



## REQUEST FOR QUOTATIONS (RFQ) WORKS

RFQ WORKS NUMBER: 45/11/20/20E169

To: Potential Bidders

Date: 09<sup>th</sup> November 2020

The **Department of Water Resources (DoWR)** (the Employer) invites you to submit your quotation for carrying out the works as described herein. Any resulting contract shall be subject to the attached General Conditions of Contract (GCC) and Special Conditions of Contract (SCC). At the time the Contract is awarded the Employer reserves the right to increase or decrease the works required up to 25%.

### SECTION A: QUOTATION REQUIREMENTS

- 1) Description of Works and Location:  
**Labour, tools and equipment ONLY for the Sanma DoWR Office Complex located at near the Luganville Fire Station.**
- 2) Quotations should be: **Inclusive of VAT and duties.**
- 3) Works are to commence: **01<sup>st</sup> December 2020** and be completed by **1<sup>st</sup> March 2021 (4 Months).**
- 4) Quotations must be valid for **30 days** from the Submission Date and Time given below.
- 5) The defects liability period offered shall be: **6 months from Practical Completion**
- 6) Quotations and supporting documents as specified in Section B must be clearly marked with the RFQ Works Number given above and must indicate your acceptance of the terms and conditions.
- 7) Quotations must be received no later than the Submission Date and Time being: **02:00pm** on **20<sup>th</sup> November 2020** by email, or hand delivered to the address specified below.
- 8) Quotations must be returned to in sealed Envelopes and deposited as:  
**DoWR New Sanma Office complex – RFQ45/11/20/20E169.**

**In Luganville:  
Ms. Helena Roel  
Accounts Clerk  
Department of Water Resources (DoWR) - Santo  
Santo Public Works Department (PWD) Building**



**In Port Vila:**

**Mr. Nimrod Siosi**  
**Procurement**  
**Department of Water Resources (DoWR) – Port Vila**  
**George Pompidou Complex, Port Vila**

Soft Copy of Quotation and RFQ document must be also send to DoWR RFQ email address,  
email: [dowr.procurement@gmail.com](mailto:dowr.procurement@gmail.com)

- 9) Bidders with any queries relating to the Scope of Works to the contract should contact:  
**Mr. Nimrod Siosi – DoWR Procurement on [dowr.procurement@gmail.com](mailto:dowr.procurement@gmail.com)** cc'ed to  
[rsj@tulaetprojects.com.vu](mailto:rsj@tulaetprojects.com.vu)
- 10) The attached Section C Description of Works detail the works to be performed.  
You are requested to quote by **completing Sections B, C1 – C5, D and E**. Quotations shall cover all costs of labor, materials, equipment, overheads, profits and all associated costs for performing the works. The whole cost of performing the works shall be included in the items stated and the cost of any incidental works shall be deemed to be included in the prices quoted.
- 11) The RFQ will be assessed on lowest cost only basis **ONLY AFTER** your proposal has been scored as follows.

	Description	Section	Score
	Quoted Price		
1	Payment Schedule & Programme	SECTION C1	15
2	Work Methodology (Quality) Statement	SECTION C2	20
3	Site Staff Credentials (CVs)	SECTION C3	20
4	Tools & Equipment Ownership and availability	SECTION C4	15
5	Company's Previous Work Experience 1	SECTION C5	10
6	Company's Previous Work Experience 2	SECTION C5	10
7	Company's Previous Work Experience 3	SECTION C5	10

- 12) Quotations that are responsive, qualified and technically compliant will be ranked according to price. A Contract will generally be issued to the lowest priced quotation. However, the Employer is not bound to accept the lowest or any quotation.



Signed:

Date:

Name: Arthur Faerua

Title/Position: Director General

Address: MoLNR – Department of Water Resources (DoWR)  
(For, and on behalf of the Employer)



## **SECTION B: CONTRACTORS QUOTATION FOR LABOUR ONLY**

**EMPLOYER'S RFQ WORKS NUMBER: 45/11/20/20E169.**

To: MoLNR – Department of Water Resources (DoWR)

- 1) Works will commence on: **1 December 2020** to be completed by: **1 March 2021**
- 2) The validity period of this Quotation is: **60 days** from the Submission Date.
- 3) Defect liability period: **6 Months**
- 4) We enclose the following documents:
  - ***A copy of our business registration certificate (VFSC & DCIR)***
  - ***VAT Clearance Certificate***
  - ***Completed forms under Section B, C1 to C5, D & E***
- 5) We confirm that our quotation is subject to both the attached General Conditions and Special Conditions of Contract and is based on the terms and conditions stated in your Request for Quotations referenced above.
- 6) We confirm that within 14 days of signing of the contract we will submit our insurance policies.
- 7) We confirm that the prices quoted are fixed for the duration of the validity period and any subsequent contract that may be awarded.

Signed:

Name:

Title/Position:

Authorised for and on behalf of:

Contractor:

Address:



## SECTION C: DESCRIPTION OF WORKS

Contract is **FIXED PRICE LUMP SUM – LABOUR ONLY CONTRACT** as defined by the GCC.

