

7 STEPS PROCUREMENT PROCEDURES

1 PROCUREMENT GUIDELINES

Procurement for commune-level sub-project investments under Component 1 will follow the procurement system outlined in the RILGP Project Implementation Manual. Procurement of all other works and goods to be financed under the Credit will follow the Guidelines for Procurement under IBRD Loans and IDA Credits dated January 1995 and revised in January and August 1996, September 1997, and January 1999 (Procurement Guidelines). The Bank's Standard Bidding Documents for Goods will be used for procurement of goods under International Competitive Bidding (ICB).

Consultant services financed under the Credit will be procured in accordance with the Guidelines for Selection and Employment of Consultants by World Bank Borrowers published by the Bank in January 1997 and revised in September 1997, January 1999 and May 2002 (Consultant Guidelines). The Bank's Standard Request for Proposals dated July 1997 and revised in April 1998 and July 1999, will be used when appropriate.

1.1 Project Components

The Rural Investment and Local Governance Project (RILGP) comprises two components:

Component 1 – Local Planning and Investment

This component will support local planning and commune-level investments in public goods, identified and prioritized through a participatory local planning process led by elected local government authorities – Commune/Sangkat Councils - covering all 1,110 communes in 15 provinces over the four-year period (2003-2006). This component will support small sub-projects proposed and implemented by communes on a demand driven basis, such as small-scale transport infrastructure (roads, bridges, culverts, drifts and causeways, docks, etc), small scale wells and water supply systems, education and public health facilities, small irrigation and flood protection schemes, as well as community buildings (for storage, marketing, etc.).

Component 2 – Policy Support and Project Management

This component includes the capacity building, institutional, operational and managerial inputs--at national, provincial and commune levels-- to implement Component 1, as well as additional technical assistance for strategic studies. More specifically, this component will provide national and provincial institutions with the equipment and services necessary to

implement their respective responsibilities. The IDA credit is to be primarily utilized for (a) goods and works for STFS, Provincial Rural Development Committee Executive Committee (PRDC ExCom) units, and Provincial Treasury in all 15 Project provinces to strengthen their capacity to support C/SC implementation of sub-projects, (b) consulting services related to conducting an annual independent project audit, socio-economic impact monitoring, mid-term and final project evaluations, and strategic studies on decentralization and deconcentration; (c) workshop to the national level for reviews of the Seila systems and implementation of reforms; and (d) technical assistance, capacity building and incremental operating costs.

1.2 Project Implementing Unit

The Seila Task Force Secretariat (STFS), established at the Council for Development of Cambodia (CDC), is responsible for implementing the Government's Seila Program including procurement and management of funds. The Rural Investment and Local Governance Project (RILGP) is one of the donor-financed projects supporting the Seila Program. The Program Operations Unit (POU) within STFS will be responsible for overseeing execution of all components and procurement of all goods, works and services for national and provincial levels following procedures acceptable to IDA. A STFS procurement officer, with assistance of a PLG-funded expatriate advisor, will be responsible for all procurement functions. In addition, this procurement team within STFS-POU will be carrying out the procurement included in Component 2 of the project.

The responsibility for procurement of commune-level subprojects under Component 1 of the project will be with the Commune/Sangkat Council (C/SC). A procurement committee will be established consisting of the Commune Chief (CC) as the chairperson, two Councilors as regular members, the Technical Support Staff (TSS) appointed by the provincial Governor to assist the C/SC, and other representatives of the beneficiaries, invited by the Chair as observers. This Committee will evaluate bids and recommend the award of contracts to the CC for approval. Technical support for the implementation of the procurement process will be provided by the TSS and by sector line departments in the province. In addition, the C/SC may choose to select and hire a Technical Supervisor (a certified Engineer) to provide further technical support to the commune and help monitor the quantities and quality of the works and goods supplied.

2 PROCUREMENT PLAN

The detailed procurement plan for year 2003-2004 has been prepared and is provided in Annex 1 of this section of the Manual. All procurement of goods and works under Component 2 will be completed in year 2003.

2.1 Procurement Methods

2.1.1 Component 1: Local Planning and Investment

1. Community Participation for Commune Sub-projects (US\$ 18,955,200)

The RILGP will provide support to Commune Councils to implement prioritized development sub-projects. The financial and procurement systems governing commune level investments are in place as described in the RILGP Project Implementation Manual. The investment funds provided from the IDA Credit will reimburse the grant financing provided by the Government through the Commune/Sangkat Fund to communes implementing sub-projects (according to agreed eligibility criteria). The method of procurement for commune sub-projects is community participation, which comprises the following methods:

(a) Local Bidding, as per paragraph 3.15 of the Bank's Guidelines and specifically the "Fiduciary Management for Community-Driven Development Projects - A Reference Guide, is required for all procurement of works and goods although each contract will be very small. The average allocation is USD 6,720 per commune per year for sub-projects after prioritization in the Commune Development Plan, and no single contract will exceed \$15,000. All works shall be contracted to independent contractors. The Commune/Sangkat Chief shall prepare the bidding documents with the assistance of the Technical Support Staff (TSS) and/or Engineer. The Invitation to Bid shall be advertised by posting on the Official Bulletin Boards of both the Commune Council and the Provincial Administration Offices. Bids will be opened in public immediately after bid closing. The Procurement Committee, consisting of the Commune Chief or his delegate (chairperson) with two Councilors as members and a TSS, shall evaluate the bid. To the maximum extent possible, a single annual bidding session will be held in each Commune/Sangkat (C/S).

(b) Local Shopping, as per paragraph 3.15 of the Bank's Guidelines and specifically, the "Fiduciary Management for Community-Driven Development Projects – A Reference Guide", is also an available method for procurement of goods estimated to cost less than 2

million Riel (equivalent to USD 500) per contract . This procurement method is based on comparing price quotations obtained from several suppliers, usually at least three. The C/S Chief or his delegate, with assistance from the TSS, shall prepare the Invitation for Quotation, specifying the nature and delivery conditions of the required goods.

2.1.2 Component 2: Policy Support and Project Management

1. Procurement of Goods (US\$ 889,800)¹

1.1 International Competitive Bidding (ICB): Computers and peripherals package estimated to cost more than equivalent US\$100,000 per contract would be procured by the STFS in year 2003 following ICB procedures in accordance with the provision of Section II of the Bank's Procurement Guidelines. The Bank's Standard Bidding Document for Goods will be used for procurement under ICB method.

1.2 National Competitive Bidding (NCB): With 15 provinces included in the project a relatively large amount of office equipment is needed. Grouped into one contract for efficiency, office equipment estimated to cost more than equivalent US\$ 50,000, but less than US\$ 100,000 per contract up to an aggregate amount of US\$ 100,000, would be procured by the STFS in mid 2003 following NCB procedures in accordance with the provisions of paragraph 3.3 and 3.4 of the Bank's Procurement Guidelines.

1.3 United Nations Inter- Agency Procurement Office (IAPSO): 7 Vehicles and 344 Motorcycles up to an aggregate amount of US\$ 600,000 will be procured for use in STFS and PRDC ExCom units through IAPSO in mid 2003.

1.4 National Shopping (NS): Goods (Boats, Generators and Furniture) estimated to cost less than equivalent to US\$ 50,000 per contract up to an aggregate amount of US\$ 120,000 will be procured by STFS in mid 2003 using national shopping procedures in accordance with paragraphs 3.5 of the Bank's Procurement Guidelines.

2. National Competitive Bidding for Small Works (US\$ 225,000)

2.1 National Competitive Bidding for Small Works will include the renovation of five existing provincial offices to establish a suitable office space for the PRDC ExCom units to assist in the implementation of the RILGP and a construction of one new office building. This renovation and construction of offices, estimated to cost less than US\$ 100,000 per contract, will be conducted through National Competitive bidding method. The respective

¹ Annex 2 provides a table of the location of the goods and small works
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PRDC as the “project owner” will conduct the NCB process and will enter into a contract with such contractor. The STFS will issue a letter to the PRDCs authorising them to sign a contract on behalf of STFS for these works. It is understood that PRDC will conduct bidding, the PRDC TSU staff will perform technical advisory and certification functions on behalf of the STFS and that the STFS will issue payments as prescribed under the contract. The estimated cost for renovation of each provincial office is US\$ 30,000 and US\$ 75,000 for construction of a new building in Preah Vihear. In order to comply with the DCA the STFS will notify the PRDCs that is foreign firms wish to participate in the bidding for the works that they will be able to do so and that when bidders are pre-qualifies the bid evaluation method shall be based on pass/fail criteria.

3 Consulting Services (US\$ 1,461,200)

3.1 Selection Based on Consultant’s Qualifications (SBCQ). Consultancy services by firms for the mid-term and final evaluation studies, at an estimated total cost of US\$ 150,000 (two studies in year 2003 and 2006, each of US\$ 75,000) and annual financial audits by an independent auditing firm, at an estimated total cost of US\$ 100,000, will be procured following SBCQ procedures in accordance with paragraph 3.7 of the Bank’s Consultant Guidelines.

3.2 Individual Consultants. Individual consultancy services for: (i) two follow-up studies of the socio economic base-line (as part of the M&E system) at an estimated total cost of US\$ 100,000 for both studies; (ii) consultants for specific studies on decentralization and deconcentration strategy and policy, each estimated to cost below \$100,000 per contract, for a total of about \$265,000; (iii) for monitoring the quality of procurement support by TSS to the Commune Sangkat Councils, at an estimated cost of \$45,000; and (iv) technical assistance to national and 15 provincial offices in the year 2006 (when PLG financing may not be available) at an estimated cost of US\$ 801,200; will be procured in accordance with Section V: Selection of Individual Consultants of the Bank’s Consultant Guidelines.

4. Workshops (US\$ 30,000)

The total six (6) workshops estimate to cost not exceeding US\$ 5,000 per workshop will be disbursed on the basis of Statement of Expenditures.

5. Incremental Operating Cost (US\$ 1,096,373)

Incremental operating costs in the fourth year of implementation (2006), with an estimated cost not exceeding US\$ 1,100,000, will be covered by the project. These incremental

operating costs are related to project coordination, supervision, and monitoring and evaluation, and include: incremental operation and maintenance of vehicles and equipment, office and field supplies, project-related travel expenses for project staff (transportation and field subsistence allowances), as well as miscellaneous services and expenses (printing and media services) related to training events and procurement bidding processes. Procurement of these services and goods will utilize existing Government practices and regulations in accordance with principles and procedures satisfactory to IDA.

Table 1 Summary of Procurement Methods

Expenditure Category	Procurement			N.B.F.	Total Cost
	ICB	NCB	Method ¹ Other ²		
1. Works	0.00 (0.00)	0.225 (0.202)	0.00 (0.00)	0.00 (0.00)	0.2253 (0.202)
2. Goods	0.136 (0.136)	0.072 (0.072)	0.682 (0.667)	0.00 (0.00)	.889 (.875)
3. Consulting Services	0.00 (0.00)	0.00 (0.00)	1.461 (1.388)	6.70 (0.00)	8.162 (1.388)
4. Commune Sub-projects	0.00 (0.00)	0.00 (0.00)	18.96 (18.96)	18.374 (0.00)	37.33 (18.96)
5. Workshops	0.00 (0.00)	0.00 (0.00)	0.30 (0.30)	0.00 (0.00)	0.30 (0.30)
7. Incremental Operating Cost	0.00 (0.00)	0.00 (0.00)	1.0960 (0.548)	14.437 (0.00)	15.523 (0.548)
TOTAL	0.136 (0.136)	0.297 (0.274)	22.225 (21.59)	39.501 (0.00)	62.159 (22.0)

1/ Figures in parenthesis are the amounts to be financed by the IDA Credit. All costs include contingencies.

2/ Includes: procurement of goods procured through national shopping; vehicles procured through IAPSO; consulting services by firms selected based on consultants' qualifications; consultant and technical assistance services selected as individual consultants; workshops and incremental operating related to project management and supervision procured through commercial practices; as well as works for commune sub-projects procured through local bidding and goods for commune sub-projects procured through local shopping procedures, as allowed under community participation.

Table 2. Consultant Selection Arrangements (optional) (US\$ million equivalent)

Consultant Services Expenditure Category	Selection			Method			N.B.F.	Total Cost ¹
	QCBS	QBS	SFB	LCS	CQ	Other		
A. Firms	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.25 (0.24)	0.00 (0.00)	0.00 (0.00)	0.25 (0.24)
B. Individuals	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	1.21 (1.15)	6.70 (0.00)	7.91 (1.15)
Total	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.25 (0.24)	1.21 (1.15)	6.70 (0.00)	8.16 (1.39)

¹ Including contingencies

Note: QCBS = Quality- and Cost-Based Selection
 QBS = Quality-based Selection
 SFB = Selection under a Fixed Budget
 LCS = Least-Cost Selection
 CQ = Selection Based on Consultants' Qualifications
 Other = Selection of individual consultants (per Section V of Consultants Guidelines).
 N.B.F. = Not Bank-financed
 Figures in parenthesis are the amounts to be financed by the Bank Credit.

3 Prior Review Threshold

All ICB and NCB contracts for goods will be subject to the IDA's prior review. It is expected that there will be only one ICB and one NCB for goods in Component 2 of the project. IDA will also carry out prior review of the first contract for NS for goods.

The first two contracts of NCB for works will be subject to the IDA's prior review. It is expected that there will be six NCB for works (five for renovation of existing provincial offices and one construction of new office building), in Component 2 of the project.

For the commune-level sub-project grants, the first subproject in each province (15 provinces) for each year of implementation in the province will be subject to prior review by IDA.

The first three consultant contracts for firms estimated to cost more than \$ 50,000 and using SBCQ method will be subject to prior review by IDA. The review will include terms of reference, shortlists, request for proposals, evaluation reports and draft contract. For

individual consultants, all contracts over \$ 50,000 will be subject to prior review by IDA. The review will include terms of reference, comparison of CVs and draft contract.

