



CEYLON PETROLEUM CORPORATION

Project Title:

CONSTRUCTION OF A JET A-1 TRANSFER PIPELINE FROM MUTHURAJAWELA TO BIA KATUNAYAKE AND CONSTRUCTION OF JET A-1 STORAGE TANKS AND ASSOCIATED FACILITIES WITH MODIFICATIONS TO THE EXISTING TERMINAL FACILITY AT MUTHURAJAWELA


Document Title:

SECTION I. INSTRUCTIONS TO BIDDERS

Project Owner: CEYLON PETROLEUM CORPORATION (CPC)


Document No.: PMN-117258-081

Bid Ref. No.: B/21/2025


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A GENERAL

1 Scope of Bid

1.1

In connection with the Invitation for Bids indicated in the Bid Data Sheet (BDS), the Employer, as indicated in BDS, issues this Bidding Document for “CONSTRUCTION OF A JET A-1 TRANSFER PIPELINE FROM MUTHURAJAWELA TO BIA KATUNAYAKE AND CONSTRUCTION OF JET A-1 STORAGE TANKS AND ASSOCIATED FACILITIES WITH MODIFICATIONS TO THE EXISTING TERMINAL FACILITY AT MUTHURAJAWELA” and as specified in Section V - Employer’s Requirements.


1.2

The term “in writing” means communicated in written form and delivered against receipt; Except where the context requires otherwise, words indicating the singular also include the plural and words indicating the plural also include the singular; and “day” means calendar day.

1.3

Besides the information given in the Invitation for Bids, following further information is as under:

- Date of Commencement of Works – Within 42 days from the date of receipt of ‘Letter of Acceptance’ or as indicated in the ‘Letter of Acceptance’.
- Period of completion – 900 days from the Date of Commencement of works.
- Defects Liabilities Period – Defects Notification Period for the Works shall be two years from the date of Taking Over of the Works (Sub-clause 10.1 of General Conditions) and issue of the Taking-Over Certificate.

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2 Source of Funds

2.1

The PROJECT is funded by the Employer.

3 Eligible Bidders

3.1

A Bidder shall be a private, public or Govt. owned legal entity or any combination of them in the form of Joint Venture (JV) with a formal intent to enter into an agreement or under an existing agreement in the form of a Joint Venture (JV).


The Bidder must ensure the following:

- a. In case of Single Entity:

Submit Power of Attorney authorizing the signatory of the Bid to commit the Bidder.


- b. In case of Joint Venture:

- i. Separate identity/name shall be given to the Joint Venture Firm.
- ii. A member of JV firm shall not be permitted to participate either in individual capacity or as a member or as a sub-contractor of another JV firm in the same Bid.
- iii. Maximum number of partners in the JV shall be limited to 3 (Three).
- iv. The Consultant of this Project shall not be a member of the JV firm. The Consultant of the Project is the Joint Venture of

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Asprofos Engineering SA, Greece/ Resources Development Consultants (Pvt) Ltd., Sri Lanka.

- v. The Bidding Document can be purchased in the name of the Bidder/JV Firm or a Member of JV firm.
- vi. One of the members of the JV firm shall be its lead member who shall have majority (at least 51%) share of interest in the JV firm. The other member/s shall have a share of not less than 20% each in case of JV firms.
- vii. Bidder from a country may be excluded if as a matter of law or official regulations of the Government of Sri Lanka prohibits commercial relations with that country. Bids shall not be entertained from the countries which comes under sanctions imposed by United Nations or United States or European Union.
- viii. The Bid and, in case of successful bid, the Contract Agreement shall be signed by each JV partner so as to be legally binding on all partners.
- ix. Joint And Several Liability - Members of the JV Firm to which the contract is awarded, shall be jointly and severally liable to the Employer (Ceylon Petroleum Corporation) for execution of the project in accordance with the Terms and Conditions of Contract. The JV members shall also be liable jointly and severally for the loss, damages caused to


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Employer during the course of execution of the contract or due to non-execution of the contract or part thereof.

- x. Duration of the Joint Venture Agreement - shall be valid during the entire currency of the contract including the period of extension, if any and the Defects Liability (Notification) Period after the work is completed.
- xi. Governing Laws - The Joint Venture Agreement shall in all respect be governed by and interpreted in accordance with Sri Lankan Laws.
- xii. The JV shall nominate a Representative (from Lead Partner only) who shall have the authority to conduct all business for and on behalf of JV during the bidding process and subsequent stages.
- xiii. Bid Security Guarantee shall be submitted only by JV Firm or the Lead Partner of the JV. Under no circumstances, the bidders are allowed to change the JV partners after closing of Bids.
- xiv. The legally executed Memorandum of Understanding (MOU) of the JV members shall be submitted by the JV Firm along with the Bid. The complete details of the members of the JV firm, their share and responsibility in the JV firm etc. particularly with reference to financial, technical and other obligations shall be furnished in the MOU.