The Contract Sum shall include all:

Labour Charges including provision of all TOOLS & EQUIPMENT, and be full compensation for the complete construction of all works under this contract, but necessary to complete the works of the Contract in accordance with the intention of the Drawings and the Specifications.

### Precedence of Documentation

In the event of any inconsistency or contradiction between the documents comprising the Contract the following order of priority of interpretation shall prevail:

- a) The Letter of Acceptance (by email or in Writing);
- b) The Said RFQ and covering letter(s) accompanying the RFQ Form;
- c) Any Notices to Bidders, with more recent Notices taking precedence;
- d) The Drawings;
- e) Special Conditions of Contract; and
- f) General Conditions of Contract including Annexure.

**Scope of Works for this quotation is Labour tools and equipment to:**

### Complete the building as per drawings;

All works are to comply with the Vanuatu Building Code and Vanuatu Home Building Manual

The Scope of Work is to be read in conjunction with the Drawings and Technical Specification and the following table:

Item	Description	Description of Works
1	Mobilisation / Establishment	<ul style="list-style-type: none"> <li>• Mobilise plant, equipment and materials to site.</li> <li>• Establish working and admin areas</li> <li>• Liaise with project stakeholders</li> <li>• Undertake project start-up meeting with Construction Supervisor</li> <li>• Undertake site set out and clarify work requirements.</li> </ul>
2	Demolition	<ul style="list-style-type: none"> <li>• Liaise with Construction Supervisor to identify demolition areas</li> <li>• Demolish existing concrete slab and remove from site. If demolished items can be used as fill, use as deemed necessary.</li> </ul>
3	Project / Contract Management	<ul style="list-style-type: none"> <li>• Manage the project site and coordinate works with Construction Supervisor.</li> <li>• Conduct fortnightly site meetings with Construction Supervisor.</li> <li>• Manage the works and compliance with project</li> </ul>



		<p>requirements.</p> <ul style="list-style-type: none"> <li>• Undertake project administration including submission of invoices, keeping project records such as a site diary and maintenance of quality.</li> <li>• Undertake stakeholder liaison.</li> </ul>
4	Work Health & Safety and Environmental Management	<ul style="list-style-type: none"> <li>• Develop Site Safety Plan (SSP) and submit to Construction Supervisor within 14 days after signing contract for approval.</li> <li>• Establish site safety and environmental controls on site including waste management system.</li> <li>• Maintain a safe work environment on site, maintain site work health and safety controls including daily safety meetings/toolbox talks.</li> </ul>
5	Insurances	<ul style="list-style-type: none"> <li>• Establish and / or maintain insurances required for the works:</li> <li>• Public Liability – 10million Vatu</li> <li>• Workers Compensation as per Vanuatu Laws.</li> <li>• Contract Works – including cyclone cover</li> </ul>
6	Quality Management	<ul style="list-style-type: none"> <li>• Manage project quality as per the inspection and Test Plan (ITP)</li> </ul>
7	Works	Execute works per the drawings included in attachment 1.

## Project Administration

**Insurance** – The contractor is to have insurance prior commencing the works; by minimum it should have:

- Public Liability
- Workers Compensation
- Contract Works – including cyclone cover

**Pre-Start Meetings** – A prestart meeting is to be held onsite prior to the commencement of the project works. The objective of the pre-start meeting is to confirm the project outcomes, responsibilities and relationships for the project. Attendees at the meeting are to include representatives of the contractor and Construction Supervisor.

**Project Meetings** – A meeting is to be held on a regular basis during the works between the Contractor and the Construction Supervisor and from time to time with the Employer's Representative.

**Invoices** – Draft invoices are to be presented to the Construction Supervisor at least one week prior to the completion of each stage of the works for verification prior to issuance of stage payment certification.

**Access to Services** – The contractor is required to provide their own temporary electrical power and pay for utilities.

**Work Hours** – Work hours are generally to be 7.30am – 6pm from Monday to Saturday.



**Security** - The Contractor is to ensure that site security is maintained at all times and that there is no theft on the worksite.

**Ablutions** – The contractor is to provide their own site ablutions during the project works.

**Behaviour** – All of the contractor's staff are to act in a professional manner.

### **Work Health and Safety**

The contractor is to ensure that all personnel involved in the works, visitors to the works site and people around (and adjacent to) the work site are kept safe. The contractor is to provide to the Construction Supervisor with a Site Safety Plan. Measures to manage Work Health and Safety (WHS) are to include:

- **PPE** – Construction Workers are to have personal protective equipment (PPE) appropriate to their tasks including (but not limited to) hearing protection (when operating noisy equipment), safety glasses (mechanical tool operation), gloves, boots and hard hats (when working below other works, and when construction equipment is operating).
- **High Visibility Clothing** – Site personnel are to wear high visibility vests onsite.
- **Vehicle Use - Vehicles** in and around the construction site are to be registered and operated by licenced drivers in a safe manner.
- **Electricity** – Any work that involves the use of electricity, including temporary power during works, is to be carried out by a suitably trained and certified electrician.
- **Signage** - The WHS measures and warnings are to be well signposted around the site.
- **Access** – DoWR will retain ownership of the site and the contractor is to manage access for the construction activities. The contractor is not to block or disrupt access to the site by DoWR staff.
- **Noise** – Noise is to be kept to a minimum
- **Delineation of the worksite** – The contractor is to delineate the worksite and control access at the gate entry.
- **Drugs and Alcohol** - No smoking, alcohol consumption or consumption of any other drugs is permitted by the contractor or staff.
- **Accidents** - The Construction Supervisor is to be notified within one day if there are any accidents that involve death or major injury on site.
- **First Aid Kit** - The contractor is to have a first aid kit on site and somebody who is trained in using the first aid kit.

