

**JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)**

**NATIONAL WATER SUPPLY AND DRAINAGE BOARD  
MINISTRY OF URBAN DEVELOPMENT, CONSTRUCTION  
AND PUBLIC UTILITIES  
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

**THE DETAILED DESIGN STUDY  
ON  
THE PROJECT FOR REDUCTION  
OF NON-REVENUE WATER  
IN THE GREATER COLOMBO AREA  
IN  
THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

**FINAL REPORT**

**(DRAFT) TENDER DOCUMENTS  
FOR CIVIL WORKS  
VOLUME 1**

**MARCH 2001**

**JICA LIBRARY**



**J1163365(8)**

**NIHON SUIDO CONSULTANTS CO., LTD.**

SSS

01-24

**JAPAN INTERNATIONAL COOPERATION AGENCY (JICA)**

**NATIONAL WATER SUPPLY AND DRAINAGE BOARD  
MINISTRY OF URBAN DEVELOPMENT, CONSTRUCTION  
AND PUBLIC UTILITIES  
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

**THE DETAILED DESIGN STUDY  
ON  
THE PROJECT FOR REDUCTION  
OF NON-REVENUE WATER  
IN THE GREATER COLOMBO AREA  
IN  
THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

**FINAL REPORT**

**(DRAFT) TENDER DOCUMENTS  
FOR CIVIL WORKS  
VOLUME 1**

**MARCH 2001**

**NIHON SUIDO CONSULTANTS CO., LTD.**



1163365【8】

マイクロ  
フィルム作成

# TENDER DOCUMENTS FOR CIVIL WORKS

## TABLE OF CONTENTS

### VOLUME 1

Documentation Certificate (not included)

Invitation to Bid

**Section 1 Instruction to Bidders**

**Section 2 Part I – General Conditions** (FIDIC Conditions of Contract for Works of Civil Engineering Construction, Part I – General Conditions, Fourth Edition, Reprinted 1992 with further amendments)

**Section 3 Part II – Conditions of Particular Application**

**Section 4 Forms of Bid, Appendix to Bid, Bid Security and List of Eligible Countries of JBIC ODA Loans**

**Section 5 Bill of Quantities**

Preamble

Daywork Schedule

Summary Bill of Quantities

Bill of Quantities

**Section 6 Sample Form of Agreement**

**Section 7 Sample Form of Securities**

*Form of Performance Security*

*Form of Bank Guarantee for Advance Payment Security*

**Section 8 Schedules of Supplementary Information**

Notes on Schedules of Supplementary Information

Schedule I – Major Items of Constructional Plant

Schedule II – Key Personnel

Schedule III – Sub Contractors

Schedule IV – Electrical and Mechanical Equipment

### VOLUME 2

**Section 9 Technical Specifications**

Section 9.1 General Specifications – Civil Works

Section 9.2 Particular Specifications – Civil Works

Section 9.3 General Specifications – Mechanical Works

Section 9.4 Particular Specifications – Mechanical Works

Section 9.5 General Specifications – Electrical Works

Section 9.6 Particular Specifications – Electrical Works

### VOLUME 3

**Section 10 Drawings**



# VOLUME 1

## TABLE OF CONTENTS

	<i>Page</i>
<b>DOCUMENTATION CERTIFICATE (NOT INCLUDED)</b>	
<b>INVITATION TO BID.....</b>	<b>1</b>
<b>SECTION 1 INSTRUCTIONS TO BIDDERS.....</b>	<b>5</b>
A. General.....	5
B. Bidding Documents.....	8
C. Preparation of Bids.....	9
D. Submission of Bids.....	14
E. Bid Opening and Evaluation.....	15
F. Award of Contract.....	18
<b>SECTION 2 PART I – GENERAL CONDITIONS.....</b>	<b>20</b>
FIDIC Conditions of Contract for Works of Civil Engineering Construction Part I – General Conditions, Fourth Edition, Reprinted 1992 with Further Amendments	
<b>SECTION 3 PART II – CONDITIONS OF PARTICULAR APPLICATION.....</b>	<b>21</b>
<b>SECTION 4 FORMS OF BID, APPENDIX TO BID, BID SECURITY AND LIST OF ELIGIBLE COUNTRIES OF JBIC ODA LOANS .....</b>	<b>46</b>
Form of Bid.....	46
Appendix to Bid.....	48
Form of Bid Security (Bank Guarantee).....	51
List of Eligible Countries of JBIC ODA Loans.....	53
<b>SECTION 5 BILL OF QUANTITIES</b>	
Preamble	
Daywork Schedule	
Summary Bill of Quantities	
Bill of Quantities	
<b>SECTION 6 SAMPLE FORM OF AGREEMENT.....</b>	<b>54</b>
<b>SECTION 7 SAMPLE FORM OF SECURITIES.....</b>	<b>56</b>
Form of Performance Security.....	57
Form of Bank Guarantee for Advance Payment Security.....	59
<b>SECTION 8 SCHEDULES OF SUPPLEMENTARY INFORMATION.....</b>	<b>61</b>
Schedules of Supplementary Information.....	61
Schedule I – Major Items of Construction Plant.....	62
Schedule II – Key Personnel.....	63
Schedule III – Sub Contractors.....	64
Schedule IV – Mechanical and Electrical Equipment.....	65



# INVITATION TO BID

## THE PROJECT FOR REDUCTION OF NON-REVENUE WATER IN THE GREATER COLOMBO AREA

Date: .....  
Loan Agreement No. SL-P66  
Contract No. ....

1. The Government of the Democratic Socialist Republic of Sri Lanka has received an ODA Loan from the JAPAN BANK OF INTERNATIONAL COOPERATION, hereinafter referred to as the JBIC, in the amount of FOUR BILLION TWO HUNDRED SEVENTEEN MILLION Japanese Yen ( ¥ 4,217,000,000) toward the cost of the PROJECT FOR REDUCTION OF NON-REVENUE WATER (Loan Agreement No. SL-P66 signed on August 1999), and intends to apply a portion of the proceeds of the loan to payment under THE CONTRACT FOR CIVIL WORKS (Contract No.....) for which this Invitation to Bid is issued. Disbursement of an ODA Loan by JBIC will be subject, in all respects, to the terms and conditions of the Loan Agreement, including the disbursement procedures and the "Guidelines for Procurement under JBIC ODA Loans". No party other than the Government of the Democratic Socialist Republic of Sri Lanka shall derive any rights from the Loan Agreement or have any claim to loan proceeds. The above Loan Agreement will cover only a part of the project cost. As for the remaining portion, The Government of the Democratic Socialist Republic of Sri Lanka will take appropriate measures for finance.
2. JBIC requires that bidders and contractors, as well as the Government of the Democratic Socialist Republic of Sri Lanka, under contracts funded with JBIC ODA Loans and other Japanese ODA, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, JBIC;
  - (a) will reject a proposal for award if it determines that the bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question;
  - (b) will recognize a contractor as ineligible, for a period determined by JBIC, to be awarded a contract funded with JBIC ODA Loans if it at any times determines that the contractor has engaged in corrupt or fraudulent practices in competing for, or in executing, another contract funded with JBIC ODA Loans or other Japanese ODA.
3. The Government of Sri Lanka has appointed the National Water Supply and Drainage Board, hereinafter referred to as the "NWSDB", as the Executing Agency responsible for the implementation of the Project. NWSDB, hereinafter referred to as "the Employer", intends to invite sealed bids from pre-qualified eligible bidders for the CONTRACT FOR CIVIL WORKS (Contract No.....) hereinafter referred to as the Contract, under the PROJECT FOR REDUCTION OF NON-REVENUE WATER. The Contract includes the following work:
  - A. CONSTRUCTION AND REHABILITATION OF RESERVOIRS  

The work includes construction and rehabilitation of the following facilities including supply and installation of all materials and equipment required for completion of the work.

A-1 MALIGAKANDA OFFICE BUILDING  

Construction of a four-storey RC office building with a total floor area of approximately 3,100 m<sup>2</sup>, including the provision of basic services and utilities.



#### A-2 MALIGAKANDA NEW RESERVOIR

Construction of a circular post-tensioned clear water ground reservoir with a capacity of 22,000 m<sup>3</sup>. The reservoir has an internal diameter of 53 m and a water height of 10 m, and will be constructed using segmental post-tensioned concrete for the walls and a reinforced concrete flat slab supported on columns for the roof.

#### A-3 REHABILITATION OF THE ROOF STRUCTURE OF THE EXISTING MALIGAKANDA RESERVOIR

Rehabilitation of the roof structure of an existing clear water reservoir (57 m x 57.5 m x 10.9 m deep) built in 1885. The work includes the demolition of the existing un-reinforced multi-span barrel vault roof structure and the construction of a new reinforced concrete flat slab roof structure with a set of supporting reinforced concrete columns built on a new set of reinforced concrete pad footings.

#### A-4 ELLIE HOUSE RESERVOIR

The work comprises the demolition of an existing reservoir (109 m x 59 m x 6 m deep) built in 1905 and the construction of a new reinforced concrete clear water reservoir. The new reservoir has a total capacity of 36,600 m<sup>3</sup> with a plan dimension of approximately 63 m x 110 m and a water height of 5.25 m, and is divided into three cells: 2 x 13,000 m<sup>3</sup> and 1 x 10,600 m<sup>3</sup>.

### B. WATER SUPPLY ENHANCEMENT IN KOTIKAWATTE AND MULLERIYAWA AREA

The work includes construction of the following facilities, including supply and installation of all materials and equipment required for completion of the work.

#### B-1 GOTHATUWA-KOLONNAWA PUMP HOUSE

Construction of a pump house within the premises of the Ambatale Water Treatment Plant. The pump house has a plan dimension of 20.5 m x 14 m and accommodates 3 units of double suction horizontal shaft volute pumps, each having a capacity of 14 m<sup>3</sup>/min x 50 m x 165 kW.

#### B-2 GOTHATUWA TRANSMISSION MAIN

Construction of a clear water transmission main from the Gothatuwa-Kolonnawa Pump House to the Gothatuwa Ground Reservoir with a total length of 4.36 km, comprising a 2.54 km section of 800 mm ductile iron main and a 1.82 km section of 500 mm ductile iron main.

#### B-3 GOTHATUWA GROUND RESERVOIR AND PUMP HOUSE

The work comprises the construction of a 4,400 m<sup>3</sup> reinforced concrete ground clear water reservoir (27.3 m x 33.3 m x 5.2 m deep) and a pump house to be built attached to the ground reservoir. The pump house has a plan dimension of 9.5 m x 19.5 m and accommodates 2 units of double suction horizontal shaft volute pumps, each having a capacity of 18 m<sup>3</sup>/min x 30 m x 130 kW. A separate diesel generator is provided for stand-by power.

#### B-4 GOTHATUWA NEW WATER TOWER

Construction of a 1,500 m<sup>3</sup> reinforced concrete water tower of the Intz-type design with a cylindrical water tank having an effective water depth of 5 m supported on a circular reinforced concrete shaft bearing onto a raft foundation. The low water level in the tank is set at approximately 18.5 m above the ground to match the existing water tower which will be interconnected with the new tank.

#### B-5 DISTRIBUTION MAINS IN KOTIKAWATTE AND MULLERIYAWA AREA

Construction of distribution mains with a total length of approximately 39.7 km, ranging from 100 to 500 mm in size; comprising 23.3 km of PVC mains (200 mm and smaller in diameter) and 16.4 km of ductile iron mains (250 mm and larger in diameter).

#### C. REHABILITATION & REINFORCEMENT OF MEDIUM AND LARGE DIAMETER PIPE NETWORK IN CMC AREA

The work includes rehabilitation and reinforcement of medium and large diameter main pipe network in CMC area, including supply of all pipes, fittings, valves and other ancillary materials required for completion of the work.

##### C-1 REHABILITATION OF MEDIUM AND LARGE DIAMETER MAINS

Rehabilitation of existing un-lined cast iron distribution mains (250 to 450 mm in diameter) with a total length of 27.9 km by means of scraping and cement mortar lining. The work also includes the replacement of existing valves, which have been attached to the distribution mains to be rehabilitated and to other existing distribution mains.

##### C-2 REINFORCEMENT OF MEDIUM AND LARGE DIAMETER MAINS

Construction of new ductile iron mains (300 to 500 mm in diameter) with a total length of 9.3 km.

#### D. REHABILITATION AND REPLACEMENT OF SMALL DIAMETER DISTRIBUTION MAINS IN CB1 AREA

The work includes replacement of existing cast iron mains (3, 4 & 5 inches in diameter) with PVC mains (110 to 225 mm in diameter) for a total length of 32.6 km, including replacement of existing valves and service connections, which have been attached both to the cast iron mains to be replaced and to other existing distribution mains. In addition, the work includes rehabilitation of existing 6-inch mains for a total length of 7.5 km by means of scraping and cement mortar lining. The work also includes supply of all pipes, fittings, valves and other ancillary materials required for completion of the work.

E. SUPPLY OF EQUIPMENT AND MATERIALS FOR IMPLEMENTATION OF NON-REVENUE WATER REDUCTION ACTION PLAN

The work includes supply of water meters and other materials and equipment which will be used for implementation of non-revenue water reduction action plan.