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- xv. Once the Bid is submitted, the MOU shall not be modified / altered / terminated during the validity of the Bid. In case the Bidder fails to observe/comply with this stipulation, the full Bid Security Deposit shall be liable to be forfeited.
- xvi. Approval for change of constitution of JV Firm shall be at the sole discretion of the Employer. The constitution of the JV Firm shall not be allowed to be modified except when modification becomes inevitable due to succession laws etc. and in any case the minimum eligibility criteria should not get vitiated. However, the Lead Member shall continue to be the Lead Member of the JV Firm. Failure to observe this requirement would render the offer invalid.
- xvii. Similarly, after, the contract is awarded, the constitution of JV Firm shall not be allowed to be altered during the currency of contract except when modification become inevitable due to succession laws and in any case the minimum eligibility criteria should not get vitiated. Failure to observe this stipulation shall be deemed to be breach of contract with all consequential penal action as per contract conditions.
- xviii. On award of contract to a JV Firm, a single Performance Guarantee shall be submitted by the JV Firm as per Bid conditions. All the Guarantees like Performance Guarantee, Bank Guarantee for Mobilization Advance, Machinery Advance, etc. shall be accepted only in the name of the JV

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Firm and no splitting of guarantees amongst the members of the JV Firm shall be permitted.

- xix. On issue of LOA (Letter of Acceptance), an agreement among the members of the JV Firm (to whom the work has been awarded) shall be executed. This JV Agreement shall be submitted by the JV Firm to the Employer before signing the contract agreement for the work. In case the Bidder fails to observe/comply with this stipulation, the full Bid Security shall be forfeited and other penal actions due shall be taken against partners of the JV and the JV.
- xx. No member of the Joint Venture Firm shall have the right to assign or transfer the interest right or liability in the contract without the written consent of the other members and that of the Employer in respect of the said Bid/Contract.
- xxi. In case one or more of the members of the JV Firm is/are partnership firm(s), the following documents shall be submitted:
- Notary certified copy of the Partnership Deed.
 - Consent of all the partners to enter into the Joint Venture/Agreement on a stamp paper of appropriate value (in original).

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- c) Power of Attorney (duly registered as per prevailing law) in favour of one of the partners of the partnership firm to sign the JV Agreement on behalf of the partnership firm and create liability against the firm.
- d) Draft JV Agreement.

xxii. In case one or more members is/are limited companies, the following documents shall be submitted:

- a) Notary certified copy of resolutions of the Directors of the Company, permitting the company to enter into JV agreement, authorizing Managing Director or one of the Directors or Managers of the Company to sign JV Agreement, such other documents required to be signed on behalf of the Company and enter into liability against the company and/or do any other act on behalf of the company.
- b) Notary Certified Copy of Memorandum and Articles of Association of the company.
- c) Power of Attorney (duly registered as per prevailing law) by the company authorizing the person to do/act mentioned in the paragraph (a) above.

3.2


A firm that is under a declaration of ineligibility by the Employer in accordance with ITB 33, on the date of the deadline for bid submission or thereafter, shall be disqualified.

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3.3

A Bidder shall not have any conflict of interest with any other party involved in the project, either as a Bidder or in any other capacity, during the project's formulation, development or execution stages. Any Bidder(s), including all members of a JV, found to have a conflict of interest shall be disqualified. A Bidder may be considered to have a conflict of interest with one or more parties in this bidding process, if, including but not limited to:

- a. If they participated as a consultant in the preparation of the design or technical specifications of the works that are the subject of this Bid; or
- b. Where a firm, or a firm from a same economic or financial group, in addition to consulting, also has the capability to manufacture or supply goods or to construct works, that firm, or a firm from the same economic or financial group, cannot normally be a supplier of goods or works, if it provided consulting services for the contract corresponding to this Bid, unless it can be demonstrated that there is not a significant degree of common ownership, influence or control.
- c. A Bidder, including any of its parent entities, subsidiaries, affiliates, or any entity under common ownership, management, or control, shall be deemed to have a conflict of interest if it has direct or indirect ownership stake, financial interest, management relationship, operational influence, or any form of commercial association with any entity that currently engages in, has obtained regulatory approval for, or has publicly announced its intent to enter into business activities that are in direct or indirect competition with the Employer (CPC), specifically in the aviation fuel supply, storage or distribution sector within Sri Lanka.

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This includes, but is not limited to, entities holding licenses or approvals to construct or operate aviation fuel infrastructure at BIA, and those considered competitors, market rivals, or entities with a vested interest in CPC's business operations, where such association may result in an unfair competitive advantage, compromise the integrity of the procurement process, or otherwise impair fair competition.