### **Environmental**

Environmental measures for the project are to include:

- All waste is to be removed from site and disposed of as per council requirements.
- No waste is to be burnt onsite.
- Dust is to be managed and kept to a minimum.

### **Handover & Completion**

Upon reaching completion of the project works the contractor is to inform the Construction Supervisor. A joint inspection involving the Construction Supervisor and Employer's representative will be carried out



to confirm any outstanding works and/or defects. If the project works comply with the contract drawings, documentation and specification then a Certificate of Completion will be issued. The issue of the Certificate the contractual conditions will be enacted regarding return of guarantees and commencement of Defect Liability Periods and Warranties.





## SECTION C1: PAYMENT SCHEDULE & PROGRAMME

1. The Programme Schedule shall be read in conjunction with the General Conditions of Contract, Special Conditions of Contract, Schedule of Requirements AND Drawings.
2. The contractor shall provide a bid in accordance with the CONTRACTORS QUOTATION FORM IN SECTION B.
3. Payment for Work - **Lump Sum in stages as per payment schedule.**
4. A breakdown of the works is provided in the Payment Schedule. This breakdown of the offered Lump Sum over the major activities of the Contract constitutes the means by which the amount payable for the Works is apportioned for Payment Schedule.
5. This is the extent of the purpose of the Programme Schedule. It is not to be regarded or construed as placing or constituting any limit on the Contractor's obligations to provide all the Works described in the contract documentation against the offered Lump Sum.
6. The whole cost of complying with the provisions of the Contract shall be included in the Lump Sum, and where no item is provided in the Schedule of Activities, the cost shall be deemed to be distributed among prices entered for the related items of Work.
7. Provisional Sums included and so designated in the Schedule of Activities shall be expended in whole or in part at the direction and discretion of the Employer in accordance with the Conditions of Contract.
8. No Contingency Sum is included for this contract.
9. In the case of Arithmetic Errors, the Lump Sum will govern. The sums entered for the individual items in the Schedule of Activities will be adjusted by the Employer to accord with the Lump Sum tendered.



## SCHEDULE OF PAYMENT

The payment schedule for the Works is as per the following table.

Stage	Work Activity	Payment to Contractor (%)
1	<b>Advance Payment</b> – includes mobilization, insurance payment, and demolition.	20%
2	<b>Complete all works to slab level</b> Includes the pouring of footings, block walls up to floor level, infill and slab	20%
3	<b>Complete all works to ring beam</b> Includes installing block wall including reinforcement and filling the void spaces, concrete columns, gable walls and ring beams	15%
4	<b>Complete all roofing works</b> This includes all rafters & purlin, roof sheeting, fascia boards, flashings, gutters and downpipes	20%
5	<b>Complete all finishing works</b> Includes plastering, doors (including framing), windows (including framing), tiling, painting internal & external,	15%
6	<b>External works and handover</b> This includes, handwashing facilities, Connection of power to the building, tests and commissioning, septic tank and soak away, access ramps, site clean-up and demobilization.	7%
7	<b>After 6 months and completion of any defects</b>	3%



**SCHEDULE OF REQUIREMENTS (Proposed Construction Schedule)**

[Please submit with the quotation].

Item	Description of Work	Month 1				Month 2				Month 3				Month 4							
		W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4				
1.																					
2.																					
3.																					
4.																					
5.																					
6.																					
7.																					
8.																					
9.																					
10.																					

Signed:  
 Name:  
 Title/Position:  
 Authorised for and on behalf of:  
 Contractor:  
 Address:























**SECTION D: SCHEDULE OF RATES AND PRICES (For Variation Purposes)**

Item	Description of Works	Unit	Quantity	Unit Price
1	Site Manager	Day	1	
2	Tradesmen(carpenters – skilled)	Day	1	
3	Certified Electrician	Day	1	
4	Plumber	Day	1	
5	Semi-skilled Labourer	Day	1	
6	Unskilled Labourer	Day	1	
7	Use of Dump truck 3-5	Cum	1	
8	Use of Excavator (less than 10 ton)	Day	1	
9	Use of Concrete Vibrator	Day	1	
10	Use of Jackhammer	Day	1	
11	Use of scaffolding	Day	1 set	
12	Use of Generator (3-5Kva)	Day	1	
13	Use of Cement Mixer (150L)	Day	1	
14	Supply, deliver and place sand	cum	1	
15	Supply, deliver and place coral (20mm)	Cum	1	
16	Supply, deliver and backfill material	Cum	1	

Inclusive of VAT and duties

Signed:

Name:

Title/Position:

Authorised for and on behalf of:

Contractor:

Address:



## SECTION E: ACTIVITY AND PRICE SCHEDULE

Item	Activity Description	Price
1	Demolition Works	VT
2	Supply, Deliver and place of backfill ~ 50cubic metres	VT
3	<b>Tools &amp; Equipment</b> Concrete mixer, generator or temporary supply of power, concrete vibrator, scaffold, hand tools, drills, grinders, etc.	VT
4	Labor & Tradesmen Includes; block layers, carpenters, certified electrician, plumber	VT
5	Site Manager / Supervisor	VT
6	Insurances (Provisional Sum) Reimbursable upon issue of receipt. (other items that Bidder think is necessary to include)	VT 500,000
7		VT
8		VT
	<b>Total Lump Sum</b>	

Inclusive of VAT and duties

Signed:

Name:

Title/Position:

Authorised for and on behalf of:

Contractor:

Address:



## SECTION F: GENERAL CONDITIONS OF CONTRACT (GCC)

### GENERAL PROVISIONS

1. The Documents listed in the Contract represent the entire and integrated Contract between the Employer and the Contractor. The Contract is governed by and shall be construed in accordance with the Laws of the Republic of Vanuatu, and the ruling language of the Contract is English.
2. All prior negotiations, representations and agreements, both oral and written, are superseded by the Contract. All correspondence and documents relating to the Contract between the parties and their representatives shall be in English.
3. Neither the Employer nor the Contractor shall assign, in whole or in part, their obligations under the Contract, except with the prior written consent of the other party.

4. In these Conditions of Contract, unless the context otherwise requires:

**Construction Supervisor** means the person, appointed by the Employer, who supervises the Construction and certifies the completion, or partial completion, of the Works;

**Contract** means the signed Contract Agreement, and the documentation specified therein, as entered into between the Employer and the Contractor for the provision of the Works;

**Contract Cost** means the total cost stated in the Contract Agreement both in words and figures;

**Contractor** means the person or organization stated in the Contract Agreement whose Quotation to provide the Works has been accepted by the Employer;

**Days** mean calendar days;

**Defects Liability Certificate** is the certificate issued by the Construction Supervisor upon verification of the completion of notified defects;

**Defects Liability Period** means the period stated in the SCC following the issuance of the Practical Completion ("Taking Over") Certificate, during which the Contractor shall rectify any defects arising as a result of the performance of the Works;

**Drawings** include calculations and other information provided or approved by the Construction Supervisor for the execution of the Contract;

**Employer** means the Government of Vanuatu procuring entity stated in the Contract Agreement;

**Force Majeure** means an event or situation beyond the control of either party that is not foreseeable, is unavoidable, and its origin is not due to negligence or lack of care on the part of either party. Such events may include, but not be limited to, wars or revolutions, natural disasters (such as earthquakes, tsunamis, fires, floods etc.), epidemics, quarantine restrictions, and freight embargo;

**In writing** means communicated in written form (e.g. by letter, e-mail or fax);

**Months** mean calendar months;

**Site Manager** means the person named in the Contract Agreement, who manages the implementation of the Contract on behalf of the Contractor;

**Subcontractor** means any person or organization that supplies goods, materials, works or services to the Contractor;



**Technical Specifications** means the Specifications of the Works included in the Contract Agreement and any modification or addition made or approved by the Construction Supervisor;

**Variation** is an instruction given by the Employer which varies the Contract Agreement.

Clause headings shall not be used in the interpretation of these Conditions.

Words in the singular also include the plural and vice versa when the context so requires.

Words indicating a gender include either gender.

## **OBLIGATIONS OF THE EMPLOYER**

### **5. Construction Supervisor**

(1) The Employer shall appoint a Construction Supervisor to act on its behalf to supervise the works and sign the Practical Completion ("Taking Over") Certificate, the Defects Liability Certificates, and any other partial completion certifications as provided for under the Contract Agreement. Any other powers delegated to the Construction Supervisor are listed in the **SCC**.

(2) The Employer shall pay to the Supplier sums due under the Contract.

## **OBLIGATIONS OF THE CONTRACTOR**

### **6. Scope of Works**

(1) The Contractor shall complete the Works at the locations specified in the Contract, and shall obtain a signed Practical Completion ("Taking Over" Certificate) from the Construction Supervisor.

### **7. Subcontracting**

(1) The Contractor shall obtain the Employer's prior approval in writing of all subcontractors who are not specified in its Quotation with whom the Contractor wishes to engage under the Contract. Such approval shall not relieve the Contractor from any of its obligations, duties, responsibilities or liability under the Contract.

### **8. Specifications and Standards**

(1) The Works provided under the Contract shall conform to the technical specifications (including the standards mentioned in the technical specifications). When no applicable standard is mentioned in the Technical Specifications or drawings, the standard shall be equivalent or superior to that given in the **SCC**.

(2) Where references are made in the Contract to codes or standards, the edition or the revised version of such codes and standards shall be those specified in the **SCC**.

(3) The Construction Supervisor shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities.

