



**THE FEDERAL DEMOCRATIC REPUBLIC OF  
ETHIOPIA**

**ETHIOPIAN AIRLINES GROUP**

**Design, Build, financing, and commissioning**

**Of**

**Ethiopian Airlines Group Employees Housing Phase II  
Construction Project**

**BIDDING DOCUMENTS**

**December 2022**

Volume 1 – Tender Conditions & Procedures and  
Conditions of Contract

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## 1. INFORMATION FOR TENDERERS

### 1.1 INVITATION TO TENDERE

Ethiopian Airlines Group intends to invite qualified Grade-1 (GC-1/BC-1) Contractors for **Design Build, Financing and Commissioning of Ethiopian Airlines Group Employees Housing Phase II Project on Turn-Key Basis.**

Hence, ETG invites all interested and eligible bidders from Local/International Contractors, who can meet the requirements stated hereunder: -

1. Renewed trade license for 2015 E.C/ 2022-2023 G.C
2. Renewed certificate of registration from authorized body as (GC/BC) of Grade one (1) and valid licences for the year 2015 E.C/2022-2023 G.C to submit sealed tenders for the execution of **EAG Employee Housing project Phase II** at Addis Ababa, Ethiopia.
3. Valid VAT registration certificate and Taxpayer registration.
4. Tax clearance certificate stating the bidder is eligible to participate in any public tender and valid at least at the deadline for submission of bids.
5. Bidders shall bring finance (loan) for the project from well-known financial institutes.
6. The design and construction of the works shall be completed within **60 months** from the commencement of the work.
7. Bidders should deposit non-refundable **ETB100.00 (One Hundred Birr)** to the nearby Commercial Bank of Ethiopia (CBE) branch referring this tender number **SSNT-T354** Ethiopian Airlines Group Account Number **1000006958277(E-99)**. Bidders shall email the scanned copy of the deposit slip, stating the project title/tender number and detail contact address of the company to the below address and will get tender document by return email.
8. Bidders shall furnish bid security amount in **USD 100,000.00 (One Hundred Thousand Dollar only) for international Contractors and same in ETB with equivalent exchange rate for local Contractors**, in the form of CPO or unconditional and irrevocable bank guarantee in the name of Ethiopian Airlines Group. Any insurance guarantee shall not be accepted.
9. The sealed bid document must be submitted in separate envelopes i.e., the (Technical Proposal, Financial Offer, and Bid Security) and one outer envelope, duly marking the inner envelopes as **“ORIGINAL”** and **“COPIES”** document delivered to Ethiopian Airlines, Strategic Sourcing Non-Technical section before/on **January 23, 2023 at 2:30PM**. The bid will be opened on the same date at **3:00PM**, at Ethiopian Airlines Group Head office Addis Ababa, at presence of those interested bidders or their legal representatives.

For more information, please contact the below address.

Address: Ethiopian Airlines Group,  
Procurement & Supplies Chain Management  
Strategic Sourcing non-technical office.  
**Email:** [AshebirTe@ethiopianairlines.com](mailto:AshebirTe@ethiopianairlines.com)  
**Tel:** +251 115 17 4918

10. Bids shall be valid for a period of **one hundred twenty (120) calendar days** after tender opening.

11. Ethiopian Airlines reserve the right to cancel or modify the tender partially or entirely.

## **2. INFORMATION FOR TENDERERS**

### **1.2 TENDERS**

2.1.1 Ethiopian Airlines Group (*The Employer*) invites tenders from selected companies for the Ethiopian Airlines Village Project (Phase II) at Bole Beshale area as indicated in the Site Plan.

2.1.2 Tenders are invited for a contract based on the Conditions of Contract for Engineering, Procurement and Construction (EPC) Turnkey Projects (First Edition 1999), published by the Federation Internationale des Ingenieurs - Conseils.

### **2.1.3 THE WORKS**

1.2.1 The Ethiopian Airlines Group aims to develop the Ethiopian Airlines Village (Phase II) located at Bole Beshale area, 10 km from Addis Ababa Bole International Airport. The full development of Phase II aims to provide 5,000 dwellings which will cater for around 30,000 occupants. The full development will consist of 25 residential towers with height of G+20 and 6 parking buildings. The delivery of the project shall have two phases, the first 3000 housing units shall be delivered in 36 months and the remaining 2000 housing units shall be delivered by the end of the 60 months. The Employer financially shall commit only for the first 3000 house delivery and the commitment for the remaining 2000 units shall begin after the complete delivery of the 3000 housing units.

The Contractor's scope is to design and execute all the works related to the Items summarized in the below table:

<b>PACKAGE 1 - SUMMARY TABLE</b>		
<b>Items</b>	<b>Units</b>	<b>Total</b>
Land Area	m2	185,500
Residential Towers	No.	25
Parking Buildings	No.	6
Footprint of Residential Tower	m2	1,474
Footprint of Parking Building	m2	2,550
Total BUA of Residential Towers	m2	694,425

Total BUA of Parking Buildings	m2	89,484
Total No. of Parking Spaces	No.	4,793
Total BUA	m2	783,909
Road area	m2	66,813
Landscape area	m2	55,275

The Works shall be complete, fully functional, fit for its purpose and as described under the Tender Documents.

### **1.3 THE EMPLOYER AND EMPLOYER'S REPRESENTATIVE**

#### **1.3.1 The Employer is:**

Ethiopian Airlines Group  
 Bole International Airport,  
 P.O. Box 1755,  
 Addis Ababa, Ethiopia

### **1.4 TENDER DOCUMENTS**

#### **1.4.1 Documents issued to tenderers comprise**

- Volume 1: Tender Conditions and Procedures and Conditions of Contract.
- Volume 2: Specifications
- Volume 3: BOQ and MOM
- Volume 4: Preliminary Design Drawings & Report (Employer's Requirements)

## **2. TENDER CONDITIONS AND PROCEDURES**

### **2.1. TENDER DOCUMENTS**

#### **2.1.1 DOCUMENTS COMPRISING THE TENDER:**

The following documents comprise the Tender to be submitted by Tenderers:

Tender Documents issued by the Employer initialed and stamped by the Tenderer

Letter of Tender and Appendix to Tender

Tender Security

Completed Tender Schedules

Information on eligibility and qualifications

Alternative offers where invited

Notices and Addenda issued during the Tender period initialed and stamped by the Tenderer

Power of Attorney of signatory of the Tenderer and any other information required to be submitted in accordance with the Tender Conditions and Procedures.

**2.1.2 DETAILS TO BE CONFIDENTIAL:** The Tenderer shall treat the Tender Documents as private and confidential (except as may be necessary for the purpose of Tendering) and shall not publish or disclose the same or any particulars thereof in any trade or technical paper or elsewhere. The Tender Documents shall not be used for any purpose other than that for which they are intended.

**2.1.3 EXAMINATION OF DOCUMENTS:** The Tenderer shall examine all documents for completeness and clarity. If any part is missing or indistinct, he shall inform the Employer.

**2.1.4 DISCREPANCIES:** If the Tenderer finds any ambiguities in the documents or discrepancies between documents or any other matters that are unclear, he shall inform the Employer, who will respond with an addendum.

**2.1.5 CLARIFICATION:** If the Tenderer requires any clarification of the Tender Documents, he shall notify the Employer in writing. The Employer will respond in writing to any request for clarification he receives earlier than fourteen (14) days prior to the date for submission of Tenders. Copies of the Employer's response (including a description of the enquiry but without identifying its source) will be sent to all Tenderers.

**2.1.6 AMENDMENT:** At any time prior to the original or extended date for submission of Tenders, the Employer may, whether at his own initiative or in response to a clarification requested by a Tenderer, modify the Tender Documents by the issue of addenda.

**2.1.7 NOTICES AND ADDENDA** will be in writing and will be sent to all Tenderers and will be binding upon them. Tenderers shall promptly acknowledge receipt thereof in writing to the Employer.

## **2.2 ELIGIBILITY AND QUALIFICATIONS OF TENDERERS**

**2.2.1 EVIDENCE OF QUALIFICATION:** The Tenderer shall provide evidence of his capability and adequacy of resources to carry out the Contract. To this effect, the Tender shall include and satisfy the following information:

- a) Copies of original documents defining the constitution or legal status, place of commercial registration and principal place of business, type of organization (Corporation/LLC, Partnership/Proprietorship) of the Tenderer's company, firm or partnership or, if the Tenderer is a joint venture, of each party thereto, Power of Attorney of authorized signatory, (Tender Schedule 3.3.1).
- b) Details of Main activity, Construction Experience, and past performance of the Tenderer (or of each party to a joint venture) on works of a similar nature within the past five years, details of work in progress and other contractual commitments (Tender Schedule 3.3.2).
- c) Preliminary Programme of works (Tender Schedule 3.3.3).
- d) Details of Quality Assurance, Health, Safety and Environment (QHSE) of the Tenderer (Tender Schedule 3.3.4).
- e) Qualifications and experience of Key Personnel proposed for administration and execution of the Contract, both on and off Site (Tender Schedule 3.3.5).
- f) Major items of Contractor's Equipment proposed for use in carrying out the Contract (Tender Schedule 3.3.6).
- g) List of proposed principal Subcontractors (Tender Schedule 3.3.7), total shall not exceed 30% of the total Contract Value. It is to be noted that Subcontractors experiences and qualifications are not evaluated.
- h) List of proposed manufacturers/suppliers of principal items of Materials and Plant (Tender Schedule 3.3.8).
- i) Reports on the financial of the Tenderer, including profit and loss statement, balance sheets, and auditor's reports for the past five years (Tender Schedule 3.3.9).
- j) Dispute record of Tenderer (or of each party to a joint venture) for the past 5 years (Tender Schedule 3.3.10)
- k) Breakdown of Unit Rates and BOQ Items (Tender Schedule 3.3.11).
- l) Tender Drawings (Tender Schedule 3.3.12)
- m) Tender Specifications and Standards (Tender Schedule 3.3.13).
- n) Tenderer may submit Alternative Proposals, if any (Tender Schedule 3.3.14).
- o) Joint Venture Agreement. Joint Venture is allowed between (one Lead + one partner) (Tender Schedule 3.3.15).
- p) Tenderer's statement of Site Visit (Tender Schedule 3.3.16).
- q) Company profile of the proposed Designer for the Project (Tender Schedule 3.3.17)



r) Profile and MOU with Project Financer (Tender Schedule 3.3.18)

2.2.2 **JOINT VENTURES:** A Tender submitted by a joint venture of two firms as partners shall comply with the following requirements:

the Tender and, in the case of a successful Tender, the Agreement shall be signed so as to be legally binding on all partners.