Table 3: Thresholds for Procurement Methods and Prior Review¹

Expenditure Category	Contract Value Threshold (US\$ thousands)	Procurement Method	Contracts Subject to Prior Review
1. Works	<100	NCB	First two contracts
2. Goods	>100	ICB	All
	>50	NCB	All
	<50	NS	First contract
	-	IAPSO	-
3. Services			
a. Firms	<=100	SBCQ	All
b. Individuals	-	Individual Consultants	All equal to or greater than \$50,000 per contract
4. Commune Sub-projects	-	Community Participation	First contract in each province each year
5. Workshops	-	Commercial Practice	-
6. Incremental Operating Costs	-	Commercial Practice	-

4 Procurement Records

Detailed records of procurement activities for the sub-projects will be maintained at the Provincial Treasury of each province for the Bank's post review and audit. The STFS will keep record of all sub-projects in each provinces for monitoring and overseeing. All documents for procurement under Component 2 – Policy Support and Project Management will be kept at the POU in STFS.

ANNEX 1

RILGP PROCUREMENT PLAN COMPONENTS 1 AND 2

TASK & PROCUREMENT METHOD & STEPS	DURATION	START	FINISH
GPN Advertisement	2 days	Fri 2/28/03	Sat 3/1/03
COMPONENT 1			
Sub Projects (Years 2003 -2006)			
<i>USD18,955,200 total for reimbursement from 1110 communes. (\$6,720 per commune per year for sub-projects after prioritization in the Commune Development Plan, and no single contract will exceed \$15,000) Prior review of first one for each province each year. Post review for others. Dates for 2003 only</i>			
1. Before prequalification (docs to BGK & DC English translations sent electronically)	7 days	24/2/03	5/3/2003
2. Prequalification (docs to BGK & DC English translations sent electronically)	7 days	"	"
3. Draft bidding documents - (docs to BGK & DC English translations sent electronically)	7 days	3/3/2003	approx 30/3/03
4. After bid and before final decision bid evaluation (done in PNP) WB NOL	2 days	24/3/03	approx 30/3/03
5. Contract execution (docs to BGK & DC English translations sent electronically)	7 days	31/3/03	7/4/2003
COMPONENT 2			
Vehicles (Year 2003)			
7 Cars (IAPSO: \$175,000) & 344 Motor Cycles (IAPSO: \$412,800)	133 days	Mon 5/26/03	Sun 10/5/03
1. Preparation of documents & specifications	133 days	Mon 5/26/03	Sun 10/5/03
2. Electronic request for quotation and review of specification	7 days	Mon 5/26/03	Sun 6/1/03
3. Submission of requirement and receipt of offers	7 days	Mon 6/2/03	Sun 6/8/03
4. Placing orders with IAPSO and receipt of proforma invoice & contract	7 days	Mon 6/9/03	Sun 6/15/03
5. Payment made and Orders placed with the relevant manufacturer	45 days	Mon 6/16/03	Sun 6/22/03
6. Delivery	60 days	Mon 6/23/03	Wed 8/6/03
		Thu 8/7/03	Sun 10/5/03

Office Equipment (Year 2003)	188 days	Fri 5/2/03	Wed 11/5/03
85 sets Computer (ICB: \$136,000 - Prior Review)	185 days	Mon 5/5/03	Wed 11/5/03
1. Preparation of Technical Spec. and Bidding Document	30 days	Mon 5/5/03	Tue 6/3/03
2. WB NOL	7 days	Wed 6/4/03	Tue 6/10/03
3. Advertising in UNDB and National Press	30 days	Wed 6/11/03	Thu 7/10/03
4. Issuance - Submission of Bids	45 days	Fri 7/11/03	Sun 8/24/03
5. Opening of Bid	1 day	Mon 8/25/03	Mon 8/25/03
6. Bid Evaluation/ Bid Evaluation Report	15 days	Tue 8/26/03	Tue 9/9/03
7. WB NOL	7 days	Wed 9/10/03	Tue 9/16/03
8. Contract Signing	5 days	Wed 9/17/03	Sun 9/21/03
9. Delivery	45 days	Mon 9/22/03	Wed 11/5/03
24 Photocopiers (NCB: \$72,000 - Prior Review)	105 days	Fri 5/2/03	Thu 8/14/03
1. Preparation of Technical Spec. and Bidding Document	7 days	Fri 5/2/03	Thu 5/8/03
2. WB NOL	7 days	Fri 5/9/03	Thu 5/15/03
3. Advertising	3 days	Fri 5/16/03	Sun 5/18/03
4. Issuance - Submission of Bids	30 days	Mon 5/19/03	Tue 6/17/03
5. Opening of Bid	1 day	Wed 6/18/03	Wed 6/18/03
6. Bid Evaluation/ Bid Evaluation Report	15 days	Thu 6/19/03	Thu 7/3/03
7. WB NOL	7 days	Fri 7/4/03	Thu 7/10/03
8. Contract Signing	5 days	Fri 7/11/03	Tue 7/15/03
9. Delivery	30 days	Wed 7/16/03	Thu 8/14/03
3 Generators (NS: \$45,000 - Prior Review)	74 days	Mon 5/5/03	Thu 7/17/03
1. Preparation of Technical Spec. and List of Suppliers	7 days	Mon 5/5/03	Sun 5/11/03
2. WB NOL	5 days	Mon 5/12/03	Fri 5/16/03
3. Send Invitation/ Submission of Proposal	15 days	Sat 5/17/03	Sat 5/31/03
4. Evaluation/ Evaluation Report and draft Purchase Order	7 days	Sun 6/1/03	Sat 6/7/03
5. WB NOL	5 days	Sun 6/8/03	Thu 6/12/03
6. Issuance of Purchase Order	5 days	Fri 6/13/03	Tue 6/17/03
7. Delivery	30 days	Wed 6/18/03	Thu 7/17/03
12 Boats and 5 sets Furnitures (NS: \$24,000 and \$25,000 respectively - Post Review)	64 days	Mon 5/19/03	Mon 7/21/03
1. Preparation of Technical Spec. and List of Suppliers	7 days	Mon 5/19/03	Sun 5/25/03
2. Send Invitation/ Submission of Proposal	15 days	Mon 5/26/03	Mon 6/9/03
3. Evaluation/ Evaluation Report and draft Purchase Order	7 days	Tue 6/10/03	Mon 6/16/03
4. Issuance of Purchase Order	5 days	Tue 6/17/03	Sat 6/21/03
5. Delivery	30 days	Sun 6/22/03	Mon 7/21/03

Consulting Services (Year 2003)	102 days	Tue 7/1/03	Fri 10/10/03
Individual Consultant for Strategic decentralization and deconcentration studies - \$102,500 for 2 studies(All over \$50,000 - Prior Review)			
1. TOR Preparation	39 days	Tue 7/1/03	Fri 8/8/03
2. WB NOL	7 days	Tue 7/1/03	Mon 7/7/03
3. Compare CVs and Prepare Evaluation Report + draft contract to WB	7 days	Tue 7/8/03	Mon 7/14/03
4. WB NOL	15 days	Tue 7/15/03	Tue 7/29/03
5. Contract signing	7 days	Wed 7/30/03	Tue 8/5/03
Consulting Services for Audits Work (SBCQ: \$100,000 x 1 - Prior Review)	3 days	Wed 8/6/03	Fri 8/8/03
1. TOR Preparation	102 days	Tue 7/1/03	Fri 10/10/03
2. Call for Expression of Interest	7 days	Tue 7/1/03	Mon 7/7/03
3. Shortlist and draft RFP Preparation and Submission to the Bank	15 days	Tue 7/8/03	Tue 7/22/03
4. WB NOL	15 days	Wed 7/23/03	Wed 8/6/03
5. Issue RFP to Selected Firm & Submission of Proposals	7 days	Thu 8/7/03	Wed 8/13/03
6. Technical Evaluation and Submission to the Bank	30 days	Thu 8/14/03	Fn 9/12/03
7. Negotiation and Submission of Draft Contract to the Bank	15 days	Sat 9/13/03	Sat 9/27/03
8. WB NOL	3 days	Sun 9/28/03	Tue 9/30/03
9. Contract Signing	7 days	Wed 10/1/03	Tue 10/7/03
	3 days	Wed 10/8/03	Fri 10/10/03
Consulting Service (Year 2004)			
Individual Consultant for Socio-economic follow-up \$50,000 for 1 study (Prior Review)	102 days	Thu 1/15/04	Sun 4/25/04
1. TOR Preparation	39 days	Thu 1/15/04	Sun 2/22/04
2. WB NOL	7 days	Thu 1/15/04	Wed 1/21/04
3. Compare CVs and Prepare Evaluation Report + draft contract to WB	7 days	Thu 1/22/04	Wed 1/28/04
4. WB NOL	15 days	Thu 1/29/04	Thu 2/12/04
5. Contract signing	7 days	Fri 2/13/04	Thu 2/19/04
	3 days	Fri 2/20/04	Sun 2/22/04
Individual Consultant for Strategic decentralization and deconcentration studies - \$155,000 for 3 studies (All over \$50,000 - Prior Review)			
1. TOR Preparation	39 days	Thu 1/15/04	Sun 2/22/04
2. WB NOL	7 days	Thu 1/15/04	Wed 1/21/04
3. Compare CVs and Prepare Evaluation Report + draft contract to WB	7 days	Thu 1/22/04	Wed 1/28/04
4. WB NOL	15 days	Thu 1/29/04	Thu 2/12/04
5. Contract signing	7 days	Fri 2/13/04	Thu 2/19/04
	3 days	Fri 2/20/04	Sun 2/22/04

Consulting Firm for Evaluation Work (SBCQ: \$75,000 x 1 - Prior Review, the second contract, for the same amount, will be in 2006)						
1. TOR Preparation	102 days	Thu 1/15/04		Thu 4/25/04		
2. Call for Expression of Interest	7 days	Thu 1/15/04		Wed 1/21/04		
3. Shortlist and RFP Preparation and Submission to the Bank	15 days	Thu 1/22/04		Thu 2/5/04		
4. WB NOL	15 days	Fri 2/6/04		Fri 2/20/04		
5. Issue RFP to Selected Firm & Submission of Proposal	7 days	Sat 2/21/04		Fri 2/27/04		
6. Technical Evaluation and Submission to the Bank	30 days	Sat 2/28/04		Sun 3/28/04		
7. Negotiation and Submission of Draft Contract to the Bank	15 days	Mon 3/29/04		Mon 4/12/04		
8. WB NOL	3 days	Tue 4/13/04		Thu 4/15/04		
9. Contract Signing	7 days	Fri 4/16/04		Thu 4/22/04		
	3 days	Fri 4/23/04		Sun 4/25/04		
NCB (Year 2003)						
PRDC ExCom building repairs & construction (\$30,000 x 5] & [\$75,000 X1] for Prior Review)	148 days	Mon 5/12/03		Mon 10/6/03		
1. Preparation of Technical Specification and List of contractors	148 days	Mon 5/12/03		Mon 10/6/03		
2. WB NOL	21 days	Mon 5/12/03		Sun 6/1/03		
3. Send Invitation /Submission Bid	5 days	Mon 6/2/03		Fri 6/6/03		
4. Bid Evaluation Report and Submission to the Bank	15 days	Sat 6/7/03		Sat 6/21/03		
5. WB NOL	7 days	Sun 6/22/03		Sat 6/28/03		
6. Contract Signing	5 days	Sun 6/29/03		Thu 7/3/03		
7. Completion time	5 days	Fri 7/4/03		Tue 7/8/03		
	90 days	Wed 7/9/03		Mon 10/6/03		

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ANNEX 2

Goods and Small Works - Location/Number/Cost

Location	Item	# Units	Unit Cost (USD)	Total (USD)	IDA	RGC	TOTALS
NATIONAL	Vehicles	2	25,000	50,000	50,000		
	Computer Sets	5	1,600	8,000	8,000		
	Photocopy machine	1	3,000	3,000	3,000		
	Sub total			61,000	61,000		61,000
PROVINCE							
	Banteay Meanchey						
	Motos	3	1,200	3,600	3,600		
	Computer/printer sets	3	1,600	4,800	4,800		
	Photocopy machine	1	3,000	3,000	3,000		
Sub total			11,400	11,400			
Battambang	Motos	3	1,200	3,600	3,600		
	Computer/printer sets	3	1,600	4,800	4,800		
	Photocopy machine	1	3,000	3,000	3,000		
	Sub total			11,400	11,400		
Kompong Cham	Building repair	1	30,000	30,000	27,000	3,000	
	Motos	29	1,200	34,800	34,800		
	Photocopy machine	2	3,000	6,000	6,000		
	Computer/printer sets	3	1,600	4,800	4,800		
	Sub total			75,600	72,600	3,000	75,600
Kompong Chhnang	Building repair	1	30,000	30,000	27,000	3,000	
	Office Furniture	1	5,000	5,000	4,250	750	
	Vehicle	1	25,000	25,000	25,000		
	Motos	48	1,200	57,600	57,600		
	Computer/printer sets	10	1,600	16,000	16,000		
	Photocopy machine	2	3,000	6,000	6,000		
	Boats	4	2,000	8,000	6,800	1,200	
Sub total			147,600	142,650	4,950	147,600	
Kompong Speu	Building repair	1	30,000	30,000	27,000	3,000	
	Office Furniture	1	5,000	5,000	4,250	750	
	Vehicle	1	25,000	25,000	25,000		
	Motos	55	1,200	66,000	66,000		
	Computer/printer sets	10	1,600	16,000	16,000		
	Photocopy machine	2	3,000	6,000	6,000		
	Sub total			148,000	144,250	3,750	148,000
Kratie	Building repair	1	30,000	30,000	27,000	3,000	
	Office Furniture	1	5,000	5,000	4,250	750	
	Vehicle	1	25,000	25,000	25,000		
	Motos	34	1,200	40,800	40,800		
	Computer/printer sets	10	1,600	16,000	16,000		
	Photocopy machine	2	3,000	6,000	6,000		
	Generator	1	15,000	15,000	12,750	2,250	
	Boats	8	2,000	16,000	13,600	2,400	
Sub total			153,800	145,400	8,400	153,800	
Otdar Meanchey	Motos	3	1,200	3,600	3,600		
	Computer/printer sets	3	1,600	4,800	4,800		
	Photocopy machine	1	3,000	3,000	3,000		
	Sub total			11,400	11,400		
Pailin	Motos	3	1,200	3,600	3,600		
	Computer/printer sets	3	1,600	4,800	4,800		
	Photocopy machine	1	3,000	3,000	3,000		
	Sub total			11,400	11,400		

