



**MINISTRY OF MINING, BLUE ECONOMY AND MARITIME AFFAIRS
STATE DEPARTMENT FOR BLUE ECONOMY AND FISHERIES
AQUACULTURE BUSINESS DEVELOPMENT PROGRAMME (ABDP)
Loan Number: 2000002052**

Request for Bids – Goods

for

Supply and Delivery of Fish Feeds for ABDP Programme

Ref No: *KEN-2000001132-0273-G-ICB*

Issue date: November 12, 2024

Foreword

This bidding document has been prepared by *Aquaculture Business Development Programme (ABDP)* and is based on the first version of the standard bidding document the procurement of goods and related services that are using competitive bidding on the international market (international competitive bidding or limited international bidding) issued by IFAD on www.ifad.org/project-procurement. The standard bidding document is to be used in IFAD-funded projects and is consistent with the IFAD Procurement Guidelines, the IFAD Procurement Handbook and the IFAD Social, Environmental and Climate Assessment Procedures (SECAP) 2020.

IFAD does not guarantee the completeness, accuracy or translation, if applicable, or any other aspect in connection with the content of this document.

Letter of Invitation for Bids

Nyeri, Kenya
November 12, 2024

Re: Supply and Delivery of Fish Feeds

Bid No: KEN-2000001132-0273-G-ICB

INTERNATIONAL COMPETITIVE BIDDING

INVITATION FOR BIDS

FOR

SUPPLY AND DELIVERY OF FISH FEEDS BID NO: KEN-2000001132-0273-G-ICB

1. The National Treasury on behalf of the Government of Kenya and Implemented by Ministry of Mining, Blue Economy and Maritime Affairs, State Department For Blue Economy and Fisheries through Aquaculture Business Development Programme (ABDP) has received financing from the International Fund for Agricultural Development (IFAD) towards the cost of Aquaculture Business Development Programme and intends to apply part of the financing for the purchase of these goods. The use of any IFAD financing shall be subject to IFAD's approval, pursuant to the terms and conditions of the financing agreement, as well as IFAD's rules, policies and procedures. IFAD and its officials, agents and employees shall be held harmless from and against all suits, proceedings, claims, demands, losses and liability of any kind or nature brought by any party in connection with ABDP.
2. The Aquaculture Business Development Programme (ABDP) is a partnership between the Government of Kenya, and the International Fund for Agricultural Development (IFAD). The Programme is expected to be completed in April 2026. The geographical of the programme scope is 15 Counties with high aquaculture potential. The overall goal of the Programme is to reduce poverty and increase food security and nutrition in rural communities. Its development objective is to increase the incomes, food security and nutritional status of the wider communities of poor rural households involved in aquaculture in the targeted Counties and its mission is to reduce poverty and increase food security and nutrition in rural communities.
3. This invitation for bids (IFB) follows the general procurement notice that appeared in MyGov pullout of the Nairobi Star newspaper on 22nd October 2024, on the IFAD website and on the United Nations Development Business website (UNDB) on 23rd October 2024.
4. To increase the incomes, food security and nutritional status of the wider communities of poor rural households involved in aquaculture in the targeted Counties, with progress indicated by the

percentage of beneficiaries reporting increased annual net income and the percentage increase in national annual fish consumption.

5. The purchaser now invites sealed bids from eligible entities (“bidders”) for **Supply and Delivery of Fish Feeds**. More details on these goods and related services are provided in the schedule of requirements in this bidding document.
6. This Invitation for Bids (IFB) is open to all eligible bidders who wish to respond, subject to the restrictions noted in the bidding document. Eligible entities may associate with other bidders to enhance their capacity to successfully deliver the goods and related services.
7. The bidding document can be downloaded by interested Bidders FREE OF CHARGE from the project website: www.abdpcu.org under “tender” links, United Nations Development Business website as well as on IFAD website.
8. The goods and related services, and the contract expected to be awarded, are divided into the following lots: **Lot 1- Busia County, Lot 2- Siaya County, Lot 3- Kisumu County, Lot 4- Homabay County, and Lot 5- Migori County.**
9. Bidding will be conducted using the International Competitive Bidding (ICB) method, the evaluation procedure for which is described in this bidding document, in accordance with the IFAD procurement handbook which is provided on the IFAD website <https://www.ifad.org/en/-/document/ifad-procurement-handbook>. The ICB process, as described, will include a review and verification of qualifications and past performance, including a reference check, prior to the contract award.
10. Please note that a pre-bid conference *will not* be held as described in the bid data sheet BDS, Section II of the bidding document.
11. Bids must be delivered to the address below and in the manner specified in the BDS ITB 25 no later than *1100hrs EAT on 7th January 2025*.

The Programme Coordinator,

Aquaculture Business Development Programme (ABDP),

IFAD Building, Kamakwa Road, opposite Nyeri Club

P.O. Box 904, 10100, Nyeri,

Kenya Email:

procurement@abdpcu.org

www.abdpcu.org

12. Bidders should be aware that late bids will not be accepted under any circumstances and will be returned unopened to the bidder. All bids must be accompanied by a bid security (as required) in the manner and amount specified in the bid data sheet.
13. Please note that electronic bids ***shall not*** be accepted as defined in ITB BDS 25.

Programme Coordinator,

Aquaculture Business Development Programme (ABDP).

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Part 1: Bidding and Selection Procedure

Section I. Instruction to Bidders

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Instructions to Bidders

A. General

1. Scope of Bid

1.1 The purchaser has issued an invitation for bids for the procurement of goods and related services as specified in Section V - Schedule of Requirements. The name and identification number of the contract, and number and description of the lot(s), are specified in the bid data sheet (**BDS**).

1.2 The purchaser of **identified in the BDS**, is not bound to accept any bid, and reserves the right to cancel the procurement at any time prior to contract award, without thereby incurring any liability to any bidder.

2. Source of Funds

2.1 The borrower or recipient (hereinafter called “borrower”) **specified in the BDS** has received a financing from the International Fund for Agricultural Development (“the Fund”) in various currencies equivalent to the amount **specified in the BDS** towards the cost of the project **named in the BDS**, and intends to apply a portion of the proceeds of this loan/grant to eligible payments under this contract. Payment by IFAD will be made only at the request of borrower and upon approval by IFAD, and will be subject, in all respects, to the terms and conditions of the financing agreement. The financing agreement prohibits a withdrawal from the loan and/or grant account for the purpose of any payment to persons or entities, or any payment prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations.

3. Prohibited Practices

3.1 The Fund requires that all beneficiaries of IFAD funding, including the purchaser and any bidders, implementing partners, service providers, suppliers, sub-suppliers, contractors, sub-contractors, consultants, sub-consultants, and any of their agents (whether declared or not) and personnel observe the highest standards of ethics during the procurement and execution of such contracts, and comply with IFAD’s Policy on Preventing Fraud and Corruption in its Activities and Operations, revised on 12 December 2018 and attached as Section IX of this document (EB 2018/125/R.6, hereinafter “IFAD’s Anti-Corruption Policy”).

3.2 For the purposes of these provisions, and consistent with IFAD’s Anticorruption Policy, the terms set forth below are defined as follows, and sometimes referred to collectively as “prohibited practices”:

- a) “*corrupt practice*” is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value in order to improperly influence the actions of another party;
- b) “*fraudulent practice*” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts

to mislead, a party in order to obtain a financial or other benefit or to avoid an obligation;

- c) “*collusive practice*” is an arrangement between two or more parties designed to achieve an improper purpose, including improperly influencing the actions of another party;
- d) “*coercive practice*” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of any party, to improperly influence the actions of that or another party;
- e) “*obstructive practice*” is (i) deliberately destroying, falsifying, altering or concealing evidence that may be material to an investigation by the Fund or making false statements to investigators in order to materially impede an investigation by the Fund; (ii) threatening, harassing or intimidating any party in order to prevent that party from disclosing its knowledge of matters relevant to an investigation by the Fund or from pursuing such an investigation; and/or (iii) the commission of any act intended to materially impede the exercise of the Fund’s contractual rights of audit, inspection and access to information.

3.3 The Fund will deny approval of a proposed contract award if it determines that the firm or individual recommended for award, or any of its personnel or agents, or its sub-consultants, sub-contractors, service providers, suppliers, sub-suppliers and/or any of their personnel or agents, has, directly or indirectly, engaged in any of the prohibited practices in connection with an IFAD-financed and/or IFAD-managed activity or operation, including in competing for the contract.

3.4 In accordance with IFAD’s Anticorruption Policy, the Fund has the right to sanction firms and individuals, including by declaring them ineligible, either indefinitely or for a stated period of time, to participate in any IFAD-financed and/or IFAD-managed activity or operation. This may include ineligibility to: (i) be awarded or otherwise benefit from any IFAD-financed contract, financially or in any other manner; (ii) be a sub-contractor, consultant, manufacturer, supplier, sub-supplier, agent or service provider of an otherwise eligible firm being awarded an IFAD-financed contract; and (iii) receive the proceeds of any loan or grant provided by the Fund.¹ The Fund also has the right to unilaterally recognize debarments by any of the International Financial Institutions that are members to the Agreement for Mutual Enforcement of Debarment Decisions if

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

such debarments meet the requirements for mutual recognition under the Agreement for Mutual Enforcement of Debarment Decisions.

3.5 In addition, the Fund has the right to, at any time, declare a misprocurement and/or the ineligibility of any expenditures associated with a procurement process or contract if it determines that prohibited practices occurred in connection with this procurement process or contract and that the borrower/recipient has not taken timely and appropriate action, satisfactory to the Fund, to address such practices when they occur.

3.6 Bidders, suppliers, consultants, contractors, and their sub-contractors, sub-consultants, service providers, suppliers, agents and personnel, are required to fully cooperate with any investigation conducted by the Fund into possible prohibited practices, including by making personnel available for interviews and by providing full access to any and all accounts, premises, documents and records (including electronic records) relating to the relevant IFAD-financed and/or IFAD-managed operation or activity and to have such accounts, premises, records and documents audited and/or inspected² by auditors and/or investigators appointed by the Fund.

3.7 The bidder is obliged to disclose relevant prior sanctions and criminal convictions and any commissions or fees paid or are to be paid to any agents or other party in connection with this procurement process or the execution of the contract.

3.8 The bidder shall keep all records and documents, including electronic records, relating to this procurement process available for a minimum of three (3) years after notification of completion of the process or, in case the bidder is awarded the contract, execution of the contract.

4. Sexual Harassment, Sexual Exploitation and Abuse

4.1 The Fund requires that all beneficiaries of IFAD funding, including the purchaser and any bidders, implementing partners, service providers, suppliers, sub-suppliers, contractors, sub-contractors, consultants, sub-consultants, and any of their agents (whether declared or not) and personnel comply with IFAD's Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse. For the purpose of this provision, and consistent with IFAD's Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse as it may be amended from time to time, the terms set forth below are defined as follows:

² Inspections include all fact-finding activities deemed relevant by the Fund to address allegations or other indications of possible prohibited practices. Such fact-finding activities may include, but are not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data or information (whether in hard copy or electronic format) deemed relevant for the investigation or audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verifications of information. It is the responsibility of the firm or individual under inspection to ensure effective compliance with their duty to cooperate vis-à-vis any potential local laws or regulations or other potentially conflicting obligations.

- a) Sexual harassment means any unwelcome sexual advance, request for sexual favour or other verbal, non-verbal or physical conduct of a sexual nature that unreasonably interferes with work, alters or is made a condition of employment, or creates an intimidating, hostile or offensive work environment.
- b) Sexual exploitation and abuse means any actual or attempted abuse of a position of vulnerability, differential power, or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of others (sexual exploitation); the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions (sexual abuse).

4.2 Purchasers, suppliers and bidders shall take all appropriate measures to prevent and prohibit sexual harassment and sexual exploitation and abuse on the part of their personnel and subcontractors or anyone else directly or indirectly employed by them or any of subcontractors in the performance of the contract. Purchasers, suppliers and bidders shall immediately report to the purchaser or IFAD any incidents of sexual harassment and sexual exploitation and abuse arising out of or in connection with the performance of the contract or prior to its execution, including convictions, disciplinary measures, sanctions or investigations. The purchaser may take appropriate measures, including the termination of the contract, on the basis of proven acts of sexual harassment, sexual exploitation and abuse arising out of or in connection with the performance of the contract.

4.3 The bidder or supplier is required to disclose any relevant prior sanctions, convictions, disciplinary measures or criminal records.

5. Money laundering and Terrorist Financing

5.1 The Fund requires that all beneficiaries of IFAD funding or funds administered by IFAD, including the purchaser, any bidders, implementing partners, service providers and suppliers, observe the highest standards of integrity during the procurement and execution of such contracts, and commit to combat money laundering and terrorism financing consistent with IFAD’s Anti-Money Laundering and Countering the Financing of Terrorism Policy.

6. SECAP Performance Standards

6.1 The resulting contract will be implemented in a manner consistent with IFAD’s Social, Environmental and Climate Assessment Procedures (SECAP), available on <https://www.ifad.org/en/secap>.

7. Eligible Bidders and Conflict of Interest

7.1 This invitation for bids is open to all suppliers from eligible source countries except as provided hereinafter as well as in the **BDS**.

7.2 Any eligible entity may bid independently or in a joint venture (JV). In the case where a bidder is or proposes to be a JV

- a) all members shall be jointly and severally liable for the execution of the contract; and
- b) the JV shall nominate a representative who will have the authority to conduct all business for and on behalf of any and all the members of the JV.

7.3 A bidder shall not have any actual, potential or reasonably perceived conflict of interest. A bidder shall declare in the bid submission form any actual, potential or reasonably perceived interest, regardless of its nature, that affects, may affect, or might reasonably be perceived by others to affect, impartiality in any matter relevant to the procurement process, including the selection process and the execution of the contract. A bidder with an actual, potential or reasonably perceived conflict of interest shall be disqualified, unless otherwise explicitly approved by the Fund. The purchaser requires that the bidder and the supplier hold the project's interests as paramount at all times, strictly avoiding any actual, potential or reasonably perceived conflicts of interest, including actual, potential or reasonably perceived conflicts with other assignments or their own personal and/or corporate interests, and act without any consideration for any other ongoing or future work. Without limitation on the generality of the foregoing, a bidder or supplier, including all parties constituting the bidder or supplier and their respective personnel and affiliates, as well as any subcontractors for any part of the contract, including related services, and their respective personnel and affiliates, may be considered to have an actual, potential or reasonably perceived conflict of interest and may be disqualified or the contract terminated if they:

- a) have, may have or might reasonably appear to have at least one controlling partner in common with one or more other parties in the process contemplated by this bidding document or the execution of the contract; or
- b) have, may have or might reasonably appear to have the same legal representative as another bidder for purposes of this bid or execution of the contract; or
- c) have, may have or might reasonably appear to have a relationship, directly or through common third parties, that puts them in a position to have access to undue or undisclosed information about or influence over the bid process and the execution of the contract, or influence the decisions of the purchaser regarding the selection

process for this procurement or during the execution of the contract;
or

- d) participate, may participate or might reasonably appear to participate in more than one bid in this process; participation by a bidder in more than one bid shall result in the disqualification of all bids in which the party is involved; however, this provision does not limit the inclusion of the same subcontractor in more than one bid; or
- e) are themselves, may be or might reasonably appear to be, or have, may have or might reasonably appear to have a business or family relationship with, a member of the purchaser's board of directors or its personnel, the Fund or its personnel, or any other individual was, has been or might reasonably be directly or indirectly involved in any part of (i) the preparation of this bidding document, (ii) the selection process for this procurement, or (iii) execution of the contract, unless the actual, potential or reasonably-perceived conflict stemming from this relationship has been explicitly authorized by the Fund.

7.4 A bidder that has been engaged by the purchaser to provide goods, works or non-consulting services for a project, its personnel and any of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, a bidder hired to provide consulting services for the preparation or implementation of a project, its personnel and any of its affiliates, shall be disqualified from subsequently providing goods, works or non-consulting services resulting from or directly related to such consulting services for such preparation or implementation.

7.5 A bidder and the supplier shall have an obligation to disclose any situation of actual, potential or perceived conflict of interest that impacts, may impact, or might reasonably appear to be perceived by others to impact, their capacity to serve the best interest of the purchaser. Failure to properly disclose any of said situations may lead to appropriate actions, including the disqualification of the bidder, the termination of the Contract and any other as appropriate under the IFAD Policy on Preventing Fraud and Corruption in its Projects and Operations.

7.6 A bidder or supplier, all parties constituting the bidder or supplier, and any subcontractors for any part of the contract, including related services, and their respective personnel and affiliates, will not be any person or entity under a declaration of ineligibility by the Fund for having engaged in prohibited practices as contemplated by ITB clause 3 above. The Fund also has the right to unilaterally recognize debarments by any of the International Financial Institutions that are members to the Agreement for Mutual Enforcement of Debarment Decisions if such debarments meet the requirements for mutual recognition under the Agreement for Mutual Enforcement of Debarment Decisions.

7.7 A bidder or supplier, all parties constituting the bidder or supplier, and any subcontractors for any part of the contract, including related services, and their respective personnel and affiliates not otherwise made ineligible for a reason described in this ITB clause 7 will nonetheless be excluded if:

- a) as a matter of law or official regulation, the government prohibits commercial relations with the country of the bidder or supplier (including any associates, subcontractors and any respective affiliates) provided that the Fund 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 government prohibits the issuance of a payment.

8. Eligible Goods and Services 8.1 All goods and related services to be supplied under the contract shall have their origin in eligible source countries.

8.2 For purposes of this clause, “origin” means the place where the goods are mined, grown, or produced, or the place from which the related services are supplied. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially-recognized product results that is substantially different in basic characteristics or in purpose or utility from its components.

8.3 The origin of goods and services is distinct from the nationality of the bidder.

B. Contents of the Bidding Document

9. Sections of Bidding Document 9.1 This bidding document consists of parts 1, 2, and 3, which include all the sections indicated below and should be read in conjunction with any addenda issued in accordance with ITB clause 11.

Part 1 – Bidding and Selection Procedures

- Section I. Instructions to Bidders
- Section II. Bid Data Sheet
- Section III. Qualification and Evaluation Criteria
- Section IV. Bid Forms

Part 2 – Supply Requirements

- Section V. Schedule of Requirements

Part 3 – Contract Forms

- Section VI. Contract Agreement and General Conditions of Contract
- Section VII. Special Conditions of Contract
- Section VIII. Contract Forms
- Section IX. Revised IFAD Policy on Preventing Fraud and Corruption

9.2 The invitation for bids issued by the purchaser is not part of the bidding document.

9.3 The purchaser is not responsible for the completeness of this bidding document and its addenda if they were not obtained directly from the source stated by the purchaser in the Invitation for bids.

9.4 The bidder is expected to examine all instructions, forms, terms, and schedule of requirements in this bidding document. Failure to furnish all information or documentation required by this bidding document may result in the rejection of the bid.

10. Clarification of Bidding Document

10.1 A prospective bidder requiring any clarification of this bidding document shall contact the purchaser in writing, by email or fax at the purchaser's address indicated in the **BDS**. The purchaser will respond to any request for clarification, provided that such a request is received no later than the number of days indicated in the **BDS** prior to the deadline for submission of bids. The purchaser shall send written copies of the responses, including a description of the inquiry but without identifying its source, to bidders who have registered or obtained the bidding document directly from the purchaser by the date specified in the **BDS**. The purchaser will also post a copy of the responses and inquiry descriptions to the purchaser's website indicated in the **BDS**. Should the clarification result in changes to the essential elements of this bidding document, the purchaser shall amend this bidding document following the procedure under ITB clause 11.

10.2 The bidder's designated representative is invited to attend a pre-bid conference, if provided for in the **BDS**. The purpose of the conference will be to clarify the issues and to answer questions on any matter that may be raised at that stage. The pre-bid conference may be mandatory or not, as provided for in the **BDS**.