3.4

The Bidder shall be considered disqualified / ineligible if:

- a. The Bidder or any of its partners and/or subcontractors included in the Bid has been banned for business with the Employer along with any of its attached and subordinate officers through an order issued by Employer as per list available on its website, with the banning being valid as on the last date of submission of the Bid.
- b. The Bidder or any of its partners has suffered bankruptcy / insolvency or it is in the process of winding-up or there is a case of insolvency pending before any Court on the Deadline of Submission of Bid of clause 19 of ITB.

3.5

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


3.6

Bidders shall fulfil the minimum qualifications mentioned in the Section III -Evaluation and Qualification Criteria of the PART-1 of the bidding document.

3.7

One bid per Bidder

Each bidder shall submit only one bid himself or as a partner of a joint venture. A bidder who submit or participate more than one bid will be disqualified.


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4 Eligible Materials and Equipment

4.1

The materials and equipment to be supplied under the Contract shall be from the approved sources as specified in Part 2, Section V - Employer's Requirements. In addition to above, materials not covered under approved sources specified in Section V - Employer's Requirements should be procured subjected to the approval of the Employer or his nominated representative.

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B CONTENTS OF BIDDING DOCUMENT, SITE VISIT, PRE-BID CONFERENCE

5 Sections of Bidding Document

The Bidding Document consists of five Parts, i.e. Technical Bid in Part 1, Part 2, Part 3 and Part 4 and Financial Bid in Part 5.

The contents of these Parts are as under:

TECHNICAL BID:

PART 1 – Bidding Procedures

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

PART 2 – Employer's Requirements


- Section V. Technical Scope of Work for Engineering, Procurement, Construction Turnkey Contracts
 - Part – [A]: Construction of a Jet A-1 Fuel Pipeline from Muthurajawela to BIA Katunayake
 - Part – [B]: Construction of Jet A-1 Storage Tanks and Associated Facilities with modifications to the Existing Terminal Facility at Muthurajawela
- Appendices (FEED Documentation) 1 to 14

PART 3 – Conditions of Contract and Contract Forms

- Section VI. General Conditions of Contract (GCC) as per FIDIC Silver Book 1999 Edition
- Section VII. Particular Conditions of Contract (PCC)
- Section VIII. Contract Forms

PART 4 – Reference Documents

- IEE Report & SIEE (Contains in CD)
- Conditions stipulated by the CEA
- Conditions stipulated by the RDA
- Conditions stipulated by the PRDA
- Conditions stipulated by the CPSTL
- Conditions stipulated by the SLLRDC
- Conditions stipulated by the AASL
- Conditions stipulated by the SLR
- Conditions stipulated by the UC Seeduwa & Wattala
- Conditions stipulated by the NWSDB
- Conditions stipulated by the CIDA
- Conditions stipulated by other service providers

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FINANCIAL BID:

PART 5 – Price Schedule

Note: Bids duly filled in must be submitted at the place by the time and date as specified in the Bid. Late or delayed Bids shall not be accepted.

The contents of all these sections listed above shall be read in conjunction with any addenda issued in accordance with ITB 7.

5.1

The Invitation for Bids (IFB) issued by the Employer is not part of the Bidding Document.

5.2

A Bid can be submitted only on a set of Bidding Documents obtained directly from the Employer.


5.3

The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Document. Failure to furnish all information or documentation required by the Bidding Document may result in the rejection of the Bid.

6 Clarification of Bidding Document, Site Visit, Pre-Bid Conference

6.1

A prospective Bidder requiring any clarification of the Bidding Document shall contact the Employer in writing at the Employer's address, facsimile, and email address indicated in the BDS or raise his inquiries during the pre-bid meeting in accordance with ITB 6.4. The Employer will respond in writing to any request for clarification

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provided that such request is received on or before **05.08.2025** Answers for the clarifications sought will be provided to all Bidders on or before **12.08.2025** Should the Employer deem it necessary to amend the Bidding Document as a result of a request for clarification, it shall do so following the procedure under ITB 7 and ITB 18.2.

6.2


The Bidder is advised to visit and examine the Site of Works and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the Bid and entering into a contract for construction of the Works. The costs of visiting the Site shall be at the Bidder's own expense.

6.3

The Bidder and any of its personnel or agents will be granted permission by the Employer, with prior notification by the Bidder, to enter upon its premises and lands for the purpose of such visit, but only upon the express condition that the Bidder, its personnel, and agents will release and indemnify the Employer and its personnel and agents from and against all liability in respect thereof, and will himself be responsible for death or personal injury, loss of or damage to property, and any other loss, damage, costs, and expenses incurred as a result of the inspection.

6.4

The Bidder's designated representative/s is/are invited to attend a pre-bid meeting, if provided for in the BDS. The purpose of the meeting will be to clarify issues and to answer questions related to the subject work that may be raised at that stage.

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6.5


The Bidder is requested to submit any questions/queries in writing, to reach the Employer on or before **05.08.2025** Answers for the clarifications sought will be provided to all Bidders on or before **12.08.2025**.

