REPUBLIC OF LEBANON

COUNCIL OF DEVELOPMENT AND RECONSTRUCTION

Bidding Document for

Supply of Equipment for Municipalities – Package 21

Backhoe Loaders

Ref No: ***LMSEP/KFAED3/S21/2***
Project: Lebanese Municipal Services Emergency Project
Purchaser: Council for Development and Reconstruction
Country: Lebanon

Issued on: October 2026

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PART 1 – Bidding Procedures

Section I. Instructions to Bidders

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Section I. Instructions to Bidders

A. General

1. Scope of Bid

1.1. In connection with the Invitation for Bids, **specified in the Bid Data Sheet (BDS),** the Purchaser, **as specified in the BDS,** issues these Bidding Documents for the supply of Goods and Related Services incidental thereto as specified in Section VI, Schedule of Requirements. The name, identification and number of lots (contracts) of this National Competitive Bidding (NCB) procurement are **specified in the BDS.**

1.2. Throughout these Bidding Documents:

(a) the term "in writing" means communicated in written form (e.g. by mail, e-mail, fax, telex) with proof of receipt;

(b) if the context so requires, "singular" means "plural" and vice versa; and

(c) "day" means calendar day.

2. Source of Funds

2.1. The Borrower or Recipient (hereinafter called "Borrower") **specified in the BDS** has applied for or received financing (hereinafter called "funds") from the Kuwait Fund for Arab Economic Development (hereinafter called "KFAED") in an amount **specified in BDS,** toward the project named **in BDS.** The Borrower intends to apply a portion of the funds to eligible payments under the contract for which these Bidding Documents are issued.

2.2. Payment by the KFAED will be made only at the request of the Borrower and upon approval by The KFAED in accordance with the terms and conditions of the Loan (or other financing) Agreement. The Loan (or other financing) Agreement prohibits a withdrawal from the Loan (or other financing) account for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import, to the knowledge of The KFAED, is prohibited by decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations. No party other than the Borrower shall derive any rights from the Loan (or other financing) Agreement or have any claim to the proceeds of the Loan (or other financing).

3. Eligible Bidders

3.1. A Bidder may be a any combination of entities in the form of a joint venture (JV) under an existing agreement or with the intent to enter into such an agreement supported by a letter of intent. In the case of a joint venture, all members shall be jointly and severally

liable for the execution of the Contract in accordance with the Contract terms. The JV shall nominate a Representative who shall have the authority to conduct all business for and on behalf of any and all the members of the JV during the bidding process and, in the event the JV is awarded the Contract, during contract execution. **Unless specified in the BDS**, there is no limit on the number of members in a JV.

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

(a) directly or indirectly controls, is controlled by or is under common control with another Bidder; or

(b) receives or has received any direct or indirect subsidy from another Bidder; or

(c) has the same legal representative as another Bidder; or

(d) has a relationship with another Bidder, directly or through common third parties, that puts it in a position to influence the bid of another Bidder, or influence the decisions of the Purchaser regarding this bidding process; or

(e) participates in more than one bid in this bidding process. Participation by a Bidder in more than one Bid will result in the disqualification of all Bids in which such Bidder is involved. However, this does not limit the inclusion of the same subcontractor in more than one bid; or

(f) any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the works that are the subject of the bid; or

(g) any of its affiliates has been hired (or is proposed to be hired) by the Purchaser or Borrower for the Contract implementation; or

(h) would be providing goods, works, or non-consulting services resulting from or directly related to consulting services for the preparation or implementation of the project specified in the BDS ITB 2.1 that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm; or

(i) has a close business or family relationship with a professional staff of the Borrower (or of the project implementing agency, or of a recipient of a part of the

loan) who: (i) are directly or indirectly involved in the preparation of the bidding documents or specifications of the contract, and/or the bid evaluation process of such contract; or (ii) would be involved in the implementation or supervision of such contract unless the conflict stemming from such relationship has been resolved in a manner acceptable to The KFAED throughout the procurement process and execution of the contract.

3.3. A Bidder may have the nationality of any country, subject to the restrictions pursuant to ITB 3.7. A Bidder shall be deemed to have the nationality of a country if the Bidder is constituted, incorporated or registered in and operates in conformity with the provisions of the laws of that country, as evidenced by its articles of incorporation (or equivalent documents of constitution or association) and its registration documents, as the case may be. This criterion also shall apply to the determination of the nationality of proposed sub-contractors or sub-consultants for any part of the Contract including related Services.

3.4. A Bidder that has been sanctioned by The KFAED, shall be ineligible to be prequalified for, bid for, or be awarded an KFAED-financed contract or benefit from an KFAED-financed contract, financially or otherwise, during such period of time as The KFAED shall have determined.

3.5. A Bidder shall not be under suspension from bidding by the Purchaser

3.6. Firms and individuals may be ineligible if so indicated in Section V and (a) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country, provided that the KFAED is satisfied that such exclusion does not preclude effective competition for the supply of goods or the contracting of works or services required; or (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's country prohibits any import of goods or contracting of works or services from that country, or any payments to any country, person, or entity in that country.

3.7. A Bidder shall provide such evidence of eligibility satisfactory to the Purchaser, as the Purchaser shall reasonably request.

4. Eligible Goods and Related Services

4.1. All the Goods and Related Services to be supplied under the Contract and financed by The KFAED may have their origin in any country in accordance with Section V, Eligible Countries.

4.2. For purposes of this Clause, the term "goods" includes commodities, raw material, machinery, equipment, and

industrial plants; and "related services" includes services such as insurance, installation, training, and initial maintenance.

4.3. The term "origin" means the country where the goods have been mined, grown, cultivated, produced, manufactured or processed; or, through manufacture, processing, or assembly, another commercially recognized article results that differs substantially in its basic characteristics from its components.

B. Contents of Bidding Document

5. Sections of Bidding Document

5.1. The Bidding Documents consist of Parts 1, 2, and 3, which include all the Sections indicated below, and should be read in conjunction with any Addenda issued in accordance with ITB 7.

PART 1 Bidding Procedures

- Section I. Instructions to Bidders (ITB)
- Section II. Bidding Data Sheet (BDS)
- Section III. Evaluation and Qualification Criteria
- Section IV. Bidding Forms
- Section V. Eligible Countries

PART 2 Supply Requirements

- Section VI. Schedule of Requirements

PART 3 Contract

- Section VII. General Conditions of Contract (GCC)
- Section VIII. Special Conditions of Contract (SCC)
- Section IX. Contract Forms

5.2. The Invitation for Bids issued by the Purchaser is not part of the Bidding Document.

5.3. Unless obtained directly from the Purchaser, the Purchaser is not responsible for the completeness of the document, responses to requests for clarification, the Minutes of the pre-Bid meeting (if any), or Addenda to the Bidding Document in accordance with ITB 7. In case of any contradiction, documents obtained directly from the Purchaser shall prevail.

5.4. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Documents and to furnish with its Bid all information or documentation as is

required by the Bidding Documents.

6. Clarification of Bidding Documents

6.1. A Bidder requiring any clarification of the Bidding Document shall contact the Purchaser in writing at the Purchaser's address **specified in the BDS**. The Purchaser will respond in writing to any request for clarification, provided that such request is received prior to the deadline for submission of bids within a period **specified in the BDS.** The Purchaser shall forward copies of its response to all Bidders who have acquired the Bidding Documents in accordance with ITB 5.3, including a description of the inquiry but without identifying its source. In case of the clarification affected changes to the essential elements of the Bidding Documents, the Purchaser shall also promptly publish these changes at the web page **identified in the BDS**. In this case, The Purchaser may also amend the Bidding following the procedure under ITB 7 and ITB 21.2.

7. Amendment of Bidding Document

7.1. At any time prior to the deadline for submission of bids, the Purchaser may amend the Bidding Documents by issuing addenda.

7.2. Any addendum issued shall be part of the Bidding Documents and shall be communicated in writing to all who have obtained the Bidding Documents from the Purchaser in accordance with ITB 5.3.The Purchaser shall also promptly publish the addendum on the Purchaser's web page in accordance with ITB 6.1 and wherever the original bidding invitation was published.

7.3. To give prospective Bidders reasonable time in which to take an addendum into account in preparing their bids, the Purchaser may, at its discretion, extend the deadline for the submission of bids, pursuant to ITB 21.2.

C. Preparation of Bids

8. Cost of Bidding

8.1. The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Purchaser shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

9. Language of Bid

9.1. The Bid, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Purchaser, shall be written in the language **specified in the BDS.** Supporting documents and printed literature that are part of the Bid may be in another language provided they are accompanied by an accurate translation of the relevant passages into the language **specified in the BDS,** in which case, for purposes of interpretation of the Bid, such translation shall govern.

10. Documents Comprising the Bid

10.1. The Bid shall comprise the following:

(a) Letter of Bid in accordance with ITB 11;

(b) completed schedules, in accordance with ITB 11 and 13

(c) Bid Security in accordance with ITB 18.1;

(d) Alternative bids, if permissible, in accordance with ITB 12;

(e) written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with ITB 19.2;

(f) documentary evidence in accordance with ITB 16 establishing the Bidder's qualifications to perform the contract if its bid is accepted;

(g) documentary evidence in accordance with ITB 16 establishing the Bidder's eligibility to bid;

(h) documentary evidence in accordance with ITB 15, that the Goods and Related Services to be supplied by the Bidder are of eligible origin;

(i) documentary evidence in accordance with ITB 15 and 29, that the Goods and Related Services conform to the Bidding Documents;

(j) any other document **required in the BDS.**

10.2. In addition to the requirements under ITB 10.1, bids submitted by a JV shall include a copy of the Joint Venture Agreement entered into by all members. Alternatively, a letter of intent to execute a Joint Venture Agreement in the event of a successful bid shall be signed by all members and submitted with the bid, together with a copy of the proposed Agreement.

10.3. The Bidder shall furnish in the Letter of Bid information on commissions and gratuities, if any, paid or to be paid to agents or any other party relating to this Bid.

11. Letter of Bid and Price Schedules

11.1. The Letter of Bid and Price Schedules shall be prepared using the relevant forms furnished in Section IV, Bidding Forms. The forms must be completed without any alterations to the text, and no substitutes shall be accepted except as provided under ITB 19.2. All blank spaces shall be filled in with the information requested.

12. Alternative Bids

12.1. Unless otherwise **specified in the BDS,** alternative bids shall not be considered.

13. Bid Prices and

13.1. The prices and discounts quoted by the Bidder in the Letter of Bid and in the Price Schedules shall conform to the

Discounts

requirements specified below.

13.2. All lots (contracts) and items must be listed and priced separately in the Price Schedules.

13.3. The price to be quoted in the Letter of Bid in accordance with ITB 11.1 shall be the total price of the bid, excluding any discounts offered.

13.4. The Bidder shall quote any discounts and indicate the methodology for their application in the Letter of Bid, in accordance with ITB 11.1.

13.5. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the Contract and not subject to variation on any account, **unless otherwise specified in the BDS,** a bid submitted with an adjustable price quotation shall be treated as nonresponsive and shall be rejected, pursuant to ITB 28. However, if in accordance with the BDS, prices quoted by the Bidder shall be subject to adjustment during the performance of the Contract, a bid submitted with a fixed price quotation shall not be rejected, but the price adjustment shall be treated as zero.

13.6. If so specified in ITB 1.1, bids are being invited for individual lots (contracts) or for any combination of lots (packages). Unless otherwise **specified in the BDS,** prices quoted shall correspond to 100 % of the items specified for each lot and to 100% of the quantities specified for each item of a lot. Bidders wishing to offer discounts for the award of more than one Contract shall specify in their bid the price reductions applicable to each package, or alternatively, to individual Contracts within the package. Discounts shall be submitted in accordance with ITB 13.4 provided the bids for all lots (contracts) are opened at the same time.

13.7. The terms EXW, CIP, and other similar terms shall be governed by the rules prescribed in the current edition of Incoterms, published by The International Chamber of Commerce, **as specified in the BDS.**

13.8. Prices shall be quoted as specified in each Price Schedule included in Section IV, Bidding Forms. The dis-aggregation of price components is required solely for the purpose of facilitating the comparison of bids by the Purchaser. In quoting prices, the Bidder shall be free to use transportation through carriers registered in any eligible country, in accordance with Section V, Eligible Countries. Similarly, the Bidder may obtain insurance services from any eligible country in accordance with Section V, Eligible Countries. Prices shall be entered in the

following manner:

(a) For Goods manufactured in the Purchaser's Country:

(i) the price of the Goods including the original import value of the Goods; plus any mark-up (or rebate); plus any other related local cost, and custom duties and other import taxes already paid or to be paid on the Goods if imported and on raw material used in the manufacture or assembly of the Goods;

(ii) any Purchaser's Country sales tax and other taxes which will be payable on the Goods if the contract is awarded to the Bidder; and

(iii) the price for inland transportation, insurance, and other local services required to convey the Goods to their final destination (Project Site) **specified in the BDS.**

(b) for Related Services, other than inland transportation and other services required to convey the Goods to their final destination, whenever such Related Services are specified in the Schedule of Requirements:

(i) the price of each item comprising the Related Services (inclusive of any applicable taxes).

14. Currencies of Bid and Payment

14.1. The currency(ies) of the bid and the currency(ies) of payments shall be **as specified in the BDS**.The Bidder shall quote in the currency of the Purchaser's Country the portion of the bid price that corresponds to expenditures incurred in the currency of the Purchaser's country, unless otherwise **specified in the BDS.**

14.2. The Bidder may express the bid price in any currency. If the Bidder wishes to be paid in a combination of amounts in different currencies, it may quote its price accordingly but shall use no more than three foreign currencies in addition to the currency of the Purchaser's Country.

15. Documents Establishing the Eligibility and Conformity of the Goods and Related Services

15.1. To establish the eligibility of the Goods and Related Services in accordance with ITB 4, Bidders shall complete the country of origin declarations in the Price Schedule Forms, included in Section IV, Bidding Forms.