4. Bidders may obtain further information from, and inspect and acquire the bidding documents from, Assistant General Manager (Tenders and Contract Section), NWSDB, Ratmalana, Sri Lanka, between working hours on normal working days.

Office Address: Tenders and Contracts Branch  
National Water Supply and Drainage Board  
Galle Road, Ratmalana  
SRI LANKA.  
Cable Address: "WATERBOARD" RATMALANA, SRI LANKA  
Telephone Number: 635885, 638999 Ext. 150  
Telex Number: 21482 NWSDB CE  
Facsimile Number: 0094 – 1 – 636449  
e-mail Address: .....

5. A complete set of bidding documents may be purchased up to 10.00 hours on ....., 2001 by interested pre-qualified eligible bidders on submission of a written application on the Applicant's letter head to the above office, and upon payment of a non-refundable fee of Sri Lanka Rupees ..... (SLR .....) or United States Dollars .....(US\$ .....) in the form of a Bankers certified cheque, countersigned by a Bank operating in Sri Lanka.

Those firms requesting the bid documents to be sent by courier service shall pay an additional non-refundable fee of Sri Lanka Rupees ..... (SLR .....) or United States Dollars .....(US\$ .....). In this case, the NWSDB will promptly dispatch the documents by courier service, but under no circumstances can it be held responsible for late delivery or loss of the documents so sent to the applicant.

6. All bids must be accompanied by a security of Sri Lanka Rupees ..... (SLR. ....) or United States Dollars .....(US\$ .....) based on rates published by the Central Bank of Sri Lanka 28 days prior to date for closing of the Bid, and must be delivered to the Chairman, Cabinet Appointed Tender Board, Ministry of Urban Development, Construction and Public Utilities, 2<sup>nd</sup> Floor, "Sethsiripaya", Sri Jayawardenapura, Kotte, Battaramulla, Sri Lanka, on or before ..... hours on ....., 200\_. Bids will be opened immediately thereafter in the presence of bidders' representatives who choose to attend.

7. The estimated date of award is ....., 200\_.

**CHAIRMAN  
NATIONAL WATER SUPPLY AND DRAINAGE BOARD**

**SECTION 1**  
**Instructions to Bidders**



# SECTION I – INSTRUCTIONS TO BIDDERS

## TABLE OF CONTENTS

<b>A.</b>	<b>GENERAL.....</b>	<b>5</b>
1.	Scope of Bid.....	5
2.	Source of Funds.....	5
3.	Eligible Bidders.....	6
4.	Eligible Equipment and Services.....	6
5.	Qualification of the Bidder.....	6
6.	One Bid per Bidder.....	7
7.	Cost of Bidding.....	7
8.	Site Visit.....	8
<b>B.</b>	<b>BIDDING DOCUMENTS.....</b>	<b>8</b>
9.	Content of Bidding Documents.....	8
10.	Clarification of Bidding Documents.....	9
11.	Amendment of Bidding Documents.....	9
11A.	Inducements, Gratification, etc.....	9
<b>C.</b>	<b>PREPARATION OF BIDS.....</b>	<b>9</b>
12.	Language of Bid.....	9
13.	Documents Comprising the Bid.....	9
14.	Bid Prices.....	10
14A.	Goods & Services Tax.....	10
15.	Currencies of Bid and Payment.....	10
16.	Bid Validity.....	11
17.	Bid Security.....	12
18.	Alternative Proposals by Bidders.....	13
19.	Pre-Bid Meeting.....	13
20.	Format and Signing of Bid.....	13
<b>D.</b>	<b>SUBMISSION OF BIDS.....</b>	<b>14</b>
21.	Sealing and Marking of Bids.....	14
22.	Deadline for Submission of Bids.....	14
23.	Late Bids.....	15
24.	Modification and Withdrawal of Bids.....	15
<b>E.</b>	<b>BID OPENING AND EVALUATION.....</b>	<b>15</b>
25.	Bid Opening.....	15
26.	Process to be Confidential.....	16
27.	Clarification of Bids.....	16
28.	Preliminary Examination of Bids and Determination of Responsiveness.....	16
29.	Correction of Errors.....	16
30.	Conversion to Single Currency.....	17
31.	Evaluation and Comparison of Bids.....	17
<b>F.</b>	<b>AWARD OF CONTRACT.....</b>	<b>18</b>
32.	Award.....	18
33.	Employer's Right to Accept any Bid and to Reject any of all Bids.....	18
34.	Notification of Award.....	19
35.	Signing of Agreement.....	19
36.	Performance Security.....	19

## SECTION 1 INSTRUCTIONS TO BIDDERS

### A. GENERAL

1. **Scope of Bid**
  - 1.1 The National Water Supply and Drainage Board, hereinafter referred to as the Employer, wishes to receive bids for the construction and completion of CONTRACT FOR CIVIL WORKS (Contract No.....) under the PROJECT FOR REDUCTION OF NON-REVENUE WATER as defined in these bidding documents (hereinafter referred to as the Works). The Contract includes the following work:
    - A. Construction and Rehabilitation of Reservoirs
    - B. Water Supply Enhancement in Kotikawatte and Mulleriyawa Area
    - C. Rehabilitation and Reinforcement of Medium and Large Diameter Pipe Network in CMC Area
    - D. Rehabilitation and Replacement of Small Diameter Distribution Mains in CB1 Area
    - E. Supply of Equipment and Materials for Implementation of Non-Revenue Water Reduction Action Plan
  - 1.2 The successful bidder will be expected to complete the Works within ..... days from the date of commencement of the Works.
2. **Source of Funds**
  - 2.1 The Government of the Democratic Socialist Republic of Sri Lanka has received an ODA Loan from the JAPAN BANK OF INTERNATIONAL COOPERATION, hereinafter referred to as the JBIC, in the amount of FOUR BILLION TWO HUNDRED SEVENTEEN MILLION Japanese Yen (¥4,217,000,000) toward the cost of the PROJECT FOR REDUCTION OF NON-REVENUE WATER (Loan Agreement No. SL-P66 signed on August 1999), and intends to apply a portion of the proceeds of the loan to payment under the CONTRACT FOR CIVIL WORKS (Contract No.....) for which this Invitation to Bid is issued. Disbursement of an ODA Loan by JBIC will be subject, in all respects, to the terms and conditions of the Loan Agreement, including the disbursement procedures and the "Guidelines for Procurement under JBIC ODA Loans". No party other than the Government of the Democratic Socialist Republic of Sri Lanka shall derive any rights from the Loan Agreement or have any claim to loan proceeds. The above Loan Agreement will cover only a part of the project cost. As for the remaining portion, The Government of the Democratic Socialist Republic of Sri Lanka will take appropriate measures for finance.
  - 2.2 JBIC requires that bidders and contractors, as well as the National Water Supply and Drainage Board, hereinafter referred as NWSDB, under contracts funded with JBIC ODA Loans and other Japanese ODA, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, JBIC;
    - (a) will reject a proposal for award if it determines that the bidder

recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question;

- (b) will recognize a contractor as ineligible, for a period determined by JBIC, to be awarded a contract funded with JBIC ODA Loans if it at any times determines that the contractor has engaged in corrupt or fraudulent practices in competing for, or in executing, another contract funded with JBIC ODA Loans or other Japanese ODA.

**3. Eligible Bidders** 3.1 This Invitation to Bid is open to pre-qualified bidders meeting both of the following requirements:

- (a) a bidder (including all members of a joint venture) shall be from an eligible source country as listed in Section 4; and

- (b) a bidder (including all members of a joint venture) shall not be one of the following:

- (i) A firm or an organisation which has been engaged by the Employer to provide consulting services for the preparation related to procurement for or implementation of this project;

- (ii) Any association/affiliates (inclusive of parent firm) of a firm or an organisation mentioned in subparagraph (i) above; or

- (iii) A firm or an organisation who lends, or temporarily seconds its personnel to firms or organisations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity on the same project.

3.2 Bidders shall provide such evidence of their eligibility satisfactory to the Employer as the Employer shall reasonably request.

**4. Eligible Equipment and Services**

4.1 Not applicable.

4.2 Not applicable.

**5. Qualification of the Bidder**

5.1 To be qualified for award of Contract, bidders shall:

- (a) submit a written power of attorney authorising the signatory of the bid to commit the bidder; and



- (b) submit documentary evidence establishing that the bidder has adequate experience, financial capacity and technical capability to undertake the Contract. Confirmation of these matters may involve the updating, verification and reassessment of information which may previously have been considered during pre-qualification, and an assessment of bidder's proposals regarding work methods, scheduling and resourcing which shall be provided in sufficient detail to confirm the bidder's capability to complete the works in accordance with the specification and the time for completion.

5.2 Bids submitted by a joint venture of two or more firms as partners shall comply with the following requirements:

- (a) the bid, and in case of a successful bid, the Form of Agreement, shall be signed so as to be legally binding on all partners;
- (b) one of the partners shall be authorised to be in charge; and this authorisation shall be evidenced by submitting a power of attorney signed by legally authorised signatories of all the partners;
- (c) the partner in charge shall be authorised to incur liabilities, receive payments and receive instructions for and on behalf of any or all partners of the joint venture;
- (d) all partners of the joint venture shall be jointly and severally liable for the execution of the Contract in accordance with the Contract terms, and a relevant statement to this effect shall be included in the authorisation mentioned under (b) above as well as in the Bid Form and the Form of Agreement (in case of a successful bid); and
- (e) a copy of the agreement entered into by the joint venture partners shall be submitted with the bid.

- 6. One Bid per Bidder** 6.1 Each bidder shall submit only one bid either by itself, or as a partner in a joint venture. A bidder who submits or participates in more than one bid other than alternatives pursuant to Sub-Clause 18.1 will be disqualified.
- 7. Cost of Bidding** 7.1 The bidder shall bear all costs associated with the preparation and submission of its bid and the Employer will in no case be responsible or liable for those costs.

**8. Site Visit**

- 8.1 The bidder is advised to visit and examine the Site of Works and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the bidder's own expense.
- 8.2 The bidder and any of its personnel or agents will be granted permission by the Employer to enter upon its premises and lands for the purpose of such inspection, but only upon the express condition that the bidder, its personnel and agents, will release and indemnify the Employer and its personnel and agents from and against all liability in respect thereof and will be responsible for death or personal injury, loss of or damage to property and any other loss, damage, costs and expenses incurred as a result of the inspection.
- 8.3 The Employer may conduct a Site visit concurrently with the Pre-Bid Meeting referred to in Clause 19.

**B. BIDDING DOCUMENTS**

**9. Content of Bidding Documents**

- 9.1 The bidding documents are those stated below, and should be read in conjunction with any Addenda issued in accordance with Clause 11:

		Invitation for Bids
Section	1	Instructions to Bidders
Section	2	Part I – General Conditions
Section	3	Part II – Conditions of Particular Application
Section	4	Forms of Bid, Appendix to Bid, Bid Security and List of Eligible Countries of JBIC ODA Loans
Section	5	Bill of Quantities
Section	6	Sample Form of Agreement
Section	7	Sample Form of Securities
Section	8	Schedules of Supplementary Information
Section	9	Technical Specifications
Section	10	Drawings

- 9.2 The bidder is expected to examine carefully the contents of the bidding documents. Failure to comply with the requirements of bid submission will be at the bidder's own risk. Pursuant to Clause 28, bids which are not substantially responsive to the requirements of the bidding documents will be rejected.

- 10. Clarification of Bidding Documents** 10.1 A prospective bidder requiring any clarification of the bidding documents may notify the Employer in writing or by fax (hereinafter, the term "fax" is deemed to include electronic transmission such as facsimile, cable and telex, e-mail) at the Employer's address indicated in the Invitation for Bids. The Employer will respond to any request for clarification which it receives earlier than 28 days prior to the deadline for submission of bids. Copies of the Employer's response will be forwarded to all purchasers of the bidding documents, including a description of the inquiry.
- 11. Amendment of Bidding Documents** 11.1 At any time prior to the deadline for submission of bids, the Employer may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the bidding documents by issuing addenda.
- 11.2 Any addendum thus issued shall be part of the bidding documents pursuant to Sub-Clause 9.1, and shall be communicated in writing or by fax to all purchasers of the bidding documents. Prospective bidders shall acknowledge receipt of each addendum by fax to the Employer.
- 11.3 To afford prospective bidders reasonable time in which to take an addendum into account in preparing their bids, the Employer may extend the deadline for submission of bids, in accordance with Clause 22.
- 11A. Inducements, Gratification, etc.** 11A.1 Section 17 of the Public Contracts Act No.3 of 1987 applies to this Bid and Contract. A copy of this document is available for reference by appointment at the office of Deputy General Manager (Planning and Design), NWSDB, Galle Road, Ratmalana.

### C. PREPARATION OF BIDS

- 12. Language of Bid** 12.1 The bid, and all correspondence and documents, related to the bid, exchanged between the bidder and the Employer shall be written in the English language.
- 13. Documents Comprising the Bid** 13.1 The bid submitted by the bidder shall comprise the following:
- (a) Bid Form and Appendix to Bid;
  - (b) Bid Security;
  - (c) priced Bill of Quantities;
  - (d) power of attorney
  - (e) information on eligibility and qualification; and
  - (f) any other materials required to be completed and submitted by bidders in accordance with these Instructions to Bidders.