10.3 Minutes of the pre-bid conference, including the text of the questions and answers related to the conference, without identifying the source, shall be transmitted in writing to all bidders who have registered or obtained the bidding document directly from the purchaser. Any modification to this bidding document that may become necessary as a result of the pre-bid conference shall be made by the purchaser exclusively through the issue of an addendum and not through the minutes of the pre-bid conference.

11. Amendment of Bidding Document

11.1 At any time prior to the deadline for submission of bids, the purchaser may amend this bidding document by issuing addenda.

11.2 All addenda issued shall be part of this bidding document and shall be communicated in writing to all bidders that have registered or obtained the bidding document directly from the purchaser.

11.3 To give prospective bidders reasonable time in which to take an addendum into account in preparing their bids, the purchaser may extend the deadline for the submission of bids at its sole discretion.

C. Preparation of Bids

- 12. Cost of Bidding** 12.1 The bidder shall bear all costs associated with the preparation and submission of its bid and contract finalization, and the purchaser shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- 13. Language of Bid** 13.1 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.
- 14. Documents Comprising the Bid** 14.1 The bid submitted by the bidder shall comprise the following:
- a) All bid forms in accordance with Section IV - Bid Forms, including the bid submission form and the applicable price schedules for goods and related services;
 - b) Bid security or bid-securing declaration, in accordance with ITB clause 23;
 - c) written confirmation authorizing the signatory of the bid to commit the bidder, in accordance with ITB clause 24;
 - d) documentary evidence in accordance with ITB clause 19 establishing the bidder's eligibility to bid;
 - e) documentary evidence in accordance with ITB clause 20, that the goods and related services to be supplied by the bidder are of eligible origin;
 - f) documentary evidence in accordance with ITB clause 21 that the goods and related services conform to the bidding document;
 - g) documentary evidence in accordance with ITB clause 21 establishing the bidder's qualifications to perform the contract if its bid is accepted; and
 - h) any other document as specified in the **BDS**.
- 15. Bid Submission Form and Price Schedules** 15.1 The bid submission form and price schedules of goods and related services shall be prepared using the relevant forms furnished in Section IV- Bid Forms. These forms must be completed without any alterations to its text, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested.

16. Alternative Bids

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

17. Bid Prices and Discounts

17.1 The prices and discounts quoted by a bidder in the bid submission form and in the price schedules shall conform to the requirements specified below.

17.2 The bidder shall list and price all lots and items separately in the price schedules for goods. Items against which no price is entered by the bidder will not be paid for by the purchaser and shall be deemed covered by the prices of other items in the price schedules for goods. Lots or items not listed in the price schedules for goods shall be assumed not to be included in the bid, and provided that the bid is substantially responsive, the corresponding adjustment, as appropriate, shall be applied in accordance with ITB clause 33.

17.3 The price to be quoted in the bid submission form, in accordance with ITB clause 17.1, shall be the total price of the bid, excluding any discounts offered.

17.4 The bidder shall quote any unconditional discounts and indicate the method for their application in the bid submission form, in accordance with ITB clause 17.1.

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

17.6 Prices shall be quoted as specified in each price schedule for goods included in Section IV - Bid Forms and shall be entered in the following manner:

- a) The all-inclusive price of goods quoted CIP, including transportation, insurance and all services required to deliver the goods to their final destination specified in the **BDS**;
- b) The price for each item comprising the related services as specified in the schedule of requirements (other than transportation, insurance and other services required to deliver the goods to their final destination).

17.7 Prices quoted by the bidder shall be fixed during a bidder's performance of the contract and not subject to variation on any account, unless otherwise specified in the **BDS**. In the case where prices are fixed, a bid submitted with "adjustable prices" shall be treated as non-responsive and shall be rejected, pursuant to ITB clause 32. 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.

17.8 If so indicated in the **BDS** ITB 1.1, bids shall be invited for individual contracts (lots) or for any combination of lots. Unless otherwise indicated 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 any price reduction (discount) for the award of more than one contract (lot) shall specify the applicable price reduction in accordance with ITB clause 17.4 provided the bids for all lots are submitted and opened at the same time.

17.9 Clause 15 of the general conditions of contract (Section VI) sets forth the tax provisions of the contract. Bidders should review this clause carefully in preparing their bid.

- 18. Currencies of Bid** 18.1 The currency(ies) of the bid shall be as specified in the **BDS**.
- 19. Documents Establishing the Eligibility of the Bidder** 19.1 To establish their eligibility in accordance with ITB clause 7, bidders shall complete the bid submission form (BSF1), included in Section IV - Bid Forms.
- 20. Documents Establishing the Eligibility of the Goods and Related Services** 20.1 To establish the eligibility of the goods and related services in accordance with ITB clause 7, bidders shall complete the country-of-origin declarations in the price schedule for goods forms (BSF2, BSF3), included in Section IV - Bid Forms.
- 20.2 If so indicated 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 - Bid 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. In some cases, if so indicated in the **BDS**, the bidder must be an original equipment manufacturer (OEM) and manufacture or produce the goods it offers to supply.
- 21. Documents Establishing the Conformity of the Goods and Related Services and the Qualifications of the Bidder** 21.1 To establish the conformity of the goods and related services to the bidding document, the bidder shall furnish as part of its bid the documentary evidence that the goods conform to the technical specifications, including all requirements and standards specified in Section V - Schedule of Requirements.
- 21.2 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, including all requirements and standards, and if applicable, a statement of deviations and exceptions to the provisions of the schedule of requirements.

21.3 A 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. Unless specified otherwise in the **BDS** and Section III - Qualification and Evaluation Criteria, these prices shall not be included in the bid evaluation.

21.4 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. A bidder may offer other standards of quality, brand names, and/or catalogue numbers, provided that it demonstrates, to purchaser's satisfaction, that the substitutions ensure substantial equivalence or are superior to those specified in the schedule of requirements.

21.5 The documentary evidence of the bidder's qualifications to perform the contract if its bid is accepted shall establish, to the purchaser's satisfaction, the criteria specified in Section III - Qualification and Evaluation Criteria.

22. Period of Validity of Bids 22.1 Bids shall remain valid for the period specified in the **BDS** after the bid submission deadline date prescribed by the purchaser. A bid valid for a shorter period shall be rejected by the purchaser as non-responsive.

22.2 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 bidder's responses shall be made in writing. If required, the bid security shall also be extended for a period of twenty-eight (28) days beyond the deadline of the extended bid validity period. A bidder may refuse the request without forfeiting its bid security. A bidder granting the request shall not be required or permitted to modify its bid.

23. Bid Security 23.1 The bidder shall submit as part of its bid, either a bid security (in its original form) or a bid-securing declaration, as specified in the **BDS**. If a bid security, it shall be in the amount and currencies specified in the **BDS** and shall:

- a) at the bidder's option, be in the form of either irrevocable letters of credit, a bond or a bank guarantee substantially in the format of form of bid security (bank guarantee) (BSF8) included in Section IV - Bid forms;
- b) be issued by a reputable institution selected by the bidder and located in any eligible country (as determined in accordance with GCC clause 7);
- c) be payable promptly upon written demand by the purchaser in case the conditions listed in ITB clause 23.2 are invoked;

- d) be submitted in its original form; copies will not be accepted;
- e) remain valid for a period of twenty-eight (28) days beyond the original validity period of bids, or beyond any period of extension subsequently requested under ITB clause 22.2.

23.2 Any bid not accompanied by a substantially responsive bid security (if required) in accordance with ITB clause 23.1 and 23.3, shall be rejected by the purchaser as nonresponsive. The bid security may be forfeited:

- a) if a bidder withdraws its bid during the period of bid validity specified by the bidder on the bid submission form, except as provided in ITB clause 22.2;
- b) if a bidder does not accept the correction of its bid price pursuant to ITB clause 33.2; or
- c) if the successful bidder fails within the specified time to:
 - (i) furnish the required performance security in accordance with GCC clause 16 as described in ITB clause 46; or
 - (ii) sign the contract in accordance with ITB clause 45.

23.3 The bid security of a joint venture must be in the name of the joint venture that submits the bid. If the joint venture has not been legally constituted at the time of bidding, the bid security shall be in the names of all future partners, or in the name of the designated representative (partner in charge or lead member) as named in the letter of intent or similar document in connection with the formation of the joint venture.

23.4 A bid-securing declaration shall use the BSF9 form included in Section IV - Bidding Forms.

24. Format and Signing of Bid

24.1 A bidder shall prepare **one (1) original set of the documents comprising the bid** pursuant to ITB clause 14 and clearly mark it “original.” The original 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 person or persons signing the bid shall initial all pages of the bid where entries and amendments have been made.

24.2 In addition, the bidder shall prepare copies of the bid (photocopies of the signed original are acceptable), in the number specified in the **BDS** and clearly mark them “copy.” In the event of discrepancy between the original and the copies, the original shall prevail.

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

24.4 The bidder shall furnish information as described in the bid submission form (BSF1) Section IV on commissions and gratuities, if any, paid or to be paid to agents relating to this bidding document or its bid or to contract execution if the bidder is awarded the contract.

D. Submission and Opening of Bids

25. Bid Submission 25.1 Bidders may submit their bids by mail or by hand. When so specified in the **BDS**, bidders shall have the option of submitting their bids electronically. Bidders are reminded that distance and customs formalities may require longer than expected delivery times.

- a) For all bids submitted in hard copy, bidders shall enclose the original and each copy of the bid in separate sealed envelopes, duly marking the envelopes as “original” and “copy.” These envelopes containing the original and the copies shall then be enclosed in one single envelope.
- b) Bidders submitting bids electronically, if so permitted in **BDS**, shall follow the electronic bid submission procedures specified in the **BDS**.

25.2 The inner and outer envelopes containing bids shall:

- a) bear the name and address of the bidder;
- b) be addressed to the purchaser at the address specified in the **BDS**;
- c) bear the specific identification number of this contract as indicated in ITB clause 1.1 and any additional identification marks as specified in the **BDS**;
- d) provide a warning “not to be opened before the time and date for bid opening”; and
- e) be marked “bid submission.”

25.3 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.

26. Deadline for Submission of Bids

26.1 Bids must be received by the purchaser at the address and no later than the date and time specified in the **BDS**.

26.2 The purchaser may, at its discretion, extend the deadline for the submission of bids by issuing an amendment in accordance with ITB clause 11, in which case all rights and obligations of the purchaser and the bidders previously subject to the original deadline shall then be subject to the deadline as extended.

27. Late Bids

27.1 The purchaser shall not consider any bid that arrives after the deadline for submission of bids, in accordance with ITB clause 26. Any bid received by the purchaser after the deadline for submission of bids shall be declared late, rejected and returned unopened to the bidder.

28. Withdrawal, Substitution, and Modification of Bid

28.1 A bidder may withdraw, substitute, or modify its bid prior to the deadline for the submission of bids by sending a written notice, duly signed by an authorized representative, and shall include a copy of the authorization of the person signing in accordance with ITB clause 24.1. The corresponding substitution or modification of the bid must accompany the respective written notice. All notices must be:

- a) submitted in accordance with ITB clauses 25 and 26 (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 clause 26.

28.2 Bids requested to be withdrawn in accordance with this ITB clause shall be returned unopened to the bidders.

28.3 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 bid submission form or any extension thereof.

29. Bid Opening

29.1 The purchaser shall open the bids in the presence of bidders’ representatives as well as anyone who chooses to attend at the time and in the place specified in the **BDS**. Any specific opening procedures required if electronic bidding is permitted in accordance with the **BDS**, shall be as specified in the **BDS**.

29.2 Firstly, submissions marked “withdrawal” shall be opened and read out, while bids for which an acceptable notice of withdrawal has been submitted pursuant to ITB clause 28 shall not 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, submissions 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. Submissions 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 submissions that are opened and read out at bid opening shall be considered further.

29.3 The original bid envelopes shall be opened at this time. These shall be opened one at a time, reading out: the bidders’ names, the bid prices, the total amount of each bid and of any alternative bid (if requested or permitted in BDS), any discounts, substitutions, or modifications, the presence or absence of bid security, the value and validity of a bid security if present and such other details as the purchaser may consider appropriate. No bid shall be rejected at bid opening except for the late bids pursuant to ITB clause 27 and unsealed bids. Substitutions and modifications submitted pursuant to ITB clause 28 that are not opened and read out at bid opening shall not be considered for further evaluation regardless of the circumstances. Late, withdrawn and substituted bids shall be returned unopened.

29.4 The purchaser shall prepare minutes of the bid opening, including the information disclosed to those present in accordance with ITB clause 29.3. A copy of the record shall be distributed to all bidders who submitted bids on time, to IFAD, and posted on the purchaser’s website.

E. Evaluation and Comparison of Bids

30. Confidentiality 30.1 Information relating to the examination, clarification, evaluation, and comparison of bids and recommendations for the award of the contract shall not be disclosed to the bidders or any other persons not officially concerned with such process until the intention to award to the successful bidder has been announced pursuant to ITB clause 43. The undue use by any bidder of confidential information related to the process may result in the rejection of its bid or may invalidate the entire procurement process.

30.2 Any attempt or effort by a bidder to influence the purchaser in the evaluation of bids or contract award decisions may subject the bidder to the provisions of the government’s, the purchaser’s, and the Fund’s anti-fraud and corruption policies and the application of other sanctions and remedies to the extent applicable.

30.3 Notwithstanding the above, 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 may do so in writing at the address specified in the BDS.

31. Clarification of Bids

31.1 To assist in the examination, evaluation, and comparison of bids, the purchaser may, at its discretion, ask any bidder for a clarification of its bid. Any clarification submitted by a bidder that is not in response to a request by the purchaser shall not be considered. The purchaser's request for clarification and the bidder's response shall be in writing. No change in the prices or substance of the bids shall be sought, offered, or permitted except to confirm the correction of arithmetic errors discovered by purchaser in the evaluation of the bids in accordance with ITB clause 33.

32. Bid Responsiveness

32.1 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.

32.2 A substantially responsive bid is one that conforms to all the terms, conditions, and specifications of the bidding document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that:

- a) if accepted, would:
 - (i) affect in any substantial way the scope, quality, or performance of the goods and related services; or
 - (ii) limit in any substantial way, inconsistent with this bidding document, the purchaser's rights or the bidder's obligations under the proposed contract; or
- b) if rectified, would unfairly affect the competitive position of other bidders presenting substantially responsive bids

32.3 If a bid is not substantially responsive to the requirements of the bidding document, it shall be rejected by the purchaser, and may not subsequently be made responsive by correction of the material deviation, reservation, or omission.

32.4 Provided that a bid is substantially responsive, the purchaser may waive any nonconformities in the bid.

32.5 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.

32.6 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. The average price of the item quoted by substantially responsive bidders will be added to the bid price and equivalent total cost of the bid so determined will be used for price comparison purposes only.

33. Correction of Arithmetic Errors

33.1 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.

33.2 Bidders shall be requested to accept correction of arithmetical errors. Failure to accept the correction in accordance with ITB 34.1, shall result in the rejection of the bid and the bid security may be forfeited in accordance with ITB clause 23.2(b).

34. Conversion to Single Currency

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

35. Examination of Terms and Conditions and Technical Evaluation (Non-Price evaluation criteria) 35.1 The purchaser shall examine the bid to confirm that all terms and conditions specified in the GCC and the SCC have been accepted by the bidder without any material deviation or reservation.

35.2 The purchaser shall evaluate the technical aspects of the bid, to confirm that all requirements specified in the schedule of requirements of the bidding document have been met without any material deviation or reservation.

35.3 If, after the examination of the terms and conditions and the technical evaluation, the purchaser determines that the bid is not substantially responsive in accordance with ITB clause 32, it shall reject the bid. Only substantially responsive bids as a result of the technical evaluation shall be admitted further into detailed financial bid evaluation.

35.4 If the method of evaluation is the merit point system, then the purchaser shall assign the technical merit points of each responsive bid in accordance with the criteria in Section III - Evaluation and Qualification.

36. Financial Bid Evaluation (Price-related criteria) 36.1 If so indicated in the **BDS**, the bidding document shall allow bidders to quote separate prices for one or more lots, and shall allow the purchaser to award a bidder with one or more lots. The methodology of evaluation to determine the best value of the lot combinations is specified in Section III - Qualification and Evaluation Criteria.

36.2 The purchaser shall use the bid evaluation methodology and bid evaluation criteria listed in this clause, as supplemented by the provisions of the **BDS** and Section III - Qualification and Evaluation Criteria. No other evaluation criteria or methodologies shall be permitted.

36.3 In the case of the merit point system, the evaluated bid price, after application of applicable bid evaluation criteria and domestic preference if so permitted in **BDS** 38, shall be converted into price merit points as per the methodology described in Section III - Qualification and Evaluation and the **BDS**.

36.4 The purchaser's evaluation of a bid will exclude and not take into account:

- a) any taxes other than taxes already paid in connection with the importation of goods manufactured outside of the purchaser's country that are already imported; and
- b) any allowance for price adjustment during the period of execution of the contract, if provided in the bid.

- 37. Comparison of Bids** 37.1 The purchaser shall compare all substantially responsive bids to determine the bid or the lot-combination that offers the best value for money, in accordance with ITB clause 36. 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.
- 37.2 In the case of use of the merit point system, the bid scoring the highest merit points will be recommended for award subject to verification of the qualification of the bidder submitting this bid.
- 38. Domestic Preference** 38.1 Unless otherwise specified in the **BDS**, domestic preference shall not be a factor in the bid evaluation of any bid submitted.
- 39. Abnormally Low Bids** 39.1 An abnormally low bid is one where the bid price, in combination with other constituent elements of the bid, appears unreasonably low to the extent that the bid price raises material concerns with the purchaser as to the capability of the bidder to perform the contract for the offered bid price.
- 39.2 In the event of identification of a potentially abnormally low bid, the purchaser shall seek written clarification from the bidder, including a detailed price analysis of its bid price in relation to the subject matter of the contract, scope, delivery schedule, allocation of risks and responsibilities and any other requirements of the bidding document.
- 39.3 After evaluation of the price analysis, in the event that the purchaser determines that the bidder has failed to demonstrate its capability to perform the contract for the offered bid price, the purchaser shall reject the bid.
- 40. Post-Qualification of the Bidder** 40.1 The purchaser shall determine to its satisfaction whether the bidder who is selected as having submitted the substantially responsive bid which offers the best value for money is qualified to perform the contract satisfactorily.
- 40.2 The determination shall be based upon an examination of the documentary evidence of a bidder's qualifications submitted by a bidder and the qualification criteria indicated in Section III - Qualification and Evaluation Criteria.
- 40.3 The purchaser reserves the right to request additional information with which to conduct a risk assessment of legal, technical and financial capacity of the bidder that is selected for contract award. The selected bidder, if requested, shall demonstrate that:

- a) is not involved in any litigation in respect of its bankruptcy, readjustment or liquidation;
- b) has a record of successful completion of similar contracts as requested in Section III - Qualification and Evaluation Criteria; and
- c) has an average annual turnover, or other evidence of financial strength reasonably sufficient to perform a contract in the amount of the bid as requested in Section III - Qualification and Evaluation Criteria.


40.4 An affirmative determination shall be a prerequisite for award of the contract to a bidder. A negative determination shall result in disqualification of the bid, in which event the purchaser shall proceed to the bid with the next lowest evaluated price to make a similar determination of that bidder's capabilities to perform satisfactorily.