15.2. To establish the conformity of the Goods and Related Services to the Bidding Documents, the Bidder shall furnish as part of its Bid the documentary evidence that the Goods conform to the technical specifications and standards specified in Section VI, Schedule of Requirements.

15.3. The documentary evidence may be in the form of literature,

drawings or data, and shall consist of a detailed item by item description of the essential technical and performance characteristics of the Goods and Related Services, demonstrating substantial responsiveness of the Goods and Related Services to the technical specification, and if applicable, a statement of deviations and exceptions to the provisions of the Section VI, Schedule of Requirements.

15.4. The Bidder shall also furnish a list giving full particulars, including available sources and current prices of spare parts, special tools, etc., necessary for the proper and continuing functioning of the Goods during the period **specified in the BDS** following commencement of the use of the goods by the Purchaser.

15.5. Standards for workmanship, process, material, and equipment, as well as references to brand names or catalogue numbers specified by the Purchaser in the Schedule of Requirements, are intended to be descriptive only and not restrictive. The Bidder may offer other standards of quality, brand names, and/or catalogue numbers, provided that it demonstrates, to the Purchaser's satisfaction, that the substitutions ensure substantial equivalence or are superior to those specified in the Section VI, Schedule of Requirements.

16. Documents Establishing the Eligibility and Qualifications of the Bidder

16.1. To establish Bidder's their eligibility in accordance with ITB 3, Bidders shall complete the Letter of Bid, included in Section IV, Bidding Forms.

16.2. The documentary evidence of the Bidder's qualifications to perform the contract if its bid is accepted shall establish to the Purchaser's satisfaction:

(a) that, if **required in the BDS,** a Bidder that does not manufacture or produce the Goods it offers to supply shall submit the Manufacturer's Authorization using the form included in Section IV, Bidding Forms to demonstrate that it has been duly authorized by the manufacturer or producer of the Goods to supply these Goods in the Purchaser's Country;

(b) that, if **required in the BDS,** in case of a Bidder not doing business within the Purchaser's Country, the Bidder is or will be (if awarded the contract) represented by an Agent in the country equipped and able to carry out the Supplier's maintenance, repair and spare parts-stocking obligations prescribed in the Conditions of Contract and/or Technical Specifications; and

(c) that the Bidder meets each of the qualification criterion specified in Section III, Evaluation and Qualification

Criteria.

17. Period of Validity of Bids

17.1. Bids shall remain valid for the period **specified in the BDS** after the bid submission deadline date prescribed by the Purchaser in accordance with ITB21.1. A bid valid for a shorter period shall be rejected by the Purchaser as nonresponsive.

17.2. In exceptional circumstances, prior to the expiration of the bid validity period, the Purchaser may request bidders to extend the period of validity of their bids. The request and the responses shall be made in writing. If a Bid Security is requested in accordance with ITB Clause 18, it shall also be extended for a corresponding period. A Bidder may refuse the request without forfeiting its Bid Security. A Bidder granting the request shall not be required or permitted to modify its bid, except as provided in ITB 17.3.

17.3. If the award is delayed by a period exceeding fifty-six (56) days beyond the expiry of the initial bid validity, the Contract price shall be determined as follows:

(a) In the case of fixed price contracts, the Contract price shall be the bid price adjusted by the factor **specified in the BDS**.

(b) In the case of adjustable price contracts, no adjustment shall be made.

(c) In any case, bid evaluation shall be based on the bid price without taking into consideration the applicable correction from those indicated above.

18. Bid Security

18.1. The Bidder shall furnish as part of its bid, a bid security, as **specified in the BDS,** in original form and, in the case of a bid security. In the amount and currency **specified in the BDS.**

18.2. If a Bid Security is specified pursuant to ITB 18.1, any bid not accompanied by a substantially responsive Bid Security shall be rejected by the Purchaser as non-responsive.

18.3. If a Bid Security is specified pursuant to ITB 18.1, the Bid Security of unsuccessful Bidders shall be returned as promptly as possible upon the successful Bidder's and the purchaser have signed the contract signing the contract

18.4. The Bid Security of the successful Bidder shall be returned as promptly as the successful Bidder has signed the contract and furnished the required performance security.

18.5. The bid validity will be automaticity extended in the event of freezing the procedures for a specified period by the objections committees with the provision of chapter 7 of the Public

Procurement Law, for a period of time equivalent to the period of freezing and the bidder shall extend accordingly the period of his bid security.

18.6. The Bid Security may be forfeited:

(a) If after the last day for bid submission, a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Letter of Bid, or any extension thereto provided by the Bidder ; or

(b) if the successful Bidder fails to:

(i) sign the Contract in accordance with ITB40; or

(ii) furnish a performance security in accordance with ITB 41.

18.7. The bid security of a JV must be in the name of the JV that submits the bid. If the JV has not been legally constituted into a legally enforceable JV at the time of bidding, the bid security shall be in the names of all future members as named in the letter of intent referred to in ITB 3.1 and ITB 10.2.

18.8. If a bid security is **not required in the BDS**, pursuant to ITB 18.1, and

(a) if a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Letter of Bid, or

(b) if the successful Bidder fails to: sign the Contract in accordance with ITB40; or furnish a performance security in accordance with ITB 41;

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

19. Format and Signing of Bid

19.1. The Bidder shall prepare one original of the documents comprising the bid as described in ITB 10 and clearly mark it "ORIGINAL." Alternative bids, if permitted in accordance with ITB 13, shall be clearly marked "ALTERNATIVE." In addition, the Bidder shall submit copies of the bid, in the number **specified in the BDS** and clearly mark them "COPY." In the event of any discrepancy between the original and the copies, the original shall prevail.

19.2. The original and all copies of the bid shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Bidder. This authorization shall consist of a written confirmation **as specified in the BDS** and shall be attached

to the bid. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the bid where entries or amendments have been made shall be signed or initialed by the person signing the bid.

19.3. In case the Bidder is a JV, the Bid shall be signed by an authorized representative of the JV on behalf of the JV, and so as to be legally binding on all the members as evidenced by a power of attorney signed by their legally authorized representatives.

19.4. Any inter-lineation, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the bid.

D. Submission and Opening of Bids

20. Sealing and Marking of Bids

20.1. The Bidder shall enclose the original and all copies of the bid, including alternative bids, if permitted in accordance with ITB 12, in separate sealed envelopes, duly marking the envelopes as "ORIGINAL", "ALTERNATIVE" and "COPY." These envelopes containing the original and the copies shall then be enclosed in one single envelope.

20.2. The inner and outer envelopes shall:

(a) bear the name and address of the Bidder;

(b) be addressed to the Purchaser in accordance with ITB 23.1;

(c) bear the specific identification of this bidding process indicated in ITB1.1; and

(d) bear a warning not to open before the time and date for bid opening.

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

21. Deadline for Submission of Bids

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

21.2. The Purchaser may, at its discretion, extend the deadline for the submission of bids by amending the Bidding Documents in accordance with ITB 7, in which case all rights and obligations of the Purchaser and Bidders previously subject to the deadline shall thereafter be subject to the deadline as extended.

22. Late Bids

22.1. The Purchaser shall not consider any bid that arrives after the deadline for submission of bids, in accordance with ITB 21. Any bid received by the Purchaser after the deadline for submission of bids shall be declared late, rejected, and returned unopened to the Bidder.

23. Withdrawal, Substitution, and Modification of Bids

23.1. A Bidder may withdraw, substitute, or modify its Bid after it has been submitted by sending a written notice, duly signed by an authorized representative, and shall include a copy of the authorization (the power of attorney) in accordance with ITB 19.2, (except that withdrawal notices do not require copies). The corresponding substitution or modification of the bid must accompany the respective written notice. All notices must be:

(a) prepared and submitted in accordance with ITB 19 and 20 (except that withdrawal notices do not require copies), and in addition, the respective envelopes shall be clearly marked "WITHDRAWAL," "SUBSTITUTION," or "MODIFICATION;" and

(b) received by the Purchaser prior to the deadline prescribed for submission of bids, in accordance with ITB 21.

23.2. Bids requested to be withdrawn in accordance with ITB 23.1 shall be returned unopened to the Bidders.

23.3. No bid may be withdrawn, substituted, or modified in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Letter of Bid or any extension thereof.

24. Bid Opening

24.1. Except as in the cases specified in ITB 22 and 23, the Purchaser shall publicly open and read out in accordance with ITB24.3 all bids received by the deadline at the date, time and place **specified in the BDS** in the presence of Bidders' designated representatives and anyone who choose to attend. Any specific electronic bid opening procedures required if electronic bidding is permitted in accordance with ITB 21.1, shall be as **specified in the BDS.**

24.2. First, envelopes marked "WITHDRAWAL" shall be opened and read out and the envelope with the corresponding bid shall not be opened, but returned to the Bidder. If the withdrawal envelope does not contain a copy of the "power of attorney" confirming the signature as a person duly authorized to sign on behalf of the Bidder, the corresponding bid will be opened. No bid withdrawal shall be permitted unless the corresponding withdrawal notice contains a valid authorization to request the withdrawal and is read out at bid opening. Next, envelopes marked "SUBSTITUTION" shall be opened and read out and

exchanged with the corresponding Bid being substituted, and the substituted Bid shall not be opened, but returned to the Bidder. No Bid substitution shall be permitted unless the corresponding substitution notice contains a valid authorization to request the substitution and is read out at bid opening. Envelopes marked "MODIFICATION" shall be opened and read out with the corresponding Bid. No Bid modification shall be permitted unless the corresponding modification notice contains a valid authorization to request the modification and is read out at Bid opening. Only bids that are opened and read out at Bid opening shall be considered further.

24.3. All other envelopes shall be opened one at a time, reading out: the name of the Bidder and whether there is a modification; the total Bid Prices, per lot (contract) if applicable, including any discounts and alternative bids; the presence or absence of a Bid Security, if required; and any other details as the Purchaser may consider appropriate. Only discounts and alternative bids read out at Bid opening shall be considered for evaluation. The Letter of Bid and the Price Schedules are to be initialed by representatives of the Purchaser attending bid opening in the manner **specified in the BDS.** The Purchaser shall neither discuss the merits of any bid nor reject any bid (except for late bids, in accordance with ITB 24.1).

24.4. The Purchaser shall prepare a record of the bid opening that shall include, as a minimum: the name of the Bidder and whether there is a withdrawal, substitution, or modification; the Bid Price, per lot (contract) if applicable, including any discounts, and alternative bids; and the presence or absence of a Bid Security, if one was required.

E. Evaluation and Comparison of Bids

25. Confidentiality

25.1. Information relating to the evaluation of bids and recommendation of contract award, shall not be disclosed to bidders or any other persons not officially concerned with the bidding process until information on Contract Award is communication to all Bidders in accordance with ITB 39.

25.2. Any effort by a Bidder to influence the Purchaser in the evaluation or contract award decisions may result in the rejection of its Bid.

25.3. Notwithstanding ITB 25.2, from the time of bid opening to the time of Contract Award, if any Bidder wishes to contact the Purchaser on any matter related to the bidding process, it should do so in writing.

26. Clarification of Bids

26.1. To assist in the examination, evaluation, comparison of the bids, and qualification of the Bidders, the Purchaser may, at its discretion, ask any Bidder for a clarification of its Bid. Any clarification submitted by a Bidder in respect to its Bid and that is not in response to a request by the Purchaser shall not be considered. The Purchaser's request for clarification and the response shall be in writing. No change, including any voluntary increase or decrease, in the prices or substance of the Bid shall be sought, offered, or permitted, except to confirm the correction of arithmetic errors discovered by the Purchaser in the Evaluation of the bids, in accordance with ITB 30.

26.2. If a Bidder does not provide clarifications of its bid by the date and time set in the Purchaser's request for clarification, its bid may be rejected.

27. Deviations, Reservations, and Omissions

27.1. During the evaluation of bids, the following definitions apply:

(a) "Deviation" is a departure from the requirements specified in the Bidding Documents;

(b) "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the Bidding Documents; and

(c) "Omission" is the failure to submit part or all of the information or documentation required in the Bidding Documents

28. Determination of Responsiveness

28.1. The Purchaser's determination of a bid's responsiveness is to be based on the contents of the bid itself, as defined in ITB 10.

28.2. A substantially responsive Bid is one that meets the requirements of the Bidding Documents without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that:

(a) if accepted, would

(i) affect in any substantial way the scope, quality, or performance of the Goods and Related Services specified in the Contract; or

(ii) limit in any substantial way, inconsistent with the Bidding Documents, the Purchaser's rights or the Bidder's obligations under the Contract; or

(b) if rectified, would unfairly affect the competitive position of other bidders presenting substantially responsive bids.

28.3. The Purchaser shall examine the technical aspects of the bid submitted in accordance with ITB 15 and ITB 16, in particular, to confirm that all requirements of Section VI, Schedule of Requirements have been met without any material deviation or reservation, or omission.

28.4. If a bid is not substantially responsive to the requirements of Bidding Documents, it shall be rejected by the Purchaser and may not subsequently be made responsive by correction of the material deviation, reservation, rectification or omission

29. Nonconformities, Errors and Omissions

29.1. Provided that a Bid is substantially responsive, the Purchaser may waive any non-conformities in the Bid.

29.2. Provided that a bid is substantially responsive, the Purchaser may request that the Bidder submit the necessary information or documentation, within a reasonable period of time, to rectify nonmaterial nonconformities or omissions in the bid related to documentation requirements. Such omission shall not be related to any aspect of the price of the Bid. Failure of the Bidder to comply with the request may result in the rejection of its Bid.

29.3. Provided that a bid is substantially responsive, the Purchaser shall rectify quantifiable nonmaterial nonconformities related to the Bid Price. To this effect, the Bid Price shall be adjusted, for comparison purposes only, to reflect the price of a missing or non-conforming item or component.