The lead company should be nominated as being in charge, and this authorization shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the partners.

The lead company shall at least be responsible for 70% of the scope. This should be evident in the JV agreement.

The lead company should be authorized to incur liabilities and receive instructions for and on behalf of all partners of the joint venture, and the entire execution of the Contract, including payment, shall be done exclusively with the partner in charge.

All partners of the joint venture shall be liable jointly and severally for the execution of the Contract and a relevant statement to this effect shall be included in the authorization mentioned above, as well as in the Letter of Tender.

A copy of the agreement entered into by the joint venture partners shall be submitted with the Tender (Tender Schedule 3.3.15).

## 2.3 SITE VISITS

2.3.1 **SITE VISIT:** The Tenderer is advised to visit and examine the Site of the Works and its surroundings and obtain for himself all information that may be necessary for preparing the Tender and entering into the Contract. The site visit is to be made by prior appointment with the Employer. Tenderers will be given permission to visit the Site entirely at their own risk. The Employer shall not be responsible for any loss, damage or injury arising from the site visit, howsoever caused.

The Tenderer shall carry out his own investigations, inspections and examination of the Site including the form and nature of the sub-surface and the topographic survey of the Site in addition to the Site surroundings, as well as the existing works, construction and utilities previously executed by others and constituting part of the Works and obtain for himself all information in connection therewith and satisfy himself before submitting his Tender. The Tenderer should obtain all necessary

information and make due allowance in his Tender for risks, contingencies and all other matters and circumstances which may influence or affect his Tender and the carrying out and proper execution of the Works.

The Tenderer should note that the scope also includes demolition of an existing structure. The demolished/dismantled material to be disposed of mentioned in the Tender Documents are indicative and should be verified by the Tenderer. The Lump Sum price shall include all the necessary demolition/dismantling, including all material to be transported and stored at the Employer's facilities as directed by the Employer or disposed of as per local rules and regulations to prepare and clear the Site and make it ready for the Works.

The Tenderer must also, before submitting a Tender, satisfy himself as to the nature of the existing roads or other means of communication and access to and from the Site and loading and unloading facilities at Site, docks ... etc.

The Tenderer must also satisfy themselves as to the sources of supply, sufficiency and means of obtaining and delivering all materials, water, fuel, power and other matters or things required for the Works and they must examine and consider all other matters and all possible and probable contingencies and generally must obtain their own information on all matters affecting the Works and all matters which may influence them in preparing their Tender and determining the rates to be entered into the Bill of Quantities.

The Tenderer shall submit the signed statement of his Site visit in accordance with Tender Schedule 3.3.16 included in the Tender Documents

## **2.4 PREPARATION AND COMPLETION OF TENDER**

- 2.4.1 **COMPLETE TENDER:** The Tender must be for the whole of the Works, fully in accordance with the Tender Documents. A partial Tender will not be considered.
- 2.4.2 **COSTS:** The Tenderer shall bear all costs associated with the preparation and submission of his Tender and the Employer will in no case be responsible for such costs, regardless of the conduct or outcome of the Tendering process.
- 2.4.3 **LANGUAGE:** The Tender and all correspondence and documents relating to the Tender must be prepared and submitted in English. Supporting documents and

printed literature furnished by the Tenderer with the Tender may be in other languages provided they are accompanied by an appropriate translation of the pertinent passages into English by a technical specialist or certified designer.

- 2.4.4 **COMPLETION OF TENDER DOCUMENTS:** The Letter of Tender, Appendix to Tender, Tender Schedules, and any other document requiring completion shall be completed. The originals of all Tender Documents, and any copies required to be submitted, shall be completed in indelible ink or type writing.
- 2.4.5 **ALTERATIONS:** The completed Tender Documents shall be without alterations, additions, or erasures, except those made to accord with instructions issued to Tenderers by the Employer during the Tender period. Any other alteration, addition or erasure will be disregarded in the evaluation of Tenders and will be deemed to have no effect.
- 2.4.6 **CORRECTION OF ERRORS:** Any correction of errors made by the Tenderer must be initialed by the person signing the Tender.
- 2.4.7 **SIGNING OF TENDER:** The Letter of Tender shall be signed by a person authorized to bind the Tenderer to the Contract. Proof of authorization shall be provided in the form of a power of attorney which shall accompany the Tender.
- 2.4.8 **EXAMINING TENDER DOCUMENTS:** Tenderers are advised to examine and thoroughly acquaint themselves with the contents of the Tender Documents and to take all further steps necessary to ascertain for themselves, entirely at their own expense, any additional information necessary for submitting a Tender and executing the Works.

Tenderers are required to check against the relevant index/contents list to ensure and satisfy themselves that they are in possession of each and every page, drawing and schedule, etc. of the Tender Documents as no claim based on the lack or incompetence of the Tender Documents will be admitted after the date and time fixed for the submission of Tenders.

Tenderers are reminded that this is an EPC contract where the Contractor has to check, review and validate any Tender Documents he is provided with and any other information that he will use for his design development of the Ethiopian Airlines Village Project (Phase II) in order to meet the required performance and other Employer's requirements and take full responsibility thereof, taking into

consideration all the project constraints and covering all necessary Systems/items which are needed to deliver a fully functional and fit for the purpose facility.

Tenderers are reminded that their Tender shall be based on a lump sum firm price and will not be liable to adjustment in the event of their failure to ascertain all information and to check and satisfy themselves as aforesaid.

Submission of Tender shall be deemed to indicate that the Tenderer has satisfied himself regarding, and undertakes to accept and comply with, all the obligations, liabilities, responsibilities, and risks imposed upon him by these Tender Documents.

## **2.5 TENDER PRICE AND CURRENCY**

**2.5.1 CURRENCY OF TENDER:** The Tender and all rates and prices inserted in the Bill of Quantities shall be expressed in the currency indicated in the BOQ and this is only for bases of tender evaluation. The Tenderer must specify foreign currency allocation against the local currency and a tender whose allocation for more local currency shall have more preference by the Employer over other tenderers.

**2.5.2 FIXED PRICE:** The rates and prices quoted by the Tenderer shall be fixed for the duration of the Contract and shall not be subject to adjustment for changes in cost of labour, materials, nor currency inflation.

**2.5.3 DUTIES, TAXES ETC.:** The rates and prices inserted in the Bill of Quantities shall include for all import duties, taxes, and other levies payable by law on materials, goods, and services at a date 28 days prior to the date set for submission of Tenders.

The Contractor shall be exempted from customs and other import duties for all Goods imported for sole purposes of execution of the Works, provided that such Goods are imported for this project approved privilege.

All imported Goods for the Works, which are not incorporated in or expended in connection with the Works shall be exported on completion of the Works by the Contractor at its cost or if it fails to do so, by the Employer at the Contractor's cost. If not exported, the Goods will be assessed for duties as applicable to the Goods involved in accordance with the laws of Ethiopia and the Contractor shall be responsible for payment of such duties.

**2.5.4 LUMP SUM CONTRACT FIXED PRICE:** This Contract will be deemed to include all costs of the whole of the works, which are described in, or shown in, or

implied by the Drawings, the Specification, Bill of Quantities and other Contract Documents or any works deemed to be necessary for the completion, execution, and proper operation of the Work.

All matters missing from the documents, which may be inferred to be obviously necessary for the efficiency, stability or completion of the works shall be deemed to be included in the Lump Sum Contract Price.

The Tenderer shall be deemed to have checked the Bill of Quantities issued in the Tender documents and to be responsible for the submission of a revised priced BOQ that the Tenderer shall develop including any adjustment (Add and Omit) to the quantities or the items which he considers necessary, noting that the quantities contained in the Bill of Quantities will not form part of the Contract.

The Lump Sum Contract Price shall not be adjusted or altered in any way whatsoever except in accordance with the express provisions of the Conditions of Contract.

The Tenderers are advised that the successful Tenderer will be expected to execute all the works indicated in and implied from the Tender documents even if not measured or indicated in the Bill of Quantities.