The documents listed under Sections 4, 5, and 8 of Sub-Clause 9.1 shall be filled-in without exception, subject to extensions thereof in the same format and to the provisions of Sub-Clause 17.2 regarding the alternative forms of bid security.

13.2 Deleted

#### **14. Bid Prices**

14.1 Unless stated otherwise in the bidding documents, the Contract shall be for the whole Works as described in Sub-Clause 1.1, based on the schedule of unit rates and prices submitted by the bidder.

14.2 The bidder shall fill in rates and prices for all items of the Works described in the Bill of Quantities. Items against which no rate or price is entered by the bidder will not be paid for by the Employer when executed and shall be deemed covered by the other rates and prices in the Bill of Quantities.

14.3 All duties, taxes and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bids, shall be included in the rates and prices and the total bid price submitted by the bidder. The bidder shall be familiar with the Tax laws of the Employer's country.

14.4 The rates and prices quoted by the bidder are subject to adjustment during the performance of the Contract in accordance with the provisions of Clause 70 of the Conditions of Contract. The bidder shall furnish the indices for the price adjustment formulae in the Appendix to Bid, and shall submit with its bid such other supporting information as required under Clause 70 of the Conditions of Contract.

#### **14A. Goods & Services Tax (GST)**

14A.1 Rates and prices in respect of items of work other than supply items which involve duty component shall exclude Goods and Services Tax (GST). The Contractor shall include in the BOQ summary separately the total amount of Goods and Services Tax (GST) in respect of such items of work, at the rate which is in effect 28 days prior to the date of bid opening in accordance with the Goods and Services Act.

14A.2 Unit rates on the duty component as per Clause 14.3 of these instructions in Supply Bills shall include Goods and Services Tax.

#### **15. Currencies of Bid and Payment**

15.1 The unit rates and the prices shall be quoted by the bidder separately in

- (a) Japanese Yen for those inputs to the Works which the bidder expects to supply from outside the Employer's country (referred to as "the foreign currency requirements"); and

- (b) Currency of Employer's country for those inputs to the Works which the bidder expects to supply from within the Employer's country.
  - 15.2 Payment of the contract price shall be made in the currency or currencies in which the bid price is expressed in the bid of the successful bidder.
  - 15.3 The rates of exchange to be used by the bidder for currency conversion during bid preparation shall be the selling rates for similar transactions prevailing on the date 28 days prior to the date of bid opening, as published by the Central Bank of Sri Lanka.
  - 15.4 The foreign currency requirements generally include the following:
    - (a) Expatriate staff and labour employed directly on the Works;
    - (b) social, insurance, medical and other charges relating to such expatriate staff and labour, and foreign travel expenses;
    - (c) imported materials, both temporary and permanent, including fuels, oil and lubricants required for the Works;
    - (d) depreciation and usage of imported Plant and Contractor's Equipment, including spare parts, required for the Works;
    - (e) foreign insurance and freight charges for imported materials, Plant and Contractor's Equipment, including spare parts; and
    - (f) overhead expenses, fees, profit, and financial charges arising outside Sri Lanka in connection with the Works.
  - 15.5 Bidders may be required by the Employer to clarify their foreign currency requirements, and to substantiate that the amounts included in the unit rates and prices and shown in the Appendix to Bid are reasonable and responsive to Sub-Clause 15.1, in which case a detailed breakdown of its foreign currency requirements shall be provided by the bidder.
  - 15.6 Bidders should note that during the progress of the Works, the foreign currency requirements of the outstanding balance of the Contract Price may be adjusted by agreement between the Employer and the Contractor in order to reflect any changes in foreign currency requirements for the Contract, in accordance with Sub-Clause 72.2 of the Conditions of Contract. Any such adjustment shall be effected by comparing the amounts quoted in the bid with the amounts already used in the Works and the Contractor's future needs for imported items.
- 16. Bid Validity**
- 16.1 Bids shall remain valid for a period of *150 days* after the date of bid opening specified in Clause 25.

16.2 In exceptional circumstances, prior to expiry of the original bid validity period, the Employer may request that the bidders extend the period of validity for a specified additional period. The request and the responses thereto shall be made in writing or by fax. A bidder may refuse the request without forfeiting its bid security. A bidder agreeing to the request will not be required or permitted to modify its bid, but will be required to extend the validity of its bid security for the period of the extension, and in compliance with Clause 17 in all respects.

## 17. Bid Security

17.1 The bidder shall furnish, as part of its bid, a bid security in the amount of Sri Lanka Rupees ..... (SLRs. ....) or United States Dollars .....(US\$ .....) or an equivalent amount in a freely convertible currency based on rates published by the Central Bank of Sri Lanka 28 days prior to date for opening of bid.

17.2 The bid security shall, at the bidder's option, be in the form of a certified cheque, bank draft, standby letter of credit or guarantee from a reputable bank. The format of the bank guarantee shall be in accordance with the sample form of bid security included in Section 4; other formats may be permitted, subject to the prior approval of the Employer. Letters of credit and bank guarantees issued as surety for the bid shall be valid for 28 days beyond the validity of the bid.

17.3 Any bid not accompanied by an acceptable bid security shall be rejected by the Employer as non-responsive.

17.4 The bid securities of unsuccessful bidders will be returned as promptly as possible, but not later than 28 days after the expiration of the period of bid validity.

17.5 The bid security of the successful bidder will be returned when the bidder has signed the Agreement and furnished the required performance security.

17.6 The bid security may be forfeited

- (a) if the bidder withdraws its bid during the period of bid validity; or
- (b) if the bidder does not accept the correction of its bid price, pursuant to Sub-Clause 29.2; or
- (c) in the case of a successful bidder, if it fails within the specified time limit to
  - (i) sign the Agreement, or
  - (ii) furnish the required performance security.

**18. Alternative Proposals by Bidders**

18.1 Bidders shall submit offers which comply with the documents, including the basic technical design as indicated in the Drawings and Specifications. Alternatives will not be considered. The attention of bidders is drawn to the provisions of Clause 28 regarding the rejection of bids which are not substantially responsive to the requirements of the bidding documents.

**19. Pre-Bid Meeting**

19.1 The bidder or its official representative is invited to attend a pre-bid meeting which will take place at

\_\_\_\_\_, on \_\_\_\_\_.

19.2 The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised at that stage.

19.3 The bidder is requested to submit any questions in writing or by fax, to reach the Employer not later than one week before the meeting.

19.4 Minutes of the meeting, including the text of the questions raised and the responses given, will be transmitted without delay to all purchasers of the bidding documents. Any modification of the bidding documents listed in Sub-Clause 9.1 which may become necessary as a result of the pre-bid meeting shall be made by the Employer exclusively through the issue of an Addendum pursuant to Clause 11 and not through the minutes of the pre-bid meeting.

19.5 Bidders are advised to attend the pre-bid meeting. However, nonattendance at the pre-bid meeting will not be a cause for disqualification of a bidder. Bidders who do not attend the pre-bid meeting assume the responsibility to comply with modifications to the bidding documents mentioned in sub-Clause 19.4 above and which are communicated through an Addendum pursuant to Clause 11.

**20. Format and Signing of Bid**

20.1 The bidder shall prepare one ORIGINAL and other DUPLICATE of the Bid documents comprising the bid as described in Clause 13 of these Instructions to Bidders, bound with the volume containing the Form of Bid, and clearly marked "ORIGINAL" and "DUPLICATE" as appropriate. In the event of discrepancy between them, the original shall prevail.

20.2 The ORIGINAL and DUPLICATE of the bid shall be typed or written in indelible ink (in the case of duplicate, photostats are also - acceptable) and shall be signed by a person or persons duly authorised to sign on behalf of the bidder, pursuant to Sub-Clauses 5.1 (a) or 5.2 (b), as the case may be. All pages of the bid where entries or amendments have been made shall be initialled by the person or persons signing the bid.

20.3 The bid shall contain no alterations, omissions or additions, except those to comply with instructions issued by the Employer, or as necessary to correct errors made by the bidder, in which case such corrections shall be initialled by the person or persons signing the bid.

#### **D. SUBMISSION OF BIDS**

##### **21. Sealing and Marking of Bids**

21.1 The bidder shall seal the ORIGINAL and DUPLICATE of the bid in an inner and an outer envelope, duly marking the envelopes as "ORIGINAL" and "DUPLICATE".

21.2 The inner and outer envelopes shall

(a) be addressed to:

Chairman, Cabinet Appointed Tender Board  
Ministry of Urban Development, Construction and Public Utilities  
"Sethsiripaya", Sri Jayawardenapura, Kotte, Battaramulla  
Sri Lanka.

(b) bear the following identification:

- Bid for the CONTRACT FOR CIVIL WORKS OF THE PROJECT FOR REDUCTION OF NON-REVENUE WATER
- Bid Reference Number:  
Loan Agreement No. SL-P66  
Bid for Contract No. ....
- DO NOT OPEN BEFORE .....

21.3 In addition to the identification required in Sub-Clause 21.2, the inner envelope shall indicate the name and address of the bidder to enable the bid to be returned unopened in case it is declared "late" pursuant to Clause 23.

21.4 If the outer envelope is not sealed and marked as above, the Employer will assume no responsibility for the misplacement or premature opening of the bid.

##### **22. Deadline for Submission of Bids**

22.1 Bids must be received by the Employer at the address specified above no later than \_\_\_\_\_ 200\_.

22.2 The Employer may, at its discretion, extend the deadline for submission of bids by issuing an addendum in accordance with Clause 11, in which case all rights and obligations of the Employer and the bidders previously subject to the original deadline will thereafter be subject to the deadline as extended.



- 23. Late Bids**
- 23.1 Any bid received by the Employer after the deadline for submission of bids prescribed in Clause 22 will be rejected and returned unopened to the bidder.
- 24. Modification and Withdrawal of Bids**
- 24.1 The bidder may modify or withdraw its bid after bid submission, provided that written notice of the modification or withdrawal is received by the Employer prior to the deadline for submission of bids.
- 24.2 The bidder's modification or withdrawal notice shall be prepared, sealed, marked and delivered in accordance with the provisions of Clause 21, with the outer and inner envelopes additionally marked "MODIFICATION" or "WITHDRAWAL", as appropriate. A withdrawal notice may also be sent by fax but must be followed by a signed confirmation copy.
- 24.3 No bid may be modified by the bidder after the deadline for submission of bids.
- 24.4 Withdrawal of a bid during the interval between the deadline for submission of bids and the expiration of the period of bid validity specified in the Form of Bid may result in the forfeiture of the bid security pursuant to Clause 17.

#### **E. BID OPENING AND EVALUATION**

- 25. Bid Opening**
- 25.1 The Employer will open the bids, including modifications made pursuant to Clause 24, in the presence of bidders' representatives who choose to attend, at \_\_\_\_\_ at the following location: MINISTRY OF URBAN DEVELOPMENT, CONSTRUCTION AND PUBLIC UTILITIES, 2<sup>ND</sup> FLOOR, 'SETHSIRIPAYA', BATTARAMULLA, SRI LANKA. The bidders' representatives who are present shall sign a register evidencing their attendance.
- 25.2 Envelopes marked "WITHDRAWAL" shall be opened first and the name of the bidder shall be read out. Bids for which an acceptable notice of withdrawal has been submitted pursuant to Clause 24 shall not be opened and will be returned to the bidder.
- 25.3 The bidders' names, the Bid Prices, the total amount of each bid, any discounts, bid modifications and withdrawals, the presence or absence of bid security, and such other details as the Employer may consider appropriate, will be announced and recorded by the Employer at the opening. Any bid price or discount which is not read out and recorded at bid opening will not be taken into account in bid evaluation. The bidders' representatives will be required to sign the record.
- 25.4 The Employer shall prepare, besides the record of bid opening, minutes of the bid opening, including the information disclosed to those present in accordance with Sub-Clause 25.3.