30. Correction of Arithmetical Errors

30.1. Provided that the Bid is substantially responsive, the Purchaser shall correct arithmetical errors on the following basis:

(a) if there is a discrepancy between the unit price and the line item total that is obtained by multiplying the unit price by the quantity, the unit price shall prevail and the line item total shall be corrected, unless in the opinion of the Purchaser there is an obvious misplacement of the decimal point in the unit price, in which case the line item total as quoted shall govern and the unit price shall be corrected;

(b) if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail and the total shall be corrected; and

(c) if there is a discrepancy between words and figures, the amount in words shall prevail, unless the amount expressed in words is related to an arithmetic error, in which case the

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

30.2. Bidders shall be requested to accept correction of arithmetical errors. Failure to accept the correction in accordance with ITB 30.1, shall result in the rejection of the Bid.

31. Conversion to Single Currency

31.1. For evaluation and comparison purposes, the currency(ies) of the Bid shall be converted in a single currency as **specified in the BDS.**

32. Margin of Preference

32.1. **Unless otherwise specified in the BDS,** a margin of preference shall not apply.

33. Evaluation of Bids

33.1. The Purchaser shall use the criteria and methodologies listed in this Clause. No other evaluation criteria or methodologies shall be permitted.

33.2. To evaluate a Bid, the Purchaser shall consider the following:

(a) evaluation will be done for Items or Lots (contracts), as **specified in the BDS;** and the Bid Price as quoted in accordance with clause 13;

(b) price adjustment for correction of arithmetic errors in accordance with ITB 30.1;

(c) price adjustment due to discounts offered in accordance with ITB 13.3;

(d) converting the amount resulting from applying (a) to (c) above, if relevant, to a single currency in accordance with ITB 31;

(e) price adjustment due to quantifiable nonmaterial nonconformities in accordance with ITB 29.3;

(f) the additional evaluation factors are specified in Section III, Evaluation and Qualification Criteria;

33.3. 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.

33.4. If these Bidding Documents allows Bidders to quote separate prices for different lots (contracts), the methodology to determine the lowest evaluated price of the lot (contract) combinations, including any discounts offered in the Letter of Bid Form, is specified in Section III, Evaluation and Qualification Criteria

33.5. The Purchaser's evaluation of a bid will exclude and not take into account:

(a) in the case of Goods manufactured in the Purchaser's Country, sales and other similar taxes, which will be payable on the goods if a contract is awarded to the Bidder;

(b) in the case of Goods manufactured outside the Purchaser's Country, already imported or to be imported, customs duties and other import taxes levied on the imported Good, sales and other similar taxes, which will be payable on the Goods if the contract is awarded to the Bidder;

(c) any allowance for price adjustment during the period of execution of the contract, if provided in the bid.

33.6. The Purchaser's evaluation of a bid may require the consideration of other factors, in addition to the Bid Price quoted in accordance with ITB 13. These factors may be related to the characteristics, performance, and terms and conditions of purchase of the Goods and Related Services. The effect of the factors selected, if any, shall be expressed in monetary terms to facilitate comparison of bids, unless otherwise **specified in the BDS** from amongst those set out in Section III, Evaluation and Qualification Criteria. The criteria and methodologies to be used shall be as specified in ITB 33.2 (f).

34. Comparison of Bids

34.1. The Purchaser shall compare the evaluated prices of all substantially responsive bids established in accordance with ITB 33.2 to determine the lowest evaluated bid. The comparison shall be on the basis of CIP (place of final destination) prices for imported goods and EXW prices, plus cost of inland transportation and insurance to place of destination, for goods manufactured within the Borrower's country, together with prices for any required installation, training, commissioning and other services. The evaluation of prices shall not take into account custom duties and other taxes levied on imported goods quoted CIP and sales and similar taxes levied in connection with the sale or delivery of goods.

35. Qualification of the Bidder

35.1. The Purchaser shall determine to its satisfaction whether the Bidder that is selected as having submitted the lowest evaluated and substantially responsive bid meets the qualifying criteria specified in Section III, Evaluation and Qualification Criteria.

35.2. The determination shall be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder, pursuant to ITB 16.

35.3. An affirmative determination shall be a prerequisite for award of the Contract to the Bidder. A negative determination shall result in disqualification of the bid, in which event the Purchaser shall proceed to the next lowest evaluated bid to

make a similar determination of that Bidder's qualifications to perform satisfactorily.

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

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

36.2. An **Abnormally Low Bid** is one where the Bid price, in combination with other constituent elements of the Bid, appears unreasonably low to the extent that the Bid price raises concerns with the Purchaser as to the capability of the Bidder to perform the Contract for the offered Bid price. In the event of identification of a potentially Abnormally Low Bid, the Purchaser shall seek written clarification from the Bidder, including a detailed price analyses of its Bid price, method statement, source of material and samples and any other requirements of the bidding document. After evaluation of the price analyses, in the event that the Purchaser determines that the Bidder has failed to demonstrate its capability to perform the contract for the offered Bid price, the Purchaser has the option of rejecting the Bid.

F. Award of Contract

37. Award Criteria

37.1. Subject to ITB 36.1, the Purchaser shall award the Contract to the Bidder whose bid has been determined to be the lowest evaluated bid and is substantially responsive to the Bidding Documents, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.

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

38.1. At the time the Contract is awarded, the Purchaser reserves the right to increase or decrease the quantity of Goods and Related Services originally specified in Section VI, Schedule of Requirements, provided this does not exceed the percentages **specified in the BDS,** and without any change in the unit prices or other terms and conditions of the bid and the Bidding Documents.

39. Notification of Award

39.1. . Prior to the expiration of the period of bid validity, the Purchaser shall notify the successful Bidder, in writing, that its Bid has been accepted and confirming the Client's intention to award him the Contract. The notification letter (hereinafter and in the Conditions of Contract and Contract Forms called the "Letter of Acceptance") shall specify the sum that the Purchaser will pay the Supplier in consideration of the supply of Goods (hereinafter and in the Conditions of Contract and Contract Forms called "the Contract Price").

39.2. The Purchaser shall promptly respond in writing to any unsuccessful Bidder who, after notification of award in accordance with ITB 39.1, requests in writing the grounds on which its bid was not selected or any other information related to the names and evaluated prices of other bidders. The Client shall publish the Notification of Intention to Award the Contract to the successful Supplier on the CDR's web page www.cdr.gov.lb. and on www.ppa.gov.lb. Notification of Intention to Award shall contain, at a minimum, the following information:

(a) the name and address of the Consultant who presented the best proposal;

(b) the bid price of the successful Proposal;

(c) the expiry date of the Standstill Period;

(d) and instructions on how to request a debriefing and/or submit a complaint during the Standstill Period.

39.3. The Contract shall not be awarded earlier than the expiry of the Standstill Period. The Standstill Period shall be ten (10) Business Days unless extended. The Standstill Period commences the day after the date the Client has published his intention to award. Upon expiry of the Standstill Period, specified in the Notification of Intention to Award or any extension thereof, and upon satisfactorily addressing any complaint that has been filed within the Standstill Period, the Client shall, send a request to the successful Bidder to sign the draft negotiated Contract within fifteen (15) Business Days from the date of receipt of such notification

40. Signing of Contract

40.1. Within fifteen (15) days after being called by the Client for contract signature, the successful Bidder shall sign and date the form of agreement at the Purchaser office.

40.2. The client representative shall sign the contract within fifteen (15) Business Days from the date of signature of the Supplier and promptly notify it to the Supplier.

40.3. Notwithstanding ITB 40.2 above, in case signing of the Contract Agreement is prevented by any export restrictions attributable to the Purchaser, to the country of the Purchaser, or to the use of the products/goods, systems or services to be supplied, where such export restrictions arise from trade regulations from a country supplying those products/goods, systems or services, the Bidder shall not be bound by its bid, always provided however, that the Bidder can demonstrate to the satisfaction of the Purchaser and of

The KFAED that signing of the Contact Agreement has not been prevented by any lack of diligence on the part of the Bidder in completing any formalities, including applying for permits, authorizations and licenses necessary for the export of the products/goods, systems or services under the terms of the Contract.

41. Performance Security

41.1. Within fifteen (15) days of of notification of contract from the Purchaser, the successful Bidder, if required, shall furnish the Performance Security in accordance with the GCC, subject to ITB 33.5, using for that purpose the Performance Security Form included in Section IX, Contract Forms, or another Form acceptable to the Purchaser. If the Performance Security furnished by the successful Bidder is in the form of a bond, it shall be issued by a bonding or insurance company that has been determined by the successful Bidder to be acceptable to the Purchaser. A foreign institution providing a bond shall have a correspondent financial institution located in the Purchaser's Country.

41.2. Failure of the successful Bidder to submit the above-mentioned Performance Security or sign the Contract shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security. In that event the Purchaser may award the Contract to the next lowest evaluated Bidder, whose bid is substantially responsive and is determined by the Purchaser to be qualified to perform the Contract satisfactorily.

42. Procedure of Complaints

42.1. For the procedures for making a Procurement-related Complaint refer to chapter 7 "procedure of complaints" of the law no 244 of public procurement in Lebanon dated 29/7/2021
الفصل السابع "إجراءات الإعتراض "من قانون الشراء العام في لبنان رقم ٢٤٤ تاريخ ٢٠٢١/٧/٢٩

Section II. Bid Data Sheet (BDS)

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

ITB Clause Reference	A. General
ITB 1.1	The reference number of the Invitation for Bids is : ***LMSEP/KFAED3/S21/2***
ITB 1.1	The Purchaser is: Council for Development and Reconstruction
ITB 1.1	The name of the NCB is: **Supply of Equipment for Municipalities – Package 21 – Backhoe Loaders** The number and identification of lots (contracts) comprising this Shopping is: **1 Lots**
ITB 2.1	The Borrower is: The Lebanese Government represented by The Council for Development and Reconstruction.
ITB 2.1	The Lebanese Government has received 4 Grants from the Kuwait Fund for Arab Economic Development (hereinafter called "KFAED") in a total amount of 100.2 Million **US$**. The Borrower intends to apply a portion of the funds (from grant 4/394 and 356/3) to eligible payments under the contract for which these Bidding Documents are issued.
ITB 2.1	The name of the Project is ***Lebanese Municipal Services Emergency Project LMSEP***
ITB 3.1	Eligible Bidders shall be: - Authorized **Local dealer for backhoes** (dealer/agent contract shall be submitted with their bid) Bidders shall be established **for a minimum of five (5) years**. Supplying/manufacturing and providing maintenance of **same goods** type as submitted in their offer shall be their main activities as established from the company's sales records, Client certificate, bills... for the last five (5) years. Bid presented by a bidder (who is not a dealer) supplying part or the whole of the goods from a local dealer or directly from the Manufacturer's will be rejected. Maximum number of members in the JV shall be: **NA**
Add ITB 3.9	The Bidder is considered acquainted with and aware of the laws in force in the Republic of Lebanon including the law no 244 of public procurement in Lebanon dated 29/7/2021.

	B. Contents of Bidding Documents
ITB 6.1	For **Clarification of bid purposes** only, the Purchaser's address is: Attention: President of CDR Address: The Council for Development and Reconstruction Legal Affairs Division Tenders Department Tallet El Serail City: Beirut ZIP Code: NA Country: Lebanon Telephone: +961 1 980096 ext:384 Facsimile number: +961 1 981255 Requests for clarification should be received by the Employer no later than: 10 Days. before the last day for bids submission. Response to clarifications issued shall be part of the Bidding Documents and shall be communicated in writing to all who have obtained the Bidding Documents from the Purchaser not later than 6 days before the last day for bids submission.
ITB 6.1	Web page: NA
	C. Preparation of Bids
ITB 9.1	The language of the bid is: Arabic or English. All correspondence exchange shall be in Arabic or English language. Language for translation of supporting documents and printed literature is Arabic or English
ITB 10.1 (j)	The Bidder shall submit the following additional documents in its bid: - Legally certified copies of original documents defining the constitution or legal status, place of registration and principal place of business, the founders, members, shareholders, authorized signatories, capital, the director and ongoing contracts; - A legal record of the authorized signatory, dated no more than 3 months before original bid submission date, free from any judgment. (سجل عدلي) - Complete Bidding Documents stamped and initialed on all pages. - Any addenda issued pursuant to ITB 7 of the Instructions to Bidders - Copy of receipt of Purchase of Bidding Documents. - Power of Attorney of Signatory of Bid.