**2.5.5 ANALYSIS OF PRICES:** The Tenderer shall provide an analysis of all prices contained in the Bill of Quantities, in accordance with Tender Schedule 3.3.11:

- a) a breakdown of all unit rates and prices contained in the priced Bill of Quantities showing
  - i) direct cost of labour
  - ii) direct cost of Materials or Plant (including transport to Site)
  - iii) direct cost of Contractor's Equipment (if not priced elsewhere in the Bill of Quantities) and Profit
  - iv) overhead charges off-site and on Site (if not priced elsewhere in the Bill of Quantities) and profit v) any other on-costs.
- b) a breakdown of lump sums items included in the Tender, as (a) above.

The Employer shall have the right to request, and the Contractor shall provide a further breakdown of all unit rates and prices, including a detailed breakdown of "other charges".

## **2.6 DEVIATIONS FROM TENDER DOCUMENTS**

2.6.1 **QUALIFICATION:** The Tender is to be strictly in accordance with the Conditions for Tender and the Tender Documents. Any qualification of a Tender or alteration to the Tender Documents, will be deemed to be null and void unless sanctioned in writing by the Employer prior to submission of the Tender.

2.6.2 **ALTERNATIVES:** The Tenderer may submit alternative technical proposals, provided that he submits a Tender in accordance with the Tender documents. Any alternative proposal shall be accompanied by technical and financial details to show the expected benefits and price difference in separate envelopes. Alternative proposals shall be submitted under Tender Schedule 3.3.14 and are at the sole discretion of the Employer.

## **2.7 TENDER VALIDITY AND SECURITY**

2.7.1 **PERIOD OF TENDER VALIDITY:** The Tender shall remain valid and open for acceptance for a period of 120 days from the latest date fixed for receiving Tenders.

2.7.2 **EXTENSION OF PERIOD OF TENDER VALIDITY:** In exceptional circumstances, prior to expiry of the original Tender validity period, the Employer may request the Tenderer for a specified extension of the period of validity. A Tenderer may refuse the request without forfeiting his Tender security. A Tenderer agreeing to the request will not be required or permitted to modify his Tender. The provision regarding discharge and forfeiture of Tender security shall continue to apply during the extended period of Tender validity.

2.7.3 **TENDER SECURITY:** The Tenderer shall furnish a Tender security in the form of CPO or unconditional and irrevocable bank guarantee with an amount of **USD 100,000.00** (One Hundred Thousand Dollar only) or equivalent amount in Ethiopian Birr in the name of Ethiopian Airlines Group. Any insurance guarantee shall not be accepted. The Tender security shall be in the form of a guarantee from a bank located in *Ethiopia* or a *foreign bank* which has been determined by the Tenderer to be acceptable to the Employer. The format of the bank guarantee shall be in accordance with the sample form of Tender Security included in the Tender Documents.

2.7.4 **REJECTION OF TENDER:** Any Tender not accompanied by an acceptable Tender Security will be rejected by the Employer.

- 2.7.5 **UNSUCCESSFUL TENDERERS:** The Tender Securities of unsuccessful Tenderers will be discharged/returned as promptly as possible, but not later than thirty (30) days after the expiry of the period of Tender validity.
- 2.7.6 **SUCCESSFUL TENDERER:** The Tender Security of the successful Tenderer will be discharged when the Tenderer has signed the Contract Agreement and furnished the required Performance Security.
- 2.7.7 **FORFEITURE OF TENDER SECURITY:** The Tender Security may be forfeited if a Tenderer withdraws his Tender during the period of Tender validity or, in the case of the successful Tenderer, if he fails within the specified time limit, to sign the Contract Agreement or furnish the required Performance Security.

## **2.8 SUBMISSION OF TENDER**

- 2.8.1 **DOCUMENT TO BE SUBMITTED:** The Tenderer shall prepare one "ORIGINAL" and one COPY of the Documents comprising the Tender and they shall be signed, dated, priced, and completed and returned as described in Tender Conditions and Procedures, together with all information listed in Section 2.1 Item 2.1.1.
- 2.8.2 **DELIVERY OF TENDERS:** Each set of the Tender Documents (signed, stamped, and dated) shall be assembled and delivered in two (2) identical packs marked "ORIGINAL" and COPY. Each pack shall be sealed and shall contain two (2) sealed inner envelopes marked "ENVELOPE NO. 1" and "ENVELOPE NO. 2". The above two (2) packs shall be contained inside one sealed outer pack which shall be delivered to the address mentioned in the Invitation to Tender letter and shall bear the following identification.

PROPOSAL FOR

*The Ethiopian Airlines Village Project (Phase II)*

and the words

DO NOT OPEN WITHOUT AUTHORITY

The inner Envelopes Nos. 1 and No. 2 shall bear the name and address of the Tenderer, but the outer package shall not bear any marking which could identify the Tenderer.

The Tender Security, **ORIGINAL** and the **COPY**, shall be delivered in separate envelopes attached to Envelopes Nos. 1 and No. 2 respectively.

- a) The inner Envelope No. 1 shall bear the following clear identification:

- ENVELOPE NO. 1 "TECHNICAL PROPOSAL"

- Name of Tenderer

- Address of the Tenderer

And shall contain:

1. Information for Tenderers, Tender Condition and Procedures together with all information and supporting documents.
2. Delegated Authority of signatory to Tender Documents.
3. Tender Security in the amount of .....in the form of Bank Guarantee in accordance with sample form of Tender Security included in the Tender Forms.
4. All information listed in Sub-Section 2.2 Eligibility and Qualifications of Tenderers except the following Tender Schedules:
  - i) The preliminary cash flow requested part of Tender Schedule 3.3.3 (cash flow to be part of Financial Proposal as noted below).
  - ii) Breakdown of Unit Rates and BOQ Items (Tender Schedule 3.3.11)
  - iii) Tender Documents initialed and stamped
  - iv) Technical Alternative Proposals, if any (Tender Schedule 3.3.14) without financial data

b) The inner **ENVELOPE NO. 2 "FINANCIAL PROPOSAL"**

- ENVELOPE NO. 2 "FINANCIAL PROPOSAL"

- Name of Tenderer

- Address of Tenderer

And shall contain:

1. Priced "Letter of Tender"
  2. Priced Bill of Quantities
  3. Programme, including preliminary cash flow as specified under Tender Schedule 3.3.3
  4. Breakdown of Unit Rates and BOQ Items (Tender Schedule 3.3.11)
  5. Financial Alternative Proposals, if any (Tender Schedule 3.3.14)
  6. Deliverables and data related to the Financing Option
- 2.8.3 TIME LIMIT FOR SUBMISSION OF TENDERS:** The sealed bid document must be submitted in separate envelopes i.e., the (Technical Proposal, Financial Offer, and Bid Security) and one outer envelope, duly marking the inner envelopes



as “**ORIGINAL**” and “**COPIES**” document delivered to Ethiopian Airlines, Strategic Sourcing Non-Technical section before/on **January 23, 2023** at **2:30PM**. The bid will be opened on the same date at **3:00PM**, at Ethiopian Airlines Group Head office Addis Ababa, at presence of those interested bidders or their legal representatives.

- 2.8.4 **EXTENSION OF TIME LIMIT:** The Employer may, at his discretion, extend the time limit for the submission of Tenders by issuing an amendment, in which case all rights and obligations of the Employer and the Tenderer previously subject to the original time limit shall thereafter be subject to the new time limit as extended.
- 2.8.5 **LATE TENDERS:** A Tender received by the Employer after the prescribed time limit for submission of Tenders will be returned unopened to the Tenderer.
- 2.8.6 **MODIFICATION AND WITHDRAWAL OF TENDER:** Subject to Section 2.9, Clause 2.9.3 hereof, no Tender may be modified subsequent to the time limit for submission of Tenders. Withdrawal of a Tender during the interval between the time limit for submission of Tenders and expiry of the period of Tender validity may result in the forfeiture of the Tender Security.

## **2.9 OPENING AND EVALUATION OF TENDERS AND AWARD OF CONTRACT**

- 2.9.1 **TENDER OPENING:** Tenders will be opened in the presence of the interested Tenderers at a time and place to be notified by the Employer. All evaluation and post Tender procedures will be private.

Technical documents of Tenderers shall be opened in front of Tenderers and Bid evaluation committee members.

Tenderers who are technically responsive and qualified shall be considering for financial evaluation.

Those Tenderers who give the best & the lowest financial offer will be called for further negotiation. After the negotiation a Tenderer who gives the lowest price offer shall be called for contract negotiation.

All Tenderers shall be notified for the bid result, and they can file their concern within 5 days.

- 2.9.2 **CLARIFICATION OF TENDER:** To assist in the examination, evaluation and comparison of Tenders, the Tenderer may be asked for clarification of his Tender, including breakdown of unit rates, but no change in the price or substance of the

Tender shall be sought, offered, or permitted, except as required to confirm the correction of arithmetical errors discovered during the evaluation of Tenders.

- 2.9.3 **CORRECTION OF ERRORS:** The Tender will be checked for any arithmetical error in computation and summation. Errors will be corrected as follows:

where there is a discrepancy between amounts in figures and in words, the amount in words will govern, and

if there is an error in a total corresponding to the addition or subtraction of subtotals, the subtotals shall prevail, and the totals shall be corrected.

where there is a discrepancy between the unit rate and the total lump sum amount derived from the multiplication of the unit rate and the quantity, the total lump sum amount as quoted will govern.

