Technical Bid will be carried out using rated criteria (point system) as specified **in the BDS** and detailed in Section III, Evaluation and Qualification Criteria.

31.2 A substantially responsive Technical Bid is one that meets the requirements of the bidding document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that;

- (a) if accepted, would:
  - (i) affect in any substantial way the scope, quality, or performance of the Information System specified in the Contract; or
  - (ii) limit in any substantial way, inconsistent with the bidding document, the Purchaser's rights or the Bidder's obligations under the proposed Contract; or
- (b) if rectified, would unfairly affect the competitive position of other Bidders presenting substantially responsive Technical Bids.

- 31.3 The Purchaser shall examine the technical aspects of the Bid in particular, to confirm that all requirements of Section VII, Purchaser's Requirements have been met without any material deviation, reservation, or omission.
- 31.4 If a Technical Bid is not substantially responsive to the Bidding Document, it shall be rejected by the Purchaser and may not subsequently be made responsive by the Purchaser by correction of the material deviation, reservation, or omission.
- 32. Nonmaterial Nonconformities**
- 32.1 Provided that a Technical Bid is substantially responsive, the Purchaser may waive any nonconformity in the Bid that does not constitute a material deviation, reservation or omission.
- 32.2 Provided that a Technical Bid is substantially responsive, the Purchaser may request that the Bidder submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities in the Technical Bid related to documentation requirements. Requesting information or documentation on such nonconformities shall not be related to any aspect of the price of the Bid. Failure of the Bidder to comply with the request may result in the rejection of its Bid.
- 32.3 Provided that a Technical Bid is substantially responsive, the Purchaser shall rectify quantifiable nonmaterial nonconformities or omissions. To this effect, the Bid Price shall be adjusted during evaluation of Financial Bids, for comparison purposes only, to reflect the price of a missing or non-conforming item or component. The adjustment shall be made using the method indicated in Section III, Evaluation and Qualification Criteria.
- 33. Eligibility and Qualification of the Bidder**
- 33.1 The Purchaser shall determine to its satisfaction during the evaluation of Technical Bids whether Bidders meets the eligibility and qualifying criteria specified in Section III, Evaluation and Qualification Criteria.
- 33.2 The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder, pursuant to ITB 15. Unless permitted in the BDS, the determination shall not take into consideration the qualifications of other firms such as the Bidder's subsidiaries, parent entities, affiliates, Subcontractors, or any other firm(s) different from the Bidder.
- 33.3 An affirmative determination shall be a prerequisite for the opening and evaluation of a Bidder's Financial Bid. The Purchaser reserves the right to reject the bid of any bidder found to be in circumstances described in GCC 41.2.A negative determination shall result into the disqualification of

the Bid.

- 33.4 The capabilities of the manufacturers and subcontractors proposed by the Bidder that is determined to have offered the Most Advantageous Bid for identified major items of supply or services will also be evaluated for acceptability in accordance with Section III, Evaluation and Qualification Criteria. Their participation should be confirmed with a letter of intent between the parties, as needed. Should a manufacturer or subcontractor be determined to be unacceptable, the Bid will not be rejected, but the Bidder will be required to substitute an acceptable manufacturer or subcontractor without any change to the Bid price. Prior to signing the Contract, the corresponding Appendix to the Contract Agreement shall be completed, listing the approved manufacturers or subcontractors for each item concerned.

**34. Examination of  
Financial Bids**

- 34.1 Following the opening of Financial Bids, the Purchaser shall examine the Financial Bids to confirm that all documents and financial documentation requested in ITB 11.3 have been provided, and to determine the completeness of each document submitted.
- 34.2 The Purchaser shall confirm that the following documents and information have been provided in the Financial Bid. If any of these documents or information is missing, the bid shall be rejected:
- (a) Financial Bid Submission Form in accordance with ITB 12.1; and
  - (b) Price Schedules, in accordance with ITB 12, ITB 17, and ITB 18.

**35. Correction of  
Arithmetical  
Errors**

- 35.1 During the evaluation of Financial Bids, the Purchaser shall correct arithmetical errors on the following basis:
- (a) If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected, unless in the opinion of the Purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the total price as quoted shall govern and the unit price shall be corrected;
  - (b) If there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected.
  - (c) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in

which case the amount in figures shall prevail subject to (a) and (b) above.

35.2 A Bidder shall be requested to accept the correction of arithmetical errors. Failure to accept the correction in accordance with ITB 35.1 shall result in the rejection of the Bid and its bid security may be forfeited.

**36. Conversion to Single Currency**

36.1 For evaluation and comparison of Financial Bids, the Purchaser shall convert all bid prices expressed in the amounts in various currencies into a single currency, using the selling exchange rates established by the source and on the date specified in the BDS.

**37. Domestic Preference**

37.1 Unless otherwise specified in the BDS, domestic preference shall not apply.

**38. Evaluation and Comparison of Financial Bids**

38.1 The Purchaser shall use the criteria and methodologies indicated in this clause. No other criteria or methodology shall be permitted.

38.2 To evaluate a Price Bid, the Purchaser shall consider the following:

- (a) the bid price as quoted in accordance with ITB 17;
- (b) price adjustment for correction of arithmetic errors in accordance with ITB 35.1;
- (c) price adjustment due to discounts offered in accordance with ITB 17;
- (d) adjustment for nonmaterial nonconformities in accordance with ITB 32.3;
- (e) assessment whether the bid is abnormally low in accordance with ITB 39;
- (f) price adjustment due to application of the evaluation criteria specified in Section III (Evaluation and Qualification Criteria). These criteria may include factors related to the characteristics, performance, and terms and conditions of purchase of the Goods and Related Services which shall be expressed to the extent practicable in monetary terms to facilitate comparison of bids unless otherwise specified in Section III; and
- (g) converting the amount resulting from applying (a) to (c) above, if relevant, to a single currency in accordance with ITB 36.

38.3 The Purchaser's evaluation of a bid will exclude and not take into account,

- (a) in the case of Goods offered from within the Purchaser's country, all sales tax and all other taxes, applicable in the

Purchaser's country and payable on the Goods if the Contract is awarded to the Bidder;

- (b) in the case of Goods offered from outside the Purchaser's country, all customs duties, sales tax, and other taxes, applicable in the Purchaser's country and payable on the Goods if the Contract is awarded to the Bidder; and
- (c) any allowance for price adjustment during the period of performance of the Contract, if provided in the Bid.

38.4 If the Bidding Document allows Bidders to quote separate prices for different lots (contracts), and the award to a single Bidder of multiple lots (contracts), the methodology to determine the lowest evaluated price of the lot (contract) combinations, including any discounts offered in the Price Bid Submission Form, is as specified in Section III (Evaluation and Qualification Criteria).

38.5 The Purchaser shall compare all substantially responsive Bids to determine the lowest evaluated bid, in accordance with ITB 38.

### **39. Abnormally Low Bids**

39.1 An Abnormally Low Bid is one where the Bid price in combination with other constituent elements of the Bid appears unreasonably low to the extent that the Bid price raises material concerns as to the capability of the Bidder to perform the Contract for the offered Bid Price.

39.2 When the offered bid price appears to be abnormally low, the Purchaser shall undertake a three-step review process as follows:

- (a) identify abnormally low costs and unit rates by comparing them with the Purchaser's estimates, other substantially responsive bids, or recently awarded similar contracts;
- (b) clarify and analyze the bidder's resource inputs and pricing, including overheads, contingencies and profit margins; and
- (c) decide whether to accept (with higher Performance Security not exceeding twenty percent 20%) or reject the bid

39.3 In the event of identification of a potentially Abnormally Low Bid, the Purchaser shall seek written clarifications from the Bidder, including detailed price analyses of its Bid price in relation to the subject matter of the contract, scope, proposed methodology, schedule, allocation of risks and responsibilities and any other requirements of the bidding document.

39.4 After evaluation of the price analyses, in the event that the Purchaser determines that the Bidder has failed to demonstrate its capability to perform the Contract for the offered Bid Price,

the Purchaser shall reject the Bid.

**40. Unbalanced or Front Loaded Bids**

40.1 If the Bid that is evaluated as the lowest evaluated cost is, in the Purchaser's opinion, seriously unbalanced or front loaded the Purchaser may require the Bidder to provide written clarifications. Clarifications may include detailed price analyses to demonstrate the consistency of the Bid prices with the scope of information systems, installations, proposed methodology, schedule and any other requirements of the bidding document.

40.2 After the evaluation of the information and detailed price analyses presented by the Bidder, the Purchaser may:

- (a) accept the Bid; or
- (b) if appropriate, require that the total amount of the Performance Security be increased, at the expense of the Bidder, to a level not exceeding twenty percent (20%) of the Contract Price; or
- (c) reject the Bid.

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

41.1 The Purchaser reserves the right to accept or reject any Bid, and to annul the Bidding process and reject all Bids at any time prior to contract award, without thereby incurring any liability to Bidders. In case of annulment, all Bids submitted and specifically, Bid securities, shall be promptly returned to the Bidders.

**42. Standstill Period**

42.1 The Contract shall not be awarded earlier than the expiry of the Standstill Period. The Standstill Period shall be ten (10) Business Days unless extended in accordance with ITB 46. The Standstill Period commences the day after the date the Purchaser has transmitted to each Bidder the Notification of Intention to Award the Contract. Where only one Bid is submitted, the Standstill Period shall not apply.

**43. Notification of Intention to Award**

43.1 The Purchaser shall send to each Bidder the Notification of Intention to Award the Contract to the successful Bidder. The Notification of Intention to Award shall contain, at a minimum, the following information:

- (a) the name and address of the Bidder submitting the successful Bid;
- (b) the Contract price of the successful Bid;
- (c) the total combined score of the successful Bid;
- (d) the names of all Bidders who submitted Bids, and their Bid prices as readout and as evaluated prices and technical scores (if applicable);

- (e) a statement of the reason(s) the Bid (of the unsuccessful Bidder to whom the notification is addressed) was unsuccessful;
- (f) the expiry date of the Standstill Period; and
- (g) instructions on how to request a debriefing or submit a complaint during the standstill period;

## **F. AWARD OF CONTRACT**

### **44. Award Criteria**

- 44.1 The Purchaser shall award the Contract to the Bidder whose offer has been determined to be the lowest evaluated Bid and is substantially responsive to the Bidding Document, provided further that the Bidder has remained qualified to perform the Contract satisfactorily.
- 44.2 A Bid shall be rejected if the qualification criteria as specified in Section III (Evaluation and Qualification Criteria) are no longer met by the Bidder whose offer has been determined to be the lowest evaluated Bid. In this event the Purchaser shall proceed to the next lowest evaluated Bid to make a similar reassessment of that Bidder's capabilities to perform satisfactorily.

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

- 45.1 The Purchaser reserves the right at the time of Contract award to increase or decrease, by the percentage(s) for items as indicated **in the BDS**.

### **46. Notification of Award**

- 46.1 Prior to the expiration of the Bid Validity Period and upon expiry of the Standstill Period, specified in ITB 42.1 or any extension thereof, and, upon satisfactorily addressing any complaint that has been filed within the Standstill Period, the Purchaser shall notify the successful Bidder, in writing, that its Bid has been accepted. The notification letter (hereinafter and in the Contract Forms called the "Letter of Acceptance") shall specify the sum that the Purchaser will pay the Supplier in consideration of the execution of the Contract (hereinafter and in the Conditions of Contract and Contract Forms called "the Contract Price").



46.2 Within ten (10) Business days after the date of transmission of the Letter of Acceptance, the Purchaser shall publish the Contract Award Notice which shall contain, at a minimum, the following information:

- (a) name and address of the Purchaser;
- (b) name and reference number of the contract being awarded, and the selection method used;
- (c) names of all Bidders that submitted Bids, and their Bid prices as read out at Bid opening, and as evaluated;
- (d) name of Bidders whose Bids were rejected and the reasons for their rejection;
- (e) the name of the successful Bidder, the final total contract price, the contract duration and a summary of its scope; and
- (f) successful Bidder's Beneficial Ownership Disclosure Form, if specified in BDS ITB 47.1.

#### **47. Signing of Contract**

47.1 The Purchaser shall send to the successful Bidder the Letter of Acceptance including the Contract Agreement, and, if specified in the BDS, a request to submit the Beneficial Ownership Disclosure Form providing additional information on its beneficial ownership. The Beneficial Ownership Disclosure Form, if so requested, shall be submitted within eight (8) Business Days of receiving this request.

47.2 The successful Bidder shall sign, date and return to the Purchaser, the Contract Agreement within twenty-eight (28) days of its receipt.

47.3 Notwithstanding ITB 47.2 above, in case signing of the Contract Agreement is prevented by any export restrictions attributable to the Purchaser, to the country of the Purchaser, or to the use of the Information System to be supplied, where such export restrictions arise from trade regulations from a country supplying those Information System, the Bidder shall not be bound by its Bid, always provided, however, that the Bidder can demonstrate to the satisfaction of the Purchaser and of the Bank that signing of the Contract Agreement has not been prevented by any lack of diligence on the part of the Bidder in completing any formalities, including applying for permits, authorizations and licenses necessary for the export of the Information System under the terms of the Contract.

- 48. Performance Security**
- 48.1 Within twenty-eight (28) days of the receipt of the Letter of Acceptance from the Purchaser, the successful Bidder shall furnish the performance security in accordance with the General Conditions, subject to ITB 38.2 (b), using for that purpose the Performance Security Form included in Section X, Contract Forms, or another form acceptable to the Purchaser. If the Performance Security furnished by the successful Bidder is in the form of a bond, it shall be issued by a bonding or insurance company that has been determined by the successful Bidder to be acceptable to the Purchaser. A foreign institution providing a Performance Security shall have a correspondent financial institution located in the Purchaser's Country.
- 48.2 Failure of the successful Bidder to submit the above-mentioned Performance Security or sign the Contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security. In that event the Purchaser may award the Contract to the Bidder offering the next Most Advantageous Bid.
- 49. Adjudicator**
- 49.1 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 43.1. 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 43.1.4, or if no Appointing Authority is specified there, the Contract will be implemented without an Adjudicator.

## SECTION II - BID DATA SHEET (BDS)

The following specific data for the Information System to be procured shall complement, supplement, or amend the provisions in the Instructions to Bidders (ITB). Whenever there is a conflict, the provisions herein shall prevail over those in ITB.

ITB Reference	A. General
ITB 1.1	<p><b>The reference number of the Request for Bids (RFB) is :</b></p> <p style="text-align: center;">DMT/ICB/DL/01/2020</p> <p><b>The Purchaser is:</b></p> <p style="text-align: center;">Ministry of Transport Services Management</p> <p><b>The name of the RFB is:</b></p> <p style="text-align: center;">Complete Solution for Driving License Information System, Personalization and Printing</p>
ITB 2.1	<p>This contract will be implemented under <b>Build, Own and Operate (BOO)</b> basis. Hence, the Bidder shall finance the project. The Purchaser shall pay the successful bidder monthly, during the contract execution period for the number of Driving License Cards issued to Purchaser.</p>
ITB 4.1	<p>Parties providing the following components shall be partners of Joint Venture.</p> <ul style="list-style-type: none"> <li>i) Principal Card Manufacturer</li> <li>ii) Driving License Core Software Solution Provider</li> <li>iii) Local ICT Company</li> <li>iv) Project Management, Training, Change Management and Support &amp; Maintenance Services Provider</li> </ul> <p>Below components are allowed for Sub-contracting;</p> <ul style="list-style-type: none"> <li>i) Digital Driver's License</li> <li>ii) Biometrics Solutions</li> <li>iii) Card Personalization Equipment</li> <li>iv) Data Center Facilities, Communications, Other Devises, Peripherals, and non-enterprise IT equipment (Mobile smart-phones, scanners, printers etc)</li> <li>v) Fingerprint Information System</li> <li>vi) Facial Recognition Information System</li> <li>vii) Iris Recognition Information System</li> </ul> <p>Bidders who are not registered in Sri Lanka shall have a Joint Venture with a company registered in Sri Lanka.</p>

<b>ITB 4.1</b>	<p>In case of a Joint Venture (JV);</p> <ul style="list-style-type: none"> <li>i. Maximum number of members in the JV shall be: Five (05)</li> <li>ii. The JV shall nominate a Representative (Lead Member) who shall have the authority to conduct all business for and on behalf of any and all the partners of the JV during the bidding process until the Contract is awarded, including the signing of the bid. This nomination shall be evidenced by submitting a legally executed Power of Attorney signed by authorized signatories of all the partners.</li> <li>iii. No changes to the composition of the JV shall be allowed after the bid is submitted</li> <li>iv. Once the contract is awarded to the successful bidder, a joint venture company consisting of all JV partners shall be formed and registered under the registrar of companies in Sri Lanka in order to execute this project. The Purchaser's payments under this contract shall be made to that registered Sri Lankan JV company only.</li> </ul>
<b>B. Bidding Document</b>	
<b>ITB 7.1</b>	<p>For <b><u>Clarification of Bid purposes</u></b> only, the Purchaser's address is:</p> <p>Attention: <b>Mr. Thushara Suraweera, Commissioner (ICT)</b>  Address: <b>Department of Motor Traffic, 341, Elvitigala Mawatha, Colombo 5.</b>  Country: <b>Sri Lanka</b>  Telephone: <b>00 94 112 698127</b>  Facsimile number: <b>00 94 112 681105</b>  Electronic mail address: <b>commict@dmt.gov.lk</b></p> <p>Requests for clarification should be received by the Purchaser no later than: <b>fourteen (14) days of deadline for bid submission</b></p>
<b>ITB 7.1</b>	Web page: <b>www.motortraffic.gov.lk</b>
<b>ITB 7.4</b>	<p>A Pre-Bid meeting shall take place at the following date, time and place:</p> <p>Date: 2020-02-24</p> <p>Time: <b>1000 hrs.</b></p> <p>Place: <b>Conference Hall, Ministry of Transport Services Management, 7<sup>th</sup> Floor, Stage II, Sethsiripaya, Battaramulla, Sri Lanka.</b></p>
<b>C. Preparation of Bids</b>	
<b>ITB 10.1</b>	<p>The language of the Bid is: <b>English</b></p> <p>All correspondence exchange shall be in <b>English</b> language.</p>
<b>ITB 11.2 (j)</b>	The Bidder shall submit with its Bid the following additional documents:

	<p>(i) In case of JV, legally executed JV agreement or an intention to enter into such JV signed by all parties. This JV agreement must be legally binding within the jurisdiction of Sri Lanka and should be signed according to the acceptable legal practices and standards in Sri Lanka.</p> <p>(ii) Certificate of Registration under Public Contract Act No. 03 of 1987</p>
<b>ITB 13.1</b>	Alternative Bids are not permitted.
<b>ITB 16.2 (a)</b>	<p>In addition to the topics described in ITB Clause 16.2 (a), the Preliminary Project Plan must address the following topics:</p> <ul style="list-style-type: none"> <li>(i) <b>Project Organization and Management Sub-Plan, including management authorities, responsibilities, and contacts, as well as task, time and resource-bound schedules (in GANTT format);</b></li> <li>(ii) <b>Implementation Sub-Plan;</b></li> <li>(iii) <b>Training Sub-Plan;</b></li> <li>(iv) <b>Testing and Quality Assurance Sub-Plan;</b></li> <li>(v) <b>Warranty Defect Repair and Technical Support Service Sub-Plan</b></li> </ul>
<b>ITB 17.1</b>	The Bidder shall quote bid price for issuing per Driving License Card in the Price Schedule furnished in Section IV, Bidding Forms. Bidder shall calculate the bid price taking into consideration the total project scope (Part 2 – Purchaser's Requirements)
<b>ITB 17.2</b>	The prices quoted by the Bidder shall not be subject to adjustment during the performance of the Contract except for exchange rate fluctuations as stipulated in GCC 11.2 of Section IX, Special Conditions of Contract.
<b>ITB 18.1</b>	The Bidder shall quote bid price <b>in Sri Lankan Rupees only</b> .
<b>ITB 19.1</b>	The Bid validity period shall be <b>ninety (90)</b> days.
<b>ITB 20.1</b>	<p>A Bid Security <b>shall be</b> required. It shall include in the Technical Bid as specified in ITB 11.2.</p> <p>A Bid-Securing Declaration <b>shall not be</b> required.</p> <p>The amount and currency of the Bid Security shall be:</p> <p><b>Sri Lankan Rupees One Hundred Twenty Five Million (LKR 125.0 Mn)</b></p>
<b>ITB 20.3</b>	<p>Bid Security shall be a bank guarantee issued by a commercial bank operating in Sri Lanka.</p> <p>Bid Securities from overseas banks should submit through the corresponding registered commercial bank operating in Sri Lanka.</p> <p>No any other types of bid securities acceptable.</p>
<b>ITB 20.4</b>	<p>Bid Security shall be submitted using the Bid Security Form included in Section IV, Bidding Forms.</p> <p>The validity period of the bid security shall be <b>120 days</b> from the bid submission deadline.</p>

ITB 20.11	Any Bid not accompanied by a Bid Security as above, shall be treated as non-responsive and rejected.
ITB 21.1	In addition to the original of the Bid, the number of copies is: <b>one (01)</b> . <b>A soft copy of the Technical Bid (PDF version) shall also be submitted.</b>
ITB 21.3	The written confirmation of authorization to sign on behalf of the Bidder shall consist of: <b>legally executed Power of Attorney (POA)</b>
ITB 21.4	The bid shall be signed so as to be legally binding on all partners. <b>Legally executed Power of Attorney (POA) is required authorizing the person who signs the bid.</b>
<b>D. Submission and Opening of Bids</b>	
ITB 22.1	Bidders <b>shall not</b> have the option of submitting their Bids electronically.
ITB 22.1	Technical and Financial Bids should be submitted in <b><u>TWO separate sealed envelopes</u></b> and should be clearly marked as,  “ <b>Technical Bid –Complete Solution for Driving License Information System, Personalization and Printing–DMT/ICB/DL/01/2020</b> ” and  “ <b>Financial Bid - Complete Solution for Driving License Information System, Personalization and Printing–DMT/ICB/DL/01/2020</b> ” at the top left hand corner respectively.
ITB 23.1	For <b><u>Bid submission purposes</u></b> only, the Purchaser’s address is :  <b>Chairman, Cabinet Appointed Procurement Committee, Ministry of Transport Services Management, 7<sup>th</sup> Floor, Stage II, Sethsiripaya, Battaramulla, Sri Lanka.</b>  <b>The deadline for Bid submission is:</b>  Date: 2020-03-23 Time: <b>1400 hrs.</b> Place: <b>Conference Hall, Ministry of Transport Services Management, 7<sup>th</sup> Floor, Stage II, Sethsiripaya, Battaramulla, Sri Lanka.</b>
ITB 26.1	The opening of Technical Bids shall take place at:  Date: 2020-03-23 Time: <b>Right after the bid closing</b> Place: <b>Conference Hall,</b>  <b>Ministry of Transport Services Management,</b> <b>7<sup>th</sup> Floor, Stage II, Sethsiripaya, Battaramulla, Sri Lanka.</b>

ITB 26.8 & 26.10	Financial Bids submitted by the bidders who have secured minimum technical score of 80%at the evaluation of Technical Bids, will be only be opened.					
ITB 26.9	Financial Bids of any bidder whose technical score is less than 80%will be returned unopened, after signing of the contract with the selected bidder.					
E. Evaluation, and Comparison of Bids						
ITB 30.2(d)	Items for which Manufacturer’s Authorizations required are given under 2.6 of Qualification Criteria in Section III, Evaluation and Qualification Criteria.					
ITB 30.2(e)	Documents or information required in accordance with ITB 11.2					
ITB 31.1	The evaluation criteria and the weights assigned shall be as follows.					
	#	Criteria	Weight	Criteria Weight %		
	01	Technical Approach & Methodology		72		
	a.	Understanding of the processes (A to G), new definitions and enhancements (including Process Re-engineering), new processes and suggestions.	8			
	b.	Technical Understanding of the Proposed Solution & Proposed Solution Architecture	10			
	c.	Proposed Technical Approach and Methodology to Cover the Functional Areas of the proposed solution		30		
		Enrollment				1
		Data Capture				1
		Authorization				1
		Driving License Web Portal				1.5
		Learner School Management Module				0.5
		User Identity Management System				1
		Biometric Capture/ Identification Modules				5
		Administration Module				1
		Payments Module				1.5
		Digital Driving License and Driving License Mobile Application				4
		Monitoring and Dashboard view				1
Demerit Points System		1				
Watch List		1				
Driving License Automated Test for New Applicants		1.5				
Driving License Practical Test Module		1				
Document Management System (DMS)		2				
Report Generation Module		2				

		Certificate Authority System	1		
		Key Management System	1		
		Sensitive Data Privacy Protection	1		
	d.	Introducing Innovation and New Technology	6		
	e.	Features of the New Driving License Card	6		
	f.	Data Migration and Data Management	4		
	g.	Data Centre, Enterprise Network and Operating Infrastructure & Business Continuity	8		
	02	Implementation, Transition and Operational Plan			16
	a.	General Requirements	1		
	b.	Software Development/ Customization Methodology	2.5		
	c.	Project Management Plan	3		
	d.	Project Governance Mechanism	2		
	e.	Training and Change Management Plan	2.5		
	f.	Project Acceptance & Transition Plan	2		
	g.	Operation, Maintenance and Support Plan	3		
	03	Proposed team structure, organization and qualifications of the key professional staff			12
	a.	Overall Staff Hierarchy	3		
	b.	Key position: Project Manager	3		
	c.	Key position: Solutions Architect	2		
	d.	Key position: QA Manager	2		
	h.	Key position: Support Manager	2		
		Total			100
	The evaluation of CVs proposed for above key positions will be based on the following three sub criteria and relevant percentage weights; i) General qualifications – 30% ii) Adequacy/experience for the assignment – 60% iii) Experience in region and/or in Sri Lanka with Government/similar institutes – 10%				
	The minimum technical score required to qualify for opening of financial bid is <b>80%</b> .  Financial Bids of any bidder whose technical score is less than <b>80%</b> will be returned unopened.				
ITB 32.3	Not Applicable				
ITB 36.1	The Bidder shall quote bid price in Sri Lankan Rupees only.				
F. AWARD OF CONTRACT					



<b>ITB 43</b>	Within seven (07) days of receipt of Purchaser's Notification of Intention to Award the Contract, the Bidder may submit its representations to the Procurement Appeal Board (PAB)
<b>ITB 44.1</b>	<p>Purchaser will award the contract to the Bidder who submitted the Bid with the best evaluated Bid Score (B) among responsive Bids provided further that the Bidder has remained qualified to perform the Contract satisfactorily</p> <p>The formula to be used shall be as follows;</p> $B \equiv \frac{C_{low}}{C} X + \frac{T}{T_{high}} (1 - X)$ <p>Where,</p> <p><math>B</math> = Evaluated Proposal Score (This will finally be transformed as a percentage, % value)</p> <p><math>C</math> = Evaluated Proposal Price</p> <p><math>C_{low}</math> = the lowest of all Evaluated Proposal Prices among responsive Proposals</p> <p><math>T</math> = the total Technical Score awarded to the Proposal</p> <p><math>T_{high}</math> = the Technical Score achieved by the Proposal that was scored best among all responsive Proposals</p> <p><math>X</math> = weight for the Price as specified below</p> <p>The total weight for the Price Bid is "X" = 0.2</p>
<b>ITB 45</b>	Not Applicable
<b>ITB 47.1</b>	Successful Bidder shall submit the Beneficial Ownership Disclosure Form included in Section X, Contract Forms
<b>ITB 48</b>	<p>Performance Security shall be submitted within <b>fourteen (14) days</b> from the receipt of letter of Acceptance.</p> <p><b>Performance Security shall be a bank guarantee issued by a commercial bank operating in Sri Lanka. No any other types of bid securities acceptable.</b></p> <p><b>Performance Securities from overseas banks should submit through the corresponding registered commercial bank operating in Sri Lanka.</b></p> <p><b>Performance Security shall be submitted using the Form included in Section X, Contract Forms.</b></p>
<b>ITB 49</b>	The proposed Adjudicator is: <b>Not Applicable.</b>



## SECTION III - EVALUATION AND QUALIFICATION CRITERIA

This Section contains all the criteria that the Purchaser shall use to evaluate Bids and qualify Bidders. No other factors, methods or criteria shall be used. The Bidder shall provide all the information requested in the forms included in Section IV, Bidding Forms.