F. Award of Contract

- 41. Award Criteria** 41.1 Subject to ITB clause 1.2, the purchaser shall award the contract to the bidder whose bid offers the best value for money as per the stipulated bid evaluation criteria and is considered substantially responsive to this bidding document, provided that the bidder is determined to be qualified to perform the contract satisfactorily.
- 42. Purchaser's Right to Vary Quantities at Time of Award** 42.1 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 V - Schedule of Requirements, provided this does not exceed the percentages indicated in the **BDS**, and without any change in the unit prices or other terms and conditions of the bid and the bidding document.
- 43. Notice of Intent to Award** 43.1 Prior to the expiration of the period of bid validity, the purchaser shall send the notice of intent to award to the successful bidder. The notice of intent to award shall include a statement that the purchaser shall issue a formal notification of award and a draft contract agreement after expiration of the period for filing a bid protest by unsuccessful bidders and the resolution of any bid protests and/or appeals that are submitted thereof. Delivery of the notice of Intent to award shall not constitute the formation of a contract between the purchaser and the successful bidder and no legal or equitable rights shall be created through the delivery of the notice of intent to award.
- 43.2 At the same time when it issues the notice of intent to award, the purchaser shall also notify, in writing, all other bidders of the results of the bid evaluation. The purchaser shall promptly respond in writing to any unsuccessful bidder who, after receiving notification of the bidding results, makes a written

request for a debriefing, or submits a formal protest as provided in the IFAD procurement handbook or the borrower's regulation.

- 44. Bid Protests** 44.1 Bidders may protest the results of a procurement only in accordance with the rules and within the time periods established in the module M of the IFAD Procurement Handbook. In case the time periods/deadlines for submitting a protest under the borrower's national procurement system differ from those stipulated in the IFAD Procurement Handbook, the borrower's regulation shall apply.
- 45. Signing of Contract**
- 45.1 Upon expiration of the period for timely filing and the resolution of any bid protests (and appeals, as applicable) that are submitted, the purchaser shall send the notification of award to the successful bidder.
- 45.2 The notification of award (or "letter of acceptance") shall include the contract forms for the review and signature of the successful bidder. Notification of award along with its written acceptance, shall constitute a binding contract until a formal contract is prepared and executed.
- 45.3 Within fourteen (14) days of receipt of the contract, the successful bidder shall sign, date, and return the contract to the purchaser.
- 46. Performance Security** 46.1 Within twenty-eight (28) days of receipt of the notification of award from the purchaser, the successful bidder shall furnish a performance security in accordance with GCC clause 16, using for that purpose the performance security form included in this bidding document.
- 46.2 Failure of the successful bidder to submit the performance security or to sign the contract in accordance with ITB sub-clauses 45.3 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 bidder, whose offer provides the next lowest evaluated bid, and is determined by the purchaser to be substantially responsive and qualified to perform the contract satisfactorily. In case of absence of such second lowest evaluated bid, the purchaser might call for new bids or drop the procurement package and reallocate the money to other contracts subject to IFAD's approval.
- 47. Publication of Award and Return of Bid Securities**
- 47.1 Upon receipt of the signed contract agreement and a valid performance security, the purchaser shall return the bid securities of unsuccessful bidders and shall publish in UNDB online, and on the IFAD's website, the results identifying the bid and the following information:
- a) the name of the winning bidder;

- 
- b) the price of the winning bid and the price of the contract award; and
 - c) the duration and the summary scope of the contract awarded.

Section II. Bid Data Sheet

A. General	
ITB 1.1	<p>The name and identification of the proposed contract is: SUPPLY AND DELIVERY OF FISH FEEDS</p> <p>Bid No: KEN-2000001132-0273-G-ICB</p> <p>The number and description of the lot(s) is: Lot 1- Busia County, Lot 2- Siaya County, Lot 3- Kisumu County, Lot 4- Homabay County, and Lot 5- Migori County.</p>
ITB 1.2	<p>The purchaser is AQUACULTURE BUSINESS DEVELOPMENT PROGRAMME (ABDP)-Kenya</p>
ITB 2.1	<p>The borrower is: <i>Government of Kenya</i></p> <p>Other donor than IFAD: <i>N/A</i></p> <p>Total amount of financing KES 14,900,000,000</p> <p>The name of the project is: AQUACULTURE BUSINESS DEVELOPMENT PROGRAMME (ABDP)</p>
ITB 7.1	<p>At present bidders from the following countries are excluded from bidding (as per national law of the borrower/recipient country and/or UN Security Council resolutions):</p>
B. Contents of Bidding Document	
ITB 10.1	<p>All requests for clarifications shall be submitted by: 16th December 2024. The purchaser shall respond to all requests for clarifications by 20th December 2024</p> <p>The address for requesting clarifications is:</p> <p style="text-align: center;">The Programme Coordinator, Aquaculture Business Development Programme (ABDP),</p>

	<p>IFAD Building, Kamakwa Road, opposite Nyeri Club</p> <p>P.O. Box 904, 10100, Nyeri, Kenya</p> <p>Email: procurement@abdpcu.org</p> <p>Purchaser's website address: www.abdpcu.org</p>
ITB 10.2	A pre-bid conference will not be held.
ITB 13.1	<p>The bid shall be written in English</p> <p>Supporting technical literature shall be translated into English</p>
C. Preparation of Bids	
ITB 14.1(h)	<p>A bidder shall submit with its bid the following additional documents which will comprise a part of the bid:</p> <ol style="list-style-type: none"> 1. Completed bid submission form 2. Completed bidding forms and price schedules 3. Bid security 4. Written Power of attorney
ITB 14.4	Currency of payment, for local companies who submit quotes in other currency other than Kenya Shillings, payment will be made in Kenya shillings after converting the currency of bid using the central Bank mean rate of the date of payment. A foreign company which does not have local presence will be paid in their currency of bid.
ITB 16.1	Alternative bids shall not be considered.
ITB 17.5	The Incoterms edition is Incoterms 2020
ITB 17.6(a)	The final destination of goods is: (Project Site)”: Is as specified under SR1 List of Goods / Spare Parts and Delivery Schedule/Place.
ITB 17.7	The prices quoted by a bidder shall be fixed for the duration of the contract
ITB 17.8	<p>Prices quoted for each lot (contract) shall correspond to at least to <i>100</i> percent of the items specified for each lot (contract).</p> <p>Prices quoted for each item of a lot shall correspond at least to <i>100</i> percent of the quantities specified for this item of a lot.</p>
ITB 18.1	The currency(ies) of the bid shall be as follows: Kenya shillings or any freely convertible currency
ITB 20.2	<p>Manufacturer's authorization is: Required</p> <p>The bidder: is not required to be the original manufacturer</p>
ITB 21.3	The list of spare parts, special tools, etc., shall cover a period of 10 years from the date of acceptance of the goods by the purchaser.
ITB 22.1	The bid validity period is 150 days

ITB 23.1	<p>A bid security <i>is</i> required to be submitted with a bid. The bid security in Kenya shillings shall be in the amount of:-</p> <table border="1"> <thead> <tr> <th>LOT</th> <th>County</th> <th>Bid Security Value</th> <th>Currency</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Busia</td> <td>314,640.00</td> <td>Kes</td> </tr> <tr> <td>2</td> <td>Siaya</td> <td>249,090.00</td> <td>Kes</td> </tr> <tr> <td>3</td> <td>Kisumu</td> <td>262,200.00</td> <td>Kes</td> </tr> <tr> <td>4</td> <td>Homabay</td> <td>275,310.00</td> <td>Kes</td> </tr> <tr> <td>5</td> <td>Migori</td> <td>327,750.00</td> <td>Kes</td> </tr> </tbody> </table> <p>A bid security in the form of a bank guarantee issued by a reputable bank located in the purchaser's country, in the form provided in the bidding documents and valid for thirty (30) days beyond the validity of the bid</p>	LOT	County	Bid Security Value	Currency	1	Busia	314,640.00	Kes	2	Siaya	249,090.00	Kes	3	Kisumu	262,200.00	Kes	4	Homabay	275,310.00	Kes	5	Migori	327,750.00	Kes
LOT	County	Bid Security Value	Currency																						
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4	Homabay	275,310.00	Kes																						
5	Migori	327,750.00	Kes																						
ITB 24.1	The written confirmation of authorization to sign on behalf of and bind the bidder shall consist of: Power of Attorney																								
ITB 24.2	The number of copies of the bid submitted shall be <i>INo original and INo copy</i>																								
D. Submission and Opening of Bids																									
ITB 25.1	Bids <i>may not</i> be submitted electronically.																								
ITB 25.2(b)	<p>For hard copy submission of bids only, the purchaser's address is:</p> <p style="text-align: center;">AQUACULTURE BUSINESS DEVELOPMENT PROGRAMME (ABDP)</p> <p style="text-align: center;">Att.: Procurement Office</p> <p style="text-align: center;">Address: IFAD Building, Kamakwa Road, opposite Nyeri Club</p> <p style="text-align: center;">P.O. Box 904, 10100, Nyeri, Kenya</p> <p style="text-align: center;">Email : procurement@abdpcu.org</p>																								
ITB 25.2(c)	<p>Identification marks on the envelopes shall include:</p> <p><i>Bid for Supply and Delivery of Fish Feeds</i></p> <p><i>Bid No.: KEN-2000001132-0273-G-ICB</i></p> <p><i>Respective Lot No: -</i></p> <p><i>NB: DO NOT OPEN BEFORE 11.00am EAT, 7th January 2025</i></p>																								
ITB 26.1	<p>The deadline for submission of bids is as follows:</p> <p><i>7th January 2025 at 1100hrs EAT (local time)</i></p>																								
E. Evaluation and Comparison of Bids																									

ITB 29.1	<p><i>The bids shall be opened on 7th January 2025 at 1130hrs EAT</i></p> <p>For bid opening purposes only, the purchaser's address is:</p> <p style="text-align: center;">The Programme Coordinator, Aquaculture Business Development Programme (ABDP) IFAD Building, Kamakwa Road, opposite Nyeri Club P.O. Box 904, 10100, Nyeri, Kenya</p>
ITB 34.1	<p>The currency that shall be used for bid evaluation and comparison is: Kenya Shillings (KES)</p> <p>The basis for conversion shall be: The Central Bank of Kenya selling rate</p> <p>The date for the exchange rate shall be: Bid Submission Date</p>
ITB 35.1	<p>The Examination of Terms and Conditions and Technical Evaluation will include: -</p> <p>Preliminary – (Yes/No)</p> <ol style="list-style-type: none"> a. Duly filled, signed and stamped letter of Bid b. Duly filled, signed and stamped bidder information form c. Duly completed, signed and stamped bidding forms and Price Schedules. d. Audited financial statements for the last three (3) years, supported by audit letters. e. Valid Tax Compliance Certificate in the country of domicile f. Evidence of incorporation in the country of domicile i.e. Certificate of Incorporation/Registration. g. The Bid validity period shall be 120 days from the date of Bid closing. h. Bid Security has to be valid for thirty (30) days beyond the validity of the Bid i.e. 150 days from the date of Bid closing. i. Power of Attorney for the person/s duly authorized to bind the Bidder to ABDP <p>Technical – (Yes/No)</p> <ol style="list-style-type: none"> i. Manufacturer's Authorization Letter to the Bid if bidder is not the manufacturer. ii. Feeds quoted meets the required technical specifications. Submit a clear catalogue containing the nutritional contents. iii. Evidence of having successfully supplied a minimum of five (5) contracts of equal or greater value for each lot quoted, within the last five (5) years for similar goods. Separate sets of contracts must be provided for each lot. If the same contract is submitted for multiple lots, it will only be considered for the first lot quoted. Proof of delivery for similar contracts to previous clients must be attached. iv. Annual turnover of Kes 10 M (per lot) for each of the last three (3) years. For example, for two Lots quoted the Annual Turnover is 20Million, 3 Lots is Kes 30Million etc v. List of references for each submitted contract stating the quantity of feed supplied. value and contact person. The project will undertake own due diligence from the client references vi. Quality inspection report from competent authorities or laboratory showing that the feed supplied in the past was tested and found to be compliant with the specifications <p>Attach for two of the past clients in No (iii) above.</p>

ITB 36.1	<p>Evaluation will be based upon: <i>per lot (contract)</i> and:</p> <p>Bids will be evaluated on complete lot by lot basis. If a price schedule (lot) shows items listed but not priced, their prices shall be assumed to be included in the prices of other items. An item “not listed” in the price schedule shall be assumed to be not included in the bid, and provided that the bid is substantially responsive and the number of such “non-listed” items does not exceed 10% of the total number of items in the price schedule (lot), then the average price of corresponding item/s quoted by substantially responsive bidders will be added to the bid price and the equivalent total cost of the bid so determined will be used for price comparison</p>
ITB 36.2	<p>The bid evaluation will be in accordance with best value for money (VFM) bid evaluation criteria:</p> <p>The award criteria shall be based on the lowest evaluated price (compliance method with no deviations allowed whatsoever</p>
ITB 38.1	<p>Domestic preference <i>shall not</i> be a factor in evaluation.</p> <p>If domestic preference applies, the application methodology shall be defined in Section III – Qualification and Evaluation Criteria.</p>
F. Award of Contact	
ITB 42.1	<p>The purchaser reserves the right to increase or decrease the quantities at award of each item by up to 15%</p>

Section III. Qualification and Evaluation Criteria

This section contains the factors, methods and criteria that the purchaser shall use to evaluate a bid and select the bid that offers the best value for money and subsequently to determine if such bid was submitted by a bidder who is qualified i.e. meets the bidder qualification criteria stipulated in this section.

Bid evaluation method and bid evaluation criteria

The bid evaluation method is as specified in BDS ITB 36.2 the lowest priced bid

In the lowest priced bid method: no bid evaluation criteria are applicable and the responsive bid (compliant to all the purchaser's requirements) which offers the lowest price shall be selected.

Multiple Lots/ Contracts

Bidders may offer discounts if awarded more than one lot. Discounts can be expressed either in monetary terms in the currency of the bid, or as a percentage of the bid price. In either case, the purchaser will apply the indicated discounts to the bid price as corrected in accordance with ITB clause 33.

The purchaser may award one or more contract(s) to the bidder(s) that offer(s) the best value for money of the lot combinations and meets the post-qualification criteria (post qualification criteria, below).

To determine the lot combination that offers the best value, the purchaser will:

- a. evaluate only bids that include at least the required percentages of items per lot and quantity per item as indicated in accordance with ITB 17.8;
- b. take into account:
 - i. the bid that offers the best value for money;
 - ii. the discounts and the methodology for their application as offered by a bidder in its bid; and
- c. consider the contract award combination that provides the optimal economic overall cost of the procurement package (all lots) to the purchaser taking into account any limitations due to constraints in supply or execution capacity determined in accordance with the post-qualification criteria, as described in ITB clause 40 and under post qualification criteria, below.

Post Qualification Criteria

After determining the bid that provides the best value for money in accordance with ITB clause 36 and sub-clause 37.1, the purchaser will carry out the post-qualification of the bidder in accordance with ITB clause 40, using only the factors, methods and criteria specified in ITB clause 40 and those listed below. Factors not included in ITB clause 40 and this section shall not be used in the evaluation of a bidder's post-qualification. The post qualification criteria are as follows:

- (a) Demonstration to the satisfaction of the purchaser that the bidder has in place sufficient safety policy documents and safety awareness to be able to perform in a safe and workmanlike manner and in compliance with IFAD’s SECAP standards and applicable national legislation; such information includes a narrative that the bidder possess a high level of health and safety (“H&S”) management expertise and can successfully manage the H&S risks related to the delivery of the goods and related services and is capable of abiding by H&S requirements stipulated in Section V - Schedule of Requirements.
- (b) Signature of the self-certification form;
- (c) Manufacturer’s authorization to the bidder for the sale of goods in the purchaser’s country and that the goods will be covered by the manufacturer’s warranty and the obligation to maintain supply of spare parts for the required number of years.
- (d) Past performance qualification criteria as follows:
 - i. Financial capability: The bidder shall furnish documentary evidence that it meets the following financial requirement(s):
 - a) Certified as true copies of original audited financial statements for the last three (3) years (2021,2022, 2023), duly stamped and signed by accredited auditors and company directors to guide in analyzing the Bidders financial strengths (Turnover – worth at least 3 times the value of contract sum; Standard Liquidity requirements; Standard Financial Leverages among others).
 - b) Where internal financial resources are insufficient, the bidder shall provide a letter from the Bidders Bank confirming the current Bidders Credit Access Line to guarantee funding when awarded the contract.
 - ii. Experience and technical capacity: The bidder shall provide documentary evidence to demonstrate that they meet the following experience requirement(s): The bidder has supplied similar goods through a minimum of five (5) contracts, each with a value equal to or greater than the bid price, within the last five (5) years for each lot quoted. Separate sets of contracts must be provided for each lot. If the same contract is submitted for multiple lots, it will only be considered for the first lot quoted. Additionally, proof of delivery from previous clients must be provided. This information will be verified.
 - iii. Nonperforming contracts and litigation: The bidder shall furnish documentary evidence to demonstrate that non-performance of a contract did not occur within the last five (5) years prior to the deadline for submission of bids, based on all information on fully settled disputes or litigation. All pending litigation shall in total not exceed 10% of the bidder’s net worth.
 - iv. Confirmation of production/ supply capability.

Usage requirements: The bidder shall furnish documentary evidence to demonstrate that the goods it offers meet the following usage requirement: *Manufacturer’s Authorization, Kenya Bureau of Standards certification, or equivalent certification.*

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BSF1 Bid Submission Form

[The bidder shall complete this form in accordance with the instructions indicated. No alterations to its format shall be permitted and no substitutions shall be accepted.]

Re: XXXXXXXXXXXXXXXXXXXXXXXXXX

Bid Ref: XXXXXXXXXXXXXXXXXXXXXX

We, the undersigned, declare that:

1. We have examined and have no reservations to the bidding document, including addenda thereto issued in accordance with the Instructions to bidders.
2. We offer to supply in conformity with the bidding document and in accordance with the delivery schedules specified in Section V - Schedule of Requirements referenced above.
3. The total price of our bid, excluding any discounts offered in point 4 below is:
4. The discounts offered and the methodology for their application are:
 - a. Discounts: If our bid is accepted, the following discounts shall apply. *[Specify in detail each discount offered and the specific item of Section V - Schedule of Requirements to which it applies.]*
 - b. Methodology of application of the discounts: The discounts shall be applied using the following: *[Specify in detail the method that shall be used to apply the discount.]*
5. Our bid shall be valid from the date fixed for the bid submission deadline in accordance with ITB sub-clause 26.1 through the period of time established in accordance with ITB sub-clause 22.1, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
6. If our bid is accepted, we commit to obtain a performance security in accordance with GCC clause 16 and as described in ITB clause 46 for the due performance of the contract.
7. We, including any subcontractors or sub-suppliers for any part of the contract, have nationalities from eligible countries *[Insert the nationality of the bidder, including that of all parties that comprise the bidder, if the bidder is a joint venture, and the nationality of each subcontractor and supplier].*
8. Our firm, its associates, including any subcontractors or suppliers for any part of the contract, have not been declared ineligible by the Fund and have not been subject to sanctions or debarments under the laws or official regulations of the purchaser's country or not been subject to a debarment recognized under the Agreement for Mutual Enforcement of Debarment Decisions

(the "Cross-Debarment Agreement")³ in accordance with ITB clause 7, beyond those declared in paragraph 13 of this bid submission form.

9. We acknowledge and accept the IFAD Revised Policy on Preventing Fraud and Corruption in its Activities and Operations. We certify that neither our firm nor any person acting for us or on our behalf has engaged in any prohibited practices as provided in ITB clause 3. Further, we acknowledge and understand our obligation to report to anticorruption@ifad.org any allegation of prohibited practice that comes to our attention during the selection process or the contract execution. As part of this, we certify that:

(a) The prices in this bid have been arrived at independently, without any consultation, communication, or agreement with any other party, including another bidder or competitor, or for the purpose of restricting competition, relating to:

(i) those prices;

(ii) the intention to submit an offer; or

(iii) the methods or factors used to calculate the prices offered.