- 26. Process to be Confidential** 26.1 Information relating to the examination, clarification, evaluation and comparison of bids and recommendations for the award of a contract shall not be disclosed to bidders or any other persons not officially concerned with such process until the award to the successful bidder has been announced. Any effort by a bidder to influence the Employer's processing of bids or award decisions may result in the rejection of the bidder's bid.
- 27. Clarification of Bids** 27.1 To assist in the examination, evaluation and comparison of bids, the Employer may, at its discretion, ask any bidder for clarification of its bid, including breakdowns of unit rates. The request for clarification and the response shall be in writing or by fax, but no change in the price or substance of the bid shall be sought, offered or permitted except as required to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the bids in accordance with Clause 29.
- 28. Preliminary Examination of Bids and Determination of Responsiveness** 28.1 Prior to the detailed evaluation of bids, the Employer will determine whether each bid (i) meets the eligibility criteria of JBIC ODA Loans; (ii) has been properly signed; (iii) is accompanied by the required securities; (iv) is substantially responsive to the requirements of the bidding documents; and (v) provides any clarification and/or substantiation that the Employer may require pursuant to Clause 27.
- 28.2 A substantially responsive bid is one which conforms to all the terms, conditions and specifications of the bidding documents, without material deviation or reservation. A material deviation or reservation is one (i) which affects in any substantial way the scope, quality or performance of the Works; (ii) which limits in any substantial way, inconsistent with the bidding documents, the Employer's rights or the bidder's obligations under the Contract; or (iii) whose rectification would affect unfairly the competitive position of other bidders presenting substantially responsive bids.
- 28.3 If a bid is not substantially responsive, it will be rejected by the Employer, and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviation or reservation.
- 29. Correction of Errors** 29.1 Bids determined to be substantially responsive will be checked by the Employer for any arithmetic errors. Arithmetic errors will be rectified on the following basis. If there is a discrepancy between the unit rate and the total cost per item that is obtained by multiplying the unit rate and quantity, the unit rate shall prevail and the total cost per item will be corrected unless in the opinion of the Employer there is an obvious misplacement of the decimal point in the unit rate, in which case the total cost per item as quoted will govern and the unit rate corrected. If there is a discrepancy between the total bid amount and the sum of total costs per item, the sum of the total costs per item shall prevail and the total bid amount will be corrected.

- 29.2 The amount stated in the Form of Bid will be adjusted by the Employer in accordance with the above procedure for the correction of errors and, shall be considered as binding upon the bidder. If the bidder does not accept the corrected amount of bid, its bid will be rejected, and the bid security may be forfeited in accordance with Sub-Clause 17.6 (b).
- 30. Conversion to Single Currency**
- 30.1 The Employer will convert the amounts in various currencies in which the Bid Price is payable (excluding Provisional Sums but including Daywork where priced competitively) to Japanese Yen at the selling exchange rates officially prescribed for similar transactions as established by the Central Bank of Sri Lanka on the date of bid opening.
- 31. Evaluation and Comparison of Bids**
- 31.1 The Employer will evaluate and compare only the bids determined to be substantially responsive in accordance with Clause 28 and qualified for award of Contract in accordance with Clause 5.
- 31.2 In evaluating the bids, the Employer will determine for each bid the Evaluated Bid Price by adjusting the Bid Price as follows:
- (a) making any correction for errors pursuant to Clause 29;
  - (b) excluding Provisional Sums and the provision, if any, for Contingencies in the Summary Bill of Quantities, but including Daywork, where priced competitively;
  - (c) making an appropriate adjustment for any other acceptable variations or deviations offers submitted in accordance with Clause 18;
  - (d) applying any discounts offered by the bidder for the award;
  - (e) excluding GST for works (Item ..... in Grand Summary of Bill of Quantities);
  - (f) converting the amount resulting from applying (a) to (e) above to a single currency in accordance with Clause 30.
- 31.3 The Employer reserves the right to accept or reject any variation or deviation. Variations, deviations and other factors which are in excess of the requirements of the bidding documents or otherwise result in the accrual of unsolicited benefits to the Employer shall not be taken into account in bid evaluation.
- 31.4 The evaluation of bids shall take into account the price and other commercial features of the offer. In addition, it may also take into account other criteria, such as those in the sample listed below.

- Construction Time Schedule
- Construction Method
- Quality Control System
- Labour and Materials
- Safety Measures

31.5 The estimated effect of the price adjustment provisions of the Conditions of Contract, applied over the period of execution of the Contract, shall not be taken into account in bid evaluation.

31.6 If the bid of the successful bidder is seriously unbalanced in relation to or substantially below the Engineer's estimate of the cost of work to be performed under the Contract, the Employer may require the bidder to produce detailed price analyses for any or all items of the Bill of Quantities, to demonstrate the internal consistency of those prices with the construction methods and schedule proposed. After evaluation of the price analyses, the Employer may require that the amount of the performance security set forth in Clause 36 be increased at the expense of the successful bidder to a level sufficient to protect the Employer against financial loss in the event of default of the successful bidder under the Contract.

## F. AWARD OF CONTRACT

### 32. Award

32.1 Subject to Clause 33, the Employer will award the Contract to the bidder whose bid has been determined to be substantially responsive to the bidding documents and who has offered the Lowest Evaluated Bid Price, provided that such bidder has been determined to be (i) eligible in accordance with the provisions of Sub-Clause 3.1 and 4.1; and (ii) qualified in accordance with the provisions of Clause 5. When there was pre-qualification, the latter examination shall be limited to confirming that the bidders' conditions for pre-qualification remain substantially unchanged, but this examination remains a prerequisite for award.

### 33. Employer's Right to Accept any Bid and to Reject any or all Bids

33.1 Notwithstanding Clause 32, the Employer reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids, at any time prior to award of Contract, without thereby incurring any liability to the affected bidder or bidders or any obligation to inform the affected bidder or bidders of the grounds for the Employer's action.

**34. Notification of Award**

- 34.1 Prior to expiration of the period of bid validity prescribed by the Employer, the Employer will notify the successful bidder by cable confirmed by registered letter that its bid has been accepted. This letter (hereinafter and in the Conditions of Contract called the "Letter of Acceptance") shall name the sum which the Employer will pay the Contractor in consideration of the execution, completion and maintenance of the Works by the Contractor as prescribed by the Contract (hereinafter and in the Conditions of Contract called "the Contract Price").
- 34.2 The notification of award will constitute the formation of the Contract.
- 34.3 Upon the furnishing by the successful bidder of a performance security, the Employer will promptly notify the other bidders that their bids have been unsuccessful.

**35. Signing of Agreement**

- 35.1 At the same time that the Employer notifies the successful bidder that its bid has been accepted, the Employer will send the bidder the Form of Agreement provided in the bidding documents, incorporating all agreements between the parties.
- 35.2 Within 14 days of receipt of the Form of Agreement, the successful bidder shall sign the Form and return it to the Employer.

**36. Performance Security**

- 36.1 Within 28 days of receipt of the notification of award from the Employer, the successful bidder shall furnish to the Employer a performance security in an amount of 10% percent of the Contract Price in accordance with the Conditions of Contract. The form of performance security provided in Section 8 of the bidding documents may be used or some other form acceptable to the Employer.
- 36.2 Failure of the successful bidder to comply with the requirements of Clauses 35 or 36 shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security.

## **SECTION 2**

### **Part I – General Conditions**



**SECTION 2**  
**PART I – GENERAL CONDITIONS OF CONTRACT**

THE GENERAL CONDITIONS OF CONTRACT APPLICABLE TO THIS CONTRACT SHALL BE THE CONDITIONS OF CONTRACT FOR WORKS FOR CIVIL ENGINEERING CONSTRUCTION PREPARED AND PUBLISHED BY THE FEDERATION INTERNATIONALE DES INGENIEURS-CONSEILS (FIDIC)

**FOURTH EDITION 1987**

**Reprinted in 1988 with editorial amendments**

**Reprinted in 1992 with further amendments**





## **SECTION 3**

### **Part II – Conditions of Particular Application**



## SECTION 3

### PART II - CONDITIONS OF PARTICULAR APPLICATION

*[The General Conditions Part I (FIDIC – Fourth Edition 1987 – reprinted in 1988 and 1992 with amendments) and these Conditions of Particular Application of Part I together comprise the conditions governing the rights and obligations of the parties]*

**Sub-Clause 1.1** (a) (i) The Employer is National Water Supply and Drainage Board

**Definitions** (a) (iv) The Engineer is the General Manager of the National Water Supply and Drainage Board

Subpara. (a) (iv) is also amended by the addition of the following words after the word “Conditions”:

“or any other competent person appointed by the Employer, and notified to the Contractor, to act in replacement of the Engineer.”

Subpara. (b) (v) of Sub-Clause 1.1 is amended by the addition of the following words at the end:

“The word ‘Tender’ is synonymous with ‘Bid’ and the words ‘Tender Documents’ with ‘Bidding Documents’.”

In Subpara. (e) (iv), substitute “Sub-Clause 60.13” for “Sub-Clause 60.8”.

**Sub-Clause 2.1  
Engineer’s Duties  
and Authority**

The Engineer shall obtain the specific approval of the Employer before taking any of the following actions specified in Part I:

- (a) Approving subletting of any part of the Works under Clause 4;
- (b) Certifying additional cost determined under Clause 12;
- (c) Determining an extension of time under Clause 44;
- (d) Issuing a variation under Clause 51, except:
  - (i) in an emergency situation, as reasonably determined by the Engineer; or
  - (ii) if such variation would increase the Contract Price by less than ten percent; or
- (e) fixing rates or prices under Clause 52.

**Sub-Clause 4.1  
Sub-Contracting**

*Add the following sentence*

In the case where the Engineer's consent to sub-contract is necessary and the proposed sub-contractor is to be local contractor, the Contractor shall employ only a sub-contractor having a valid National Registration Certificate from the Institution of Construction Training and Development (ICTAD) of Sri Lanka, for executing work, the value of which is in excess of the estimated value of the sub-contract work, and who possesses the skill and the experience to execute the Sub-contract works. Prior to granting consent, the Engineer shall be entitled to call for all relevant particulars relating to the proposed sub-contractor from the Contractor in order to reasonably satisfy himself of the proposed sub-contractors capability.

**Sub-Clause 5.1  
Language and Law**

- (a) The language is the English language.
- (b) The law is that in force in Sri Lanka.

**Sub-Clause 5.2  
Priority of Contract Documents**

Delete the documents listed in 1 – 6 and substitute:

- (1) the Contract Agreement (if completed);
- (2) the Letter of Acceptance;
- (3) the Bid and Appendix to Bid;
- (4) the Conditions of Contract Part II – Conditions of Particular Application
- (5) the Conditions of Contract Part I – General Conditions
- (6) the Technical Specifications
- (7) the Drawings
- (8) the Priced Bill of Quantities

**Sub-Clause 8.1  
Contractor's General Responsibilities**

Delete second sentence and substitute:

“The Contractor shall promptly notify the Employer and the Engineer of any error, omission, fault or other defect in the design of or Specification for the Works which he discovers when reviewing the Contract or executing the Works.”

**Sub-Clause 8.3  
Land Temporarily Required for Works**

Add the following Sub-Clause

“The Contractor from time to time provide at his own cost any additional areas of land which he may temporarily require as working areas or for the storage of materials, plant and Contractor's equipment to be used in the Works. Such areas shall be provided with the approval of the Engineer and shall be deemed to form part of the site.”

**Sub-Clause 9.1  
Contract Agreement**

Add second sentence as follows:

Stamp duty on the Contract Agreement shall be payable by the Contractor

**Sub-Clause 10.1  
Performance  
Security**

Replace the text of Sub-clause 10.1 with the following:

“The Contractor shall provide security for its proper performance of the Contract to the Employer within 28 days after the receipt of Letter of Acceptance. The performance security shall be in the form of a bank guarantee, issued either (a) by a bank located in the country of the Employer or a foreign bank through a correspondent bank located in the country of the Employer, or (b) directly by a foreign bank acceptable to the Employer, as stipulated by the Employer in the Appendix to the Bid. The performance security shall be denominated in the types and proportions of currencies in which the Contract Price is payable. When providing such security to the Employer, the Contractor shall notify the Engineer of so doing.

Without limitation to the provisions of the preceding paragraph, whenever the Engineer determines an addition to the Contract Price as a result of a change in cost and/or legislation or as a result of a variation amounting to more than 25 percent of the portion of the Contract Price payable in a specific currency, the Contractor, at the Engineer’s written request, shall promptly increase the value of the performance security in that currency by an equal percentage. The performance security of a joint venture shall be in the name of the joint venture.”

**Sub-Clause 11.2  
Access to Data**

Add new Sub-Clause 11.2:

“Data made available by the Employer in accordance with Sub-Clause 11.1 shall be deemed to include data listed elsewhere in the Contract as open for inspection at Project Manager’s Office at

---

or at Deputy General Manager (Planning & Design), NWSDB, Galle Road, Ratmalana, Sri Lanka.”

**Sub-Clause 14.1  
Program to be  
Submitted**

“The time within which the program shall be submitted shall be 28 days.”

**Sub-Clause 14.3  
Cash Flow Estimate  
to be Submitted**

“The time within which the detailed cash flow estimate shall be submitted shall be 28 days.”

**Sub-Clause 15.2  
Language Ability of  
Contractor’s  
Representative**

Add the following Sub-Clause 15.2:

“If the Contractor’s authorised representative is not, in the opinion of the Engineer, fluent in the English language, the Contractor shall have available on site at all times a competent interpreter to ensure the proper transmission of instructions and information.”

**Sub-Clause 16.3  
Language Ability of  
Superintending Staff**

Add the following Sub-Clause 16.3:

“A reasonable proportion of the Contractor’s superintending staff shall have a working knowledge of the English language or the Contractor shall have available on site at all times a sufficient number of competent interpreters to ensure the proper transmission of instructions and information.”