	- Copy of certificate of registration of the local Bidder and/or agent in the Lebanese Ministry of Finance. - Certificate of Registration of the bidder issued by the directorate of added tax, in case the bidder is registered, or a certification of non-registration in case the bidder is not registered. In this case the bidder is committed to its price, even if he became registered during the execution of the contract - Certificate indicating the permanent address of the Bidder. - Dealer/agent agreement from Manufacturer's - Information on litigation, if any (History and Pending litigation) - Information on Non-performed contract if any. - Declaration listing all the owners of the economic right أصحاب الحق الإقتصادي - Signed Declaration of Integrity - The bidder should submit in Envelope No.1 (Administrative and Technical Offer) of his offer a signed and stamped declaration, in which, as stipulated in article (5) of the banking secrecy law dated 3/9/1956 and as stipulated in the resolution of the Council of Ministries No.4 dated 28/4/2020, he agrees to lift banking secrecy over the bank account used to deposit or transfer public funds related to this Contract.
ITB 12.1	Alternative Bids as specified in the Technical Specifications of section VI **will not** be considered.
ITB 13.5	The prices quoted by the Bidder **shall not** be subject to adjustment during the performance of the Contract., unless if the change of price is caused by change in laws as described in clause 30 of the condition of contract
ITB 13.6	Prices quoted for each lot (contract) shall correspond at least **to 100** percent of the items specified for each lot (contract). Prices quoted for each item of a lot shall correspond at least to **100 percent** of the quantities specified for this item of a lot.
ITB 13.7	The Incoterms edition is: **"Incoterms 2010".**
ITB 13.8 b(i) and c(v)	*Places of Destination are as follow:* as per - List of Goods and Delivery Schedule in Section IV
ITB 13.8 a(iii);b(ii) and c(v)	"Final destination (Project Site)" are Storages of the municipalities mentioned in ITB 13.8 b(i) and c(v)
ITB 13.8 a(ii), b(iii), c(iv)	The Bid Price shall include all Charges but exclude VAT. According to the law 379 dated 14/12/2001 amended by law # 64 dated 26/10/2017 and CDR's requirements (refer to Attachment 2 of the Special Conditions of Contract), and since the Contract is 100% foreign funded, the

	VAT shall not be applicable under this Contract.
ITB 14.1	The prices shall be quoted by the bidder in: **United States Dollars.** It is to be noted that the United States Dollars is considered as a Local Currency in Lebanon. The Bidder ***free*** to quote in the currency of the Purchaser's Country the portion of the bid price that corresponds to expenditures incurred in that currency.
ITB 14.2	Not Applicable
ITB 15.4	Period of time the Goods are expected to be functioning (for the purpose of spare parts): **15years**
ITB 16.2 (a)	Only authorized Local brand dealers are allowed to submit bids. Manufacturer's authorization is: **required** with **dealer contract.**
ITB 16.2 (b)	Only authorized Local brand dealers are allowed to submit bids. After sales service is: **required**
ITB 16.2 (c)	The following information is requested: (a) Legally certified copies of original documents defining the constitution or legal status, place of registration and principal place of business, the founders, members, shareholders, authorized signatories, capital, the director and ongoing contracts; (b) Declaration listing all the owners of the economic right أصحاب الحق الإقتصادي (c) State number of years your firm has been in the business of marketing, and providing maintenance and services related to supplied Goods. (d) The bidder shall present the Manufacturer Authorization to supply the Goods required under this Contract in Lebanon, In case the bidder shall supply part of the goods (example accessories) from a local supplier and not directly from the Producer, he has to present an authorization from the local supplier, who in turn shall provide the Manufacturer's or Producer's Authorization for the Goods offered; Bidders should, to the extent possible, use the Sample Forms in Section IV to provide the information indicated above
ITB 17.1	The bid validity period shall be **one hundred twenty six** (126) days.
ITB 17.3 (a)	NOT APPLICABLE
ITB 18.1	A Bid Security is required. The Bid Security shall be issued by a Lebanese bank or a foreign bank through its correspondent in Lebanon in the form

	and wording of the bid security included in Section IV Bidding Forms. The amount and currency of the bid security shall be ten Thousand United States Dollars (10000 $)
ITB 18.3 (d)	Other types of acceptable securities: **None**
ITB 18.9	**Not Applicable. A bid security is required**
ITB 19.1	In addition to the original of the bid, the number of copies is: **One**
ITB 19.2	The written confirmation of authorization to sign on behalf of the Bidder shall be: a power of attorney signed by the legally authorized representative/owner acting on behalf of the bidder.
	D. Submission and Opening of Bids
ITB 20.2	Delete and replace by the following: Bids, including supporting documents, must be submitted in one sealed envelope bearing only: (a) the address of the purchaser as per ITB 21.1; (b) the reference of this tender procedure: Supply of Backhoe Loaders for Municipalities- Package 21- LMSEP/KFAED3/S21/2 (c) The name of the project is "**Lebanese Municipal Services Emergency Project**" (d) a warning "Not to be opened before the bid opening session" and "لا يفتح قبل جلسة فض العروض"; (e) The outer envelope shall not bear the name and address of the Bidder. Bidders shall obtain the outer envelope from CDR Tenders Department together with the Tender Document.
ITB 21.1	For **bid submission purposes** only, the Purchaser's address is: Attention: President of CDR Address: The Council for Development and Reconstruction Legal Affairs Division Tenders Department Tallet El Serail City: Beirut ZIP Code: NA Country: Lebanon Telephone: NA Facsimile number: +961 1 981255 Electronic mail address: NA

	The deadline for bid submission **is as indicated in the Invitation for Bids** Time: **12:00 p.m Beirut local time** Bidders **shall not** have the option of submitting their bids electronically.
ITB 24.1	The bid opening shall take place at: Address: The Council for Development and Reconstruction Legal Affairs Division Tenders Department Tallet El Serail City: Beirut Country: Lebanon Date: ***as indicated in the invitation to bid*** Time: 12:00pm Beirut local time Bidders **shall not** have the option of submitting their bids electronically.
ITB 24.3	The Letter of Bid and Price Schedules shall be initialed by representatives of the Purchaser conducting the Bid opening.
E. Evaluation and Comparison of Bids	
ITB 31.1	The currency that shall be used for bid evaluation and comparison purposes to convert all bid prices expressed in various currencies into a single currency is: **U.S dollar** The source of exchange rate shall be: **Central Bank of Lebanon** The date for the exchange rate shall be: **the deadline of the bid submission date.**
ITB 32.1	A margin of domestic preference ***shall not*** apply.

B 33.2(a)	Bids will be evaluated for the whole lot. If a Price Schedule shows items listed but not priced, their prices shall be assumed to be included in the prices of other items. The evaluation of the Bids will be based on pass/fail criteria. The qualified Bidder who have offered the technically responsive bid with the lowest price of Bid (excluding VAT) shall be eligible for contract award.
ITB 33.6	The adjustments shall be determined using the following criteria, from amongst those set out in Section III, Evaluation and Qualification Criteria: ***(a)*** Deviation in Delivery schedule: **No** **(b)** Deviation in payment schedule: **No.** **(c)** the cost of major replacement components, mandatory spare parts, and service: **No** **(d)** the availability in the Purchaser's Country of spare parts and after-sales services for the equipment offered in the bid **No** **(e)** the projected operating and maintenance costs during the life of the equipment **No** (f) The performance and productivity of the equipment offered: **No.**

	F. Award of Contract
ITB 38.1	The quantities may be increased **depending on budget availability.** The maximum percentage by which quantities may be decreased is: **0%**
ITB 40.1	Amend ITB 40.1 to read as follows: 2 Forms of Agreement will be signed at the Purchaser's Office by both parties and notified to the Supplier. Each agreement will be funded by a grant (as described in ITB 2.1) and will cover each of the 2 List of Goods and Delivery Schedule
ITB 40.4	The successful bidder (only in case of foreign company) shall submit, before Contract's signature, the following: An official document issued by the Lebanese Ministry of Economy and Trade proving that foreign companies: "Partnership Limited by Shares (Société en Commandite par action)" (شركة توصية مساهمة) or "Stock Companies" (شركة مغفلة) or their branches in Lebanon, are registered in the Ministry of Economy and Trade."
41.1	Within **fifteen (15)** days of the Contract notification from the purchaser, the successful Bidder shall furnish to the Purchaser a Performance Security. The Standard Form of Performance Security acceptable to the Employer shall be unconditional "Bank Guarantee" issued by a bank located in Lebanon or a foreign bank through a corresponding bank in Lebanon in the form and wording of the Performance Security in Section IX. Refer to Sub-Clause 18.1 of the Contract Data for the required amount of the Performance Security.
ITB 42	For the procedures for making a Procurement-related Complaint refer to chapter 7 "procedure of complaints" of the law 244 of public procurement in Lebanon dated 29/7/2021 من قانون الشراء العام في لبنان رقم ٢٤٤ تاريخ "الفصل السابع "إجراءات الإعتراض ٢٠٢١/٧/٢٩

Section III. Evaluation and Qualification Criteria

This Section contains all the criteria that the Purchaser shall use to evaluate a bid and qualify the Bidders. in accordance with ITB 33 and ITB 35, no other factors, methods or criteria shall be used.

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3. Qualification (ITB 35) **36**

1. Margin of Preference (ITB 32)

NOT APPLICABLE

2. Evaluation (ITB 33)

2.1. Evaluation Criteria (ITB 33.6)

The Purchaser's evaluation of a bid may take into account, in addition to the Bid Price quoted in accordance with ITB Clause 13.8, one or more of the following factors as specified in ITB33.2 (f) and in BDS referring to ITB33.6, using the following criteria and methodologies.

(a) Delivery schedule. (as per Incoterms 2010)

The Goods specified in the List of Goods are required to be delivered within the dates specified in the time schedule following the notification of contract award. No credit will be given to deliveries before the earliest date, and bids offering delivery after the final date shall be treated as nonresponsive. No adjustment, as specified in BDS 33.6, will be made.

(b) Deviation in payment schedule. **NOT APPLICABLE**

(c) Cost of major replacement components, mandatory spare parts, and service. **NOT APPLICABLE**

(d) Availability in the Purchaser's Country of spare parts and after sales services for equipment offered in the bid. **NOT APPLICABLE**

(e) Projected operating and maintenance costs. **NOT APPLICABLE**

(f) Performance and productivity of the equipment. **NOT APPLICABLE**

2.2. Multiple Contracts (ITB 33.4) NOT APPLICABLE

2.3. Alternative Bids (ITB 12.1) NOT APPLICABLE

3. Qualification (ITB 35)

3.1 Post qualification Requirements (ITB 35.1)

After determining the lowest-evaluated bid for each Lot, in accordance with ITB 34.1, the Purchaser shall carry out the post qualification of the Bidder in accordance with ITB 35,

using only the requirements specified. Requirements not included in the text below shall not be used in the evaluation of the Bidder's qualifications.

(i) Financial Capability

The Bidder shall furnish, **as part of his bid**, documentary evidence that it meets the following financial requirement(s):

- Submission of **original or certified copies of audited balance sheets** or if not required by the law of the bidder's country, other financial statements acceptable to the Employer, for the **last three (3) years** to demonstrate the current soundness of the bidders financial position and its prospective long term profitability.
- Minimum average annual turnover of one Millions US $, calculated as total certified payments received for contracts in progress or completed, within the last three (3) years.

(ii) Experience and Technical Capacity

For an offer to be considered technically responsive

- The Bidder shall be an established distributer/dealer for a minimum of five (5) years, supplying and providing maintenance of **same goods** type as submitted in his offer shall be one of his activities as established from the company's sales records, Client certificate, bills... for the last five (5) years.

- The proposed good's **(type and brand)** should be **available in the Lebanese market** since at least 5 years.

(iii) Documentary Evidence

The Bidder shall furnish documentary evidence **in his bid** to demonstrate that the Goods it offers meet the following usage requirement:

- The bidder shall submit a written commitment signed by the bidder to provide spare parts during 8 years following the date of delivery of Goods.
- The bidder shall submit a written commitment signed by the bidder to provide any spare part requested by the municipality/Union of municipalities within 10 days from the request date

Section IV. Bidding Forms

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Letter of Bid (Total bid Offer)

The Bidder must prepare, the Letter of Bid on stationery with its letterhead clearly showing the Bidder's complete name and address.

Date: *[insert date (as day, month and year) of Bid Submission]*
Name of Bid: Supply of Equipment for Municipalities- Package 21 – Backhoe Loaders
Reference: ***Lebanese Municipal Services Emergency Project***
To: Council for Development and Reconstruction

(a) We have examined and have no reservations to the Bidding Documents, including Addenda issued in accordance with Instructions to Bidders (ITB 7)_;

(b) We meet the eligibility requirements and have no conflict of interest in accordance with ITB 3;

(c) We have not been suspended nor declared ineligible by the Purchaser based on execution of a Bid Securing Declaration in the Purchaser's country in accordance with ITB 3.6

(d) We offer to supply in conformity with the Bidding Documents and in accordance with the Delivery Schedules specified in the Schedule of Requirements the following Goods:

- *6 backhoe loaders and 1 snow Blade as additional accessory)*
- *Operational Training for 2 users appointed by each municipality*
- *Warranty for min. 3 years from delivery date of the equipment to each municipality or 3000 working hours whichever occurs first.*

(e) The total price of our Bid, excluding any discounts offered in item (f) below is:

[insert the total price in words and figures, indicating the various amounts in United States Dollars];

(f) The discounts offered and the methodology for their application are:

(i) The discounts offered are: *[Specify in detail each discount offered.]*

(ii) The_exact method of calculations to determine the net price after application of discounts is shown below:*[Specify in detail the method that shall be used to apply the discounts];*

(g) Our bid shall be valid for a period of **126** days from the date fixed for the bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;

(h) If our bid is accepted, we commit to obtain a performance security in accordance with the Bidding Documents;

(i) We are not participating, as a Bidder or as a subcontractor, in more than one bid in this bidding process in accordance with ITB 3.2(e), other than alternative bids submitted in accordance with ITB 12;

(j) We, including any of our subcontractors or suppliers for any part of the contract, have not been declared ineligible by The KFAED, under the Purchaser's country laws or official regulations or by an act of compliance with a decision of the United Nations Security Council;

(k) We are not a government owned entity/ We are a government owned entity but meet the requirements of ITB 3.5;[1]

(l) We have paid, or will pay the following commissions, gratuities, or fees with respect to the bidding process or execution of the Contract: **[insert complete name of each Recipient, its full address, the reason for which each commission or gratuity was paid and the amount and currency of each such commission or gratuity]**

Name of Recipient	Address	Reason	Amount

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

(m) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed; and

(n) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.

(o) We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in any type of fraud and corruption

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

---

[1] *Bidder to use as appropriate*[2] *Bidder to use as appropriate*[3] *Bidder to use as appropriate*[1] *The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency (ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Purchaser.*

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

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

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

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

*: In the case of the Bid submitted by joint venture specify the name of the Joint Venture as Bidder

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

Letter of Bid (Grant 356/3)

The Bidder must prepare, the Letter of Bid on stationery with its letterhead clearly showing the Bidder's complete name and address.