The amount stated in the Letter of Tender will be adjusted in accordance with the above procedure for the correction of errors and shall be considered as binding upon the Tenderer. If the Tenderer does not accept the corrected amount of Tender, his Tender will be rejected, and the Tender security will be forfeited.

- 2.9.4 **EMPLOYER'S RIGHT TO ACCEPT ANY TENDER AND TO REJECT ANY OR ALL TENDERS:** The Employer reserves the right to accept or reject any Tender, and to annul the Tendering process and reject all Tenders, at any time prior to award of the Contract, without thereby incurring any liability to the affected Tenderers or any obligation to inform any affected Tenderer of the grounds for the Employer's action.

- 2.9.5 **NOTIFICATION OF AWARD:** Prior to expiry of the period of Tender validity, the Employer will notify the successful Tenderer by sending the Letter of Acceptance.

- 2.9.6 **SIGNING OF THE CONTRACT AGREEMENT:** at the same time as the notification of the award the Employer shall send the Contract Agreement to the successful Tenderer for signature. The successful Tenderer shall return the signed Contract Agreement together with the furnishing of the Performance Security and thereafter the Employer shall return the Tender Security to the Contractor.

- 2.9.7 **AWARD OF CONTRACT:** The award of the Contract, following a favorable assessment of the Tender shall not imply approval of any designer, sub-contractor, supplier, or proposed manufacturer so named by the Tenderers in his submission.

The award of Contract shall not imply approval of any design submitted, but a no objection on the principle subject to submission of the full design documentation with supporting calculations, and subject to this design meeting all the Employer's Requirements. After award, the Contractor shall be required to develop and submit design in accordance with the specified design stages for review and approval by the Employer or the entity appointed on his behalf for the review.

### **3. TENDER FORMS**

#### **3.1 LETTER OF TENDER**

To: Ethiopian Airlines Group

Bole International Airport,

P.O.Box 1755, Addis Ababa, Ethiopia

1. We have examined the Tender and Contract Documents for the above-named Works, comprising the Tender Documents and Notices Nos. .... and Addenda Nos. .... We have examined, understood, and checked these documents and have ascertained that they contain no errors or defects. We accordingly offer to design, execute and complete the Works and remedy any defects therein in conformity with this Tender and the above-named documents for the Lump-Sum of ..... (ETB) and ..... (USD) or such other sum as may be determined in accordance with the Contract.  
If we are awarded, we further commit to offer a discount of .....% on the above total lump sum price, to be applied uniformly on all prices.
2. We agree to abide by this Tender for *tender validity period* of 120 days after receipt by you, that is until ..... and it shall remain binding on us and may be accepted by you at any time before that date.
3. We acknowledge that the Appendix to Tender forms part of this Tender.
4. If this offer is accepted, we will provide the specified Performance Security, commence the Works as soon as is reasonably practicable after the Commencement Date, and complete the Works in accordance with above-named documents within the Time for Completion,
5. Unless and until a formal Agreement is prepared and executed, this Letter of Tender, together with your written acceptance thereof, shall constitute a binding Contract between us.

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

Signature .....

In the capacity of .....

Authorized to sign tenders for and on behalf of.....

Address .....

Date .....

### 3.2 APPENDIX TO TENDER

Note: with the exception of the items for which the Employer's requirements have been inserted, the following must be completed before the Tender is submitted.

Sub-Clause	Item	Data
1.1.2.2 & 1.3	Employer's name and address	Ethiopian Airlines Group, Bole International Airport P.O. Box 1755, Addis Ababa Ethiopia
1.1.2.3 & 1.3	Contractor's name and address	..... ..... .....
1.1.3.3	Time for Completion of the Works Final Design Completion	Sixty (60) Months 90 Calendar days
1.1.3.7	Defects Notification Period	365 days Except for MEP works which is 730 Days
1.3	Electronic transmission systems	Emails to be confirmed in writing
1.4	Governing Law	Laws of the Federal Democratic Republic of Ethiopia
1.4	Ruling Language	English
1.4	Language for communications	English
2.1	Time for access to the Site	As provided under "Notice to Proceed"

4.2	Amount of Performance Security	Ten percent (10%) of the Accepted Contract Amount, in the currencies and proportions in which the Contract Price is payable.
6.5	Normal working hours	In accordance with the laws of the Employer's country, or as approved by the Employer.
8.7 & 14.15	Delay damages for the Works	0.10% (one-tenth per cent) per day, in the currencies and proportions in which the Contract Price is payable.
8.7	Maximum amount of delay damages	Ten percent (10%) of the Contract Price
13.3	Addition for overheads and other Charges	_____
14.2	Total advance payment	Twenty percent (20%) of the Accepted Contract Amount, in the currencies and proportions in which the Contract Price is payable
14.3	Percentage of retention	Five percent (5%)
14.3	Limit of Retention Money	Five percent (5%) of the Final Contract Price
14.6	Minimum amount of Interim Payment Certificates	3% of the Accepted Contract Amount

14.15	Currency (ies) of payment	ETB and USD
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Local expenses shall be paid in ETB  
All other expenses shall be paid in USD

18.2 (d)	Maximum amount of deductibles for insurance of the Employer's risks	10,000USD
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18.3	Minimum amount of third-party insurance	1,750,000 USD for any one occurrence, number of occurrences unlimited.
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18.5	Professional Indemnity Insurance	2,500,000 USD
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Initial of Signatory of Tender

### 3.3 TENDER SCHEDULES

The Tender Schedules form part of the Tender. They are intended as a guide to the tenderer, who may adapt them to suit his tender design. The tenderer may provide the information required by the schedules on separate sheets in a similar format and having the same reference members. The submitted schedules must contain, as a minimum, the information stated, and they shall be accompanied by any required additional documents.

#### 3.3.1 ELIGIBILITY AND TRADE LICENSE

Tenderer shall provide copies of original documents defining the constitution or legal status, place of commercial registration, valid trade license or business organization registration certificate issued by the country of establishment, Valid tax clearance certificate, and principal place of business, type of organization (Corporation/LLC, Partnership/Proprietorship) of the tenderer's company, firm or partnership or, if the tenderer is a joint venture, of each party thereto, Power of Attorney for Authorized Signatory.

#### 3.3.2 CONSTRUCTION EXPERIENCE

**3.3.2.1 MAIN ACTIVITY:** Indicate the type of construction work which constitutes the company's main activity:

.....  
.....

**3.3.2.2 RECENT EXPERIENCE:** Indicate below the various percentages related to the different types of works carried out by the company during the last ten (10) years (*Value of projects in each category below to the total workload during the overall period, i.e., from 2012 to 2021*):

- Residential Building (high-rise towers) ..... %
- Building Projects ..... %
- Road Projects ..... %
- Other ..... %

#### 3.3.2.3 SIMILAR EXPERIENCE:

Indicate below all information for relevant projects executed by the company over the past ten (10) years, and which are most similar in nature to the project:

Project No. ( )	
Country	
Employer	
Description of Work	
Was the Project Design-Build?	
Contract Price	
Start & Finish Dates	
Delay (days)	
Type & Percentages of Work Directly Executed by Firm	
Type and Percentages of Subcontracted Work, Reason for Subcontract, Name & Country of Subcontractor	
Joint Venture Partner or Associate (if any), Country, Work & Share in Project	



#### 3.3.2.4 WORK IN PROGRESS:

Indicate below all information for all projects in progress, including those where the company has received a letter of intent, but a formal contract has not yet been awarded:

Project No. ( )	
Country	
Employer	
Description of Work	
Contract Price	
Start Dates	
Payment Certified To Date	
Percentage Completion	
Current Delay (days)	
Expected Completion Date	
Type & Percentages of Work Directly Executed by Firm	
Type and Percentages of Subcontracted Work, Reason for Subcontract, Name & Country of Subcontractor	
Joint Venture Partner or Associate (if any), Country, Work & Share in Project	

### 3.3.2.5 PROGRAMME

The tenderer shall provide a preliminary programme for the Works to indicate his proposals for execution and completion of the Works within the Time for Completion. The programme shall be in bar chart form and shall show periods for Design Development and Final Design, Procurement of Material, Construction, testing and commissioning.

It shall be accompanied by a preliminary method statement to show the tenderer's proposed methods and should include the following:

- Project approach and methodology to undertake the works
- Safety and protective measures for workman, employer's staffs, existing structures, equipment, and the works, in general.
- Compliance with the protection of environment, health and safety of workers and train workers with respect to occupational health and safety behavior and basic level of environmental awareness.
- Ensure for the proper area of storage for both raw material and waste material by clearly marked and by demarcation.
- Establish circulation plan to promote traffic safety and minimize disturbance on the on-going activities and on the existing facilities.
- Planned work schedules for all activities supported with projected preliminary cash flow over the entire Programme period including Defects Notification Period.
- Material delivery plan and procurement process.
- Design Methodology (all phases of the design)
- Manpower and equipment utilization plan, including site utilization for stores, workshop, equipment, etc.

Submission of the detailed programme and method statement shall be in accordance with Sub-Clause 8.3 of the Conditions of Contract and the relevant sections of the General Requirements.