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Preah Vihear	Building repair	1	75,000	75,000	67,500	7,500	
	Office Furniture	1	5,000	5,000	4,250	750	
	Vehicle	1	25,000	25,000	25,000		
	Motos	39	1,200	46,800	46,800		
	Computer/printer sets	10	1,600	16,000	16,000		
	Photocopy machine	2	3,000	6,000	6,000		
	Generator	1	15,000	15,000	12,750	2,250	
	Sub total				188,800	178,300	10,500
Prey Veng	Motos	34	1,200	40,800	40,800		
	Photocopy machine	2	3,000	6,000	6,000		
	Computer/printer sets	3	1,600	4,800	4,800		
	Sub total			51,600	51,600		
Pursat	Motos	3	1,200	3,600	3,600		
	Computer/printer sets	3	1,600	4,800	4,800		
	Photocopy machine	1	3,000	3,000	3,000		
	Sub total			11,400	11,400		
Ratanakiri	Motos	3	1,200	3,600	3,600		
	Computer/printer sets	3	1,600	4,800	4,800		
	Photocopy machine	1	3,000	3,000	3,000		
	Sub total			11,400	11,400		
Siem Reap	Motos	3	1,200	3,600	3,600		
	Computer/printer sets	3	1,600	4,800	4,800		
	Photocopy machine	1	3,000	3,000	3,000		
	Sub total			11,400	11,400		
Svay Rieng	Building repair	1	30,000	30,000	27,000	3,000	
	Office Furniture	1	5,000	5,000	4,250	750	
	Vehicle	1	25,000	25,000	25,000		
	Motos	50	1,200	60,000	60,000		
	Computer/printer sets	10	1,600	16,000	16,000		
	Photocopy machine	2	3,000	6,000	6,000		
	Generator	1	15,000	15,000	12,750	2,250	
	Sub total			157,000	151,000	6,000	157,000
Takeo	Motos	34	1,200	40,800	40,800		
	Photocopy machine	2	3,000	6,000	6,000		
	Computer/printer sets	3	1,600	4,800	4,800		
	Sub total			51,600	51,600		
GRAND TOTAL				1,114,800			

Annex 3

Procurement Manual

For

Component 2 : Policy Support and Project Management

Rural Investment and Local Governance Project

PROCUREMENT MANUAL FOR GOODS AND WORKS

I. GENERAL PROVISIONS

Goods and works shall be procured in accordance with the provisions of the "Guidelines for Procurement under IBRD Loans and IDA Credits" published by the Bank in January 1995 and revised in January and August 1996, September 1997 and January 1999 (the Guidelines) and "Development Credit Agreement (DCA)" between Kingdom of Cambodia and International Development Association (IDA).

II. PROCUREMENT PROCEDURES

All procurement for goods and works shall be carried out in accordance with the procurement methods in the Development Credit Agreement and outlined as hereunder :

1. International Competitive Bidding (ICB)

Computer and peripherals package estimated to cost more than equivalent US\$ 100,000 per contract would be procured by ICB method in accordance with the provision of Section II of the Procurement Guidelines. The World Bank's Standard Bidding Documents for Goods will be used for procurement under ICB method.

ICB process is as follows:

- Preparation of bidding documents and specifications and submit to the IDA for "No Objection"
- The bidding will be advertised as Specific Procurement Notice (SPN) in at least one newspaper of national circulation (and in the official gazette, if any). SPN shall also be transmitted to those who have expressed interest in bidding in response to the General Procurement Notice (GPN) (Guidelines para. 2.8).
- At least 45 days from the date of the invitation to bid or the date of availability of bidding documents, whichever is later, shall be allowed for bids preparation and bids submission (Guidelines para. 2.43).
- All bids shall be submitted in sealed envelopes and they shall be opened in public, immediately after the scheduled closing time for the bid. A record of all those present at that time will be made (Guidelines para. 2.44)
- The Evaluation Committee will be established and reviewed all bids.
- Bid evaluation report and the award recommendation must be prepared and submitted to the IDA for review and comments
- The IDA will convey its 'No Objection' for the award of the contract
- On the receipt of the NOL from the IDA, the contract can be awarded/ signed
- Keep the process confidential until the contract has been awarded.

Send one copy of signed contract to the IDA for record.

Keep all documents on file.

All ICB contracts for goods will be subject to the IDA's prior review.

2. National Competitive Bidding (NCB)

Office equipment for 15 provinces estimated to cost more than equivalent US\$ 50,000, but less than US\$ 100,000 per contract up to an aggregate amount of US\$ 200,000 would be procured following NCB procedures in accordance with the provision of paragraph 3.3 and 3.4 of the Procurement Guidelines.

Renovation of five existing provincial offices and a construction of one new office building estimated to cost less than US\$ 100,000 per contract will be conducted through NCB procedures.

NCB process is as follows:

- Preparation of bidding documents according to the form attached and specifications and submit to the IDA for "No Objection"
- The bidding will be advertised as Specific Procurement Notice (SPN) in at least one newspaper of national circulation (and in the official gazette, if any).
- At least 30 days for goods (or 20 days for works) from the date of the invitation to bid or the date of availability of bidding documents, whichever is later shall be allowed for bids preparation and bids submission.
- All bids shall be submitted in sealed envelopes and they shall be opened in public, immediately after the scheduled closing time for the bid. A record of all those present at that time will be made.
- The Evaluation Committee will be established and reviewed all bids.
- Bid evaluation report and the award recommendation according to the form attached must be prepared and submitted to the IDA for review and comments
- The IDA will convey its 'No Objection' for the award of the contract
- On the receipt of the NOL from the IDA, the contract can be awarded/ signed
- Keep the process confidential until the contract has been awarded.
- Send one copy of signed contract to the IDA for record.
- Keep all documents on file.

NCB procedures shall further follow those set forth in the Annex to Schedule 3 "Procurement" in the DCA.

All NCB contracts for goods and the first two contracts for works will be subject to the IDA's prior review.

3. United Nations Inter-Agency Procurement Office (IAPSO)

7 Vehicles and 344 Motorcycles up to an aggregate amount of US\$ 600,000 will be procured through IAPSO in mid 2003.

4. National Shopping (NS)

Goods (Boats, Generators and Furniture) estimated to cost less than equivalent to US\$ 50,000 per contract up to an aggregate amount of US\$ 120,000 will be procured using national shopping in accordance with paragraph 3.5 of the Procurement Guidelines.

NS process are as follows :

- Prepare technical specifications.
- Prepare list of suppliers broad enough to generate good competition but to yield at least three quotations.
- Prepare Invitation to Quote (ITQ) using sample attached.
- Send the ITQ to the suppliers on the list; quotations should be submitted in writing (i.e. by fax, telex, letter, or electronic messaging, with copies to be kept for records); the requests for quotes indicate the expected date of submission for about 10 days from the date of invitation.
- Make sure that the requirement of obtaining a minimum of three quotations has been fulfilled (at the time of the request, verify whether those being invited will make an offer or not).
- Receive quotations by a deadline, open them and evaluate them.
- Prepare an evaluation report using form attached and make recommendation for award of the contract;
- Keep the process confidential until contract has been awarded;
- Finalize the draft Contract according to the form attached and send to the selected suppliers.
- Receive and inspect goods and make payments as per the Contract.
- Keep all documents on file.

The first NS contract for goods will be subject to IDA's prior review as follows :

- prior to the selection of the suppliers, the Borrower shall provide to the IDA a report on the comparison and evaluation of quotations received;
- prior to the execution of the contract, the Borrower shall provide to the IDA a copy of the specifications and the draft contract; and
- the procedures set forth in paragraph 2(f), 2(g) and 3 of Appendix 1 to the Procurement Guidelines shall apply.

The necessary documentation to be available for the IDA's post review are as follows:

The invitation letter with description of the goods/ equipment sent to potential suppliers requesting them to quote the price

List of names and addresses of the firms to whom the invitations for quotation were sent and received.

The quotations submitted by the firms

- Evaluation report
- Award recommendation
- Signed contract or purchase order

PROCUREMENT MANUAL FOR EMPLOYMENT OF CONSULTANTS

I. GENERAL PROVISIONS

Consultants' services shall be procured in accordance with the provisions of Sections I and IV of the "Guidelines : Selection and Employment of Consultants by World Bank Borrowers" published by the Bank in January 1997 and revised in September 1997, January 1999 and May 2002 (the Consultant Guidelines), paragraph I of Appendix 1 thereto and Appendix 2 thereto and "Development Credit Agreement (DCA)" between Kingdom of Cambodia and International Development Association (IDA).

II. PROCUREMENT PROCEDURES

All employment for consultants' services shall be carried out in accordance with the procurement methods in the Development Credit Agreement and outlined as hereunder

I. Selection Based on Consultants' Qualifications (SBCQ)

Consultancy services by firms for the mid-term and final evaluation studies and annual financial audits firm will be procured following SBCQ procedures in accordance with paragraph 3.7 of the Consultant Guidelines.

The SBCQ process are as follows :

- Finalize Terms of Reference (TOR)
- Finalize cost estimate and budget
- Call for Expression of Interest
- Prepare shortlist and prepare RFP (send for IDA's No Objection Letter for contracts required prior review)
- Send RFP to the selected consultant (the firm with the most appropriate qualifications and references among the firms in the shortlist.)
- Selected consultant prepare and submit Technical and Financial Proposals
- Evaluation Committee evaluates the Technical and Financial Proposals (send for IDA's No Objection Letter for contract required prior review).
- Negotiate with the Consultant (send for IDA's No Objection Letter for contract required prior review)
- Contract Sign
- Start the assignment

All SBCQ contracts are subject to IDA's prior review.

2. Individual Consultants

Individual consultants for (i) follow up studies of the socio economic base-line; (ii) consultants for specific studies on decentralization and deconcentration strategy and policy; (iii) monitoring of quality of procurement support by TSS to C/SC; and (iv) technical assistance to national and 15 provincial offices in the year 2006 will be procured in accordance with Section V : Selection of Individual Consultants of the Consultant Guidelines.

Individual consultants process are as follows :

- Finalize Terms of Reference
- Finalize cost estimate and budget
- Request IDA's No Objection for the TOR
- Call for Expression of Interest (EOI)..
- Evaluation Committee select individual consultants based on their qualifications for the assignment. They shall be selected through comparison of qualifications of at least three candidates among those who have expressed interest in the assignment or have been approached directly by the Borrower. Individuals employed by the Borrowers shall meet all relevant qualifications and shall be fully capable of carrying out the assignment. Capability is judged on the basis of their academic background, experience, and, when needed, knowledge of local conditions such as local language, culture, administrative system, and government organization.
- Negotiate with the selected individual consultant (send for IDA's No Objection Letter for contracts required prior review)
- Contract Sign
- Start the assignment

Each contract for the employment of individual consultant estimated to cost the equivalent of US\$ 50,000 is subject to IDA's prior review.

The necessary documentation to be available for IDA's post review are :

- Terms of Reference (TOR)
- Copy of Request for Expression of Interest
- Request for Proposals (if any) and evaluation report (comparison of CVs).
- Consultant's proposals and CVs.
- Contract.

Sample Forms (1)

NATIONAL COMPETITIVE BIDDING - GOODS

INVITATION TO BID

Project Name: _____

Date of Issue of Invitation: _____

To:

Gentlemen:

1. The Royal Government of Cambodia has received a Loan/Credit from the World Bank/International Development Association (IDA) towards the cost of the Rural Investment and Local Governance Project and intends to apply part of the funds to make eligible payments under the Contract for which this invitation is being issued.

2. The Seila Task Force (Purchaser) hereby invites you to submit a proposal for the following items of goods:

3. To assist you in the preparation of your price proposal we enclose the necessary specifications and a sample form for submitting the bid. Your proposal in the attached format should be sealed in an envelope and addressed to and delivered at the following address:

Seila Task Force Secretariat (Name of Receiving Office)

Attention: Keang Sthavuth (Name of Authorized Person)

(Address) Telephone: _____
Fax: _____

4. Your proposal shall be valid for a period of sixty (60) days from _____
(time and date of submission of the proposal).

5. A Contractor who withdraws his proposal during the validity period and/or refuses to accept the award of a contract when and if awarded will be excluded from the list of contractors for the project for two years.

6. Attached for your information and guidance are the Instructions to Bidders and the Terms and Conditions of the Contract.

7. Your Proposal should be submitted by _____ (date and time). The Proposals shall be opened in public in the presence of contractors' representatives who choose to attend, on _____ (same date as for bid submission) at _____ hrs (soon after the deadline for bid submission) at the following address:

_____ (Street address, Room No., Phone number, etc.)

Sincerely,

(Name of Official)

(Position/Designation)

(Name of Office)

(Address)

NATIONAL COMPETITIVE BIDDING - GOODS

Purchase of Goods

SECTION 1 - INSTRUCTIONS TO BIDDERS

1. **Scope of Supplies :** The _____ (Name of the Agency), as the Purchaser, invites bids for the supply of _____ as described in the Conditions of Contract (CC). The successful contractor will be expected to complete the delivery by the Required Delivery Date specified in the CC.