Date: *[insert date (as day, month and year) of Bid Submission]*
Name of Bid: Supply of Equipment for Municipalities- Package 21 – Backhoe Loaders
Reference: ***Lebanese Municipal Services Emergency Project***
To: Council for Development and Reconstruction

(p) We have examined and have no reservations to the Bidding Documents, including Addenda issued in accordance with Instructions to Bidders (ITB 7)_;

(q) We meet the eligibility requirements and have no conflict of interest in accordance with ITB 3;

(r) We have not been suspended nor declared ineligible by the Purchaser based on execution of a Bid Securing Declaration in the Purchaser's country in accordance with ITB 3.6

(s) We offer to supply in conformity with the Bidding Documents and in accordance with the Delivery Schedules specified in the Schedule of Requirements the following Goods:

- *5 backhoe loaders and 1 snow Blade as additional accessory)*
- *Operational Training for 2 users appointed by each municipality*
- *Warranty for min. 3 years from delivery date of the equipment to each municipality or 3000 working hours whichever occurs first.*

(t) The total price of our Bid, excluding any discounts offered in item (f) below is:

[insert the total price in words and figures, indicating the various amounts in United States Dollars];

(u) The discounts offered and the methodology for their application are:

(i) The discounts offered are: *[Specify in detail each discount offered.]*

(ii) The_exact method of calculations to determine the net price after application of discounts is shown below:*[Specify in detail the method that shall be used to apply the discounts];*

(v) Our bid shall be valid for a period of **126** days from the date fixed for the bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;

(w) If our bid is accepted, we commit to obtain a performance security in accordance with the Bidding Documents;

(x) We are not participating, as a Bidder or as a subcontractor, in more than one bid in this bidding process in accordance with ITB 3.2(e), other than alternative bids submitted in accordance with ITB 12;

(y) We, including any of our subcontractors or suppliers for any part of the contract, have not been declared ineligible by The KFAED, under the Purchaser's country laws or official regulations or by an act of compliance with a decision of the United Nations Security Council;

(z) We are not a government owned entity/ We are a government owned entity but meet the requirements of ITB 3.5;[2]

(aa) We have paid, or will pay the following commissions, gratuities, or fees with respect to the bidding process or execution of the Contract: **[insert complete name of each Recipient, its full address, the reason for which each commission or gratuity was paid and the amount and currency of each such commission or gratuity]**

Name of Recipient	Address	Reason	Amount

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

(bb) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed; and

(cc) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.

(dd) We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in any type of fraud and corruption

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

---

[2] *Bidder to use as appropriate*[3] *Bidder to use as appropriate*[1] *The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency (ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Purchaser.*

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

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

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

Date signed *[insert date of signing]* day of *[insert month]*, *[insert year]*
*: In the case of the Bid submitted by joint venture specify the name of the Joint Venture as Bidder

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

Letter of Bid (grant 4/394)

The Bidder must prepare, the Letter of Bid on stationery with its letterhead clearly showing the Bidder's complete name and address.

Date: *[insert date (as day, month and year) of Bid Submission]*
Name of Bid: Supply of Equipment for Municipalities- Package 21 – Backhoe Loaders
Reference: ***Lebanese Municipal Services Emergency Project***
To: Council for Development and Reconstruction

(ee) We have examined and have no reservations to the Bidding Documents, including Addenda issued in accordance with Instructions to Bidders (ITB 7)_;

(ff) We meet the eligibility requirements and have no conflict of interest in accordance with ITB 3;

(gg) We have not been suspended nor declared ineligible by the Purchaser based on execution of a Bid Securing Declaration in the Purchaser's country in accordance with ITB 3.6

(hh) We offer to supply in conformity with the Bidding Documents and in accordance with the Delivery Schedules specified in the Schedule of Requirements the following Goods:

- *1 backhoe loader*
- *Operational Training for 2 users appointed by each municipality*
- *Warranty for min. 3 years from delivery date of the equipment to each municipality or 3000 working hours whichever occurs first.*

(ii) The total price of our Bid, excluding any discounts offered in item (f) below is:

[insert the total price in words and figures, indicating the various amounts in United States Dollars];

(jj) The discounts offered and the methodology for their application are:

(i) The discounts offered are: *[Specify in detail each discount offered.]*

(ii) The_exact method of calculations to determine the net price after application of discounts is shown below:*[Specify in detail the method that shall be used to apply the discounts];*

(kk) Our bid shall be valid for a period of **126** days from the date fixed for the bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;

(ll) If our bid is accepted, we commit to obtain a performance security in accordance with the Bidding Documents;

(mm) We are not participating, as a Bidder or as a subcontractor, in more than one bid in this bidding process in accordance with ITB 3.2(e), other than alternative bids submitted in accordance with ITB 12;

(nn) We, including any of our subcontractors or suppliers for any part of the contract, have not been declared ineligible by The KFAED, under the Purchaser's country laws or official regulations or by an act of compliance with a decision of the United Nations Security Council;

(oo) We are not a government owned entity/ We are a government owned entity but meet the requirements of ITB 3.5;[3]

(pp) We have paid, or will pay the following commissions, gratuities, or fees with respect to the bidding process or execution of the Contract: **[insert complete name of each Recipient, its full address, the reason for which each commission or gratuity was paid and the amount and currency of each such commission or gratuity]**

Name of Recipient	Address	Reason	Amount

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

(qq) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed; and

(rr) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.

(ss) We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in any type of fraud and corruption

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

[3] *Bidder to use as appropriate[1] The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency (ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Purchaser.*

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

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

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

Date signed *[insert date of signing]* day of [*insert month], [insert year]*
*: In the case of the Bid submitted by joint venture specify the name of the Joint Venture as Bidder

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

Bidder Information Form

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

Date: *[insert date (as day, month and year) of Bid Submission]*
Shopping No.: ***LMSEP/KFAED3/S21/2***

Page _____ of_ _____ pages

1. Bidder's Name *[insert Bidder's legal name]*
2. In case of JV, legal name of each member : *[insert legal name of each member in JV]*
3. Bidder's actual or intended country of registration: *[insert actual or intended country of registration]*
4. Bidder's year of registration: *[insert Bidder's year of registration]*
5. Bidder's Address in country of registration: *[insert Bidder's legal address in country of registration]*
6. Bidder's Authorized Representative Information Name: *[insert Authorized Representative's name]* Address: *[insert Authorized Representative's Address]* Telephone/Fax numbers: *[insert Authorized Representative's telephone/fax numbers]* Email Address: *[insert Authorized Representative's email address]*
7. Attached are copies of original documents of*[check the box(es) of the attached original documents]* ☐ Articles of Incorporation (or equivalent documents of constitution or association), and/or documents of registration of the legal entity named above, in accordance with ITB 4.3. ☐ In case of JV, letter of intent to form JV or JV agreement, in accordance with ITB 4.1. ☐ In case of Government-owned enterprise or institution, in accordance with ITB 4.5 documents establishing: • Legal and financial autonomy • Operation under commercial law • Establishing that the Bidder is not dependent agency of the Purchaser 2. Included are the organizational chart, a list of Board of Directors, and the beneficial ownership.

Bidder's JV Members Information Form

[The Bidder shall fill in this Form in accordance with the instructions indicated below. The following table shall be filled in for the Bidder and for each member of a Joint Venture]].
Date: *[insert date (as day, month and year) of Bid Submission]*
Shopping No.: ***LMSEP/KFAED3/S21/2)***

Page _____ of_ _____ pages

1. Bidder's Name: *[insert Bidder's legal name]*
2. Bidder's JV Member's name: *[insert JV's Member legal name]*
3. Bidder's JV Member's country of registration: *[insert JV's Member country of registration]*
4. Bidder's JV Member's year of registration: *[insert JV's Member year of registration]*
5. Bidder's JV Member's legal address in country of registration: *[insert JV's Member legal address in country of registration]*
6. Bidder's JV Member's authorized representative information Name: *[insert name of JV's Member authorized representative]* Address: *[insert address of JV's Member authorized representative]* Telephone/Fax numbers: *[insert telephone/fax numbers of JV's Member authorized representative]* Email Address: *[insert email address of JV's Member authorized representative]*
7. Attached are copies of original documents of*[check the box(es) of the attached original documents]* ☐ Articles of Incorporation (or equivalent documents of constitution or association), and/or registration documents of the legal entity named above, in accordance with ITB 3.3. ☐ In case of a Government-owned enterprise or institution, documents establishing legal and financial autonomy, operation in accordance with commercial law, and absence of dependent status, in accordance with ITB 3.5. 2. Included are the organizational chart, a list of Board of Directors, and the beneficial ownership.

Price Schedule Forms

[The Bidder shall fill in these Price Schedule Forms in accordance with the instructions indicated. The list of line items in column 1 of the ***Price Schedules*** *shall coincide with the List of Goods and Related Services specified by the Purchaser in the Schedule of Requirements.]*

Price Schedule Total

Currencies in accordance with ITB 14						Date:_____ NCB No: *LMSEP/KFAED3/S21/2* Page N° _____ of _____	
1	2	4	5	6	7	8	10
Line Item N°	Description of Goods	Qty	Unit price	services required in the Purchaser's country to convey the goods to their final destination	Operational Training services	Total price per unit	Total Price per line item
1	*Backhoe loader*	*6*					
2	*Snow blade (as accessory)*	*1*					
					Total Price		

Name of Bidder *[insert complete name of Bidder]*

Signature of Bidder *[signature of person signing the Bid]*

Date *[insert date]*

Price Schedule Grant 356/3

Currencies in accordance with ITB 14						Date:_____ NCB No: *LMSEP/KFAED3/S21/2* Page N° _____ of _____	
1	2	4	5	6	7	8	10
Line Item N°	Description of Goods	Qty	Unit price	services required in the Purchaser's country to convey the goods to their final destination	Operational Training services	Total price per unit	Total Price per line item
1	*Backhoe loader*	*5*					
2	*Snow blade (as accessory)*	*1*					
					Total Price		

Name of Bidder *[insert complete name of Bidder]*

Signature of Bidder *[signature of person signing the Bid]*

Date *[insert date]*

Price Schedule Grant 4/394

Currencies in accordance with ITB 14						Date:_____ NCB No: *LMSEP/KFAED3/S21/2* Page N° _____ of _____	
1	2	4	5	6	7	8	10
Line Item N°	Description of Goods	Qty	Unit price	services required in the Purchaser's country to convey the goods to their final destination	Operational Training services	Total price per unit	Total Price per line item
1	*Backhoe loader*	*1*					
					Total Price		

Name of Bidder *[insert complete name of Bidder]*

Signature of Bidder *[signature of person signing the Bid]*

Date *[insert date]*

Form of Bid Security

(Bank Guarantee)

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

[Guarantor letterhead or SWIFT identifier code]

Beneficiary: *[Purchaser to insert its name and address]*

SHOPPING No: Name of Bid: **Supply of Equipment for Municipalities – Package 21- Backhoe Loaders - CHUD/KFAED3/S21/2**

Date:*[Insert date of issue]*

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

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

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

Furthermore, we understand that, according to the Beneficiary's conditions, bids must be supported by a bid guarantee.

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

(a) has withdrawn its Bid during the period of bid validity set forth in the Applicant's Letter of Bid ("the Bid Validity Period"), or any extension thereto provided by the Applicant; or

(b) having been notified of the acceptance of its Bid by the Beneficiary during the Bid Validity Period or any extension thereto provided by the Applicant, (i) has failed to execute the contract agreement, or (ii) has failed to furnish the performance security, in accordance with the Instructions to Bidders ("ITB") of the Beneficiary's bidding document.

This guarantee will expire: (a) if the Applicant is the successful bidder, upon our receipt of copies of the contract agreement signed by the Applicant and the performance security issued to the Beneficiary in relation to such contract agreement; or (b) if the Applicant is not the successful bidder, upon the earlier of (i) our receipt of a copy of the Beneficiary's notification to the Applicant of the results of the bidding process; or (ii) 28 days after the end of the Bid Validity Period.

Consequently, any demand for payment under this guarantee must be received by us at the office indicated above on or before that date.

"Payments will be by a banker check, payable in Lebanon, drawn on Banque du Liban, to the order of the CDR"

This guarantee is subject to the Uniform Rules for Demand Guarantees (URDG) 2010 Revision, ICC Publication No. 758.

_____

[Signature(s)]

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

Manufacturer's Authorization

*[The Bidder shall require the Manufacturer to fill in this Form in accordance with the instructions indicated. This letter of authorization should be on the letterhead of the Manufacturer and should be signed by a person with the proper authority to sign documents that are binding on the Manufacturer. The Bidder shall include it in its bid, if so indicated in the **BDS**.]*

Date: *[insert date (as day, month and year) of Bid Submission]*
shopping No.: *LMSEP/KFAED3/S21/2*

To: *[insert complete name of Purchaser]*

WHEREAS

We *[insert complete name of Manufacturer]*, who are official manufacturers of *[insert type of goods manufactured]*, having factories at [insert full address of Manufacturer's factories], do hereby authorize *[insert complete name of Bidder]* to submit a bid the purpose of which is to provide the following Goods, manufactured by us *[insert name and or brief description of the Goods]*, and to subsequently negotiate and sign the Contract.

We hereby extend our full guarantee and warranty in accordance with Clause 28 of the General Conditions of Contract, with respect to the Goods offered by the above firm.

Signed: *[insert signature(s) of authorized representative(s) of the Manufacturer]*

Name: *[insert complete name(s) of authorized representative(s) of the Manufacturer]*

Title: *[insert title]*

Dated on _____ day of _____, _____ *[insert date of signing]*

Declaration of Integrity

Name of Bid: _____
Contracting Authority: _____
Name of the bidder/authorized signatory for the company: _____
Company Name: _____

We the undersigned confirm the following:
1. Neither we nor our employees, partners, agents, shareholders, advisors or their relatives have any relationships that may give rise to a conflict of interest in the subject matter of this transaction.

2. We will inform the Public Procurement Authority and the contracting authority in the event of a conflict of interest or discovery.

3. Neither nor will any of our employees, partners, agents, shareholders, advisors or their relatives engage in fraudulent, corrupt, coercive or obstructive practices in connection with our offer or proposal.

4. Neither we, nor any of our partners, agents, shareholders, consultants, or their relatives, made any payments to the employees, partners, or employees participating in the purchase process on behalf of the contracting authority, or to anyone else

5. In the event that we violate this declaration and undertaking, we will not be eligible to participate in any public bidding whatever its subject and we accept in advance any exclusion measure taken against us and we undertake at our full will not to dispute it.
Any false information will expose us to prosecution by the competent references.