### 3.3.3 QUALITY ASSURANCE, HEALTH, SAFETY AND ENVIRONMENT - QHSE:

3.3.3.1 Is your company BS EN ISO 9001 or OHSAS 18001 registered? If yes, indicate by whom. Give a brief description of the quality assurance system followed by the company (ISO or otherwise) and append the latest valid certificate if any.

.....

.....

.....

.....

.....

.....

.....

3.3.3.2 Does your company have experience with project specific quality plans prepared for similar projects? Provide typical of a project specific quality plan.

.....

.....

.....

3.3.3.3 On similar projects does your company perform internal quality audits at site with qualified auditors? Provide evidence of such audits.

.....

.....

.....

3.3.3.4 Do you have a written health and safety policy? If yes, outline details of your organization, roles and responsibilities, risk assessment system, training and emergency preparedness, workplace inspection and audit etc.. for health and safety.

.....

.....

.....

3.3.3.5 Do you employ a competent safety advisor? And what arrangements does your company have for provision and upkeep of protective equipment and clothing, both standard issue, and that required for specialized activities?

.....

.....

3.3.3.6 HSE performance monitoring and review including accident statistics for the last 3 years.

.....

.....

.....

### 3.3.4 KEY STAFF

The tenderer shall state below or on a separate sheet the key administrative, design and supervisory staff that he intends to deploy for the Contract and shall attach their CVs. Also, submit Project Organization Chart with names of the personnel who would be assigned for the execution of the project and Company Organization Chart. Details shall be given, as a minimum, for the following staff.

<b>Position</b>	<b>Minimum Years of Experience</b>	<b>Names</b>	<b>Years of Relevant Experience</b>	<b>Years of Experience with Firm</b>	<b>Academic Qualifications (Copy of Degree and Diplomas to be attached)</b>
Project Manager	20				
Chief project design engineer	20				
Senior Architect	15				
Senior Civil Engineer	15				
Senior Structural Steel Engineer	15				
Senior Mechanical Engineer	12				
Senior Electrical Engineer	12				
Senior Infrastructure Engineer	12				
Senior Roads Engineer	12				
Senior Quantity Surveyor	10				
Senior Planning					

Engineer	10				
Health & Safety Officer	10				
Land Surveyors	10				
Architecture Inspectors	10				
Civil Inspectors	10				
Structural Inspectors	8				
Mechanical Inspector	7				
Electrical Inspector	7				

### 3.3.5 MAJOR ITEMS OF CONTRACTOR'S EQUIPMENT

The Tenderer must demonstrate that it will have the required equipment and machinery mentioned below for the execution of the Project. Also, the Tenderer may propose any additional equipment and machinery he intends to deploy on Site for the execution of the Works.

Name of Equipment	Quantity	Capacity	Age and Condition	Owned / Leased (Evidence of ownership title shall be attached)
Dump Trucks	20	14		
Loader	10	1.5 m3 and above		
Excavator	7	0.5m3 and above		
Mobile Crane	5	Sufficient height		
Steel formwork & scaffolding	500,000m2	Sufficient area		
Concrete truck mixer	30pcs	500lit and above		

Pick-up truck	12pcs	4seats		
Tower crane	15pcs	Sufficient height and arm		
Different types of compactors	10pcs			
Concrete batching plant	1pcs Complete			
Generator for full construction work	3set			

### 3.3.6 PRINCIPAL SUBCONTRACTORS

The tenderer shall state below or on separate sheets, the principal Subcontractors that he intends to employ for the Works. Submission of full details of the subcontract work and the subcontractors, and the Employer's approval thereof, shall be in accordance with Sub-Clause 4.4 of the Conditions of Contract and shall not exceed 30% of the Contract Scope in case the Tenderer is singly entity.

Type of Work	Subcontractor's Name and Address	Relevant Experience (Projects Undertaken, Value	Approximate value of Subcontract work

3.3.7 **PRINCIPAL MANUFACTURERS/SUPPLIERS**

The tenderer shall state below or on separate sheets the manufacturers/suppliers that he intends to use for design (if appropriate), manufacturer and supply of principal Materials and items of Plant, and on which he has based his Tender. Submission of full details of the items and the manufacturers/suppliers, and the Employer’s approval thereof, shall be in accordance with Sub-Clause 4.4 of the Conditions of Contract and the relevant sections of the General Requirements.

Description of Goods	Name and address of Manufacturers/Supplier
----------------------	---

3.3.8 **FINANCIAL POSITION:**

3.3.8.1 **BANKING AND SURETY:** Indicate names and addresses of bankers from whom references can be obtained:

Name: .....  
Address: .....  
.....

Name: .....  
Address: .....  
.....

3.3.8.2 **AUDITORS:** Indicate names and addresses of company auditors:

Name: .....  
Address: .....  
.....

Name: .....  
Address: .....  
.....

### 3.3.8.3 COMPANY ACCOUNTS:

Append audited company accounts (audited by certified auditor or revenue agency), including balance sheets and profit and loss accounts (in English) for the last five (5) years, plus all notes explaining the major items in the financial statements.

The Tenderer must demonstrate access to or availability of financial resources such as cash on hand or unconditional bank loan other than any contractual advance payments to meet cash flow requirement of minimum of USD 25,000,000.

Attach copy of document showing the company's capital.

Show clearly the following with cross reference to the balance sheets with necessary notes (all amounts to be filled in ETB or USD):

Capital	Amount	Authorized		Issued	
Value of Work-in-Progress	2021	2020	2019	2018	2017
Average Annual Turnover	2021	2020	2019	2018	2017
Solvency	2021	2020	2019	2018	2017
Total Assets:					
Total Liabilities					
Current Assets:					
Current Liabilities:					
Stock:					
Equity:					
Debt:					
Net Profit (Before tax):					



### 3.3.9 DISPUTE RECORD:

Applicants, including each partner in a joint venture, should provide information on any history of litigation or arbitration resulting from contracts executed in the last five (5) years or currently under execution.

A separate sheet should be used for each partner of a joint venture:

<b>Project</b>	<b>Employer</b>	<b>Dispute Year</b>	<b>Dispute Brief (Cause and</b>	<b>Means of Resolution: Litigation/ Arbitration/</b>	<b>Disputed Amount</b>	<b>Award (For/</b>	<b>Status of Dispute (Pending/ Settled)</b>

### 3.3.10 BREAKDOWN OF UNIT RATES AND BOQ ITEMS

The Tenderer shall submit a fully priced Bill of Quantities based on the unpriced Bill of Quantities provided by the Employer and following the Method of Measurement attached to it, revised as necessary to meet his expected design. The Bill of Quantities has to include also the following as separate lump sum items:

Design for the Works

- Design Development
- Final Design

The tenderer shall also submit a detailed breakdown of the unit rates and prices included in the Bill of Quantities which shall include, as appropriate, the manufacture, supply, shipment and delivery of the Goods, Materials and Plant; labour; Contractor's Equipment and Temporary Works for erection; testing and commissioning on Site; all other costs of complying with the Contractor's obligations under the Contract:

Each page is to be stamped, initialed, and dated by the Tenderer.

			UNIT RATE OR PRICE BREAKDOWN ANALYSIS (ETB or USD)					
Item	Bill of Quantities Item (section, page, item reference)	Unit Rate or Price (ETB or USD)	Labour	Materials	Plant	Contractor Equipment	Overhead and Profit	Any Other On Cost

#### **3.3.11 TENDER DRAWINGS**

The Tenderer shall provide a list of Tender stage drawings (as defined in Appendix - A), prepared by him, which he has used as the basis for his Tender.

The Tenderer shall include in his list all drawings he used as basis for his Tender, whether these drawings were provided to him by Employer or otherwise.

All drawings incorporated in this list are deemed drawings adopted by the Tenderer as if prepared by him and under his responsibility and full liability.

#### **3.3.12 TENDER SPECIFICATIONS AND STANDARDS**

The Tenderer shall provide descriptions of his outline proposals for design and execution of the Works and shall indicate how they comply with the Tender Documents. Such descriptions shall include, to the fullest extent possible, specifications of constructional techniques and materials and components, manufacturers/suppliers of major components, principal subcontractors and recognized standards and design criteria to be adopted. The Tenderer shall highlight all deviations from the criteria and Specifications provided to him with this Tender.

#### **3.3.13 ALTERNATIVE PROPOSALS**

The tenderer may submit alternative proposals in accordance with Clause 2.6.2 of the Tender Conditions and Procedures in this Schedule.

#### **3.3.14 JOINT VENTURE AGREEMENT**

Joint Venture is allowed between foreign and local/foreign companies and with a maximum of two parties under a JV in total. If applicable, the Tenderer shall append hereto the following.:

- a) joint venture agreement entered into by the joint venture partners.
- b) Power of attorney signed by legally authorized signatories of all the partners, stating the partner in charge, and stating that all partners of the joint venture are liable jointly and severally for the execution of the Contract.

#### **3.3.15 TENDERER'S STATEMENT OF SITE VISIT**

We .....[Tenderer's name] hereby confirm that we have visited the Site of the Ethiopian Airlines Village (Phase II) Project, at Bole Beshale area, Addis Ababa, (Package 1) on ..... [date] and we have inspected and examined the Site of the Works and its surroundings, and obtained all necessary information as to risks, contingencies and other circumstances which may influence or affect the Tender or

Works and that we have no queries/comments concerning the Tender in connection with prevailing Site conditions and levels.