2. **Qualification of the Bidder:** To qualify for award of the Contract, a bidder shall meet the following minimum qualifying criteria:

(a) Experience on supply of required goods : _____

(b) Financial Capacity : _____

3. **Contents of Proposal Documents:** The set of proposal documents comprises the documents listed below:

Invitation to Bid

Section 1	Instructions for Bidders
Section 2	Contract for Supply of Goods
Section 3	Specifications
Section 4	Form of Bid
Section 5	Specimen – Performance Security

4. **Documents Comprising the Bid:** The Bid (Proposal) submitted by the Contractor shall comprise the following documents:

- (i) Form of Bid (as per sample attached)
- (ii) Specifications
- (iii) Qualifications Experience and Financial Information

5. **Proposal and Evaluation Criteria :** Contractor's proposal shall be for all items required under this invitation. Proposals will be evaluated on combination of prices of all items and contract will be awarded to the firm offering the lowest evaluated total cost of all items.

(Option) : Contractor's proposal shall be on one or more items required under this invitation. Proposals will be evaluated on each individual item and contract will be awarded to the firm (s) offering the lowest evaluated cost of each item.

6. **Validity of Bid.** The price proposal shall remain valid for the period of sixty (60) calendar days counted from the date of submission of the Proposal specified in Clause 9 below. The Purchaser may request the Contractors to extend the period of validity for a specified additional period. The Purchaser's request and the Contractors' responses shall be made in writing or by fax or by cable. A Contractor may refuse the request for extension of bid validity in which case he may withdraw his Proposal without any penalty. A Contractor agreeing to the request will not be required or permitted to otherwise modify its Proposal.

7. **Language of the Bid** : All documents relating to the Proposal and contract shall be in the _____ language.

8. **Preparation and Sealing of Bid**: The Contractor shall prepare one original of the documents comprising the Price Proposal as described in Clause 4 above, with the Form of Bid, and clearly marked "Original". In addition, the Contractor shall also submit one copy which shall be clearly marked as "COPY". In the event of discrepancy between them the original shall prevail. The original and the copy of the Price Proposal shall be signed by a person or persons duly authorized to sign on behalf of the Contractor. All the pages of the Bid (Price Proposal) where entries or amendments or corrections have been made shall be initialed by the person or persons signing the Price Proposal. The Contractor shall seal the original and the copy of the Price Proposal in two inner envelopes and one outer envelope, duly marking the inner envelopes as "ORIGINAL" and "COPY". The inner and the outer envelopes shall be addressed to the Purchaser at the address provided above and shall provide a warning not to open before the specified time and date for Price Proposals opening as defined in Clause 7 of Invitation to Bid. The inner envelopes shall indicate the name and full address of the Contractor. If the outer envelope is not sealed and marked as above, the Purchaser will assume no responsibility for the misplacement or premature opening of the Price Proposal.

9. **Place and Deadline for Submission of Price Proposals**: The Price Proposals shall be delivered to the Purchaser **NO LATER than** _____ **(time, date) at the address given in Paragraph 3 of the Invitation to Bid.** Any Bid (Price Proposal) received by the Purchaser after the deadline prescribed in this clause will be returned unopened to the Bidder.

10. **Modification and Withdrawal of Bids**: No Proposals shall be modified after the deadline for submission of Bids specified above in Clause 9. Withdrawal of a Bid between the deadline for submission of Bids and the expiration of the validity of the Bids as specified in Clause 6 above will result in the Contractor being excluded from the list of contractors for a period of two years.

11. **Opening of Bids**: The Purchaser will open the Bids (Price Proposals), including modifications, in the presence of the bidders' representatives who choose to attend, at the time, date, and in the place specified in Paragraph 7 of the Invitation To Bid. The bidders' names, the Bid (Proposal) prices, the total amount of each Bid (Proposal), any discounts, and bid modifications and withdrawals will be announced by the Purchaser at the Bid opening.

12. **Process to be Confidential**: Information relating to the examination, clarification, evaluation and comparison of bids and recommendation for the contract award shall not be disclosed until the award to the successful Contractor has been announced.

13. **Evaluation and Comparison of Bids**: The Purchaser will award the Contract to the Contractor whose Bid has been determined to be substantially responsive to the proposal documents and who has offered the lowest evaluated price proposal. In evaluating the proposals, the Purchaser will determine for each proposal the evaluated price proposal by adjusting the price proposal by making any correction for any arithmetic errors as follows:

(a) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;

(b) where is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;

(c) if a Contractor refuses to accept the correction, his proposal will be rejected.

14. **Purchaser's Right to Accept Any Bids and to Reject any or all Bids:** The Purchaser reserves the right to accept or reject any bid, and to cancel the process of competition and reject all bids, at any time prior to the award of the Contract, without thereby incurring any liability to the affected Contractor(s) or any obligation to inform the affected Contractor(s) of the grounds for the Purchaser's decision.

15. **Notification of Award and Signing of Contract:** The Contractor whose Bid has been accepted will be notified of the award by the Purchaser prior to the expiration of the validity period of the Bid, by registered letter. The written notification of award will constitute the formation of the Contract. However, the contract can also be signed between the Purchaser and the Contractor prior to the expiration of the validity period of the Bid without issuing the notification of award.

16. **Performance Security :** The performance security at the amount of 10% of the contract price will be submitted to the Purchaser within 7 days after signing the contract. The specimen of the performance security is attached.

SECTION 2 –CONTRACT FOR SUPPLY OF GOODS

[Specimen form]

[Name of Implementing Agency]

[Address]

To : [Name of the Director and supplier which has won the supply contract]

Address : [Address of the supplier]

Mr. Manager/Director,

The [Name of the Implementing Agency] would like to place an order for the supply and installation of , in conformity with your proposal dated....., specifying the prices of the goods for whose procurement you successfully competed.

1. SUBSTANCE OF GOODS

[List of goods requested, with quantities]

2. AMOUNT OF THE CONTRACT

The amount of the contract is fixed at[currency unit] and it is not subject to revision.

3. TIME LIMIT AND PLACE OF DELIVERY

The time limit for the delivery of goods is set for [days, weeks or months] from the date of signing this contract. The goods will be delivered at [destination].

4. INTERIM RECEIPT

The interim receipt will be issued upon delivery of all the goods. [Or : If the installation of the goods is required, the interim receipt will only be issued after installation of the equipment are completed. The receipt will be acknowledged as the interim receipt report.

5. TIME LIMIT FOR THE WARRANTY AND AFTER –SALES SERVICE

The deadline for the warranty period is set for months from the date of the interim receipt. During the warranty period, excluding the current maintenance, all the repairs resulting from faulty equipment will be at the supplier's expenses, including the supply of the replacement parts and the overhead costs.

The suppliers is to guarantee an after-sales service to ensure the maintenance service as well as the fast and regular supply of spare parts.

6. FINAL RECEIPT

The final receipt will be issued at the end of the warranty period, and will be acknowledged as the final receipt report.

7. RETENTION

The retention amount, to be reimbursed when the final receipt has been issued, is set up at 10 percent of the total amount of this contract.

8. LIQUIDATED DAMAGES

In case of delay within the period specified in the contract, the supplier is subject to a penalty of 1/1000 of the price of the goods ordered per calendar day of delay. However, the ceiling of these penalties is 10 percent of the total amount of the contract.

In case the 10 percent ceiling is exceeded, the administration reserves the right to terminate the contract.

9. SCHEDULE OF PAYMENT

The amount which are due will be paid in the following manner :

.....% of the amount of the invoice upon issuance of the interim receipt.

.....% of the amount of the invoice upon issuance of the final receipt.

Total : 100% [Total should always be 100% of the amount of the contract].

10. FORM OF PAYMENT

The payment will be made in cash by the signatories of the [name of the implementing agency] or by check of the [name of bank] at.....[place].

11. PERFORMANCE SECURITY

The performance security at the amount of 10% of the contract price will be submitted to the Purchaser within 7 days after signing the contract. Failure to submit the performance security will result in decision to cancel this contract.

12. APPROVAL OF THE CONTRACT

This contract will be effective only after it has been signed by both parties.

Place and date :

Signed : [signatories of the village/community representative]

Read and accepted :

For the Supplier :.....

Place and date

Signature (s).....[Representing the supplier].

SECTION 3 - SPECIFICATIONS

SECTION 4 - FORM OF BID

_____ (Date)

To: _____ (Purchaser's Name)

_____ (Purchaser's Address)

We offer to execute the _____ (name and number of Contract) in accordance with the draft Contract for Supply of Goods accompanying this Bid for the Contract Price of _____ (amount in words and numbers) (_____) (name of currency) _____. We propose to complete the delivery for supply of goods in the Contract within a period of _____ words and number) _____ calendar days from the contract signing date.

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

We hereby confirm that this Bid complies with the Validity of the Bid required by the proposal documents.

Authorized Signature: _____
Name and Title of Signatory _____

Name of Contractor: _____
Address: _____

Phone Number _____

Fax Number, if any _____

SECTION 5 – SPECIMEN PERFORMANCE SECURITY

**NATIONAL COMPETITIVE BIDDING
EVALUATION FORM - GOODS**

1. Project Name _____
2. Implementing Agency _____
3. Details of Goods _____

4. Estimated Cost _____ Equivalent US\$ _____
5. Advertisement in newspaper (name) _____ from _____ to _____
6. Bid Issuance Date _____ Bid Opening Date _____
7. Number of suppliers purchased bidding documents _____
(Name) 1. _____
2. _____
8. Number of suppliers submitted bids _____

<u>Name of Bidders</u>	<u>Nationality</u>	<u>Bid Price</u>
------------------------	--------------------	------------------
9. Ranking of Responsive Bids by Price (from the lowest)

<u>Name of Bidders</u>	<u>Price</u>
------------------------	--------------
10. Non-Responsive Bids

<u>Name of Bidders</u>	<u>Reason(s)</u>
------------------------	------------------
11. Name and nationality of the _____
the lowest evaluated Bidders
12. Total price of the Contract award _____ US \$ _____ Equivalent
13. Date of Contract award (for post review) _____
14. Any issues (to be) discussed at finalization of contract. Give details
15. Complaints from Other Suppliers, if any, provide details

Date: _____

Signature of Procurement Official

Project Name:

LIST OF BIDDERS PURCHASE DOCUMENTS

No.	Name of Bidder	Name of Representative	Address	Date	Signature

Project Name :

LIST OF PROPOSALS RECEIVED

No.	Name of Bidder	Name of Representative	Address	Date	Signature

COMPARISON OF TECHNICAL SPECIFICATIONS

Sample Forms (2)

NATIONAL SHOPPING Invitation to Quote (ITQ)

Date:

To:

1. You are invited to submit your price quotation(s) for the supply of the following items:

- (i) _____
- (ii) _____
- (iii) _____
- (iv) _____

2. You must quote for all the items under this Invitation. Price quotations will be evaluated for all the items together and contract awarded to the firm offering the lowest evaluated total cost of all the items.

2. (Option) You may quote one or more items under this invitation. Price quotations will be evaluated on each individual item and contract awarded to the firm(s) offering the lowest evaluated cost of each item.

3. Your quotation(s) in the required format should be addressed and submitted to:

Telephone : _____

FAX: _____

4. Your quotation should be accompanied by adequate technical documentation and catalogue(s) and other printed material or pertinent information for each item quoted, including names and addresses of firms providing service facilities in the country.

5. The deadline for receipt of your quotation (s) by the Purchaser at the addressed indicated in Paragraph 5 is: _____

6. Quotations by Telefax are acceptable

7. Your quotation(s) should be submitted as per the following instructions and in accordance with the Terms and Conditions of supply in the draft Contract.

- (i) **PRICES:** The prices should be quoted in the local currency for delivery ex-factory according to INCOTERMS, 1990, including the cost of delivering to the place of destination, which is as follows:

(ii) EVALUATION AND AWARD OF CONTRACT: Offers determined to be substantially responsive to the technical specifications will be evaluated by comparison of their prices by converting their Ex-Works price, including the cost of delivery to the place of destination. The award will be made to the firm offering the lowest evaluated price and that meets the required standards of technical and financial capabilities. Taxes (VAT) and any other local duties should be quoted separately.

(iii) VALIDITY OF THE OFFER: Your quotation(s) should be valid for a period of 30 days from the date for receipt of quotation(s) indicated in Paragraph 6 above.

8. Further information can be obtained from:

Telephone: _____
Fax: _____
Telex _____

Sincerely,

NATIONAL SHOPPING

Contract for supply of goods

[Specimen form]

[Name of Implementing Agency]

[Address]

To : [Name of the Director and supplier which has won the supply contract]

Address : [Address of the supplier]

Mr. Manager/Director,

The [name of the implementing agency] would like to place an order for the supply and installation of, in conformity with your proposal dated..., specifying the prices of the goods for whose procurement you successfully competed.

13. SUBSTANCE OF GOODS

[List of goods requested, with quantities]

14. AMOUNT O THE CONTRACT

The amount of the order is fixed at[currency unit] and it is not subject to revision.

15. TIME LIMIT AND PLACE OF DELIVERY

The time limit for the delivery of goods is set for [days, weeks or months] from the date of signing this contract. The goods will be delivered at [destination].

16. INTERIM RECEIPT

The interim receipt will be issued upon delivery of all the goods. [Or : If the installation of the goods is required, the interim receipt will only be issued after installation of the equipment are completed. The receipt will be acknowledged as the interim receipt report.