Dated on _____ day of _____, _____ [insert date of signing]

Section V. Eligible Countries

Eligibility for the Provision of Goods, Works and Non Consulting Services in KFAED-Financed Procurement

1. In accordance with the Guidelines of Procurement, KFAED permits firms and individuals from all countries to offer goods, works and services for KFAED-financed projects. As an exception, firms of a Country or goods manufactured in a Country may be excluded if:

(i) as a matter of law or official regulation, the Borrower's country prohibits commercial relations with that country, provided that The KFAED is satisfied that such exclusion does not preclude effective competition for the supply of goods, works, and non-consulting services required,

(ii) or by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's country prohibits any import of goods from, or payments to, a particular country, person, or entity. Where the Borrower's country prohibits payments to a particular firm or for particular goods by such an act of compliance, that firm may be excluded

The bidder should be acquainted with and aware of the laws in force in the Republic of Lebanon.

PART 2 – Supply Requirements

Section VI. Schedule of Requirements

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a- List of Goods and Delivery Schedule (Grant 356/3)

Line Item N°	Description of Goods	Quantity	Physical unit	Final (Project Site) Destination as specified in BDS	Delivery (as per Incoterms) Date		
					Earliest Delivery Date	Latest Delivery Date	Bidder's offered Delivery date [*to be provided by the bidder*]
1	Backhoe Loader	1	1	بلدية كيفون (قضاء عاليه)		*5 months from signature of the contract*	
2	Backhoe Loader	1	1	بلدية رأس المتن (قضاء المتن)		*5 months from signature of the contract*	
3	Backhoe Loader with a snow blade as accessories	1	3	بلدية دوما (قضاء البترون)		*5 months from signature of the contract*	
4	Backhoe Loader	1	1	بلدية العبادية (قضاء المتن)		*5 months from signature of the contract*	
5	Backhoe Loader	1	1	بلدية العيشية (قضاء جزين)		*5 months from signature of the contract*	

a- List of Goods and Delivery Schedule (Grant 394/4)

Line Item N°	Description of Goods	Quantity	Physical unit	Final (Project Site) Destination as specified in BDS	Delivery (as per Incoterms) Date		
					Earliest Delivery Date	Latest Delivery Date	Bidder's offered Delivery date [*to be provided by the bidder*]
1	Backhoe Loader	1	1	بلدية الشويفات (قضاء عاليه)		*5 months from signature of the contract*	

2. List of Related Services and Completion Schedule (Grant 356/3)

Service	Description of Service	Quantity	Place where Services shall be performed	Final Completion Date(s) of Services
1	Operational Training for 2 users appointed by each municipality for each Truck	10 trainees	All municipalities as per List of Goods and Delivery Schedule	5 months from the date of effectiveness the Contract
2	Warranty shall be provided by the supplier with the equipment for min. 3 years or 3000 working hours from delivery date of each loader to the concerned Municipality	5	All municipalities as per List of Goods and Delivery Schedule	min. 3 years or 3000 working hours from delivery date of the equipment to the end user
3	Warranty shall be provided by the supplier for the accessory for min. 1 year unlimited working hours from delivery date of each loader to the concerned Municipality	1		min. 1 year unlimited working hours from delivery date of the loader to the concerned Municipality

NB: -The supplier in coordination with the involved union/municipalities to provide joined training in an approved location.
- Direct contact with municipality after effectiveness of the contract shall be undertaken by prosper contractor in order to compile required documentations for registration, registration procedures and tasks shall be solely the responsibility of the contractor

2. List of Related Services and Completion Schedule (Grant 4/394)

Service	Description of Service	Quantity	Place where Services shall be performed	Final Completion Date(s) of Services
1	Operational Training for 2 users appointed by each municipality for each Truck	2 trainees	All municipalities as per List of Goods and Delivery Schedule	5 months from the date of effectiveness the Contract
2	Warranty shall be provided by the supplier with the equipment for min. 3 years or 3000 working hours from delivery date of each loader to the concerned Municipality	1	All municipalities as per List of Goods and Delivery Schedule	min. 3 years or 3000 working hours from delivery date of the equipment to the end user

NB: -The supplier in coordination with the involved union/municipalities to provide joined training in an approved location.
- Direct contact with municipality after effectiveness of the contract shall be undertaken by prosper contractor in order to compile required documentations for registration, registration procedures and tasks shall be solely the responsibility of the contractor

3. Technical Specifications

Summary of Technical Specifications. The Goods and Related Services shall comply with *following Technical Specifications and Standards:*

All goods and materials to be incorporated in the goods should be new, unused, and of the most recent or current models, and that they incorporate all recent improvements in design and materials, unless provided for otherwise in the contract.

Item No	*Name of Goods or Related Service*	*Technical Specifications and Standards*
1	***Backhoe Loader***	*Supply Backhoe loader 4-wheel drive 2-wheel steer .* *Operating weight ≥7600kg.* *Year of Manufacturing: 2025 or later* ***Specifications*** *Engine power ≥90HP.* *Synchronized shifting in all gear* *Controls mechanical.* *Front loader bucket capacity ≥1m³ with teeth.* *Rear backhoe bucket width 60cm.* *Hydraulic flow ≥ 120 l/min* *Hydraulic system pressure ≥220 Bar (Loader)* *Hydraulic system pressure ≥220 Bar (Backhoe)* *Operator cabin with Fan.* *Equipped with piping and hydraulic circuit and controls for hydraulic hammer operations (without the hammer).* *Tool storage box* *Safety equipment according to requirement of safety regulations and EU regulation* *Body painted 1 coat anti-corrosion primer and 2 coats synthetic paint* *Price shall include equipment manual, registration and mandatory insurance,* *Supply Donor's logo stickers and place on both sides of equipment.* *Supplier to deliver equipment to designated location.* *The provision of training for 2 trainees per municipality who will use and maintain the machinery. The training should be carried out from a trainer that is experienced and certified by the production factory or his authorized representative. The training will last for at least 1 (one) day and in Arabic Language.*

2	***Snow Blade***	*Features:* *Min 25° angle of movement to both right hand and left hand sides* *Replaceable bolt on scraper blade for extended use & road surface protection*

Direct contact with municipality shall be undertaken by prosper contractor in order to compile required documentations for registration.
Registration procedures and tasks shall be solely the responsibility of the contractor.

4. Inspections and Tests

The following inspections and tests shall be performed: operational during training sessions

PART 3 - Contract

Section VII. General Conditions of Contract

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Section VII. General Conditions of Contract

1. Definitions

1.1. The following words and expressions shall have the meanings hereby assigned to them:

(a) "KFAED" means the Kuwait Fund for Arab Economic Development.

(b) "Contract" means the Contract Agreement entered into between the Purchaser and the Supplier, together with the Contract Documents referred to therein, including all attachments, appendices, and all documents incorporated by reference therein.

(c) "Contract Documents" means the documents listed in the Contract Agreement, including any amendments thereto.

(d) "Contract Price" means the price payable to the Supplier as specified in the Contract Agreement, subject to such additions and adjustments thereto or deductions therefrom, as may be made pursuant to the Contract.

(e) "Day" means calendar day.

(f) "Completion" means the fulfillment of the Related Services by the Supplier in accordance with the terms and conditions set forth in the Contract.

(g) "GCC" means the General Conditions of Contract.

(h) "Goods" means all of the commodities, raw material, machinery and equipment, and/or other materials that the Supplier is required to supply to the Purchaser under the Contract.

(i) "Purchaser's Country" is the country specified in the Special Conditions of Contract (SCC).

(j) "Purchaser" means the entity purchasing the Goods and Related Services, as specified in the **SCC.**

(k) "Related Services" means the services incidental to the supply of the goods, such as insurance, installation, training and initial maintenance and other such obligations of the Supplier under the Contract.

(l) "SCC" means the Special Conditions of Contract.

(m) "Subcontractor" means any person, private or

government entity, or a combination of the above, to whom any part of the Goods to be supplied or execution of any part of the Related Services is subcontracted by the Supplier.

(n) "Supplier" means the person, private or government entity, or a combination of the above, whose bid to perform the Contract has been accepted by the Purchaser and is named as such in the Contract Agreement.

(o) "The Project Site," where applicable, means the place named in the **SCC.**

2. Contract Documents

2.1 Subject to the order of precedence set forth in the Contract Agreement, all documents forming the Contract (and all parts thereof) are intended to be correlative, complementary, and mutually explanatory. The Contract Agreement shall be read as a whole.

3. Interpretation

3.1 If the context so requires it, singular means plural and vice versa.

3.2 Incoterms

(a) Unless inconsistent with any provision of the Contract, the meaning of any trade term and the rights and obligations of parties thereunder shall be as prescribed by Incoterms.

(b) The terms EXW, CIP, FCA, CFR and other similar terms, when used, shall be governed by the rules prescribed in the current edition of Incoterms specified in the **SCC** and published by the International Chamber of Commerce in Paris, France.

3.3 Entire Agreement

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

3.4 Amendment

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

3.5 Non-waiver

(a) Subject to GCC Sub-Clause 3.5(b) below, no relaxation, forbearance, delay, or indulgence by either party in enforcing any of the terms and conditions of the Contract or the granting of time by either party to the other shall prejudice, affect, or restrict the rights of that party under the Contract, neither shall any waiver by either party of any breach of Contract operate as waiver of any subsequent or continuing breach of Contract.

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

3.6 Severability

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

4. Language

4.1 The Contract as well as all correspondence and documents relating to the Contract exchanged by the Supplier and the Purchaser, shall be written in the language specified in the **SCC.** Supporting documents and printed literature that are part of the Contract may be in another language provided they are accompanied by an accurate translation of the relevant passages in the language specified, in which case, for purposes of interpretation of the Contract, this translation shall govern.

4.2 The Supplier shall bear all costs of translation to the governing language and all risks of the accuracy of such translation, for documents provided by the Supplier.

5. Joint Venture, Consortium or Association

5.1 If the Supplier is a joint venture, consortium, or association, all of the parties shall be jointly and severally liable to the Purchaser for the fulfillment of the provisions of the Contract and shall designate one party to act as a leader with authority to bind the joint venture, consortium, or association. The composition or the constitution of the joint venture, consortium, or association shall not be altered without the prior consent of the Purchaser.

6. Eligibility

6.1 The Supplier and its Subcontractors shall have the nationality of an eligible country. A Supplier or Subcontractor shall be deemed to have the nationality of a country if it is a citizen or constituted, incorporated, or registered, and operates in

conformity with the provisions of the laws of that country.

6.2 All Goods and Related Services to be supplied under the Contract and financed by The KFAED shall have their origin in Eligible Countries. For the purpose of this Clause, origin means the country where the goods have been grown, mined, cultivated, produced, manufactured, or processed; or through manufacture, processing, or assembly, another commercially recognized article results that differs substantially in its basic characteristics from its components.

7. Notices

7.1 Any notice given by one party to the other pursuant to the Contract shall be in writing to the address specified in the **SCC.** The term "in writing" means communicated in written form with proof of receipt.

7.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

8. Governing Law

8.1 The Contract shall be governed by and interpreted in accordance with the laws of the Purchaser's Country, unless otherwise specified in the **SCC.**

8.2 Throughout the execution of the Contract, the Contractor shall comply with the import of goods and services prohibitions in the Purchaser's country when

(a) as a matter of law or official regulations, the Borrower's country prohibits commercial relations with that country; or

(b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower's Country prohibits any import of goods from that country or any payments to any country, person, or entity in that country.

9. Settlement of Disputes

9.1 The Purchaser and the Supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the Contract.

9.2 If, after twenty-eight (28) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then either the Purchaser or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given. Any dispute or difference in respect of which a notice of intention to commence arbitration has been

given in accordance with this Clause shall be finally settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under the Contract. Arbitration proceedings shall be conducted in accordance with the rules of procedure **specified in the SCC.**

9.3 Notwithstanding any reference to arbitration herein,

(a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and

(b) the Purchaser shall pay the Supplier any monies due the Supplier.

10. Inspections and Audit by The KFAED

10.1 The Supplier shall keep, and shall make all reasonable efforts to cause its Subcontractors to keep, accurate and systematic accounts and records in respect of the Goods in such form and details as will clearly identify relevant time changes and costs.

10.2 The Supplier shall permit, and shall cause its Subcontractors to permit, The KFAED and/or persons appointed by The KFAED to inspect the Supplier's offices and all accounts and records relating to the performance of the Contract and the submission of the bid, and to have such accounts and records audited by auditors appointed by the KFAED if requested by The KFAED.

11. Scope of Supply

11.1. The Goods and Related Services to be supplied shall be as specified in the Schedule of Requirements.

12. Delivery and Documents

12.1 Subject to GCC Sub-Clause 32.1, the Delivery of the Goods and Completion of the Related Services shall be in accordance with the Delivery and Completion Schedule specified in the Schedule of Requirements. The details of shipping and other documents to be furnished by the Supplier are specified in the **SCC.**

13. Supplier's Responsibilities

13.1 The Supplier shall supply all the Goods and Related Services included in the Scope of Supply in accordance with GCC Clause 11, and the Delivery and Completion Schedule, as per GCC Clause 12.

14. Contract Price

14.1 Prices charged by the Supplier for the Goods supplied and the Related Services performed under the Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any price adjustments authorized in the **SCC.**

15. Terms of

15.1. The Contract Price, including any Advance Payments, if

Payment

applicable, shall be paid as specified in the **SCC.**

15.2. The Supplier's request for payment shall be made to the Purchaser in writing, accompanied by invoices describing, as appropriate, the Goods delivered and Related Services performed, and by the documents submitted pursuant to GCC Clause 12 and upon fulfillment of all other obligations stipulated in the Contract.

15.3. Payments shall be made promptly by the Purchaser, but in no case later than sixty (60) days after submission of an invoice or request for payment by the Supplier, and after the Purchaser has accepted it.

15.4. The currencies in which payments shall be made to the Supplier under this Contract shall be those in which the bid price is expressed.

15.5. In the event that the Purchaser fails to pay the Supplier any payment by its due date or within the period set forth in the **SCC,** the Purchaser shall pay to the Supplier interest on the amount of such delayed payment at the rate shown in the **SCC,** for the period of delay until payment has been made in full, whether before or after judgment or arbitrage award.

16. Taxes and Duties

16.1. For goods manufactured outside the Purchaser's Country, the Supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the Purchaser's Country.