(b) The prices in this bid have not been and will not be knowingly disclosed by us, directly or indirectly, to any other bidder or competitor before bid opening unless otherwise explicitly required by law; and

(c) No attempt has been made or will be made by us to induce any other bidder to submit or not to submit an offer for the purpose of restricting competition.

10. We acknowledge and accept the IFAD Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse. We certify that neither our firm nor any person acting for us or on our behalf has engaged in any sexual harassment, sexual exploitation or abuse, as provided in ITB clause 4. Further, we acknowledge and understand our obligation to report to ethicsoffice@ifad.org any allegation of sexual harassment, sexual exploitation and abuse that comes to our attention during the selection process or the contract execution.

11. The following commissions, gratuities, or fees have been paid or are to be paid with respect to the bid process: *[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

³ The Cross-Debarment Agreement was entered into by the World Bank Group, the Inter-American Development Bank, the African Development Bank, the Asian Development Bank and the European Bank for Reconstruction and Development, additional information may be located at: <http://crossdebarment.org/>.

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

12. We declare that neither the bidder nor any of its directors, partners, proprietors, key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners have any actual, potential or perceived conflict of interest as defined in ITB clause 7.3 regarding this bid process or the execution of the contract. *[Insert if needed: “other than the following:” and provide a detailed account of the actual, potential or perceived conflict].* We understand that we have an ongoing disclosure obligation on such actual, potential or perceived conflicts of interest and shall promptly inform the purchaser and the Fund, should any such actual, potential or perceived conflicts of interest arise at any stage of the procurement process or contract execution.



13. The following criminal convictions, administrative sanctions (including debarments) and/or temporary suspensions have been imposed on the bidder and/or any of its directors, partners, proprietors, key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners:

Nature of the measure (i.e., criminal conviction, administrative sanction or temporary suspension)	Imposed by	Name of party convicted, sanctioned or suspended (and relationship to bidder)	Grounds for the measure (i.e., fraud in procurement or corruption in contract execution)	Date and time (duration) of measure

If no criminal convictions, administrative sanctions or temporary suspensions have been imposed, indicate “none”.

14. We acknowledge and understand that we shall promptly inform the purchaser about any material change regarding the information provided in this bidform.

15. We further understand that the failure to properly disclose any of information in connection with this bid form may lead to appropriate actions, including our disqualification as bidders, the termination of the contract and any other as appropriate under the IFAD Policy on Preventing Fraud and Corruption in its Projects and Operations.

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16. We understand that this bid, together with your written acceptance thereof included in your notification of award, shall only constitute a binding contract between the firm and the purchaser subject to the preparation and execution of the appropriate contract.
 17. We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive.

Signed:

[Print Name]

In the capacity of:

Duly authorized to sign on behalf of:

BSF2 Price Schedule for Goods Manufactured Outside the Purchaser's Country, to be imported

Re: **SUPPLY AND DELIVERY OF FISH FEEDS**

Bid Ref: **KEN-2000001132-0273-G-ICB**

				(Group C Bids, goods to be imported)			Date: _____	
				Currencies in accordance with ITB 18			RFB No: _____	
							Alternative No: _____	
							Page N° □ of	
1	2	3	4	5	6	7	8	9
Line item n°	Description of goods	Country of origin	Delivery date as defined by Incoterms	Quantity and physical unit	Unit price CIP <i>[insert place of destination]</i>	CIP price per line item (Col. 5x6)	Price per line item for inland transportation and other services required in the purchaser's country to convey the goods to their final destination specified in BDS	Total price per line item (Col. 7+8)
<i>[insert number of the item]</i>	<i>[insert name of good]</i>	<i>[insert country of origin of the good]</i>	<i>[insert quoted delivery date]</i>	<i>[insert number of units to be supplied and name of the physical unit]</i>				
							Total price	

Name of bidder:
Section IV Bid Forms

Signature of bidder *[signature of person signing the bid]* Date *[insert date]*

Supply and delivery of Fish Feeds Ref; KEN-2000001132-0273-G-ICB

BSF3 Price Schedule for Goods Manufactured Outside the Purchaser's Country, already Imported⁴

Re: **SUPPLY AND DELIVERY OF FISH FEEDS**

Bid Ref: **KEN-2000001132-0273-G-ICB**

(Group C Bids, Goods already imported)									Date: _____		
Currencies in accordance with ITB 18									RFB No: _____		
									Alternative No: _____		
									Page N° □ of ____		
1	2	3	4	5	6	7	8	9	10	11	12
Line item N°	Description of goods	Country of origin	Delivery date as defined by incoterms	Quantity and physical unit	Unit price including custom duties and import taxes paid	Custom duties and import taxes paid per unit	Unit price net of custom duties and import taxes (c) (iii) (Col. 6 minus Col.7)	Price per line item net of custom duties and import taxes paid,	Price per line item for inland transportation and other services required in the purchaser's country to convey the goods to their final destination,	Sales and other taxes paid or payable per item if contract is awarded	Total price per line item (Col. 9+10)
<i>[insert number of the item]</i>	<i>[insert name of goods]</i>	<i>[insert country of origin of the good]</i>	<i>[insert quoted delivery date]</i>	<i>[insert number of units to be supplied and name of the physical unit]</i>	<i>[bidder to insert unit price per unit]</i>	<i>[bidder to insert custom duties and taxes paid per unit]</i>	<i>[bidder to insert unit price net of custom duties and import taxes]</i>	<i>[bidder to insert price per line item net of custom duties and import taxes]</i>	<i>[bidder to insert price per line item for inland transportation and other services required in the purchaser's country]</i>	<i>[bidder to insert sales and other taxes payable per item if contract is awarded]</i>	<i>[bidder to insert total price per line item]</i>

⁴ For previously imported goods, the quoted price shall be distinguishable from the original import value of these goods declared to customs and shall include any rebate or mark-up of the local agent or representative and all local costs except import duties and taxes, which have been and/or have to be paid by the purchaser. For clarity the bidders are asked to quote the price including import duties, and additionally to provide the import duties and the price net of import duties which is the difference of those values



										Total bid price	

Name of bidder _____ Signature of bidder _____ Date _____

BSF4 Price Schedule for Goods Manufactured in the Purchaser's Country

Re: **SUPPLY AND DELIVERY OF FISH FEEDS**

Bid Ref: **KEN-2000001132-0273-G-ICB**

Purchaser's Country _____				(Group A and B Bids) Currencies in accordance with ITB 18				Date: RFB No: _____ Alternative No: _____ Page N° □ of ____	
1	2	3	4	5	6	7	8	9	10
Line item n°	Description of goods	Delivery date as defined by incoterms	Quantity and physical unit	Unit price EXW	Total EXW price per line item (Col. 4×5)	Price per line item for inland transportation and other services required in the purchaser's country to convey the goods to their final destination	Cost of local labor, raw materials and components from with origin in the purchaser's country % of Col. 5	Sales and other taxes payable per line item if contract is awarded	Total price per line item (Col. 6+7)
[insert number of the item]	[insert name of good]	[insert quoted delivery date]	[insert number of units to be supplied and name of the physical unit]	[bidder to insert EXW unit price]	[bidder to insert total EXW price per line item]	[bidder to insert the corresponding price per line item]	[bidder to Insert cost of local labour, raw material and components from within the purchase's country as a % of the EXW price per line item]	[bidder to insert sales and other taxes payable per line item if contract is awarded]	[bidder to insert total price per item]
								Total price	

Name of bidder _____ Signature of bidder _____ Date _____

BSF5 Price and Completion Schedule for Related Services

Re: **SUPPLY AND DELIVERY OF FISH FEEDS**

Bid Ref: **KEN-2000001132-0273-G-ICB**

Item	Description of related services (excludes inland transportation and other services required in the purchaser's country to convey the goods to their final destination)	Country of origin	Delivery date at final destination	Quantity and physical unit	Unit price	Total price of item (col. 5 x 6)
Name of bidder _____			Signature of bidder _____		Total bid price _____	
					Date _____	

BSF6 Bidder Information Form

Re: **SUPPLY AND DELIVERY OF FISH FEEDS**

Bid Ref: KEN-2000001132-0273-G-ICB

1. Constitution or Bidder's legal status	
Place of registration	
Principal place of business	
2. Legal name of each party of the joint venture (if applicable)	
<i>[insert legal name of each party in joint venture and complete form BSF7: party to joint venture information form below for each joint venture party]</i>	
3. Attached are copies of:	
<input type="checkbox"/> Articles of incorporation or registration of the bidder named in 1 above; demonstrating the bidder's eligibility in accordance with ITB clause 7;	
<input type="checkbox"/> Letter of intent to form joint venture or joint venture agreement, if applicable, in accordance with ITB clause 7;	
<input type="checkbox"/> Proper authority of the signatory of the Bidder in accordance with ITB sub-clause 24.1;	
<i>["Tick" the boxes and attach documents to the bid.]</i>	

The information filled in above by bidders shall be used for purposes of post qualification as provided for in ITB clause 40. This information shall not be incorporated into the contract. The bidder is to adapt and extend this form BSF6 as necessary. Pertinent sections of attached documents should be translated into English.

BSF7 Party to Joint Venture Information Form

Re: SUPPLY AND DELIVERY OF
FISH FEEDS
Bid Ref: KEN-2000001132-0273-G-ICB

1. Constitution or joint venture member's legal status	
Place of registration	
Principal place of business	
2. Attached are copies of original documents of:	
<input type="checkbox"/> Articles of incorporation or registration of the entity named in 1 above; demonstrating the entity's eligibility in accordance with ITB clause 7;	
<input type="checkbox"/> Letter of intent to form joint venture or joint venture agreement, if applicable, in accordance with ITB clause 7;	
<input type="checkbox"/> Proper authority of the signatory of the entity named in section I above in the same manner as contemplated for bidders in ITB sub-clause 27.1;	
<i>["Tick" the boxes and attach documents to the bid.]</i>	

The information listed above shall be provided for each member of a joint venture.

Attach the agreement among all members of the joint venture (and which is legally binding on all members), which shows that:

1. all members shall be jointly and severally liable for the execution of the contract in accordance with the contract terms;
2. one of the members shall be nominated as being in charge, authorized to incur liabilities and receive instructions for and on behalf of all members of the joint venture; and
3. the execution of the entire contract, including payment, shall be done exclusively with the member in charge.

BSF8 Form of Bid Security (Bank Guarantee)

[The bank, as requested by the bidder, shall fill in the form in accordance with the instructions indicated]

Bank: *[Bank's name, and address of issuing branch or office]*

Beneficiary: *[Name and address of purchaser]*

Date: *[insert date]*

Bid Reference No.: _____

Bid Guarantee No.: _____

We have been informed that *[insert name of bidder]* (hereinafter “the bidder”) has submitted its bid dated *[insert day, month, year]* for the supply of *[insert name of goods]* (hereinafter called “the bid”) under the bid reference No. stated above.

Furthermore, we understand that, according to your conditions, bids must be supported by a bid guarantee.

At the request of the bidder, we *[insert name of bank]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of *[insert amount in figures]* (*[insert amount in words]*) upon receipt by us of your first demand in writing accompanied by a written statement stating that the bidder is in breach of its obligation(s) under the bid conditions, because the bidder:

- (a) has withdrawn its bid during the period of bid validity of 150 days, specified by the bidder in the bid submission form, except as provided in the instructions to bidders, clause 22.2; or
- (b) If the bidder, having been notified that it has submitted the bid that provides the lowest evaluated bid, does not accept the correction of errors in its bid by the purchaser, pursuant to ITB clause 33; or
- (c) If the bidder, having been notified of the acceptance of its bid by the purchaser, fails within the specified time to:
 - (i) furnish the performance security, in accordance with GCC clause 16 and as described in ITB clause 46, or
 - (ii) execute the contract agreement, in accordance with ITB clause 45.

This guarantee will expire: (a) if the bidder is the successful bidder, upon our receipt of copies of the contract signed by the bidder and the performance security issued to you upon the instruction of the bidder; or (b) if the bidder is not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification that the successful bidder has signed the contract and furnished the required performance security; or (ii) twenty-eight (28) days after the expiration of the bidder's bid validity period.

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

[Issuing bank to delete whichever is not applicable] We confirm that *[we are a financial institution legally authorized to provide this guarantee in the purchaser's country]* *[or]* *[we are a financial institution located outside the purchaser's country but have a correspondent financial institution located in the purchaser's country that will ensure the enforceability of this guarantee. The name of our*

correspondent bank and contact information is as follows: *(insert name, address, phone number, and email address)*].

This guarantee is subject to the Uniform Rules for Demand Guarantees, 2010 Revision, ICC Publication No. 758, except as may otherwise be stated above.

Signed:

In the capacity of:

[Print name]

duly authorized to sign the bid security for
and on behalf of

*[Insert name, address of financial
institution]*

Dated on

[Insert date]

BSF9 Form of Bid-Securing Declaration (Not applicable for this tender)

[The bidder shall fill in this form in accordance with the instructions indicated.]

Date: *[date (as day, month and year)]*

Bid Ref. No.: *[insert]*

Alternative No.: *[insert identification No. if this is a bid for an alternative]*

To: *[complete name of purchaser]*

We, the undersigned, declare that:

We understand that, according to your conditions, bids must be supported by a bid-securing declaration.

We accept that we will automatically be suspended from being eligible for bidding or submitting proposals in any contract with the purchaser for the period of time of *[number of months or years]* starting on *[date]*, if we are in breach of our obligation(s) under the bid conditions, because we:

- (a) have withdrawn our bid during the period of bid validity specified in the letter of bid; or
- (b) having been notified of the acceptance of our bid by the purchaser during the period of bid validity, (i) fail or refuse to sign the contract; or (ii) fail or refuse to furnish the performance security, if required, in accordance with the ITB 46.

We understand this bid securing declaration shall expire if we are not the successful bidder, upon the earlier of (i) our receipt of your notification to us of the name of the successful bidder; or (ii) twenty-eight days after the expiration of our bid.

Name of the bidder* _

Name of the person duly authorized to sign the bid on behalf of the bidder** _____

Title of the person signing the bid _____

Signature of the person named above _____

Date signed _____ day of _____, _____

*: 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 attached to the bid

[Note: In case of a joint venture, the bid-securing declaration must be in the name of all members to the joint venture that submits the bid.]

BSF10 Environmental, Social, Health and Safety Forms

Re: XXXXXXXXXXXXXXXXXXXXXXXXX

Bid Ref: XXXXXXXXXXXXXXXXXXXXX

We, the undersigned, declare that:

- (a) The attached health and safety (“H&S”) data sheets, licenses, permits or other documents as listed below and required by Section V - Schedule of Requirements are current and valid; and,
- (b) The attached environmental and social permits, licenses or other documents as listed below and required by Section V - Schedule of Requirements are current and valid.

Signed:

In the capacity of:

[Print name]

duly authorized to sign the bid security for and
on behalf of

[Insert name, address of financial institution]

Dated on

[Insert date]

BSF11 Manufacturer's Authorization

Re: XXXXXXXXXXXXXXXXXXXXXXXXXX

Bid Ref: XXXXXXXXXXXXXXXXXXXXXX

[This letter of authorization should be on the letterhead of the manufacturer of the goods and should be signed by a person with the proper authority to sign documents that are binding on such manufacturer. A bidder shall include this letter of authorization in its bid, if so indicated in the BDS].

Whereas

We, *[insert name of manufacturer]* are reputable manufacturers of *[insert type of goods manufactured]* having factories at *[insert location(s) of factories]*.

Therefore, we do hereby

- (a) Authorize *[insert name of bidder]* to submit a bid in response to the invitation for bids indicated above. The purpose of such bid is to provide the following goods: *[insert description of goods]* manufactured by us, and to subsequently negotiate and sign the contract for the supply of such goods.

and

- (b) Extend our full guarantee and warranty in accordance with clause 29 of the general conditions of contract, with respect to the goods offered in the bid.

Signed:

In the capacity of:

[Print name]

duly authorized to sign the bid security for and on behalf
of

[Insert name, address of financial institution]

Dated on

[Insert date]

BSF12 Financial Capacity of the Bidder

[The bidder's financial capacity to supply the required goods is imperative. The bidder is required to provide information on its financial status. This requirement can be met by submission of audited financial statements for the last three (3) years, supported by audit letters.

Failure to submit the documents as evidence of financial capacity will result in the rejection of the bid.

If the bid is submitted by a joint venture, all parties of the joint venture are required to submit their financial statements.

The purchaser reserves the right to request additional information about the financial capacity of the bidder. A bidder that fails to demonstrate through its financial records that it has the financial capacity to supply the required goods may be disqualified.]

BSF13 Current and Past Proceedings, Litigation, Arbitration, Actions, Claims, Investigations and Disputes of the Bidder

[Provide information on current or past proceedings, litigation, arbitration, action claims, investigations or disputes over the last five (5) years as shown in the form below.]

The bidder, or a related company or entity or affiliate, has been involved in any proceeding, litigation, arbitration, action, claim, investigation or dispute within the past five (5) years the process or outcome of which the purchaser could reasonably interpret may impact or have the potential to impact the financial or operational condition of the bidder in a manner that may adversely affect the bidder's ability to satisfy any of its obligations under the contract: No: _____ Yes: _____ (See below)

Litigation, arbitration, actions, claims, investigations, disputes during last five (5) years

Year	Matter in dispute	Value of award against the bidder in US\$ equivalent or the value of the case in dispute (if litigation/arbitration is still ongoing)
------	-------------------	---



BSF14 List of Spare Parts and Tools

[Provide detail on available sources and current prices of spare parts, special tools that are necessary for the proper and continuing functioning of the goods (see ITB 21.3)]



Part 2 Supply Requirements

Section V. Schedule of Requirements

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SR1 List of Goods / Spare Parts and Delivery Schedule/Place

Line Item n°	Description of goods				Quantity	Physical unit	Final destination as specified in BDS ITB 17.6	Purchaser's required delivery date (as per Incoterms)		Bidder's offered delivery date	
								Earliest delivery date	Latest delivery date		
Lot	County	Crumbles in 25Kg Bags	2mm in 25Kg Bags	3mm in 25Kg Bags	4mm in 25Kg Bags	Total 25Kg Bags	<i>[insert physical unit for the quantity]</i>	<i>[insert place of delivery]</i>	<i>[insert the number of days following the date of effectiveness this contract]</i>	<i>[insert the number of days following the date of effectiveness this contract]</i>	<i>[insert the number of days following the date of effectiveness this contract]</i>
1	Busia	984	1,656	3,312	2,328	8,280	25kgs bag	County Headquarters	60	75	
2	Siaya	779	1,311	2,622	1,843	6,555	25kgs bag	County Headquarters	60	75	
3	Kisumu	820	1,380	2,760	1,940	6,900	25kgs bag	County Headquarters	60	75	
4	Homabay	861	1,449	2,898	2,037	7,245	25kgs bag	County Headquarters	60	75	
5	Migori	1,025	1,725	3,450	2,425	8,625	25kgs bag	County Headquarters	60	75	

SR2 List of Related Services and Completion Schedule

N/A	N/A	N/A	N/A	N/A	N/A

SR3 Technical Specifications

Type of feeds	Nutritional Analysis (Minimum Requirement)	Ingredients	Packaging
Crumbles	Crude protein % 40 Crude fat % 5	Maize, Soybean meal, Fish meal, meat & bone meal, animal products, maize products, vitamins, minerals amino acids.	<ul style="list-style-type: none"> • Packaged in 25kgs nylon gunny bags well insulated from moisture. • Shelf life of not less than 12months from date of production • Clear labeling of production and expiry date • Clear branding of GOK, ABDP and IFAD logo on front side of packaging bag. With a “NOT FOR RESALE” captioned • Clear table of ingredients and nutritional analysis well branded on back side of gunny bag. Also include table of recommended feeding regime.
2mm Grower of extruded floating pellet size	Crude protein % 36 Crude fat % 5 Crude Fiber % 3.5 Crude Ash % 10	Maize, Soybean meal, Fish meal, meat & bone meal, animal products, maize products, vitamins, minerals amino acids.	
3mm Grower of extruded floating pellet size	Crude protein % 32 Crude fat % 5 Crude Fiber % 4 Crude Ash % 9	Maize, soybean meal, meat & bone meal, maize products, wheat products, fish meal, animal products, vitamins, minerals and amino acids.	
4mm Finisher of extruded floating pellet size	Crude protein % 30 Crude fat % 5 Crude Fiber % 6 Crude Ash % 8	Maize, soybean meal, meat & bone meal, maize products, wheat products, fish meal, sunflower meal, animal products, vitamins, minerals and amino acids.	