We acknowledge that the information related to the Design-Build Works that have been presented by the Employer's Representative and all other available data, not limited to those listed in Sub-Clause 4.10 of the Conditions of Contract, are sufficient for preparing the Tender and entering into the Contract the Works.

We acknowledge that the Employer shall not be responsible for any loss, damage or injury arising from the Site visit, howsoever caused.

Signature ..... Tenderer: ..... Date .....

### 3.3.16 COMPANY PROFILE OF THE DESIGNER

Tenderer shall submit company profile of the proposed Designer for the Project along with a Memorandum of Understanding, the records of design experience in similar projects of similar magnitude, the number of company professional personnel, the registration in Ethiopia and audited financial sheets of the designer.

Indicate below all information for relevant projects executed by the designer over the past five (5) years, and which are most similar in nature and magnitude to the project:

Project No. ( _ )	
Country	
Employer	
Description of Work	
Was the Project Design-Build?	
Construction Cost	
Design Fees	
Start & Finish Dates	
Delay (days)	

Type and Percentages of Subcontracted Work, Reason for Subcontract, Name & Country of Subconsultant	
Joint Venture Partner or Associate (if any), Country, Work & Share in Project	

### 3.3.17 FINANCER

The Tenderer shall submit the profile of one or more proposed Financing Agencies with an expression of interest from such proposed Project Financer (agency) that they are interested in financing the project. The Financing Agencies (Bank) should be local and should finance minimum 70% of the Project. The consideration will be optional to the Employer at its sole discretion. The profile of the agency shall include the rating of the agency and the records of experience in similar projects of similar magnitude.

### 3.4 TENDER SECURITY

(Specimen to be completed on Bank headed paper)

Brief description of Contract: The Ethiopian Airlines Village Project (Phase II) -  
Package 1

Name and address of Beneficiary .....

.....

..... (whom the tender documents  
define as the Employer).

We have been informed that ..... (hereinafter called the  
"Principal") is submitting an offer for such Contract in response to your invitation, and that  
the conditions of your invitation, which are set out in a document entitled Tender  
Conditions and Procedures, require his offer to be supported by a tender security.

At the request of the Principal, we (*name of bank*)..... hereby irrevocably  
undertake to pay you, the Beneficiary/Employer, any sum or sums not exceeding in total  
the amount of ..... (say: ..... ) upon  
receipt by us of your demand in writing and your written statement (in the demand) stating  
that:

1. the Principal has, without your agreement, withdrawn his offer after the latest time  
specified for its submission and before the expiry of its period of validity, or
2. the Principal has refused to accept the correction of errors in his offer in accordance  
with such Tender Conditions and Procedures, or
3. you awarded the Contract to the Principal and he has failed to comply with Sub-  
Clause 1.6 of the Conditions of the Contract, or
4. you awarded the Contract to the Principal and he has failed to comply with Sub-  
Clause 4.2 of the Conditions of the Contract.

Any demand for payment must contain your signature (s) which must be authenticated by  
your bankers or by a notary public. The authenticated demand and statement must be  
received by us at this office on or before (*the date 30 days after the expiry of the validity  
of the Letter of Tender*) .....(*the expiry date*) when this guarantee shall expire and shall  
be returned to us.

We have been informed that the Beneficiary may require the Principal to extend this guarantee if a contract has not been awarded prior to such expiry date. We undertake to extend this guarantee accordingly, notice of such extension to the Bank being hereby waived.

This guarantee is subject to the Uniform Rules for Demand Guarantees, published as number 458 by the International Chamber of Commerce, except as stated above.

Date ..... Signature (s) .....

## **4. CONDITIONS OF CONTRACT**

### **4.1 EXPLANATORY NOTES**

- 4.1.1 GENERAL CONDITIONS: The General Conditions of Contract shall be the Conditions of Contract for Engineering, Procurement and Construction (EPC) Turnkey Projects (First Edition 1999), published by the Federation Internationale des Ingenieurs-Conseils (FIDIC), P.O. Box 86, CH 1000 Lausanne, 12-Chailly, Switzerland. The Contractor is deemed to have full knowledge of the General Conditions.
- 4.1.2 PARTICULAR CONDITIONS: The General Conditions are amended and supplemented by the Particular Conditions, which follow. In the event of any conflict between the General Conditions, and the Particular Conditions, the latter shall govern.

### **4.2 PARTICULAR CONDITIONS**

#### **1. GENERAL PROVISIONS**

##### **1.1 DEFINITIONS**

Insert the following definitions in lieu of or in addition to (as appropriate) the definitions in Sub-Clause 1.1.

1.1.1.3 'Employer's Requirements' means the Preliminary Design and the Specifications, and the General Preliminaries and Design Deliverables (Divisions 1 and 8).

1.1.1.4 'Tender' means the Letter of Tender and all other documents submitted by the Contractor with the Letter of Tender, as accepted by the Employer. The words 'Tender' and 'Bid' are synonymous.

##### **1.2 INTERPRETATION**

Add sub-paragraph (e) as follows:

(e) Where these Conditions include the expression 'Cost plus reasonable profit', the Contractor's profit shall be five per cent (5%) of the Cost.

##### **1.5 PRIORITY OF DOCUMENTS**

Delete Sub-Clause 1.5 and replace with the following:

The documents forming the Contract are to be taken as mutually explanatory of one another. If there is an ambiguity or discrepancy in the documents, the Employer shall issue any necessary clarification or instruction to the Contractor, and the priority of the documents shall be as follows:



- a) The Contract Agreement
- b) The Letter of Acceptance dated.....
- c) The Particular Conditions
- d) The General Conditions
- e) The Preliminary Design & report (Employer's Requirements) – Volume 4
- f) The Specifications (Volume 2)
- g) The Priced Letter of Tender dated.....and Appendix to Tender
- h) Any other documents forming part of the Contract; and
- i) The Contractor's Proposal.

The above documents will be superseded by the amendments introduced in Addenda and Notices to the Tender without affecting the above priority of the documents.

#### 1.6 CONTRACT AGREEMENT

Delete the last sentence and replace with the following:

The costs of stamp duties and similar charges (if any) imposed by law in connection with entry into the Contract Agreement shall be borne by the Contractor.

#### 2. THE EMPLOYER

##### 2.1 EMPLOYER'S PERSONNEL

Add the following paragraph at the end of Sub-Clause 2.3:

In the event that other contractors are working for the Employer on the Site, then their contracts will include similar clauses for co-operation and compliance to provide safety procedures, and the Employer shall notify the Contractor of the presence of such other contractors.

#### 4. THE CONTRACTOR

##### 4.2 PERFORMANCE SECURITY

Delete the second sentence of the second paragraph and substitute the following:

The Performance Security shall be a bank guarantee in the form annexed to the Particular Conditions and shall be issued by a bank acceptable to the Employer which is located in the Country or a foreign bank.

##### 4.4 SUBCONTRACTORS

Add the following at the end of Sub-Clause 4.4:

In addition to obtaining the Employer's consent pursuant to Sub-Clause 4.4, the Contractor shall:

- (a) notify the Employer within 14 days of signing the Contract, and before commencing work on Site, of any parts of the Works he intends to subcontract for which approval of the Employer is required under Sub-Clause 4.4. For each subcontract the following shall be provided:
  - (i) the name, address and contact details of the Subcontractor;
  - (ii) the nature and scope of the work to be subcontracted;
  - (iii) information on the Subcontractor's experience of similar work and details of the Subcontractor's site supervision, sources of labour and equipment and financial capabilities, in sufficient detail to enable the Employer to determine if the Subcontractor is able to undertake and complete the subcontract work within the time and to the standards required by the Contract;
  - (iv) the approximate value of the subcontract works based on the Contract prices;
  - (v) confirmation that the subcontract includes terms and conditions and all obligations and responsibilities contained in the Contract, in so far as these apply to the subcontract;
- (b) notify the Employer, at least 21 days prior to the date that the Contractor requires approval from the Employer, of any proposed change to the Subcontractors notified under (a) above and of any additional parts of the Works he proposes to subcontract. Similar information to that listed under (a) above shall be given for each subcontract;
- (c) include in his monthly reports to the Employer, details of all subcontracts entered into, the names of the Subcontractors and the numbers of staff and labour for each Subcontractor on Site during the month;
- (d) provide, if requested by the Employer, copies of documents such as wage sheets and details of the names and employment references for site staff and labour, invoices for the supply of materials, etc;
- (e) include conditions and requirements in subcontracts similar to those in the Contract regarding assignment and sub-subcontracting the whole or part of the subcontract works including requirements similar to those under (a) to (d) above. Any approval by the Contractor to a Subcontractor regarding such assignment or sub-subcontracting shall be subject to the prior approval of the Employer.
- f) provide a copy of the subcontract to the Employer, including prices for the subcontract works.

- (g) instruct the Contractor to dismiss and remove immediately, or within such other time as may be specified in the instruction, the Subcontractor or the Sub-Subcontractor from the Site;

The Contractor shall not be entitled to any extension of time for completion under Sub-Clause 8.4 (*Extensions of Time for Completion*) arising out of any delay caused by the dismissal and removal of the Sub-contractor or Sub-Subcontractor from the Site.