17. TIME LIMIT FOR THE WARRANTY AND AFTER –SALES SERVICE

The deadline for the warranty period is set for months from the date of the interim receipt. During the warranty period, excluding the current maintenance, all the repairs resulting from faulty equipment will be at the supplier's expenses, including the supply of the replacement parts and the overhead costs.

The suppliers is to guarantee an after-sales service to ensure the maintenance service as well as the fast and regular supply of spare parts.

18. FINAL RECEIPT

The final receipt will be issued at the end of the warranty period, and will be acknowledged as the final receipt report.

19. RETENTION

The retention amount, to be reimbursed when the final receipt has been issued, is set up at 10 percent of the total amount of this contract.

20. LIQUIDATED DAMAGES

In case of delay within the period specified in the contract, the supplier is subject to a penalty of 1/1000 of the price of the goods ordered per calendar day of delay. However, the ceiling of these penalties is 10 percent of the total amount of the contract.

In case the 10 percent ceiling is exceeded, the administration reserves the right to terminate the contract.

21. SCHEDULE OF PAYMENT

The amount which are due will be paid in the following manner : **[To be revised as appropriate]**

.....% at the countersigning of this contract, for advance payment (if the supplier has to order the goods). [The amount of this advance should in no circumstance exceed 30% of the total amount].

.....% of the amount of the invoice upon issuance of the interim receipt.

10% of the amount of the invoice upon issuance of the final receipt.

Total : 100% [Total should always be 100% of the amount of the contract].

22. FORM OF PAYMENT

The payment will be made in cash by the signatories of the [name of the village/community] or by check of the [name of bank] at.....[place].

23. APPROVAL OF CONTRACT

This contract will be effective only after it has been signed by the supplier.

Place and date :

Signed : [signatories of the village/community representative]

Read and accepted :

For the Supplier :.....

Place and date :.....

Signature (s).....[Representing the supplier].

NATIONAL SHOPPING

EVALUATION FORM

1. Project Name _____
2. Implementing Agency _____
3. Details of goods procured _____

4. Estimated Cost _____ Equivalent US\$ _____
5. Number of suppliers invited _____ How many responded? _____
6.

<u>Name of Suppliers</u>	<u>Date Quotation Received</u>	<u>Price Quoted</u>
--------------------------	--------------------------------	---------------------
7. Ranking of Responsive Quotations by Price

	<u>Bidder</u>	<u>Price</u>
--	---------------	--------------
8. Non-Responsive Quotations

	<u>Bidder</u>	<u>Reason(s)</u>
--	---------------	------------------
9. Name of the lowest evaluated Supplier _____
10. Total price of the Contract _____ US \$ _____ Equivalent award
11. Date of Contract award _____
12. Any issues (to be) discussed at finalization of contract. Give details
13. Complaints from Other Suppliers, if any, provide details

Date:

Signature of Procurement Official

Project Name:

A. LIST OF BIDDERS INVITED/RECEIVED DOCUMENTS

No.	Name of Bidder	Name of Representative	Address	Date	Signature

Project Name:

LIST OF PROPOSALS RECEIVED

No.	Name of Bidder	Name of Representative	Address	Date	Signature

NATIONAL COMPETITIVE BIDDING

SMALL WORKS (Building repair or construction)

1. Basis of this guideline.

This guideline conforms to the requirements of Sub-Decree .../96 on Public Procurement. It also conforms to the requirements of the World Bank for National Competitive Bidding.

2. When to do National Competitive Bidding.

National Competitive Bidding procedures should be used for procurement of civil works contracts (contracts for any kind of construction works) for contract values up to \$100,000, under the Seila Programme.

3. Principal steps of National Competitive Bidding

- Appointment of Procurement Committee
- Prepare Bidding Documents
- Advertising
- Pre-qualification
- Pre-qualified contractors are invited to submit bids
- Bid opening
- Bid evaluation
- Award of contract.

4. ExCom should appoint a Procurement Committee who will be responsible to carry out the procurement following these guidelines. Members of the procurement committee should include:

- the chairperson or deputy chairperson of ExCom;
- the permanent member;
- the Director of the Department or the Chief of the Unit for which the procurement is done;
- the Deputy Chief of TSU or another suitably qualified engineer.

5. Bidding Documents will consist of the following parts:

- Invitation to Bid
- Instructions to Bidders
- Conditions of Contract
- Drawings
- Specifications
- Priced Bill of Quantities
- Form of Bid
- Form of Contract agreement

Examples of all these documents are appended.

6. Advertising will be in a national Khmer language newspaper (e.g. Raksmei Kampuchea). The advertisement will provide information about the project and will invite interested companies to submit details of their qualifications to the ExCom of the province concerned (submission may be done through STFS) within ten days after the date of advertisement. An example advertisement is attached. Note that for projects funded by World Bank, international contractors are eligible to apply.

7. The Procurement Committee should examine the documents submitted by applicants and form a short-list of pre-qualified contractors. The evaluation methodology shall be based on pass/fail criteria relating to the contractor's experience, technical, financial, physical and human resource capacities.

As a general guideline, minimum qualifications should be:

- at least one contract needing similar skills, and at least 75% of the value of the proposed contract, completed successfully;
- total value of contracts completed in the last 2 years at least 3 times the value of the proposed contract;
- the proposed works manager should be a qualified technician (contracts up to \$30,000) or engineer (contracts over \$30,000).

8. The pre-qualified contractors should then be issued with bidding documents. There is no need to ask pre-qualified contractors to pay for bidding documents. The time allowed from the date of the invitation to bid (the date when the bidding documents are sent to the contractors) until the deadline for submission of bids must be at least 20 days.

9. During the period between the invitation to bid and the bid submission, some contractors may ask for more information about the contract. Any information provided to one bidder should also be provided to all the other bidders.

For some projects it will be a good idea to organise an orientation meeting at the project site. The orientation meeting should be at least 1 week before the deadline for submission of bids.

10. Where appropriate, the Procurement Committee may ask for a bid deposit of not more than 2% of the estimated value of the contract, to be paid at the time of bid submission. The bid deposit may be in cash or in the form of a non-cancelable bank draft.

11. The Procurement Committee must keep a register of bids submitted and of deposits paid.

12. Bids will be opened in public immediately after the deadline for the submission of bids. There must be a record of the people present when the bids are opened. Representatives of the bidders must attend the bid opening and must confirm that their bid has been correctly recorded. The Procurement committee should tell the bidders the schedule for announcing the provisional result of the evaluation. The Procurement Committee should then ask the bidders to leave the room.

13. The bid evaluation committee must then evaluate the bids. They must follow these steps:

- i. Check that bids are submitted by pre-qualified contractors only;
- ii. Check that the bidder has followed the Instructions to Bidders correctly and that the bid form is correctly completed and signed. Small mistakes may be accepted, but if there is any doubt about the meaning of the bid form, it should be rejected.
- iii. Check the arithmetic on the bid form. Mistakes may be corrected using the following rules:
 - a. If there are no arithmetic errors, but there is a difference between the bid price in words, and the bid price written in numbers, the bid price written in words should be regarded as the correct price;

- b. if the unit price multiplied by the quantity for any item does not equal the price written for the item, the unit price multiplied by the quantity should be treated as correct.
- c. if the item prices for all the items does not add up to the total price, the correct total of all the item prices should be calculated and treated as the bid price.
- d. The bidder should be asked to confirm the corrected bid price. If he does not do this, the bid must be rejected
- iv. Compare the total bid price with the estimated price for the contract. Bids that appear unrealistically low may be eliminated. Any bid that is more than 10% below the average of all bids submitted should be examined carefully to determine whether it is reasonable. Specific and verifiable reasons must be given in writing (on the bidding report) to justify the elimination of any bid at this stage.
- v. Of the bidders remaining after steps 1-4, the one with the lowest bid is the lowest qualified bidder.
- vi. In the event that there are more than one bidder with the equal lowest bid price, all bidders on the shortlist must be invited to bid again.
- vii. Prepare a Bid Evaluation report. If any bid has been rejected under steps i to iv, it is important to record the reason clearly. The report must recommend award of the contract to the lowest qualified bidder.

14. The Procurement Committee should then announce the provisional result of the bid evaluation in the presence of all the bidders. For World Bank funded contracts, the Procurement Committee must state very clearly that the recommendation is subject to no objection from the World Bank. The contractor must not start work until the contract is signed and a workplan is agreed between the contractor and the Project Owner, and the contract is signed.

15. If any bidder whose bid was lower than the recommended winning bid, but was rejected, asks to know the reason for the rejection of his bid, the Procurement Committee should tell him the reason verbally and in private. In the case of World Bank projects, this should be done after the notice of no objection has been received from World Bank.

16. Immediately after the announcement of the provisional result, the bid deposits should be returned in full to all except the three lowest qualified bidder. The deposits of the three lowest bidders should be retained by the Procurement Committee until the contract is signed. The deposits of the second and third lowest bidders must be returned when the contract is signed by the first lowest bidder. The deposit of the winning contractor should be returned when work begins on the construction.

Where appropriate, the Procurement Committee may return cash deposits made by the second and third lowest bidders immediately after the announcement, provided that these bidders provide signed letters promising to accept the contract if it is offered to them, or to pay compensation equal to the amount of the deposit.

17. The contract between the contractor and the PRDC-ExCom:

- i. The contractor signs a single contract with PRDC-ExCom for construction of the whole building.
- ii. The contract will identify which portion of the contract is funded from which source.
- iii. The RILGP portion of the contract will include the IDA financed percentage (90%) plus the counterpart funds from the national government (10%), and the

provincial government portion will be the incremental amount (i.e., the total contract value minus the RILGP portion).

- iv. When payment is due, PRDC-ExCom will request payment to be made from STFS (for RILGP funds --both IDA and counterpart funds) or from Provincial Treasury (for provincial government funds) as appropriate.
- v. Payments will be staged so that payments under the provincial government portion and the RILGP portion will be done separately. That is, the provincial government portion of the contract will be paid wholly from provincial government funds, and each payment for the RILGP portion of the contract will be paid 90% from the Credit and 10% from the counterpart funds from the national government (as is indicated in Schedule 1 of the DCA).

Example Advertisement

The Executive Committee of the Provincial Rural Development Committee of

Kompong Thmei Province

wishes to engage a contractor to implement the following project:

Construction of 8.6km of laterite road with 6 culverts and 3 bridges

in Srok Chngai District, Kompong Thmei.

Approximate value of contract: \$US 55,000

Construction will begin in April 2004 and will be completed by end of July 2004.

Interested companies are requested to apply for pre-qualification, submitting the following information:

- Name and address of company
- Name of directors
- Years established in business;
- Details (including value) of similar contracts implemented in the past;
- Name and qualifications of staff member who would act as Works Manager.

Applications must be addressed to:

The Permanent Member, ExCom
Sala Khaet,
Kompong Thmei

and must be handed in by either at the Sala Khaet, Kompong Thmei, or at Seila Task Force Secretariat, Building "E", Council for the Development of Cambodia, Government Palace, Sisowath Quay, Phnom Penh.

Pre-qualified contractors will be issued with an Invitation to Bid by and bids will be submitted by

Sample Forms (1)

NATIONAL COMPETITIVE BIDDING

INVITATION TO BID

Project Name: _____

Date of Issue of Invitation: _____

To:

Gentlemen:

1. The Government of _____ (Borrower) has received a Loan/Credit from the World Bank/International Development Association (IDA) towards the cost of the _____ (Name of the Project) and intends to apply part of the funds to make eligible payments under the Contract for which this invitation is being issued.

2. The _____ (Project Owner) hereby invites you to submit a bid for construction of the following Works:

3. To assist you in the preparation of your bid we enclose the necessary drawings and specifications and a sample form for submitting the bid. Your bid in the attached format should be sealed in an envelope and addressed to and delivered at the following address:

Attention: _____ (Name of Receiving Office)
_____ (Name of Authorized Person)

(Address) Telephone: _____
Fax: _____

4. A bid guarantee deposit of \$..... must be paid at the time and place of submitting the bid.

5. Your bid shall be valid for a period of sixty (60) days from _____ (time and date of submission of the bid).

6. A Contractor who withdraws his bid during the validity period and/or refuses to accept the award of a contract when and if awarded will forfeit the bid guarantee deposit. The contractor may also be excluded from bidding for other contracts supported by the Seila Programme for a period of 2 years.

7. Attached for your information and guidance are the Instructions to Bidders and the Terms and Conditions of the Contract.

8. Your Bid should be submitted by _____ (date and time). The Bids shall be opened in public in the presence of contractors' representatives who choose to attend, on _____ (same date as for bid submission) at _____ hrs (soon after the deadline for bid submission) at the following address: _____ (Street address, Room No., Phone number, etc.)

Sincerely,

(Name of Official)

(Position/Designation)

(Name of Office)

(Address)

NATIONAL COMPETITIVE BIDDING

SECTION 1: INSTRUCTIONS TO BIDDERS

1. **Description of Works :** The _____ (Name of the Agency), as the Project Owner, invites bids for the construction of _____ as described in the Conditions of Contract (CC). The successful contractor will be expected to construct the works within the time allowed under the Conditions of Contract.

2. **Qualification of the Bidder:** Only contractors who have applied for and been awarded pre-qualification are eligible to bid.

3 **Contents of Bid Documents:** The set of Bid documents comprises the documents listed below:

Invitation to Bid

Section 1	Instructions for Bidders
Section 2	Condition of contract
Section 3	Drawings
Section 4	Specifications
Section 5	Priced Bill of Quantities
Section 6	Form of Bid
Section 7	Form of contract agreement

4. **Documents Comprising the Bid:** The Bid (Bid) submitted by the Contractor shall comprise the following documents:

Form of Bid (as per sample attached) and Priced Bill of Quantities

5. **Bid and Evaluation Criteria :** Contractor's bid shall be for all items required to complete construction of the works, including materials, equipment, labour, transport and profit. The Project Owner has the right to reject bids that are (1) incorrectly completed or (2) that are considered unrealistically low. The contract will be awarded to the bidder offering the lowest substantially responsive bid.