### 1. Evaluation Criteria

#### A. Combined Evaluation

The Purchaser will evaluate and compare the Bids that have been determined to be substantially responsive, pursuant to ITB 30, 31 and 38.

If indicated by the BDS, the Purchaser's evaluation of responsive Bids will take into account technical factors, in addition to cost factors.

In such a case, 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 best among all responsive Bids

$X$  = weight for the Price as specified in the BDS

The Bid with the best evaluated Bid Score (B) among responsive Bids shall be the Most Advantageous Bid provided the Bidder was found to be qualified to perform the Contract in accordance with ITB 33.

## B. Technical Evaluation (ITB 31)

The total technical points assigned to each Proposal in the Evaluated Proposal Formula will be determined by adding and weighting the scores assigned by an evaluation committee to technical features of the Proposal in accordance with the criteria set forth below.

- (a) The technical features to be evaluated are generally defined below and specifically identified **in the PDS 44.1**:

#	Criteria	Weight	Criteria Weight %
<b>01</b>	<b>Technical Approach &amp; Methodology</b>		<b>72</b>
a.	Understanding of the processes (A to G), new definitions and enhancements (including Process Re-engineering), new processes and suggestions.	8	
b.	Technical Understanding of the Proposed Solution & Proposed Solution Architecture	10	
c.	Proposed Technical Approach and Methodology to Cover the Functional Areas of the proposed solution	30	
d.	Introducing Innovation and New Technology	6	
e.	Features of the New Driving License Card	6	
f.	Data Migration and Data Management	4	
g.	Data Centre, Enterprise Network and Operating Infrastructure & Business Continuity	8	
<b>02</b>	<b>Implementation, Transition and Operational Plan</b>		<b>16</b>
a.	General Requirements	1	
b.	Software Development/ Customization Methodology	2.5	
c.	Project Management Plan	3	
d.	Project Governance Mechanism	2	
e.	Training and Change Management Plan	2.5	
f.	Project Acceptance & Transition Plan	2	
g.	Operation, Maintenance and Support Plan	3	
<b>03</b>	<b>Proposed team structure, organization and qualifications of the key professional staff</b>		<b>12</b>
a.	Overall Staff Hierarchy	3	
b.	Key position: Project Manager	3	
c.	Key position: Solutions Architect	2	
d.	Key position: QA Manager	2	

h.	Key position: Support Manager	2	
	<b>Total</b>		<b>100</b>
<p>The evaluation of CVs proposed for above key positions will be based on the following three sub criteria and relevant percentage weights;</p> <p>i) General qualifications – 30%</p> <p>ii) Adequacy/experience for the assignment – 60%</p> <p>iii) Experience in region and/or in Sri Lanka with Government/similar institutes – 10%</p>			

- (b) Scores are grouped into three (03) main evaluation categories and under which number of sub evaluation categories are identified, as described in above and specifically identified in the ITB 31.1 of BDS.
- (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 feature a whole number score, for example from 0 to 4, or may give scores out of 100 as a percentage.

In case of whole number scoring, a score of 0 means that the feature is absent, and 1 to 4 either represent predefined values for the 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 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 Proposal), 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.

In case the evaluators decide that the responses need a very critical evaluation, marks may be given for each category as a percentage (out of 100).

- (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 Proposal 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 PDS

$n$  = the number of categories and  $\sum_{j=1}^n W_j = 1$

### **C. Evaluation of Financial Bid (ITB 38)**

The financial evaluation will be based on the quoted price per Driving License Card as specified in the Financial Bid Submission Form of Section IV, Bidding Forms.

## 2. Qualification/Eligibility Criteria

Factor	2.1 ELIGIBILITY					
Sub-Factor	Criteria					Documentation Required
	Requirement	Bidder				
		Single Entity	Joint Venture (existing or intended)			
			All members combined	Lead member	Other members	
2.1.1 Nationality	Nationality in accordance with ITB 4.4.	Must meet requirement	N/A	Must meet requirement	Must meet requirement	Form ELI –2.1.1 and 2.1.2, with attachments
2.1.2 Conflict of Interest	No- conflicts of interests as described in ITB 4.2.	Must meet requirement	N/A	Must meet requirement	Must meet requirement	Technical Bid Submission Form
2.1.3 State owned Entity of the Purchaser’s country	Compliance with conditions of ITB 4.5	Must meet requirement	N/A	Must meet requirement	Must meet requirement	Form ELI –2.1.1 and 2.1.2, with attachments

Factor	2.2 HISTORICAL CONTRACT NON-PERFORMANCE					
Sub-Factor	Criteria					Documentation Required
	Requirement	Bidder				
		Single Entity	Joint Venture (existing or intended)			
			All members combined	Lead member	Other members	
2.2.1 History of non-performing contracts	Non-performance of a contract did not occur as a result of Bidder’s default since January 2015 (last 05 years)	Must meet requirement by itself or as member to past or existing JV	N / A	Must meet requirement	Must meet requirement	Form CON - 2
2.2.2 Suspension	Not under suspension based on execution of a Bid Securing Declaration or Proposal Securing Declaration pursuant to ITB 4.6 and ITB 20.10	Must meet requirement	N / A	Must meet requirement	Must meet requirement	Technical Bid Submission Form
2.2.3 Blacklisting	Should not have been blacklisted by any Government institution during last five (05) years (Since 2015-01-01)	Must meet requirement	N / A	Must meet requirement	Must meet requirement	Technical Bid Submission Form



2.2.4 Pending Litigation	Bidder's financial position and prospective long term profitability still sound according to criteria established in 2.3 below and assuming that all pending litigation will be resolved against the Bidder.	Must meet requirement by itself or as member to past or existing JV	N / A	Must meet requirement	Must meet requirement	Form CON – 2
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Factor	2.3 FINANCIAL SITUATION					
Sub-Factor	Criteria					Documentation Required
	Requirement	Bidder				
		Single Entity	Joint Venture (existing or intended)			
	All members combined		Lead member	Other members		
2.3.1 Historical Financial Performance	Submission of audited financial statements for the last five (05) years (2014-2018) to demonstrate the current soundness of the Bidders financial position.	Must meet requirement	N / A	Must meet requirement	Core Software Solution Provider, Local ICT Company - Must meet requirement	Form FIN – 2.3.1 with attachments
2.3.2 Average Annual Turnover	Minimum average annual turnover of LKR 2 Billion (or its equivalent), within the last three (03) years (2016, 2017 & 2018)	Must meet requirement	Must meet requirement	Lead member - Must meet Minimum 25% of the requirement	Not applicable	Form FIN –2.3.2

2.3.3 Financial Resources	Minimum of LKR 250 Million (or its equivalent) net liquid assets as per 2018 financial year (Current Assets – Inventory – Current Liabilities) and/or Credit Facilities for this project	Must meet requirement	Must meet requirement	Lead member - Must meet Minimum 50% of the requirement	Not applicable	Form FIN –2.3.3 with project specific credit line letter(s) issued by bank(s) (if applicable)
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## 2.4 SPECIFIC EXPERIENCE

	Component	Sub Component	No. of Minimum Mandatory Projects	Documentation Required
2.4.1	Principal Card Manufacturer <sup>Note-1</sup>	(2.4.1.1) Supplying of Polycarbonate (PC) Card for ID Card (NIC or DL)	3	Form EXP-2.4
		(2.4.1.2) Supplying of Polycarbonate (PC) Card with embedded Microchip (Smart Card) for ID Card (NIC or DL)	1	
2.4.2	DL Core Software Solution <sup>Note-2</sup>	Design, Develop, Test, Deploy, Commission and Maintenance of DL core software system/ platform	1	
2.4.3	Project Management, Training, Change Management and Support & Maintenance Services <sup>Note-3</sup>	National level project which includes complex processes/ work-flows, software and hardware, network components including the support and maintenance services	1	
2.4.4	Project under BOO, BOT or PPP models <sup>Note-4</sup>	National level project adopting BOO, BOT or PPP models	1	
2.4.5	Local ICT company <sup>Note-5</sup>	Local ICT project experience including the	2	

		implementation and maintenance		
2.4.6	Biometric Features <sup>Note-6</sup>	(2.4.5.1) Fingerprint Capturing and Identification System (NIC, DL, Passport or Equivalent only)	1	
		(2.4.5.2) Face Recognition Capturing and Identification System (NIC, DL, Passport or Equivalent only)	1	
		(2.4.5.3) IRIS Recognition Capturing and Identification System (NIC, DL, Passport or Equivalent only)	1	
2.4.7	Microchip <sup>Note-7</sup>	Supplying for ID Card (NIC, DL or Equivalent only)	5	
2.4.8	Personalization equipment (Laser engraving equipment) <sup>Note-8</sup>	Supplying of equipment for personalization of ID Card (NIC, DL or Equivalent only)	2	

**Note-1:** Projects (completed or on-going) within last five (05) years starting from January 2014, which have delivered at-least 400,000 cards (each project) by December 2018. Evidence shall be provided for minimum number of project(s).

**Note-2:** The project must be in successful operation(as at now)under maintenance of the same party or by another party after commissioning. Evidence shall be provided for minimum number of project(s).

**Note-3:** Project (completed or on-going) within last five (05) years starting from January 2014. Evidence shall be provided for minimum number of project(s).

**Note-4:** Project (completed or on-going) within last five (05) years starting from January 2014, which has minimum of five (05) years of contracted project duration, and successfully completed two (02) years by December 2018. Evidence shall be provided for minimum number of project(s).

**Note-5:** Projects (completed or on-going) within last five (05) years starting from January 2014 which have successfully completed two (02) years by December 2018. Evidence shall be provided for minimum number of project(s).

**Note-6:** Projects (completed or on-going) within last five (05) years starting from January 2014, which have successfully completed 1,000,000 enrollments for each component (Fingerprint, Iris and Face) by December 2018. Evidence shall be provided for minimum number of project(s).

**Note-7:** Projects (completed or on-going) within last five (05) years starting from January 2014, which have successfully delivered at-least 1,000,000 chips (each project) by December 2018. Out of the five (05) minimum number of projects, evidence shall be provided for at-least three (03) projects.

**Note-8:** Projects (completed or on-going) within last five (05) years starting from January 2014, which have successfully completed personalization of at-least 500,000 cards (each project) by December 2018. Evidence shall be provided for minimum number of project(s).

Factor	2.5STANDARDS & CERTIFICATIONS					
Sub-Factor	Criteria					Documentation Required
	Requirement	Bidder				
		Single Entity	Joint Venture (existing or intended)			
			All members combined	Lead member	Other members	
2.5.1	ISO 9001:2008 or ISO 9001:2015	Must meet requirement	N / A	Must meet requirement	Principal Card Manufacturer, Core Software Solution Provider, Local ICT Company - Must meet requirement	Certified copies of certificates
2.5.2	ISO/IEC 27001:2005 or ISO/IEC 27001:2013	Must meet requirement	N / A	Not applicable	Principal Card Manufacturer - Must meet requirement	Certified copies of certificates

2.5.3	ISO 14298:2013 (Management of Security Printing Processes)	Must meet requirement	N / A	Not applicable	Principal Card Manufacturer - Must meet requirement	Certified copies of certificates
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*Note: Certifications will be considered as valid ONLY if certified copies are provided.*

## 2.6 Manufacturers Authorization

In the case of a Bidder who offers to supply and install major items of supply under the contract that the Bidder did not manufacture or otherwise produce, the Bidder shall provide the manufacturer's authorization, using the form provided in Section IV, showing that the Bidder has been duly authorized by the manufacturer or producer of the related sub system or component to supply and install that item in the Purchaser's Country.

Manufacturer's Authorization is required for following major items.

#	Item Description
1	Servers, data storage, UPS for data centers
2	Desktop/ Laptop Computers, Document Scanners
3	Finger Print Scanners
4	Facial Recognition Cameras
5	Iris Recognition Cameras
6	Laser Engraving Card Personalization Machines
7	Smart Card Chip (Microchip)
8	Major Network Equipment, (Switches, Routers)

## **SECTION IV - BIDDING FORMS**

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## Technical Bid Submission Form

***INSTRUCTIONS TO BIDDERS: DELETE THIS BOX ONCE YOU HAVE COMPLETED THE DOCUMENT***

*Place this Form in the first envelope “TECHNICAL BID”.*

*The Bidder must prepare the Technical Bid Submission Form on stationery with its letterhead clearly showing the Bidder’s complete name and business address.*

*Note: All italicized text is to help Bidders in preparing this form.*

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

**RFB No.:** *[insert number of Bidding process]*

**To:** *[insert complete name of Purchaser]*

We, the undersigned Bidder, hereby submit our Bid, in two parts, namely:

- (a) the Technical Bid, and
- (b) the Financial Bid.

In submitting our Bid we make the following declarations:

- (a) **No reservations:** We have examined and have no reservations to the Bidding Document, including Addenda issued in accordance with Instructions to Bidders (ITB 8);
- (b) **Eligibility:** We meet the eligibility requirements and have no conflict of interest in accordance with ITB 4;
- (c) **Bid-Securing Declaration:** We have not been suspended nor declared ineligible by the Employer based on execution of a Bid Securing Declaration or Proposal Securing Declaration in the Purchaser’s Country in accordance with ITB 4.6;
- (d) **Conformity:** We offer to provide design, supply and installation services in conformity with the bidding document of the following: *[insert a brief description of the IS Design, Supply and Installation Services]*;
- (e) **Bid Validity Period:** Our Bid shall be valid for the period specified in BDS ITB 19.1 (as amended, if applicable) from the date fixed for the Bid submission deadline specified in BDS ITB 23.1 (as amended, if applicable), and it shall remain binding upon us, and may be accepted at any time before the expiration of that period;
- (f) **Performance Security:** If our Bid is accepted, we commit to obtain a performance security in accordance with the Bidding Document;



- (g) **One Bid per Bidder:** We are not submitting any other Bid(s) as an individual Bidder, and we are not participating in any other Bid(s) as a Joint Venture member or as a subcontractor, and meet the requirements of ITB 4.3.
- (h) **Suspension and Debarment:** We, are not ineligible under the Purchaser's Country laws or official regulations or pursuant to a decision of the United Nations Security Council;
- (i) **State-owned enterprise or institution:** *[select the appropriate option and delete the other] [We are not a state-owned enterprise or institution] / [We are a state-owned enterprise or institution but meet the requirements of ITB 4.5];*
- (j) **Binding Contract:** We understand that this Bid, together with your written acceptance thereof included in your Letter of Acceptance, shall constitute a binding contract between us, until a formal contract is prepared and executed;
- (k) **Not Bound to Accept:** We understand that you are not bound to accept the lowest evaluated cost Bid, the Most Advantageous Bid or any other Bid that you may receive; and
- (l) **Fraud and Corruption:** We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf engages in any type of Fraud and Corruption.

**Name of the Bidder:** *\*[insert complete name of Bidder]*

**Name of the person duly authorized to sign the Bid on behalf of the Bidder:** *\*\* [insert complete name of person duly authorized to sign the Bid]*

**Title of the person signing the Bid:** *[insert complete title of the person signing the Bid]*

**Signature of the person named above:** *[insert signature of person whose name and capacity are shown above]*

**Date signed** *[insert date of signing]* **day of** *[insert month]*, *[insert year]*

\*: In the case of the Bid submitted by a Joint Venture specify the name of the Joint Venture as Bidder.

\*\*: Person signing the Bid shall have the power of attorney given by the Bidder. The power of attorney shall be attached with the Bid.

## Financial Bid Submission Form

***INSTRUCTIONS TO BIDDERS: DELETE THIS BOX ONCE YOU HAVE COMPLETED THE DOCUMENT***

*Place this Form in the second envelope marked “FINANCIAL BID”.*

*The Bidder must prepare the Financial Bid Submission Form on stationery with its letterhead clearly showing the Bidder’s complete name and business address.*

Note: *All italicized text is to help Bidders in preparing this form.*

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

**RFB No.:** *[insert number of Bidding process]*

**Request for Bid No.:** *[insert identification]*

**To:** *[insert complete name of Purchaser]*

We, the undersigned Bidder, hereby submit the second part of our Bid, the Financial Bid

In submitting our Financial Bid, we make the following additional declarations:

- (a) **Bid Validity Period:** Our Bid shall be valid for the period specified in BDS 19.1 (as amended, if applicable) from the date fixed for the Bid submission deadline specified in BDS 23.1 (as amended, if applicable), and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (b) **Bid Price:** The price of our Bid for Issuing of a Personalized Driving License Card fulfilling the full scope of Purchaser’s Requirements, excluding any discounts offered in item (c) below is: *[insert the price of the Bid in words and figures, in Sri Lanka Rupees]*.
- (c) **Discounts:** The discounts offered and the methodology for their application are:
  - (i) The discounts offered are: *[Specify in detail each discount offered]*
  - (ii) The exact method of calculations to determine the net price after application of discounts is shown below: *[Specify in detail the method that shall be used to apply the discounts]*;
- (d) **Commissions, gratuities and fees:** We have paid, or will pay the following commissions, gratuities, or fees with respect to the Bidding process or execution of the Contract: *[insert complete name of each Recipient, its full address, the reason for which*

*each commission or gratuity was paid and the amount and currency of each such commission or gratuity*].

Name of Recipient	Address	Reason	Amount

(If none has been paid or is to be paid, indicate “none.”)

- (e) **Binding Contract:** We understand that this Bid, together with your written acceptance thereof included in your Letter of Acceptance, shall constitute a binding contract between us, until a formal contract is prepared and executed.

**Name of the Bidder:** \*[*insert complete name of the Bidder*]

**Name of the person duly authorized to sign the Bid on behalf of the Bidder:** \*\* [*insert complete name of person duly authorized to sign the Bid*]

**Title of the person signing the Bid:** [*insert complete title of the person signing the Bid*]

**Signature of the person named above:** [*insert signature of person whose name and capacity are shown above*]

**Date signed** [*insert date of signing*] **day of** [*insert month*], [*insert year*]

\*: In the case of the Bid submitted by a Joint Venture specify the name of the Joint Venture as Bidder.

\*\*: Person signing the Bid shall have the power of attorney given by the Bidder. The power of attorney shall be attached with the Bid.

## Price Schedule Form

Cost Component		Price in LKR (Excluding VAT)
1.	<b>“Per Card Price”</b> of issuing of a Personalized Driving License Card fulfilling the full scope of Purchaser’s Requirements	

Name of Bidder:	
Authorized Signature of Bidder:	
Date:	
Bidder’s Seal:	

**Note:**

1. The offered bid price shall be fixed for a period of seven (07) years after commissioning the new solution. Total contract period shall include seven (07) years of operations after commissioning the solution.
2. 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 prior to filling prices. The quoted price shall be deemed to cover the full scope of these Technical Requirements, as well as overhead and profit.

## Price Sub-Components Form

The price details of this form will be referred for the purpose of negotiation and decision making only, and will NOT be considered for price evaluations. However, the amounts shall be accurate since the given amounts will be used for negotiations (if required).

Bidder shall provide this price breakdown whereas each sub-component shall be the respective cost portion of the cost of issuing of a personalized Driving License card as mentioned in the 'Price Schedule Form'.

All major sub-components as listed below and all other sub-components shall be provided. The total cost of all sub-components shall be equal to the price mentioned in the 'Price Schedule Form'.

#	Sub-component	Price Contribution to a Single Driving License Card in LKR (Excluding VAT)
1	Polycarbonate Card (including the contactless chip)	
2	Card personalization (including the cost of machines)	
3	Core software solution	
4	Fingerprint Capturing and Identification System / Automated Fingerprint Identification System (AFIS).	
5	Face Recognition Capturing and Identification System / Automated Face Recognition System	
6	IRIS Recognition Capturing and Identification System / Automated Iris Identification System (AIIS)	
7	Infrastructure facilities (Data centers, LAN, WAN)	
8	Project Management, operations and maintenance services	
9	Other (Mention all other remaining sub-components)	
	<b>Total</b>	

**Form SMR**

**Summary of the Consortium/ Sub-Contractors**

#	Firm	Type of partnership (JV or Sub Contractor)	Scope of DL project	Year of incorporation	Core Business of the firm	No. of years in business
1						
2						
3						
...						

**Form ELI 2.1.1****Bidder Information Form**

*[The Bidder shall fill in this Form in accordance with the instructions indicated below. No alterations to its format shall be permitted and no substitutions shall be accepted.]*

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

RFB No.: *[insert number of Bidding process]*

Page \_\_\_\_\_ of \_\_\_\_\_ pages

1. Bidder's Name <i>[insert Bidder's legal name]</i>
2. In case of JV, legal name of each member : <i>[insert legal name of each member in JV]</i>
3. Bidder's actual or intended country of registration: <i>[insert actual or intended country of registration]</i>
4. Bidder's year of registration: <i>[insert Bidder's year of registration]</i>
5. Bidder's Address in country of registration: <i>[insert Bidder's legal address in country of registration]</i>
6. Bidder's Authorized Representative Information  Name: <i>[insert Authorized Representative's name]</i> Address: <i>[insert Authorized Representative's Address]</i> Telephone/Fax numbers: <i>[insert Authorized Representative's telephone/fax numbers]</i> Email Address: <i>[insert Authorized Representative's email address]</i>
7. Attached are copies of original documents of <i>[check the box(es) of the attached original documents]</i>  <input type="checkbox"/> Articles of Incorporation (or equivalent documents of constitution or association), and/or documents of registration of the legal entity named above, in accordance with ITB 4.4. <input type="checkbox"/> In case of JV, letter of intent to form JV or JV agreement, in accordance with ITB 4.1. <input type="checkbox"/> In case of state-owned enterprise or institution, in accordance with ITB 4.5 documents establishing: <ul style="list-style-type: none"> <li>• Legal and financial autonomy</li> <li>• Operation under commercial law</li> <li>• Establishing that the Bidder is not under the supervision of the Purchaser</li> </ul>
8. Included are the organizational chart, a list of Board of Directors, and the beneficial ownership. <i>[If required under BDS ITB 47.1, the successful Bidder shall provide additional information on beneficial ownership, using the Beneficial Ownership Disclosure Form.]</i>

**Form ELI 2.1.2**

**Bidder's JV Members Information Form**

*[The Bidder shall fill in this Form in accordance with the instructions indicated below. The following table shall be filled in for the Bidder and for each member of a Joint Venture].*

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

RFB No.: *[insert number of Bidding process]*

Page \_\_\_\_\_ of \_\_\_\_\_ pages

1. Bidder's Name: <i>[insert Bidder's legal name]</i>
2. Bidder's JV Member's name: <i>[insert JV's Member legal name]</i>
3. Bidder's JV Member's country of registration: <i>[insert JV's Member country of registration]</i>
4. Bidder's JV Member's year of registration: <i>[insert JV's Member year of registration]</i>
5. Bidder's JV Member's legal address in country of registration: <i>[insert JV's Member legal address in country of registration]</i>
6. Bidder's JV Member's authorized representative information Name: <i>[insert name of JV's Member authorized representative]</i> Address: <i>[insert address of JV's Member authorized representative]</i> Telephone/Fax numbers: <i>[insert telephone/fax numbers of JV's Member authorized representative]</i> Email Address: <i>[insert email address of JV's Member authorized representative]</i>
7. Attached are copies of original documents of <i>[check the box(es) of the attached original documents]</i> <input type="checkbox"/> Articles of Incorporation (or equivalent documents of constitution or association), and/or registration documents of the legal entity named above, in accordance with ITB 4.4. <input type="checkbox"/> In case of a state-owned enterprise or institution, documents establishing legal and financial autonomy, operation in accordance with commercial law, and they are not under the supervision of the Purchaser in accordance with ITB 4.5.
8. Included are the organizational chart, a list of Board of Directors, and the beneficial ownership. <i>[If required under BDS ITB 47.1, the successful Bidder shall provide additional information on beneficial ownership for each JV member using the Beneficial Ownership Disclosure Form.]</i>



**Form CON – 2****Historical Contract Non-Performance and Pending Litigation**

In case a prequalification process was conducted this form should be used only if the information submitted at the time of prequalification requires updating

Bidder's Legal Name: \_\_\_\_\_ Date: \_\_\_\_\_

JV member Legal Name: \_\_\_\_\_ RFB No.: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

Non-Performing Contracts in accordance with Section III, Evaluation and Qualification Criteria			
Contract non-performance did not occur during the stipulated period, in accordance with Sub- Factor 2.2.1 of Section III, Evaluation Criteria			
Pending Litigation, in accordance with Section III, Evaluation and Qualification Criteria			
No pending litigation in accordance with Sub-Factor 2.2.3 of Section III, Evaluation Criteria			
Pending litigation in accordance with Sub-Factor 2.2.3 of Section III, Evaluation Criteria, as indicated below			
Year	Outcome as Percent of Total Assets	Contract Identification	Total Contract Amount (current value, US\$ equivalent)
		Contract Identification: Name of Purchaser: Address of Purchaser: Matter in dispute:	
		Contract Identification: Name of Purchaser: Address of Purchaser: Matter in dispute:	

**Form EXP 2.4**

<b>2.4 Specific Experience</b>				
	<b>Component</b>	<b>Sub component</b>	<b>No. of Minimum Mandatory Projects</b>	<b>Bidder's Response (No. of Projects)</b>
2.4.1	Principal Card Manufacturer	(2.4.1.1) Supplying of Polycarbonate (PC) Card for ID Card (NIC or DL only)	3	
		(2.4.1.2) Supplying of Polycarbonate (PC) Card with embedded Microchip (Smart Card) for ID Card (NIC or DL only)	1	
2.4.2	DL Core Software Solution Supplier	Design, Develop, Test, Deploy, Commission and Maintenance of DL core software system/ platform	1	
2.4.3	Project Management, Training, Change Management and Maintenance	National level project which includes complex processes/ work-flows, software and hardware, network components including the support and maintenance services	1	
2.4.4	Project under BOO, BOT or PPP models	National level project adopting BOO, BOT or PPP models	1	
2.4.5	Local ICT company	Local ICT project experience including the implementation and maintenance	2	
2.4.6	Biometric Features	(2.4.5.1) Fingerprint Capturing and Identification System (NIC, DL, Passport or Equivalent only)	1	
		(2.4.5.2) Face Recognition Capturing and Identification System (NIC, DL, Passport or Equivalent only)	1	
		(2.4.5.3) IRIS Recognition Capturing and Identification System (NIC, DL, Passport or Equivalent only)	1	
2.4.7	Microchip	Supplying for ID Card (NIC, DL or Equivalent only)	5	

2.4.8	Personalization equipment (Laser engraving equipment)	Supplying of equipment for personalization of ID Card (NIC, DL or Equivalent only)	2	
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**FORM EXP 2.4 (a)**

Using the form below, provide information on each project to demonstrate the above experience. This table shall be completed at-least for minimum number of projects (Ex: Bidder may have 5 projects for 2.4.1.1, however, details of 3 projects at minimum shall be provided using the below table to become eligible). The numbers of projects listed in Form EXP 2.4 will be considered valid ONLY if the details are provided in this table. Use one table for one project experience and use maximum of five (05) pages per project.