#### 4.6 COOPERATION

Add after the first two paragraphs of Sub-Clause 4.6:

The Contractor shall, if so, instructed by the Employer or if specified in the Contract, provide any of the following services for the Employer's workmen or any other contractor or authority carrying out work on or near the Site:

- (i) use of roads or tracks which the Contractor is responsible to maintain
- (ii) use of the Contractor's Temporary Works or Equipment
- (iii) any other services instructed by the Employer's Representative.

The Temporary offices of the employer and engineer shall be kept permanently after the Construction for the Project's use.

#### 4.10 SITE DATA

Add the following at the end of Sub-Clause 4.10:

The limits of the Site shall be as shown on the Drawings. If the Contractor requires land beyond this Site, he shall obtain it entirely at his own cost and, before taking possession, shall supply the Employer with a copy of all necessary permits.

#### 4.21 PROGRESS REPORTS

Add new sub-paragraph (i) at the end of Sub-Clause 4.21, as follows:

- (i) All other information specified in the Employer's Requirements.

#### 4.25 TEMPORARY FACILITIES AND SERVICES FOR THE EMPLOYER

Add new Sub-Clause 4.25 as follows:

If the Contractor fails to provide and maintain any of the Temporary facilities and services required for the use of the Employer and his Representative, then the Employer shall be entitled to provide and maintain such Temporary facilities and services and shall be entitled to recover from the Contractor the cost plus 10% (Administrative Fees) thereof or may deduct the same from any monies due or that become due to the Contractor.

#### 4.26 COORDINATION WITH OTHER CONTRACTORS

Add new Sub-Clause 4.26 as follows:

The Contractor shall ensure necessary coordination with the contractor of Package 2 in ascertaining the compatibility of the Infrastructure of Package 1 with the Infrastructure of Package 2, especially at the interface of both packages as indicated in the Site Plan.

This Coordination with the other contractor shall be throughout the duration of the whole project, starting from the Design Stage, to Procurement, then Construction and finally testing and commissioning.

### 5 DESIGN

#### 5.1 GENERAL DESIGN OBLIGATIONS

Add after the first paragraph of Sub-Clause 5.1:

The Contractor shall ensure that all the comments which were given by the Employer on the Preliminary Design highlighted (Client's Comments) are considered, reflected, and closed in the Final Design and shall be considered as part of the Employer's Requirements.

Add at the end of Sub-Clause 5.1:

The Contractor must also coordinate with the contractor of Package 2 while progressing with the Design and ensure that Infrastructure Design of Package 1 is compatible with the Infrastructure Design of Package 2, under the supervision and guidance of the Employer's Representative.

The Contractor shall update and submit an ESIA report for the EEPA approval.

Prior to the development of the design, the Contractor shall verify the Employer's Drawings and design available as part of the Contract Documents.

It is the responsibility of the Contractor to obtain all pertinent information, authorities' regulations, and requirements, permits and other necessary data, and to verify and ascertain surveys and investigations needed to perform his obligations.

All approvals of authorities and securing permit shall be under the Contractor's sole responsibility. All additional design efforts and costs required to fulfill the authorities' approvals shall be considered as already included in the Lump Sum Price. The limit of site in the Employer's Preliminary Design Drawings is tentative and shall be updated by the Contractor through his design. The tentative Limits of Work on the Employer's Drawings shall not constitute any limitation to the scope

or obligations of the Contractor. The utility works and other works and obligations under the Contract, and in particular under the Employer Requirements, shall remain within the Contractor's scope, even if they fall outside the tentative limit of work.

Any shortage or missing scope for any part of the Works mentioned in the Contract Documents which is considered as required and necessary to complete the Works according to the design criteria in the Employer's Requirements and the international technical and engineering principles and building stipulations, shall be covered by the Contractor's design and shall be part of the Contractor's scope and obligations at no additional cost or time.

The information provided to the Contractor is for guidance only and to set the minimum level required. The Contractor be deemed to have checked and verified all documents regarding any discrepancies, missing items, failure, ambiguity or conflict he discovers. In case the contractor has not submitted any remarks or reservations at tender stage, they are deemed to be covered in his price, and the Contractor remain fully responsible of the design, while meeting the minimum requirements set in the Employer's Requirements.

All Documents and designs prepared by the contractor including the final drawings shall be the property of the Employer.

The Contractor shall carry out, and be responsible for, the Design Development and Detailed Design of the Works. The design shall be prepared by a qualified international designer with experience in the design of similar type and magnitude of projects and shall comply with the criteria stated in the Employer's Requirements. The Contractor undertakes that the appointment of his designer shall be subject to the approval of the Employer, even if previously suggested in the tender proposal, and the designer shall be available to attend discussions and workshops with the Employer at all reasonable times during the Contract Period.

The Contractor shall carry out a thorough site survey to identify the existing utilities (both underground and above ground including fiber optic cables, communication cables, power cable, pipeline, and any other utilities) that conflict with the construction. The Contractor shall further summarize the findings for the approval of the Employer's Representative and carry out necessary dismantling and/or re-location as directed by the Employer's Representative. Such activities will be performed by him without any additional cost or time impact.

## 6 STAFF AND LABOUR

### 6.3 PERSONS IN THE SERVICE OF OTHERS

Add the words "or Employer's Representative" after "Employer's" in the second line.

Add new Sub-Clauses 6.12 to 6.19 as follows:

#### 6.12 VISAS, RESIDENCE PERMITS ETC.

The Contractor shall obtain all visas, residence permits, and other permissions required for the employment of expatriate personnel. The Employer will provide assistance in obtaining such visas, residence permits etc. but without thereby incurring any liability towards the Contractor.

#### 6.13 REPATRIATION OF LABOUR

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

#### 6.14 MEASURES AGAINST INSECT AND PEST NUISANCE

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

#### 6.15 EPIDEMICS

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

#### 6.16 BURIAL OF THE DEAD

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

#### 6.17 FESTIVALS AND RELIGIOUS CUSTOMS

The Contractor shall in all dealings with his staff and labour have due regard to all recognized festivals, days of rest and religious or other customs.

#### 6.18 ALCOHOLIC LIQUOR OR DRUGS

The Contractor shall not sell or give to any person nor allow the importation on to the Site or to any accommodation provided for his labour, of alcoholic liquor or narcotic drugs.

#### 6.19 ARMS AND AMMUNITION

The Contractor shall not bring to the site or use on it, any arms, ammunition, or explosive materials prohibited by law, and shall prevent his Personnel agents, employees, servants or any of his sub-contractor's workmen and servants from having or using such arms and ammunitions on Site.

### 7 PLANT, MATERIALS AND WORKMANSHIP

#### 7.4 TESTING

Add the following at the end of Sub-Clause 7.4:

To clarify what is stated in this Sub-Clause, the Contractor shall bear the costs of all tests stated in the Contract included in the Specifications and applicable standards.

The Contractor shall provide and install the laboratories required by Specifications or by any other Contract Document.

The Contractor shall give the Employer and the Employer's Representative a one (1) month notice before the dates of tests that may be held outside the country of project.

### 8 COMMENCEMENT, DELAYS AND SUSPENSION

#### 8.1 COMMENCEMENT OF WORK

Add the words 'but not exceeding 28 days' after the words 'as soon as is reasonably practicable' in the second paragraph.

#### 8.3 PROGRAMME

Add new subparagraph (e) at the end of the first paragraph, as follows:

(e) a cash flow schedule showing the anticipated payments by the Employer during the contract period.

#### 8.4 EXTENSION OF TIME FOR COMPLETION

Add the following paragraph at the end of Sub-Clause 8.4:

In determining any extension to the Time for Completion under this Sub-Clause, the Employer shall be entitled to take into account the effect of work omitted by any Variation issued by him pursuant to Sub-Clause 13.1 (Right to Vary), but he shall have no power to reduce the Time for Completion stated in the Appendix to Tender.

#### 8.7 DELAY DAMAGES

Add the following words in line 2 of the second, paragraph, after the words 'other than':

'Employer's Representative additional supervision fees that shall become payable under Sub-Clause 8.13 (*Employer's Representative Additional Supervision Fees*) and damages payable'.

#### 8.13 EMPLOYER'S REPRESENTATIVE ADDITIONAL SUPERVISION FEES

Add new Sub-Clause 8.13 as follows:

If, by reason of any delay for which the Employer is entitled to payment of delay damages under Sub-Clause 8.7 (*Delay Damages*), the Employer is obliged to pay additional fees for the Employer's Representative supervisory staff on site, the Employer shall be entitled to recover the amount of such additional fees from the Contractor in a manner similar to that set out for the recovery of delay damages under Sub-Clause 8.7.

#### 10 EMPLOYER'S TAKING OVER

##### 10.1 TAKING OVER OF THE WORKS AND SECTIONS

Add before 'the matters described in Sub-Clause 8.2' in line 3, the words 'provision of as-built drawings and operation and maintenance manuals described and other requirements described in the Employer's Requirements, and'.

#### 11 DEFECTS LIABILITY

##### 11.3 EXTENSION OF DEFECTS NOTIFICATION PERIOD

Add the following paragraph at the end of Sub-Clause 11.3:

If two or more Sections or parts of the Works are taken over separately, then with respect to defects appearing after the interconnection of such Sections or parts, the



Contractor's responsibility under this Clause shall continue for all interconnected Sections or parts until the latest of the Defects Notification Periods have expired.