6.6

Minutes of the pre-bid meeting, including the text of the questions/queries raised, without identifying the source, and the responses given, together with any responses prepared after the meeting, will be transmitted to all Bidders who have acquired the Bidding Document directly from the Employer on or before **04.08.2025**. Any modification to the Bidding Document that may become necessary as a result of the pre-bid meeting shall be made by the Employer exclusively through the issue of an addendum/ corrigendum pursuant to ITB 7 and not through the minutes of the pre-bid meeting.

6.7

Non-attendance at the pre-bid meeting will not be a cause for disqualification of a Bidder.

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7 Amendment of Bidding Document

7.1


At any time prior to the deadline for submission of bids, the Employer may amend the Bidding Document by issuing addenda.

7.2

Any addendum issued shall be part of the Bidding Document and shall be communicated in writing to all who have obtained the Bidding Document from the Employer in accordance with ITB 5.2. This will also be uploaded on CPC website (www.ceypetco.gov.lk). All prospective Bidders are advised to see CPC website before submitting their Bid to check for any amendments/corrigendum issued in regard to this Bid.

7.3

To give prospective Bidders reasonable time to take an addendum into account in preparing their Bids, the Employer may, at its discretion, extend the deadline for the submission of Bids, pursuant to ITB 18.2.

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C PREPARATION OF BIDS

8 Cost of Bidding

8.1

The Bidder shall bear all costs associated with the preparation and submission of its Bid, and the Employer shall not be responsible or liable for those costs, regardless of the conduct or outcome of the Bidding process.

9 Language of Bid

9.1

The Bid, as well as all correspondence and documents relating to the Bid exchanged by the Bidder and the Employer, shall be written in English. 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 pages in English. Such translation must be certified by either:


- a) The Embassy / High Commission / Consulate of Sri Lanka in the country of origin of the Bidder; or
- b) The Embassy / High Commission / Consulate of the Bidder's country of origin in Sri Lanka.

Certifications by any other authority, including notaries or lawyers shall not be accepted. For the purpose of interpretation and evaluation of the Bid, translation certified by the above-mentioned diplomatic missions shall prevail.

10 Documents Comprising the Bid

10.1

The Bid shall comprise two separate envelopes submitted simultaneously, one containing the Technical Proposal and the other the Financial Proposal, enclosed together in an outer single envelope.

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10.2

Initially, only the Technical Proposals will be opened at the address, date and time specified in ITB 20.1. The Financial Proposals shall remain sealed and held in custody by the Employer. The Technical Proposals are evaluated by the Employer. No amendments or changes to the Technical Proposals are permitted. Bids with Technical Proposals which do not conform to the specified requirements will be rejected as deficient Bids and return the Financial Bids of the respective Bidder/s unopened, after awarding the Contract to the successful Bidder.


10.3

Financial Proposals of technically compliant Bids will be opened in public at a date and time advised by the Employer. The Financial Proposals will be evaluated and the Contract is awarded to the Bidder whose Bid has been determined to be the highest scoring Bid according to Bid Evaluation Criteria.

10.4

The Technical Proposal shall contain the following:

- a. Technical Proposal Submission Sheet in accordance with ITB 13;
- b. Bid Security, in accordance with ITB 15;
- c. Written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with ITB 16.2;
- d. Relevant forms as specified for establishing eligibility criteria of the Bidder in Part 1 - Section IV of the Bidding Document;
- e. All the information needed in the eligibility criteria as contained in Part 1 - Section III of the Bidding Document.
- f. Any other document required in the BDS.

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10.5

The Financial Proposal shall contain the following: (to be submitted separately):

- a. Price Proposal Submission Sheet.
- b. Price Schedule as per the format given in Part 5 - Price Schedule of the Bidding Document.
- c. Statement with a detailed cash flow analysis for the whole construction duration.

11 Bid Submission Sheets and Price Schedules

11.1


The Bidder shall submit the Technical Proposal and the Financial Proposal using the appropriate Submission Sheets furnished in Section IV (Bidding Forms) of the Bidding Document. These forms must be completed without any alterations to their format, and no substitutes shall be accepted. All blank spaces shall be filled in with the information requested.

11.2

The Bidder shall submit, as part of the Financial Proposal a Lump Sum cost for the entire work as per the format given in Part 5 – Price Schedule of the Bidding Document.

11.3

The Bidder shall quote the lump sum cost for the entire work in BDF-10 and Price Schedule as contained in Part 5 of the Bidding Document. The cost should cover all the items of the work as detailed in the Employer's requirement of the contract.