Project n of N	
Name of the firm:	
Reference Sub-component(s) as given in Form EXP 2.4: (Ex.2.4.1.1)	
Assignment name:	Approx. value of the contract (in current US\$) <del>or Euro</del> :
Country: Location within country:	Duration of assignment (months):
Name of Client:	
Address:	Names of senior professional staff of your firm involved and functions performed (indicate most significant profiles such as Project Director/Coordinator, Team Leader):
Start date (month/year):	Completion date (month/year):
Name of associated Consultants, if any:	List of key deliverable (with numbers wherever applicable)
Contact person:	Contact details: (at-least the eMail and contact numbers)
Description of Project: This shall provide adequate details to prove the experience in relation to the respective components/ sub-components. Use maximum 1000 words.	

Note: For each project, evidence shall be provided after each table 2.4(a). It is mandatory to provide **at-least** one of below document as evidence;

- a) Customer reference letter (original) upon successful completion/ operation  
**(Preferred)**
- b) Certified copy of extracts of the contract signed.
- c) Certified copy of the Purchase Order.

**Form CCC****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.

<b>Name of contract</b>	<b>Purchaser, contact address/tel./fax</b>	<b>Value of outstanding Information System (current US\$ equivalent)</b>	<b>Estimated completion date</b>	<b>Average monthly invoicing over last six months (US\$/month)</b>
1.				
2.				
3.				
4.				
5.				
etc.				

## Form FIN – 2.3.1

**Financial Situation****Historical Financial Performance**

Bidder's Legal Name: \_\_\_\_\_

Date: \_\_\_\_\_

JV Member Legal Name: \_\_\_\_\_

RFB No.: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

To be completed by the Bidder and, if JV, by each member

Financial information in US\$ equivalent	Historic information for previous _____ ( ) years (US\$ equivalent in 000s)						
	Year 1	Year 2	Year 3	Year ...	Year n	Avg.	Avg. Ratio
<b>Information from Balance Sheet</b>							
Total Assets (TA)							
Total Liabilities (TL)							
Net Worth (NW)							
Current Assets (CA)							
Current Liabilities (CL)							
<b>Information from Income Statement</b>							
Total Revenue (TR)							
Profits Before Taxes (PBT)							

Attached are certified copies of financial statements (profit & loss accounts, balance sheets, including all related notes, and income statements) for the years required above complying with the following conditions:

- Must reflect the financial situation of the Bidder or member to a JV, and not sister or parent companies.
- Historic financial statements must be audited by a chartered accountant
- Historic financial statements must be complete, including all notes to the financial statements.
- Historic financial statements must correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).





Notes:

- (a) If the statements are not in English, English translations of main areas translated by licensed translators with signatures and official stamps shall be attached along with the certified copies of original statements.
- (b) If the Audited Financial Statements are not required by the laws of the registered country, other acceptable financial statements shall be provided.
- (c) If the statements of 2018 are not ready by the time of submission, interim reports authorized by the Company Secretary and Board of Directors shall be provided.
- (d) Financial Statements can be provided as an Annex with clear reference from the Form FIN – 2.3.1

**Form FIN – 2.3.2**

**Average Annual Turnover**

Bidder's Legal Name: \_\_\_\_\_ Date: \_\_\_\_\_

JV Member Legal Name: \_\_\_\_\_ RFB No.: \_\_\_\_\_

Page \_\_\_\_\_ of \_\_\_\_\_ pages

<b>Annual turnover data (applicable activities only)</b>		
<b>Year</b>	<b>Amount and Currency</b>	<b>US\$ equivalent</b>
<b>*Average Annual Turnover</b>		

\*Average annual turnover calculated as total certified payments received for work in progress or completed, divided by the number of years specified in Section III, Evaluation and Qualification Criteria, Sub-Factor 2.3.2.

**Form FIN 2.3.3****Financial Resources**

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 cash flow demands of the subject contract or contracts as indicated in Section III, Evaluation and Qualification Criteria

Member	Source of financing		Amount (US\$ equivalent)
1.	1.1		
	1.2		
	1.3		
2.	2.1		
	2.2		
	2.3		
3.	3.1		
	3.2		
	3.3		
...			
TOTAL			

**Form PER-1**

## Team Composition and Task Assignments

[All other major positions aligned with the overall staff hierarchy (including the Key Positions) shall be listed here]

[illegible]

Section IV – Bidding Forms

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**[This shall be provided for each Key Position (04)]**

**1. Proposed Position** [*only one candidate shall be nominated for each position*]: \_\_\_\_\_

**3. Name of Staff** [*Insert full name*]: \_\_\_\_\_

**5. Education***[Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of attainment]:* \_\_\_\_\_

**6. Membership of Professional Associations:** \_\_\_\_\_

**7. Other Training** [Indicate significant training since degrees under 5 - Education were obtained]: \_\_\_\_\_

**8. Experience in the specific role:** *[List the projects]:*\_\_\_\_\_

**9. Languages** [For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]: \_\_\_\_\_

**10. Employment Record***[Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held,.]:*

From [Year]: \_\_\_\_\_ To [Year]: \_\_\_\_\_

Employer: \_\_\_\_\_

Positions held:

<p><b>11. Qualification of the Staff</b></p> <p><i>[Refer the Scope of</i></p>	<p><b>12. Work Undertaken that Best Illustrates the Qualification</b></p> <p><i>[Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 11.]</i></p> <p>Name of assignment or project:</p>
--	---

<p><i>Services, List qualifications to meet the minimum requirement or preferably more]</i></p>	<p>Client: Duration: Location Brief description of the projects: Positions held: Technologies used:</p>
---	---

### 13. Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any wilful misstatement described herein may lead to my disqualification or dismissal, if engaged.

\_\_\_\_\_ Date: \_\_\_\_\_  
*[Signature of staff member]* *Day/Month/Year*

Full name of authorized representative: \_\_\_\_\_

**Form MAC**

**Manufacturer's Authorization**

**Note:** This authorization should be written on the letterhead of the Manufacturer and be signed by a person with the proper authority to sign documents that are binding on the Manufacturer.

RFB Title and No.: *[insert]*

To: *[Purchaser]*

WHEREAS *[ insert: Name of Manufacturer ]* who are official producers of *[ insert: items of supply by Manufacturer ]* and having production facilities at *[ insert: address of Manufacturer ]* do hereby authorize *[ insert: name of Bidder or Joint Venture ]* located at *[ insert: address of Bidder or Joint Venture ]* (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:

We hereby confirm that, in case the bidding results in a Contract between you and the Bidder, the above-listed products will come with our full standard warranty.

Name *[insert: Name of Officer]* in the capacity of *[insert: Title of Officer]*

Signed \_\_\_\_\_

Duly authorized to sign the authorization for and on behalf of: *[ insert: Name of Manufacturer ]*

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

*[add Corporate Seal (where appropriate)]*



**Form SCN**

## **Subcontractor's Agreement**

**Note:** This agreement should be written on the letterhead of the Subcontractor and be signed by a person with the proper authority to sign documents that are binding on the Subcontractor.

***RFB Title and Number.:*** *[insert]*

To: *[Purchaser]*

WHEREAS *[ insert: Name of Subcontractor ]*, having head offices at *[ insert: address of Subcontractor ]*, have been informed by *[ insert: name of Bidder or Joint Venture ]* located at *[ insert: address of Bidder or Joint Venture ]* (hereinafter, the “Bidder”) that it will submit a bid in which *[ insert: Name of Subcontractor ]* will provide *[ insert: items of supply or services provided by the Subcontractor ]*. We hereby commit to provide the above named items, in the instance that the Bidder is awarded the Contract.

Name *[insert: Name of Officer]* in the capacity of *[insert: Title of Officer]*

Signed \_\_\_\_\_

Duly authorized to sign the authorization for and on behalf of: *[insert: Name of Subcontractor]*

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

*[add Corporate Seal (where appropriate)]*

## Form IP

## Intellectual Property Forms

## Notes to Bidders on working with the Intellectual Property Forms

In accordance with ITB 11.2(j), 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. These categorizations are needed to support the Intellectual Property in the GCC and SCC.

## Software List

[illegible]

**Form SIN**

## Solution Inventory

List the main components and sub-components and all related peripheral, hardware, network equipment and/or supporting equipment. Additional details such as product brochures shall be provided under Annex.

[illegible]

Section IV – Bidding Forms

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n						

## Form CMT

## List of Custom Materials

[illegible]

**Form WSC**[illegible]

n														

## Work Schedule

- 1- Indicate all main activities of the project, including delivery of reports (e.g.: inception, interim, and final reports), and other benchmarks such as Client approvals. For phased assignments indicate activities, delivery of reports, and benchmarks separately for each phase.
- 2 - Duration of activities shall be indicated in the form of a bar chart.

## Form TECH-1

# Conformance of Information System Materials

## Format of the Technical Bid

In accordance with ITB 16.2, the documentary evidence of conformity of the Information System to the bidding documents includes (but is not restricted to):

### Form TECH-1 (a)

The Bidder's Preliminary Project Plan, including, but not restricted, to the topics specified in the BDS ITB 16.2. 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.

### Form TECH-1 (b)

A written confirmation by the Bidder 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 Technical Requirements.

### Form TECH-1 (c)

Item-by-Item Commentary on the Technical Requirements demonstrating the substantial responsiveness of the overall design of the System and the individual Information Technologies, Goods, and Services offered to those Technical Requirements.

#### Part-1:

In demonstrating the responsiveness of its bid, the Bidder must use the Technical Responsiveness Checklist (Format) as appeared in the Section VII - REQUIREMENTS OF THE INFORMATION SYSTEM (use the same tables). 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 detailed technical write-up and supporting materials included the Bidder's Technical Bid.

#### Part-2:

This shall be **maximum of 250 pages including the charts and diagrams**. This is one of the key sections of the technical proposal. The Technical Requirements are voiced as requirements of the *Supplier* and/or the *System*. The Bidder's response must provide clear evidence for the evaluation team to assess the credibility of the response. Only a response as "Yes" in Part-1 is unlikely to convey the credibility of the response. In this section, the Bidder should indicate *that* – and to the greatest extent practical – *how* the Bidder would comply with the requirements listed in SECTION VII - REQUIREMENTS OF THE INFORMATION SYSTEM. Whenever the technical requirements relate to feature(s) of



existing products (e.g., hardware or software), the features should be described and the relevant product literature referenced. When the technical requirements relate to professional services (e.g., analysis, configuration, integration, training, etc.) some effort should be expended to describe how they would be rendered – not just a commitment to perform the [cut-and-paste] requirement.

**Note:** As a matter of practice, the contract cannot be awarded to a Bidder whose Technical Bid deviates (materially) from the Technical Requirements – *on any Technical Requirement*. Such deviations include omissions (e.g., non-responses) and responses that do not meet or exceed the requirement. Extreme care must be exercised in the preparation and presentation of the responses to all the Technical Requirements.

Supporting materials to underpin the Item-by-item Commentary on the Technical Requirements (e.g., product literature, white-papers, narrative descriptions of technical approaches to be employed, etc.) can be provided as Annexures. In the interest of timely bid evaluation and contract award, Bidders are encouraged not to overload the supporting materials with documents that do not directly address the Purchaser's requirements.

Any separate and enforceable contract(s) for Recurrent Cost items which the BDS ITB 17.2 required Bidders to bid.

**Note:** To facilitate bid evaluation and contract award, Bidders encouraged to provide electronic copies of their Technical Bid – preferably in a format that the evaluation team can extract text from to facilitate the bid clarification process and to facilitate the preparation of the Bid Evaluation Report.

## Form of Bid Security (Bank Guarantee)

*[The bank shall fill in this Bank Guarantee Form in accordance with the instructions indicated.]*

*[Guarantor letterhead or SWIFT identifier code]*

**Beneficiary: Secretary, Ministry of Transport and Civil Aviation**

**RFB No.:** *[Purchaser to insert reference number for the Invitation for Bids]*

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

**BID GUARANTEE No.:** *[Insert guarantee reference number]* \_\_\_\_\_

We have been informed that \_\_\_\_\_ *[insert name of the Bidder, which in the case of a joint venture shall be the name of the joint venture (whether legally constituted or prospective) or the names of all members thereof]* \_\_\_\_\_ (hereinafter called “the Applicant”) has submitted or will submit the Beneficiary its bid \_\_\_\_\_ (hereinafter called “the Bid”) for the execution of \_\_\_\_\_ under Request for Bids No. \_\_\_\_\_ (“the RFB”).

Furthermore, we understand that, according to the Beneficiary’s, Bids must be supported by a Bid guarantee.

At the request of the Applicant, we as Guarantor, hereby irrevocably undertake to pay the Beneficiary any sum or sums not exceeding in total an amount of \_\_\_\_\_ (\_\_\_\_\_) upon receipt by us of the Beneficiary’s complying demand supported by the Beneficiary’s statement, whether in the demand itself or a separate signed document accompanying the demand, stating that either the Applicant:

- (a) has withdrawn its Bid during the period of bid validity set forth in the Applicant’s Letter of Bid (“the Bid Validity Period”), or any extension thereof provided by the Applicant; or
- (b) having been notified of the acceptance of its Bid by the Beneficiary during the period of Bid validity or any extension thereof provided by the Applicant has failed to: (i) execute the Contract Agreement, if required, or (ii) furnish the performance security, in accordance with the Instructions to Bidders (“ITB”) of the Beneficiary’s bidding document.

This guarantee will expire: (a) if the Applicant is the successful Bidder, upon our receipt of copies of the contract agreement signed by the Applicant and the Performance Security issued to the Beneficiary in relation to such Contract Agreement; or (b) if the Applicant is not the successful Bidder, upon the earlier of (i) our receipt of a copy of the Beneficiary’s notification to the Applicant of the results of the Bidding process; or (ii) twenty-eight days after the expiration of the Bidder’s Bid Validity Period.

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 (URDG) 2010 Revision, ICC Publication No. 758.

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*[signature(s)]*

## Bid Submission Forms - Technical Proposal

### Bidder Response Format

[Bidders shall organize the Proposal as per the below, and it is the responsibility of the Bidders to provide necessary references appropriately wherever necessary]

Order	Form	Check (Y / N)	Page No.
1	Bidder's Front Page		
2	Bidder Response Format		
<b>Section-1</b>			
3	Technical Bid Submission Form		
4	Bid Security		
5	Joint Venture Agreement		
6	Power of Attorney for authorizing signatory		
<b>Section-2</b>			
7	Form SMR - Summary of the Consortium/ Sub-Contractors		
8	Form ELI 2.1.1 - Bidder Information Form		
9	Form ELI 2.1.2 - Bidder's JV Members Information Form		
10	Form CON – 2 - Historical Contract Non-Performance and Pending Litigation		
11	Form EXP 2.4 - 2.4 Specific Experience		
12	Form CCC - Summary Sheet: Current Contract Commitments / Work in Progress		
13	Form FIN – 2.3.1 - Financial Situation		
14	Form FIN – 2.3.2 - Average Annual Turnover		
15	Form FIN 2.3.3 - Financial Resources		
16	Form PER-1 - Team Composition and Task Assignments		
17	Form PER-2 - Curriculum Vitae (CV) for Proposed Key Staff		
18	Form MAC - Manufacturer's Authorization		
19	Form SCN - Subcontractor's Agreement		

20	Form IP - Intellectual Property Forms		
21	Form SIN - Solution Inventory		
22	Form CMT - List of Custom Materials		
23	Form WSC - Work Schedule		
<b>Section-3</b>			
24	Form TECH-1 - Conformance of Information System Materials  - Form TECH-1 (a) - Form TECH-1 (b) - Form TECH-1 (c) – Part-1 - Form TECH-1 (c) – Part-2		
<b>Section-4</b>			
	Annex-1: Financial Statements Annex-2: Supporting Materials Annex-3: Company Profiles (JV partners and sub-contractors) Annex-...		

## **SECTION V - ELIGIBLE COUNTRIES**

**Not Applicable**

## **SECTION VI -FRAUD AND CORRUPTION**

**(Section VI shall not be modified)**

### **1. Purpose**

- 1.1 The Bank's Anti-Corruption Guidelines and this annex apply with respect to procurement under Bank Investment Project Financing operations.

### **2. Requirements**

- 2.1 The Bank requires that Borrowers (including beneficiaries of Bank financing); bidders(applicants/proposers), consultants, contractors and suppliers; any sub-contractors, sub-consultants, service providers or suppliers; any agents (whether declared or not); and any of their personnel, observe the highest standard of ethics during the procurement process, selection and contract execution of Bank-financed contracts, and refrain from Fraud and Corruption.

- 2.2 To this end, the Bank:

- a. Defines, for the purposes of this provision, the terms set forth below as follows:
  - i. "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
  - ii. "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
  - iii. "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
  - iv. "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - v. "obstructive practice" is:
    - (a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
    - (b) acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under paragraph 2.2 e. below.
- b. Rejects a proposal for award if the Bank determines that the firm or individual recommended for award, any of its personnel, or its agents, or its sub-consultants, sub-contractors, service providers, suppliers and/ or their employees, has, directly or

indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;

- c. In addition to the legal remedies set out in the relevant Legal Agreement, may take other appropriate actions, including declaring misprocurement, if the Bank determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement process, selection and/or execution of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;
- d. Pursuant to the Bank's Anti-Corruption Guidelines, and in accordance with the Bank's prevailing sanctions policies and procedures, may sanction a firm or individual, either indefinitely or for a stated period of time, including by publicly declaring such firm or individual ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;<sup>1</sup> (ii) to be a nominated<sup>2</sup> sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project;
- e. Requires that a clause be included in bidding/request for proposals documents and in contracts financed by a Bank loan, requiring (i) bidders(applicants/proposers), consultants, contractors, and suppliers, and their sub-contractors, sub-consultants, service providers, suppliers, agents personnel, permit the Bank to inspect<sup>3</sup> all accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have them audited by auditors appointed by the Bank.

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<sup>1</sup> For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

<sup>2</sup> A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

<sup>3</sup> Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.



# **PART 2 –PURCHASER’S REQUIREMENTS**

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## **SECTION VII - REQUIREMENTS OF THE INFORMATION SYSTEM**

# **Complete Solution for Driving License Information System, Personalization and Printing**

## **1. Introduction and Background**

The objective of this RFP is to evaluate and commission a New Driving License System (NDLS) with enhanced security features to replace the present Smart Card based Driving license System that was implemented in 2009.

At present, the Smart Card driving licenses is personalized with data pertaining to the applicant using the information obtained from the information captured on the Smart card base Driving license System (“Online” data capture) or from the Driving License applicant’s manual application forms (“Offline” Forms). In case of the older records (Licenses issued prior to 2009) the data is provided from the Informix database of the previously implemented system that is maintained by the Department of Motor Traffic (DMT) or from the manually written information from the ledger books for the very old licenses.

The Werahera office and another Eight (08) District Branch Offices are connected to the central system at Werahera to capture applicants’ information online. The Personalization of Driving licenses is undertaken in Werahera, Anuradhapura and Hambantota branches.

DMT aims to automate the entire process from the application, examination to delivery of driving license and activities throughout the license lifecycle.

The new Driving License system intends to:

- Reduce the time required for a driver to apply for and obtain a new driving license.
- Introduce a transparent and streamlined driver improvement point system. That will be compatible with the existing smartcard driving licenses issued since 2009
- Provide an intuitive online web portal for a driving license application.
- Reduce manual workload at DMT offices.
- Reduce length of line and waiting time for drivers at DMT offices.
- Ensure integrity of driving licenses to prevent forgery.
- Introduce drivers the convenience of a secure digital driving license modality in form of a mobile application.
- Enable drivers to readily access their licenses and driving history, including traffic violation, through a mobile application.
- Enable law enforcement officers to verify driving licenses, issue fines, add demerits and check driving history from a mobile application.
- Manage accountability and auditability of driving license issuance, renewal or suspension.
- Ensure driving licenses are issued to the rightful owners.
- Provide a secure end-to-end system which prevents fraud and increases digital trust of the driving license platform in the public and international reputation.

## 2. Objectives

The main objectives of this new Driving License System are;

- a) To implement a modern Driving License Management System while having a seamless transition from the Existing Smartcard Driving License System and other existing Driving License data sources to the New Driving License System on a Build Own and Operate (BOO) basis
- b) The new driving license management system shall consist of a complete Driving license solution comprising of all software, hardware, local and wide area network, primary and disaster recovery data centers, all consumables including blank cards with all security features, a personalization facility with the bidders own staff, an onsite management and technical support team to ensure the smooth operation of the new driving license system
- c) To supply and maintain all required redundant infrastructures such as data centres, hardware and networking devices and to build and maintain a redundant island wide network with appropriate security, availability and integrity.
- d) The new Driving license system should be implemented in a reliable and user friendly manner and to maintain business continuity and improve the services to all stakeholder.
- e) To implement and maintain a “Digital Driving License” infrastructure.
- f) To provide a state-of-the-art infrastructure to all stakeholders to use the Driving License data for service deliveries and especially for the implementation of “Driver Improvement Points” that can cater to the present and new smartcard driving licenses.

## 3. Current System

### 3.1 Head Office and Branch Office Set-up

DMT operates the Driving License service delivery in its primary office at Werahera and through its other 24 Branch offices which is located one each in each District in Sri Lanka. The statuses of automation of the 25 DMT Driving License offices are as follows;

Offices with “Online” Driving License application data capturing	- 09
Offices with “Online” and “Card Printing and Personalization”	- 03
Offices accepting and processing “Offline” (manual) applications	- 16

Currently, all the offline applications from the above mentioned 16 Branches are processed, approved and sent to Werahera primary office to print and personalization. The printed cards are then posted to the applicants addresses. However, any applicant can visit one of the 03 printing stations and get their Driving Licenses printed on the same day with an additional fee irrespective of where they did the data capturing.

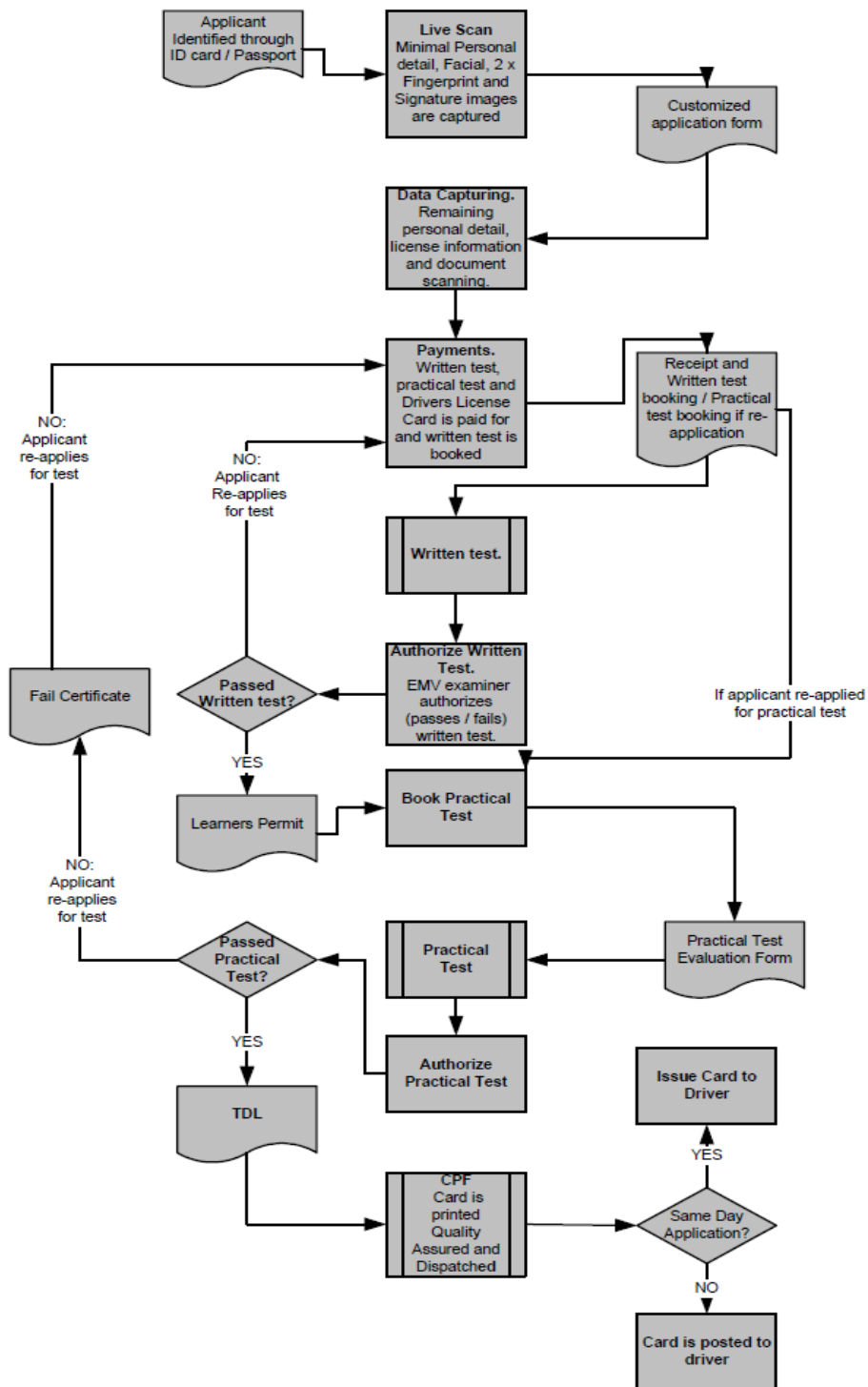
### **3.2 Current Process Flows**

Currently, there are 07 types of processes to issue a Driving License, namely;

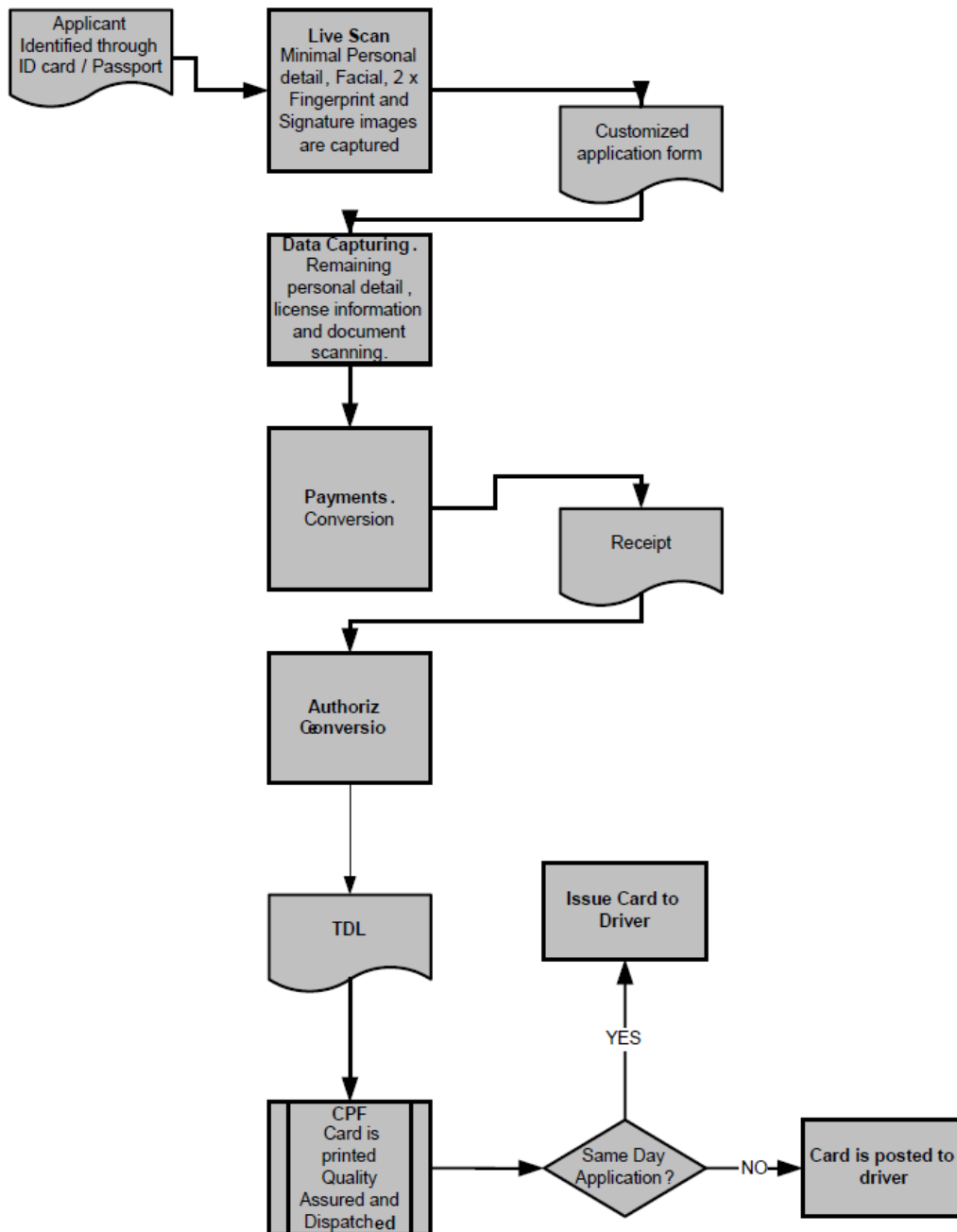
- a) Issuance of New Driving Licenses
- b) Conversion of Driving Licenses (From old Driving Licenses)
- c) Conversion of Foreign Driving Licenses
- d) Driving License Renewals
- e) Extension of Driving Classes
- f) Issuing of Duplicate Licenses and
- g) Change of Particulars of Driving Licenses

The following process flows are extracted from the existing system design documents to provide a detailed view on them. However, please note that this is **ONLY** for the information purpose and the Proposers are advised, allowed and requested to improve these processes to bring more efficiency and innovation in their proposals.