### **9. Copyright**

(1) The intellectual property and copyright (IP) in all drawings, documents and other materials containing data and information furnished to the Employer by the Contractor shall remain vested in the Contractor or, if they are furnished to the Employer directly or through the Contractor by any third party, including, without limitation, Suppliers of





materials, the copyright in such materials shall remain vested in such third party save insofar as the Contractor shall grant to the Employer a world-wide, non-exclusive,



irrevocable and royalty-free licence to use the IP to give effect to the provisions of this agreement.

#### 10. Defects Liability

(1) The Construction Supervisor shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at the Date of Completion of the Works (i.e. the date of the Practical Completion ("Taking Over") Certificate). The Defects Liability Period shall be extended for as long as Defects remain to be corrected.

(2) Every time notice of a Defect is given, the Contractor shall correct the notified Defect within the length of time specified by the Construction Supervisor's notice. If the Contractor has not corrected a Defect within the time specified in the Construction Supervisor's notice, the Construction Supervisor will assess the cost of having the Defect corrected, and deduct such cost from the Retention Money.

(3) On completion of the Defects Liability Period and correction of all notified defects the Construction Supervisor shall issue a Defects Liability Certificate in the format as provided. Within 30 days of the signature of the Defects Liability Certificate the Performance Security shall be returned and the balance of the retention monies released.

#### 11. Insurance

(1) The Contractor shall provide, in the joint names of the Employer and the Contractor, such insurances as are necessary to cover the liability of the Contractor and subcontractor(s) in respect of (a) personal injuries or deaths and damage to real or personal property arising out of or in the course of the carrying out of the Works; (b) all unfixed equipment, materials and goods intended for the Works, delivered to, or placed on or adjacent to the Works and intended for the Works, and for an amount not less than the full replacement cost of the works against all risks or physical loss or damage.

(2) Such insurances shall be in the type and amounts specified in the **SCC** and shall cover the period from the Start Date of the works as stated in the **SCC** to the end of the Defects Liability Period. The Contractor shall not cancel, cause to be cancelled, or alter the terms and conditions of any insurance policy covering this Contract without the express permission of the Employer.

### **ACCEPTANCE AND REJECTION**

#### 12. Performance of the Works

(1) The Contractor shall complete the Works within the time period, and at the place(s) specified in the Schedule of Works and Quotation Schedule (or in the Technical Specifications, as applicable).

#### 13. Acceptance of the Works

(1) Acceptance of the Works shall not be considered complete until receipt of the signed Practical Completion ("Taking Over") Certificate and any testing, as applicable, has taken place. To certify acceptance the Contractor shall provide to the Employer at the completion of the Works (or for each stage of construction if required) a Practical Completion ("Taking Over") Certificate signed and stamped by the Construction Supervisor in the format provided.



(2) Acceptance of the Works or payment shall not prejudice the right of the Employer to maintain an action for breach of condition or warranty should the Works prove to be of



inferior quality or in any respect contrary to the requirements of the Contract Agreement.

#### 14. Rejection of the Works

(1) The Employer may reject any Works which are not in accordance with the Contract. The Employer shall, upon rejection of any Works, notify the Contractor and may direct that the rejected Works be rectified at the Contractor's risk and expense within such reasonable time as the Employer may direct. Should the Contractor fail to rectify the rejected Works within the time directed the Employer may have the rejected Works completed at the Contractor's risk and expense.

### **VARIATION ORDERS**

#### 15. Employers and Contractors Rights

(1) The Employer may issue a Variation Order making changes to the Works, timing and/or cost of the Contract and submit it, with a brief justification for the variation, to the Contractor. If accepted, the Employer shall issue the Variation Order to the Contractor.

(2) The Contractor may submit a written proposal to the Employer requesting a variation in the Works. The proposal shall include a reasonable estimate of the time and/or cost of the variation, as well as a brief justification for the variation. If the Employer agrees to the proposal it shall prepare and issue the Variation Order to the Contractor.

(3) Variation in or modification of the terms of the Contract shall be made by written amendment signed by both parties.

### **TERMS OF PAYMENT**

#### 16. Contract Cost

(1) Unit Costs charged by the Contractor for the Works provided under the Contract shall not vary from those stated in the Contract.

(2) The total payments to be made against the Contract shall not exceed the Contract Cost stated in the Contract, except for changes made to the Contract as provided for in Clause 15.

#### 17. Advance Payment

(1) If specified in the **SCC**, the Employer will make an advance payment to the Contractor against submission by the Contractor of an unconditional Advance Payment Bank Guarantee in the format specified by the Employer.

(2) The advance payment shall be repaid by deducting amounts from payments otherwise due to the Contractor. The total advance payment shall be recovered during the period of the Contract.

#### 18. Interim Payments

(1) Interim payments Payment(s) to the Contractor shall be made, at the intervals or for the periods as specified in the **SCC**. Interim payment shall be made in the currency of the Contract and will be the estimated value of the permanent works executed, as approved by the Employer, up to the end of the period for which payment is being made less any deductions for retention money and repayment of advance.



(2) Request(s) for payment(s) shall be made to the Employer in writing, accompanied by invoices describing, as appropriate, the Works completed, always provided that other obligations stipulated in the Contract have been met.



(3) Payments shall be made by the Employer within 30 days after acceptance of the Invoice and other required documentation.