16.2. For goods Manufactured within the Purchaser's country, the Supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted Goods to the Purchaser.

16.3. If any tax exemptions, reductions, allowances or privileges may be available to the Supplier in the Purchaser's Country, the Purchaser shall use its best efforts to enable the Supplier to benefit from any such tax savings to the maximum allowable extent.

17. Performance Security

17.1. If required as specified in the SCC, the Supplier shall, within twenty-eight (28) days of the notification of contract award, provide a performance security for the performance of the Contract in the amount specified in the **SCC.**

17.2. The proceeds of the Performance Security shall be payable to the Purchaser as compensation for any loss resulting from the

Supplier's failure to complete its obligations under the Contract.

17.3. As specified in the SCC, the Performance Security, if required, shall be denominated in the currency(ies) of the Contract, or in a freely convertible currency acceptable to the Purchaser; and shall be in one of the format stipulated by the Purchaser in the **SCC,** or in another format acceptable to the Purchaser.

17.4. The Performance Security shall be discharged by the Purchaser and returned to the Supplier not later than twenty-eight (28) days following the date of Completion of the Supplier's performance obligations under the Contract, including any warranty obligations, unless specified otherwise in the **SCC.**

18. Copyright

18.1. The copyright in all drawings, documents, and other materials containing data and information furnished to the Purchaser by the Supplier herein shall remain vested in the Supplier, or, if they are furnished to the Purchaser directly or through the Supplier by any third party, including suppliers of materials, the copyright in such materials shall remain vested in such third party

19. Confidential Information

19.1. The Purchaser and the Supplier shall keep confidential and shall not, without the written consent of the other party hereto, divulge to any third party any documents, data, or other information furnished directly or indirectly by the other party hereto in connection with the Contract, whether such information has been furnished prior to, during or following completion or termination of the Contract. Notwithstanding the above, the Supplier may furnish to its Subcontractor such documents, data, and other information it receives from the Purchaser to the extent required for the Subcontractor to perform its work under the Contract, in which event the Supplier shall obtain from such Subcontractor an undertaking of confidentiality similar to that imposed on the Supplier under GCC Clause 19.

19.2. The Purchaser shall not use such documents, data, and other information received from the Supplier for any purposes unrelated to the contract. Similarly, the Supplier shall not use such documents, data, and other information received from the Purchaser for any purpose other than the performance of the Contract.

19.3. The obligation of a party under GCC Sub-Clauses 19.1 and 19.2 above, however, shall not apply to information that:

(a) the Purchaser or Supplier need to share with The KFAED or other institutions participating in the financing of the Contract;

(b) now or hereafter enters the public domain through no fault of that party;

(c) can be proven to have been possessed by that party at the time of disclosure and which was not previously obtained, directly or indirectly, from the other party; or

(d) otherwise lawfully becomes available to that party from a third party that has no obligation of confidentiality.

19.4. The above provisions of GCC Clause 19 shall not in any way modify any undertaking of confidentiality given by either of the parties hereto prior to the date of the Contract in respect of the Supply or any part thereof.

19.5. The provisions of GCC Clause 19 shall survive completion or termination, for whatever reason, of the Contract.

20. Subcontracting

20.1. The Supplier shall notify the Purchaser in writing of all subcontracts awarded under the Contract if not already specified in the bid. Such notification, in the original bid or later shall not relieve the Supplier from any of its obligations, duties, responsibilities, or liability under the Contract.

20.2. Subcontracts shall comply with the provisions of GCC Clauses 2 and 6.

21. Specifications and Standards

21.1. Technical Specifications and Drawings

(a) The Goods and Related Services supplied under this Contract shall conform to the technical specifications and standards mentioned in Section VI, Schedule of Requirements and, when no applicable standard is mentioned, the standard shall be equivalent or superior to the official standards whose application is appropriate to the Goods' country of origin.

(b) The Supplier shall be entitled to disclaim responsibility for any design, data, drawing, specification or other document, or any modification thereof provided or designed by or on behalf of the Purchaser, by giving a

notice of such disclaimer to the Purchaser.

(c) Wherever references are made in the Contract to codes and standards in accordance with which it shall be executed, the edition or the revised version of such codes and standards shall be those specified in the Schedule of Requirements. During Contract execution, any changes in any such codes and standards shall be applied only after approval by the Purchaser and shall be treated in accordance with GCC Clause 32.

22. Packing and Documents

22.1. The Supplier shall provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract. During transit, the packing shall be sufficient to withstand, without limitation, rough handling and exposure to extreme temperatures, salt and precipitation, and open storage. Packing case size and weights shall take into consideration, where appropriate, the remoteness of the goods' final destination and the absence of heavy handling facilities at all points in transit.

22.2. The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, specified in the **SCC,** and in any other instructions ordered by the Purchaser.

23. Insurance

23.1. Unless otherwise specified in the **SCC,** the Goods supplied under the Contract shall be fully insured—in a freely convertible currency from an eligible country—against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery, in accordance with the applicable Incoterms or in the manner specified in the **SCC.**

24. Transportation and Incidental Services

24.1. Unless otherwise specified in the **SCC,** responsibility for arranging transportation of the Goods shall be in accordance with the specified Incoterms.

24.2. The Supplier may be required to provide any or all of the following services, including additional services, if any, **specified in SCC:**

(a) performance or supervision of on-site assembly and/or start-up of the supplied Goods;

(b) furnishing of tools required for assembly and/or

maintenance of the supplied Goods;

(c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;

(d) performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not relieve the Supplier of any warranty obligations under this Contract; and

(e) training of the Purchaser's personnel, at the Supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.

24.3. Prices charged by the Supplier for incidental services, if not included in the Contract Price for the Goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services

25. Inspections and Tests

25.1. The Supplier shall at its own expense and at no cost to the Purchaser carry out all such tests and/or inspections of the Goods and Related Services as are specified in the **SCC.**

25.2. The inspections and tests may be conducted on the premises of the Supplier or its Subcontractor, at point of delivery, and/or at the Goods' final destination, or in another place in the Purchaser's Country as specified in the **SCC.** Subject to GCC Sub-Clause 25.3, if conducted on the premises of the Supplier or its Subcontractor, all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Purchaser.

25.3. The Purchaser or its designated representative shall be entitled to attend the tests and/or inspections referred to in GCC Sub-Clause 25.2, provided that the Purchaser bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.

25.4. Whenever the Supplier is ready to carry out any such test and inspection, it shall give a reasonable advance notice, including the place and time, to the Purchaser. The Supplier shall obtain from any relevant third party or manufacturer any necessary permission or consent to enable the Purchaser or its

designated representative to attend the test and/or inspection.

25.5. The Purchaser may require the Supplier to carry out any test and/or inspection not required by the Contract but deemed necessary to verify that the characteristics and performance of the Goods comply with the technical specifications codes and standards under the Contract, provided that the Supplier's reasonable costs and expenses incurred in the carrying out of such test and/or inspection shall be added to the Contract Price. Further, if such test and/or inspection impedes the progress of manufacturing and/or the Supplier's performance of its other obligations under the Contract, due allowance will be made in respect of the Delivery Dates and Completion Dates and the other obligations so affected.

25.6. The Supplier shall provide the Purchaser with a report of the results of any such test and/or inspection.

25.7. The Purchaser may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Purchaser, and shall repeat the test and/or inspection, at no cost to the Purchaser, upon giving a notice pursuant to GCC Sub-Clause 25.4.

25.8. The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Purchaser or its representative, nor the issue of any report pursuant to GCC Sub-Clause 25.6, shall release the Supplier from any warranties or other obligations under the Contract.

26. Liquidated Damages

26.1. Except as provided under GCC Clause 31, if the Supplier fails to deliver any or all of the Goods by the Date(s) of delivery or perform the Related Services within the period specified in the Contract, the Purchaser may without prejudice to all its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage specified in the **SCC** of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the percentage specified in those **SCC.** Once the maximum is reached, the Purchaser may terminate the Contract pursuant to GCC Clause 34.

27. Warranty

27.1. The Supplier warrants that all the Goods are new, unused, and of the most recent or current models, and that they incorporate all recent improvements in design and materials, unless provided otherwise in the Contract.

27.2. Subject to GCC Sub-Clause 21.1(b), the Supplier further warrants that the Goods shall be free from defects arising from any act or omission of the Supplier or arising from design, materials, and workmanship, under normal use in the conditions prevailing in the country of final destination.

27.3. Unless otherwise specified in the **SCC,** the warranty shall remain valid for twelve (12) months after the Goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the **SCC,** or for eighteen (18) months after the date of shipment from the port or place of loading in the country of origin, whichever period concludes earlier.

27.4. The Purchaser shall give notice to the Supplier stating the nature of any such defects together with all available evidence thereof, promptly following the discovery thereof. The Purchaser shall afford all reasonable opportunity for the Supplier to inspect such defects.

27.5. Upon receipt of such notice, the Supplier shall, within the period specified in the **SCC,** expeditiously repair or replace the defective Goods or parts thereof, at no cost to the Purchaser.

27.6. If having been notified, the Supplier fails to remedy the defect within the period specified in the **SCC;** the Purchaser may proceed to take within a reasonable period such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Purchaser may have against the Supplier under the Contract.

28. Patent Indemnity

28.1. The Supplier shall, subject to the Purchaser's compliance with GCC Sub-Clause 28.2, indemnify and hold harmless the Purchaser and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which the Purchaser may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright, or other intellectual property right registered or otherwise existing at the date of the Contract by

reason of:

(a) the installation of the Goods by the Supplier or the use of the Goods in the country where the Site is located; and

(b) the sale in any country of the products produced by the Goods.

Such indemnity shall not cover any use of the Goods or any part thereof other than for the purpose indicated by or to be reasonably inferred from the Contract, neither any infringement resulting from the use of the Goods or any part thereof, or any products produced thereby in association or combination with any other equipment, plant, or materials not supplied by the Supplier, pursuant to the Contract.

28.2. If any proceedings are brought or any claim is made against the Purchaser arising out of the matters referred to in GCC Sub-Clause 28.1, the Purchaser shall promptly give the Supplier a notice thereof, and the Supplier may at its own expense and in the Purchaser's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim.

28.3. If the Supplier fails to notify the Purchaser within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Purchaser shall be free to conduct the same on its own behalf.

28.4. The Purchaser shall, at the Supplier's request, afford all available assistance to the Supplier in conducting such proceedings or claim, and shall be reimbursed by the Supplier for all reasonable expenses incurred in so doing.

28.5. The Purchaser shall indemnify and hold harmless the Supplier and its employees, officers, and Subcontractors from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which the Supplier may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright, or other intellectual property right registered or otherwise existing at the date of the Contract arising out of or in connection with any design, data, drawing, specification, or other documents or materials provided or designed by or on behalf of the Purchaser.

29. Limitation of Liability

29.1. Except in cases of criminal negligence or willful misconduct,

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

(b) the aggregate liability of the Supplier to the Purchaser, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment, or to any obligation of the supplier to indemnify the purchaser with respect to patent infringement

30. Change in Laws and Regulations

30.1. Unless otherwise specified in the Contract, if after the date of 28 days prior to date of Bid submission, any law, regulation, ordinance, order or bylaw having the force of law is enacted, promulgated, abrogated, or changed in the place of the Purchaser's country where the Site is located (which shall be deemed to include any change in interpretation or application by the competent authorities) that subsequently affects the Delivery Date and/or the Contract Price, then such Delivery Date and/or Contract Price shall be correspondingly increased or decreased, to the extent that the Supplier has thereby been affected in the performance of any of its obligations under the Contract. Notwithstanding the foregoing, such additional or reduced cost shall not be separately paid or credited if the same has already been accounted for in the price adjustment provisions where applicable, in accordance with GCC Clause 14.

31. Force Majeure

31.1. The Supplier shall not be liable for forfeiture of its Performance Security, liquidated damages, or termination for default if and to the extent that it's delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

31.2. For purposes of this Clause, "Force Majeure" means an event or situation beyond the control of the Supplier that is not foreseeable, is unavoidable, and its origin is not due to negligence or lack of care on the part of the Supplier. Such events may include, but not be limited to, acts of the Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight

embargoes.

31.3. If a Force Majeure situation arises, the Supplier shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

32. Change Orders and Contract Amendments

32.1. The Purchaser may at any time order the Supplier through notice in accordance GCC Clause 7, to make changes within the general scope of the Contract in any one or more of the following:

(a) drawings, designs, or specifications, where Goods to be furnished under the Contract are to be specifically manufactured for the Purchaser;

(b) the method of shipment or packing;

(c) the place of delivery; and

(d) the Related Services to be provided by the Supplier.

32.2. If any such change causes an increase or decrease in the cost of, or the time required for, the Supplier's performance of any provisions under the Contract, an equitable adjustment shall be made in the Contract Price or in the Delivery/Completion Schedule, or both, and the Contract shall accordingly be amended. Any claims by the Supplier for adjustment under this Clause must be asserted within twenty-eight (28) days from the date of the Supplier's receipt of the Purchaser's change order.

32.3. Prices to be charged by the Supplier for any Related Services that might be needed but which were not included in the Contract shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

32.4. Subject to the above, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

33. Extensions of Time

33.1. If at any time during performance of the Contract, the Supplier or its subcontractors should encounter conditions impeding timely delivery of the Goods or completion of

Related Services pursuant to GCC Clause 12, the Supplier shall promptly notify the Purchaser in writing of the delay, its likely duration, and its cause. As soon as practicable after receipt of the Supplier's notice, the Purchaser shall evaluate the situation and may at its discretion extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of the Contract.

33.2. Except in case of Force Majeure, as provided under GCC Clause 31, a delay by the Supplier in the performance of its Delivery and Completion obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 25, unless an extension of time is agreed upon, pursuant to GCC Sub-Clause 33.1.