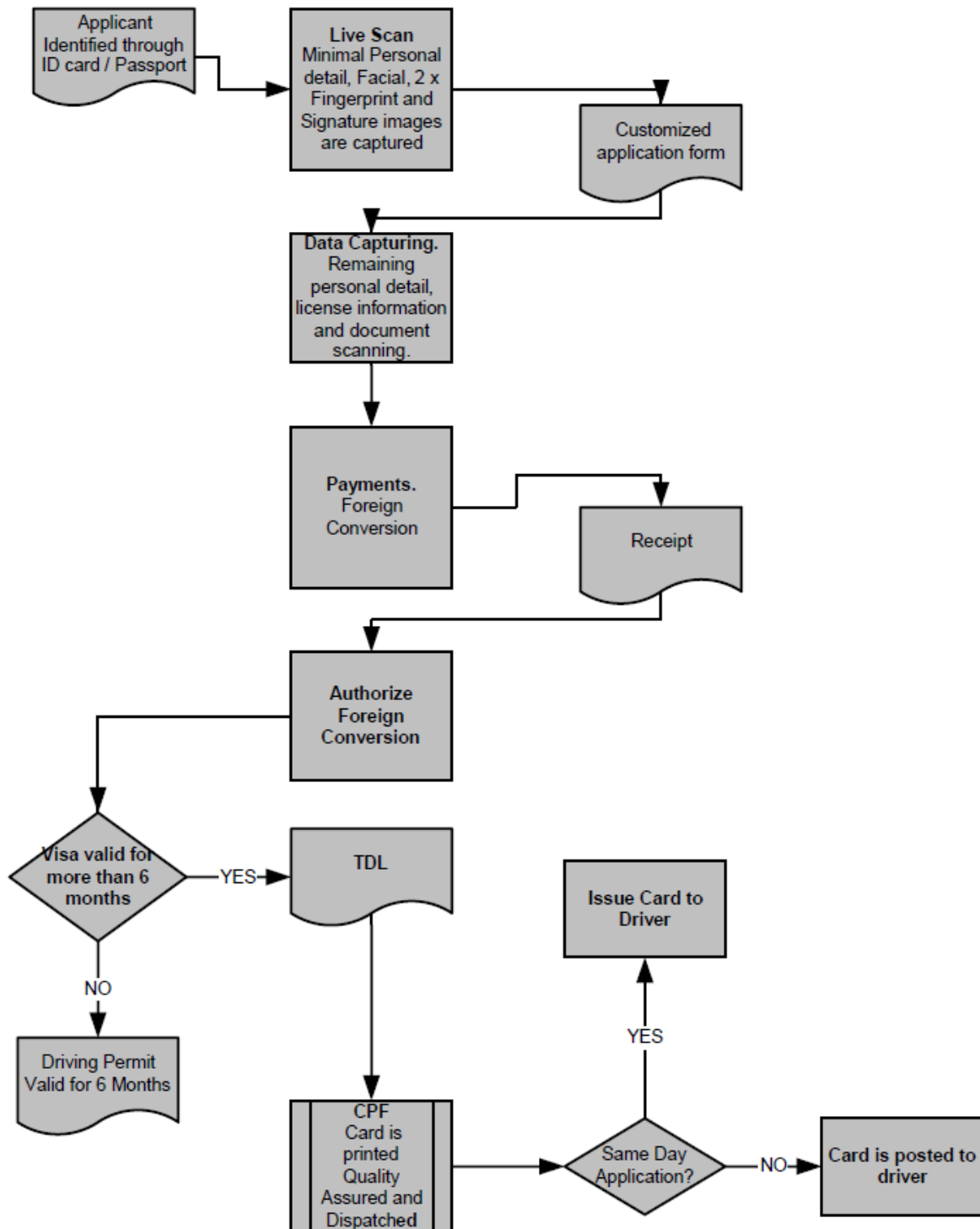
## Process A - Issuance of New Driving Licenses



## Process B - Conversion of Driving License (From old Driving Licenses)

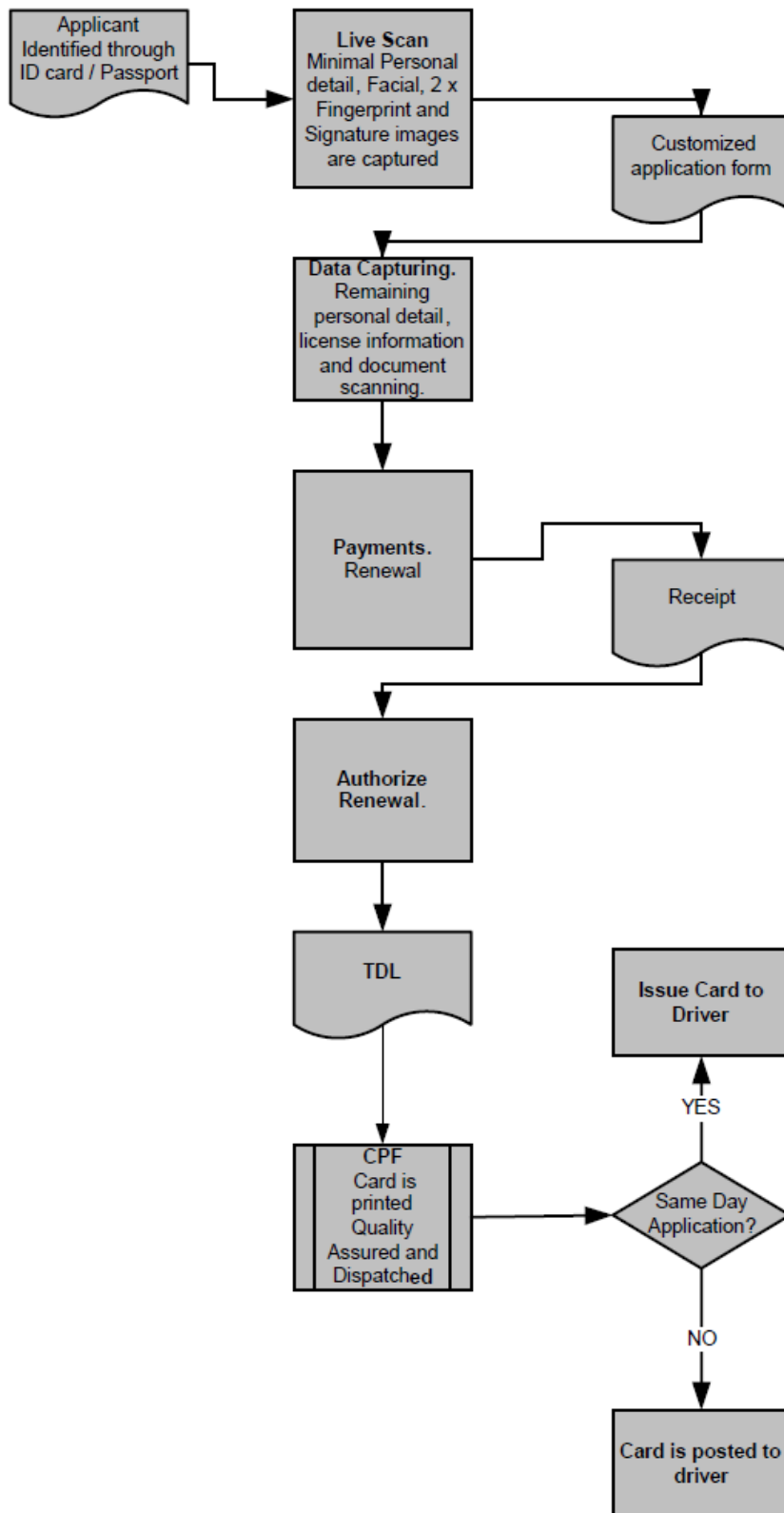


## Process C - Conversions of Foreign Driving Licenses

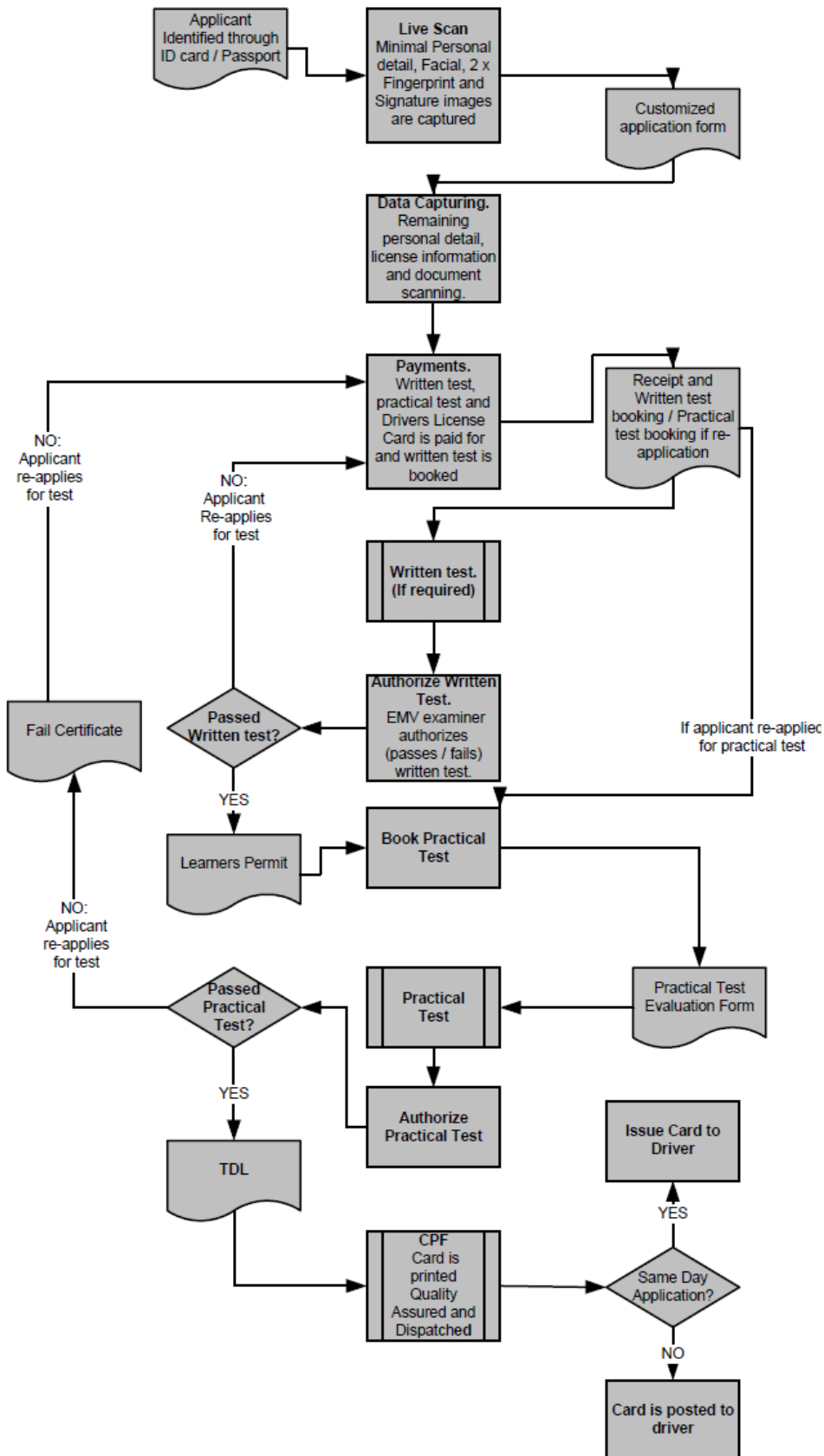




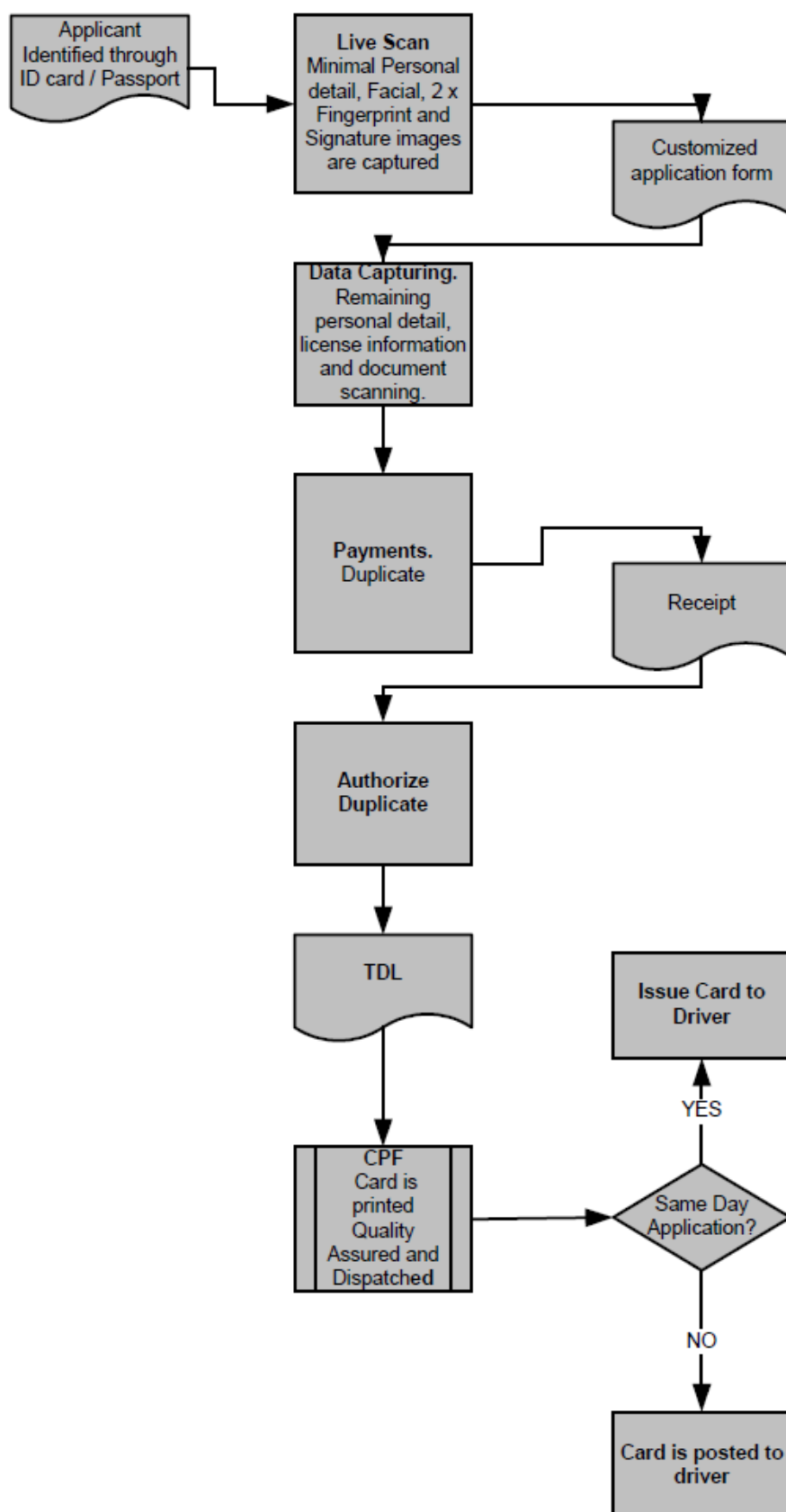
## Process D – Renewals



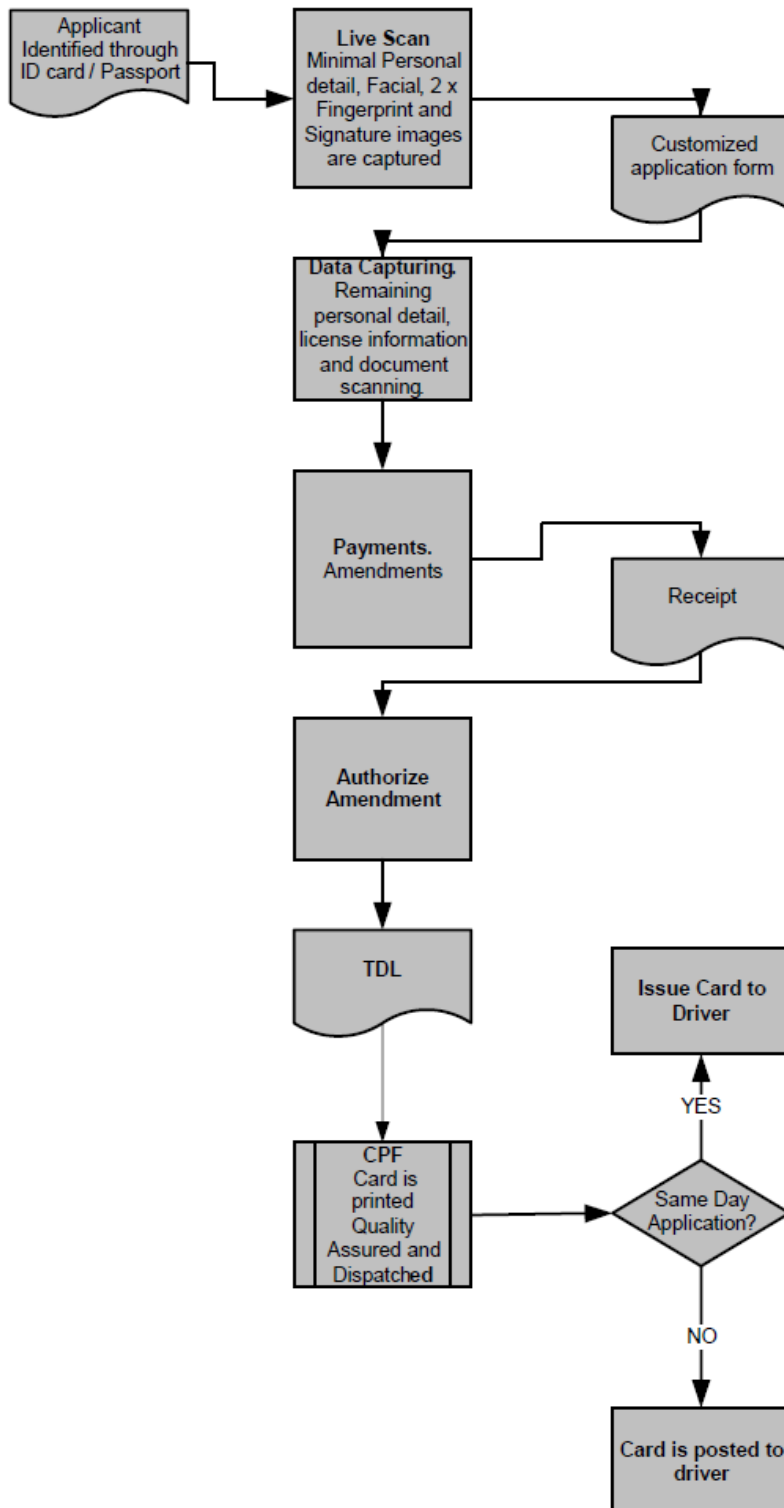
## Process E - Extension of classes of a Driving License



## Process F - Issue of Duplicate Licenses



## Process G - Change of Particulars



### **3.2 Current Driving License System**

The current system is an Oracle based system. The system is with a main data centre and a disaster recovery centre. This system is operational since March 2009 and is on a Built-Operate-Transfer (BOT) mode. The transaction volumes from 2009 to 2017 are given in Section VII.

DMT does Driving License related transactions in each of its District Offices in all 25 Districts in Sri Lanka as described in Section 3 above.

There are 03 data sources which DMT uses to carry out current transactions and they are;

- The data from the existing Driving License System which is Oracle based.
- The data from the previous Driving License System which is a system with Informix based database.
- The old Driving License data which are in manual ledgers.

However, the Bidder is expected to convert/migrate all these data to the new Driving License System to make a ONE SINGLE data repository.

Each of the 25 Offices carry out the written examination for the new Driving License applicants and also carry out the practical driving tests. The written test at Werahera primary office is automated carried out using touch screen computers. All the other branches conduct the examination in the conventional way.

DMT issues 02 main types of Driving Licenses, which is;

- Light Vehicle Driving License and
- Heavy Vehicle Driving Licenses

Light Vehicle Driving Licenses are valid for 8 years and Heavy Vehicle Driving Licenses are valid for 4 years.

Further, each new applicant and renewal applicants require submitting a medical examination report along with their applications. These medical tests are to be obtained from “National Transport Medical Institute – NTMI” only.

## Current Card

The current card is made of Plastic ABS. A sample of the current card with its design and information is given below.



The card comprises with following security features.

- Micro-printing on both sides
- High Security design with guilloches
- Micro text with wrong spelling
- OVI (magenta to green)
- Rainbow print
- Hot stamped Hologram 15 x 12 mm
- UV (blue) print
- Unique serial number

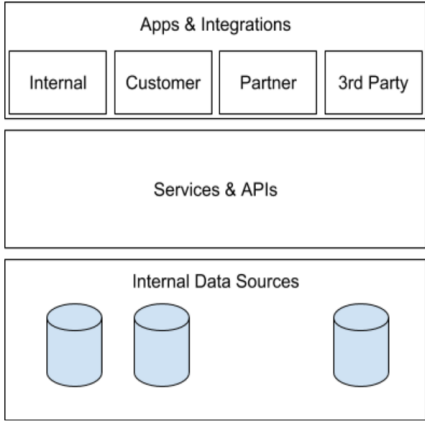
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## 4 Requirements of the Proposed New System

### 4.1 Solution Architecture Principles

The Bidder is expected to propose the best solution architecture with its own technological innovation covering the following principles.

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidders Response	
<b>Data Layer</b>	The Data Layer which is the lowest layer is the set of databases and other data systems that represent the collective data archive of Driving License system at DMT. While over time the technology solution/s may change, the data shall never be changed or lost. Therefore the Bidder is expected to architect the data layer in such a manner that in future it can remain independently of the technology solutions and can be managed separately.			
<b>Services &amp; APIs</b>	While the data layer represents the most valuable asset of DMT, no one shall be able to access or update the data directly. The services layer shall be the abstract representation of the core business capabilities of the system and is the mode to allow any other system interacts with Driving License system. Some of these services may be straight forward “data services”, or services that abstract one or more underlying data model. Some may be completely business logic services that provide a particular business function or implements a (part of a) business process. Some may be services that compose with other services to offer new functionality. Some of these services will be published for external consumption as secured and managed APIs. APIs shall be the face of ICT for all of Driving License services: they represent the capabilities that are made available for all applications, both internal and external, to perform their functions. The APIs shall be version managed and shall evolve over time as application needs and technologies evolve. The API layer is also what is throttling and protecting the safety and security of the back end systems.			