#### 19. Retention

(1) A Payment Retention of the amount stated in the **SCC** shall be deducted from the payments due to the Contractor with respect to each interim payment up to a limit stated in the **SCC**. 50% of the total retention will be released on issue of the Practical Completion ("Taking Over" Certificate) and the balance shall be released at the end of the Defects Liability Period and issue of the Defects Liability Certificate.

#### 20. Final Payment

(1) Within 30 days of the completion of the Defects Liability Period, the Contractor shall submit a Final Payment Statement to the Construction Supervision Engineer, in the form approved by the Construction Supervision Engineer, showing:

- (a) The value of all the work done in accordance with the Contract;
- (b) Any further sums which the Contractor considers to be due to him under the Contract;
- (c) Less the total of all interim payments received under the Contract.

(2) In the event that the Contractor fails or neglects to submit a Final Payment Statement, the Construction Supervisor may nevertheless issue a Final Payment Certificate provided he has sufficient information to calculate the value of such Certificate.

(3) The Employer shall within 30 days from the date of the Final Payment Certificate pay to the Contractor the amount due to the Contractor.

(4) If on the Final Payment Certificate a payment is due to the Employer, then the Contractor shall within 30 days from the date of the Final Payment Certificate pay the Employer that amount due.

#### 21. Taxes and Duties

(1) Taxes and Duties as applicable are as stated in the **SCC**.

### PERFORMANCE SECURITY

#### 22. Requirement for Performance Security

1) Details of any Performance Security required are as stated in the **SCC** and it shall be furnished by the Contractor in the format provided.

### LIQUIDATED DAMAGES

#### 23. Provisions for Liquidated Damages

(1) Liquidated damages if applicable are as stated in the **SCC**.

### SAFETY HEALTH AND WELFARE

#### 24. Requirements for Safety Health and Welfare

(1) The Contractor shall be responsible for all activities on the Site and shall comply with all relevant provisions of the laws in the Republic of Vanuatu.

### TERMINATION AND SUSPENSION

#### 25. Termination for Default



(1) The Employer may, without prejudice to any other remedy for breach of Contract and by written notice of default sent to the Contractor, terminate the Contract in whole or in part if the Contractor:



- (a) Fails to complete any or all of the Works within the period specified in the Contract Agreement, or within any extension thereof granted by the Employer; or
- (b) Fails to perform any other obligation under the Contract; or
- (c) Has engaged in fraudulent, corrupt, collusive, coercive or obstructive practices in competing for or in executing the Contract.

(2) In the event the Employer terminates the Contract, in whole or in part, the Employer may procure, upon such terms and in such manner, as it deems appropriate, Works similar to those not complete, and the Contractor shall be liable to the Employer for any additional costs for such similar Works. However, the Contractor shall continue performance of the Contract to the extent not terminated.

#### 26. Termination for Insolvency

(1) The Employer may at any time terminate the Contract by giving notice to the Contractor if the Contractor becomes bankrupt or otherwise insolvent. In such event, the Contractor shall be compensated for the Works completed and materials supplied up to the date of termination only, provided that such termination will not prejudice or affect any right of action or remedy that has accrued or will accrue thereafter to the Employer.

#### 27. Termination for Convenience

(1) The Employer may, without cause, by written notice instruct the Contractor to terminate its engagement under the Contract. Upon such termination, the Contractor shall be paid for the Works completed and materials supplied up to the date of termination, provided that any such uncompleted Works were not late or otherwise overdue for completion at the date of termination. The Contractor shall promptly make every reasonable effort to effect cancellation upon terms acceptable to the Employer of all outstanding subcontracts.

#### 28. Termination by the Contractor

(1) The Contractor may terminate the contract by giving not less than thirty days' written notice to the Employer in the event that:

- (a) The Employer fails to pay any money due to the Contractor
- (b) As the result of an event of Force Majeure, the Contractor is unable to perform a material portion of the Contract
- (c) The Employer fails to comply with any negotiated settlement

#### 29. Suspension of Funding

(1) In the event that funding is suspended, from which payments to the Contractor are being made, the Employer is obliged to notify the Supplier of such suspension within seven days of having received advice of the suspension of funding.

### **DISPUTES AND SETTLEMENT**

#### 30. Negotiated Settlement

(1) The Parties agree that the avoidance or early resolution of disputes is crucial for a smooth execution of the Contract and the success of the assignment. The Parties shall use their best efforts to negotiate all disputes arising out of, or in connection, with this Contract or its interpretation.





(2) Failing successful negotiation any disputes will be settled by the courts in Vanuatu.



## **FORCE MAJEURE**

### **31. No Breach of Contract**

(1) The failure of a Party to fulfill any of its obligations under the Contract shall not be considered to be a breach of, or default under, this Contract insofar as the inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract; and has informed the other Party as soon as possible about the occurrence of such an event.

### **32. Extension of Time**

(1) 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. Payments**

(1) During the period of their inability to complete the Works as a result of an event of Force Majeure, the Contractor shall be entitled to continue to be paid under the terms of this Contract.