SR4 Drawings

This bidding document includes the following drawings:

List of Drawings		
Drawing No.	Drawing Name	Purpose
N/A	N/A	N/A

SR5 Inspections and Tests

The following inspections and tests shall be performed on the goods:

1. Pre-Export Verification of Conformity (PVoC) to Standards program, inspection, shall be carried out by a competent pre-shipment inspection company accredited by KEBS to confirm that the goods meet the requirements of Kenya Standards or any other standards approved by KEBS at the supplier's own expense. All imports which will not meet the requirements of Kenya Standards or any other standards approved by KEBS as prohibited imports and will be returned to the importer at their cost.
2. At the delivery point: -
 - a. Quality and quantity inspection, at the supplier's own expense and responsibility in terms of the items specified in the specifications.



SR6 Environmental, Health and Safety Procedures

The supplier shall abide by the following environmental, health and safety requirements:

1. Provide evidence of annual environmental and social audits
2. Provide evidence of a workplace health and safety certificate



Part 3: Conditions of Contract and Contract Forms



Section VI. Form of Contract Agreement & General Conditions of Contract

Form of Contract Agreement

This agreement made the _____ day of _____ 20 between **Aquaculture Business Development Programme** of the purchaser's country (hereinafter called "the purchaser") of the one part and *[name of supplier]* of *[city and country of supplier]* (hereinafter called "the supplier") of the other part:

Whereas the purchaser invited bids for certain goods and ancillary services, viz. **Supply and delivery of fish feeds** has accepted a bid by the supplier for the supply of those goods and services in the sum of *[contract price in words and figures]* (hereinafter called "the contract price").

Now this agreement witness as follows:

1. In this agreement words and expressions shall have the same meanings as are respectively assigned to them in the conditions of contract.
2. The following documents shall be deemed to form and be read and construed as part of this agreement, viz.:
 - (a) this form of contract agreement;
 - (b) the bid form and the price schedule submitted by the bidder;
 - (c) the schedule of requirements;
 - (d) the technical specifications;
 - (e) the contractor's self-certification form;
 - (f) the special conditions of contract;
 - (g) the general conditions of contract;
 - (h) the purchaser's notification of award; and
 - (i) the Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.
3. In consideration of the payments to be made by the purchaser to the supplier as hereinafter mentioned, 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.

In witness whereof the parties hereto have caused this agreement to be executed in accordance with their respective laws the day and year first above written.

Signed, sealed, delivered by _____ the _____ (for the purchaser)

Signed, sealed, delivered by _____ the _____ (for the supplier)

General Conditions of Contract

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General Conditions of Contract

1. Definitions

1.1 The terms used in this contract and not otherwise defined have the meanings given such terms in the financing agreement or related document. Unless the context otherwise requires, the following terms whenever used in this contract have the following meanings:

- a) “Acceptance” means the acceptance by the purchaser of the goods and related services (or any portion of the goods where the contract provides for acceptance of the goods in parts), in accordance with GCC Clause 42.
- b) “Applicable law” has the meaning given the term in the **SCC**.
- c) “Bid” means the bid for the provision of the goods and the related services submitted by the supplier and accepted by the purchaser and that forms an integral part of this contract.
- d) “Bidding document” has the meaning given the term in the **SCC**.
- e) “Completion” means the fulfilment of the related services by the supplier in accordance with the terms and conditions set forth in this contract.
- f) “Contract” means this agreement entered into between the purchaser and the supplier, to provide the goods and related services and consists of the documents listed in GCC sub-clause 2.7, as the same may be amended, modified, or supplemented from time to time in accordance with the terms of this agreement.
- g) “Contract price” means the price to be paid for the provision of the goods and related services, in accordance with GCC sub-clause 13.1.
- h) “Country” has the meaning given the term in the **SCC**.
- i) “Day” means a calendar day.
- j) “Delivery” means the transfer of ownership of the goods from the supplier to the purchaser in accordance with the terms and conditions set forth in this contract.
- k) “EHS” has the meaning given the term in GCC sub-clause 23.1
- l) “Eligible countries” has the meaning given such term in GCC sub-clause 7.1.
- m) “Final destination” has the meaning given the term in the **SCC**.

- n) “Financing agreement” has the meaning given the term in the recital clauses to the contract agreement.
- o) “GCC” means these general conditions of contract.
- p) “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 this contract.
- q) “Government” means the government of the purchaser’s country;
- r) “IFC performance standards” means the international finance corporation’s performance standards on environmental and social sustainability.
- s) “SECAP” means IFAD’s Social Environmental and Climate Assessment Procedures (SECAP).
- t) “IFAD” or “The Fund” has the meaning given the term in the recital clauses to this contract.
- u) “IFAD funding” has the meaning given the term in the recital clauses to this contract.
- v) “IFAD procurement guidelines” means the IFAD procurement guidelines as approved by IFAD’s executive board posted on the IFAD website, as may be amended from time to time.
- w) “Notification of award” means the notice sent from the purchaser to the supplier notifying the supplier that it was the successful bidder and that its bid had been accepted and that forms an integral part of this contract.
- x) “Party” means the purchaser or the supplier, as the case may be, and “parties” means both of them.
- y) “Primary suppliers” means any person or legal entity who provides goods or materials essential for the contract
- z) “Purchaser” has the meaning given the term in the in the **SCC**.
- aa) “Related services” means the services incidental to the supply of the goods, such as insurance, installation, training and initial maintenance and other similar obligations of the supplier under this contract.
- bb) “SCC” means the special conditions of contract by which the GCC may be amended or supplemented.

- cc) “Schedule of requirements” means the schedule of requirements (including the technical requirements) set forth in Section V of the bidding document.
- dd) “Subcontractor” means any person or entity to whom any part of the goods to be supplied or execution of any part of the related services is subcontracted by the supplier in accordance with the terms of this contract.
- ee) “Supplier” has the meaning given the term in the initial paragraph to this contract.
- ff) “Tax” and “taxes” have the meanings given the terms in the financing agreement or related agreement.

2. Interpretation and General Matters

- 2.1 Unless otherwise indicated, throughout this contract:
- a) “Confirmation” means confirmation in writing;
 - b) “In writing” means communicated in written form (e.g., by mail, e-mail, or facsimile) delivered with proof of receipt;
 - c) except where the context requires otherwise, words indicating the singular also include the plural and words indicating the plural also include the singular;
 - d) the feminine means the masculine and vice versa; and
 - e) the headings are for reference only and shall not limit, alter or affect the meaning of this contract.

Incoterms

2.2 Unless inconsistent with any provision of this contract, the meaning of any trade term and the rights and obligations of the parties thereunder shall be as prescribed by the current edition of Incoterms as specified in the **SCC**. Incoterms are the international rules for interpreting trade terms published by the International Chamber of Commerce, 38 Cours Albert 1er, 75008 Paris, France.

Entire Agreement

2.3 This 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 made prior to the date of this contract. No agent or representative of either party has the authority to make, and the parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth in this contract.

Amendment

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

Waivers, Forbearance, Etc.

2.5 The following shall apply with respect to any waivers, forbearance, or similar action taken under this contract.

- a) Any waiver of a party's rights, powers, or remedies under this contract must be in writing, dated, and signed by an authorized representative of the party granting such waiver, and must specify the terms under which the waiver is being granted.
- b) No relaxation, forbearance, delay, or indulgence by either party, as the case may be, in enforcing any of the terms and conditions of this contract or the granting of time by either party to the other shall prejudice, affect, or restrict the rights of that party under this contract, neither shall any waiver by either party of any breach of contract operate as waiver of any subsequent or continuing breach of contract.

Severability

2.6 If any provision or condition of this 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 this contract

Documents Making Up This Contract

2.7 The following documents are deemed to form an integral part of this contract and shall be interpreted in the following order of priority:

- a) the Form of Contract Agreement consisting of the initial paragraphs, recitals and other clauses set forth immediately prior to the GCC and including the signatures of the purchaser and the supplier;
- b) the bid form;
- c) the purchaser's notification of award;
- d) the special conditions of contract;
- e) the general conditions of contract
- f) the price schedules submitted by the bidder and the schedule of requirements;
- g) the technical specifications;
- h) the contractor's self-certification form;
- i) the Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations; and
- j) any other document listed in the SCC as forming part of this contract.

3. Prohibited Practices

3.1 The Fund requires that all beneficiaries of IFAD funding, including the purchaser and any bidders, implementing partners, service providers, suppliers, sub-suppliers, contractors, sub-contractors, consultants, sub-consultants, and any of their agents (whether declared or not) and personnel observe the highest standards of ethics during the procurement and execution of such contracts, and comply with IFAD's Policy on Preventing Fraud and Corruption in its Activities and Operations, revised on 12 December 2018 and attached as Section IX of this document (EB 2018/125/R.6, hereinafter "IFAD's Anti-Corruption Policy").

3.2 For the purposes of these provisions, and consistent with IFAD's Anticorruption Policy, the terms set forth below are defined as follows, and sometimes referred to collectively as "Prohibited Practices":

- a) "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value in order to improperly influence the actions of another party;
- b) "fraudulent practice" is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party in order to obtain a financial or other benefit or to avoid an obligation;
- c) "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including improperly influencing the actions of another party;
- d) "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of any party, to improperly influence the actions of that or another party;
- e) "obstructive practice" is (i) deliberately destroying, falsifying, altering or concealing evidence that may be material to an investigation by the Fund or making false statements to investigators in order to materially impede an investigation by the Fund; (ii) threatening, harassing or intimidating any party in order to prevent that party from disclosing its knowledge of matters relevant to an investigation by the Fund or from pursuing such an investigation; and/or (iii) the commission of any act intended to materially impede the exercise of the Fund's contractual rights of audit, inspection and access to information.

3.3 The Fund will deny approval of a proposed contract award if it determines that the firm or individual recommended for award, or any of its personnel or agents, or its sub-consultants, sub-contractors,

service providers, suppliers, sub-suppliers and/or any of their personnel or agents, has, directly or indirectly, engaged in any of the prohibited practices in connection with an IFAD-financed and/or IFAD-managed activity or operation, including in competing for the contract.

3.4 In accordance with IFAD's Anticorruption Policy, the Fund has the right to sanction firms and individuals, including by declaring them ineligible, either indefinitely or for a stated period of time, to participate in any IFAD-financed and/or IFAD-managed activity or operation. This may include ineligibility to: (i) be awarded or otherwise benefit from any IFAD-financed contract, financially or in any other manner; (ii) be a sub-contractor, consultant, manufacturer, supplier, sub-supplier, agent or service provider of an otherwise eligible firm being awarded an IFAD-financed contract; and (iii) receive the proceeds of any loan or grant provided by the Fund.⁵ The Fund also has the right to unilaterally recognize debarments by any of the International Financial Institutions that are members to the Agreement for Mutual Enforcement of Debarment Decisions if such debarments meet the requirements for mutual recognition under the Agreement for Mutual Enforcement of Debarment Decisions.

3.5 In addition, the Fund has the right to, at any time, declare a misprocurement and/or the ineligibility of any expenditures associated with a procurement process or contract if it determines that prohibited practices occurred in connection with this procurement process or contract and that the borrower/recipient has not taken timely and appropriate action, satisfactory to the Fund, to address such practices when they occur.

3.6 The supplier will take appropriate measures to inform potential sub-contractors, sub-consultants, suppliers, agents and any of its personnel of their obligations under IFAD's Anticorruption Policy and require their compliance with this policy in connection with their involvement in competing for, or executing, this contract.

3.7 Bidders, suppliers, consultants, contractors, and their sub-contractors, sub-consultants, service providers, suppliers, agents and personnel, are required to fully cooperate with any investigation conducted by the Fund into possible prohibited practices, including by making personnel available for interviews and by providing full

⁵ For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

access to any and all accounts, premises, documents and records (including electronic records) relating to the relevant IFAD-financed and/or IFAD-managed operation or activity and to have such accounts, premises, records and documents audited and/or inspected⁶ by auditors and/or investigators appointed by the Fund.

3.8 The supplier is obliged to disclose relevant prior sanctions and criminal convictions and any commissions or fees paid or are to be paid to any agents or other party in connection with this procurement process or the execution of the contract.

3.9 If the Fund determines that the supplier, or any of its sub-contractors, sub-consultants, suppliers, personnel or any agent or affiliate of any of them has, directly or indirectly, engaged in prohibited practices in connection with an IFAD-financed or IFAD-managed activity or operation, including in competing for, or executing, this contract, the purchaser may, by written notice, immediately terminate the supplier's employment under the contract and the provisions of GCC 36 shall apply.

3.10 The bidder shall keep all records and documents, including electronic records, relating to this procurement process available for a minimum of three (3) years after notification of completion of the process or, in case the bidder is awarded the contract, execution of the contract.

4. SECAP Performance Standards

4.1 The contract shall be implemented in a manner consistent with IFAD's Social, Environmental and Climate Assessment Procedures (SECAP), available on <https://www.ifad.org/en/secap>.

5. Law and Language Governing the Contract

5.1 This contract, its meaning and interpretation, and the relation between the parties shall be governed by the applicable law.

5.2 This contract has been executed in the language(s) specified in the SCC. If the contract is executed in more than one language, the primary language specified in the SCC shall be the binding and controlling language for all matters relating to the meaning or interpretation of this contract.

⁶ Inspections include all fact-finding activities deemed relevant by the Fund to address allegations or other indications of possible prohibited practices. Such fact-finding activities may include, but are not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data or information (whether in hard copy or electronic format) deemed relevant for the investigation or audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verifications of information. It is the responsibility of the firm or individual under inspection to ensure effective compliance with their duty to cooperate vis-à-vis any potential local laws or regulations or other potentially conflicting obligations.

6. Association

6.1 Where the supplier is a joint venture or other association of more than one person or entity, all of the members of such joint venture or association shall be jointly and severally liable to the purchaser for the fulfillment of the provisions of this contract and designate the member identified in the **SCC** to act on their behalf in exercising all the supplier's rights and obligations toward the purchaser under this contract, including without limitation the receiving of instructions and payments from the purchaser. The composition or the constitution of the joint venture or other association shall not be altered without the prior consent of the purchaser in writing.

7. Eligibility

7.1 The supplier and its subcontractors shall at all times during the term of this contract have the nationality of a country or territory eligible, in accordance with the latest IFAD procurement guidelines as approved by the executive board ("eligible countries"). The supplier or a 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.

7.2 All goods and related services to be supplied under this contract shall have their origin in eligible countries.

7.3 For the purpose of this GCC clause 7, "origin" means the place 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, purposes or utility from its underlying components. With respect to the related services, the term "origin" means the place from which the related services are supplied.

8. Notices

8.1 Any notice, request or consent required or permitted to be given or made pursuant to this contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to the authorized person specified in the **SCC** representing the party to whom the communication is addressed, and when sent to such party at the address specified in the **SCC**, or sent by facsimile or electronic e-mail with confirmation, if sent during normal business hours of the recipient party, unless the giving of notice is otherwise governed by applicable law.

8.2 A party may change its address for receiving notice under this contract by giving the other party notice in writing of such change to the address specified in the **SCC**.

9. Settlement of Disputes

9.1 The purchaser and the supplier shall use their best efforts to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with this contract.

9.2 If the parties fail to resolve any disagreement or dispute in accordance with GCC sub-clause 9.1 within thirty (30) days after the receipt by one party of the other party's request for such resolution, either party may submit the disagreement or dispute in accordance with the provisions specified in the **SCC**.

10. Scope of Supply

10.1 The goods and related services to be supplied shall be as specified in the schedule of requirements.

10.2 Unless otherwise stipulated in this contract, the goods shall include all such items not specifically mentioned in this contract but that can be reasonably inferred from this contract as being required for attaining delivery and completion of the goods and related services as if such items were expressly mentioned in this contract.

11. Delivery and Documents

11.1 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**.

12. Supplier's Responsibilities

12.1 The supplier shall supply all the goods and related services included in the scope of supply in accordance with GCC clause 10, and the delivery and completion schedule, as per GCC clause 11.

13. Contract Price

13.1 The contract price shall be as specified in the **SCC** (the "contract price") subject to any additions and adjustments thereto, or deductions therefrom, as may be made pursuant to this contract.

13.2 Prices charged by the supplier for the goods delivered and the related services performed under this 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**.

14. Terms of Payment

14.1 This contract price, including any advance payments, if applicable, shall be paid as specified in the **SCC**.

14.2 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 11 and upon fulfillment of all other relevant obligations stipulated in this contract.

14.3 Payments shall be made promptly by, or on behalf of, the purchaser, no later than thirty (30) days after receipt by the purchaser of an invoice or request for payment from the supplier in form and substance satisfactory to the purchaser.

14.4 The currency in which payments shall be made to the supplier under this contract shall be those in which the bid price is expressed.

14.5 In the event that the purchaser fails to pay the supplier any payment by its respective 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 arbitration award.

15. Taxes and Duties

15.1 The regulation and applicability of taxes to this contract are specified in the **SCC**.

15.2 The supplier, any subcontractor and their respective personnel, and their eligible dependents, shall follow the usual customs procedures of the country in importing property into the country.

15.3 The purchaser shall use reasonable efforts to ensure that the government provides the supplier, the subcontractors, and their respective personnel the exemptions from taxation applicable to such persons or entities, if the purchaser fails to comply with its obligations under this paragraph, the supplier shall have the right to terminate this contract in accordance with GCC sub-clause 37.1(d).

16. Performance Security

16.1 The supplier shall, within twenty-eight (28) days of the notification of contract award, provide a performance security for the due performance of this contract in the amount specified in the **SCC**.

16.2 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 in accordance with the terms of this contract.

16.3 The performance security shall be denominated in the currency of this contract, and shall be in the form of either a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in purchaser's country or in an eligible country and in form and substance satisfactory to the purchaser, substantially in the appropriate form included in Section VIII - Contract Forms.

16.4 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 this contract, including any warranty obligations.

17. Copyright

17.1 The copyright in all drawings, documents, and other materials containing data and information furnished to the purchaser by the supplier 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.

18. Confidential Information

18.1 The purchaser and the supplier shall keep confidential and shall not, without the prior written consent of the other party, divulge to any third party any documents, data, or other information furnished directly or indirectly by the other party in connection with this contract, whether such information has been furnished prior to, during or following completion or termination of this 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 this contract, in which event the supplier shall obtain from such subcontractor an undertaking of confidentiality similar to that imposed on the supplier under this GCC clause 18.

18.2 The purchaser shall not use documents, data, and other information received from the supplier for any purposes unrelated to this contract. Similarly, the supplier shall not use documents, data, and other information received from the purchaser for any purpose other than the design, procurement, or other work and services required for the performance of this contract.

18.3 The obligation of a party under GCC sub-clauses 18.1 and 18.2 above, however, shall not apply to information that:

- a) now or hereafter enters the public domain through no fault of that party;
- b) can be proven to have been possessed by that party at the time of disclosure and which information was not previously obtained, directly or indirectly, from the other party;
- c) otherwise lawfully becomes available to that party from a third party that has no obligation of confidentiality; or
- d) is required to be shared to comply with applicable law.