**Sub-Clause 19.1  
Safety, Security and  
Protection of the  
Environment**

Add the following Sub-Clause 19.1(d):

“comply with all provisions in the loan agreement between JBIC and the Employer with respect to the protection of the environment, which are as follows:

\_\_\_\_\_”

**Sub-Clause 20.4  
Employer’s Risks**

Sub-Clause 20.4 is amended to read as follows:

The Employer’s risks are:

- (a) insofar as they directly affect the execution of the Works in the country where the Permanent Works are to be executed:
  - (i) war and hostilities (whether war be declared or not), invasion, act of foreign enemies;
  - (ii) rebellion, revolution, insurrection, or military or usurped power, or civil war;
  - (iii) ionising radiation, or contamination by radioactivity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
  - (iv) pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
  - (v) riot, commotion or disorder, unless solely restricted to the employees of the Contractor or of its Subcontractors and arising from the conduct of the Works;
- (b) loss or damage due to the use or occupation by the Employer of any Section or part of the Permanent Works, except as may be provided for in the Contract;
- (c) loss or damage to the extent that it is due to the design of the Works, other than any part of the design provided by the Contractor or for which the Contractor is responsible; and

- (d) any operation of the forces of nature (insofar as it occurs on the Site) which an experienced contractor:
  - (i) could not have reasonably foreseen, or
  - (ii) could reasonably have foreseen, but against which he could not reasonably have taken appropriate measures to prevent loss or damage to physical property occurring.

**Sub-Clause 21.1  
Insurance of Works  
and Contractor's  
Equipment**

Add the following words at the end of sub-paras. (a) and (b) of Sub-Clause 21.1:

“it being understood that such insurance shall provide for compensation to be payable in currencies required to rectify the loss or damage incurred.”

**Sub-Clause 21.2  
Scope of Cover**

Para. (a) of Sub-Clause 21.2 is amended by deletion of the words “... from the start of work at the Site ...” and by the substitution therefor of the words “... from the first working day after the Commencement Date ...”.

**Sub-Clause 21.4  
Exclusions**

Sub-Clause 21.4 is amended to read as follows:

“There shall be no obligation for the insurances in Sub-Clause 21.1 to include loss or damage caused by the risks listed under Sub-Clause 20.4 paras. (a) (i) to (iv).”

**Sub-Clause 25.1  
Evidence and Terms  
of Insurances**

Sub-Clause 25.1 is amended by inserting the words “... as soon as practicable after the respective insurances have been taken out but in any case...” before the words “...prior to the start of work at the Site...”.

In the last sentence, delete the word “insures” and substitute an insurance company located in Sri Lanka and acceptable to the Engineer.

**Sub-Clause 34.1  
Engagement of  
Staff & Labour**

Add at the end of Sub-Clause 34.1;  
The Contractor as far as possible, employ Sri Lankan staff and labour with necessary qualifications and experience.

**Sub-Clause 34 .2  
Rates of Wages and  
Conditions of  
Labour**

Add the following Sub-Clause  
The Contractor shall pay rates of wages and observe conditions of labour not less favourable than those established for the trade or industry where the work is carried out. In the absence of any rates of wages or conditions of labour so established, the Contractor shall pay rates of wages and observe conditions of labour which are not less favourable than the general level of wages and conditions observed by other employers whose general circumstances in the trade or industry in which the Contractor is engaged are similar.



**Sub-Clause 34.3  
Employment of  
Persons in the  
Service of Others**

Add the following Sub-Clause

The Contractor shall not recruit or attempt to recruit his staff and labour from amongst persons in the service of the Employer or the Engineer.

**Sub-Clause 34.4  
Repatriation of  
Labour**

Add the following Sub-Clause

The Contractor shall be responsible for the return to the place where they were recruited or to their domicile of all such persons as he recruited and employed for the purposes of or in connection with the Contract and shall maintain such persons as are to be so returned in a suitable manner until they shall have left the site or, in the case of persons who are not nationals of and have been recruited outside SRI LANKA shall have left SRI LANKA.

**Sub-Clause 34.5  
Housing for Labour**

Add the following Sub-Clause

Save insofar as the Contract otherwise provides, the Contractor shall provide and maintain such accommodation and amenities as he may consider necessary for all his staff and labour, employed for the purposes of or in connection with the Contract, including all fencing, water supply (both for drinking and other purposes), electricity supply, sanitation, cookhouses, fire prevention and firefighting equipment, air conditioning, cookers, refrigerators, furniture and other requirements in connection with such accommodation or amenities. On completion of the Contract, unless otherwise agreed with the Employer, the temporary camps/housing provided by the Contractor shall be removed and the site reinstated to its original condition, all to the approval of the Engineer.

**Sub-Clause 34.6  
Accident Prevention  
Officer; Accidents**

Add the following Sub-Clause

The Contractor shall have on his staff on Site an officer dealing only with questions regarding the safety and protection against accidents of all staff and labour. This officer shall be qualified for this work and shall have the authority to issue instructions and shall take protective measures to prevent accidents.

**Sub-Clause 34.7  
Health and Safety**

Add the following Sub-Clause

Due precautions shall be taken by the Contractor, and at his own cost, to ensure the safety of his staff and labour and, in collaboration with and to the requirements of the local health authorities, to ensure that medical staff, first aid equipment and stores, sick bay and suitable ambulance service are available at the camps, housing and on the Site at all times throughout the period of the Contract and that suitable arrangements are made for the prevention of epidemics and for all necessary welfare and hygiene requirements.

**Sub-Clause 34.8  
Measures Against  
Insect and Pest  
Nuisance**

Add the following Sub-Clause

The Contractor shall at all times take the necessary precautions to protect all staff and labour employed on the Site from insect nuisance, rats, and other pests and reduce the dangers to health and the general nuisance caused by the same. The Contractor shall provide his staff and labour with suitable prophylactics for the prevention of malaria, and take steps to prevent the formation of stagnant pools of water. He shall comply with all the regulations of the local health authorities in these respects and shall in particular arrange to spray thoroughly with approved insecticide all buildings erected on the Site. Such treatment shall be carried out at least once a year or as instructed by the Engineer. The Contractor shall warn his staff and labour of the dangers of bilharzia and wild animals.

**Sub-Clause 34 .9  
Epidemics**

Add the following Sub-Clause

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

**Sub-Clause 34.10  
Burial of the Dead**

Add the following Sub-Clause

The Contractor shall make any necessary arrangements for the transport, to any place as required for burial, of any of his expatriate employees or members of their families who may die in Sri Lanka. The Contractor shall also be responsible, to the extent required by the local regulations, for making any arrangements with regard to burial of any of his local employees who may die while engaged upon the Works.

**Sub-Clause 34 .11  
Supply of Foodstuffs**

Add the following Sub-Clause

The Contractor shall arrange for the provision of a sufficient supply of suitable food at reasonable prices for all his staff and labour, or his Subcontractors, for the purposes of or in connection with the Contract.

**Sub-Clause 34.12  
Supply of Water**

Add the following Sub-Clause

The Contractor shall, so far as is reasonably practicable, having regard to local conditions, provide on the Site an adequate supply of drinking and other water for the use of his staff and labour.

**Sub-Clause 34 .13  
Alcoholic Liquor or  
Drugs**

Add the following Sub-Clause

The Contractor shall not, otherwise than in accordance with the Statutes, Ordinances and Government Regulations or Orders for the time being in force, import, sell, give, barter, or otherwise dispose of any alcoholic liquor or drugs, or permit or suffer any such importation, sale, gift, barter or disposal by his Subcontractors, agents, staff or labour.

**Sub-Clause 34.14  
Arms and  
Ammunition**

Add the following Sub-Clause

The Contractor shall not give, barter, or otherwise dispose of to any person or persons, any arms or ammunition of any kind or permit or suffer the same as aforesaid.

- Sub-Clause 34.15  
Festivals and  
Religious Customs** Add the following Sub-Clause  
The Contractor shall in all dealings with his staff and labour have due regard to all recognised festivals, days of rest and religious and other customs.
- Sub-Clause 34.16  
Disorderly Conduct** Add the following Sub-Clause  
The Contractor shall at all times take all reasonable precautions to prevent any unlawful, riotous or disorderly conduct by or amongst his staff and labour and for the preservation of peace and protection of persons and property in the neighbourhood of the Works against the same.
- Sub-Clause 35.2  
Records of Safety  
and Health** Add the following Sub Clause  
The Contractor shall maintain such records and make such reports concerning safety, health and welfare of persons and damage to property as the Engineer may from time to time prescribe.
- Sub-Clause 35.3  
Reporting of  
Accidents** Add the following Sub Clause  
The Contractor shall report to the Engineer details of any accidents as soon as possible after its occurrence. In the case of any fatality or serious accident, the Contractor shall, in addition, notify the Engineer immediately by the quickest available means.
- Sub Clause 42.1(c)  
Site and Access  
Thereeto** Amend item (c) to read as follows;  
  
(c) So much of the site, comprising of reservoirs, buildings and / or works sites in the ownership of the Employer in the first instance and following procedures for obtaining permission to work as defined herein, the public roads and highways, and
- Sub-Clause 45.2  
Working Hours** Add the following Sub-Clause  
The locally recognised days of rest shall be Sundays, Full Moon Poya days and Mercantile Holidays.
- Sub-Clause 52.1  
Valuation of  
Variations** Add final sentences as follows:

“Where the Contract provides for the payment of the Contract Price in more than one currency, and varied work is valued at, or on the basis of, the rates and prices set out in the Contract, payment for such varied work shall be made in the amounts of various currencies specified in the - Appendix to Bid for payment of the Contract Price. Where the Contract provides for payment of the Contract Price in more than one currency, and new rates or prices are agreed, fixed or determined as stated above, the amount payable in each of the applicable currencies shall be specified when the rates or prices are agreed, fixed or determined, it being understood that in specifying these amounts the Contractor and the Engineer (or, failing agreement, the Engineer) shall take into account the actual or expected currencies of cost of the inputs of the varied work without regard to the amounts of various currencies specified in the - Appendix to Bid for payment of the Contract Price.”

**Sub-Clause 52.2  
Power of Engineer  
to Fix Rates**

Add a final sentence to the first paragraph, as follows:

“Where the Contract provides for the payment of the Contract Price in more than one currency, the amount payable in each of the applicable currencies shall be specified when the rates or prices are agreed, fixed or determined as stated above, it being understood that in specifying these amounts the Contractor and the Engineer (or, failing agreement, the Engineer) shall take into account the actual or expected currencies of cost of the inputs of the varied work without regard to the amounts of various currencies specified in the Appendix to Bid for payment of the Contract Price.”

Add as a third paragraph:

“Provided further that no change in the rate or price for any item contained in the Contract shall be considered unless such item accounts for an amount more than 2 percent of the Contract Price as stated in the Letter of Acceptance and the actual quantity of work executed under the item exceeds or falls short of the quantity set out in the Bill of Quantities by more than 25 percent.”

**Sub-Clause 52.3  
Variations  
Exceeding 15 percent**

Add a final sentence as follows:

“Where the Contract provides for the payment of the Contract Price in more than one currency, the amount payable in each of the applicable currencies shall be specified when such further sum is agreed or determined, it being understood that in specifying these amounts the Contractor and the Engineer (or, failing agreement, the Engineer) shall take into account the currencies in which the Contractor’s Site and general overhead cost of the Contract were incurred without being bound by the amounts of various currencies specified in the Appendix to Bid for payment of the Contract Price.

**Clause 60  
Certificates and  
Payment**

Clause 60 of the General Conditions is deleted and the following Sub-Clauses 60.1 to 60.14 are substituted therefor:

**Sub-Clause 60.1  
Monthly Statements**

Disbursement procedures of JBIC ODA Loans shall be applied for disbursement of the proceeds of JBIC ODA Loans for eligible payment under this contract. The Contractor shall submit a statement in six copies to the Engineer at the end of each month, in a tabulated form approved by the Engineer, showing the amounts to which the Contractor considers himself to be entitled. The statement shall include the following items, as applicable, which shall be taken into account in the sequence listed:

- (a) the estimated contract value of the Temporary and Permanent Works executed up to the end of the month in question, determined in accordance with Sub-Clause 56.1, at the unit rates and prices included in the Contract, in the various currencies of the Contract Price in which the contract is payable;
- (b) the actual value certified for payment for the Temporary and Permanent Works executed up to the end of the previous month, at the unit rates and prices included in the Contract, in the various currencies of the Contract Price;
- (c) the estimated contract value at the unit rates and prices included in the Contract of the Temporary and Permanent Works for the month in question, in the various currencies of the Contract Price, obtained by deducting (b) from (a);
- (d) the value of any variations executed up to the end of the month in question, less the amount certified in the previous Interim Payment Certificate, expressed in the relevant amounts of foreign and local currencies, pursuant to Clause 52;
- (e) amounts approved in respect of Daywork executed up to the end of the month in question, less the amount for Daywork certified in the previous Interim Payment Certificate, indicating the amounts of foreign and local currencies as determined from the Daywork Schedule of the Bill of Quantities;
- (f) amounts reflecting changes in cost and legislation, pursuant to Clause 70, expressed in the relevant amounts of foreign and local currencies;
- (g) any credit or debit for the month in question in respect of materials and Plant for the Permanent Works, in the relevant amounts in foreign and local currencies, and under the conditions set forth in Sub-Clause 60.3;
- (h) any amount to be withheld under the provisions of Sub-Clause 60.5, determined by applying the percentage set forth in Sub-Clause 60.5 to the amounts in foreign and local currencies due under paragraphs 60.1 (c), (d), (e), and (f);
- (i) any amounts to be deducted as repayment of the Advance under the provisions of Sub-Clause 60.7; and
- (j) any other sum, expressed in the applicable currency or currencies, to which the Contractor may be entitled under the Contract or otherwise.