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The cost should also be inclusive of all access roads, temporary office buildings including but not limited to furniture, office equipment, IT equipment, vehicles for transportation etc. according to Employer's requirements, construction equipment, plant, labour, supervision, materials, erection, maintenance, reinstatement, stakeholder management, insurance, profit, duties, taxes, levies, royalties together with all general risks, liabilities and obligations set out or implied in the Contract under the applicable law as on the date of opening of Bid. All duties, taxes, and other levies payable by the contractor under the Contract, or for any other clause, as of the twenty eight (28) days prior to the deadline for submission of Bids, shall be separately indicated in the schedule of prices with relevant breakdowns for each and every item. Bidders are required to find the necessary information on these from the relevant government authorities such as Department of Inland Revenue, Sri Lanka and Sri Lanka Customs etc.

CPC wishes to obtain a Tax waiver for the importation of goods relevant to items of the Schedule of Prices except vehicles; however CPC shall not be liable for the business / corporate and employee tax payments of the contractor irrespective of the tax waiver is granted. Foreign & Local Contractors and Construction Agencies of the government will have to comply with the regulations of the Department of Inland Revenue, Sri Lanka for payment of business / corporate tax on profits arising from the Contract.

Unless otherwise provided in the Bidding data, the lump sum price quoted by the bidder shall not be subjected to adjustment during the performance of the Contract.

If a foreign Contractor wishes to remit out of Sri Lanka any of earnings in Sri Lanka Rupees representing profits, foreign overheads, home allowances and salaries of foreign personnel, he will have to comply with regulations of the Department of Inland Revenue and of Department of Exchange Control, Central Bank of Sri Lanka.

Any charges under this clause will be in Sri Lanka Rupees, and shall be borne by the Contractor.

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12 Currencies of Bid and Payment

12.1

The Bidder shall quote a Lump Sum cost in United States Dollars for the foreign component and in Sri Lankan rupees for the local component. Payments shall be made as per billing process laid down in Part 5 – Price Schedule of the Bidding Document.

13 Documents Comprising the Technical Proposal

13.1

The Bidder shall furnish all the information as detailed in Technical Proposal - Section III. Evaluation and Qualification criteria of Bidding Document.

13.2

The Bidder shall furnish a commitment in Technical Proposal Submission Sheet (BDF-1) for deployment of equipment and personnel as stipulated in Part 1 - Section III Evaluation and Qualification Criteria.


14 Bid validity period

14.1

Bids shall remain valid for a minimum period of one hundred and eighty-nine (189) days (i.e. up to 22.02.2026) after the bid submission deadline date prescribed by the Employer (i.e. 18.08.2025). A Bid valid for a shorter period shall be rejected by the employer as non-responsive.

14.2

In exceptional circumstances, prior to the expiration of the Bid validity period, the Employer may request Bidders to extend the period of validity of their Bids. The request and the responses shall be made in writing. If a Bid security is requested in

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accordance with ITB 15, it shall also be extended Ninety (90) days beyond the deadline of the extended validity period. A Bidder may refuse the request without forfeiting its Bid security. A Bidder granting the request shall not be required or permitted to modify its Bid.

15 Bid Security

15.1

The Bidder shall furnish as a part of its Bid, a Bid Security Guarantee in the form of an irrevocable, unconditional, on demand Bank Guarantee, en-cashable in Colombo, from a commercial bank operating in Sri Lanka and approved by Central Bank of Sri Lanka for a value of **USD 500,000** in favour of Ceylon Petroleum Corporation in original form as specified in BDS.

15.2

The Bid Security shall be valid for a minimum period of two hundred forty five (245) days (**i.e. up to 19.04.2026**) after the bid submission deadline date (i.e. 18.08.2025) prescribed by the Employer, or beyond any period of extension if requested under ITB 14.2.


15.3

Any Bid not accompanied by an enforceable and compliant Bid Security, if one is required in accordance with ITB 15.1, shall be rejected by the Employer as non-responsive.

The Bid Security of unsuccessful Bidders shall be returned on award of Contract and on submission of the Performance Guarantee by the successful Bidder.

15.4

The Bid Security Guarantee of the successful Bidder shall be released upon submission of the Performance Guarantee.

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15.5

The Bid Security shall be forfeited:

- a. if a Bidder withdraws its Bid during the period of Bid validity specified by the Bidder on the Letter of Bid, except as provided in ITB 14.2 or
- b. if a Bidder misrepresents or omits any material facts in order to unfairly influence the procurement process;
- c. if the successful Bidder fails to:
 - i. sign the Contract in accordance with ITB 32;
 - ii. furnish a Performance Security in accordance with ITB 31;
 - iii. accept the correction of its Bid Price pursuant to ITB 26.2;


15.6

The Bid Security of a JV shall be as per ITB 3.1b (xiii).

16 Format and Signing of Bid

16.1

Bidder shall prepare and submit one original of the Technical Proposal and one original of the Financial Proposal as described in ITB 10 and clearly mark each "ORIGINAL - TECHNICAL PROPOSAL" and "ORIGINAL - FINANCIAL PROPOSAL". In addition, Bidder shall submit a copy of the Technical Proposal and a copy of the Financial Proposal and clearly mark them "COPY - TECHNICAL PROPOSAL" and "COPY - FINANCIAL PROPOSAL". In the event of any discrepancy between the original and the copies, the original shall prevail. In addition, one soft copy (Read Only) of Technical proposal should also be submitted along with the Bid.