18.4 The provisions of GCC clause 18 shall survive completion or termination, for whatever reason, of this contract.

19. Engagement of Staff and Labour

19.1 The supplier shall adopt and implement human resources policies and procedures appropriate to its size and workforce that set out its approach to managing the supplier's personnel. At a minimum, the supplier shall provide all supplier's personnel with documented information that is clear and understandable regarding their rights under all the applicable laws regarding labor and any applicable collective agreements, including their rights related to their employment, health, safety, welfare, immigration and emigration upon beginning the working relationship and when any material changes occur.

19.2 The supplier shall ensure that the employment terms and conditions of migrant workers are not influenced by their migrant status.

19.3 The supplier shall provide a grievance mechanism for supplier's personnel, including subcontractor staff, if a separate subcontractor grievance mechanism does not exist, to raise workplace concerns. The supplier shall inform its personnel of the grievance mechanism at the time of recruitment and make it easily accessible to them. The mechanism should involve an appropriate level of management and address concerns promptly, using an understandable and transparent process that provides timely feedback to those concerned, without any retribution. The mechanism should also allow for anonymous complaints to be raised and addressed. The mechanism should not impede access to other judicial or administrative remedies that might be available under the law or through existing arbitration procedures, or substitute for grievance mechanisms provided through collective agreements.

19.4 Where accommodation or welfare facilities are provided to supplier's personnel, the supplier shall put in place and implement policies on the quality and management of such accommodation and the provision of such welfare facilities (including as regards minimum space, supply of water, adequate sewage and garbage disposal systems, appropriate protection against heat, cold, damp, noise, fire and disease carrying animals, adequate sanitary and washing facilities, ventilation, cooking and storage facilities and natural and artificial lighting, and all reasonable precautions to maintain the health and safety of the supplier's personnel). The accommodation and welfare facilities shall be provided in a manner consistent with the principles of non-discrimination and equal opportunity. Accommodation arrangements shall not restrict

freedom of movement or of association, save that separate facilities should be provided for men and women.

**20. Sexual Harassment,
Sexual Exploitation and
Abuse**

20.1 The Fund requires that all beneficiaries of IFAD funding, including the purchaser and any bidders, implementing partners, service providers, suppliers, sub-suppliers, contractors, sub-contractors, consultants, sub-consultants, and any of their agents (whether declared or not) and personnel comply with IFAD's Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse.

20.2 Purchasers, suppliers and bidders shall take all appropriate measures to prevent and prohibit sexual harassment and sexual exploitation and abuse on the part of their personnel and subcontractors or anyone else directly or indirectly employed by them or any of subcontractors in the performance of the contract.

20.3 Purchasers, suppliers and bidders shall immediately report to the purchaser or IFAD any incidents of sexual harassment and sexual exploitation and abuse arising out of or in connection with the performance of the contract or prior to its execution, including convictions, disciplinary measures, sanctions or investigations.

20.4 The purchaser may take measures, including immediate termination of the contract, against the supplier, its personnel or any subcontractors, if at any time the purchaser becomes aware of proven acts of sexual harassment, sexual exploitation and abuse by the supplier and/or its personnel, directly or through an agent, in competing for, or in performance of, this contract..

**21. Non-Discrimination and
Equal Opportunity**

21.1 The purchaser adheres to the principle of equal opportunity and fair treatment in its employment practices. The purchaser expects that the supplier shall not make employment decisions on the basis of personal characteristics unrelated to inherent job requirements. Personal characteristics include sex, race, nationality, ethnic, social and indigenous origin, religion or belief, disability, age, sexual orientation, and gender identity. The purchaser expects that the supplier shall base its employment decisions on the principle of equal opportunity and fair treatment, and shall not discriminate with respect to aspects of the employment relationship, including recruitment and hiring, compensation (including wages and benefits), working conditions and terms of employment, access to training, promotion, termination of employment or retirement, and discipline. Special measures of protection or assistance to remedy past discrimination or selection for a particular job based on the inherent requirements of the job shall not be deemed discrimination.

22. Subcontracting

22.1 The supplier shall obtain prior approval in writing of the purchaser before entering into a subcontract for the performance of any of its obligations under this contract. The supplier shall notify the purchaser in writing of all subcontracts awarded under this contract if not already specified in the bid. Subcontracting shall in no event relieve the supplier from any of its obligations, duties, responsibilities, or liabilities under this contract. Subcontracts shall comply with the provisions of GCC clauses 3 and 7.

22.2 The supplier shall be responsible for monitoring compliance of subcontractors and primary suppliers to the labor and working conditions outlined in the IFC performance standards in force from time to time.

22.3 The supplier shall monitor its primary suppliers on an ongoing basis and, where there is a high risk of significant life-threatening situations related to the primary suppliers' workers, the supplier will introduce procedures and mitigation measures to ensure that primary suppliers are taking steps to prevent or to correct such life-threatening situations. Where a remedy is not possible, the supplier shall shift its primary suppliers from which it obtains supplies for this contract.

23. Specifications and Standards

23.1 The goods and related services supplied under this contract shall conform to the technical specifications and standards, including environmental, health and safety ("EHS") requirements, specified in the 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' and related services' country(ies) of origin.

23.2 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.

23.3 Wherever references are made in this 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.

24. Packing and Documents

24.1 The supplier shall provide such packing of the goods as is required to prevent their damage or deterioration during transit to their final destination. 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.

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

25. Insurance

25.1 Unless otherwise specified in the **SCC**, the goods supplied under this 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.

26. Transportation

26.1 Unless otherwise specified in the **SCC**, responsibility for arranging transportation of the goods shall be in accordance with the Incoterms and as specified in the schedule of requirements.

27. Inspections and Tests

27.1 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 schedule of requirements.

27.2 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 purchaser's country as specified in the **SCC**. Subject to GCC sub-clause 27.3, 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.

27.3 The purchaser or its designated representative shall be entitled to attend the tests and/or inspections referred to in GCC sub-clause 27.2, 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.

27.4 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.

27.5 The purchaser may require the supplier to carry out any test and/or inspection not required by this contract but deemed necessary to verify that the characteristics and performance of the goods comply with the technical specifications codes and standards under this 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 this 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 this contract, due allowance will be made in respect of the delivery dates and completion dates and the other obligations so affected.

27.6 The supplier shall provide the purchaser with a report of the results of any such test and/or inspection.

27.7 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, including EHS requirements. 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 27.4.

27.8 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 27.6, shall release the supplier from any warranties or other obligations under this contract.

28. Liquidated Damages

28.1 Except as provided under GCC clause 33, if the supplier fails to deliver any or all of the goods or perform the related services within the period specified in this contract, the purchaser may without prejudice to any and all of its other remedies under this contract, or applicable law, deduct from this contract price, as liquidated damages, a sum equivalent to the percentage specified in the **SCC** of the undelivered goods and related services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the percentage specified in the **SCC**. Once the maximum is reached, the purchaser may terminate this contract pursuant to GCC clause 36.

29. Warranty

29.1 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 this contract.

29.2 Subject to GCC sub-clause 23, 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, or workmanship that may develop under normal use in the conditions prevailing in the purchaser's country.

29.3 Unless otherwise specified in the **SCC**, the warranty shall remain valid for a minimum of 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 and issuance of acceptance certificate, or for eighteen (18) months after the date of shipment from or loading in the country of origin, whichever period concludes earlier. The warranty period for goods that were repaired or replaced during the warranty period shall be twelve (12) months from the date on which such goods were repaired or replaced.

29.4 The purchaser shall give notice to the supplier stating the nature of any 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.

29.5 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.

29.6 If having been notified, the supplier fails to remedy the defect within the period specified in **SCC** 29.5; 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 this contract or applicable law.

30. Patent Indemnity

30.1 The supplier shall, subject to the purchaser's compliance with GCC sub-clause 30.2, indemnify and hold harmless the purchaser and its employees, officers and directors 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 existing by reason of:

- a) the installation of the goods by the supplier or the use of the goods in the purchaser's country; 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 this 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 this contract.

30.2 If any proceedings are brought or any claim is made against the purchaser arising out of the matters referred to in GCC sub-clause 30.1, 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. 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.

30.3 The purchaser shall, at the supplier's request, afford all reasonably 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.

30.4 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 this 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.

31. Limitation of Liability

- 31.1 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 this 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 in accordance with GCC clause 30.

32. Change in Laws and Regulations

32.1 Unless otherwise specified in this contract, if after the date of the bidding document, any law, regulation, ordinance, order or by-law having the force of law is enacted, promulgated, abrogated, or changed in the particular area of the purchaser's country where the final destination 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 this 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 this 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 13.

32.2 Notwithstanding the provisions of GCC sub-clause 32.1, if, after the date of this contract, there is any change in the applicable law with respect to taxes that increases or decreases the cost incurred by the supplier in performing its obligations under this contract, payments to the supplier shall not be adjusted. However, the provisions of GCC sub-clause 15.1 shall be applicable in such a situation.

33. Force Majeure

33.1 For the purposes of this contract, "force majeure" means an event or condition that (a) is not reasonably foreseeable and is beyond the reasonable control of a party, and is not the result of any acts, omissions or delays of the party relying on such event of force majeure, (or of any third party over whom such party has control, including any subcontractor), (b) is not an act, event or condition the risks or consequence of which such party has expressly agreed to assume under this contract, (c) could not have been prevented, remedied or cured by such party's reasonable diligence, and (d) makes such party's performance of its obligations under this contract impossible or so impractical as to be considered impossible under the circumstances.

33.2 The failure of a party to fulfill any of its obligations under this contract shall not be considered to be a breach of, or default under, this contract insofar as such inability arises from an event of force majeure, provided that the party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this contract, and (b) has informed the other party as soon as practicable

(and in no event later than five (5) days after the occurrence) about the occurrence of an event giving rise to a claim of force majeure.

33.3 A party affected by an event of force majeure shall continue to perform its obligations under this contract as far as is reasonably practical and shall take all reasonable measures to minimize and otherwise mitigate the consequences of any event of force majeure.

33.4 A party affected by an event of force majeure shall provide evidence of the nature and cause of such event and shall similarly give written notice of the restoration of normal conditions as soon as possible.

33.5 Any period within which a party shall, pursuant to this contract, complete any action or task, shall be extended for a period equal to the time during which such party was unable to perform such action as a result of force majeure.

33.6 The supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default (other than in accordance with GCC sub-clause 36.1(d)) if and to the extent that its delay in performance or other failure to perform its obligations under this contract is the result of an event of force majeure.

33.7 In the case of disagreement between the parties as to the existence or extent of an event of force majeure, the matter shall be settled in accordance with GCC clause 9.

34. Change Orders and Contract Amendments

34.1 The purchaser may at any time order the supplier through notice in accordance GCC clause 8, to make changes within the general scope of this contract in any one or more of the following:

- a) drawings, designs, or specifications, where goods to be furnished under this 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.

34.2 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 this contract, an equitable adjustment shall be made in this contract price or in the delivery/completion schedule, or both, and this 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. All claims for adjustment submitted by the supplier pursuant to this clause shall include a reasonably detailed explanation of the increased costs and/or time, including reasons for such increases.

34.3 Prices to be charged by the supplier for any related services that might be needed but which were not included in this 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

34.4 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.

35. Extensions of Time

35.1 If at any time during performance of this contract, the supplier or its subcontractors should encounter conditions impeding timely delivery of the goods or completion of related services pursuant to GCC clause 11, 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 sole discretion extend the supplier's time for performance (with or without liquidated damages as determined by the purchaser in its sole discretion), in which case the extension shall be ratified by the parties by amendment of this contract.

35.2 Except in case of force majeure, as provided under GCC clause 33, 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 28, unless an extension of time is agreed upon, pursuant to GCC sub-clause 35.1.

36. Termination by Purchaser

36.1 Termination for Default;

Without prejudice to any other remedies that may be available to it for breach of this contract, the purchaser, upon written notice to the supplier, may terminate this contract, in whole or in part, in case of the occurrence of any of the events specified in sub-paragraphs (a) through (g) of this GCC sub-clause 36.1.

- a) If the supplier, in the judgment of the purchaser, fails to perform its obligations relating to the use of funds. Termination under this provision shall (i) become effective immediately upon delivery of the notice of termination and (ii) require that the supplier repay any and all funds so

- misused within a maximum of thirty (30) days after termination.
- b) If the supplier fails to deliver or perform any or all of the goods or related services within the period specified in this contract, or within any extension thereof granted by the purchaser pursuant to GCC sub-clause 35.1. Termination under this provision shall become effective immediately upon the expiration of thirty (30) days after delivery of the notice of termination or such later date as may be specified by the purchaser. In the event the purchaser terminates this contract in whole or in part, pursuant to this sub-paragraph, 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 this contract to the extent not terminated.
 - c) If the supplier does not remedy a failure to perform any of its other obligation under this contract (other than a failure contemplated by sub-paragraphs (a) or (b) immediately preceding this sub-paragraph) within thirty (30) days after delivery of the notice of termination or within any further period of time approved in writing by the purchaser. Termination under this provision shall become effective immediately upon the expiration of the thirty (30) days or such later date as may be specified by the purchaser.
 - d) If, as the result of an event of force majeure, the supplier is unable to perform a material portion of its obligations for a period of not less than sixty (60) days. Termination under this provision shall become effective upon the expiration of thirty (30) days after delivery of the notice of termination or on such later date as may be specified by the purchaser.
 - e) If the supplier fails to comply with any final decision reached as a result of arbitration proceedings pursuant to GCC clause 9. Termination under this provision shall become effective upon the expiration of thirty (30) days after deliver of the notice of termination or on such later date as may be specified by the purchaser.
 - f) If the Fund determines that the supplier, or any of its sub-contractors, sub-consultants, suppliers, personnel or any agent or affiliate of any of them has, directly or indirectly, engaged in prohibited practices pursuant to GCC 3.

- g) If the purchaser becomes aware of any proven acts of sexual harassment, sexual exploitation and abuse by the supplier and/or its personnel, directly or through an agent, pursuant to GCC 20.

36.2 Termination for insolvency

The purchaser may at any time terminate this contract by giving notice to the supplier if the supplier becomes insolvent or bankrupt, and/or fails to exist or is dissolved. Termination under this provision shall become effective immediately upon delivery of the notice of termination or on such other date as may be specified by the purchaser in such notice of termination. 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.

36.3 Termination for convenience

- a) The purchaser, by notice sent to the supplier, may terminate this contract, in whole or in part, at any time in its sole discretion 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 this contract is terminated, and the date upon which such termination becomes effective.
- b) In the case of any termination in accordance with this GCC sub-clause 36.3, 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 this contract terms and prices. For the remaining goods, the purchaser may elect:
 - (i) to have any portion completed and delivered at the terms and prices set forth in this contract; 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.

36.4 Suspension or termination related to the financing agreement or applicable law

- a) The purchaser, by notice sent to the supplier, may suspend or terminate this contract, in whole or in part, if the financing agreement expires, is suspended or terminates in whole or in part in accordance with the terms of the financing agreement. Suspension or termination under this provision

shall become effective immediately upon delivery of the notice of suspension or termination, as the case may be, in accordance with the terms of the notice. If this contract is suspended pursuant to this GCC sub-clause 36.4(a), the supplier has an obligation to mitigate all expenses, damages and losses to the purchaser during the period of the suspension.

- b) The purchaser, by notice sent to the supplier, may suspend or terminate this contract, in whole or in part, if suspension or termination is permitted under applicable law. Suspension or termination under this provision shall become effective immediately upon delivery of the notice of suspension or termination, as the case may be, in accordance with the terms of the notice. If this contract is suspended pursuant to this GCC sub-clause 36.4(b) the supplier has an obligation to mitigate all expenses, damages and losses to the purchaser during the period of the suspension.

37. Termination by the Supplier

37.1 The supplier may terminate this contract, by not less than thirty (30) days' written notice to the purchaser, in case of the occurrence of any of the events specified in paragraphs (a) through (e) of this GCC sub-clause 37

- a) If the purchaser fails to pay any money due to the supplier pursuant to this contract that is not otherwise subject to dispute pursuant to GCC clause 9 within forty-five (45) days after receiving written notice from the supplier that such payment is overdue. Termination under this provision shall become effective upon the expiration of thirty (30) days after delivery of the notice of termination unless the payment that is the subject of such notice of termination is made by the purchaser to the supplier within such thirty (30) days.
- b) If, as the result of an event of force majeure, the supplier is unable to perform a material portion of this contract for a period of not less than sixty (60) days. Termination under this provision shall become effective upon the expiration of thirty (30) days after delivery of the notice of termination.
- c) If the purchaser fails to comply with any final decision reached as a result of arbitration pursuant to GCC clause 9. Termination under this provision shall become effective upon the expiration of thirty (30) days after delivery of the notice of termination.
- d) If the supplier does not receive a reimbursement of any taxes that are exempt under the financing agreement within one hundred and twenty (120) days after the supplier gives notice to the purchaser that such reimbursement is due and

owing to the supplier. Termination under this provision shall become effective upon the expiration of thirty (30) days after delivery of the notice of termination unless the reimbursement that is the subject of such notice of termination is made to the supplier within such thirty (30) days.

- e) If this contract is suspended in accordance with GCC sub-clauses 36.4(a) or 36.4(b) for a period of time exceeding three (3) consecutive months; provided that the supplier has complied with its obligation to mitigate in accordance with GCC sub-clauses 36.4(a) or 36.4(b) during the period of the suspension. Termination under this provision shall become effective upon the expiration of thirty (30) days after delivery of the notice of termination.

38. Prohibition of Harmful Child Labour

38.1 The supplier shall not employ any child to perform any work that is economically exploitative, or is likely to be hazardous to, or to interfere with, the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development. Where applicable law does not specify a minimum age, the supplier shall ensure that children aged below 15 are not employed to perform work under this contract. Where applicable law diverges from this specified age standard, the higher age should apply. Children under the age of eighteen (18) will not be employed in hazardous work. All work of persons under the age of eighteen (18) will be subject to an appropriate risk assessment and regular monitoring of health, working conditions, and hours of work.

38.2 The supplier shall monitor its primary suppliers on an ongoing basis in order to identify any significant changes in these suppliers. If new risks or incidents of child labor are identified, the supplier shall take appropriate steps to remedy them.

39. Accounting, Inspection and Auditing

39.1 The supplier shall keep accurate and systematic accounts and records in respect of the provision of the goods and related services under this contract, and internationally accepted accounting principles.

40. Use of Funds; Compliance with SECAP

40.1 The supplier shall ensure that its activities do not violate provisions relating to use of funds and SECAP.

41. Assignment

41.1 Neither party shall assign the whole or any part of the contract, or any benefit or interest in or under the contract, without the consent of the other party; provided that, the purchaser may assign the whole or any part of the contract, or any benefit or interest in or under the contract, to another person or entity of the

government (or another entity designated by the government) without the consent of the supplier. The purchaser shall use commercially reasonable efforts to notify the supplier as soon as reasonably practicable of any such assignment. Any attempted assignment that does not comply with the terms of this GCC sub-clause 41.1 shall be null and void.

41.2 In the event of any assignment of the contract by the purchaser in accordance with GCC sub-clause 41.1:

- a) the supplier shall obtain a replacement performance security according to the terms of GCC clause 16 in an amount equal to that of the then currently issued performance security (or an amount commensurate to the current contract price where the assignment is a partial one) naming the purchaser's assignee as beneficiary, and shall deliver this replacement performance security to the purchaser on or before the date the assignment becomes effective at which time the purchaser shall concurrently return the original performance security to the supplier;
- b) in the event any advance payment guarantee is outstanding at the time of assignment, the supplier shall obtain a replacement advance payment guarantee according to the terms of GCC sub-clause 14.1 in an amount equal to that of the then currently issued advance payment guarantee (or an amount commensurate to the current contract price where the assignment is a partial one) naming the purchaser's assignee as beneficiary, and shall deliver this replacement advance payment guarantee to the purchaser on or before the date the assignment becomes effective at which time the purchaser shall concurrently return the original advance payment guarantee to the supplier.