<b>Apps &amp; Integrations</b>	<p>This shall be the layer for all internal applications, customer applications (such an portal for customers or a mobile app), partner applications (such as an app for Sri Lankan missions abroad to validate licenses for issuing certifications to citizens living in other countries), and 3rd party integrations.</p> <p>A conceptual software architecture which represents the above principles is given below:</p> 			
<b>Loosely Coupled</b>	The overall solution shall be deployed in a loosely coupled fashion to support scalability, resiliency and flexible integration with other systems			
<b>Ability to Integrate</b>	The new system should be able to integrate with other stakeholders like Department of Registration of Persons (DRP - For National Identity Card data), Department of Immigrations and Emigrations (DIE – For Passport and Visa details), National Transport Medical Institute (NTMI – For Medical Records), Sri Lanka Police, Sri Lanka Embassies in Overseas etc. Centralized, reusable integration interfaces are preferred than repeated bespoke developments			
<b>Service Oriented</b>	The solution should be modular and service-oriented. Defined interfaces are assigned to each module and failure in one module should not impact the operation of others			
<b>Stateless Solution</b>	The solution should be stateless and focused on the services it provides rather than the servers. Servers should be easily replaceable or expandable with new instances to rectify failures or respond to increasing workload demands			
<b>Resistance to Modifications</b>	The solution should be resistant to unauthorized modifications from external			



	or internal sources. Interaction with the data layer must be fully auditable and justifiable with a username and details of origin associated with every record of action			
<b>Data Access Logs</b>	Any interaction with the data layer must be validated and witnessed by multiple endpoints, each of which keeps a separate copy of audit log. Audit logs must be immutable			
<b>Completeness</b>	The solution must programmatically ascertain the end-to-end completeness and integrity of all processes surrounding issuance, renewal, changes, suspension and other operational activities			
<b>Detect/Prevent Fraud</b>	The Bidders shall highlight and explain how their overall solution suite as well as the specific components can help detect and prevent internal fraud and external identity-related crime throughout the various aspects of the driving license lifecycle			
<b>Efficiency</b>	The Bidder must highlight and explain how their overall solution suite can help automate or increase the efficiency of specific business processes, reducing time spent by citizens, police officers and DMT staff in respect to driving license related activities			
<b>Sessions Security</b>	Temporal session security tokens must be used for authentication between all core application services as well as users coming from the Web Portal or Mobile Application			
<b>Non-Repudiation</b>	Consent management must be provided for driving license information access or sharing. The overall solution should ensure that data is tamper-resistant and actions against it carry the property of non-repudiation			
<b>Load Balancing</b>	Where possible, load balancing services should be used to spread workload between multiple solution components and increase system availability			
<b>Interoperability, open standards and data sharing</b>	Interoperability, using of open standards and data sharing are key areas to be addressed during the design and architecture.			
<b>Self-Healing</b>	The system must have self healing abilities in case of communication network failures to minimize downtime			

## 4.2 The Core Driving License System

The core driving license system shall include all the processes as described in the Section 3(b) above. However, Bidder is allowed to improve, bring more innovation and appropriate new technologies to the said processes. Bidder may also propose any new processes to improve the service delivery of the DMT towards any of its stakeholders.

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>Enrolment</b>	Currently, the operations of the Driving License application processing is carried out with the existing system in Werahera office and eight (08) other District branch offices and this facility shall be expanded to all the 25 District branch offices. In case this is proposed to be implemented in a phased approach, until such time, the manual applications accepted and processed by each and every non-connected branch shall be captured in to the system with appropriate data capturing and quality control technology and processes at one or more of the branch offices with the system facilities			
	The new proposed enrolment system shall pull record from the pre-enrolment web portal (described in 4.3.1) as well as allow the system users to capture citizen demographic data. The system shall also allow signature capture (through electronic signature pads) and scan and uploading of supporting documents. This facility shall be available in all 24 district branch offices. The Bidder is to provide the necessary equipment, peripherals and furnishing as listed in Annexure including the air-conditioning facilities. Only the building facilities and renovation shall be carried out by DMT.			
	Maximum user convenience shall be provided with standard and efficient queuing systems, status inquiry, display facilities and alerting (SMS etc.) mechanisms.			
<b>Data Capture</b>	All required data for a Driving License application needs to be captured in a standard manner. This includes the onsite data capturing such as applicants demographic data, Biometric data, photograph and scanning of any supporting documentation. This includes			

	data look-up services from DMTs previous Driving License data sources as well as any data integrations from third-party stakeholders like Department of Registration of Persons (DRP), Department of Immigration and Emigration (DIE) and National Transport Medical Institute (NTMI). All these data capturing has to be designed with present industry best practices with a futuristic vision.			
<b>Authorization</b>	This is a very important and critical module where the system shall provide facilities with system intelligence on any areas of concerns for the user who is executing the authorization. System shall be capable of matching data from all possible sources and modules and provide the authorization user comprehensive information set to take his/her decision to authorize.			
<b>Driving License Web Portal</b>	Citizens should be able to securely sign up, log in and apply for a new, modification or renewal of driving licenses using the DMTs Pre-Enrolment System Web Portal. The forms should be designed in an easy and user-friendly way so as to deliver a frictionless customer experience. The system should verify the integrity of all input to minimize data entry errors. The intention is to allow users to save time at the DMT offices and also help DMT officers to reduce manual data entry workload			
	There could be multiple types of applications in pre-enrolment for each type of Driving Licenses as explained in the process flows previously			
	The Web Portal must have cross-browser compatibility for major browsers and be secured with a valid SSL certificate. All application forms should be resistant to spamming performed by automatic 'non-human' scripts and the majority of the OWASP Top 10 list			
	Users should be able to save application so as to come back and submit it later. Such applications should remain in a temporary database for a given number of days within which time the applicant shall submit the application. They should be able to schedule an appointment at a DMT office as part of the application			
	This portal could be part of the existing			

	DMT website or an extension of it			
<b>Learner School Management Module</b>	Management of Learner school is a major functional requirement of the proposed solution. The head office administrative users will create the Learner School and the access to be given to an authorized person. Learner School shall feed the necessary data. Data of the new applicants shall also be fed into the system by the Learner School. Further details such as applicant's training schedule, trainer details, and special conditions are to be captured. When application is forwarded to the next stage, the same record to be used if the application is via a Learner School.			
<b>User Identity Management System (Service)</b>	The User Identity Management of this proposed system shall be designed as a separate module and loosely coupled as described in the architecture principles above. The objective is to authenticate all types of users when they log in to the system internally and externally through this User Identity Management service			
	The objective of making this module a separate independent one is to keep the system open and ready to integrate in to a National level identity management which may realize in near future with a electronically authenticable national digital identity card			
<b>Biometrics Capture Module</b>	The proposed system intends to use Fingerprint, Face Recognition and Iris Recognition as means of authenticating and validating the drivers and system users in future. The current system which has only the Fingerprint capturing has come across situations where some of the fingerprints of applicants cannot be read due to the lost status of their fingerprints and in some cases applicants without fingers			
	To overcome the said issue as well as to introduce another level of security to the system users who access critical data, these additional biometrics are to be used			
	The biometric capture systems shall allow the provision of the following services: <ul style="list-style-type: none"> <li>To provide all system users/stakeholders with secure and controlled/personalized access to the system</li> </ul>			

	<ul style="list-style-type: none"> <li>• Identification of electronic driving license examination applicant identity</li> <li>• Identification of driving license holder identity</li> </ul>			
<b>Fingerprint Capture Module</b>	The Fingerprint <b>Capture</b> Module should be capable of processing all legacy, current and new driving license holder digital fingerprint records. The Fingerprint Recognition must comply with its current industry standards as accepted. The Bidder is expected to propose the features of their Fingerprint Recognition System with the technical proposal along with the relevant reports or certifications from an internationally recognized body such as NIST and/or ISO etc. The Bidder shall propose any suitable Fingerprint scanner that shall be compatible with the proposed Fingerprint Capture System and Automated Fingerprint Identification System to be integrated into the core Driving License System			
<b>Fingerprint Capture System</b>	The fingerprint capture must comply with the ISO/IEC 19794-4 standard for fingerprint images.			
	The fingerprint must be captured at 500 dpi or more.			
	The fingerprint captured must be of a quality that can be used in an Automated Fingerprint Identification System (AFIS).			
	The fingerprint quality must be checked during the capture, providing captured fingerprints of good quality.			
	The capture software should prompt the user if the fingerprint quality does not meet the requisite quality.			
	The capture software shall have the capability of automatically enhancing the image quality of the fingerprint internally and process the records.			
	Once captured, the fingerprint image must be compressed into standard WSQ (Wavelet Scalar Quantization) format developed specifically for fingerprint images by the National Institute of Standards and Technology (NIST)			
<b>Automated Fingerprint Identification System (AFIS)</b>	The AFIS should use state of the art fingerprint recognition algorithm			
	AFIS should be configurable to enroll 1 to 10 fingerprints per person			
	AFIS should be configurable to perform			

	identification using 1 to 10 fingerprints.			
<b>Face Recognition Module</b>	The Bidder is expected to propose the features of their Facial Recognition System with the technical proposal along with the relevant reports or certifications from an internationally recognized body such as NIST and/or ISO etc. The Bidder shall propose any suitable camera that shall be compatible with the proposed Facial Capture System and Face Recognition System to be integrated into the core Driving License System			
<b>Facial Capture System</b>	The face portrait capture must comply with the ISO/IEC 19794-5 standard for face images			
	The face portrait captured must be of a quality that can be used in an Automated Face Recognition System			
	The face portrait quality must be checked during the capture, providing captured face portraits of good quality			
	The face capture system shall capable to get feature from single image			
	The capture software should prompt the user if the face portrait quality and liveness detection does not meet the requisite quality			
	Capable of processing all legacy, current and new driving license holder digital face portrait records. All necessary hardware should be bundled accordingly.			
<b>Facial Recognition system</b>	The face recognition system should be based on Artificial Intelligence (AI) and Deep Learning based platform			
	The face recognition system should be with high accuracy, high throughput, high reliability and great sensitivity in order to support ensure the quality of service for the enrolment of the services			
	The face recognition system shall support 1:1 Verification Mode and 1:N Identification. The recognition mode shall be proposed according to the service requirement as stated above			
	The 1:1 Face Verification shall compare 1:1 single image with single image and return with comparison value			
	The 1:N Face Detection shall compare 1:N single image with target database and return with Top N matching value			
	The face recognition system shall support silent liveness detection that is capable to distinguish between real person, mask, high definition photo image, Photoshop			

	image, 3D Model and other fake and fraudulent means			
	The technology provider should have participated in NIST FRVT in year 2018 or 2019			
	The Bidder is expected to propose the features of their Iris Recognition System with the technical proposal along with the relevant reports or certifications from an internationally recognized body such as NIST and/or ISO etc. The Bidder shall propose any suitable camera that shall be compatible with the proposed Iris Capture System and Automated Iris Identification System (AIIS) to be integrated into the core Driving License System			
<b>Iris Recognition Module</b>	The iris capture must comply with the ISO/IEC 19794-6 standard for iris images			
<b>Iris Capture System</b>	The iris quality must be checked during the capture			
	<p>The capture software should prompt the user if the iris image quality does not meet the requisite quality. The quality check will include:</p> <ul style="list-style-type: none"> <li>i. Iris image overall quality</li> <li>ii. Iris size</li> <li>iii. Pupil size</li> <li>iv. There should be a live image of the iris, on screen, during the capture.</li> </ul> <p>Iris must be compressed and stored in K1 format and if required stored in KIND 3 or KIND-7 format.</p>			
	The iris captured must be of a quality that can be used in an Automated Iris Identification System (AIIS)			
	The proposed AIIS must have support for these formats: JPEG 2000, BMP, RAW			
<b>Automated Iris Identification System (AIIS)</b>	Must have support for ISO/IEC 19794-6 KIND-1, KIND-3, and KIND-7 records			
	The AIIS must have open-standard based interfaces like web services (SOAP or RESTful) to be integrated with other systems			
	The system must not be dependent on any commercial vendor-locked or proprietary software or tools			
	The system must be configured in a way to do incremental matching and must be able to handle identification requests of citizens using 1: N iris search. This configuration should be selectable by GUI			
	The AIIS system must be provided as a			

	programmable software development kit (SDK) support C/C++ or Java programming language so that system integrator can be easily integrated with the whole driver license management system			
	The matching SDK must provide both 1:1 and 1:N API matching functionalities			
	The matching SDK must support for both Windows and Linux OS			
	The bidder should have participated either in NIST IREX IV or IX.			
	A standard and comprehensive System Administration Module shall be in place. The technical proposal shall describe in details the features and the facilities of this module.			
<b>Administration Module</b>	The proposed design and functionalities on user management, role management, back-end configurations etc. have to be adequately described.			
<b>Payment Module</b>	<p>A complete payment module is expected which can facilitate the current and future payment mechanisms/options allowing the maximum convenience to the users including the businesses and individuals. This should include following;</p> <ul style="list-style-type: none"> <li>• An over the counter payment receiving module which can facilitate cash, card and mobile payment options.</li> <li>• Comprehensive online payment portal which can facilitate all supporting debit/ credit card types, mobile payment options, and any other payment mechanism authorized by the Central Bank of Sri Lanka.</li> <li>• On-the-spot/ spot-fine payment options for selected traffic violations using a mobile phone.</li> </ul> <p>Comprehensive payment reconciliation module which can reconcile all payments received via all the channels with reporting facility.</p>			
<b>Digital Driving License and Driving License Mobile Application</b>	The application should provide a secure digital driving license format for the convenience of drivers. Driver view must differ from inspector view in the application. The application must support a granular access control mechanism to present different features to users based on their roles: driver, inspector, law			



	enforcement and others			
	Users must be required to register an account using a verified email address. The email address will be assigned as the username. Users must provide strong passwords and secure mechanisms to allow password reset, for instance, through personal security questions			
	At a minimum, the application must enable law enforcement officers to scan a contactless NFC chip on the physical driver's license and/or digital driver's license through the phone camera / chip reader to obtain and verify license information. The mobile application should also support a manual alternative means of presenting a digital driving license that does not rely on phone cameras such as manual input of a random code generated by the driver's mobile application			
	The mobile application must support a non-intrusive biometrics verification method for police officers to check the identity of a driver against the driving license card. When online, the application must allow police officers to find a driver in the database through biometric means if the driver has been previously enrolled			
	Drivers should be able to view the status of their license applications, current license details and driving history including fines and demerit points. The application should have a notification feature which can remind drivers of an upcoming appointment, payment deadlines, DMT announcements and others. It should also contain information of the map locations, opening hours and contact details of DMT offices			
	Law enforcement officers should be able to use the mobile application to verify physical, biometric characteristics and digital driving license details. Law enforcement officers should also be able to verify all previously issued physical driving license details through backend server requests. They should be able to suspend a license through the application. The application should also allow officers to view and issue demerit points and traffic fines			
	The application should provide a consent management mechanism where inspectors			

	who are not public officials will need to obtain consent from a driver before accessing personal details on the license. DMT staff and law enforcement officers can directly access license details by exercising their given authority depending on the specific role and job duties. The application should be able to display the consent event logs			
	The application should provide forms or hyperlinks to direct users who wish to lodge a new license or renewal application			
	The application should support any modern Android (minimum version 6.0) or Apple (minimum IOS version 10) smart-phones			
	The Bidder may shall supply law enforcement officers with 8000 mobile handheld devices to support this application			
	The mobile application must provide language support for English, Sinhala and Tamil in Unicode fonts. It shall confirm to localization standards of the Information and Communication Agency of Sri Lanka			
	The mobile application must verify the property of aliveness, meaning that the digital driver's license is being presented from the app. It should be able to detect and reject static old screenshots of a digital driving license			
	The mobile application must still be able to present and verify a valid digital driver's license even when the mobile device is offline			
	No persistent information must be stored in the mobile device. The system should be able to remotely revoke the device license access if a user reports it as stolen			
	At a minimum, the application should be secured by Two Factor Authentication with PIN of at least 6 digits long or username and password. Devices and users should be identified with unique X.509 certificates managed by a Certificate Authority environment			
	The Bidder must present any additional security features of the mobile application clearly along with the associated benefits and attack surfaces being addressed			
<b>Monitoring and Dashboard View</b>	The proposed solution shall facilitate comprehensive views to the Senior Officers' in respective divisions with large screens. System shall be capable of			

	creating the dashboard view for different user levels (mainly senior levels), and multiple views are generally expected. The Administrative Module shall facilitate creating/ configuring views as required by the DMT.			
<b>Demerit Points System</b>	The system should maintain full history of driver improvement points for all drivers. It shall facilitate the current legal requirements applicable for driver improvement points which should be compatible with the existing smartcard driving licenses and the new smartcard driving licenses issued under this project			
	Until such time the Sri Lanka Police and Judiciary System in Sri Lanka develop their own systems to enter demerit points, a separate 'Demerit Portal' shall be in place for them to enter demerit points from their service locations. Each type of traffic offences should be able to be mapped to the corresponding fines and demerit points as appropriate			
	If applicable, the system should support exceptional multiplication rules such as double demerit points in busy traffic period like long public holidays			
	System should automatically generate a Notice of Suspension or Refusal of Renewal when the point threshold has been reached by a driver in the abovementioned period. This must include the start and end date of the notice applicability			
	The system must provide an interface to view balance, add, modify and retract records in the Web Portal and Mobile Application used by drivers, DMT staff and law enforcement officers. The retract function must include justification and/or formal court ruling documentation in cases of dispute			
	Provisions shall be kept to capture and upload visual evidences when a Police Officer enforces a demerit point to a driver. This feature is to be adopted later when the necessary legal framework to enforce this feature is in place, but all provisions to implement this have to be in place.			
	The module will allow adding drivers or vehicles in a watch list/black list conditions system. This will need to be used by both law enforcement officers			

	through handheld devices and also DMT officers through the system			
<b>Watch List (Driving Licenses with Conditions, Suspensions, Cancellations etc.</b>	Adding or removing profiles from the watch list/black list must record the identity of the officer performing the action as well as a justification or reasoning for the action			
<b>Driving License Automated Test for New Applicants</b>	The Driving License written test is now automated at Werahera with 150+ touch screen PCs and the test results are integrated real-time with the system. This facility shall be expanded to all 24 district branch offices. The Bidder is to provide the necessary equipment, peripherals and furnishing as required as listed in Annexure. Building facilities and renovation shall be provided by DMT. Driving License Applicants shall be verified via biometric information prior to the commencement of the exams			
	This module will generate random questions for Multiple Choice Questions (MCQ) from the online central system. It will provide questions from a question data set which can include graphical images as well as text questions. The module must offer the ability to automatically mark the exams and record the results in the database			
	The module shall facilitate the management of the test including the functions for adding/ removing/ editing of MCQs.			
<b>Driving License Practical Test for New Applicants</b>	The solution shall facilitate the practical test. The inspector shall use a mobile device (tab) for this purpose in the field. At present there are 100 motor vehicle examiners (EMV's) who conduct driving practical tests.			
<b>Document Management System (DMS)</b>	As all the supporting documents are scanned and uploaded in to the DMS. The proposed DMS shall comply with the latest industry standard features with necessary user friendliness, efficiency, scalability and security. The Bidder is expected to propose the most suitable DMS with its features.			
<b>Report Generation</b>	A comprehensive report generation module shall be in place to generate all			

	<p>the types of Management Information reports and other reports which are generated periodically (daily, weekly, bi-weekly, monthly, quarterly, annually) and in ad-hoc manner for special purposes. There will be a significant number of standard reports generated by the Head office, Werahera and district offices.</p> <p>Most appropriate methodology adopting the latest technological enhancements shall be proposed by the Bidder for this purpose considering the critical nature and importance of reporting requirements for eliminating typical issues of generating standard and customized reports smoothly.</p>			
<b>Certificate Authority System</b>	<p>Certificate Authority (CA) System to be provided by the Bidder and shall provide a secure way of issuing credentials to users of Driving License System. The CA will issue x.509 Digital Certificates to Servers, Officers, Administrators and Operators of the Driving License System. Access to the system will be via client certificate authentication. The client certificate needs to be stored in a secure medium such as token or smartcard. The system servers will authenticate itself via SSL/TLS Server certificates</p> <p>The CA system must be based on a 3-tier Public Key Infrastructure trust hierarchy: Root, Intermediate and Issuing</p> <p>Keys, PINs and Passwords have been segregated and stored in secure tamper evident security bags. Every tamper evident security bag is accounted for by way of a register that includes bag serial number, date, time, custodian name and contents</p>			
<b>Key Management System</b>	<p>The KMS Shall provide GUI-based functions as those listed below for overall management of security keys for each mobile user/card. The functionalities of the KMS shall contain and be in accordance with the relevant requirements stated in Global Platform Key Management System Functional Requirements Specification as follows:</p> <ul style="list-style-type: none"> <li>• Key Generation</li> <li>• Key Storage</li> <li>• Key Exchange</li> <li>• Key Backup and Recovery</li> </ul>			

	<ul style="list-style-type: none"> <li>• Key Upgrade or Change</li> <li>• Key Destruction</li> <li>• The KMS must comply and support the international industry standards and the Bidder is expected to mention those standards</li> </ul>			
Sensitive Data Privacy Protection	There shall be a module governing the privacy of sensitive personal data. The module shall demonstrate how data is processed through various privacy-protecting workflows such as sanitization and de-identification depending upon the purpose of use and the recipient of the data			

## 5 Introducing Innovation and New Technology

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>Innovation and New Technology</b>	Technology innovation is considered as key requirement for the proposed solution. Therefore, a special consideration will be given for those who bring and incorporate latest and appropriate innovation for this solution.  This is applicable for all the modules across the proposed solution.			
	The Bidder shall explain the relevant Technological Innovations with explanations how they contribute a unique proposition(s) to the overall valued added proposed solution to the DMT. Key areas (but not limiting to); <ul style="list-style-type: none"> <li>• Security/ cyber security</li> <li>• Performance</li> <li>• Mobile technology</li> <li>• Alert/ reminding</li> <li>• Integrations</li> </ul>			

## 6 New Driving License Card

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>Card Body</b>	Card Base Material: The card must be a multi-layered card using polycarbonate layers. The complete Card Body including Inlay should be Poly Carbonate. Card Body material including outer overlay should be capable of personalization through Laser			
	Card Construction: The card must be fused (laminated) together with heat and pressure without any kind of glue or adhesive between the layers to ensure highest fraud resistance and lifetime			
	Card Inlay: The construction of card antenna should be made of copper,			

	aluminum or printed antenna on a foil.			
	Card Compliance: Supplied card should comply with all standard/specifications covered under ISO 14443 Type A standard for contactless smart cards and ISO 7816 T=1 standard for contact smart cards			
	Card Geometry: Shape and Physical dimensions (including thickness) to be compliant to ISO 14443-1/ISO7810 standard			
	Card life time: Must be not less than 10 years. Therefore during this lifetime, the cards must not develop cracks, print fading, major surface imperfection etc. due to ageing. The final card must have a service lifetime of minimum 10 years under normal use conditions			
	Card Quality Test: The card manufacturer must have its own testing laboratory which is needed to perform ISO 24789 relevant tests in order to obtain production accompanied quality tests.			
	Card Tamper Protection: Card opening must not be possible without breaking the card itself and card must become useless. If card is opened it should become unusable			
	General Characteristics: Card must adhere to specifications covered in ISO IEC 10373-1 Card supplier shall provide three test reports (for the reference projects) from independent accredited labs authorized to test for ISO/OEC 24789 confirming compliance to ISO 24789 and ISO/IEC10373. The test reports shall be included in the bid document.			
<b>Card Design and Security Features</b>	The Bidder shall propose 02 or more artworks designs and obtain DMTs concurrence upon the contract award			
	The DVOID is to replace the Hologram securityfeature on the present card. Apart from this, DMT requires at-least two (02) new security features in addition to the eight(08) currentfeatures listed under Section 3.2 (Current Card).			
	Cards produced in bidder's factory meets the ISO/IEC 7810, 10373 and 24789			



	requirements.			
<b>Dual Interface Chip and Chip Operating System</b>	The new Driving License card shall be a dual interface (contact and contactless) chip with operating systems and secure micro-controller unit			
	<p>Generally, the proposed dual interface chip should be able to comply with the following minimal requirements:</p> <ul style="list-style-type: none"> <li>• The identity card must support extended APDU format defined in ISO/IEC 7816-4</li> <li>• The chip OS shall be either native (or alternatively Java Card OS)</li> <li>• The chip hardware must meet common criteria certification with a minimum level of EAL 6</li> <li>• The chip must have enough memory to guarantee the proper function of the embedded OS, Applets and User Data: <ul style="list-style-type: none"> <li>○ Minimum of 190KB of ROM or flash memory for fixed code elements</li> <li>○ Minimum of 100 KB of Flash Memory for eDL application and user memory</li> </ul> </li> <li>• The chip must have End-to-End data code encryption and integrity protection, ensuring that data cannot be retrieved in plain by an attacker</li> <li>• The chip module package shall be a robust and proven solution that complies with common reliability requirements according to ISO 10373</li> </ul>			
<b>Card Lifecycle Management</b>	The system must manage and track the smart card from the point of raw card is delivered to DMT until end of life. This includes logistics movement, production processes as well as production floor resources planning. Secured Card Storage facility for Blank and Personalized cards shall be available.			
	The system should record all driving license card stock entries. The system should allow DMT staff to review shipment records from the vendor in electronic format and check against			

	shipment received. The system should support mechanism(s) to check and record all received shipments (individual or boxes of cards) in a fast and efficient manner			
	It should be possible to identify each card individually or in bulks, using a card serial number provided by the vendor. The system should track the status of individual cards such as sitting in stock at a specified location, authorized for personalization and ready for printing. The system should also track cards discarded and disposed of for quality issues or because of personalization or printing errors			
	The system should also provide a facility to track the transportation status of driving license cards, such as whether they are in production, in transit, delivered, received or ready for pickup			
	All cardholder information and various statuses shall be managed to determine security and validity of the smart card. Biometrics retrieval must be made possible via fixed / mobile stations			
<b>Driving License Card Personalization System</b>	The personalization system must be equipped with internal data management software, which is providing clear and identical interfaces for integration into the Driving License Information Core System. The system has to prepare the personalization data of the individual processing stations to perform the card personalization completely and automatically. Complete and smooth management of card personalization is a mandatory requirement.			
<b>Card Printers</b>	The Bidder shall propose for the setting up of a laser engraving card personalization facility in Werahera and four more key districts as per the requirements of the DMT. This includes card personalization , quality control and dispatch undertaken by Bidders own staff			
	For high secure DL card personalization, the system must be equipped with a laser unit. The laser engraving system must be state of the art with a real grey-scale engraving unit and an operator friendly graphical layout editor program for a various number of layouts. Laser			

	parameters needs to be stored globally and locally, therewith layout changes or adaptations can be realized with minimized effort at all decentralized personalization offices just by updating the card engraving layout. The system should be energy efficient			
	The system must be able to engrave pictures, signatures, text and barcodes (1D and 2D barcodes) as well as micro text, ghost images and logos in variable sizes with a resolution of 400 dpi or higher. Tactile laser marking must be supported by the system as well as personalization of CLI/MLI card features			
	For long term usage of the system, service & spare part support must be available for at least ten (10) years and with direct support from the manufacturer			
	The supplied personalization equipment supplied must have CE certification			
	Every offered personalization system must be equipped with an uninterrupted power supply unit to cover the integrated PCs and the production for at least two minutes			
	A chip encoding module must be available. It must allow the encoding of contact based as well as contactless based smart cards. The contactless chip encoders have to support the transponder protocol according ISO 14443 type A and B			
	<p>Minimum Personalized Security Features are as below:</p> <ul style="list-style-type: none"> <li>• Laser engraved demographic information</li> <li>• Laser engraved portrait greyscale in 400 DPI or above (Grey Scale Picture Resolution)</li> <li>• Laser engraved tactile features for demographic elements</li> <li>• Laser engraved personalized security features for MLI/CLI</li> </ul> <p>The transmission of data over the network interface has to be performed by the use of secure protocol and encrypted. An automated creation of log reports and statistics by each individual personalization system is required for card</p>			

	reconciliation			
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## 7 Driving License Data Migration and Data Management

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>Data Migration</b>	The Bidder MUST provide detailed description on how the Conversion /Migration Services are planned			
	Currently, there are three (03) data sources which DMT use for the issuance of Driving Licenses and the Supplier is expected to convert/migrate all these data to the new Driving License System to make a ONE SINGLE data repository. The data sources are; <ul style="list-style-type: none"> <li>• The data from the existing Driving License System which is Oracle based</li> <li>• The data from the previous Driving License System which is a system with Informix based database</li> <li>• The old Driving License data which are in manual ledgers</li> </ul> This shall adequately cover the required processes including the Extract, Transform and Load (E-T-L). Data cleansing is also an essential for ensuring a clear and complete database for the new solution.			
	The Bidder shall take the complete responsibility of data conversion and migration independently and the approach has to be explained. The Purchaser will be providing access to the systems and records as and when required			
<b>Data Management</b>	All data platforms such as RDBMS, document management system and other storage facilities must be running in a highly available fashion.			
	All sensitive data must be encrypted in transit and at rest to ensure confidentiality. All data platforms must have authentication, authorization and accounting features. Data platforms must support secure connectivity through authenticated links			
	Documents must be stored in a encrypted secure file system with built-in scalability, high availability, access control, fast access			

	rate, and quota mechanism			
	Access logs must be immutable and securely stored for audit trail purposes. Any direct data modification on the database without using the application must be recorded and flagged to protect the system from malicious internal administrators			
	Most suitable data backup mechanism within the data center shall be proposed. The Bidder is expected to analyze the requirement to propose the most appropriate mechanism with justifications.			