6. **Validity of Bid.** The bid shall remain valid for the period of sixty (60) calendar days counted from the deadline for submission of bids specified in Clause 9 below. The Project Owner may request the Contractors to extend the period of validity for a specified additional period. The Project Owner's request and the Contractors' responses shall be made in writing or by fax or by cable. A Contractor may refuse the request for extension of bid validity in which case he may withdraw his Bid without any penalty. A Contractor agreeing to the request will not be required or permitted to otherwise modify its Bid.

7. **Language of the Bid :** All documents relating to the Bid and contract shall be in the Khmer language.

8. **Preparation and Sealing of Bid:** The Contractor shall prepare one original of the documents comprising the Bid as described in Clause 4 above, with the Form of Bid, and clearly marked "Original". In addition, the Contractor shall also submit one copy which shall be clearly marked as "COPY". In the event of discrepancy between them the original shall prevail. The original and the copy of the Bid shall be signed by a person or persons duly authorized to sign on behalf of the Contractor. All the pages of the Bid where entries or amendments or corrections have been made shall be initialed by the person or persons signing the Bid. The Contractor shall seal the original and the copy of the Bid in two inner envelopes and one outer envelope, duly marking the inner envelopes as "ORIGINAL" and "COPY". The inner and the outer envelopes shall be addressed to the Project Owner at the address provided above and shall provide a warning not to open before the specified time and date for Bid opening as defined in Clause 8 of Invitation to Bid. The inner envelopes shall indicate the name and full address of the Contractor. If the outer envelope is not sealed and marked as above, the Purchaser will assume no responsibility for the misplacement or premature opening of the Bid.

9. **Place and Deadline for Submission of Bids:** The Bids shall be delivered to the Project Owner **NO LATER than _____ (time, date) at the address given in Paragraph 3 of the Invitation to Bid.** Any Bid received by the Project Owner after the deadline prescribed in this clause will be returned unopened to the Bidder.

10. **Bid Guarantee Deposit:** A bid guarantee deposit of (enter amount, not to be more than 2% of the estimated contract price) must be paid at the time of submission of bids. A written receipt will be provided. Bid guarantee deposits will be returned in full to unsuccessful bidders after the final result of the bidding is announced. The bid guarantee deposit will be returned to the successful bidder when construction work begins. In the case that any bidder is offered the contract at his bid price, and does not accept, or in the case that the contract is cancelled under Clause 9 of the Conditions of Contract, the bid deposit will be forfeit.

11. **Modification and Withdrawal of Bids:** No Bids shall be modified after the deadline for submission of Bids specified above in Clause 9. Withdrawal of a Bid between the deadline for submission of Bids and the expiration of the validity of the Bids as specified in Clause 6 above will result in the Contractor being excluded from bidding for other contracts under the Seila Programme for two years.

12. **Opening of Bids:** The Project Owner will open the Bids in the presence of the bidders' representatives who choose to attend, at the time, date, and in the place specified in Paragraph 8 of the Invitation To Bid. The bidders' names and the total amount of each Bid will be announced by the Project Owner at the Bid opening.

13. **Process to be Confidential:** At the discretion of the Project Owner, a provisional recommendation for the contract award may be available to the bidders on the day of the bid opening. Other than this, all information relating to the examination, clarification, evaluation and comparison of bids for the contract award shall not be disclosed until the award to the successful Contractor has been announced.

14. **Evaluation and Comparison of Bids:** The Project Owner will award the Contract to the Contractor whose Bid has been determined to be substantially responsive to the Bid documents and who has offered the lowest evaluated Bid. In evaluating the Bids, the Project

Owner will determine for each Bid the evaluated Bid by adjusting the Bid by making any correction for any arithmetic errors as follows:

(a) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;

(b) where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;

(c) if a Contractor refuses to accept the correction, his Bid will be rejected.

The Project Owner has the right to reject a bid if the price is considered unrealistically low.

15. Project Owner's Right to Accept Any Bids and to Reject any or all Bids: The Project Owner reserves the right to accept or reject any bid, and to cancel the process of competition and reject all bids, at any time prior to the award of the Contract, without thereby incurring any liability to the affected Contractor(s) or any obligation to inform the affected Contractor(s) of the grounds for the Project Owner's decision.

16. Notification of Award and Signing of Contract: The Contractor whose Bid has been accepted will be notified of the award by the Project Owner prior to the expiration of the validity period of the Bid, by registered letter. The written notification of award will constitute the formation of the Contract. However, the contract can also be signed between the Project Owner and the Contractor prior to the expiration of the validity period of the Bid without issuing the notification of award.

SECTION 2 – CONDITIONS OF CONTRACT FOR CIVIL WORKS

[Specimen form]

Article I: General Provisions

1. The Project Owner has appointed (*name*) to be the Technical Supervisor who will supervise implementation of the contract.
2. The Form of Bid submitted by the Contractor, the Priced Bill of Quantities, the Form of Contract, the Conditions of Contract, the Contractor's Work Plan, the Drawings and the Technical Specification together form the Contract. The Contractor confirms that he has examined, read and understood fully all the Contract Documents.
3. The Project Owner has approved the Work Plan submitted by the Contractor, including the Works Start Date, the Works Completion Date, and the person who will act as Works Manager.
4. The Contract shall be amended only by written agreement between the Project Owner and the Contractor.
5. In the case of a dispute arising from the implementation of the Contract, the Provincial Governor of (*insert name of province*) will be asked for assistance and advice in settling the dispute. If the dispute is not settled in a manner acceptable to both parties, within 60 days from the date of referring the dispute to the Provincial Governor, then the case will be referred to the proper court in Cambodia for adjudication.

Article II: Project Owner and Contractor's obligations

6. The Project Owner and the Contractor (the Two Parties) now agree as follows:
 - The Project Owner pledges to pay the Contractor the Contract Price,(*fill in price*). This amount is for the full quantity of work shown on the Drawings, including materials, transport to the site, labor and profit.
 - The Contractor pledges to construct the following works:
.....
..... (*insert description of works*).
On or before the Works Start Date, the Technical Supervisor will indicate the exact location where the works are to be constructed.

Article III: Conditions for execution of the Works

7. The Contractor shall not sub-contract the whole of the works. The Contractor shall not, without the written consent of the Project Owner, sub-contract any part of the Works. In the event the Project Owner approves the sub-contracting, such consent shall not relieve the Contractor of his obligations under the Contract.

8. The Contractor will start implement the works on and shall complete the whole of the works not later than(*Insert Works Completion Date from Contractor's Work plan*). If implementation of the Contract is delayed due to any circumstances or event, which could not have been foreseen by an experienced contractor, the Contractor must inform the Technical Supervisor immediately about the delay. If the Technical Supervisor considers that an extension of time for the Contract is justified, the Contractor must submit an amended Work Plan, agreed with the Technical Supervisor, for approval by the Project Owner.
9. If, 15 days after the Works Start Date, the Contractor has not started to implement the project, the Project Owner has the right to cancel the contract. If, at any time, implementation of any part of the Works is delayed by more than 30 days beyond the dates shown in the Work Plan, the Project Owner has the right to cancel the contract.
10. The Project Owner has the right to reduce the payment to the Contractor by 0.1% of the total price of the project for every day after the Works Completion Date shown in the Contractor's Work Plan, until the work is complete. The reduction is up to a maximum of 10%.
11. The Works Manager will be present on site all the time that work is in progress. The Works Manager will keep a Works Notebook to record progress of the work. The Project Owner and the Technical Supervisor may inspect the Works Notebook and may use the Works Notebook to record instructions issued to the Contractor.
12. The Technical Supervisor, or any other person named as a representative by the Project Owner, may inspect the work at any time. The Technical Supervisor may instruct the Contractor to provide samples of materials for quality testing. The Technical Supervisor may instruct the Contractor to dig inspection holes in completed sections of the work in order to allow inspection. The Contractor will cooperate with the Technical Supervisor and allow the Technical Supervisor to use the Contractor's staff and equipment as necessary to carry out inspections of the work.
13. The Technical Supervisor may issue instructions to the Contractor to ensure compliance with the Drawings and the Specification. The Technical Supervisor may agree minor changes to the Drawings and the Specification, provided that these do not change substantially the final quality of the Works. The Technical Supervisor may not instruct the Contractor to change the quantity of work shown in the Drawings, or to make any change that will substantially change the quality of the finished Works, without the written agreement of the Project Owner.
14. The Contractor's Work Plan shows stages of work that must be inspected and approved by the Technical Supervisor. When these stages are reached the Contractor must not proceed further with the work until the Technical Supervisor has given his approval. If the Contractor proceeds with the work without waiting for the Technical Supervisor to inspect, so that the work to be inspected has been covered over, the Technical Supervisor may instruct the Contractor to destroy that part of the work and construct again.
15. The Contractor agrees to ensure that the work is carried out in a safe manner and with the minimum disturbance to people living close to or passing by the site, or damage to

the environment. The place of disposing of excavated earth, dirty water or other waste materials must be approved by the Project Owner before disposal starts.

16. On completion of the works the contractor shall be responsible for removing all plant, surplus materials and wastes from the site and for restoring the site to a clean and tidy condition.
17. The contractor guarantees the work for months, starting from the date of completion of construction shown on Progress Report issued by the Technical Supervisor. The Contractor agrees to make good, at his own expense, any defect that appears during that time due to quality of materials or workmanship.
18. If war or natural disaster makes completion of the contract impossible, the Contractor may ask the Project Owner to release him from the Contract. The Contractor may request payment for that part of the works that is complete and intact at the time the request for release is made.

Article 4: Payment Provisions

19. When the Contractor wishes to apply for payment he must submit a written Request for Payment to the Project Owner. The Technical Supervisor will then verify the quantity of work completed and will check that the quality of the materials used and the quality of the Contractor’s workmanship is in line with the Contract. The Technical Supervisor will also check that the construction is following the Drawings and any instructions given by the Technical Supervisor to the Contractor. The Technical Supervisor shall then either:
 - a) Issue a Progress Report (or Completion Report) certifying that the conditions for release of the payment have been met, or;
 - b) Issue a Progress Report detailing further work that must be done to meet the conditions for release of the payment.
20. On receiving a Progress Report (or Completion Report) from the Technical Supervisor, indicating that the conditions for release of any payment have been met, the Project Owner will issue a Payment Certificate.
21. Payments will only be made on or after the due date shown in the schedule below, and after fulfillment of the “payment conditions” (whichever is the later).

Disbursement Schedule			
Steps of Payment	Amount	Scheduled Date	Payment Conditions (% Completed Works)
Payment No 1			
Retention 5%			
Total Contract			

22. Time allowed for processing of payments will be as follows:
 - Technical Supervisor will inspect the Works and report to the Project Owner within 1 week after receiving the Request for Payment;

- If a satisfactory progress report is issued before the scheduled date for payments, the Project Owner must issue a Certificate for Payment not later than 1 week after receiving progress report from Technical Supervisor.
- Payment will be made at within 1 week of the date issue of the Payment Certificate.

Therefore the Due Date for Payment will be 3 weeks after the date of Request for Payment.

23. If any payment is delayed for more than 1 calendar month after the Due Date for Payment, the Project Owner will pay interest to the Contractor at the rate of 2% of the amount of the payment for the first month and for each subsequent full calendar month during which payments are delayed. In addition, the number of days during which the payment is delayed will automatically be added on to the time for completion of the project.
24. If the Contract is cancelled because of the fault of the Contractor, the Project Owner has the right to take over the Works and complete them by any other method. No payment will be made to the Contractor until the Works have been completed. Payment to the Contractor will be limited to the difference between the Contract Price and the cost to the Project Owner of completing the part of the work that was not implemented by the Contractor.

Article 5: Special Condition

.....

In witness of what has been agreed above, the signatures of the authorized representatives of the two Parties are affixed below on the date shown.

Project Owner		Contractor	
Name	:	Name	:
Position	:	Position	:
Date	:	Date	:

SECTION 5 –BILL OF QUANTITIES

Priced Bill of Quantities for Works Project					
Province:					
Name of Project					
Bidder's name		ID Card number			
No.	Description of item	Qty	Unit	Price/Unit	Price for Item
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
Total Contract Price					

Total Contract Price

In Words.....

Authorised Signature of Bidder.....

SECTION 6 - FORM OF BID

_____ (Date)

To: _____ (Employer's Name)

_____ (Employer's Address)

We offer to execute the _____ (name and number of Contract) in accordance with the Draft Civil Works Contract accompanying this Bid for the Contract Price of _____ (amount in words and numbers) (_____) (name of currency) _____. We agree to complete the works according to the Drawings and the Specification and within the time allowed.

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

We hereby confirm that this Bid will remain valid for 60 days after then Deadline for Submission of Bids.

Authorized Signature: _____
Name and Title of Signatory _____

Name of Contractor: _____

Address: _____

Phone Number _____

Fax Number, if any _____

SECTION 7 - FORM OF CONTRACT AGREEMENT

AGREEMENT

This Agreement, made the _____ day of _____ 19____, by and between

(name and address of Employer hereinafter called "the Employer") and

(name and address of Contractor hereinafter called "the Contractor") of the other part.

Whereas the Employer is desirous that the Contractor execute _____

(name and identification number of Contract hereinafter called "the Works")

and the Employer has accepted the Bid/Quotation submitted by the Contractor for the execution and completion of such Works and the remedying of any defects therein.