42. Acceptance

42.1 Acceptance shall occur in respect of the goods and related services, when

- a) the inspections and tests, as specified in SR5 of Section V - Schedule of Requirements, and/or SCC have been successfully completed; or
- b) the inspections and tests as specified in SR5 of Section V. have not been successfully completed or have not been carried out for reasons that are attributable to the purchaser within the period from the date of delivery or any other agreed-upon period as specified in Section V - Schedule of Requirements; or
- c) the purchaser has put the goods into use for sixty (60) consecutive days. If the goods are put into use in this

manner, the supplier shall notify the purchaser and document such use.

42.2 At any time after any of the events set out in GCC sub-clause 42.1 have occurred, the supplier may give a notice to the purchaser requesting the issue of an acceptance certificate, as provided in Section VIII - Contract Forms.

42.3 After consultation with the purchaser, and within fourteen (14) days after receipt of the supplier's notice, the purchaser shall:

- a) issue an acceptance certificate; or
- b) notify the supplier in writing of any defect or deficiencies or other reason for the failure of the inspections and tests; or
- c) issue the acceptance certificate, if the situation covered by GCC sub-clause 42.1 (b) arises.

42.4 The supplier shall use all reasonable endeavors to promptly remedy any defect and/or deficiencies and/or other reasons for the failure of the inspections and tests that the purchaser has notified the supplier of. Once such remedies have been made by the supplier, the supplier shall notify the purchaser, and the purchaser, with the full cooperation of the supplier, shall use all reasonable endeavors to promptly carry out retesting of the goods. Upon the successful conclusion of the Inspections and tests, the supplier shall notify the purchaser of its request for acceptance certification, in accordance with GCC sub-clause 42.2 The purchaser shall then issue to the supplier the acceptance certification in accordance with GCC sub-clause 42.3(a), or shall notify the supplier of further defects, deficiencies, or other reasons for the failure of the inspections and tests. The procedure set out in this GCC sub-clause 42.4 shall be repeated, as necessary, until an acceptance certificate is issued.

42.5 If the goods fail to pass the inspections and tests in accordance with SR5 of Section V - Schedule of Requirements, then either:

- a) the purchaser may terminate the contract, pursuant to GCC sub-clause 36.1(b); or
- b) the supplier shall be deemed to have fulfilled its obligations with respect to the relevant technical and functional aspects of the contract, if the failure to achieve acceptance within the specified time period is a result of the failure of the purchaser to fulfil its obligations under the contract, then.

42.6 If within fourteen (14) days after receipt of the supplier's notice the purchaser fails to issue the acceptance certificate or fails to inform the supplier in writing of the justifiable reasons why the

purchaser has not issued the acceptance certificate, the supplier shall send a notification to the purchaser informing that the fourteen (14) day period has expired. if the purchaser fails to take action as set forth above in this GCC sub-clause 42.6 within three (3) days from the receipt of such notice, the goods shall be deemed to have been accepted as of the date of the supplier's said notice.

Section VII. 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	<p>(b) “Applicable law” means the laws and any other instruments having the force of law in Kenya, as they may be issued and in force from time to time.</p> <p>(d) “Bidding document” means the bidding documents for the procurement of the goods and related services; bid ref: <i>[insert reference number]</i>; issued <i>[insert issue date]</i>.</p> <p>(m) “Final destination” is: various as indicated in the schedule of requirements</p> <p>(z) “Purchaser” means “country”, as well as the borrower/recipient entity as appointed by the government</p>
GCC 2.2	The Incoterms edition is: Incoterms 2020
GCC 2.7(j)	Other documents forming an integral part of this contract are: <i>[insert list of documents as applicable]</i>
GCC 5.2	This contract shall be executed in the English language. The English shall be the primary language.
GCC 6.1	The member in charge is <i>[insert name of member]</i> <i>[Note: If the supplier consists of a joint venture or another association of more than one entity, the name of the entity whose address is specified in SCC 6.1 should be inserted here. If the supplier consists only of one entity, this SCC 6.1 should be deleted from the SCC.]</i>
GCC 8.1	<p>For notices that are served on the purchaser the person to whom the notices shall be sent to and the address shall be:</p> <p style="text-align: center;"><i>The Programme Coordinator, Aquaculture Business Development Programme (ABDP), IFAD Building, Kamakwa Road, opposite Nyeri Club P.O. Box 904, 10100, Nyeri, Kenya Email: procurement@abdpcu.org</i></p> <p>For notices that are served on the supplier the person to whom the notices shall be sent to and the address shall be:</p> <p style="text-align: center;"><i>[full legal name of the supplier] Att.: [title of authorized person] Address: [insert relevant address] E-mail: [insert relevant email address]</i></p>

GCC 8.2	<p>For changes of address that are served on the purchaser the person to whom the notices shall be sent to and the address shall be:</p> <p style="text-align: center;"><i>The Programme Coordinator, Aquaculture Business Development Programme (ABDP), IFAD Building, Kamakwa Road, opposite Nyeri Club P.O. Box 904, 10100, Nyeri, Kenya Email: procurement@abdpcu.org</i></p> <p>For changes of address that are served on the supplier the person to whom the notices shall be sent to and the address shall be:</p> <p style="text-align: center;"><i>[full legal name of the supplier] Att.: [title of authorized official] Address: E-mail:</i></p>
GCC 9.2	<p>The rules of procedure for arbitration proceedings pursuant to GCC Clause 9.2 shall be as follows:</p> <p>(a) Contract with foreign Supplier:</p> <p>GCC 9.2 Any dispute, controversy or claim arising out of or relating to this Contract, or breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.</p> <p>(b) Contracts with Supplier national of the Purchaser's country:</p> <p>Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be referred by either Party to the arbitration and final decision of a person to be agreed between the Parties. All Disputes shall be settled by arbitration in accordance with the Nairobi Centre for International Arbitration (NCIA) 'Arbitration Rules, 2015'. Arbitration shall be by Arbitral tribunal comprising of three arbitrators. Each party shall appoint one arbitrator and the third arbitrator who shall act as the president of the tribunal shall be appoint by the NCIA. The decision of the Arbitration tribunal shall be final and binding on the parties.</p>
GCC 11.1	<p>Delivery and Documents</p> <p>For Goods supplied from outside Purchaser's country:</p> <p>(CIP terms)</p> <p>Upon shipment, the supplier shall notify the purchaser and the insurance company in writing of the full details of the shipment, including contract number, description of goods being shipped, quantity, the vessel, the bill of lading number and date, port of loading, date of shipment, port of discharge, etc. The supplier shall fax or e-mail and send by courier the following documents to the purchaser, with a copy to the insurance company:</p>

	<p>(a) copies of the supplier’s invoice showing the shipped goods’ description, quantity, unit price, and total amount;</p> <p>(b) original and three (3) copies of the negotiable, clean, on-board bill of lading marked “freight prepaid” and three (3) copies of non-negotiable bill of lading;</p> <p>(c) three (3) copies of the packing list identifying contents of each package;</p> <p>(d) insurance certificate, showing the purchaser as the beneficiary;</p> <p>(e) manufacturer’s or supplier’s warranty certificate;</p> <p>(f) inspection certificate, issued by the nominated inspection agency, and the supplier’s factory inspection report;</p> <p>(g) certificate of origin; and</p> <p>(h) any other procurement-specific document required for delivery or payment purposes.</p> <p>The above documents shall be received by the purchaser at least one week before arrival of the goods at the port or place of arrival and, if not received, the supplier will be responsible for any consequent expenses.</p>
GCC 13.1	<p>The contract price is:</p> <p><i>[insert amount]</i> United States Dollars</p> <p>and</p> <p><i>[insert amount]</i> <i>[local currency]</i></p> <p><i>]</i></p> <p>The accounts are:</p> <p>For US Dollars: <i>[insert account number]</i></p> <p>For local currency: <i>[insert account number]</i></p>
GCC 13.2	<p>The prices charged for the goods delivered and related services performed shall not be adjustable.</p>
GCC 14.1	<p>The method and conditions of payment to be made to the supplier under this contract shall be as follows:</p> <p>(i) Advance payment: Ten (10) percent of the contract price shall be paid within thirty (30) days of signing of the contract, and upon submission of claim and a bank guarantee for equivalent amount valid until the goods are delivered and in the form provided in the bidding documents or another form acceptable to the purchaser.</p> <p>(ii) On shipment: Seventy (70) percent of the contract price of the goods shipped shall be paid through irrevocable confirmed letter of credit opened in favor of the supplier, within 60 days upon acceptance of the final factory acceptance test and upon submission of documents specified in GCC clause 11. Any and all confirmation costs requested by the supplier are to the account of the supplier.</p> <p>(iii) On installation and acceptance: Twenty (20) percent of the contract price of goods received shall be paid within thirty (30) days of receipt of the goods upon submission of claim supported by the acceptance certificate issued by the purchaser.</p>

GCC 14.5	<p>The payment-delay period after which the purchaser shall pay interest to the supplier shall be 60 days.</p> <p>The interest rate to be applied in the case of late payments is LIBOR +1</p>
GCC 15.1	The contract is subject to the following taxes: <i>customs duty and VAT</i>
GCC 16.1	<p>The amount of performance security, as a percentage of the contract price, shall be in the amount of ten (10) percent of the contract price shall be denominated in the currencies of payment of this contract, in accordance with their portions of the contract price.</p> <p>If using a letter of credit, this shall be opened upon final factory acceptance test</p>
GCC 24.2	Packaging shall be in the form that shall ensure the maximum safety of all the items.
GCC 25.1	The insurance coverage shall be at least equal to 110 percent of the CIP value of the goods
GCC 26.1	Responsibility for transportation of the goods shall be as specified in the Incoterms.
GCC 27.2	<p>The inspections and tests shall be in compliance to specifications and performance</p> <p>Quality and quantity inspection, if applicable, shall be carried out prior to shipment of Goods by the manufacturer(s) at the supplier's own expense and responsibility in terms of the items specified in the specifications. The supplier shall submit the inspection certificate issued by himself/herself which should be attached with the certificate(s) of the manufacturer(s) to the Procuring Entity in order to ensure that the goods are manufactured in compliance with the contract.</p>
GCC 28.1	<p>The liquidated damage shall be 0.1% percent per week of the contract price taking into consideration the time constrain.</p> <p>The maximum amount of liquidated damages shall be 10% percent of the contract price.</p>
GCC 29.3	<p>The duration of warranty is 12 months from the date of acceptance of the goods and related services at final destination and issuance of acceptance certificate</p> <p>After delivery and acceptance of the goods, the performance security shall be reduced to 7% percent of the contract price to cover the supplier's warranty obligations in accordance with clause GCC 29.</p>
GCC 29.5	The supplier shall repair or replace the defective goods or parts thereof within 21 days



Section VIII: Contract Forms

This section contains forms which, once completed, will form part of the contract (except for the Notice of Intent to Award). The forms for performance security, self-certification form for suppliers, and advance payment security, when required, shall only be completed by the successful bidder after contract award.



Notice of Intent to Award

Notification of Award

[The notification of award shall be the basis for formation of the contract as described in ITB clause 45. This form of notification of award shall be filled in and sent to the successful bidder only after evaluation of bids has been completed, subject to any review and/or issuance of no objection of IFAD as required.]

[date]

To: *[insert name and address of the supplier]*

Re: XXXXXXXXXXXXXXXXXXXXXXXXX

Bid Ref: XXXXXXXXXXXXXXXXXXXXX

This is to notify you that your bid dated *[insert date]* for execution of the above-mentioned bid reference for the accepted contract price of *[insert amount in words and numbers] [insert name of currency]*, as corrected and modified in accordance with the instructions to bidders is hereby accepted by the purchaser.

You are hereby instructed to, (a) sign and return the attached contract, (b) supplier self-certification form and (c) forward the performance security pursuant to GCC clause 16 within 14 days after receipt of this notification of award and (d) proceed with supply of the said goods and related services in accordance with the contract.

Signed:

In the capacity of:

[Print name]

Attachment: Contract

Bank Guarantee for Performance Security

[The bank, as requested by the supplier, shall fill in the form in accordance with the instructions indicated]

Bank's branch or office: *[insert complete name and address of guarantor]*

Beneficiary: *[insert complete name and address of the purchaser]*

Date: *[insert date of issue]*

Performance guarantee No.: *[insert performance guarantee number]*

We have been informed that *[insert complete name of supplier]* (hereinafter called "the supplier") has entered into contract no. *[insert number]* dated *[insert day and month], [insert year]* with *[name of purchaser]* (hereinafter called "the beneficiary"), for the supply of *[description of goods and related services provided]* (hereinafter called "the contract").

Furthermore, we understand that, according to the conditions of the contract, a performance guarantee is required.

At the request of the supplier, we as guarantor, hereby irrevocably undertake to pay the beneficiary any sum(s) not exceeding in total an amount of *[insert amount(s) in words and figures]* upon receipt by us of the beneficiary's first demand in writing declaring the supplier to be in default under the contract, without cavil or argument, or need to prove or to show grounds or reasons for the beneficiary's demand of the sum specified therein.

This guarantee shall expire no later than the *[insert number]* day of *[insert month] [insert year] [note-expiration date to be calculated based on the provisions of GCC sub-clause 16.4]*, and any demand for payment under it must be received by us at this office on or before that date.

[Issuing bank to delete whichever is not applicable] We confirm that [we are a financial institution legally authorized to provide this guarantee in the beneficiary's country] [OR] [we are a financial institution located outside the beneficiary's country but have a correspondent financial institution located in the beneficiary's country that will ensure the enforceability of this guarantee. The name of our correspondent bank and contact information is as follows: [provide name, address, phone number, and email address]].

For the bank

Signature

In the capacity of:

Date:

Self-Certification Form

This self-certification form is to be completed by the contractor. The contractor shall submit the completed form together with the signed contract agreement to *[insert name of procuring entity]*. Instructions for completing this form are provided below.

Full legal name of supplier:	
Full legal name of supplier's legal representative and position:	
Full name and number of contract:	
Project with which contract was signed:	
Country:	
Date:	

I hereby certify that I am the authorized representative of *[name of the supplier]*, as well as that the information provided herein is true and accurate in all material respects and understand that any material misstatement, misrepresentation or failure to provide the information requested in this self-certification may result in sanctions and remedies, including the suspension or termination of the contract between the supplier and the procuring entity, as well as the permanent ineligibility to participate in IFAD-financed and/or IFAD-managed activities and operations, in accordance with the IFAD Procurement Guidelines, the IFAD Procurement Handbook and other applicable IFAD policies and procedures, including **IFAD's Policy on Preventing Fraud and Corruption in its Activities and Operations** (accessible at www.ifad.org/anticorruption_policy) and its **Policy on Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse** (accessible at <https://www.ifad.org/en/document-detail/asset/40738506>).

Authorized Signature: _____ Date: _____

Printed Name of Signatory: _____

The supplier certifies that itself, including its director(s), partner(s), proprietor(s), key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners have **NOT** engaged in fraudulent, corrupt, collusive, coercive or obstructive practices, in connection with the present procurement process and this contract.

The supplier declares that the following criminal convictions, administrative sanctions (including debarments under the Agreement for Mutual Enforcement of Debarment Decisions or the "Cross-Debarment Agreement")⁷ and/or temporary suspensions have been imposed on the supplier and/or any of its directors, partners, proprietors, key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners:

Nature of the measure (i.e., criminal conviction, administrative sanction or temporary suspension)	Imposed by	Name of party convicted, sanctioned or suspended (and relationship to supplier)	Grounds for the measure (i.e., fraud in procurement or corruption in contract execution)	Date and time (duration) of measure

If no criminal convictions, administrative sanctions or temporary suspensions have been imposed, indicate "none".

The supplier certifies that its director(s), proprietor(s), and personnel, and the personnel of its agents, sub-consultants, sub-contractors, consortium and joint venture partners are **NOT** subject to a criminal conviction, administrative sanctions or investigations for incidents of sexual harassment and sexual exploitation and abuse.

The supplier certifies that itself, its proprietor(s), agents, sub-consultants, sub-contractors, consortium and joint venture partners have **NO** actual, potential or reasonably perceived conflicts of interest and specifically that they:

Do not have any actual or potential, and do not reasonably appear to have, at least one controlling partner in common with one or more other parties in the bidding process or the execution of the contract ;

Do not have any actual or potential, and do not reasonably appear to have the same legal representative as another bidder for purposes of this bid or execution of the contract;

Do not have any actual or potential, and do not reasonably appear to have a relationship, directly or through common third parties, that puts them in a position to have access to undue or undisclosed information about or influence over the bid process and the execution of the contract, or influence the decisions of the procuring entity regarding the selection process for this procurement or during the execution of the contract;

Do not participate and do not potentially or reasonably appear to participate in more than one bid in this process; and

Do not have any actual or potential, and do not reasonably appear to have, a business or family relationship with, a member of the procuring entity's board of directors or its personnel, the Fund or its personnel, or any other individual that was, has been or might reasonably be directly or indirectly involved in any part of (i) the preparation of the bidding document, (ii) the selection process for this procurement, or (iii) execution of the contract, unless the actual, potential or reasonably conflict stemming from this relationship has been explicitly authorized by the Fund in writing.

[To be completed only if the previous boxes were not checked]

The supplier declares the following actual, potential or reasonably perceived conflicts of interest, that may affect, or might reasonably be perceived by others to affect, impartiality in any matter relevant to the procurement process, including the selection process and the execution of the contract, with the understanding and acceptance that any action upon this disclosure shall be entirely under the Fund's discretion:

[provide detailed description of any actual, potential or reasonably perceived conflicts of interest including their nature and the personnel, proprietor(s), agents, sub-consultants, sub-contractors, consortium or joint venture partners affected.]

The supplier certifies that **NO** gratuities, fees, commissions, gifts or anything else of value, other than those shown in the bid, have been paid or exchanged or are to be paid or exchanged with respect to the present procurement process and this contract.

OR

[To be completed only if the previous box was not checked]

The supplier declares that the following gratuities, fees, commissions, gifts or anything else of value have been exchanged, paid or are to be exchanged or paid with respect to the present procurement process and this contract:

- [Name of Recipient/Address/Date/Reason/Amount]
- [Name of Recipient/Address/Date/Reason/Amount]

The supplier acknowledges and accepts to notify the procuring entity in the event of any material change in connection with this self-certification form throughout the duration of the contract.

⁷The Cross-Debarment Agreement was entered into by the World Bank Group, the Inter-American Development Bank, the African Development Bank, the Asian Development Bank and the European Bank for Reconstruction and Development, additional information may be located at: <http://crossdebarment.org/>.

Instructions for completing the self-certification form

The World Bank listing of ineligible firms and individuals is a searchable database that returns a positive or negative search results page upon submission of a name to be searched, in order to document the eligibility.

The supplier should print out, date, and attach the results page(s) to the self-certification form, which should read, “no matching records found”.

If (a) record(s) has/have been found – i.e. the results page(s) shows one or more individuals or entities, including the supplier itself are ineligible for contracts of the World Bank on the grounds of “cross-debarment”, the supplier should provide a detailed account of these sanctions and their duration as applicable or notify the procuring entity and in case the supplier believes the finding is a “false positive”.

The procuring entity will determine whether to proceed with the contract or allow the supplier to make a substitution. This determination will be made on a case by case basis and will require approval by IFAD regardless of the estimated value of the proposed contract.

All of these documents must be retained by the supplier as part of the overall record of the contract with the procuring entity for the duration of the contract and for a minimum period of three years following the completion of the contract.

Letter of Credit

[The bank, as requested by the account party, shall fill in the form in accordance with the instructions indicated]

Bank's branch or office: *[insert complete name and address of guarantor]*

Beneficiary: *[insert full name of beneficiary]*

Account party: *[insert full name and address of the account party]*

Date: *[insert date of issue]*

Irrevocable Letter of Credit No.: *[insert letter of credit number]*

We have been informed that *[insert complete name of purchaser]* has entered into contract No. *[insert number]* dated *[insert day and month]*, *[insert year]* with *[name of supplier]*, for the supply of *[description of goods and related services provided]*.