## **INTEGRITY/ PROBITY**

### **34. Competing for and Executing the Contract**

(1) Neither the Contractor, nor any Representative of the Contractor will engage in fraud, corruption, collusion, coercion and/or obstructive practises in competing for, or in executing the contract. Should the Contractor, or any Representative of the Contractor engage in the above, they could face any, or all, of the following sanctions:

- (a) Immediate termination of contract (refer Termination and Suspension above);
- (b) Liability for damages to the Government of Vanuatu and other competing bidders;
- (c) Debarment (blacklisting) for five years from engaging in any further contract with the Government of Vanuatu; and
- (d) Public Prosecution under the Penal Code Act.

(2) The Contractor, or any Representative of the Contractor, shall immediately report to the Police, Public Prosecutor and Chairman of the Public Service Commission any attempt by the Employer, or the Employer's Representative, to demand bribes or gifts in relation to this contract.



### Special Conditions of Contract (SCC)

In addition to any other specific issues, add any of the following issues, as mentioned in the GCC, if applicable:

GCC Ref.	HEADING	DETAILS TO BE ENTERED BY EMPLOYER (Where Applicable)
4 & 5 (1)	Construction Supervisor	The Construction Supervisor appointed for this Contract is:  McCarthy Aga Manager Projects & Operations Department of Water Resources (DoWR) Email: maga@vanuatu.gov.vu  Powers may be delegated to a third party
8(1)&(2)	Standards	Vanuatu Building Code and Vanuatu Home Building Manual
11(2)	Insurances	Public Liability – min 10 million Vatu Workers compensation – as required by Vanuatu Employment Act Contract Works – including cyclone cover
17(1)	Advance Payment	20%
18(1)	Interim Payments	As per schedule of payment (page 10)
19(1)	Retention	3%
21(1)	Taxes and Duties	VAT inclusive
22(1)	Performance Security	Not required
23(1)	Liquidated Damages	Applicable at 100,000 VT per day



## **SECTION H: SAMPLE FORMS**

Sample forms are attached for information and use as applicable:  
**Sample Forms**

**FORM 1 – Contract Agreement**

**FORM 2 – Practical Completion (“Taking Over”) Certificate**

**FORM 3 – Performance Security (Bank Guarantee)**

**FORM 4 – Advance Payment Security (Bank Guarantee)**

**FORM 5 – Defects Liability Certificate**



**FORM 1 – CONTRACT AGREEMENT**

<b>Contract No:</b>	[Employer to enter]
<b>Brief Description of Contract:</b>	[Employer to enter]

This Contract is made the [Enter date] by and between [Enter name and address of Employer] (the Employer), on the one part and [Enter name and address of Contractor] (the 'Contractor') on the other part;

Whereas the Employer has accepted the Quotation of the Contractor [enter reference number and date] for the performance of such Works in the sum of:  
 [Employer to enter currency and amount in words and figures]

In this Contract, words and expressions shall have the same meanings as are respectively assigned to them in the Terms and Conditions of Contract hereinafter referred to.

The documents constituting the Contract are as shown below in order of precedence and shall be deemed to form and be read as part of this Contract.

- (a) This Contract Agreement
- (b) Special Conditions of Contract
- (c) General Conditions of Contract
- (d) The Contractors Quotation, including the Schedule of Requirements and associated Construction Schedule, the Schedule of Rates and Prices or (in the case of a Lump Sum Contract Activity and Price Schedules) [Employer to enter as required]
- (d) Other documents [Employer to enter as required]

In consideration of the payments to be made by the Employer to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Employer to provide Works as appropriate in conformity in all respects with the provisions of the Contract.

The Employer hereby agrees to pay the Contractor in consideration of the completed Works as appropriate 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 of the aforesaid, the parties hereto have caused this Contract to be executed in accordance with the Laws of the Republic of Vanuatu.

For the Employer		For the Contractor	
<b>Signature:</b>		<b>Signature:</b>	
<b>Date:</b>		<b>Date:</b>	



**FORM 2 – PRACTICAL COMPLETION (“TAKING OVER”) CERTIFICATE**

<b>CONTRACT No.:</b>	
<b>CONTRACT TITLE/ DESCRIPTION:</b>	
<b>CONTRACTOR:</b>	
<b>LOCATION OF WORKS:</b>	
<b>CONTRACT START DATE:</b>	
<b>CONTRACT COMPLETION DATE:</b>	
<b>TOTAL COST OF WORKS</b>	

**DESCRIPTION OF WORKS COVERED BY THIS CERTIFICATE**

1.	

In accordance with the provisions set forth in the Contract Agreement and on the basis of the verification/inspection of completion of the works undertaken by the Employer’s Representative on [Enter date of inspection], we hereby certify that the Contractor has satisfactorily and fully completed the scope of works [Employer to enter, including variations, if any] as called for in the Contract Agreement, in accordance with the Schedule of Requirements and associated Construction Schedule, approved plans and technical specifications, and the Price Schedule (whether based on unit prices or lump sum). The defects liability period commences from the date of Practical Completion and shall remain in effect for [Employer to enter defects liability period] thereafter.

**SCHEDULE OF DEFECTS AND/OR OUTSTANDING WORKS AT DATE OF ISSUE OF NOTICE**

<b>LOCATION</b>	<b>DESCRIPTION</b>

This Certificate likewise provides approval for the release of 50% of the Retention due to the Contractor in accordance with the terms and conditions of the Contract.