34. Termination

34.1. Termination for Default

(a) The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate the Contract in whole or in part:

(i) if the Supplier fails to deliver any or all of the Goods within the period specified in the Contract, or within any extension thereof granted by the Purchaser pursuant to GCC Clause 33;

(ii) if the Supplier fails to perform any other obligation under the Contract; or

(b) In the event the Purchaser terminates the Contract in whole or in part, pursuant to GCC Clause 34.1(a), the Purchaser may procure, upon such terms and in such manner as it deems appropriate, Goods or Related Services similar to those undelivered or not performed, and the Supplier shall be liable to the Purchaser for any additional costs for such similar Goods or Related Services. However, the Supplier shall continue performance of the Contract to the extent not terminated.

34.2. Termination for Insolvency.

(a) The Purchaser may at any time terminate the Contract by giving notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In such event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy that has accrued or will

accrue thereafter to the Purchaser

34.3. Termination for Convenience.

(a) The Purchaser, by notice sent to the Supplier, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser's convenience, the extent to which performance of the Supplier under the Contract is terminated, and the date upon which such termination becomes effective.

(b) The Goods that are complete and ready for shipment within twenty-eight (28) days after the Supplier's receipt of notice of termination shall be accepted by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may elect:

(i) to have any portion completed and delivered at the Contract terms and prices; and/or

(ii) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and Related Services and for materials and parts previously procured by the Supplier.

35. Assignment

35.1. Neither the Purchaser nor the Supplier shall assign, in whole or in part, their obligations under this Contract, except with prior written consent of the other party.

36. Export Restriction

36.1. Notwithstanding any obligation under the Contract to complete all export formalities, any export restrictions attributable to the Purchaser, to the country of the Purchaser, or to the use of the products/goods, systems or services to be supplied, which arise from trade regulations from a country supplying those products/goods, systems or services, and which substantially impede the Supplier from meeting its obligations under the Contract, shall release the Supplier from the obligation to provide deliveries or services, always provided, however, that the Supplier can demonstrate to the satisfaction of the Purchaser and of The KFAED that it has completed all formalities in a timely manner, including applying for permits, authorizations and licenses necessary for the export of the products/goods, systems or services under the terms of the Contract. Termination of the Contract on this basis shall be for the Purchaser's convenience pursuant to Sub-Clause 34.3.

Section VIII. Special Conditions of Contract

The following Special Conditions of Contract (SCC) shall supplement and / or amend the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

GCC 1.1(i)	The Purchaser's country is: ***The Republic of Lebanon***
GCC 1.1(j)	The Purchaser is: **The Lebanese Government** represented by **The Council for Development and Reconstruction**
GCC 1.1 (o)	The Project Site(s)/Final Destination(s) is/are: **as listed in the list of Goods and Delivery Schedule of the correspondent Lot.**
GCC 3.2 (a)	The meaning of the trade terms shall be as prescribed by Incoterms.
GCC 3.2 (b)	The version edition of Incoterms shall be "**Incoterms *2010*"**
GCC 4.1	The language shall be: **English**
GCC 7.1	For **notices**, the Purchaser's address shall be: Telephone: **NA** Facsimile number: +961 1 981255 Electronic mail address: **NA** Attention: **President of CDR** Address: **The Council for Development and Reconstruction Tallet El Serail/** City: **Beirut** ZIP Code: **NA** Country: **Lebanon** Electronic mail address: **NA**
GCC 8.1	The governing law shall be the law of: **Lebanon**
GCC 9.2	In the case of dispute between the Purchaser and the Supplier, the dispute shall be referred to the **Lebanese Competent Court.** And replace "Arbitration" by "Litigation" wherever it occurs in this Contract.

Add to GCC 10.1	**As stipulated in article (5) of the banking secrecy law dated 3/9/1956 and as stipulated in the resolution of the Council of Ministries No.4 dated 28/4/2020, the Contractor/Consultant agrees to lift banking secrecy over the bank account used to deposit or transfer public funds related to this Contract.**
GCC 12.1	Details of Shipping and other Documents to be furnished by the Supplier are: - Manufacturer's or Supplier's warranty certificate. - Copies of the Supplier's invoice showing Goods' description, quantity, unit price and total amount; - Original and one copy of the negotiable, clean, on-board bill of lading marked "freight prepaid" and one copy on nonnegotiable bill of lading; - Copy of the packing list identifying contents of each package; - Insurance certificate; - Supplier's factory inspection report; - Certificate of origin The above documents shall be received by the Purchaser with together with the Goods and, if not received, the Supplier will be responsible for any consequent expenses.
GCC 14.1	The prices charged for the Goods supplied and the related Services performed **shall not** be adjustable.
GCC 15.1	***Sample provision*** GCC 15.1—The method and conditions of payment to be made to the Supplier under each Contract shall be as follows: Payment for Goods and Services supplied from within or outside the Purchaser's country shall be made in **US Dollars**, as follows: (i) First Payment (optional): Thirty (30) percent of the Contract Price shall be paid within thirty (30) days of notification of the Contract, against a simple receipt and a bank guarantee issued by a Lebanese Bank acceptable to the Purchaser for the equivalent amount and in the form provided in the bidding documents, valid until completion of section (ii) below. (ii) forty (40) percent of the delivered equipment price shall be paid arrival of the equipment to the dealer

	warehouses in Lebanon, and upon submission of the proofing documents. If the first payment was not requested by the supplier, then 40 (percent) of the delivered equipment price will be then paid after this step. (iii) On Delivery: twenty (20) percent of the delivered equipment price shall be paid on receipt of the Goods by the end user and upon submission of the related documents specified in GCC Clause 13. If the first payment was not requested by the supplier, then 50 (percent) of the delivered equipment price will be then paid after this step. The Bank guarantee covering the first payment will be released after delivering all the equipment and documents required under this contract (iv) On Acceptance: The remaining ten (10) percent of the Contract Price shall be paid to the Supplier within thirty (30) days after the date of the acceptance certificate (provisional and final together) for the respective delivery issued by the Purchaser. (CDR)
GCC 15.5	The payment-delay period after which the Purchaser shall pay interest to the supplier shall be **90days.** The Annual interest rate is a simple rate secured Overnight Financing rate *+2 %*
GCC 16.3	The Contract Price shall include all Charges but exclude VAT. According to the law 379 dated 14/12/2001 amended by law # 64 dated 26/10/2017 and CDR's requirements (refer to Attachment 2 of the Special Conditions of Contract), and since the Contract is 100% foreign funded, the VAT shall not be applicable under this Contract. It is to be noted that the Goods shall be delivered DDP to the project Site as defined in the List of Goods and Delivery Schedule, under the rules of Incoterms 2010.
GCC 17.1	The Supplier shall, within 7 days of the notification of each contract provide a Performance Security. The amount of each Performance Security shall be: **10% of correspondent Contract amount.**
GCC 17.3	The Performance Security shall be in the form of **a Bank Guarantee** issued by a Lebanese bank or a foreign bank through its correspondent bank in Lebanon. the Performance security shall be denominated in **US Dollars**

GCC 17.4	Discharge of the Performance Security shall take place **after issuing of Acceptance Certificate.**
GCC 22.2	The packing, marking and documentation within and outside the packages shall be: **NA**
GCC 23.1	The insurance coverage shall be as specified in the Incoterms 2010, noting that it should cover "All risks" including "War Risks" and "Strikes"
GCC 24.1	Responsibility for transportation of the Goods shall be as specified in the Incoterms 2010, The Supplier is required under the Contract to transport the Goods to the municipality/Union stores as per the list of Goods and Delivery Schedule in section VI, defined as the Project Site (s); transport to such place of destination in Lebanon, including insurance and storage, shall be arranged by the Supplier, and related costs shall be included in the Contract Price;
GCC 24.2	The Supplier is required to provide services **as per the list of Related Services and Completion Schedule in Section VI: Schedule of Requirements.**
GCC 25.1	The inspections and tests shall be: as per Specifications and Inspections & Tests (if any)
GCC 25.2	The Inspections and tests shall be conducted at each municipality
GCC 26.1	The liquidated damage shall be: **0.2%** of the contract price per day
GCC 26.1	The maximum amount of liquidated damages shall be: **10%**
GCC 27.3	The period of validity of the Warranty shall be: **as per the list of Related Services and Completion Schedule in Section VI: Schedule of Requirements.** For purposes of the Warranty, the place(s) of final destination(s) shall be: the Municipalities listed in **the list of "Related Services and Completion Schedule in Section VI: Schedule of Requirements".**
GCC 27.5	The period for repair or replacement shall be: ***10 working*** days after the receipt of the final user's "Concerned Municipalities" notice.

Attachment1: Price Adjustment Formula
NOT APLLICABLE

Attachment2: Value Added Taxes (VAT) - Law 379 dated 14 December 2001 amended by law # 64 dated 26/10/2017

VAT Mandate

1- The Contractor/Consultant shall be registered in the Ministry of Finance – VAT Department to be able to invoice the VAT to the Council for Development and Reconstruction or obtain its refund from the Ministry of Finance, according to the financing source of the contract.

2- The Contractor/Consultant shall submit its offer without calculating the VAT in its unit price.

3- Method of invoicing the VAT for contracts totally financed by the Lebanese State:
The Contractor/Consultant shall invoice the VAT to the CDR upon submittal of its statements by adding 11% VAT on the net value of the statement, separately from the value of the statement.

4- Method of VAT invoicing/refund for contracts partially financed by foreign sources:
For the section locally financed, the Contractor/Consultant shall invoice the VAT to the CDR in accordance with clause 2 above.
For the section financed by foreign sources, the Contractor/Consultant shall obtain the VAT refund directly from the Ministry of Finance.

5- Methods of VAT refund for contracts totally financed by foreign sources:
The contracts totally financed by foreign sources shall be exempted from the VAT. In the event the Contractor/Consultant is bound to pay this tax, the latter shall obtain its refund directly from the Ministry of Finance and not from the Council for Development and Reconstruction. (Refer to Article 19 – clause 4 of Law # 379, and Article 3 (b) of implementation Decree # 7336 dated 31/01/2002.)

This document was approved by virtue of decision # 147/2002 dated 07/03/2002, taken by the Board of Directors of the CDR; and amended as per Law #64 dated 26/10/2017

Section IX. Contract Forms

This Section contains forms which, once completed, will form part of the Contract. The forms for Performance Security and Advance Payment Security, when required, shall only be completed by the successful Bidder after contract award.

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Contract Agreement

[The successful Bidder shall fill in this form in accordance with the instructions indicated]

THIS AGREEMENT made

the *[insert:* ***number*** *]* day of *[insert:* ***month*** *], [insert:* ***year*** *].*

BETWEEN

(1) *[insert complete name of Purchaser]*, a *[insert description of type of legal entity, for example, an agency of the Ministry of .... of the Government of { insert name of Country of Purchaser }, or corporation incorporated under the laws of { insert name of Country of Purchaser }]* and having its principal place of business at *[insert address of Purchaser]* (hereinafter called "the Purchaser"), of the one part, and

(2) *[insert name of Supplier]*, a corporation incorporated under the laws of *[insert: country of Supplier]* and having its principal place of business at *[insert: address of Supplier]* (hereinafter called "the Supplier"), of the other part :

WHEREAS the Purchaser invited bids for certain Goods and ancillary services, viz., *[insert Lot number, brief description of Goods and Services]* and has accepted a Bid by the Supplier for the supply of those Goods and Services

The Purchaser and the Supplier agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other contract documents.

   (a) the Letter of Acceptance

   (b) the Letter of Bid

   (c) the Addenda Nos._____ (if any)

   (d) Special Conditions of Contract

   (e) General Conditions of Contract

(f) the Specification (including Schedule of Requirements and Technical Specifications)

(g) the completed Schedules (including Price Schedules)

(h) any other document listed in GCC as forming part of the Contract

3. In consideration of the payments to be made by the Purchaser to the Supplier as specified in this Agreement, the Supplier hereby covenants with the Purchaser to provide the Goods and Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

5. This agreement shall be considered embodying the purchaser's letter of Acceptance referred to in the conditions of Contract. All actions and/or activities under the Contract that relate to the date of the letter of Acceptance shall be deemed to relate to the date of this Agreement.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of *[insert the name of the Contract governing law country]* on the day, month and year indicated above.

For and on behalf of the Purchaser

Signed: *[insert signature]*
in the capacity of *[insert title or other appropriate designation]*
in the presence of *[insert identification of official witness]*

For and on behalf of the Supplier

Signed: *[insert signature of authorized representative(s) of the Supplier]*
in the capacity of *[insert title or other appropriate designation]*
in the presence of *[insert identification of official witness]*

SPECIMEN OF BANK GUARANTEE FOR GOOD PERFORMANCE

To: Council for Development and Reconstruction
Tallet el Serail
P.O.Box 11/3170
Beirut, Lebanon

Dear Sirs,

Re: Guarantee for Good Performance of the Contract No ___

According to the terms of Contract, dated _____, for the supply of _____ concluded between the Council for Development and Reconstruction (hereafter called "the CDR"), and

_____
(hereafter called "the Supplier"),

the Supplier undertakes to produce a Bank Guarantee for good performance of the contract of __% of the value of the contract or the amount of _____.

We hereby unconditionally and irrevocably guarantee jointly and severally with the Supplier and as primary obligator and not as surety merely, to pay the CDR upon its first demand and without cavil or argument, any amounts up to the maximum of _____ in fresh dollars, in the event according to the binding opinion of the CDR, the Supplier would fail to comply with his contractual obligations.

The failure of the Supplier to comply with his contractual obligations shall be advised to us in writing with a copy to the Supplier.

This guarantee shall enter into effect on the date of entry into force of the contract and shall remain in full force and effect until _____ *(insert date)* or upon the issuing of the Acceptance Certificate by the CDR, whichever comes later.

DATE:

SIGNATURE OF BANK:

SPECIMEN OF BANK GUARANTEE FOR DOWN PAYMENT

[Guarantor letterhead or SWIFT identifier code]

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

Date: *[Insert date of issue]*

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

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

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

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

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

(a) has used the advance payment for purposes other than toward delivery of Goods; or

(b) has failed to repay the advance payment in accordance with the Contract conditions, specifying the amount which the Applicant has failed to repay.

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

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

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

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

_____

[signature(s)]

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