## 8 Data Centre, Enterprise Network, Operating Infrastructure and Business Continuity

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	The Datacenter (primary site/ secondary site/ zoning) and/or Disaster Recovery (DR) Centre, Enterprise ICT Network and Infrastructure required for this project shall be proposed and provided for by the Bidder with clear justifications.			
	Leveraging existing Tier-3 certified data centers is encouraged for co-location facilities. Bidder can propose alternative and acceptable options.			
	LAN/ WAN architecture to achieve the maximum security, efficiency and redundancy shall be proposed with a plan for future and timely upgrade requirements.			
	Bidder shall provide the methodology and architecture for maintaining separate environments for staging/UAT without hindrances to the production environment. Patches and updates must be rolled out and tested in the staging/UAT environment prior to deployment in production.			
	Maintaining the infrastructures updated with all required security features, patches and/or special attention which may require time-to-time/ ad-hoc manner is important. Technical approaches for the same including adequate technical explanation for maintain the security and performance throughout the duration shall			

	be explained.			
	The infrastructure availability shall be designed in such way to achieve the 99.98% availability of the complete solution.			
	The Bidders expected to propose the best hardware and networking architecture to achieve the maximum productivity and justify the architecture features.			
	The Bidders expected to propose reputed brands that have a proven track record in Sri Lanka and models of workstations, printers, scanners, mobile devices, biometric capturing devices, UPS etc. Wherever applicable, justifications shall be given for proposed equipment.			
	Business continuity is a critical requirement. Bidder shall explain the business continuity plan aligned with the proposed hardware and network infrastructure.			

## 9 Implementation, Transition and Operational Plan

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	The Bidders is expected to describe in detail the system implementation approach and methodology the Bidders is planning to use/deploy to achieve the ultimate goal of this project with an expected quality and within the time-line given for this project			
	<p>The Bidder is expected to describe in detail the system implementation approach and methodology the Bidder is planning to use/deploy to achieve the ultimate goal of this project with an expected quality and within the time-line given for this project</p> <p>Bidder is expected to describe this area in the following manner (but not limited to):</p> <ol style="list-style-type: none"> <li>How the project is approached from the point of signing the contract up to the operational acceptance and leading to support and maintenance period</li> <li>The methodologies to be used</li> <li>How the Proposer’s organization backs this project beyond the Project Team’s specific roles</li> <li>How the project communication is planned</li> <li>How smooth the issue resolution could be handled and the approaches</li> <li>Any best practices and tools used to best manage the project</li> <li>How the risks are to be managed, both within the Proposer’s side and of the Project and also at Purchaser’s side which may affect the project</li> </ol>			
	Bidder may describe any other area which may bring attention and concern of the evaluators to carry out a better assessment			

## 10 Software Development/ Customization Methodology

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	This sections shall provide adequate details with regard to the Software Development and/or customization. Bidder shall provide details of the proposed approach and methodology to be adopted in order to meet the objectives of the project.			
	Following areas are expected (but not limited to); <ul style="list-style-type: none"> <li>• Frameworks</li> <li>• Analysis and signing off</li> <li>• Customization methodology</li> <li>• Build/ development environment</li> <li>• Code repositories</li> <li>• QA and bug fixing, dashboard</li> <li>• Change management process</li> </ul>			
	Bidder shall list the deliverable reports to be delivered during the implementation period with clear explanations on acceptance criteria. A matrix driven approach is recommended.			

## 11 Project Management Plan

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	The Bidder shall provide a proposed project management plan and methodology which will cover all aspects including below (but not limiting to); <ul style="list-style-type: none"> <li>• Project Schedule</li> <li>• Milestones and Deliverables</li> <li>• Implementation Plan</li> <li>• Communications Plan</li> <li>• Risk and Risk Mitigation Strategy</li> </ul>			
	A comprehensive project Schedule/ Gantt chart (for the period of implementation, 8 months + 4 months until the proposed solution is fully operational) compiled in Microsoft Project or compatible tool shall be provided (soft-copy shall also be provided).			
	The Bidder shall propose operational			



	management capabilities adhering to the industry-standard ITIL (or equivalent) best practices for IT Service Management, providing quality control, measuring and delivering value, as well as maintaining a level of competency that in turn also assists DMT activities such as audit and reporting requirements			
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## 12 Project Governance Mechanism

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	Project governance is critical for a national level project of this nature. Bidder is expected to study on typical e-Government case studies in Sri Lanka and other countries, and shall propose the most appropriate governance mechanisms to meet the objectives of the project.			
	This shall be a collaborative approach with the DMT and all other key stakeholders. Bidder shall propose the governance bodies.			

## 13 Training and Change Management

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	People factor is being considered as the most important pillar which affects the successful implementation and sustainability of all digital transformation initiatives. Getting people empowered with required competencies will reduce the risk of adoption of any digital solution. Bidder should show understanding of the same.			
	Training/ Change Management proposal shall cover below areas (but not limiting to); <ul style="list-style-type: none"> <li>• Need Assessment and Situational analysis</li> <li>• Gap analysis and capacity building</li> <li>• Training approach and Delivery including TOT</li> <li>• Training materials and aids</li> <li>• Monitoring and evaluation</li> </ul>			

	• Schedules			
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#### 14 Project Acceptance & Transition Plan

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	Project acceptance and transition including the deliverable signing off process shall be explained with adequate details. This shall align with the project schedules and milestones with entry and exit criteria.			
	Deliverable acceptance process shall be planned in such a manner to reduce the number of review cycles considering the critical time restrictions.			
	User Acceptance Testing (UAT), Operational Acceptance processes shall be planned in a phased approach. Bidder shall propose all possible and practical methods on this.			

#### 15 Operation, Maintenance and Support Plan

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	Smooth and strict operational conditions are essential, and the Bidder shall demonstrate strong understanding of the same. Operations are decentralized and the new solution shall initiate and continue the operations without hindrances with expected increased efficiencies.			
	Maintenance approach for all components including preventive and corrective maintenance for all the software, hardware, network and other equipment shall be proposed. Related details of maintaining back-up equipment and regional support process should be included. Details {Type of Operations, Staff Presence, Address, TP numbers etc} of Bidders regional support offices shall be included with documentary evidence.			
	Support plan for all components including the categories (L1, L2 , L3 etc.), details of industry standard help-desk support and tools to be deployed to be provided.			

	A comprehensive Service Level Agreement (SLA) with acceptable response, resolution and fixing time period and communication plan.			
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## 16 Overall Staff Hierarchy

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	Bidder shall propose the overall staff hierarchy for the entire life cycle of the project, mainly categorized into 2 phases as implementation and operation. All essential staff requirements (apart from 3 key positions listed) shall be identified, and the organization of the proposed staff shall be described appropriately.			

## 17 Project Manager

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidders Response	
<b>General Requirements</b>	Key Project Manager shall work full-time basis especially during the implementation stage. Bidder shall propose a qualified person as the key Project Manager. The key Project Manager shall liaise and coordinate with all parties and shall represent as the key representative.			
	<p>The proposed Project Manager shall possess qualifications and experience as below;</p> <ul style="list-style-type: none"> <li>• BSc or equivalent in Information Technology, Information Systems</li> <li>• Post Graduate qualifications (MSc or MBA preferred) in related disciplines or management</li> <li>• Membership of Professional body (at least one recognized professional body such as PMI, BCS etc.).</li> <li>• At-least 15 years’ experience</li> <li>• Experience in project management in implementing projects for Government of Sri Lanka</li> </ul>			

## 18 Solutions Architect

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	Solution Architect shall involve in the project from the inception with other teams to design a comprehensive, robust, secure and highly available solution to meet the client’s objectives.			
	The proposed Solution Architect shall possess; <ul style="list-style-type: none"> <li>• BSc or equivalent in Information Technology, Information Systems</li> <li>• At-least 10 years’ experience</li> </ul>			

## 19 QA Manager

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	QA Manager shall ensure the quality of the solution. QA Manager shall play a significant role including defining, implementing and maintaining all quality and audit procedures and documentation.			
	The proposed QA Manager shall possess; <ul style="list-style-type: none"> <li>• BSc or equivalent in Information Technology, Information Systems</li> <li>• At-least 8 years’ experience</li> </ul>			

## 20 Support Manager

Item	Minimum Specification	Compliance		Reference (Section No and Page No(s))
		Yes/No	If “No” Bidder’s Response	
<b>General Requirements</b>	Once the Information System is in operation, the Support Manager shall ensure smooth operation. This shall cover all the elements with required processes and procedures.			
	The proposed Support Manager shall possess; <ul style="list-style-type: none"> <li>• BSc or equivalent in Information Technology, Information Systems</li> <li>• At-least 8 years’ experience</li> <li>• Experience in support role for information systems and/or solutions in Government of Sri</li> </ul>			

	Lanka			
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## ANNEXURE

### 1. Legal and Regulatory Requirements to be met by the Information System

The Information System MUST comply with the following laws and regulations:

- (i) The Motor Traffic Act 14 of 1951
- (ii) The subsequent amendments to the Motor Traffic Act mentioned above
- (iii) The respective regulations promulgated time to time by the DMT

### 2. Names of the Branch Offices with the Dates which they went “Online”

#	Name of the District Branch Office	The date which “Online” System Started
01	Werahera (Colombo)	2009-03-29
02	Kurunegala	2011-03-24
03	Hambanthota	2011-10-04
04	Gampaha	2011-12-15
05	Anuradhapura	2012-02-04
06	Kaluthara	2014-01-20
07	Jaffna	2014-11-27
08	Monaragala	2015-06-12
09	Kandy	2017-03-07

Table T\_0.5\_A: Names of the Branch Offices with the Dates which they went “Online”

### 3. Furnishing and Other Facilities

[To be used for enrollment, automated test etc.]

#	Location	User categories, and numbers
1		▪
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### 4. Number of System Users and Training Requirements

#	Location	User categories, and numbers	Training requirements
1	Head office	Senior Management - a Middle Management - b Operations - c	a1 b1 c1
2	Werahera	...	...

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**5. Useful Statistics**  
**Driving Licenses Issued from 2009-2017**

	Name of the District Office	Transaction Type	Year 2009	Year 2010	Year 2011	Year 2012	Year 2013	Year 2014	Year 2015	Year 2016	Year 2017	Grand Total
1	Anuradhapura	<b>Total</b>	-	-	-	12,650	19,477	23,902	30,530	34,078	37,142	157,779
		Change of Particulars	-	-	-	57	1,037	3,765	4,439	4,000	7,152	20,393
		Conversion	-	-	-	6,528	4,325	3,675	3,944	3,730	3,104	18,778
		Duplicate License	-	-	-	594	1,128	1,740	2,638	3,253	4,041	12,800
		Extension	-	-	-	525	1,256	1,534	2,312	2,948	2,880	10,930
		New License	-	-	-	4,946	10,911	10,210	12,955	17,104	17,076	68,256
		Renewal	-	-	-		820	2,978	4,242	3,043	2,889	13,972
2	Gampaha	<b>Total</b>	-	-	101	27,390	42,430	44,075	56,956	61,027	69,622	301,601
		Change of Particulars	-	-	-	9	258	551	665	625	1,266	3,365
		Conversion	-	-	101	10,141	8,363	7,053	7,224	6,679	6,196	35,515
		Duplicate License	-	-	-	402	926	1,523	1,859	2,152	2,986	9,446
		Extension	-	-	-	1,396	2,683	3,264	5,065	6,150	6,782	23,944
		New License	-	-	-	15,442	27,103	24,921	32,608	39,063	41,085	164,780
		Renewal	-	-	-		3,097	6,763	9,535	6,358	11,307	37,060
3	Hambantota	<b>Total</b>	-	-	2,645	15,529	15,914	21,188	26,508	27,949	34,330	144,063
		Change of Particulars	-	-	3	34	123	238	373	336	496	1,566
		Conversion	-	-	2,554	7,858	4,337	3,863	3,970	3,288	3,197	18,655
		Duplicate License	-	-	87	898	1,496	2,397	2,774	3,347	3,891	13,905
		Extension	-	-	-	500	884	1,282	1,524	1,934	2,205	7,829
		Foreign Conversion	-	-	1	1	2	7	47	33	22	111
		New License	-	-	-	6,238	7,003	7,238	8,904	12,248	15,415	50,808

		Renewal	-	-	-	-	2,069	6,163	8,916	6,763	9,104	33,015
4	Jaffna	<b>Total</b>	-	-	-	-	-	<b>11</b>	<b>9,420</b>	<b>19,392</b>	<b>19,517</b>	<b>48,340</b>
		Change of Particulars	-	-	-	-	-	2	195	190	283	670
		Conversion	-	-	-	-	-	1	1,175	1,433	1,258	3,867
		Duplicate License	-	-	-	-	-	4	924	1,322	1,495	3,745
		Extension	-	-	-	-	-	-	717	1,721	1,756	4,194
		New License	-	-	-	-	-	-	5,154	13,872	13,556	32,582
		Renewal	-	-	-	-	-	4	1,255	854	1,169	3,282
5	Kalutara	<b>Total</b>	-	-	-	-	-	<b>10,150</b>	<b>20,923</b>	<b>25,314</b>	<b>24,165</b>	<b>80,552</b>
		Change of Particulars	-	-	-	-	-	139	162	181	298	780
		Conversion	-	-	-	-	-	1,645	2,729	2,468	1,947	8,789
		Duplicate License	-	-	-	-	-	292	465	810	687	2,254
		Extension	-	-	-	-	-	782	1,897	2,415	2,453	7,547
		New License	-	-	-	-	-	5,378	12,778	16,941	15,509	50,606
		Renewal	-	-	-	-	-	1,914	2,892	2,499	3,271	10,576
6	Kandy	<b>Total</b>	-	-	-	-	-	-	-	-	<b>12,301</b>	<b>12,301</b>
		Change of Particulars	-	-	-	-	-	-	-	-	511	511
		Conversion	-	-	-	-	-	-	-	-	1,239	1,239
		Duplicate License	-	-	-	-	-	-	-	-	1,069	1,069
		Extension	-	-	-	-	-	-	-	-	1,098	1,098
		New License	-	-	-	-	-	-	-	-	3,658	3,658
		Renewal	-	-	-	-	-	-	-	-	4,726	4,726
7	Kurunegala	<b>Total</b>	-	-	<b>11,642</b>	<b>52,653</b>	<b>41,575</b>	<b>42,109</b>	<b>46,403</b>	<b>50,789</b>	<b>51,641</b>	<b>296,812</b>
		Change of Particulars	-	-		66	206	827	1,371	919	1,064	4,387
		Conversion	-	-	6,425	23,042	8,407	6,607	5,658	5,315	4,480	30,467
		Duplicate License	-	-	27	857	1,324	2,048	2,741	3,374	2,970	12,457
		Extension	-	-	207	1,662	2,497	3,205	3,812	4,587	4,674	18,775

		Foreign Conversion	-	-		17	41	37	60	13	1	152
		New License	-	-	4,983	27,009	26,454	20,796	20,909	26,233	29,401	123,793
		Renewal	-	-	-	-	2,646	8,589	11,852	10,348	9,051	42,486
8	Monaragala	<b>Total</b>	-	-	-	-	-	-	<b>3,366</b>	<b>12,736</b>	<b>13,401</b>	<b>29,503</b>
		Change of Particulars	-	-	-	-	-	-	68	135	233	436
		Conversion	-	-	-	-	-	-	391	1,024	783	2,198
		Duplicate License	-	-	-	-	-	-	214	524	746	1,484
		Extension	-	-	-	-	-	-	368	1,471	1,406	3,245
		New License	-	-	-	-	-	-	1,131	7,957	8,512	17,600
		Renewal	-	-	-	-	-	-	1,194	1,625	1,721	4,540
9	Werahera	<b>Total</b>	<b>160,109</b>	<b>368,192</b>	<b>676,984</b>	<b>514,281</b>	<b>397,516</b>	<b>363,264</b>	<b>375,393</b>	<b>399,682</b>	<b>405,213</b>	<b>3,660,634</b>
		Change of Particulars	271	552	1,614	1,975	2,839	3,924	4,551	3,943	6,728	21,985
		Conversion	143,716	250,358	362,206	186,012	91,840	68,929	60,448	51,157	40,421	312,795
		Duplicate License	157	1,868	6,086	11,152	15,462	18,299	21,581	24,616	25,645	105,603
		Extension	77	929	6,214	14,603	21,126	23,404	28,637	34,919	36,453	144,539
		Foreign Conversion	1,242	2,586	3,561	4,272	4,157	4,284	4,635	4,257	3,860	21,193
		New License	14,644	111,897	297,300	296,193	236,703	185,853	184,677	225,142	224,821	1,057,196
		Renewal	2	2	3	74	25,389	58,571	70,864	55,648	67,285	277,757
	<b>Grand Total</b>		<b>160,109</b>	<b>368,192</b>	<b>691,372</b>	<b>622,503</b>	<b>516,912</b>	<b>504,699</b>	<b>569,499</b>	<b>630,967</b>	<b>667,332</b>	<b>4,731,585</b>

Table T\_0.5\_B: Driving Licenses Issued from 2009-2017

### Offline Applications Processes From 2009-2017

	District	2009	2010	2011	2012	2013	2014	2015	2016	2017	Total	Total Reject	Total Actual Receive
1	Kandy (Now Online)	7,216	27,188	26,105	30,212	18,620	21,789	24,383	29,939	18,306	203,758	7,005	196,753
2	Galle	5,655	15,915	24,223	22,937	18,843	15,921	21,863	23,017	29,576	177,950	11,967	165,983
3	Ratnapura	4,829	12,858	28,317	29,059	16,125	16,904	23,064	22,764	16,930	170,850	11,106	159,744
4	Kegalle	4,371	12,581	12,812	21,092	21,051	15,048	16,157	19,201	21,750	144,063	6,932	137,131
5	Ampara	1,754	10,199	20,975	25,417	15,112	14,819	14,852	19,540	23,020	145,688	10,371	135,317
6	Matara	4,105	15,923	20,453	16,991	13,843	12,851	14,692	14,624	16,559	130,041	5,435	124,606
7	Puttlam	3,120	8,197	11,792	21,129	16,798	13,908	17,228	19,016	18,580	129,768	8,710	121,058
8	Badulla	5,607	10,898	16,042	13,289	8,904	11,828	13,489	19,270	19,313	118,640	6,107	112,533
9	Gampaha (Now Online)	7,940	26,964	52,507	26,676	1,845	50	-	-	-	115,982	4,307	111,675
10	Batticaloa	1,903	13,687	13,539	13,396	12,523	13,484	14,118	15,644	17,482	115,776	6,207	109,569
11	Jaffna (Now Online)	991	5,800	15,196	24,443	23,872	16,489	8,583	1,023	32	96,429	5,256	91,173
12	Kurunegala (Now Online)	11,213	32,281	37,497	10,117	542	49	11	3	1	91,714	4,254	87,460
13	Matale	2,796	8,470	12,745	10,972	10,106	9,644	10,420	12,442	12,474	90,069	4,377	85,692

14	Trincomalee	1,226	7,698	16,807	12,440	7,786	8,955	8,989	12,190	10,806	86,897	5,153	81,744
15	Kalutara (Now Online)	2,083	13,566	19,819	19,384	20,398	9,051	932	42	1	85,276	5,597	79,679
16	Polonnaruwa	2,735	6,198	8,402	7,967	6,129	7,515	8,012	13,629	11,000	71,587	3,742	67,845
17	Nuwaraeliya	2,417	8,073	7,933	8,120	9,642	7,029	8,694	10,333	10,368	72,609	5,541	67,068
18	Monaragala (Now Online)	3,328	8,769	12,694	13,198	9,537	9,588	7,743	1,513	85	66,455	3,055	63,400
19	Anuradhapura (Now Online)	4,981	18,079	22,181	15,915	4,803	101	13	1	-	66,074	3,922	62,152
20	Vavuniya	1,017	7,524	12,118	12,383	5,389	4,509	6,129	7,162	8,204	64,435	4,109	60,326
21	Hambantota (Now Online)	3,134	11,060	14,929	4,020	351	2	-	-	-	33,496	1,429	32,067
22	Kilinochchi	-	-	127	3,803	4,373	5,030	3,924	5,500	4,100	26,857	2,682	24,175
23	Mullaitivu	-	-	129	2,224	3,634	3,763	3,564	6,165	5,766	25,245	1,079	24,166
24	Mannar				925	2,511	1,967	2,792	3,141	4,357	15,693	763	14,930
25	Colombo (Online)				10	700	5	19	6	10	750	159	591
	<b>Total</b>	<b>82,421</b>	<b>281,928</b>	<b>407,342</b>	<b>366,119</b>	<b>253,437</b>	<b>220,299</b>	<b>229,671</b>	<b>256,165</b>	<b>248,720</b>	<b>2,346,102</b>	<b>129,265</b>	<b>2,216,837</b>

Table T\_0.5\_C: Number of "Offline" Driving License Applications Processes from 2009-2017



## 6. Non-functional Requirements

*[To be used as a reference guideline]*

### Security and Authentication

- Only authenticated users should be allowed. Access privileges should be granted to a user by assigning roles. The roles should be created by assigning tasks.
- The application should ensure “confidentiality” and “integrity” wherever applicable by adhering to transport and message level security standards. (i.e. HTTPS, WS-Security).

### Audit Facilities

- An audit trail of all activities must be maintained. On a service or operation being initiated, the system should log the event, creating a basic ‘audit log entry’. It should not be possible for the operation to be executed without the log entry being made.
- The information recorded in the audit trail depends on the type of activity which takes place. Each service would be responsible for logging detailed information. The different types of operations are; (not limited to)
  - Data Capture & Maintenance
  - Creation of an entry / item
  - Modification an item
  - Deletion
  - Control (or status change)
  - Process execution
  - Data synchronization
  - Print (only selected item)
  - Retrieval
  - Monitor
- Detail logging may be enabled or disabled for each type of operation, and/or for each business object. It should be possible to configure which attributes of a data item should be traced at the detail level. Tracing of some attributes may be considered mandatory, and they should not be turned off.

### High Availability and Backup

- Application level high-availability should be ensured. There shouldn't be any single-point-of-failure.
- Necessary mechanisms for off-site backup should be implemented. Backup procedure and restoration procedure should be properly documented and restoration should be properly tested.
- The main contingencies that should be considered and the training with regards to these shall be given to the relevant staff -
  - Equipment failure
  - Physical / natural Disaster
  - Breakdown in messaging or communication facilities
  - Changes in operations and policy
  - Sudden absence of key personnel
  - Breach in Security

## Performance

- Following performance criteria is provided as a guideline only. If the actual performance is falling below the stipulated figures, the consultant is to justify the reasons. However, the performance level must be accepted by the technical evaluation committee appointed by the client.
- The bandwidth is assumed at 256kbps with 50 concurrent users in total.

Item	Performance
Screen Navigation: field-to-field	< 10 milliseconds
Screen Navigation: screen-to-screen	< 5 seconds
Screen Refresh	< 3 seconds
Screen list box, combo box	< 3 seconds
Screen grid – 25 rows, 10 columns	< 5 seconds
Report preview – (all reports) – initial page view (if asynchronous)	< 60 seconds in most instances. It is understood that complicated / large volume reports may require a longer period
Simple enquiry – single table, 5 fields, 3 conditions – without screen rendering	< 5 seconds for 100,000 rows
Complex enquiry – multiple joined table (5), 10 fields, 3 conditions – without	< 8 seconds for 100,000 rows



screen rendering	
Server side validations / computations	< 10 milliseconds
Client side validations / computations	< 1 millisecond
Batch processing (if any) per 100 records	< 120 seconds
Login, authentication, and verification	< 3 seconds
Daily backups (@ Dept.) – max duration	1 hour (on-line preferred)
Total Restore (@Dept) – max duration	4 hours

## **7. SERVICE LEVEL AGREEMENT**

*[To be used as a reference guideline]*

### **Introduction**

The aim of this agreement is to provide a basis for close co-operation between the Client and the Consultant for support and maintenance services to be provided by the Consultant, thereby ensuring a timely and efficient support service is available.

This agreement is contingent upon each party knowing and fulfilling their responsibilities and generating an environment conducive to the achievement and maintenance of targeted service levels.

### **Objectives of Service Level Agreements**

1. To create an environment conducive to a co-operative relationship between Client, Consultant and Client's representatives (government organizations) to ensure the effective support of all end users.
2. To document the responsibilities of all parties taking part in the Agreement.
3. To define the commencement of the agreement, its initial term and the provision for reviews.
4. To define in detail the service to be delivered by each party and the level of service expected, thereby reducing the risk of misunderstandings.
5. To institute a formal system of objective service level monitoring ensuring that reviews of the agreement is based on factual data.
6. To provide a common understanding of service requirements/capabilities and of the principles involved in the measurement of service levels.
7. To provide for all parties to the Service Level Agreement a single, easily referenced document which caters for all objectives as listed above.

### **Service Level Monitoring**

The success of Service Level Agreements (SLA) depends fundamentally on the ability to measure performance comprehensively and accurately so that credible and reliable information can be provided to customers and support areas on the service provided.

Service factors must be meaningful, measurable and monitored constantly. Actual levels of service are to be compared with agreed target levels on a regular basis by both Client and Consultant. In the event of a discrepancy between actual and targeted service levels both

Client and Consultant are expected to identify and resolve the reason(s) for any discrepancies in close co-operation.

Service level monitoring will be performed by Client. Reports will be produced as and when required and forwarded to the Consultant.