Practical Completion Date:	Date of Issuance of this Certificate:
For and on behalf of: [Employer]	Confirming Acceptance for and on behalf of: [Contractor]
By: [Employer to enter name]	By: [Contractor to enter name]
[Enter signature]	[Enter signature]



**FORM 3 - Performance Security (Bank Guarantee)**

[To be provided on headed notepaper of the bank issuing the guarantee]

**To:**

**Beneficiary:** [Enter beneficiary]

**Date:** [Enter date]

**PERFORMANCE GUARANTEE No.:** [Enter Guarantee Number]

We have been informed that [Name of the Contractor] ('the Contractor') has entered into Contract No [Enter Contract Number] dated [Enter date] with you, for [Enter description] ('the Contract').

Furthermore, we understand that, according to the Terms and Conditions of the Contract, a Performance Guarantee is required.

At the request of the Contractor, we [Enter name and address of the Bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [Enter name of the currency and amount in words and figures]<sup>1</sup> upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligation(s) under the Contract, without your needing to prove or to show grounds for your demand or the sum specified therein.

This guarantee shall expire no later than [Enter date]<sup>2</sup> and any demand for payment under it must be received by us at this office on or before that date. We agree to a one-time extension of this guarantee for a period not to exceed [insert number in words] months, in response to your written request for such extension, such request to be presented to us before the expiry of the guarantee.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458, except that subparagraph (ii) of Sub-article 20(a) is hereby excluded.

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[Seal of Bank and Signature(s)]

**Note:**

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<sup>1</sup> Insert the amount representing 10% of the Contract Price and denominated in the currency of the Contract.

<sup>2</sup> Enter the date thirty days after the expiry of the defects liability obligations, as established in the contract. The Beneficiary should note that in the event of an extension of the time for completion of the Contract (and therefore of the Defects Liability Period), the Beneficiary will need to request an extension of this guarantee from the Bank, accordingly. Such request must be in writing and must be made prior to the expiration date established in the guarantee.



**FORM 4 - Advance Payment Security (Bank Guarantee)**

[To be provided on headed notepaper of the bank issuing the guarantee]

**To:**

**Beneficiary:** [Enter beneficiary]

**Date:** [Enter date]

**ADVANCE PAYMENT GUARANTEE No.:** [Enter Guarantee Number]

We have been informed that [Name of the Contractor] ('the Contractor') has entered into Contract No. [Enter Contract Number] dated [enter date] with you, for [Enter description] ('the Contract').

Furthermore, we understand that, according to the Terms and Conditions of the Contract, an advance payment in the sum of [enter name of currency and amount in figures and words]<sup>1</sup> is to be made against an advance payment guarantee.

At the request of the Contractor, we [Enter name and address of the Bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [Enter name of the currency and amount in figures and in words]<sup>1</sup> upon receipt by us of your first demand in writing accompanied by a written statement stating that the Contractor is in breach of its obligations under the Contract.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Contractor in its account number [enter Contractor's account number] at [Enter name and address of the Bank].

The maximum amount of this guarantee shall be progressively reduced by the amount of the advance payment repaid by the Contractor as stated in copies of submitted invoices which shall be presented to us. This guarantee shall remain valid and in full effect from the date the advance payment is received by the Contractor in its bank account until [Insert date]<sup>2</sup>. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date. We agree to a one-time extension of this guarantee for a period not to exceed [Insert number] months, in response to the Beneficiary's written request for such extension, such request to be presented to us before the expiry of the guarantee.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

[Seal of Bank and Signature(s)]

**Note:**

<sup>1</sup> Insert the amount representing the amount of the advance payment.

<sup>2</sup> Insert the date stipulated in the Contract for completion of works. The Beneficiary should note that in the event of an extension of the time for completion of the Contract, the Beneficiary will need to





request an extension of this guarantee from the Bank, accordingly. Such request must be in writing and must be made prior to the expiration date established in the guarantee.



**FORM 5 – DEFECTS LIABILITY CERTIFICATE**

**Contract No. [Employer to insert]**

<b>Description of Works</b>	
<b>Location of Works</b>	
<b>Name of Contractor</b>	
<b>Total Cost of Works</b>	
<b>Date Started</b>	
<b>Date Completion of Defects Liability Period</b>	

In accordance with the provisions set forth in the Contract and on the basis of the verification of the completion of notified defects undertaken by the Construction Supervisor on **[Insert Date of inspection]**, we hereby certify that the Contractor has satisfactorily and fully completed the Contract in its entirety and in accordance with the Schedule of Works and Quotation Schedule, approved plans and technical specifications, and any other contractual documents.

This Certificate likewise provides approval for the release of the Performance Security and remaining Retention Monies due to the Contractor in accordance with the terms and conditions of the Contract.

Issued **[Enter date]**.

By:

**[Employer to enter name]**

Construction Supervision Engineer

**[Employer to enter name of recipient who will also sign to confirm acceptance of the works]**

**[Enter signature]**



## ATTACHMENT 1 - DRAWINGS