Now this Agreement witnesseth as follows:

1. In this Agreement, words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereafter referred to, and they shall be deemed to form and be read and construed as part of this Agreement.
2. In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to execute and complete the Works and remedy any defects therein in conformity in all respects with the provisions of the Contract.
3. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects wherein the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

In Witness whereof the parties thereto have caused this Agreement to be executed the days and year first before written

The Common Seal of

was hereunto affixed in the presence of:

Signed, Sealed, and Delivered by the
said

in the presence of :

Binding Signature of Employer: _____

Binding Signature of Contractor: _____

NATIONAL COMPETITIVE BIDDING FOR WORKS

EVALUATION FORM

1. Project Name _____
 2. Implementing Agency _____
 3. Details of Works _____

 4. Estimated Cost _____ Equivalent US\$ _____
 5. Advertisement in newspaper (name) _____ from _____ to _____
 6. Bid Issuance Date _____ Bid Opening Date _____
 7. Number of contractors applying for prequalification
(Name) 1. _____
2. _____
 8. Number of contractors prequalified and invited to bid
(Name) 1. _____
2. _____
 9. Number of contractors submitted bids _____
- | | <u>Name of Bidders</u> | <u>Bid Price</u> |
|----|-------------------------------------------------------|------------------|
| 9. | Ranking of Responsive Bids by Price (from the lowest) | |
| | <u>Name of Bidders</u> | <u>Price</u> |
10. Non-Responsive Bids

	<u>Name of Bidders</u>	<u>Reason(s)</u>
11.	Name of the lowest evaluated Bidders _____	
 12. Total price of the Contract award _____ US \$ _____ Equivalent
 13. Any issues (to be) discussed at finalization of contract. Give details
 14. Complaints from Other Contractors, if any, provide details

Date: _____

Signature of Chairperson of Procurement Committee

Project Name:

LIST OF CONTRACTORS APPLYING FOR PRE-QUALIFICATION

No.	Name	Address	Date of submission	Signature	Tel/Email (if Applicable)

Recorded by:

Project Name:

LIST OF BIDDERS ISSUED & SUBMITTING BIDDING DOCUMENTS

No.	Name	Name of Representative	Address	Receiving Bidding Document		Submitting Bidding Document		Return Deposit	
				Date of issuing bidding document	Signature	Date of submitting bidding document	Deposit	Signature	Signature

Recorded by:



Project Name:

Official Receipt

Nominated by Civil Work Contract Procurement committee, Mr., has received a bid guarantee deposit of USD.....(amount in words) from Mr..... representative of (name of the company).

Signature of Receiver

Date:

Note:

Bid guarantee deposits will be returned in full to unsuccessful bidders after the final result of the bidding is announced. The bid guarantee deposit will be returned to the successful bidder when construction work begins. In the case that any bidder is offered the contract at his bid price, and does not accept, or in the case that the contract is cancelled under Clause 9 of the Conditions of Contract, the bid deposit will be forfeit.

The receipt shall return to ExCom at the time of returning deposit.

SAMPLE FORM – CONSULTANT SERVICES

SELECTION OF CONSULTANTS BY THE BANK'S BORROWERS

Sample Format for Request for Expressions of Interest

[NAME OF COUNTRY]
[NAME OF PROJECT]
CONSULTING SERVICES
Loan/Credit/Grant No.
Expressions of Interest

This request for expressions of interest follows the general procurement notice for this project that appeared in Development Business No. (*insert number*) of (*insert date*)²

The [*insert name of borrower/beneficiary*³] [*has received/has applied for/intends to apply for*] a [*loan/credit/grant*] from the [*International Bank for Reconstruction and Development (IBRD) /International Development Association (IDA)*], and intends to apply part of the proceeds of this [*loan/credit/grant*] to payments under the contract for [*insert name of project/the services*].⁴

The services include [*brief description, organization, implementation period...*].⁵

The [*insert name of implementing agency/client*] now invites eligible consultants to indicate their interest in providing the services. Interested consultants must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Consultants may associate to enhance their qualifications.

A consultant will be selected in accordance with the procedures set out in the World Bank's *Guidelines: Selection and Employment of Consultants by World Bank Borrowers*,⁶ January 1997 (revised September 1997, January 1999, and May 2002). Interested consultants may obtain further information at the address below [*state address at the end of document*] from [*insert office hours*].⁷

Expressions of interest must be delivered to the address below by [*insert date*].

[*Insert name of office*]

[*Insert name of officer*]

[*Insert postal address and/or street address*]

Tel: [*Indicate country and city code*]

Fax: [*Indicate country and city code*]

E-mail:

Notes:

1. If appropriate. In some cases there may be no project properly said but only a specific consulting assignment.
2. Day, month, year, for example 31 January 1998; delete if not appropriate.
3. In case of a grant.
4. Insert title of services.
5. The intent is to enable potentially interested consultants to decide whether or not to prepare an expression of interest.
6. See guidelines for eligibility requirements
7. For example, 0900 to 1200 hours.

Sample Agreement, Short-Term Individual Consultant - Time Based Remuneration

Sample Agreement for Small Assignments Short-Term Individual Consultants

Subject : [Name of Assignment]

[Name of Consultant]

We herewith confirm your consulting appointment to carry out the above-mentioned assignment specified in the attached Terms of Reference. For administrative purposes [Name of Responsible Staff of Client] has been assigned to administer the assignment and to provide you with all relevant information needed to carry out the assignment. Your services will be required in [Name of Country] for about _____ days/months, during the period from _____ to _____. These dates are estimates and [Name of Client] may find it necessary to postpone or cancel the assignment, and/or shorten or extend its duration. However, every effort will be made to give you, as early as possible, notice of any such changes. In the event of termination, you shall be paid of the services rendered for carrying out the assignment to the date of termination.

This Agreement, its meaning and interpretation, and the relations between the Parties shall be governed by the Law of _____.

Set out below are the terms and conditions under which you have agreed to carry out the assignment. The services to be performed, the estimated time to be spent, and the reports to be submitted will be in accordance with the attached Terms of Reference.

This Agreement will become effective upon confirmation of this letter by you and will terminate on _____, or such other date as mutually agreed.

Payments for the services will not exceed the total amount indicated in the attached cost estimate for the assignment.

You will be paid as follows, within 30 days of receipt of invoice:

A fee at the rate of [Currency, Amount] per working day [Month].

The above fee includes all overhead and any taxes.

In addition, the [Name of Client] will reimburse the cost mobilization and demobilization, and of any official, less than first-class, air travel authorized in connection with this assignment. You will receive a per diem of [Currency, Amount] per calendar day spent in [Name of country]. The per diem covers all the costs of lodging, meals, subsistence and travel incurred while undertaking the assignment.

You will be responsible for appropriate insurance coverage. In this regard, you shall maintain medical, travel, accident and third-party liability. You shall indemnify and hold harmless, the [Name of client] against any and all claims, demands, and/or judgments of any nature brought against the [Name of Client] arising out of the services under this Agreement. The obligation under this paragraph shall survive the termination of this Agreement.

All materials produced or acquired under the terms of this Agreement written, graphic, film, magnetic tape or otherwise, shall remain the property of the [Name of Client]. The [Name of client] retains the exclusive right to publish or disseminate reports arising from such materials. The rights and duties provided for in this paragraph shall continue, notwithstanding the termination of this Agreement or the execution of its other provisions.

You will carry out the assignment in accordance with the highest standard of professional and ethical competence and integrity, having due regard to the nature and purpose of the assignment, and will conduct yourself in a manner consistent herewith.

You will also agree that all knowledge and information not within the public domain which may be acquired during the carrying out of this Agreement, shall be, for all time and for all purposes, regarded as strictly confidential and held in confidence, and shall not be directly or indirectly disclosed to any person whatsoever, except with the [Name of Client] written permission.

[Name of City]

[dd/mm/yr]

SIGNED BY :

Attachments : Terms of Reference

Costs Estimate of the Services or Breakdown of Cost of Services

READ AND AGREED :

[Name of City]

[dd/mm/yr]

SIGNED BY :

Address

Sample Agreement Short-Term Individual Consultant - Lump Sum Remuneration

Sample Agreement for Small Assignments Short-Term Individual Consultants (Lump Sum Remuneration) Subject : [Name of Assignment]

[Name of Consultant]

We herewith confirm your consulting appointment to carry out the above-mentioned assignment specified in the attached Terms of Reference. For administrative purposes [Name of Responsible Staff of Client] has been assigned to administer the assignment and to provide you with all relevant information needed to carry out the assignment. Your services will be required in [Name of Country] for about _____ days/months, during the period from _____ to _____. These dates are estimates and [Name of Client] may find it necessary to postpone or cancel the assignment, and/or shorten or extend its duration. However, every effort will be made to give you, as early as possible, notice of any such changes. In the event of termination, you shall be paid of the services rendered for carrying out the assignment to the date of termination.

This Agreement, its meaning and interpretation, and the relations between the Parties shall be governed by the Law of _____.

Set out below are the terms and conditions under which you have agreed to carry out the assignment. The services to be performed, the estimated time to be spent, and the reports to be submitted will be in accordance with the attached Terms of Reference.

This Agreement will become effective upon confirmation of this letter by you and will terminate on _____, or such other date as mutually agreed.

Payments for the services will not exceed the total amount indicated in the attached break down of costs for the assignment.

You will be paid as follows, within 30 days of receipt of invoice :

A fee of

Amount	Currency	
_____	_____	upon receipt of a confirmed copy of this letter
_____	_____	upon receipt of the draft report
_____	_____	upon receipt of the final report, acceptance to [Name of Client]

The above fee includes all the costs related to carrying out the services, including overhead and any taxes.

You will be responsible for appropriate insurance coverage. In this regard, you shall maintain medical, travel, accident and third-party liability. You shall indemnify and hold harmless, the [Name of client] against any and all claims, demands, and/or judgments of any nature brought against the [Name of Client] arising out of the services under this Agreement. The obligation under this paragraph shall survive the termination of this Agreement.

All materials produced or acquired under the terms of this Agreement written, graphic, film, magnetic tape or otherwise, shall remain the property of the [Name of Client]. The [Name of client] retains the exclusive right to publish or disseminate reports arising from such materials. The rights and duties provided for in this paragraph shall continue, notwithstanding the termination of this Agreement or the execution of its other provisions.

You will carry out the assignment in accordance with the highest standard of professional and ethical competence and integrity, having due regard to the nature and purpose of the assignment, and will conduct yourself in a manner consistent herewith.

You will also agree that all knowledge and information not within the public domain which may be acquired during the carrying out of this Agreement, shall be, for all time and for all purposes, regarded as strictly confidential and held in confidence, and shall not be directly or indirectly disclosed to any person whatsoever, except with the [Name of Client] written permission.

[Name of City]

[dd/mm/yr]

SIGNED BY :

Attachments : Terms of Reference
Break Down of Costs of the Services

READ AND AGREED :

[Name of City]

[dd/mm/yr]

SIGNED BY :

Address:

**Sample Agreement, Long-Term Individual Consultant
Sample Agreement**

Long-Term Individual Consultants

AGREEMENT made this ____ day of _____, 19__ between

_____ [hereinafter called "the Client"] and
_____ [hereinafter called "the Consultant"] of [City and
Country] [hereinafter called "the Usual Place of Residence"].

WHEREAS the Client has obtained a [loan/grant] from the World Bank [hereinafter called "the Bank"] for the purpose of assisting [Name of Project] [hereinafter called "the Project"]:

WHEREAS the Client wishes to engage the services of the Consultant upon the terms and conditions hereinafter set forth for the purposes of the Project; and

WHEREAS the Consultant wishes to accept such engagement upon such terms and conditions;

NOW THEREFORE the parties hereto hereby agree as follows :

I. Duties of Consultant

The Consultant shall perform the duties in the Terms of Reference annexed as Schedule A hereto [such duties being hereinafter called "the Services"]. The Services will be performed principally at [Location of Services].

II. Commencement of Engagement

The Consultant shall proceed to [Location of Services] on or about [Date] to commence the Services. The terms of the Consultant's engagement shall commence on the day upon which the Consultant shall commence to travel by the most direct practicable route to [Location of Services] [such day being hereinafter called "the Date of Commencement"].

III. Term of Engagement

The Consultant shall be engaged by the Client until such time as he shall have completed the Services provided, however, the period during which the Consultant shall be so engaged [hereinafter called the Term of Engagement"] shall not, except as the parties may otherwise agree, exceed [Number] months from the Date of Commencement and provided further that the Client and the Consultant may at any time, upon giving the notice in writing [number] days to the other party, terminate this Agreement.

IV. Payments

The Client shall pay the consultant remuneration in respect of the Services performed during the Term of the Engagement by monthly payments and shall reimburse out-of-pocket expenses calculated at the rates set forth in Schedule B hereof. Payments shall, unless otherwise agreed, be made in accordance with paragraph 4 of the General Conditions of Agreement, attached as Schedule B hereto provided, however, that the Consultant shall be entitled to an advance of US dollars (Amount) payable at the time of his/her arrival in [Location of Services]. Such advance shall be repaid by set-offs made by the Client in [Number] equal installments against monthly payments otherwise to be made to the Consultant hereunder. Further advances may be made subject to subsequent agreement being reached on amounts and terms for reimbursement by subsequent monthly set-off.

V. General Conditions

The General Conditions of Agreement annexed as Schedule C hereto shall apply to this Agreement and shall have the same force and effect as if the same were fully set forth herein.

VI. Effectiveness

This Agreement shall become effective upon execution by the Client and Consultant.

IN WITNESS HEREOF the parties hereto have signed the Agreement the day and year first above written.