### **Principal Period of Support (PPS) Requirements**

The Principal Period of Support (PPS) is considered in 2 categories as follows;

<b>PPS category</b>	<b>Duration</b>	<b>Applicability</b>
PPS1	From 08:00 AM to 05:00 PM Monday to Friday (excluding public holidays)	All system components.

Consultant **MUST** provide System Support and Maintenance Services during the above stipulated times.

### **On-Call Services Requirements**

Consultant **MUST** make at least ONE qualified personnel available to the Client by telephone and email for the reporting and resolution of non-conformities or other issues, defects or problems. Dedicated telephone number(s) and email(s) should be available for reporting issues. Client will nominate the personnel who are authorized to report non-conformities or other problems with the system from the head office/regional offices. Reporting of non-conformities includes requests by the Client to apply critical software updates or patches.

Table-1 shows the response priority assigned to faults according to the perceived importance of the reported situation and the required initial telephone response times for the individual priority ratings. All times indicated represent telephone response time during specified PPSs. The indicated telephone response time represents the maximum delay between a fault/request being reported and a Consultant's representative contacting the Client by telephone. The purpose of this telephone contact is to notify the Client of the receipt of the fault/request and provide the Client with details of the proposed action to be taken in respect of the particular fault/request.

	<b>Business Critical</b>	<b>Non-Business</b>
--	--------------------------	---------------------

		<b>Critical</b>
<b>Fatal</b>		
<b>Impaired</b>		

*Table-1: Response Priority**Note:*

- Fatal - Total system inoperability
- Impaired - Partial system inoperability
- Business Critical - Unable to perform core business functions
- Non-Business Critical - Able to perform limited core business functions

Consultant notification can occur outside PPS time, and thus the response may occur after the next PPS begins. Furthermore, “Time to Arrive On-Site (Table-3)” starts from PPS starting time and “Time to Resolve the Problem” is PPS time starting from the actual time of arrival on site.

### **Problem Resolution and Penalties**

If problems have not been corrected within <> hours of the initial contact, the Consultant shall send qualified maintenance personnel to the respective Client’s site to take necessary actions to correct the issue reported (defect, problem or non-conformity).

If faults are not corrected within the time limits specified in the Table-2, the Client shall be entitled to a penalty payment for each hour that the Consultant fails to resolve the fault.

The time to arrive on-site is specified in the Table-3.

	<b>Business Critical</b>	<b>Non-Business Critical</b>
<b>Fatal</b>		
<b>Impaired</b>		

*Table-2: Resolution Time and Penalties*

	<b>Business Critical</b>	<b>Non-Business Critical</b>
<b>Fatal</b>		
<b>Impaired</b>		

*Table-3: Time to arrive on-site*

# **PART 3 – CONDITIONS OF CONTRACT AND CONTRACT FORMS**

## **SECTION VIII -GENERAL CONDITIONS OF CONTRACT**

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## General Conditions of Contract

### A. CONTRACT AND INTERPRETATION

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#### 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 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 Contractual 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 in Section VII of the bidding documents.

(vii) “Implementation Schedule” means the Implementation Schedule in Section VII of the bidding documents.

viii) “Contract Price” means the price or prices defined in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement.

(ix) “Procurement Regulations” refers to the edition **specified in the SCC** of the World Bank

“Procurement Regulations for IPF Borrowers”.

- (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 Procurement Regulations that the Purchaser is obligated to follow during procurement and administration of this Contract.

(b) entities

- (i) “Purchaser” means the entity purchasing the Information System, as **specified in the SCC**.
- (ii) “Project Manager” means the person **named as such in the SCC** or otherwise appointed by the Purchaser in the manner provided in GCC Clause 18.1 (Project Manager) to perform the duties delegated by the Purchaser.
- (iii) “Supplier” means the firm or Joint Venture 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 or otherwise 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” means any firm 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 between the Purchaser and the Supplier referred to him or her by the parties,

pursuant to GCC Clause 43.1 (Adjudication).

- (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 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 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 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) **Unless otherwise specified in the SCC** “Project Site(s)” means the place(s) in the Site Table in the Technical Requirements Section 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 Procurement Regulations.
  - (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 **unless otherwise specified in the SCC**, 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.
  - (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 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.

(xiii) 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).

## 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 Governing Language

3.1.1 **Unless otherwise specified in the SCC**, all Contract Documents and related correspondence exchanged between Purchaser and Supplier shall be written in the language of these bidding documents (English), and the Contract shall be construed and interpreted in accordance with that language.

3.1.2 If any of the Contract Documents or related correspondence are prepared in a language other than the governing language under GCC Clause 3.1.1 above, the translation of such documents into the governing language shall prevail in matters of interpretation. The originating party, with respect to such documents 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 Incoterms

Incoterms means international rules for interpreting trade terms published by the International Chamber of Commerce (latest edition), 38 Cours Albert 1<sup>er</sup>, 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

If the Supplier is a Joint Venture of two or more firms, 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 firms to act as a leader with authority to bind the Joint Venture. The composition or constitution of the Joint Venture 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, pursuant to GCC Clause 4.3 below, by personal delivery, airmail post, special courier, facsimile, electronic mail, or Electronic Data Interchange (EDI), with the following provisions.
- 4.1.1 Any notice sent by 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 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, facsimile, electronic mail, or EDI addresses 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, certificates, information and other communication to be given under the Contract.
- 4.3 Pursuant to GCC Clause 18, notices from/to the Purchaser are normally given by, or addressed to, the Project Manager, while notices from/to the Supplier are normally given by, or addressed to, the Supplier's Representative, or in its absence its deputy if any. If there is no appointed Project Manager or Supplier's Representative (or deputy), or if their related authority is limited by the SCC for GCC Clauses 18.1 or 18.2.2, or for any other reason, the Purchaser or Supplier may give and receive notices at their fallback addresses. The address of the Project Manager and the fallback address of the Purchaser are as **specified in the SCC** or as subsequently established/amended. The address of the Supplier's Representative and the fallback address of the Supplier are as specified in Appendix 1 of the Contract Agreement or as subsequently established/amended.

- 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**.
- 5.2 Throughout the execution of the Contract, the Supplier shall comply with the import of goods and services prohibitions in the Purchaser's Country when
- (a) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country; or
- 5.3 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 any country, person, or entity in that country.
- 6. Fraud and Corruption**
- 6.1 The Bank requires compliance with the Bank's Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the WBG's Sanctions Framework, as set forth in the Appendix to the GCC.
- 6.2 The Purchaser requires the Suppliers to disclose any commissions or fees that may have been paid or are to be paid to agents or any other party with respect to the bidding process or execution of the Contract. The information disclosed must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity or fee.

## **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 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 tables 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 and any refinements made in the Agreed 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) in accordance with the time schedule specified in the Implementation Schedule and any refinements made in the Agreed 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 Project Plan (pursuant to GCC Clause 19.2) within the time schedule specified in the Implementation Schedule. 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 Pursuant to paragraph 2.2 e. of Appendix B to the General

Conditions the Supplier shall permit and shall cause its subcontractors and subconsultants to permit, the Bank and/or persons appointed by the Bank to inspect the Site and/or the accounts and records relating to the procurement process, selection and/or contract execution, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank. The Supplier's and its Subcontractors' and subconsultants' attention is drawn to Sub-Clause 6.1 which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank's prevailing sanctions procedures).

9.9 The Supplier shall conform to the sustainable procurement contractual provisions, if and as **specified in the SCC**.

9.10 **Unless otherwise specified in the SCC** the Supplier shall have no other Supplier responsibilities.

#### **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 Project Plan (pursuant to GCC Clause 19.2) within the time schedule specified in the Implementation Schedule. 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 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 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 Implementation Schedule and the Agreed 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 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 **Unless otherwise specified in the SCC** the Purchaser shall have no other Purchaser responsibilities.

## C. PAYMENT

- |                             |   |
|-----------------------------|---|
| <b>11. Contract Price</b>   | <p>11.1 The Contract Price shall be as specified in Article 2 (Contract Price and Terms of Payment) of the Contract Agreement.</p> <p>11.2 Unless an adjustment clause is <b>provided for in the SCC</b>, the Contract Price shall be a firm lump sum not subject to any alteration, except in the event of a Change in the System pursuant to GCC Clause 39 or to other clauses in the Contract;</p> <p>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.</p>   |
| <b>12. Terms of Payment</b> | <p>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.</p> <p style="padding-left: 40px;">The Contract Price shall be paid as <b>specified in the SCC</b>.</p> <p>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).</p> <p>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) <b>specified in the SCC</b> for the period of delay until payment has been made in full, whether before or after judgment or arbitration award.</p> <p>12.4 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 <b>as specified in the SCC</b>.</p> <p>12.5 <b>Unless otherwise specified in the SCC</b>, 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</p> |

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 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 for GCC Clause 12.1 above 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. **Unless otherwise specified in the SCC**, the reduction in value and expiration of the Advance Payment Security are calculated as follows:

$P \cdot a / (100 - a)$ , 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 Clause 12.1.

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 a bank guarantee in the form provided in the Sample Contractual Forms Section of the bidding documents, or it shall be in another form acceptable to the Purchaser.

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 twenty-eight (28) days after its expiration.

13.3.4 Upon Operational Acceptance of the entire System, the security shall be reduced to the amount **specified in the SCC**, on the date of the 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

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### 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 **unless otherwise specified in the SCC** to a legally constituted successor organization (e.g., a reorganization of a public entity formally authorized by the government or through a merger or acquisition of a private entity).
- 15.4 **Unless otherwise specified in 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 **Unless otherwise specified in the SCC**, escrow arrangements shall NOT be required.

**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) **unless otherwise specified in the SCC** valid throughout the territory of the Purchaser's Country;
  - (iv) **unless otherwise specified in the SCC** subject to NO additional restrictions.
- (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) 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, 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) **unless otherwise 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) **unless otherwise specified in the SCC** disclosed to, and reproduced for use by, NO other parties.

16.2 The Supplier has the right to audit the Standard Software to verify compliance with the above license agreements. **Unless otherwise specified in the SCC**, 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. If and only if, expressly agreed in writing between the Purchaser and the Supplier, Purchaser will allow, under a pre-specified agreed procedure, the execution of embedded software functions under Supplier's control, and unencumbered transmission of resulting information on software usage.

## **17. Confidential Information**

17.1 **Unless otherwise specified in the SCC**, the "Receiving Party" (either the Purchaser or the Supplier) shall 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") connected with this Contract, and furnished directly or indirectly by the Disclosing Party prior to or during performance, or following termination, of this Contract.

17.2 For the purposes of GCC Clause 17.1, the Supplier is also deemed to be the Receiving Party of Confidential Information generated by the Supplier itself 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.

17.3 Notwithstanding GCC Clauses 17.1 and 17.2:

- (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.

17.4 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.

17.5 The obligation of a party under GCC Clauses 17.1 through 17.4 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.

17.6 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.

- 17.7 **Unless otherwise specified in the SCC**, the provisions of this GCC Clause 17 shall survive the termination, for whatever reason, of the Contract for three (3) years.

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

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### **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. **Unless otherwise 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, and shall normally be the person giving or receiving notices on behalf of the Purchaser pursuant to GCC Clause 4.

### **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 **Unless otherwise 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, and shall normally be the person giving or receiving notices on behalf of the Supplier pursuant to GCC Clause 4.

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 the notice of it has been delivered.

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 **Unless otherwise specified in the SCC**, within thirty (30) days from the Effective Date of the Contract, the Supplier shall present a Project Plan to the Purchaser. The Purchaser shall, within fourteen (14) 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 five (5) days of receipt of such notification, correct the Project Plan and resubmit to the Purchaser. The Purchaser shall, within five (5) 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 non-conformities, the Purchaser shall provide confirmation in writing to the Supplier. This approved Project Plan ("the Agreed Project Plan") shall be contractually binding on the Purchaser and the Supplier.

19.3 If required, the impact on the Implementation Schedule of modifications agreed during finalization of the Agreed 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 Project Plan and the Contract.

19.5 **Unless otherwise specified in the SCC**, the Supplier shall submit to the Purchaser Monthly Progress Reports summarizing:

- (i) results accomplished during the prior period;
- (ii) cumulative deviations to date from schedule of progress milestones as specified in the Agreed Project Plan;
- (iii) corrective actions to be taken to return to planned schedule of progress; proposed revisions to planned schedule;
- (iv) other issues and outstanding problems; proposed actions to be taken;
- (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;
- (vi) other issues or potential problems the Supplier foresees that could impact on project progress and/or effectiveness.

19.6 The Supplier shall submit to the Purchaser other (periodic) reports **as specified in the SCC**.

## **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, or in Appendix 3 of the Contract Agreement.

**21. Design and Engineering**      **and 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. 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 Controlling Technical Documents by the Project Manager

**21.3.1 Unless otherwise specified in the SCC**, there will NO Controlling Technical Documents required. However, **if the SCC specifies** Controlling Technical Documents, the Supplier shall prepare and furnish such documents 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 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 may be referred to the Adjudicator for determination in accordance with GCC Clause 43.1 (Adjudication). If such dispute 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 43.1.2, 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**

22.1 Subject to related Purchaser's responsibilities pursuant to GCC Clauses 10 and 14, the Supplier shall manufacture or

**Transport**

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 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 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 tables in its bid.
- 23.4 **Unless otherwise specified in the SCC**, during the Warranty Period, 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 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 or its representative 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 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 43 (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 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 Contractual Forms Section in the bidding documents, stating that the System, or major component or Subsystem (if Acceptance by major component or Subsystem is specified pursuant to the SCC for GCC Clause 27.2.1), 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 pursuant to the SCC for GCC Clause 27.2.1) 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 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 major components or Subsystem[s]), 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. **Unless otherwise specified in the SCC**, the Operational Acceptance Tests during Commissioning will be conducted as specified in the Technical Requirements and/or the Agreed 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 components, pursuant to the SCC for GCC Clause 27.2.1) cannot be successfully completed within ninety (90) days 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 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 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 so specified in the SCC for GCC Clause 27.2.1, 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 an integrated whole (if so specified in the SCC for GCC Clauses 12.1 and 27.2.1) 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

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### **28. Operational Acceptance Time Guarantee**

28.1 The Supplier guarantees that it shall complete the supply, Installation, Commissioning, and achieve Operational Acceptance of the System (or Subsystems, pursuant to the SCC for GCC Clause 27.2.1) within the time periods specified in the Implementation Schedule and/or the Agreed 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 **Unless otherwise specified in the SCC**, if the Supplier fails to supply, install, commission, and achieve Operational Acceptance of the System (or Subsystems pursuant to the SCC for GCC Clause 27.2.1) within the time for achieving Operational Acceptance specified in the Implementation Schedule or the Agreed 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 of one half of one percent per week as a percentage of the Contract Price (exclusive of Recurrent Costs if any), 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 of ten (10) percent of the Contract Price (exclusive of Recurrent Costs if any). 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 and/or Agreed 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. **Unless otherwise specified in the SCC**, there will be NO exceptions and/or limitations to this warranty with respect to Software (or categories of Software). 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 **Unless otherwise specified in the SCC**, 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, and (ii) they have been previously released to the market.

29.4 **Unless otherwise specified in the SCC**, 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 thirty-six (36) months.

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 **Unless otherwise specified in the SCC**, the response times and repair/replacement times for Warranty Defect Repair are specified in the Technical Requirements. Nevertheless, if the Supplier fails to commence the work necessary to remedy such defect or any damage to the System caused by such defect within two weeks 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. For reasons of information security, the Purchaser may choose to retain physical possession of any replaced defective information storage devices.

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 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.

30.3 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

- (a) 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;
- (b) 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 contracted 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 is 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 Liability**

of 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**

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### **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 affected 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**

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### **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 Contractual 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 a “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

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. 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.

39.4 Value engineering. The Supplier may prepare, at its own cost, a value engineering proposal at any time during the performance of the Contract. The value engineering proposal shall, at a minimum, include the following;

- (a) the proposed change(s), and a description of the difference to the existing Contract requirements;
- (b) a full cost/benefit analysis of the proposed change(s) including a description and estimate of costs (including life cycle costs) the Purchaser

may incur in implementing the value engineering proposal; and

- (c) a description of any effect(s) of the change on performance/functionality.

The Purchaser may accept the value engineering proposal if the proposal demonstrates benefits that:

- (a) accelerates the delivery period; or
- (b) reduces the Contract Price or the life cycle costs to the Purchaser; or
- (c) improves the quality, efficiency, safety or sustainability of the systems; or
- (d) yields any other benefits to the Purchaser,

without compromising the necessary functions of the systems.

If the value engineering proposal is approved by the Purchaser and results in:

- (a) a reduction of the Contract Price; the amount to be paid to the Supplier shall be the percentage specified in the SCC of the reduction in the Contract Price; or

(b) an increase in the Contract Price; but results in a reduction in life cycle costs due to any benefit described in (a) to (d) above, the amount to be paid to the Suppliers shall be the full increase in the Contract Price.

**40. Extension of Time 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 43.

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 therefore 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 Fraud and Corruption, as defined in paragraph 2.2 a. of the Appendix to the GCC, 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.

#### 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 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.

### **I. SETTLEMENT OF DISPUTES**

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#### **43. Settlement of Disputes**

##### **43.1 Adjudication**

43.1.1 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 by mutual consultation. If the parties fail to resolve such a dispute by mutual consultation within fourteen (14) days after one party has notified the other in writing of the dispute, then, if the Contract Agreement in Appendix 2 includes and names an Adjudicator, the dispute shall, within another fourteen (14) days, 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 twenty-eight (28) days (instead of fourteen), upon expiry of which either party may move to the notification of arbitration pursuant to GCC Clause 43.2.1.

43.1.2 The Adjudicator shall give his or her decision in writing to both parties within twenty-eight (28) days of the 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.

43.1.3 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.

43.1.4 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.

## 43.2 Arbitration

### 43.2.1 If

- (a) the Purchaser or the Supplier is dissatisfied with the Adjudicator's decision and acts before this decision has become final and binding pursuant to GCC Clause 43.1.2, or
- (b) the Adjudicator fails to give a decision within the allotted time from referral of the dispute pursuant to GCC Clause 43.1.2, and the Purchaser or the Supplier acts within the following fourteen (14) days, or
- (c) in the absence of an Adjudicator from the Contract Agreement, the mutual consultation pursuant to GCC Clause 43.1.1 expires without resolution of the dispute and the Purchaser or the Supplier acts within the following fourteen (14) days,

then either the Purchaser or the Supplier may act to give notice to the other party, with a copy for information to the Adjudicator in case an Adjudicator had been involved, 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.

43.2.2 Any dispute in respect of which a notice of intention to commence arbitration has been given, in accordance with GCC Clause 43.2.1, shall be finally settled by arbitration. Arbitration may be commenced prior to or after Installation of the Information System.

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

43.3 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.

## APPENDIX

### Fraud and Corruption

*(Text in this Appendix shall not be modified)*

#### 1. Purpose

- 1.1 The Bank's Anti-Corruption Guidelines and this annex apply with respect to procurement under Bank Investment Project Financing operations.

#### 2. Requirements

- 2.1 The Bank requires that Borrowers (including beneficiaries of Bank financing); bidders(applicants/proposers), consultants, contractors and suppliers; any sub-contractors, sub-consultants, service providers or suppliers; any agents (whether declared or not); and any of their personnel, observe the highest standard of ethics during the procurement process, selection and contract execution of Bank-financed contracts, and refrain from Fraud and Corruption.

- 2.2 To this end, the Bank:

- a. Defines, for the purposes of this provision, the terms set forth below as follows:
  - i. "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
  - ii. "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
  - iii. "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
  - iv. "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - v. "obstructive practice" is:
    - (a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
    - (b) acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under paragraph 2.2 e. below.
- b. Rejects a proposal for award if the Bank determines that the firm or individual recommended for award, any of its personnel, or its agents, or its sub-consultants, sub-contractors, service providers, suppliers and/ or their employees, has, directly or

indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;

- c. In addition to the legal remedies set out in the relevant Legal Agreement, may take other appropriate actions, including declaring misprocurement, if the Bank determines at any time that representatives of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement process, selection and/or execution of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;
- d. Pursuant to the Bank's Anti-Corruption Guidelines, and in accordance with the Bank's prevailing sanctions policies and procedures, may sanction a firm or individual, either indefinitely or for a stated period of time, including by publicly declaring such firm or individual ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;<sup>4</sup> (ii) to be a nominated<sup>5</sup> sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project;
- e. Requires that a clause be included in bidding/request for proposals documents and in contracts financed by a Bank loan, requiring (i) bidders(applicants/proposers), consultants, contractors, and suppliers, and their sub-contractors, sub-consultants, service providers, suppliers, agents personnel, permit the Bank to inspect<sup>6</sup> all accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have them audited by auditors appointed by the Bank.

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<sup>4</sup> For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

<sup>5</sup> A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

<sup>6</sup> Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.

## SECTION IX - SPECIAL CONDITIONS OF CONTRACT

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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.

### A. CONTRACT AND INTERPRETATION

#### 1. Definitions (GCC Clause 1)

GCC 1.1 (a) (ix)	The applicable edition of the Procurement Regulation is dated:  <b>GOSL Procurement Guidelines of 2006</b>
GCC 1.1 (b) (i)	The Purchaser is: <b>Ministry of Transport and Civil Aviation</b>
GCC 1.1 (b) (ii)	The Project Manager is: <b>Commissioner (ICT), Department of Motor Traffic, Sri Lanka</b>
GCC 1.1 (e) (i)	The Purchaser's Country is: <b>Sri Lanka</b>
GCC 1.1 (e) (x)	The Contract period is: <b>Seven (07)</b>
GCC 1.1 (e) (xiii)	The Post-Warranty Services Period is:  <b>Supplier is expected to provide the support, maintenance, warranty and post-warranty services until the contract period is completed</b>

#### 2. Notices (GCC Clause 4)

GCC 4.3	<p>Address of the Project Manager:</p> <p><b>Thushara Suraweera</b>  <b>Commissioner (ICT),</b>  <b>Department of Motor Traffic,</b>  <b>341, Elvitigala Mawatha, Colombo 05, Sri Lanka.</b>  <b>T.P. 00 112 608127</b>  <b>Fax: 00 112 675027</b>  <b>Email: <a href="mailto:commict@dmr.gov.lk">commict@dmr.gov.lk</a></b></p> <p>Fallback address of the Purchaser:</p> <p><b>Commissioner General of Motor Traffic,</b>  <b>Department of Motor Traffic,</b>  <b>341, Elvitigala Mawatha, Colombo 05, Sri Lanka.</b>  <b>T.P. 00 112 698717</b></p>
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	<b>Fax: 00 115361338</b> <b>Email: <a href="mailto:cg@dmr.gov.lk">cg@dmr.gov.lk</a></b>
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### 3. Governing Law (GCC Clause 5)

GCC 5.1	The Contract shall be interpreted in accordance with the laws of: <b>Sri Lanka</b>
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## B. SUBJECT MATTER OF CONTRACT

### 1. 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 tables in the Supplier's Bid:</p> <ul style="list-style-type: none"> <li>(a) All spare parts and consumables including office stationery required to maintain an uninterrupted operation of the Driving License System.</li> <li>(b) Any other items as defined and mutually agreed by the Purchaser and Supplier time to time.</li> <li>(c) Cost for these items will NOT be paid separately at any time but shall be included in the per card price as proposed by the proposer.</li> </ul>
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### 2. Time for Commencement and Operational Acceptance (GCC Clause 8)

GCC 8.1	<p>The Supplier shall commence work on the System within:</p> <p>Duration for the project implementation:</p> <p>Phase-1: 8 months (transition of existing online operations to the new solution (with data available in existing systems transferred to new system)).</p> <p>Phase-2: 4 months (complete scope as per the Terms of Reference, with fully operational stage)</p>
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### 3. Supplier's Responsibilities (GCC Clause 9)

GCC 9.9	There are no Special Conditions of Contract applicable to GCC Clause 9.9
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## C. PAYMENT

### 4. Contract Price (GCC Clause 11)

GCC 11.2	<p>Adjustments to the Contract Price shall be as follows:</p> <p>If Sri Lanka Rupee exchange rate against US\$ fluctuates more than 10% based on the same rate prevailed on the date of contract, the Supplier is entitled to make a request by submitting with the appropriate supporting documents to substantiate the said claim to adjust the contract price. This will be considered by the Purchaser on case by case basis and also based on the cost incurred by the Supplier on foreign exchange. The source of exchange rate will be the selling exchange rate published by the Central Bank of Sri Lanka.</p>
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### 5. 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 according to the categories and in the manner specified below.</p> <ul style="list-style-type: none"> <li>(a) Monthly Payment for the number of personalized Driving Licenses issued through the Driving License system as according to the 'Per Driving License Personalization and Printing Price'.</li> <li>(b) All personalized and printed Driving License Cards issuances are subjected to payments.</li> <li>(c) The standard average number of Driving Licenses issued per month by the Purchaser is 60,000 (Sixty Thousand Only)</li> <li>(d) In the case of monthly issued Driving Licenses are lower than 40,000 (Forty Thousand Only), Purchaser agrees to pay the Supplier considering the number of Issued Driving Licenses as 40,000.</li> <li>(e) In the case of monthly issued Driving Licenses are above 80,000 (Eighty Thousand), Purchaser shall pay the Supplier only 90% of the per DL Card price for the DL card issued beyond 80,000.</li> </ul> <p>Payments for any 'Change Requests' shall be invoiced separately in accordance with GCC 39.</p>
GCC 12.3	<p>Payments shall be made promptly by the Purchaser, but in no case later than sixty (60) days after submission of a valid invoice by the Supplier. The Purchaser shall pay to the Supplier interest on the delayed payments after the 61<sup>st</sup> date as per the appropriate interest rate published by the Central Bank of Sri Lanka on the 61<sup>st</sup> date mentioned above.</p>
GCC 12.4	<p>The Supplier shall invoice the Purchaser in the currency used in the Contract Agreement which is Sri Lankan Rupees.</p>

**6. Securities (GCC Clause 13)**

GCC 13.3.1	The Performance Security shall be denominated in Sri Lankan Rupees for an amount equal to ten percent (10%) of the Total Contract Price. Total Contract Price will be calculated based on the following formula;  Total Contract Price = Supplier's per DL Card Price * Average Monthly Driving Licenses issued in 2018 * 84
GCC 13.3.4	There are no Special Conditions of Contract applicable to GCC Clause 13.3.4

**D. INTELLECTUAL PROPERTY****7. Copyright (GCC Clause 15)**

GCC 15.3	There are no Special Conditions of Contract applicable to GCC Clause 15.3
GCC 15.4	There are no Special Conditions of Contract applicable to GCC Clause 15.4
GCC 15.5	There are no Special Conditions of Contract applicable to GCC Clause 15.5

**8. Software License Agreements (GCC Clause 16)**

GCC 16.1 (a) (iv)	There are no Special Conditions of Contract applicable to GCC Clause 16.1 (a) (iv)
GCC 16.1 (b) (vi)	There are no Special Conditions of Contract applicable to GCC Clause 16.1 (b) (vi)
GCC 16.1 (b) (vii)	There are no Special Conditions of Contract applicable to GCC Clause 16.1 (b) (vii)
GCC 16.2	There are no Special Conditions of Contract applicable to GCC Clause 16.2

**9. Confidential Information (GCC Clause 17)**

GCC 17.1	There are no Special Conditions of Contract applicable to GCC Clause 17.1
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## **E. SUPPLY, INSTALLATION, TESTING, COMMISSIONING, AND ACCEPTANCE OF THE SYSTEM**

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### **10. Representatives (GCC Clause 18)**

GCC 18.1	There are no Special Conditions of Contract applicable to GCC Clause 18.1
GCC 18.2.2	There are no Special Conditions of Contract applicable to GCC Clause 18.2.2

### **11. Project Plan (GCC Clause 19)**

GCC 19.1	<p>Chapters in the Project Plan may address (but not limited to) the following subjects:</p> <ul style="list-style-type: none"> <li>(a) <b>Project Organization and Management Plan, including quality assurance, configuration management, problem escalation and resolution, etc.</b></li> <li>(b) <b>Systems Development Methodology Plan</b></li> <li>(c) <b>Delivery and Installation Plan</b></li> <li>(d) <b>Integration and Data Migration Plan</b></li> <li>(e) <b>Training and Change Management Plans</b></li> <li>(f) <b>Documentation Plan</b></li> <li>(g) <b>Verification, Validation and Testing Plan</b></li> <li>(h) <b>Technical Support Plan, including Warranty Services</b></li> <li>(i) <b>Task, Time, and Resource Schedules;</b></li> </ul> <p>Proposer may use in GANTT format <b>to describe the Project plans.</b></p> <p>Further details regarding the required contents of each of the above chapters are contained in the Technical Requirements.</p>
GCC 19.6	Any other reports as mutually agreed by the Purchaser and Supplier.