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16.2

The original and all copies of the Bid shall be typed or written in indelible ink and shall be signed by a person duly authorized to sign on behalf of the Bidder. This authorization shall consist of a written confirmation as specified in the BDS and shall be attached to the Bid. The name and position held by each person signing the authorization must be typed or printed below the signature. All pages of the Bid, where entries and amendments have been made shall be signed or initialed by the person signing the Bid.

16.3

Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Bid.

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D SUBMISSION AND OPENING OF BIDS

17 Sealing and Marking of Bids

17.1


The envelopes containing the original and the copy of the Technical proposal shall then be enclosed in one single envelope and marked as "Technical Proposal". Similarly, the envelopes containing the original and the copy of the financial proposal shall then be enclosed in one single envelope and marked as "Financial Proposal". One single envelope containing the envelopes of Technical Bid, Financial Bid and Bid Security shall be sealed and submit.

Each copy shall be serially numbered, indexed and hard bound.

17.2

The inner and outer envelopes shall:

- bear the name and address of the Bidder;
- be addressed to the Employer in accordance with BDS;
- bear the specific Bid Identification Number and date of this Bidding process indicated in the BDS; and
- The outer envelope and the inner envelopes containing the Technical Proposals shall bear a warning not to open before the time and date for the opening of Technical Proposals, in accordance with ITB 20.
- The inner envelopes containing the Financial Proposals shall bear a warning not to open until advised by the Employer in accordance with ITB 20.

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17.3

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

17.4

In case the Financial Proposal in a Bid is received unsealed then the Bid shall be considered as non-responsive and will not be dealt with. If the Financial Proposal is submitted in the Technical Proposal then also the Bid shall be considered as non-responsive and will not be dealt with.

18 Deadline for Submission of Bids

18.1

Bids must be received by the Employer at the address and no later than the date and time indicated in the BDS.


18.2

The Employer may, at its discretion, extend the deadline for the submission of Bids in accordance with ITB 7.

18.3

Modification, Substitution and Withdrawal of Bids

- The bidder may modify, substitute, or withdraw its bid after Bid submission, provided that written notice of the modification or withdrawal is received by the Employer prior to the deadline for submission of Bids.
- The bidder's modification or withdrawal notice shall be prepared, sealed, marked, and delivered in accordance with

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the provisions of Clause 17 & 18, with the outer and inner envelopes additionally marked “Modification” or “Withdrawal,” as appropriate.

- c. No Bid may be modified by the Bidder after the deadline for submission of Bids.
- d. Withdrawal of a Bid during the interval between the deadline for submission of Bids and expiration of the period of Bid validity may result in the forfeiture of the Bid security pursuant to Sub-Clause 16.

19 Late Bids

19.1

The Employer shall not consider any Bid that arrives after the deadline for submission of Bids, in accordance with ITB 18. Any Bid received by the Employer after the deadline for submission of Bids shall be declared late, rejected, and returned unopened to the Bidder.


20 Bid Opening

20.1

The Employer shall conduct the opening of Technical Proposals in the presence of Bidders’ representatives who choose to attend, at the address, date and time specified in the BDS.

20.2

The Financial Proposals will remain unopened and will be held in custody of the Employer until the time of opening of the Financial Proposals. The date, time, and location of the opening of Financial Proposals will be advised in writing by the

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Employer to all the Bidders who have been determined qualified in technical evaluation.

20.3

All other envelopes holding the Technical Proposals shall be opened one at a time, and the following read out and recorded:

- a. the name of the Bidder;
- b. whether there is a modification or substitution;
- c. the presence of a Bid Security, and
- d. any other details as the Employer may consider appropriate.

20.4


Only Technical Proposals read out and recorded at Bid opening shall be considered for evaluation. No Bid shall be rejected at the opening of Technical Proposals except for late Bids, in accordance with ITB 19.1.

20.5

The Employer shall prepare a record of the opening of Technical Proposals that shall include, as a minimum: the name of the Bidder and the presence or absence of a Bid Security. The Bidders' representatives who are present shall be requested to sign the record. The omission of a Bidder's signature on the record shall not invalidate the contents and effect of the record.

20.6

At the end of the evaluation of the Technical Proposals, the Employer will invite Bidders who have submitted substantially responsive Technical Proposals and who have been determined as being qualified for award to attend the opening of the Financial Proposals. The date, time, and location of the opening of Financial Proposals will be advised in writing by the Employer. Bidders shall be given reasonable notice of the opening of Financial Proposals.

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20.7

The Employer shall conduct the opening of Financial Proposals of all Bidders who have submitted substantially responsive Technical Proposals and who have been determined qualified as a result of technical evaluation, in the presence of Bidders' representatives who choose to attend at the address, date and time specified by the Employer. The Bidder's representatives who are present shall be requested to sign a register evidencing their attendance.