[Name of Client]

[Name of Consultant]

By _____
Its [Insert Title]
Authorized Representative

By _____

Terms of Reference

Summary of Contract Estimates

		Foreign Currency	Local Currency
I	REMUNERATION [days/months]* x \$		
II	OUT-OF-POCKET EXPENSES		
	- International Travel [round trip] ___ trips (s)		
	- @ \$ ___ per trip	X	
	- Relocation Allowance	X	
	- Miscellaneous Travel Expenses **	X	
	- Per Diem Allowances	X	
	- Subsistence Allowances	X	X
	- Communication Charges	X	X
	- Education Allowance	X	
	- Other Expenses [enumerate]	X	X
III	CONTINGENCIES	X	X
	TOTAL		
<p>* choose "days" or "months".</p> <p>** Includes passports, visas, inoculations, transport to and from airports, airport taxes, excess personal baggage and insurance therefore [limited to 20 kg. For economy flights or equivalent cost for unaccompanied baggage], and other similar travel expenses, subject, however, as to such travel expenses not specifically mentioned herein to the approval thereof by the Client if aggregate amount exceeds allocation above.</p>			

General Conditions of Agreement

Section 1. Definitions

- [a] In these Conditions and in the Contract, unless a contrary intention appear
- “Bank” means the Bank for Reconstruction and Development.
- “Client” means [Name].
- “Consultant” means the person referred to as “the Consultant” in the Memorandum of Agreement.
- “Memorandum of Agreement” means the Agreement executed by and between the Client and the Consultant in which these Conditions have been incorporated by reference.
- “Contract” means the Memorandum of Agreement together with these Conditions and all other schedules and documents, if any, annexed to the Memorandum of Agreement or incorporated therein and intended to form part of the contractual relationship between the parties.
- “Services” means the duties of the Consultant designated as “the Services” in the Memorandum of Agreement.
- “Country of Assignment” means the country in which the Services are to be substantially performed.
- “Usual Place of Residence” means the place of residence of the consultant designated in the Memorandum of Agreement/
- “Terms of Reference” means the schedule of duties referred to as “the Terms of Reference” in the Memorandum of Agreement.
- “Project” means the project so named in the Memorandum of Agreement.
- “Term of Engagement” means the period referred to as “the Term of Engagement” in the Memorandum of Agreement.
- [b] Where the context so permits, words importing the singular only shall be deemed to include the plural and vice versa, and words importing the masculine shall be deemed to include the feminine and vice versa.
- [c] Headings shall not modify or affect the meaning of these conditions.

Section 2

Application Law

This Agreement, its meaning and interpretation, and the relations between the Parties shall be governed by the Law of _____.

Section 3 Remuneration

The Client shall pay to the Consultant remuneration in respect of the services at the rate and in the currency specified in the Memorandum of Agreement on the basis of time spent by the Consultant in performing the Services, for the purpose of determining the amount of such remuneration.

- [a] Where remuneration is expressed in terms of a monthly rate, each month shall be deemed to be of thirty [30] days, and the time spent in performing the Services shall include travel time, weekends and public holidays, and to the extent specified in section 6 hereof shall also include periods of leave. Remuneration in respect of periods of less than one month shall be computed on a calendar day basis, and one calendar day shall be deemed equal to one-thirtieth [$1/30^{\text{th}}$] of one month.
- [b] Except as otherwise agreed between the Client and the Consultant, no remuneration shall be paid in respect of work performed other than during the Term of the Engagement.
- [c] Except as may otherwise agreed, total payment for remuneration under this Contract shall not exceed the amount as specified in Schedule B hereto.

Section 4 Out of Pocket Expenses

In addition to the remuneration specified in Section 2, the Client shall pay to or reimburse the Consultant for the following allowances, costs and expenses, as specified in Schedule B hereto:

- [a] Allowances
 - [1] a per diem allowance for every day in which the Consultant shall be absent from the Usual Place of Residence and shall be outside the Country of Assignment for the purpose of the Services; provided that a per diem allowance will be paid for day of departure from the Usual Place of Residence but not for the day of return thereto;
 - [2] a daily subsistence allowance in local currency for the time during the Term of Engagement in which the Consultant shall be absent for the purposes of the Services from the Usual Place of Residence in the Country of Assignment.
 - [3] no per diem allowance shall be paid in respect of periods of leave.
- [b] Travel Costs. All transportation costs properly and reasonably incurred by the Consultant and his dependents in travelling for the purposes of the Services, whether within the Country of Assignment or elsewhere, including the cost of transportation by an appropriate means of public transport, between the Usual Place of Residence and the nearest convenient international airport and the cost of less than first class air travel. Such costs

shall, unless otherwise agreed, include the cost of international transportation by air of excess baggage up to a maximum of 20 kilograms.

- [c] Other. All other out-of-pocket expenses not included in the remuneration as specified in Schedule B of the Memorandum of Agreement or if not falling within the categories specified therein, such expenditures may be reimbursed, as the Client may, in its sole discretion, approve by prior authorization.
- [d] Contingencies. Subject to prior approval by the Client, payments in respect of remuneration or reimbursable expenses which exceed the cost estimates, may be charged to the contingencies provided for in the estimates.
- [e] Except as may be otherwise agreed, total payments in regard to out-of-pocket expenses shall not exceed the amounts indicated in Schedule B hereto.

Section 5 Payment of Remuneration, Costs and Expenses

- [a] The remuneration and allowances, costs and expenses shall be paid monthly.
- [b] Except as may be provided above or in Section 4 of the Memorandum of Agreement, the per diem and reimbursable costs and expenses referred to in Section 3 hereof shall be paid within 30 days after receipt of written application made by the Consultant to the Client supported by such receipts or other evidence as the Client may reasonably require to establish that the Consultant was absent for the purpose of the Services from the Usual Place of Residence or that the expenditure was incurred in the amount and currency and in the manner claimed.
- [c] The remuneration shall be paid in the currency specified therefore in the Memorandum of Agreement. All out-of-pocket expenses shall be paid either in the currency in which the same were incurred or in US dollars or partly in one currency and partly in the other, as the Client shall reasonably determine.
- [d] Wherever it shall be necessary to determine the equivalent of an amount in one currency in terms of another, the conversion shall be made at the rate which the Client shall determine was applicable at the time and place when the Consultation incurred the expenditure or converted a convertible currency into the currency of expenditure, whichever first occurred.

Section 6 Medical and Insurance

- [a] The engagement by the Client of the Consultant is conditional upon the Consultant providing evidence satisfactory to the Client that the Consultant is in good health and is not subject to any physical or mental disability which may interfere with the performance of the Services. To this end, the Consultant shall, except as the Client may otherwise agree, undergo a medical examination by a qualified medical practitioner before leaving the Usual Place of Residence and shall as soon as is practicable furnish the Client with the medical report resulting therefrom. In this regard, the expenses will be reimbursed by the Client to the Consultant.

- [b] The Consultant shall arrange his own Medical Insurance Plans during the Term of Engagement. Except as may be specified herein, the Client shall be under no liability in respect of medical expenses of the Consultant.
- [c] The Consultant shall arrange insurance against accidental death or dismemberment resulting from bodily injury incurred during the Term of Engagement. The Client shall be under no liability in respect of such events.
- [d] The Consultant shall be responsible for other appropriate insurance coverage, e.g. travel and third party liability. The Client shall be under no liability in respect of such events.

Section 7 Leave

The Consultant shall be entitled to take annual leave and sick leave during the Term of Engagement upon the following basis:

- [a] *Annual Leave*
 - [i] Entitlement to annual leave shall accrue at the rate of six working days for every full period of three months during which the Consultant is performing the Services.
 - [ii] Subject to the provisions of Section 6 [a] [iii] hereof annual leave shall be taken during the Term of Engagement with the prior knowledge and approval of the Client and at a time or times acceptable to the Client.
 - [iii] Entitlement to annual leave shall not be commuted into cash, provided, however, that if in the opinion of the Client the requirements of the Services are such that annual leave cannot be taken during the Term of the Engagement, the Client shall commute the said entitlement into cash in accordance with the following formula :

Annual Salary Rate x Number of Leave Days to be Commuted
Number of Working Days per Year*

* Actual number of working days to be decided during negotiation of the contract.

- [b] *Sick Leave*
 - [i] Entitlement to sick leave shall be conditional upon the inability of the Consultant to perform the Services, and the Consultant shall furnish the Client with all such medical and other evidence of his said inability as the Client may reasonably require.
 - [ii] Entitlement to sick leave shall accrue at the rate of four working days for every full period of three months during which the Consultant is performing the Services.

The Consultant shall not be entitled to casual leave, provided, however, that the Client may, in its sole discretion whether for compassionate reasons or otherwise, permit the Consultant to take leave without pay during the Term of Engagement.

Section 8 Facilities, Exemptions and Immunities

[a] *Freedom from Taxation and Duties*

The Client shall take steps to ensure that the Government of the Country of Assignment shall exempt the Consultant from [or the Client shall bear the cost of] any taxes, duties, fees, levies and other charges imposed under the laws and regulations in effect in the Country of Assignment on the Consultant in respect of:

- [1] any payments made to the Consultant in connection with the carrying out of the Services;
- [2] any equipment, materials and supplies brought into the Country of Assignment for the purpose of carrying out the Services and which, after having been brought into the Country of Assignment, will be usual customs and procedures of the Government in importing property into the Country of Assignment; and
- [3] if the Consultant and his dependents do not withdraw but dispose of any property in the Country of Assignment upon which custom duties and taxes have been exempted, the Consultant shall bear such custom duties and taxes in conformity with the regulations of the Government.

[b] *Other Privileges and Exemptions*

The Client shall

- [1] provide the Consultant with work permits and such other documents as shall be necessary to enable him to perform the Services;
- [2] arrange for the Consultant and his dependents to be provided promptly with all necessary entry and exit visas, residence permits, exchange permits, and travel documents required for his or their stay in the Country of Assignment;
- [3] facilitate clearance through customs of any property required for the Services and of the personal effects of the Consultant and his dependents;
- [4] issue all such instructions as may be necessary or appropriate for the prompt and effective implementation of the Services; and
- [5] exempt the Consultant from any requirement to register or obtain any permit to practice his profession according to the laws of the Country of Assignment.

[c] *Access to Land*

The Client warrants that the Consultant shall have, free of charge, unimpeded access to all land in respect of which access is required for the performance of the

Services. The Client will be responsible for any damage to such land or any property thereon resulting from such access [unless such damage is caused by the willful default or negligence of the Consultant] and will indemnify the Consultant in respect of liability for any such damage.

[d] *Services, Facilities and Equipment*

The Client shall make available to the Consultant and his dependents for the purpose of the Services and free of any charge, suitable residential accommodation, and the services, facilities and property as may be reasonably required for the purpose of the Services. The client may at its discretion provide local transport for carrying out the Services.

Section 9 General Covenants

The Consultant covenants and agrees that

- [a] During the Term of Engagement he/she devote the whole of his/her time and attention to the performance of the Services and shall at all times act with due diligence and efficiency and in accordance with the Terms of Reference. The Consultant shall make or assist in making all such reports and recommendations as may be contemplated by the Terms of Reference or as may be reasonable required by the Client within the general scope of the Project, and shall at all times cooperate with the Client, its employees and agents in the interests of the Project. After the termination of the engagement the Consultant shall continue to cooperate with the Client to such reasonable extent as may be necessary to clarify or explain any reports or recommendations made by him/her.
- [b] At all times, the Consultant shall act with appropriate propriety and discretion and in particular shall refrain from making any public statement concerning the Project or the Services without the prior approval of the Client, and shall refrain from engaging in any political activity.
- [c] Except with the written consent of the Client, he/she shall not divulge to any person nor use for own purposes, any information relating to the Services, the Project or the Client, including information in respect of rates of remuneration and conditions of employment.
- [d] The Consultant shall have no authority to commit the Client in any way whatsoever, and shall make this clear as circumstances warrant.
- [e] The Consultant shall report immediately to the Client any accident or injury and any damage to the property of the Client or to the property or person of any third parties occurring in or arising out of the performance of the Services and any act, matter or thing which within his/her knowledge may have caused such accident or injury. He/She shall also report immediately to the Client any circumstances or events which might reasonably be expected to hinder or prejudice the performance of the Services, including circumstances and events relating to his transportation and accommodation.

- [f] All reports, notes, drawings, specifications, statistics, plans and other documents and data compiled or made by the Consultant while performing the Services shall be the property of the Client and upon termination of the engagement shall be disposed of as the Client shall direct. The Consultant may retain copies of such documents.
- [g] After the conclusion of the Term of Engagement, the Consultant shall not without the consent of the Client engage in subsequent work on or in connection with the Project or arising out of the Project provided, however, that such consent shall not be unreasonably withheld.
- [h] Where the Client has entered into an agreement with a third party for the provision to the Consultant of transportation, accommodation or other facilities whether in the Country of Assignment or elsewhere, the Consultant shall, so far as may be practicable, utilize such facilities.

Section 10 Relationship of the Parties

Nothing contained in these Conditions or in the Contract shall be construed as establishing or creating any relationship other than that of independent contractor between the Client and the Consultant.

Section 11 Entire Agreement and Non Waiver

The Contract contains the entire agreement between the parties and supersedes all prior arrangements or agreements whether written or oral, express or implied. The waiver or relaxation whether partly or wholly of any of the terms or conditions of the Contract shall be valid only if in writing and signed by the authorized representative of the Client and by the Consultant and shall apply only to a particular occasion and shall not be continuing and further shall not constitute a waiver or relaxation of any other term or condition.

Section 12 Notices and Requests

Any notice or request required or permitted to be given or made under this Contract shall be in writing in the English language. Such notice or request shall be deemed to be duly given or made when it shall have been delivered by hand, mail or cable to the party to which it is required to be given or made at such party's address specified below:

For the Client

Alternative address for cable :

For the Consultant :

(Usual Place of Residence)

and :

(in Country of Assignment)