**Sub-Clause 60.2  
Monthly Payments**

The said statement shall be approved or amended by the Engineer in such a way that, in the Engineer's opinion, it reflects the amounts in various currencies due to the Contractor in accordance with the Contract, after deduction, other than pursuant to Clause 47, of any sums which may have become due and payable by the Contractor to the Employer. In cases where there is a difference of opinion as to the value of any item, the Engineer's view shall prevail. Within 28 days of receipt of the monthly statement referred to in Sub-Clause 60.1, the Engineer shall determine the amounts due to the Contractor and shall issue to the Employer and the Contractor a certificate herein called "Interim Payment Certificate", certifying the amounts due to the Contractor.

Provided that the Engineer shall not be bound to certify any payment under this Sub-Clause if the net amount thereof, after all retentions and deductions, would be less than the Minimum Amount of Interim Payment Certificates stated in the Appendix to Bid.

Notwithstanding the terms of this Clause or any other Clause of the Contract, no amount will be certified by the Engineer for payment until the performance security has been provided by the Contractor and approved by the Employer.

**Sub-Clause 60.3  
Materials and Plant  
for the Permanent  
Works**

With respect to materials brought by the Contractor to the Site for incorporation in the Permanent Works, the Contractor shall (i) receive a credit in the month in which these materials are brought to the Site and (ii) be charged a debit in the month in which they are incorporated in the Permanent Works, both such credit and debit to be determined by the Engineer in accordance with the following provisions:

- (a) no credit shall be given unless the following conditions shall have been met to the Engineer's satisfaction:
  - (i) the materials are in accordance with the specifications for the Works;
  - (ii) the materials have been delivered to the Site and are properly stored and protected against loss, damage or deterioration;
  - (iii) the Contractor's records of the requirements, orders, receipts and use of materials are kept in a form approved by the Engineer, and such records are available for inspection by the Engineer;
  - (iv) the Contractor has submitted a statement of his cost of acquiring and delivering the materials to the Site, together with such documents as may be required for the purpose of evidencing such cost; and
  - (v) the origin of the materials and the currencies of payment therefor are those indicated in the Appendix to Bid;

- (b) the amount to be credited to the Contractor shall be the equivalent of 75 percent of the Contractor's reasonable cost of the materials delivered to the Site, as determined by the Engineer after review of the documents listed in paragraph (a) (iv) above, as determined by the Engineer;
- (c) the amount to be debited to the Contractor for any materials incorporated into the Permanent Works shall be equivalent to the credit previously granted to the Contractor for such materials pursuant to Sub-Clause (b) above, as determined by the Engineer; and
- (d) the currencies in which the respective amounts shall be credited or debited as set forth above shall be determined by the Engineer, provided (i) that in the case of a credit, the currencies shall be those listed in the Appendix to Bid for the relevant item of materials and (ii) that in the case of a debit, the currencies shall be those in which the credit for the respective item of materials had been given.

**Sub-Clause 60.4  
Place of Payment**

Payments to the Contractor by the Employer shall be made in the currencies in which the Contract Price is payable, into a bank account or accounts nominated by the Contractor.

**Sub-Clause 60.5  
Retention Money**

A retention amounting to TEN PERCENT of the amounts due in each currency, determined in accordance with the procedure set out in Sub-Clause 60.1 (h) shall be made by the Engineer in the first and following Interim Payment Certificates.

**Sub-Clause 60.6  
Payment of  
Retention Money**

Upon the issue of the Taking-Over Certificate with respect to the whole of the Works, one half of the Retention Money, or upon the issue of a Taking-Over Certificate with respect to a Section or part of the Permanent Works only such proportion thereof as the Engineer determines having regard to the relative value of such Section or part of the Permanent Works, shall be certified by the Engineer for payment to the Contractor.

At the request on the Contractor, the second half of the Retention Money may also be released at the issue of the Taking-Over Certificate provided a bank guarantee is provided by the Contractor for an amount equal to half the Retention Money for the period from the issue of the Taking-Over Certificate to the expiry of the Contract Period.

Upon the expiration of the Defects Liability Period for the Works the other half of the Retention Money shall be certified by the Engineer for payment to the Contractor. Provided that, in the event of different Defects Liability Periods being applicable to different Sections or parts of the Permanent Works pursuant to Clause 48, the expression "expiration of the Defects Liability Period" shall, for the purposes of this Sub-Clause, be deemed to mean the expiration of the latest of such periods.

Provided also that if at such time, there shall remain to be executed by the Contractor any work instructed, pursuant to Clauses 49 and 50, in respect of the Works, the Engineer shall be entitled to withhold certification until completion of such work of so much of the balance of the Retention Money as shall, in the opinion of the Engineer, represent the cost of the work remaining to be executed.

**Sub-Clause 60.7  
Advance Payment**

- (a) The Employer will make an interest-free advance payment to the Contractor exclusively for the costs of mobilisation in respect of the Works in an amount equivalent to FIFTEEN PERCENT of the Contract Price named in the Letter of Acceptance, payable in the proportions of foreign and local currencies of the Contract Price. Payment of such advance amount will be due under separate certification by the Engineer after (i) execution of the Form of Agreement by the parties hereto; (ii) provision by the Contractor of the performance security in accordance with Sub-Clause 10.1; and (iii) provision by the Contractor of an unconditional bank guarantee in a form and by a bank acceptable to the Employer in amounts and currencies equal to the advance payment. Such bank guarantee shall remain effective until the advance payment has been repaid pursuant to paragraph (b) below, but the amount thereof shall be progressively reduced by the amount repaid by the Contractor as indicated in Interim Payment Certificates issued in accordance with this Clause.
- (b) The advance payment shall be repaid through percentage deductions from the interim payments certified by the Engineer in accordance with this Clause. Deductions shall commence in the next Interim Payment Certificate following that in which the total of all interim payments certified to the Contractor has reached THIRTY PERCENT of the Contract Price less Provisional Sums, and shall be made at the rate of THIRTY PERCENT of the amount of all Interim Payment Certificates in the types and proportionate amounts of currencies of the advance payment until such time as the advance payment has been repaid; always provided that the advance payment shall be completely repaid prior to the time when 80 percent of the Contract Price has been certified for payment.



**Sub-Clause 60.8  
Time of Payment  
and Interest**

The amount due to the Contractor under any Interim Payment Certificate issued by the Engineer pursuant to this Clause, or to any other term of the Contract, shall, subject to Clause 47, be paid by the Employer to the Contractor within 56 days after the Contractor's monthly statement has been submitted to the Engineer for certification or, in the case of the Final Certificate pursuant to Sub-Clause 60.13, within 84 days after the agreed Final Statement and written discharge have been submitted to the Engineer for certification. In the event of the failure of the Employer to make payment within the times stated, the Employer shall pay to the Contractor interest compounded monthly at the rate stated in the Appendix to Bid upon all sums unpaid from the date upon which the same should have been paid, in the currencies in which the payments are due.

**Sub-Clause 60.9  
Correction of  
Certificates**

The Engineer may by any Interim Payment Certificate make any correction or modification in any previous Interim Payment Certificates which has been issued by the Engineer, and shall have authority, if any work is not being carried out to the satisfaction of the Engineer, to omit or reduce the value of such work in any Interim Payment Certificate.

**Sub-Clause 60.10  
Statement at  
Completion**

Not later than 84 days after the issue of the Taking-Over Certificate in respect of the whole of the Works, the Contractor shall submit to the Engineer six copies of a Statement at Completion with supporting documents showing in detail, in the form approved by the Engineer,

- (a) the final value of all work done in accordance with the Contract up to the date stated in such Taking-Over Certificate;
- (b) any further sums which the Contractor considers to be due; and
- (c) an estimate of amounts which the Contractor considers will become due to him under the Contract.

Estimated amounts shall be shown separately in such Statement at Completion. The Engineer shall certify payment in accordance with Sub-Clause 60.2.

**Sub-Clause 60.11  
Final Statement**

Not later than 56 days after the issue of the Defects Liability Certificate pursuant to Sub-Clause 62.1, the Contractor shall submit to the Engineer for consideration six copies of a draft final statement with supporting documents showing in detail, in the form approved by the Engineer,

- (a) the value of all work done in accordance with the Contract; and
- (b) any further sums which the Contractor considers to be due to him under the Contract or otherwise.

If the Engineer disagrees with or cannot verify any part of the draft final statement, the Contractor shall submit such further information as the Engineer may reasonably require and shall make such changes in the draft as may be agreed between them. The Contractor shall then prepare and submit to the Engineer the final statement as agreed (for the purposes of these Conditions referred to as the "Final Statement").

If, following discussions between the Engineer and the Contractor and any changes to the draft final statement which may be agreed between them, it becomes evident that a dispute exists, the Engineer shall issue to the Employer an Interim Payment Certificate for those parts of the draft final statement which are not in dispute. The dispute shall then be settled in accordance with Clause 67. The Final Statement shall be agreed upon settlement of the dispute.

**Sub-Clause 60.12  
Discharge**

Upon submission of the Final Statement, the Contractor shall give to the Employer, with a copy to the Engineer, a written discharge confirming that the total of the Final Statement represents full and final settlement of all monies due to the Contractor arising out of or in respect of the Contract. Provided that such discharge shall become effective only after payment due under the Final Payment Certificate issued pursuant to Sub-Clause 60.13 has been made and the performance security referred to in Sub-Clause 10.1 has been returned to the Contractor.

**Sub-Clause 60.13  
Final Payment  
Certificate**

Within 28 days after receipt of the Final Statement, and the written discharge, the Engineer shall issue to the Employer (with a copy to the Contractor) a Final Payment Certificate stating

- (a) the amount which, in the opinion of the Engineer, is finally due under the Contract or otherwise, and
- (b) after giving credit to the Employer for all amounts previously paid by the Employer and for all sums to which the Employer is entitled, other than Clause 47, the balance, if any, due from the Employer to the Contractor or from the Contractor to the Employer as the case may be.

**Sub-Clause 60.14  
Cessation of  
Employer's Liability**

The Employer shall not be liable to the Contractor for any matter or thing arising out of or in connection with the Contract or execution of the Works, unless the Contractor shall have included a claim in respect thereof in his Final Statement and (except in respect of matters or things arising after the issue of the Taking-Over Certificate in respect of the whole of the Works) in the Statement at Completion referred to in Sub-Clause 60.10.

**Sub-Clause 60.15  
Payment for  
Permanent Road  
Reinstatement**

Roads under the responsibility of Road Development Authority (RDA) , Provincial Road Development Authority (PRDA) and the Local Authorities in Kotikawatte and Mulleriyawa Area, shall be reinstated by the respective authorities. The relevant authorities will require advance payment of the estimated costs of permanent road reinstatement work before they give permission to enter roads for pipelaying or other related purposes and on condition that any balance payment will be paid following completion of the works and on final measurement of the reinstatement. Such amounts shall be determined and agreed by the Engineer with the relevant authority in consultation with the Contractor based on the specified trench widths and types of road surface to be repaired, The Engineer will direct the Contractor as to the amounts due for payment.

The Contractor shall pay the relevant authority the amounts due as agreed instalment to suit his pipe laying program and in time to obtain formal permission from the relevant authority to enter the road for execution of the work. The procedure laid down in the preamble to BOQ shall be followed for measuring prior to excavation of the area of the roads.

The employer may at his absolute discretion reimburse the Contractor the actual amount of such advance upon request and presentation of the duly certified payment receipts from the relevant authority. The Contractor shall enter the amount in the next interim invoice. Payments for reinstatement shall be made from the provisional sums provided in the BOQ for such works.

The Contractor shall be entitled to payment only for the actual area of reinstatement falling within the specified width of the trench. Payments shall be made on the relevant provisional item for reinstatement in the BOQ.

The amount entered by the Contractor in separate BOQ item (supervision and overheads) as a percentage on cost of the Provisional Sums included in BOQ for Permanent Road Reinstatement shall include for overheads profit, additional charges by relevant authority for exceeding trench width limits or damage to roads consequential to the Contractor's work, administration costs etc. , and will be paid to the Contractor only on completion of work in each road and upon successful final handing over of the said roads back to the Relevant Authority.

Any Advance Payment found to be overpaid to the Contractor on final measurement made for permanent road reinstatement shall be deducted from payments to the Contractor. In the event that the Contractor fails to pay relevant authority within 28 days of the Engineer's notification of agreement, the Employer will pay to the relevant authority direct and deduct the amount from the Contractor's next payment certificate.

**Sub-Clause 60.16  
Payment for  
Pipelaying  
Across railway  
Tracks**

The Railway Authority will require full payment of the estimate ( for removing & replacing of railway tracks and the sleepers) before they give permission to start work of pipelaying across railway tracks.