### **12. Design and Engineering (GCC Clause 21)**

GCC 21.3.1	There are no Special Conditions of Contract applicable to GCC Clause 21.3.1
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### **13. Product Upgrades (GCC Clause 23)**

GCC 23.4	There are no Special Conditions of Contract applicable to GCC Clause
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	23.4
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#### 14. Inspections and Tests (GCC Clause 25)

GCC 25	There are no Special Conditions of Contract applicable to GCC Clause 25
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#### 15. Commissioning and Operational Acceptance (GCC Clause 27)

GCC 27.2.1	There are no Special Conditions of Contract applicable to GCC Clause 27.2.1
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### F. GUARANTEES AND LIABILITIES

#### 16. Operational Acceptance Time Guarantee (GCC Clause 28)

GCC 28.2	<p>In the event of Supplier become liable to pay liquidated damages, the full amount of liquidated damage will be recovered from the initial monthly payment/s due as per the invoiced value by the Supplier. In case the first month's invoiced value is not sufficient to recover the liquidated damages, first monthly payment will not be paid and the balance will be recovered from the subsequent monthly payments.</p> <p>Purchaser may consider recovery otherwise upon a request made by the Supplier.</p> <p>Total Contract Price will be calculated based on the following formula;  Total Contract Price = Supplier's per DL Card Price * Average Monthly Driving Licenses issued in 2018 * 84</p>
GCC 28.3	There are no Special Conditions of Contract applicable to GCC Clause 28.3.

#### 17. Defect Liability (GCC Clause 29)

GCC 29.1	There are no Special Conditions of Contract applicable to GCC Clause 29.1.
GCC 29.4	There are no Special Conditions of Contract applicable to GCC Clause 29.4.
GCC 29.10	There are no Special Conditions of Contract applicable to GCC Clause 29.10.

#### 18. Functional Guarantees (GCC Clause 30)

GCC 30	There are no Special Conditions of Contract applicable to GCC Clause
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## **G. RISK DISTRIBUTION**

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### **19. Insurances (GCC Clause 37)**

GCC 37.1 (c)	The Supplier shall obtain Third-Party Liability Insurance for an amount not less than Sri Lankan Rupees Fifty Million (LKR 50,000,000) with deductible limits of no more than Sri Lankan Rupees Five Hundred Thousand (LKR 500,000). The Insurance shall cover the period from Effective Date of the Contract until the BOO period is completed.
GCC 37.1 (e)	There are no Special Conditions of Contract applicable to GCC Clause 37.1 (e).

## **H. CHANGE IN CONTRACT ELEMENTS**

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### **20. Changes to the System (GCC Clause 39)**

GCC 39.4	There are no Special Conditions of Contract applicable to GCC Clause 39.4.
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## **I. SETTLEMENT OF DISPUTES**

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### **21. Settlement of Disputes (GCC Clause 43)**

GCC 43.1.4	Not Applicable. However, a mediation/arbitration process will be proposed in the Contract.
GCC 43.2.3	<p>If the Supplier is from outside the Purchaser's Country arbitration proceedings shall be conducted in accordance with the rules of arbitration of one of the following:</p> <p>(a) <i>UNCITRAL</i>  (b) <i>The International Chamber of Commerce (ICC)</i>  (c) <i>The Arbitration Institute of the Stockholm Chamber of Commerce or</i>  (d) <i>The London Court of International Arbitration.</i></p> <p>These rules, in the version in force at the time of the request for arbitration, will be deemed to form part of this Contract.</p> <p>If the Supplier is a national of the Purchaser's Country, any dispute between the Purchaser and a Supplier arising in connection with the present Contract shall be referred to arbitration in accordance with the laws of the Purchaser's country.</p>





## SECTION X - CONTRACT FORMS

### Notes to the Purchaser on preparing the Contract Forms

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**Performance Security:** 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 Security:** Pursuant to 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 an Advance Payment.

**Installation and Operational Acceptance Certificates:** Recommended formats for these certificates are included in this SPD. 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 document 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 document unaltered. 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 document.

### Notes to Bidders on working with the Sample Contractual Forms

---

The following forms are to be completed and submitted by the successful Bidder following receipt of the Letter of Acceptance from the Purchaser: (i) Contract Agreement, with all Appendices; (ii) Performance Security; and (iii) Advance Payment Security.

- **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.
- **Advance Payment Security:** Pursuant to GCC Clause 13.2, the successful Bidder is required to provide a bank guarantee for the full amount of the Advance Payment - if an Advance Payment is specified in the SCC for GCC

Clause 12.1 - 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 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 Order 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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## NOTIFICATION OF INTENTION TO AWARD

***[This Notification of Intention to Award shall be sent to each Bidder that submitted a Bid.]***

***[Send this Notification to the Bidder's Authorized Representative named in the Bidder Information Form]***

For the attention of Bidder's Authorized Representative

Name: *[insert Authorized Representative's name]*

Address: *[insert Authorized Representative's Address]*

Telephone/Fax numbers: *[insert Authorized Representative's telephone/fax numbers]*

Email Address: *[insert Authorized Representative's email address]*

***[IMPORTANT: insert the date that this Notification is transmitted to all participating Bidders. The Notification must be sent to all Bidders simultaneously. This means on the same date and as close to the same time as possible.]***

**DATE OF TRANSMISSION:** This Notification is sent by: *[email/fax]* on *[date]* (local time)

### Notification of Intention to Award

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

**Project:** *[insert name of project]*

**Contract title:** *[insert the name of the contract]*

**Country:** *[insert country where RFB is issued]*

**Loan No. /Credit No. / Grant No.:** *[insert reference number for loan/credit/grant]*

**RFB No:** *[insert RFB reference number from Procurement Plan]*

This Notification of Intention to Award (Notification) notifies you of our decision to award the above contract. The transmission of this Notification begins the Standstill Period. During the Standstill Period you may:

- a) request a debriefing in relation to the evaluation of your Bid, and/or
- b) submit a Procurement-related Complaint in relation to the decision to award the contract.

#### 1. The successful Bidder

<b>Name:</b>	<i>[insert name of successful Bidder]</i>
<b>Address:</b>	<i>[insert address of the successful Bidder]</i>

<b>Contract price:</b>	<i>[insert contract price of the successful Bidder]</i>
<b>Total combined score:</b>	<i>[insert the total combined score of the successful Bidder]</i>

**2. Other Bidders** *[INSTRUCTIONS: insert names of all Bidders that submitted a Bid. If the Bid's price was evaluated include the evaluated price as well as the Bid price as read out.]*

<b>Name of Bidder</b>	<b>Technical Score (If applicable)</b>	<b>Bid price</b>	<b>Evaluated Bid Cost</b>	<b>Combined Score (if applicable)</b>
<i>[insert name]</i>	<i>[insert Technical score]</i>	<i>[insert Bid price]</i>	<i>[insert evaluated cost]</i>	<i>[insert combined score]</i>
<i>[insert name]</i>	<i>[insert Technical score]</i>	<i>[insert Bid price]</i>	<i>[insert evaluated cost]</i>	<i>[insert combined score]</i>
<i>[insert name]</i>	<i>[insert Technical score]</i>	<i>[insert Bid price]</i>	<i>[insert evaluated cost]</i>	<i>[insert combined score]</i>
<i>[insert name]</i>	<i>[insert Technical score]</i>	<i>[insert Bid price]</i>	<i>[insert evaluated cost]</i>	<i>[insert combined score]</i>
<i>[insert name]</i>	<i>[insert Technical score]</i>	<i>[insert Bid price]</i>	<i>[insert evaluated cost]</i>	<i>[insert combined score]</i>

**3. Reason/s why your Bid was unsuccessful** *[Delete if the combined score already reveals the reason]*

*[INSTRUCTIONS; State the reason/s why this Bidder's Bid was unsuccessful. Do NOT include: (a) a point by point comparison with another Bidder's Bid or (b) information that is marked confidential by the Bidder in its Bid.]*

**4. How to request a debriefing**

**DEADLINE:** The deadline to request a debriefing expires at midnight on *[insert date]* (local time).

You may request a debriefing in relation to the results of the evaluation of your Bid. If you decide to request a debriefing your written request must be made within three (3) Business Days of receipt of this Notification of Intention to Award.

Provide the contract name, reference number, name of the Bidder, contact details; and address the request for debriefing as follows:

**Attention:** *[insert full name of person, if applicable]*

**Title/position:** *[insert title/position]*

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

**Email address:** *[insert email address]*

**Fax number:** *[insert fax number] delete if not used*

If your request for a debriefing is received within the 3 Business Days deadline, we will provide the debriefing within five (5) Business Days of receipt of your request. If we are unable to provide the debriefing within this period, the Standstill Period shall be extended by five (5) Business Days after the date that the debriefing is provided. If this happens, we will notify you and confirm the date that the extended Standstill Period will end.

The debriefing may be in writing, by phone, video conference call or in person. We shall promptly advise you in writing how the debriefing will take place and confirm the date and time.

If the deadline to request a debriefing has expired, you may still request a debriefing. In this case, we will provide the debriefing as soon as practicable, and normally no later than fifteen (15) Business Days from the date of publication of the Contract Award Notice.

## 5. How to make a complaint

**DEADLINE:** The deadline for submitting a Procurement-related Complaint challenging the decision to award the contract expires on midnight, *[insert date]* (local time).

Provide the contract name, reference number, name of the Bidder, contact details; and address the Procurement-related Complaint as follows:

**Attention:** *[insert full name of person, if applicable]*

**Title/position:** *[insert title/position]*

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

**Email address:** *[insert email address]*

**Fax number:** *[insert fax number] delete if not used*

At this point in the procurement process, you may submit a Procurement-related Complaint challenging the decision to award the contract. You do not need to have requested, or received, a debriefing before making this complaint. Your complaint must be submitted within the Standstill Period and received by us before the Standstill Period ends.

Further information:

For more information see the “[Procurement Regulations for IPF Borrowers \(Procurement Regulations\)](#) (Annex III).” You should read these provisions before preparing and submitting your complaint. In addition, the World Bank’s Guidance “[How to make a Procurement-related Complaint](#)” provides a useful explanation of the process, as well as a sample letter of complaint.

In summary, there are four essential requirements:

1. You must be an ‘interested party’. In this case, that means a Bidder who submitted a Bid in this procurement, and is the recipient of a Notification of Intention to Award.
2. The complaint can only challenge the decision to award the contract.
3. You must submit the complaint within the deadline stated above.
4. You must include, in your complaint, all of the information required by the Procurement Regulations (as described in Annex III).

## 6. Standstill Period

**DEADLINE: The Standstill Period is due to end at midnight on [insert date] (local time).**

The Standstill Period lasts ten (10) Business Days after the date of transmission of this Notification of Intention to Award.

The Standstill Period may be extended. This may happen where we are unable to provide a debriefing within the five (5) Business Day deadline. If this happens we will notify you of the extension.

If you have any questions regarding this Notification please do not hesitate to contact us.

On behalf of the Purchaser:

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title/position:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_

**Email:** \_\_\_\_\_

## BENEFICIAL OWNERSHIP DISCLOSURE FORM

**INSTRUCTIONS TO BIDDERS: DELETE THIS BOX ONCE YOU HAVE COMPLETED THE FORM**

*This Beneficial Ownership Disclosure Form ("Form") is to be completed by the successful Bidder<sup>1</sup>. In case of joint venture, the Bidder must submit a separate Form for each member. The beneficial ownership information to be submitted in this Form shall be current as of the date of its submission.*

*For the purposes of this Form, a Beneficial Owner of a Bidder is any natural person who ultimately owns or controls the Bidder by meeting one or more of the following conditions:*

- *directly or indirectly holding 25% or more of the shares*
- *directly or indirectly holding 25% or more of the voting rights*
- *directly or indirectly having the right to appoint a majority of the board of directors or equivalent governing body of the Bidder*

**RFB No.:** *[insert number of RFB process]*

**Request for Bid No.:** *[insert identification]*

**To:** *[insert complete name of Purchaser]*

In response to your request in the Letter of Acceptance dated *[insert date of letter of Acceptance]* to furnish additional information on beneficial ownership: *[select one option as applicable and delete the options that are not applicable]*

(i) we hereby provide the following beneficial ownership information.

### Details of beneficial ownership

Identity of Beneficial Owner	Directly or indirectly holding 25% or more of the shares (Yes / No)	Directly or indirectly holding 25 % or more of the Voting Rights (Yes / No)	Directly or indirectly having the right to appoint a majority of the board of the directors or an equivalent governing body of the Bidder (Yes / No)
<i>[include full name (last, middle, first), nationality, country of residence]</i>			



**OR**

(ii) *We declare that there is no Beneficial Owner meeting one or more of the following conditions:*

- directly or indirectly holding 25% or more of the shares
- directly or indirectly holding 25% or more of the voting rights
- directly or indirectly having the right to appoint a majority of the board of directors or equivalent governing body of the Bidder

**OR**

(iii) *We declare that we are unable to identify any Beneficial Owner meeting one or more of the following conditions. [If this option is selected, the Bidder shall provide explanation on why it is unable to identify any Beneficial Owner]*

- directly or indirectly holding 25% or more of the shares
- directly or indirectly holding 25% or more of the voting rights
- directly or indirectly having the right to appoint a majority of the board of directors or equivalent governing body of the Bidder]

**Name of the Bidder:** \*[insert complete name of the Bidder]

**Name of the person duly authorized to sign the Bid on behalf of the Bidder:** \*\*[insert complete name of person duly authorized to sign the Bid]

**Title of the person signing the Bid:** [insert complete title of the person signing the Bid]

**Signature of the person named above:** [insert signature of person whose name and capacity are shown above]

**Date signed**[insert date of signing]**day of**[insert month], [insert year]

\* In the case of the Bid submitted by a Joint Venture specify the name of the Joint Venture as Bidder. In the event that the Bidder is a joint venture, each reference to “Bidder” in the Beneficial Ownership Disclosure Form (including this Introduction thereto) shall be read to refer to the joint venture member.

\*\* Person signing the Bid shall have the power of attorney given by the Bidder. The power of attorney shall be attached with the Bid Schedules.

## LETTER OF ACCEPTANCE

---

To: \_\_\_\_\_

This is to notify you that your Bid dated \_\_\_\_\_ for execution of the \_\_\_\_\_ for the Contract Price in the aggregate of \_\_\_\_\_, as corrected and modified in accordance with the Instructions to Bidders is hereby accepted by our Agency.

You are requested to furnish (i) the Performance Security within 28 days in accordance with the Conditions of Contract, using for that purpose one of the Performance Security Forms and (ii) the additional information on beneficial ownership in accordance with BDS ITB 47.1 within eight (8) Business days using the Beneficial Ownership Disclosure Form, included in Section X, - Contract Forms, of the Bidding Document.

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

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

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

Attachment: Contract Agreement

## 1. 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 | <p>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:</p> <ol style="list-style-type: none"> <li>(a) This Contract Agreement and the Appendices attached to the Contract Agreement</li> <li>(b) Special Conditions of Contract</li> <li>(c) General Conditions of Contract</li> <li>(d) Technical Requirements (including Implementation Schedule)</li> <li>(e) The Supplier’s bid and original Price Schedules</li> <li>(f) <i>[ Add here: any other documents ]</i></li> </ol> |
|                    | 1.2 Order of Precedence (Reference GCC Clause 2)  |
|                    | <p>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</p>   |

		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.	2.1	Contract Price (Reference GCC Clause 1.1(a)(viii) and GCC Clause 11)
Contract Price and Terms of Payment		<p>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: <i>[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.</i></p> <p>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.</p>
Article 3.	3.1	Effective Date (Reference GCC Clause 1.1 (e) (ix))
Effective Date for Determining Time for Operational Acceptance		<p>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:</p> <ul style="list-style-type: none"> <li>(a) This Contract Agreement has been duly executed for and on behalf of the Purchaser and the Supplier;</li> <li>(b) The Supplier has submitted to the Purchaser the performance security and the advance payment security, in accordance with GCC Clause 13.2 and GCC Clause 13.3;</li> <li>(c) The Purchaser has paid the Supplier the advance payment, in accordance with GCC Clause 12;</li> </ul> <p>Each party shall use its best efforts to fulfill the above conditions for which it is responsible as soon as practicable.</p>
	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.	4.1	The Appendixes listed below shall be deemed to form an

integral part of this Contract Agreement.

## Appendixes

- 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 Representative is:

Name: *[ insert: name and provide title and address further below, or state "to be nominated within fourteen (14) days of the Effective Date" ]*

Title: *[ if appropriate, insert: title ]*

In accordance with GCC Clause 4.3, the Supplier's addresses for notices under the Contract are:

Address of the Supplier's Representative: *[ as appropriate, insert: personal delivery, postal, cable, facsimile, electronic mail, and/or EDI addresses. ]*

Fallback address of the Supplier: *[ as appropriate, insert: personal delivery, postal, cable, facsimile, electronic mail, and/or EDI addresses. ]*

## Appendix 2. Adjudicator

In accordance with GCC Clause 1.1 (b) (vi), the agreed-upon Adjudicator is:

Name:[ *insert: name* ]

Title:[ *insert: title* ]

Address: [ *insert: postal address* ]

Telephone: [ *insert: telephone* ]

In accordance with GCC Clause 43.1.3, the agreed-upon fees and reimbursable expenses are:

Hourly Fees:[ *insert: hourly fees* ]

Reimbursable Expenses:[ *list: reimbursables* ]

Pursuant to GCC Clause 43.1.4, 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. ]*

(i) Item	Approved Subcontractors	Place of Registration

## Appendix 4. Categories of Software

The following table assigns each item of Software supplied and installed under the Contract to one of the three categories: (i) System Software, (ii) General-Purpose Software, or (iii) Application Software; and to one of the two categories: (i) Standard Software or (ii) Custom Software.

	(select one per item)			(select one per item)	
Software Item	System Software	General-Purpose Software	Application Software	Standard Software	Custom Software

## Appendix 5. Custom Materials

The follow table specifies the Custom Materials the Supplier will provide under the Contract.

Custom Materials

## **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 30.3 and 38.2.

## **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).

## **2. PERFORMANCE AND ADVANCE PAYMENT SECURITY FORMS**

---

## 2.1 Performance Security Form (Bank Guarantee)

### (Bank Guarantee)

*[The bank, as requested by the successful Bidder, shall fill in this form in accordance with the instructions indicated]*

*[Guarantor letterhead or SWIFT identifier code]*

---

*[insert: **Bank's Name, and Address of Issuing Branch or Office**]*

**Beneficiary:***[insert: **Name and Address of Purchaser**]*

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

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

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

We have been informed that on *[insert: **date of award**]* you awarded Contract No. *[insert: **Contract number**]* for *[insert: **title and/or brief description of the Contract**]* (hereinafter called "the Contract") to *[insert: **complete name of Supplier which in the case of a joint venture shall be in the name of the joint venture**]* (hereinafter called "the Applicant"). Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.

At the request of the Applicant, we as Guarantor hereby irrevocably undertake to pay you any sum(s) not exceeding *[insert: **amount(s)<sup>1</sup> in figures and words**]* such sum being payable in the types and proportions of currencies which the Contract Price is payable upon receipt by us of the Beneficiary's statement, whether in the demand itself or in a separate signed document accompanying or identifying the demand, stating that the Applicant is in breach of its obligation(s) under the contract without the Beneficiary needing to prove or to show grounds or reasons for their demand or the sum specified therein.

On the date of your issuing, to the Supplier, the Operational Acceptance Certificate for the System, the value of this guarantee will be reduced to any sum(s) not exceeding *[insert: **amount(s)<sup>1</sup> in figures and words**]*. This remaining guarantee shall expire no later than *[insert: **number and select: of months/of years (of the Warranty Period that needs to be covered by the remaining guarantee)**]* from the date of the Operational Acceptance

---

<sup>1</sup> The bank shall insert the amount(s) specified and denominated in the SCC for GCC Clauses 13.3.1 and 13.3.4 respectively, either in the currency(ies) of the Contract or a freely convertible currency acceptable to the Purchaser.

Certificate for the System,<sup>1</sup> and any demand for payment under it must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, (URDG) 2010 Revision, ICC Publication No. 758, except that the supporting statement under 15 (a) is hereby excluded.

---

*[Signature(s)]*

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

---

<sup>1</sup> In this sample form, the formulation of this paragraph reflects the usual SCC provisions for GCC Clause 13.3. However, if the SCC for GCC Clauses 13.3.1 and 13.3.4 varies from the usual provisions, the paragraph, and possibly the previous paragraph, need to be adjusted to precisely reflect the provisions specified in the SCC.



## 2.2 Advance Payment Security

### Bank Guarantee

**(NOT APPLICABLE FOR THIS CONTRACT)**

*[Guarantor letterhead or SWIFT identifier code]*

**Beneficiary:***[insert: Name and Address of Purchaser]*

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

**ADVANCE PAYMENT GUARANTEE No.:***[insert: Advance Payment Guarantee Number]*

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

We have been informed that on *[insert: date of award]* you awarded Contract No. *[insert: Contract number]* for *[insert: title and/or brief description of the Contract]* (hereinafter called "the Contract") to *[insert: complete name of Supplier, which in the case of a joint venture shall be the name of the joint venture]* (hereinafter called "the Applicant").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of *[insert: amount in numbers and words, for each currency of the advance payment]* is to be made to the Supplier against an advance payment guarantee.

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

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

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

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

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Applicant as specified in copies of interim statements or payment certificates which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of a copy of the interim payment certificate indicating that ninety (90) percent of the Accepted Contract Amount, has been certified for payment, or on the *[insert day]* day of *[insert month]*, 2 *[insert year]*, whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No.758, except that the supporting statement under Article 15(a) is hereby excluded.

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*[signature(s)]*

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

**3. INSTALLATION AND ACCEPTANCE CERTIFICATES**

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**3. Installation and Acceptance Certificates**

### 3.1 Installation Certificate

Date: *[ insert: date ]*

Loan/Credit Number: *[ insert: loan or credit number from RFB ]*

RFB: *[ insert: title and number of RFB ]*

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 ]*

## 3.2 Operational Acceptance Certificate

Date: *[ insert: date ]*

Loan/Credit Number: *[ insert: loan or credit number from RFB ]*

RFB: *[ insert: title and number of RFB ]*

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 ]*

## **4. CHANGE ORDER PROCEDURES AND FORMS**

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Date: *[ insert: date ]*

Loan/Credit Number: *[ insert: loan or credit number from RFB ]*

RFB: *[ insert: title and number of RFB ]*

Contract: *[ insert: name or System or Subsystem and number of Contract ]*

### **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 Requests for Change and Change 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) Request for Change Proposals (including Application for Change Proposals) shall be serially numbered CR-nnn.
- (2) Change Estimate Proposals shall be numbered CN-nnn.
- (3) Estimate Acceptances shall be numbered CA-nnn.
- (4) Change Proposals shall be numbered CP-nnn.
- (5) Change Orders shall be numbered CO-nnn.

On all forms, the numbering shall be determined by the original CR-nnn.

### **Annexes**

- 4.1 Request for Change Proposal Form
- 4.2 Change Estimate Proposal Form
- 4.3 Estimate Acceptance Form
- 4.4 Change Proposal Form
- 4.5 Change Order Form
- 4.6 Application for Change Proposal Form

## 4.1 Request for Change Proposal Form

(Purchaser's Letterhead)

Date: *[ insert: date ]*

Loan/Credit Number: *[ insert: loan or credit number from RFB ]*

RFB: *[ insert: title and number of RFB ]*

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. Request for Change No./Rev.: *[ insert: number ]*
3. Originator of Change: *[ select Purchaser / Supplier (by Application for Change Proposal), and add: name of originator ]*
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: *[ insert: description ]*

## 8. Procedures to be followed:

- (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*** ]



## 4.2 Change Estimate Proposal Form

(Supplier's Letterhead)

Date: *[ insert: date ]*

Loan/Credit Number: *[ insert: loan or credit number from RFB ]*

RFB: *[ insert: title and number of RFB ]*

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 Request for Change 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. Request for Change 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* ]

### **4.3 Estimate Acceptance Form**

(Purchaser's Letterhead)

Date: *[ insert: date ]*

Loan/Credit Number: *[ insert: loan or credit number from RFB ]*

RFB: *[ insert: title and number of RFB ]*

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. Request for Change 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*** ]

## 4.4 Change Proposal Form

(Supplier's Letterhead)

Date: *[ insert: date ]*

Loan/Credit Number: *[ insert: loan or credit number from RFB ]*

RFB: *[ insert: title and number of RFB ]*

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 Request for Change 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: *[ select: Purchaser / Supplier; and add: 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

- 
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 ]*

## 4.5 Change Order Form

(Purchaser's Letterhead)

Date: *[ insert: date ]*

Loan/Credit Number: *[ insert: loan or credit number from RFB ]*

RFB: *[ insert: title and number of RFB ]*

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 approve the Change Order for the work specified in Change Proposal No. *[ insert: number ]*, and agree to adjust the Contract Price, Time for Completion, and/or other conditions of the Contract in accordance with GCC Clause 39 of the Contract.

1. Title of Change: *[ insert: name ]*
2. Request for Change No./Rev.: *[ insert: request number / revision ]*
3. Change Order No./Rev.: *[ insert: order number / revision ]*
4. Originator of Change: *[ select: Purchaser / Supplier; and add: name ]*
5. Authorized Price for the Change:  
Ref. No.: *[ insert: number ]* Date: *[ insert: date ]*

*[ 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* ]



## **4.6 Application for Change Proposal Form**

(Supplier's Letterhead)

Date: *[ insert: date ]*

Loan/Credit Number: *[ insert: loan or credit number from RFB ]*

RFB: *[ insert: title and number of RFB ]*

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 ]*