20.8

Envelope containing Financial Proposal of technically responsive Bidders shall be opened one at a time and the following read out and recorded:


- the name of the Bidder
- the Bid Price(s), including any discounts
- any other details as the Employer may consider appropriate.

20.9

Only Financial Proposals, discounts, read out and recorded during the opening of Financial Proposals shall be considered for evaluation. No Bid shall be rejected at the opening of Financial Proposals.

20.10

The Employer shall prepare a record of the opening of Financial Proposals that shall include, as a minimum: the name of the Bidder, the Bid Price including any discounts. The Bidders' representatives who are present shall be requested to sign the record. The omission of a Bidder's signature on the record shall not invalidate the contents and effect of the record.

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E EVALUATION AND COMPARISON OF BIDS

21 Confidentiality

21.1

Information relating to the examination, evaluation & comparison of Bids and recommendation of contract award, shall not be disclosed to Bidders or any other persons not officially concerned with such process until information on Contract award is communicated to all Bidders.

21.2

Any attempt by a Bidder to influence the Employer in the examination, evaluation and comparison of the Bids or Contract award decisions may result in the rejection of its Bid.


21.3

Notwithstanding ITB 22.2, from the time of opening the Technical Proposals to the time of Contract award, if any Bidder wishes to contact the Employer on any matter related to the Bidding process, it should do so in writing.

22 Clarification of Bids

22.1

To assist in the examination, evaluation and comparison of the Bids, the Employer 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 Employer shall not be considered. The Employer's request for clarification and the response shall be in writing. No change in the prices or substance of the Bid shall be sought, offered, or

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permitted, except to confirm the correction of arithmetic errors discovered by the Employer in the evaluation of the Financial Proposals, in accordance with ITB 26.

22.2

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

23 Deviations, Reservations, and Omissions

23.1


During the evaluation of Bids, the following definitions apply:

- a. "Deviation" is a departure from the requirements specified in the Bidding Document;
- b. "Reservation" is the setting of limiting conditions or withholding from complete acceptance of the requirements specified in the Bidding Document; and
- c. "Omission" is the failure to submit part or all of the information or documentation required in the Bidding Document.

24 Determination of Responsiveness

24.1

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

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24.2

A substantially responsive Bid is one that meets the requirements of the Bidding Document without material deviation, reservation, or omission. A material deviation, reservation, or omission is one that, if accepted, would:

- i. affect in any substantial way the scope, quality, or performance of the Works specified in the Contract;

or

- ii. limit in any substantial way, inconsistent with the Bidding Document, the Employer's rights or the Bidder's obligations under the proposed Contract;

or


if rectified, would unfairly affect the competitive position of other Bidders presenting substantially responsive Bids.

24.3

The Employer shall examine the technical aspects of the Bid submitted in accordance with ITB 13, Technical Proposal, in particular, to confirm that all requirements of Part 1 - Section III (Evaluation and Qualification Criteria) have been met without any material deviation or reservation.

24.4

If a Bid is not substantially responsive to the requirements of the Bidding Document, it shall be rejected by the Employer and may not subsequently be made responsive by correction of the material deviation, reservation, or omission. The Employer's decision in this connection shall be final and binding.

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25 Evaluation of Technical Bids

25.1

The Employer shall determine to its satisfaction during the evaluation of Technical Proposals whether Bidders are qualified to perform the Contract satisfactorily.

25.2


The determination shall be based upon an examination of the documentary evidence of the Technical Proposal submitted by the Bidder, pursuant to ITB 13, to clarifications in accordance with ITB 22 and the evaluation and qualification criteria indicated in Part 1 - Section III. Evaluation and Qualification Criteria.

25.3

The Employer will carry out a detailed evaluation of the technical proposals in order to determine whether the technical aspects are in compliance with the Bidding Document. In order to reach such a determination, the Employer will examine and compare the Technical Proposals on the basis of the information supplied by the Bidders, taking into account overall completeness and compliance with the Employer's Requirements and the technical merits.

25.4

An affirmative determination shall be a prerequisite for the opening and evaluation of a Bidder's Financial Proposal. A negative determination shall result into the disqualification of the Bid. The Employer shall return the unopened Financial Proposal to the respective Bidder/s after awarding the contract to the successful bidder.

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26 Correction of Arithmetical Errors

26.1

Bids determined to be substantially responsive will be checked by the Employer for any arithmetic errors. Errors will be corrected by the Employer as follows:

- (a) Where there is a discrepancy between the amounts in figures and in words, the amount in words will govern; and
- (b) Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern, unless there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted will govern, and the unit rate will be corrected.
- (c) If the total Bid price increases due to corrections made on above procedure, the bid price shall not be adjusted to the increased price and the corrections should be readjusted within the Bid price in consultation with the Bidder.
- (d) If the bid price decreases by the above procedure, the Grand Total in Part 5 Price Schedule and related Bidding Forms shall be adjusted with the concurrence of the Bidder and shall be considered as binding upon the Bidder.