The Employer may at his absolute discretion reimburse the Contractor the actual amount paid upon request and presentation of the duly certified payment receipt from the Railway Authority. The Contractor shall in any event enter the amount in his next interim invoice payment for pipelaying across railway tracks and shall be made from the Provisional Sums provided in the BOQ for such works.

The amount entered by the Contractor in separate BOQ item (supervision and overhead) as a percentage on cost of the Provisional Sums included in BOQ for pipelaying across railway tracks shall include overhead, profits, cost of RC hume pipes, all jointing materials, liaison with the Sri Lanka Railways, excavation and laying of hume pipes, installation of the pipe inside the hume pipe and for all plant and equipment required for this work.

**Sub-Clause 65.2  
Special Risks**

Sub-Clause 65.2 is amended to read as follows:

“The Special Risks are the risks defined under para. (a), subparas. (i) to (v) of Sub-Clause 20.4.”

**Sub-Clause 67.1  
Dispute  
Adjudication Board**

Delete text of Clause 67 and substitute:

If a dispute of any kind whatsoever arises between the Employer and the Contractor in connection with, or arising out of, the Contract or the execution of the Works, including any dispute as to any opinion, instruction, determination, certificate or valuation of the Engineer, the dispute shall initially be referred in writing to the Dispute Adjudication Board (“the Board”) for its decision. Such reference shall state that it is made under this Sub-Clause.

Unless the member or members of the Board have been previously mutually agreed by the parties and named in the Contract, the parties shall, within 28 days of the Commencement Date, jointly ensure the appointment of the Board. The Board shall comprise suitably qualified persons as members, the number of members being either one or three, as stated in the Appendix to Tender. If the Board is to comprise three members, each party shall nominate one member for the approval of the other party, and the parties shall mutually agree upon and appoint the third member (who shall act as chairman).

The terms of appointment of the Board shall:

- (a) incorporate the model terms therefor and procedural rules of the Dispute Adjudication Board published by the FIDIC, included in **Annex A and B to Conditions of Particular Applications of Section XI**, as they may have been amended by the parties,
- (b) require each member of the Board to be, and to remain throughout his appointment, independent of the parties,
- (c) require the Board to act impartially and in accordance with the Contract, and
- (d) include undertakings by the parties (to each other and to the Board)

that the member of the Board shall in no circumstances be liable for anything done or omitted in the discharge of their functions unless the act or omission is shown to have been in bad faith; the parties shall indemnify the members against such claims.

The terms of remuneration of each member of the Board, including the remuneration of any expert from whom the Board may seek advice, shall mutually agreed upon by the Employer, the Contractor and each member of the Board when agreeing the terms of appointment. In the event of disagreement, the remuneration of each member shall include a daily fee in accordance with the daily fee established from time to time for arbitrators under the administrative and financial regulations of the International Centre for Settlement of Investment Disputes, a retainer fee per calendar month equivalent to three times such daily fee and reimbursement for reasonable expenses. The Employer and the Contractor shall each be responsible for paying one-half of the Board's remuneration.

The appointment of any member of the Board may be terminated (other than on a member's own initiative) only by mutual agreement of the Employer and the Contractor. The appointment of each member of the Board shall expire when the discharge referred to in Sub-Clause 60.7 shall have become effective, or at such time as the parties may mutually agree.

If at any time the parties so agree, they may appoint a suitably qualified person or persons to replace (or to be available to replace) any or all members of the Board. Unless the parties agree otherwise, the appointment will come into effect if a member of the Board declines to act or is unable to act as a result of death, disability, resignation or termination of appointment. If any of such circumstances should occur and no such replacement is available, the member shall be replaced in the same manner as such member was nominated or agreed upon.

If any of the following conditions apply, namely:

- (a) either party fails to nominate a member (acceptable to the other party), for a Board of three members, within 28 days of the Commencement Date,
- (b) the parties fail to agree upon the appointment of the third member (to act as the chairman) for a Board of three members within 28 days of the Commencement Date, or
- (c) the parties fail to agree upon the appointment of a replacement member of the Board within 28 days of the date on which a member of the Board declines to act or is unable to act as a result of death, disability, resignation or termination of appointment,

then the appointing body or official named in the Appendix to Tender shall, after due consultation with the parties, appoint such member of the Board, and such appointment shall be final and conclusive.

**Sub-Clause 67.2  
Procedure for  
Obtaining the  
Board's Decision**

When in accordance with Sub-Clause 67.1 a dispute is referred by one party to the Board, a copy of such reference shall be sent by that party to the other party and (for information) to the Engineer. The parties shall promptly make available to the Board all such additional information, further access to the Site, and appropriate facilities, as the Board may require for the purposes of rendering a decision.

The Board shall have full power, among other things, to:

- (a) establish the procedure to be applied in deciding a dispute,
- (b) decide upon the Board's own jurisdiction, and as to the scope of any dispute referred to it,
- (c) take the initiative in ascertaining the facts and matters required for a decision,
- (d) make use of its own specialist knowledge, if any,
- (e) decide upon the payment of interest in accordance with the Contract,
- (f) decide to grant provisional relief such as interim or conservatory measures, and
- (g) open up, review and revise any opinion, instruction, determination, certificate or valuation of the Engineer related to the dispute.

No later than the eighty-fourth day after the day on which it received such reference, the Board, acting as a panel of expert(s) and not as arbitrator(s), shall give notice of its decision, to the parties and (for information) to the Engineer. Such decision, which shall be reasoned, shall state that it is given under this Sub-Clause.

Unless the Contract has already been repudiated or terminated, the Contractor shall, in every case, continue to proceed with the Works with all due diligence, and the Contractor and the Employer, as well as the Engineer, shall give effect forthwith to every decision of the Board, unless and until the same shall be revised, as hereinafter provided, in an amicable settlement or an arbitral award.

If either party is dissatisfied with the Board's decision, then either party, on or before the twenty-eighth day after the day on which it received notice of such decision, may notify the other party and (for information) the Engineer of its dissatisfaction. In either event, such notice of dissatisfaction shall state that it is given under this Sub-Clause, and set out the matter in dispute and the reason(s) for dissatisfaction. Subject to Sub-Clauses 67.5 and 67.6, no arbitration in respect of such dispute may be commenced unless such notice is given.

If the Board has given notice of its decision as to a matter in dispute to the Employer, the Contractor and the Engineer, and no notice of dissatisfaction has been given by either party on or before the twenty-eighth day after the day on which the parties received the Board's decision, then the Board's decision shall become final and binding upon the Employer and the Contractor.

**Sub-Clause 67.3  
Amicable Settlement**

Where notice of dissatisfaction has been given under Sub-Clause 67.2, the parties shall attempt to settle such dispute amicably before the commencement of arbitration. Provided that unless the parties agree otherwise, arbitration may be commenced on or after the fifty-sixth day after the day on which notice of dissatisfaction was given, even if no attempt at amicable settlement has been made.

**Sub-Clause 67.4  
Arbitration**

Any dispute in respect of which:

- (a) the decision, if any, of the Board has not become final and binding pursuant to Sub-Clause 67.2, and

(b) amicable settlement has not been reached, shall be settled, unless otherwise specified in the Contract, under the Rules of Conciliation and Arbitration of the International Chamber of Commerce by one or more arbitrators appointed under such Rules. The arbitrator(s) shall have full power to open up, review and revise any decision of the Board, as well as any opinion, instruction, determination, certificate or valuation of the Engineer, related to the dispute.

Neither party shall be limited in the proceedings before such arbitrator(s), to the evidence or arguments previously put before the Board to obtain its decision.

Arbitration may be commenced prior to or after completion of the Works. Any decision of the Board shall be admissible in evidence in the arbitration. The obligations of the parties, the Engineer and the Board shall not be altered by reason of the arbitration being conducted during the progress of the Works.

**Sub-Clause 67.5  
Failure to  
Comply with  
the Board's  
Decision**

Where neither party has given notice of dissatisfaction within the period in Sub-Clause 67.2 and the Board's related decision, if any, has become final and binding, either party may, if the other party fails to comply with such decision, and without prejudice to any other rights it may have, refer the failure itself to arbitration under Sub-Clause 67.4. The provisions of Sub-Clauses 67.2 and 67.3 shall not apply to any such reference.

**Sub-Clause 67.6  
Expiry of the  
Board's  
Appointment**

When the appointment of the members of the Board, including any replacements, has either been terminated or expired, any such dispute referred to in Sub-Clause 67.2 shall be finally settled by arbitration pursuant to Sub-Clause 67.4. The provisions of Sub-Clauses 67.2 and 67.3 shall not apply to any such reference.

**Sub-Clause 68.2  
Notice to Employer  
and Engineer**

For the purposes of this Sub-Clause the respective addresses of both the Employer and the Engineer are:

National Water Supply and Drainage Board  
Galle Road, Ratmalana  
Sri Lanka

**Clause 69  
Default of Employer**

In Sub-Clauses 69.1, 69.4 and 69.5, substitute "Sub-Clause 60.8" for "Sub-Clause 60.10".

**Sub-Clause 69.1(a)  
Default of Employer**

In Sub-Clause 69.1 (a), substitute "56 days" for "28 days".

**Sub-Clause 69.1(d)  
Economic  
Dislocation**

Sub-Clause 69.1(d) is deleted

**Sub-Clause 69.3  
Payment on  
Termination**

Delete from "but, in addition to the payments specified.. " to the end of the sub-clause.

**Clause 70  
Changes in Cost and  
Legislation**

Delete Clause 70.1 in its entirety and substitute:

- (i) The rates and prices in the Contract in foreign currency shall remain fixed and no increase or decrease of cost shall be applied, for the period of Contract.
- (ii) After the period 365 days reckoned from the date of commencement of contract and until the expiry of the Time of Completion (or extended time pursuant to Clause 44) adjustments to the local currency element (Sri Lanka Rupees) only of the Contract Price shall be calculated for each monthly statement pursuant to Sub-Clause 60.1, the Statement at Completion pursuant to Sub-Clause 60.10 and the Final Statement pursuant to Sub-Clause 60.11 in accordance with the provisions of this Sub-Clause only for increase or decrease in price of certain specific items as detailed in the following Sub-Clauses.
- (iii) No price variation is allowed in respect of the foreign component and the duty component of the cost of this contract. Also provisional sums and any amounts of variations or other items of work which are based on current prices will not be considered for price variation. Price variation in the local component (excluding duty component of the supply of pipes, valves, specials, etc.) due to increase or decrease in price of cement, steel, fuel and increase or decrease of labour wages will be allowed as indicated below.

Bidder/Contractor should submit the price lists (EX-factory prices in Sri Lanka Rupees) for cement and steel (which he intend to use/used in the works and must be according to the standards defined in the specification) from a reputed manufacturer / agent in Sri Lanka with the bid and subsequently.

(1) Cement

Increase or decrease in contract price  $I_{cn}$  in the  $n^{th}$  month after the period of 365 days reckoned from the date of commencement of contract due to variation in on the price of cement is given by;

$$I_{cn} = (a_n + b_n + \dots) (C_n - C_o)$$



Whereas  $a_n, b_n, \dots$  are the number of 50 kg.bags of cement used for the items of concrete in structures measured separately in the BOQ in the  $n^{\text{th}}$  month after the period of 365 days reckoned from the date of the commencement of the contract. Quantity of cement should calculate as per mixed design approved by the Engineer for relevant grade of concrete in the BOQ.

$C_o$  and  $C_n$  are the Cement prices of one bag (50Kg.) of cement at a date one month before the closing of bid and in the  $n^{\text{th}}$  month after the period of 365 days reckoned from the date of the commencement of the contract respectively.

### (2) Steel Reinforcement

Increase or decrease in contract price  $I_{sn}$  in the  $n^{\text{th}}$  month after the period of 365 days reckoned from the date of commencement of contract due to variation in on the price of steel is given by;

$$I_{sn} = 1.10 \times D_n(S_n - S_o)$$

Where  $D_n$  is the weight of steel in metric tonnes incorporated in the works and measured separately in the BOQ in the  $n^{\text{th}}$  month after the period of 365 days reckoned from the date of the commencement of the contract.

$S_o$  and  $S_n$  are the wholesale prices of one metric tonne of 20 mm diameter Steel at a date one month before the closing of bid and in the  $n^{\text{th}}$  month after the period of 365 days reckoned from the date of the commencement of the contract respectively.

### (3) Fuel

Increase or decrease in contract price  $I_{fn}$  in the  $n^{\text{th}}$  month after the period of 365 days reckoned from the date of commencement of contract due to variation in on the price of fuel is given by;

$$I_{fn} = 0.03 \times E_n \times (F_n - F_o) / F_o$$

Where  $E_n$  is the effective value of work in respect of the monthly statement "n". "Effective value" shall mean the difference between : The local component (excluding duty component) of the amount on the Interim Payment Certificate for work referred to in Sub-Clauses 60.1(a) and (b) for the  $n^{\text{th}}$  month less provisional sums and amounts of variations or other items of work which are based on current prices and the corresponding amount on the last proceeding Interim Payment Certificate.

F<sub>0</sub> and F<sub>n</sub> are the fuel index at a date one month before the closing date of bid and in the n<sup>th</sup> month after the period of 365 days reckoned from the date of the commencement of the contract respectively.