We hereby open our irrevocable credit in favor of the beneficiary for the sum or sums not to exceed a total of *[insert amount in numbers and words and name of currency]* to be made available by request of the beneficiary for payment at sight upon the presentation of your draft accompanied by the following documents:

[insert list of documents required for the beneficiary to claim payment by this letter of credit]

This letter of credit is valid until *[insert expiration date]*, provided, however, that this letter of credit will be automatically extended without amendment for *[insert number of days]* from the present or any future expiration date thereof, unless at least thirty (30) days prior to any such expiration date the issuing bank provides written notice to the account party, *[insert name and mailing address of the account party]* of its election not to renew this letter of credit for such additional period. The notice required hereunder will be deemed to have been given when received by the beneficiary.

This letter of credit is issued subject to the Uniform Customs and Practice for Documentary Credits, 2007 revision, International Chamber of Commerce Publication No. 600

For the bank

Signature

In the capacity of:

Date:

For the account party

Signature

In the capacity of:

Date:

Acceptance Certificate

Date: *[insert date]*

CB No: *[insert CB number]*

Contract: *[insert name of and number of contract]*

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

Dear Sir or Madam:

Pursuant to GCC clause 42 (acceptance) of the contract entered into between yourselves and the *[insert name of purchaser]* (hereinafter the “purchaser”) dated *[insert date of contract]*, relating to the *[insert brief description of the goods and related services]*, we hereby notify you the goods (identified below) successfully completed the inspections and tests specified in the contract. In accordance with the terms of the contract, the purchaser hereby takes over the goods (identified below), together with the responsibility for care and custody and the risk of loss thereof on the date mentioned below.

1. Description of the goods: *[insert description]*

2. Date of acceptance: *[insert date]*

This letter shall not relieve you of your remaining performance obligations under the contract nor of your obligations during the warranty period.

For and on behalf of the purchaser

Signed:

Date:

In the capacity of: *[state “project manager” or higher-level authority in the purchaser’s organization]*

Section IX: Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations

I. Introduction

1. The Fund recognizes that the prevention and mitigation of fraud and corruption in its activities and operations are core components of its development mandate and fiduciary duties. The Fund does not tolerate the diversion or waste of its resources through the practices defined in paragraph 6 below.
2. The objective of this policy is to establish the general principles, responsibilities and procedures to be applied by the Fund in preventing and addressing prohibited practices in its activities and operations.
3. This policy takes effect on the date of its issuance. It supersedes and replaces the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations (EB 2005/85/R.5/Rev.1) dated 24 November 2005.

II. Policy

A. General principles

4. The Fund has no tolerance towards prohibited practices in its activities and operations. All individuals and entities listed in paragraph 7 below must take appropriate action to prevent, mitigate and combat prohibited practices when participating in an IFAD-financed and/or IFAD-managed operation or activity.
5. The Fund endeavors to ensure that individuals and entities that help to prevent or report, in good faith, allegations of prohibited practices are protected against retaliation and to protect individuals and entities that are the subject of unfair or malicious allegations.

B. Prohibited practices

6. The following practices are considered to be prohibited practices when engaged in connection with an IFAD-financed and/or IFAD-managed operation or activity:
 - (a) A “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value in order to improperly influence the actions of another party;
 - (b) A “fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party in order to obtain a financial or other benefit or to avoid an obligation;
 - (c) A “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including improperly influencing the actions of another party;
 - (d) A “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party in order to improperly influence the actions of that or another party;

- (e) An “obstructive practice” is: (i) deliberately destroying, falsifying, altering or concealing evidence that may be material to an investigation by the Fund or making false statements to investigators in order to materially impede an investigation by the Fund; (ii) threatening, harassing or intimidating any party in order to prevent that party from disclosing its knowledge of matters relevant to an investigation by the Fund or from pursuing such an investigation; and/or (iii) the commission of any act intended to materially impede the exercise of the Fund’s contractual rights of audit, inspection and access to information.

C. Scope

7. This policy applies to all IFAD-financed and/or IFAD-managed operations and activities and to the following individuals and entities:
 - (a) IFAD staff and other persons working for IFAD as non-staff personnel (“IFAD staff and non-staff personnel”);
 - (b) staff and non-staff personnel”);
 - (c) Individuals and entities holding a commercial contract with the Fund and any of their agents or personnel (“vendors”);
 - (d) Public entities receiving IFAD financing or financing managed by the Fund and any of their agents or personnel (“government recipients”) and private entities receiving IFAD financing or financing managed by the Fund and any of their agents or personnel (“non-government recipients”) (all collectively referred to as “recipients”); and
 - (e) Individuals and entities, other than those referred to above, that receive, apply to receive, are responsible for the deposit or transfer of, or take or influence decisions regarding the use of proceeds from IFAD financing or financing managed by the Fund, including, but not limited to, implementing partners, service providers, contractors, suppliers, subcontractors, sub-suppliers, bidders, consultants and any of their agents or personnel. (All such individuals and entities are collectively referred to as “third parties”.)

D. Responsibilities

(i) Responsibilities of the Fund

8. The Fund endeavors to prevent, mitigate and combat prohibited practices in its operations and activities. This may include adopting and maintaining:
 - (a) Communication channels and a legal framework designed to ensure that this policy is communicated to IFAD staff and non-staff personnel, vendors, recipients and third parties and that it is reflected in procurement documents and contracts relating to IFAD-financed and/or IFAD-managed activities and operations;
 - (b) Fiduciary controls and supervisory processes designed to support adherence to this policy by IFAD staff and non-staff personnel, vendors, recipients and third parties;
 - (c) Measures relating to the receipt of confidential complaints, whistle-blower protection, investigations, sanctions and disciplinary measures which are designed to ensure that prohibited practices can be properly reported and addressed; and
 - (d) Measures designed to ensure that the Fund can report individuals and entities that have been found to have engaged in prohibited practices to other multilateral organizations

which may be exposed to similar actions by the same individuals and entities and to local authorities in cases where local laws may have been violated.

(ii) Responsibilities of IFAD staff and non-staff personnel, vendors and third parties

9. When participating in an IFAD-financed and/or IFAD-managed operation or activity, IFAD staff and non-staff personnel, vendors and third parties will:
- (a) Refrain from engaging in prohibited practices;
 - (b) Participate in due diligence checks and disclose, as required, information relating to themselves or any of their key personnel concerning relevant criminal convictions, administrative sanctions and/or temporary suspensions; information concerning agents engaged in connection with a procurement process or contract, including the commissions or fees paid or to be paid; and information concerning any actual or potential conflicts of interest in connection with a procurement process or the execution of a contract;
 - (c) Promptly report to the Fund any allegations or other indications of prohibited practices that come to their attention by virtue of their involvement in an IFAD-financed and/or IFAD-managed operation or activity;
 - (d) Fully cooperate with any investigation conducted by the Fund, including by making personnel available for interviews and providing full access to any and all accounts, premises, documents and records (including electronic records) relating to the relevant IFAD-financed and/or IFAD-managed operation or activity, and by having such accounts, premises, documents and records audited and/or inspected by auditors and/or investigators appointed by the Fund; and
 - (e) Maintain strict confidentiality regarding any and all information received as a consequence of their participation in an IFAD investigation or sanctioning process.
10. When participating in an IFAD-financed and/or IFAD-managed operation or activity, vendors and third parties will maintain all accounts, documents and records relating to that operation or activity for an adequate period of time, as specified in the relevant procurement documents or contract.

(iii) Responsibilities of recipients

11. When participating in an IFAD-financed and/or IFAD-managed operation or activity, recipients will take appropriate action to prevent, mitigate and combat prohibited practices. In particular, they will:
- (a) Adopt appropriate fiduciary and administrative practices and institutional arrangements in order to ensure that the proceeds of any IFAD financing or financing managed by the Fund are used only for the purposes for which they were provided;
 - (b) During selection processes and/or prior to entering into a contractual relationship with a third party, conduct appropriate due diligence checks of the selected bidder or potential contractor, including by verifying whether the selected bidder or potential contractor is publicly debarred by any of the IFIs that are signatories to the Agreement for Mutual

Enforcement of Debarment Decisions⁸ and, if so, whether the debarment meets the requirements for mutual recognition under the Agreement for Mutual Enforcement of Debarment Decisions;

- (c) Take appropriate action to inform third parties and beneficiaries (defined as “persons whom the Fund intends to serve through its grants and loans”) of the present policy as well as the Fund’s confidential and secure e-mail address for the receipt of complaints concerning prohibited practices;
- (d) Include provisions in procurement documents and contracts with third parties which:
 - (i) Require third parties to disclose, in the course of a procurement process and any time thereafter, information relating to themselves or any of their key personnel concerning relevant criminal convictions, administrative sanctions and/or temporary suspensions; information concerning agents engaged in connection with a procurement process or the execution of a contract, including the commissions or fees paid or to be paid; and information concerning any actual or potential conflicts of interest in connection with a procurement process or the execution of a contract;
 - (ii) Require third parties to promptly report to the Fund any allegations or other indications of prohibited practices that come to their attention by virtue of their involvement in an IFAD-financed and/or IFAD-managed operation or activity;
 - (iii) Inform third parties of the Fund’s jurisdiction to investigate allegations and other indications of prohibited practices and to impose sanctions on third parties for such practices in connection with an IFAD-financed and/or IFAD-managed operation or activity;
 - (iv) Require third parties to fully cooperate with any investigation conducted by the Fund, including by making personnel available for interviews and by providing full access to any and all accounts, premises, documents and records (including electronic records) relating to the relevant IFAD- financed and/or IFAD-managed operation or activity and to have such accounts, premises, records and documents audited and/or inspected
 - (v) by auditors and/or investigators appointed by the Fund;
 - (vi) Require third parties to maintain all accounts, documents and records relating to an IFAD-financed and/or IFAD-managed operation or activity for an adequate period of time as agreed with the Fund;
 - (vii) Inform third parties of the Fund’s policy of unilaterally recognizing debarments imposed by other IFIs if such debarments meet the requirements for mutual recognition under the Agreement for Mutual Enforcement of Debarment Decisions; and

⁸ The Agreement for Mutual Enforcement of Debarment Decisions, dated 9 April 2010, was signed by five of the leading IFIs, namely, the African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank and the World Bank Group.

- (viii) Provide for early contract termination or suspension by the recipient if such termination or suspension is required as a consequence of a temporary suspension or sanction imposed or recognized by the Fund;
 - (e) Promptly inform the Fund of any allegations or other indications of Prohibited Practices that come to their attention;
 - (f) Fully cooperate with any investigation conducted by the Fund, including by making personnel available for interviews and by providing full access to any and all accounts, premises, documents and records (including electronic records) relating to the relevant IFAD-financed and/or IFAD-managed operation or activity and to have such accounts, premises, documents and records audited and/or inspected by auditors and/or investigators appointed by the Fund;
 - (g) Maintain all accounts, documents and records relating to an IFAD-financed and/or IFAD-managed operation or activity for an adequate period of time, as specified in the relevant financing agreement; and
 - (h) Maintain strict confidentiality regarding any and all information received as a consequence of their participation in an IFAD investigation or sanctioning process.
12. Where the Fund finds that prohibited practices have occurred, recipients will: (a) Take appropriate corrective measures in coordination with the Fund; and (b) Give full effect to any temporary suspension or sanction imposed or recognized by the Fund, including by not selecting a bidder, not entering into a contract or suspending or terminating a contractual relationship.
13. Prior to the implementation of an IFAD-financed and/or IFAD-managed operation or activity, government recipients will inform the Fund of the arrangements that they have made for receiving and taking action in response to allegations of fraud and corruption relating to the IFAD-financed and/or IFAD-managed operation or activity, including by designating an independent and competent local authority to be responsible for receiving, reviewing and investigating such allegations.
14. When participating in an IFAD-financed and/or IFAD-managed operation or activity, government recipients will, in consultation with the Fund, take timely and appropriate action to launch a local investigation into allegations and/or other indications of fraud and corruption relating to the IFAD-financed and/or IFAD-managed operation or activity; inform the Fund of the actions taken in any such investigation at such intervals as may be agreed upon by the recipient and the Fund on a case-by-case basis; and, upon the completion of such investigation, promptly share the findings and results thereof, including the supporting evidence, with the Fund. Government recipients will work with the Fund to coordinate any actions other than investigations that they may wish to undertake in response to an alleged or otherwise indicated prohibited practice.
15. Government recipients are encouraged to have in place, in accordance with their laws and regulations, effective whistle-blower protection measures and confidential reporting channels in order to appropriately receive and address allegations of fraud and corruption relating to IFAD-financed and/or IFAD-managed operations and activities.

E. Process

(i) Reporting

16. A designated confidential and secure e-mail address for the receipt of allegations of prohibited practices is available on the Fund's website.
17. In the event of uncertainty as to whether or not an act or omission constitutes a prohibited practice, the designated confidential and secure e-mail address may be used to seek guidance.
18. The Fund treats all reported allegations with strict confidentiality. This means that the Fund does not normally reveal the identity of a reporting party to anybody outside of the investigative, sanctioning or disciplinary process without the consent of the reporting party.
19. The Fund endeavours to provide protection from retaliation to any individuals or entities that have helped prevent or have reported to the Fund, in good faith, allegations or other indications of prohibited practices. IFAD staff and non-staff personnel are protected from retaliation under the Fund's Whistle-blower Protection Procedures.

(ii) Investigations

20. Where the Fund has reason to believe that prohibited practices may have occurred, the Fund may decide to review and investigate the matter, irrespective of any investigative actions launched or planned by the recipient.
21. The purpose of an investigation conducted by the Fund is to determine whether an individual or entity has engaged in one or more prohibited practices in connection with an IFAD-financed and/or IFAD-managed operation or activity.
22. Reviews and investigations conducted by the Fund are, inter alia:
 - (a) Strictly confidential, meaning that the Fund does not disclose to anyone outside of the investigative, sanctioning or disciplinary process any evidence or information relating to the review or investigation, including the outcome of a review or investigation, unless such disclosure is allowed under the Fund's legal framework;
 - (b) Independent, meaning that no authority is allowed to interfere with an ongoing review or investigation or to otherwise intervene in, influence or stop such a review or investigation; and
 - (c) Administrative, as opposed to criminal, in nature, meaning that reviews and investigations conducted by the Fund are governed by the Fund's rules and procedures, not by local laws.
23. The office within the Fund that is mandated to conduct reviews and investigations into alleged or otherwise indicated prohibited practices is the Office of Audit and Oversight (AUO). Without prejudice to paragraphs 9(d) and 11(f), AUO may agree not to disclose to anybody outside of AUO any evidence or information that it has obtained on the condition that such evidence or information may be used solely for the purpose of generating new evidence or information, unless the provider of the evidence or information consents.

F. Sanctions and related measures

(i) Temporary suspensions

24. During the course of an IFAD review or investigation, or pending the conclusion of a sanctioning process, the Fund may decide, at any time, to temporarily suspend payments to

IFAD non-staff personnel, non-government recipients, vendors or third parties or to temporarily suspend their eligibility to participate in IFAD- financed and/or IFAD-managed operations and activities for an initial period of six (6) months, subject to a possible extension of that suspension for an additional six (6) months.

25. IFAD staff may be temporarily suspended from their duties in accordance with the applicable human resources framework.

(ii) Sanctions

26. If the Fund determines that IFAD non-staff personnel, non-government recipients, vendors or third parties have engaged in prohibited practices, the Fund may impose administrative sanctions on such individuals or entities.

27. Sanctions are imposed on the basis of: (i) the findings and evidence presented by AUO, including mitigating and exculpatory evidence; and (ii) any evidence or arguments submitted by the subject of the investigation in response to the findings presented by AUO.

28. The Fund may apply any of the following sanctions or a combination thereof:

- (a) Debarment, which is defined as declaring an individual or entity ineligible, either indefinitely or for a stated period of time, to: (i) be awarded any IFAD- financed contract; (ii) benefit, financially or otherwise, from any IFAD- financed contract, including by being engaged as a subcontractor; and (iii) otherwise participate in the preparation or implementation of any IFAD- financed and/or IFAD-managed operation or activity;
- (b) Debarment with conditional release, which is defined as a debarment that is terminated upon compliance with conditions set forth in the sanction decision;
- (c) Conditional non-debarment, which is defined as requiring an individual or entity to comply with certain remedial, preventive or other measures as a condition for non-debarment on the understanding that a failure to comply with such measures within a prescribed period of time will result in an automatic debarment under the terms provided for in the sanction decision;
- (d) Restitution, which is defined as a payment to another party or the Fund (with respect to the Fund's resources) of an amount equivalent to the amount of the diverted funds or the economic benefit obtained as a result of having engaged in a prohibited practice; and
- (e) Letter of reprimand, which is defined as a formal letter of censure for the actions of an individual or entity which informs that individual or entity that any future violation will lead to more severe sanctions.

29. The Fund may extend the application of a sanction to any affiliate of a sanctioned party even if the affiliate has not been directly involved in the prohibited practice. An affiliate is defined as any individual or entity that is: (i) directly or indirectly controlled by the sanctioned party; (ii) under common ownership or control with the sanctioned party; or (iii) acting as an officer, employee or agent of the sanctioned party, including owners of the sanctioned party and/or those who exercise control over the sanctioned party.

30. For the purposes of IFAD-financed and/or IFAD-managed operations and activities, the Fund may consider as debarred individuals and entities that have been debarred by another IFI where: (i) that IFI is a signatory to the Agreement for Mutual Enforcement of Debarment Decisions;

and (ii) such debarment meets the requirements for mutual recognition under the Agreement for Mutual Enforcement of Debarment Decisions.⁹

(iii) Disciplinary measures

31. If the Fund finds that IFAD staff have engaged in prohibited practices, the Fund may apply disciplinary measures and may require restitution or other compensation in accordance with the applicable human resources framework.

G. Referrals and information-sharing

32. The Fund may, at any time, refer information or evidence relating to an ongoing or completed investigative, sanctioning or disciplinary process to the local authorities of a Member State. In determining whether such a referral is appropriate, the Fund takes into consideration the interests of the Fund, the affected Member States, the individuals or entities under investigation and any other persons, such as witnesses, who are involved in the case.

33. If the Fund obtains information or evidence indicating potential wrongdoing in connection with the operations and/or activities of another multilateral organization, the Fund may make such information or evidence available to the other organization for the purposes of its own investigative, sanctioning or disciplinary processes.

34. In order to facilitate and regulate the confidential exchange of information and evidence with local authorities and multilateral organizations, the Fund seeks to conclude agreements which establish the rules for such an exchange.

H. Operational responses to Prohibited Practices

(i) Rejection of an award of contract

35. The Fund may refuse to give its no-objection to the award of a contract to a third party if it determines that the third party, or any of its personnel, agents, sub consultants, subcontractors, service providers, suppliers and/or their employees, engaged in a prohibited practice while competing for the contract in question.

(ii) Declaration of misprocurement and/or ineligibility of expenditures

36. The Fund may, at any time, declare a misprocurement and/or the ineligibility of any expenditures associated with a procurement process or contract if it determines that a third party or a representative of the recipient has engaged in a prohibited practice in connection with the procurement process or contract at issue and that the recipient has not taken timely and appropriate action, satisfactory to the Fund, to address such practices when they occur.

(iii) Suspension or cancellation of loan or grant

37. If the Fund determines that a recipient has not taken timely and appropriate action, satisfactory to the Fund, to address prohibited practices when they occur, the Fund may suspend or cancel, in whole or in part, the loan or grant affected by such practices.

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⁹ The Fund may, in the future, decide to also recognize debarments imposed by entities that are not signatories to the Agreement for Mutual Enforcement of Debarment Decisions.