26.2

If the Bidder that submitted the lowest evaluated Bid does not accept the correction of errors, its Bid shall be disqualified and its Bid Security may be forfeited.

27 Evaluation of Financial Bids

27.1

The Employer shall evaluate Financial Proposals of each Bid for which the Technical Proposals have been determined to be substantially responsive as per evaluation criteria given in Part 1 - Section III of the Bidding Document.

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27.2

To evaluate the Financial Proposal of a Bid, the Employer shall consider the following:

- i. Total Lump Sum Bid price;
- ii. Unconditional Discounts offered if any.
- iii. Rates quoted in the BOQ (Bill of Quantities)

27.3

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

The bids of technically unqualified bidders will be returned only after the award of the contract to the successful bidder.

28 Comparison of Bids


28.1

The Employer shall compare all substantially responsive Bids to determine the highest scoring Bid according to clause 5.0 of Section III "Evaluation and Qualification Criteria" of the bidding document.

29 Employer's Right to Accept Any Bid, and to Reject Any or All Bids

29.1

The Employer reserves the right to accept or reject any Bid, and to annul the bidding process and reject all Bids at any time prior to Contract award, without thereby incurring any liability to Bidders. In case of annulment, all Bids submitted and specifically, Bid Securities, shall be returned to the Bidders.

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F AWARD OF CONTRACT

30 Notification of Award

30.1

Prior to the expiration of the period of Bid validity, the Employer shall notify the successful Bidder who has obtained the highest "Total Score" calculated as per clause 5.0 of Section III "Evaluation and Qualification Criteria" of the bidding document, in writing, that its Bid has been accepted. The notification letter (hereinafter and in the Conditions of Contract and Contract Forms called the "Letter of Acceptance") shall specify the sum that the Employer will pay the Contractor in consideration of the execution and completion of the Works (hereinafter and in the Conditions of Contract and Contract Forms called "the Contract Price") and the requirement for the Contractor to remedy any defects therein as prescribed by the Contract.


30.2

Until a formal contract is prepared and executed, the Letter of Acceptance shall constitute a binding Contract.

31 Performance Security

31.1

Within Twenty One (21) days of the receipt of Letter of Acceptance from the Employer, the successful Bidder shall furnish the Performance Security equal to five percent (5%) of the Contract Price in accordance with the Conditions of Contract, using the Performance Security Form included in Part 3 - Section VIII.

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31.2

Failure of the successful Bidder to submit the above-mentioned Performance Security or to sign the Contract Agreement shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security.

32 Signing of Contract

32.1

After notification, submission of the document given under sub clause 32.3 below and submission of performance security, the Employer shall send the successful Bidder the Contract Agreement.


32.2

Within Thirty (30) days of receipt of the Contract Agreement, the successful Bidder shall sign, date, and return it to the Employer.

32.3

Any Foreign Contractor who wishes to carry out any "Construction Contract" as the main/lead party upon the succeeding its bid, shall obtain a Temporary Registration Certificate for Foreign Contractor; as per the procedure stipulated by *Construction Industry Development Authority (CIDA) of Sri Lanka* under Publication No. CIDA/ID/20.

A copy of the above publication can be found in Section XVIII of Part 4.


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33 Corrupt Practices

33.1

It is the Employer's policy that Bidder, suppliers, and contractors and their subcontractors, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuance of this policy, the Employer

- a. defines, for the purposes of this provision, the terms set forth below as follows:
 - i. "corrupt practice" is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
 - ii. "fraudulent practice" is any act or omission, including a misrepresentation, that knowingly or recklessly misleads or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation ;
 - iii. "Collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party.
 - iv. "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
 - v. "obstructive practice" is
 - a. deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an

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investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation;


or

b. acts intended to materially impede the exercise of the Employer's inspection and audit rights provided for under ITB 33.1viii below.

vi. will reject a proposal for award if it determines that the applicant recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question;

vii. will sanction a firm or individual, at any time, including by publicly declaring such firm or individual ineligible, either indefinitely or for a stated period of time, Employer if it at any time determines that the firm has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing.

viii. will have the right to get the accounts , records and other documents relating to the bid submission and contract performance of the applicants, suppliers,

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contractors and their sub-contractors audited by auditors appointed by the Employer.

34 Negotiations

Negotiations will include a discussion of the technical proposal, the proposed technical approach and methodology, work plan, and organization and staffing, and any suggestions made by the bidder. The employer will agree on all the terms, staff, work program, logistics, and other important matters that arise on the submissions made by the bidder. All such negotiations shall be documented and the relevant parties shall sign such document which will become a part of the final agreement.

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