“Fuel Index” shall mean the index calculated by the formula

$$\text{Fuel Index} = 80 \times (\text{price of diesel/litre}) + 20 \times (\text{price of petrol /litre})$$

Where the prices shall be as fixed by the Ceylon Petroleum Co-operation

#### (4) Labour

Increase or decrease in contract price I<sub>n</sub> in the n<sup>th</sup> month after the period of 365 days reckoned from the date of commencement of contract due to increase or decrease in labour wages is given by;

$$I_n = 0.35 \times E_n \times (L_n - L_0) / L_0$$

Where E<sub>n</sub> is as defined in (3) above

L<sub>0</sub> and L<sub>n</sub> are the labour index defined at a date one month before the closing date of bid and in the n<sup>th</sup> month after the period of 365 days reckoned from the date of the commencement of the contract respectively.

$$\begin{aligned} \text{Labour} = & 0.70 \times \text{unskilled labour wages} \\ & + 0.20 \times \text{semi-skilled labour wages} \\ & + 0.10 \times \text{skilled labour wages} \end{aligned}$$

Labour wages specified is the wage allowed under the Wages Board Ordinance and published in the Sri Lanka Government Labour Gazette. The Contractor should submit documentary evidence to the Engineer to substantiate the variation in price or wage of the items mentioned above to claim price variation.

“The amounts payable to the Contractor and valued at base rates and prices pursuant to Sub-Clause 60.1 (d), (e) and (f) shall be adjusted in respect of the rise or fall in the cost of labour, contractor’s Equipment, Plant, materials and other inputs to the Works, by the addition or subtraction of the amounts determined by the formulae prescribed in this Clause.

#### **Sub-Clause 72.2 Currency Proportions**

Delete the words from “...prevailing...” to the end of the sentence, and substitute:

“Selling rates prevailing, as determined by the Central Bank of Sri Lanka or another appropriate source agreed between the Employer and the Contractor, on the date 28 days prior to the deadline for submission of bids.”

**Sub-Clause 73.1  
Foreign Taxation**

The prices bid by the Contractor shall include all taxes, duties and other charges imposed outside the Employer’s country on the production, manufacture, sale and transport of the Contractor’s Equipment, Plant, materials and supplies to be used on or furnished under the Contract, and on the services performed under the Contract.

**Sub-Clause 73.2  
Local Taxation**

The prices bid by the Contractor shall include all customs duties, import duties, business taxes, income and other taxes that may be levied in accordance to the laws and regulations in being as of the date 28 days prior to the closing date for submission of bids in the Employer’s country on the Contractor’s Equipment, Plant, materials and supplies (permanent, temporary and consumable) acquired for the purpose of the Contract and on the services performed under the Contract. Nothing in the Contract shall relieve the Contractor from his responsibility to pay any tax that may be levied in the Employer’s country on profits made by him in respect of the Contract. The Contractor shall be deemed to be familiar with the tax laws in the Employer’s country.

**Sub-Clause 73.3  
Income Taxes on  
Staff**

The Contractor’s staff and labour will be liable to pay personal income taxes in the Employer’s country in respect of such of their salaries and wages as are chargeable under the laws and regulations for the time being in force, and the Contractor shall perform such duties in regard to such deductions thereof as may be imposed on him by such laws and regulations.

**Sub-Clause 74.1  
Bribes**

If the Contractor, or any of his Subcontractors, agents or servants gives or offers to give to any person any bribe, gift, gratuity or commission as an inducement or reward for doing or forbearing to do any action in relation to the Contract or any other contract with the Employer, or for showing or forbearing to show favour or disfavour to any person in relation to the Contract or to any other contract with the Employer, then the Employer may enter upon the Site and the Works and expel the Contractor and the provisions of Clause 63 hereof shall apply as if such entry and expulsion had been made pursuant to that Clause.

**Sub-Clause 75.1  
Termination of  
Contract for  
Employer’s  
Convenience**

The Employer shall be entitled to terminate this Contract at any time for the Employer’s convenience after giving 56 days prior notice to the Contractor, with a copy to the Engineer. In the event of such termination, the Contractor

- (a) shall proceed as provided in Sub-Clause 65.7; and
- (b) shall be paid by the Employer as provided in Sub-Clause 65.8.

**Sub-Clause 76.1  
Restrictions on  
Eligibility**

- (a) Any Plant or services which will be incorporated in or required for the Works, as well as the Contractor's Equipment and other supplies, shall have its origin in eligible source countries as listed in Section 4.
- (b) For the purposes of this clause, "origin" means the place where the equipment is produced, or manufactured, or from which the services are provided.
- (c) The origin of Goods and Services is distinct from the nationality of the Supplier.

**Sub-Clause 77.1  
Joint and Several  
Liability**

If the Contractor is a joint venture of two or more persons, all such persons shall be joint and severally bound to the Employer for the fulfilment of the terms of the Contract and shall designate one of such persons to act as a leader with authority to bind the joint venture. The composition or the constitution of the joint venture shall not be altered without the prior consent of the Employer.

**Sub-Clause 78.1  
Details to be  
Confidential**

The Contractor shall treat the details of the Contract as private and confidential, save insofar as may be necessary for the purposes thereof, and shall not publish or disclose the same or any particulars thereof in any trade or technical paper or elsewhere without the previous consent in writing of the Employer or the Engineer. If any dispute arises as to the necessity of any publication or disclosure for the purpose of the Contract the same shall be referred to the decision of the Employer whose award shall be final.



## **SECTION 4**

### **Forms of Bid, Appendix to Bid, Bid Security and List of Eligible Countries of JBIC ODA Loans**



**FORM OF BID**

**CONTRACT FOR CIVIL WORKS  
UNDER THE  
THE PROJECT FOR REDUCTION OF NON-REVENUE WATER  
(JBIC Loan Agreement No. SL-P66)**

**CONTRACT No. ....**

Chairman,  
Cabinet Appointed Tender Board  
Ministry of Urban Development, Construction and Public Utilities  
"Sethsiripaya", Sri Jayawardenapura, Kotte  
Battaramulla, Sri Lanka.

Gentlemen,

1. Having examined the Conditions of Contract, Specification, Drawings, and Bill of Quantities and Addenda Nos. .... for the execution of the above-named Works we, the undersigned, offer to execute and complete such Works and remedy any defects therein in conformity with the Conditions of Contract, Specification, Drawings, Bill of Quantities and Addenda for the sum of Sri Lanka Rupees (in words)  
.....  
.....  
(in figures Sri Lanka Rupees .....)  
and Japanese Yen (in words)  
.....  
.....  
(in figures Japanese Yen .....) or  
such other sums as may be ascertained in accordance with the said Conditions.
2. We acknowledge that the Appendix forms part of our Bid.
3. We undertake, if our Bid is accepted, to commence the Works as soon as is reasonably possible after the receipt of the Engineer's notice to commence, and to complete the whole of the Works comprised in the Contract within the time stated in the Appendix to Bid.
4. We agree to abide by this Bid for the period of 150 days from the date fixed for receiving the same, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
5. Unless and until a formal Agreement is prepared and executed this Bid, together with your written acceptance thereof, shall constitute a binding contract between us.



6. We understand that you are not bound to accept the lowest or any bid you may receive.

Dated this .....day of..... 2001

Signature ..... in the capacity of ..... duly  
authorized to sign bids for and on behalf of .....

[in block capitals or typed]

Address:

.....  
.....

Witness: .....

Address:

.....  
.....

Occupation: .....

## APPENDIX TO BID

### Sub-Clause

Engineer's authority to issue variations	2.1 (d) (ii)	Ten (10) percent of the Contract Price
Amount of Performance Security	10.1	Five (5) percent of the Contract Price excluding contingency amount
Minimum amount of the third party insurance	23.2	Sri Lanka Rupees Four Million (4,000,000) per occurrence, with the number of occurrences unlimited
Time for issue of the notice to commence	41.1	within twenty eight (28) days after the Letter of Acceptance
Time for Completion	43.1	One Thousand Four Hundred and Eighty (1480) days after the Commencement Date
Amount of liquidated damages	47.1	Sri Lanka Rupees Three Hundred and Fifty Thousand (350,000) per day
Limit of liquidated damages	47.1	Five (5) percent of the Contract Price
Defects Liability Period	49.1	Three hundred and sixty five (365) days
Percentage for Adjustment	59.4(c)	Shall be incorporated in BOQ in all relevant cases
Rates of exchange for currencies used by the bidder in calculating its bid price	72.2	Rates as at twenty eight (28) days before date of bid opening
Source for obtaining rates of exchange for currencies used by the bidder in calculating its bid price	72.2	The Central Bank of Sri Lanka
Minimum amount of Interim Payment Certificates	60.2	Sri Lanka Rupees Forty Million (40,000,000)
Origin of materials and Plant	60.3(a)(v) 60.3(d)	Listed under Sub-Clause 70.4
Retention Money	60.5	Ten (10) percent of Interim Payment Certificates

Advance Payment	60.7	Fifteen (15) percent of the Contract Price
Start Repayment of Advance Payment	60.7	After certification of Thirty (30) percent of the Contract Price less Provisional Sums
Monthly amortization of Advance Payment	60.7	Thirty (30) percent of the amount of monthly Interim Payment Certificates
Rate of interest upon unpaid sums	60.8	Two (2) percent for payments in local currency; for other currencies, refer to the table below:

Currency (as per Sub-Clause 60.1)	Rate of Commercial Interest for Daily Borrowing in Country of Origin, plus 2 percent
_____	_____
_____	_____
_____	_____

The above rates of interest for foreign currencies shall be supplied by the bidder, and are subject to negotiation before formalizing the Contract.

Procedure for Settlement of Disputes	*67	The procedure for Settlement of Disputes is: <u>Version 1</u>
	*67.1	Number of members of Dispute Adjudication Board shall be three.
	*67.1	Member of Dispute Adjudication Board (if not agreed) to be appointed by the President of the Institution of Engineers, Sri Lanka.
Number of arbitrators	67.4	three (3)
Place of arbitration	67.4	Sri Lanka
Language of arbitration	67.4	English

Contract Amount in 60.1 *[See Table Below]*  
 Various Currencies 72.2

Summary of currencies of bid for CONTRACT FOR CIVIL WORKS under the PROJECT FOR REDUCTION OF NON-REVENUE WATER in which the contract price is payable.

Name of Currency	Amount Payable
Local Currency	
Foreign Currency	
Foreign Currency	
Foreign Currency	

SAMPLE

## FORM OF BID SECURITY (BANK GUARANTEE)

WHEREAS, \_\_\_\_\_ [*Name of Bidder*] (hereinafter called "the Bidder") has submitted his bid dated \_\_\_\_\_ [*Date*] for the construction of CONTRACT FOR CIVIL WORKS under the PROJECT FOR REDUCTION OF NON-REVENUE WATER (hereinafter called "the Bid").

KNOW ALL MEN by these presents that We \_\_\_\_\_ [*Name of Bank*] of \_\_\_\_\_ [*Name of Country*] having our registered office at \_\_\_\_\_ (hereinafter called "the Bank") are bound unto \_\_\_\_\_ [*Name of Employer*] (hereinafter called "the Employer") in the sum of \_\_\_\_\_<sup>1</sup> for which payment well and truly to be made to the said Employer the Bank binds himself, his successors and assigns by these presents.

SEALED with the Common Seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ (state year)\_\_\_\_\_.

### THE CONDITIONS of this obligation are:

- (1) If the Bidder withdraws his Bid during the period of bid validity specified in the Form of Bid: or
- (2) If the Bidder does not accept the correction of arithmetical errors of his bid price in accordance with the Instructions to Bidders: or
- (3) If the Bidder having been notified of the acceptance of his Bid by the Employer during the period of bid validity:
  - (a) fails or refuses to execute the Form of Agreement in accordance with the Instructions to Bidders, if required; or
  - (b) fails or refuses to furnish the Performance Security, in accordance with the Instructions to Bidders,

we undertake to pay to the Employer up to the above amount upon receipt of his first written demand, without the Employer having to substantiate his demand, provided that in his demand the Employer will note that the amount claimed by him is due to him owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

---

<sup>1</sup> The bidder should insert the amount of the guarantee in words and figures denominated in the currency of the Employer's country or an equivalent amount in a freely convertible currency. This figure should be the same as shown in Clause 17.1 of the Instructions to Bidder.

This Guarantee will remain in force up to and including the date \_\_\_\_\_ 11 days after the deadline for submission of bids as such deadline is stated in the Instructions to Bidders or as it may be extended by the Employer, notice of which extension(s) to the Bank is hereby waived. Any demand in respect of this Guarantee should reach the Bank not later than the above date.

DATE \_\_\_\_\_ SIGNATURE OF THE BANK \_\_\_\_\_

WITNESS \_\_\_\_\_ SEAL \_\_\_\_\_

\_\_\_\_\_  
(Signature, Name, and Address)

## **LIST OF ELIGIBLE COUNTRIES OF JBIC ODA LOANS**

The Eligible Source countries for procurement of all goods and services, except for consulting services, to be financed out of the proceeds of the JBIC ODA Loan (Loan Agreement No. SL-P66) are all countries and areas.