#### 11.10 UNFULFILLED OBLIGATIONS

Add the words '(including all obligations imposed by the Laws of the Country)' after the word 'obligations' in line 3.

#### 14. CONTRACT PRICE AND PAYMENT

##### 14.1 THE CONTRACT PRICE

Add the following subparagraphs after the subparagraphs 14.1 (a) and 14.1 (b):

(c) The Contractor shall be exempted from customs and other import duties for all Goods imported for sole purposes of execution of the Works, provided that such Goods are imported in the name of the Employer.

- (d) All imported Goods for the Works, which are not incorporated in or expended in connection with the Works shall be exported on completion of the Works by the Contractor at its cost or if it fails to do so, by the Employer at the Contractor's cost.

If not exported, the Goods will be assessed for duties as applicable to the Goods involved in accordance with the laws of Ethiopia and the Contractor shall be responsible for payment of such duties.

The Contract lump sum price shall include for all the scope of Works described in drawings, stated in Specifications, or any other Contract Documents, or any Schedules as necessary to render the Works fit for the Contract purposes, and irrespective to having such scope mentioned in the Bill of Quantity items or not.

Any quantities which may be set out in the Bill of Quantities, or any Schedule are estimated quantities and are not to be taken as the actual and correct quantities of the Works which the Contractor is required to execute, and the Contractor shall be deemed to have checked the quantities and satisfied himself concerning their accuracy.

The Bill of Quantities shall only be used for the purposes of valuing Variations as set out in Sub-Clause 13.3 [*Variation Procedure*] and for the assessment of the estimated contract value of the Works executed in the Contractor's \ Documents produced for the purposes of making payments pursuant to this Sub-Clause 14.3 (a).

The Contract Price shall not be subject to any adjustment:

- i. On account of the quantities of any Goods or Works being more or less than specified in the Bill of Quantities; or
- ii. On account of any Goods or Works not being provided for in the Bill of Quantities.

#### 14.2 ADVANCE PAYMENT

Delete Sub-Clause 14.2 and substitute the following:

- (a) Upon receipt of confirmation from the Contractor that the following matters have been carried out by him:
  - (i) submittal of an unconditional Performance Security in accordance with Sub-Clause 4.2; (ii) application for the Advance payment has been made;
  - (iii) provision of an approved bank guarantee for the advance payment in the full amount of the advance payment issued by a bank located in Ethiopia or a foreign bank, in terms similar to the form annexed to the Tender and Contract Particulars,

The Employer's Representative shall certify, and the Employer shall pay, in accordance with Sub- Clauses 14.6 and 14.7, the advance payment amount stated in the Appendix to Tender. The advance payment shall be made in the currencies and proportions in which the Contract Price is payable and shall not be subject to deduction of retention.

Advance payment shall be made by depositing it in the Contract account at the bank specified by the Contractor in two equal installments as follows:

- The first (1<sup>st</sup>) once Contractor satisfies requirements set out in this Clause.
- The second (2<sup>nd</sup>) once the Contractor achieves Final Approved Design and brings to the Site sufficient equipment to commence the work as certified or stated in writing by the Employer.

The Advance payment shall be repaid through percentage deductions at a rate of 25% from the Interim payments certified by the Employer's Representative in accordance with this Sub-Clause until such time as the advance payment has been fully repaid; always provided that the advance payment shall be completely repaid prior to a time when 80 percent of the Contract Price has been certified for payment.

Provided that upon issue of the Taking Over Certificate for the whole of the Works or upon termination under Clauses 15 or 16, the whole of the balance then

outstanding shall immediately become due and payable by the Contractor to the Employer. The amount of the unconditional advance payment guarantee shall be progressively reduced as the advance payment is repaid.

- (b) The advance payment shall be used by the Contractor exclusively for the Works including among others mobilization expenditures, including the acquisition of Equipment, Plant and Materials in connection with the Works. The Equipment and Plant supplied to the Site shall be in good condition and suitable for use and of such type, size, and capacity appropriate for carrying out the Works, and must be insured in accordance with the Conditions of the Contract.

Should the Contractor misappropriate any portion of the advance loan, the Employer shall have the right to confiscate the Advance Payment Guarantee notwithstanding any objection on the part of the Contractor.

#### 14.8 DELAYED PAYMENT

Delete the second and third paragraphs and substitute the following:

The financing charges shall be calculated at the discount rate set by the Central Bank of the country of the currency of payment and shall be paid in the currency as specified in the Appendix to Tender.

The Contractor shall notify the Employer of any delayed payment as soon as practicable after the date for payment, together with a statement of the current applicable discount rate. The Contractor shall be entitled to payment without certification and without prejudice to any other right or remedy.

Add new Sub-Clauses 14.16 to 14.19 as follows:

#### 14.16 FOREIGN TAXATION

The Accepted Contract Amount shall be deemed to include for all taxes, duties and other charges imposed outside the Country on the production, manufacture, sale and transport of Materials, Plant and Contractor's Equipment to be used in or furnished under the Contract and on the services performed under the Contract.

#### 14.17 LOCAL TAXES AND DUTIES

The Accepted Contract Amount shall be deemed to include all customs duties and charges, import duties, business taxes, income and other taxes that may be levied in accordance with the Laws and regulations in being at the Base Data in the Country

on Materials and Plant (permanent, temporary, and consumable) to be used or furnished under the Contract and on the services performed under the Contract.

#### 14.18 IMPORT DUTIES ON CONTRACTOR'S EQUIPMENT

The Contractor shall observe all Laws and regulations concerning the importation and export of Contractor's Equipment and Temporary Works brought into the Country for the Works. He shall pay any import duties and other charges or provide such bonds or guarantees as may be demanded by the relevant authorities.

#### 14.19 INCOME TAX ON STAFF

The Contractor's staff, personnel and labour will be liable to pay personal income tax in respect of such of their salaries and wages as are chargeable under the Laws and regulations for the time being in force in Country, and the Contractor shall perform such duties with regard to deductions of such taxes as may be imposed on him by such Laws and regulations.

### 17 RISK AND RESPONSIBILITY

#### 17.3 EMPLOYER'S RISKS

Delete Sub-Clause 17.3 and substitute the following:

The risks referred to in Sub-clause 17.4 below are:

(a) insofar as they occur in the Country and directly affect the execution of the Works in the Country.

- i war and hostilities (whether war be declared or not), invasion, act of foreign enemies;
- ii rebellion, terrorism revolution, insurrection, or military or usurped power, or civil war;
- iii munitions of war, explosives ionizing radiation, or contamination by radioactivity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- iv pressure waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds;
- v riot, commotion, or disorder, unless solely restricted to the employees of the Contractor or of his Subcontractors and arising from the conduct of the Works;

- (b) loss or damage due to the use or occupation by the Employer of any Section or part of the Permanent works, except as may be provided for in the Contract;
- (c) loss or damage to the extent that it is due to the design of the Works, other than any part of the design provided by the Contractor or for which the Contractor is responsible; and
- (d) any operation of the forces of nature (insofar as it occurs on the Site) which an experienced Contractor:
  - i could not have reasonably foreseen, or
  - ii could reasonably have foreseen, but against which he could not reasonably have taken at least one of the following measures:
    - a. prevent loss or damage to physical property from occurring by taking appropriate measures, or
    - b. insure against such loss or damage.

#### 17.4 CONSEQUENCES OF EMPLOYER'S RISKS

Insert the words '(excluding Contractor's Equipment)' after 'Goods' in line 2 of the first paragraph.

### 18 INSURANCE

#### 18.1 GENERAL REQUIREMENTS FOR INSURANCES Insert at the end of the second paragraph:

The Contractor shall be the insuring party, and the insurance policy shall include provisions for cross-liabilities between the Employer and the Contractor as two separate entities in the insurance policies.

Delete the sixth paragraph of Sub-Clause 18.1 from "The relevant insuring Party,.....to the other Party" and substitute the following:

Before commencing work on Site, the insuring Party shall provide evidence to the other Party that the insurances required to be provided have been effected and, not later than 30 days after the date of the Letter of Acceptance, the insuring Party shall provide copies of the policies to the other Party and shall notify the Employer accordingly.

Add at the end of the sixth paragraph after item (b) new item "(c) a statement from the insurer/ insurance company that the various insurance requirements clauses of the Contract have been complied with and are fully covered by the policy issued".

Add at the end of the seventh paragraph after the last word 'Party' the words "and the Contractor shall supply the Employer with original of such evidence or policies. The insurer shall keep the Employer informed of all modifications introduced to the policy post issuance by direct communication. The Contractor shall not modify the approved policy without the prior approval of the Employer".

## 18.2 INSURANCE FOR WORKS AND CONTRACTOR'S EQUIPMENT

Delete '.... and profit' from line3 of the first paragraph.

Delete from the fourth line of the first paragraph the words 'date by which evidence is to be submitted under sub-paragraph (a) of Sub-Clause 18.1 (*General Requirements for Insurances*)' and replace with 'the date on which the Contractor is given possession of the Site or any part thereof'.

Delete from the first line of sub-paragraph (d) the phrase "(c)" and replace with "(a)v, (c) and (d)".

Delete sub-paragraph (e)(iv) and insert new sub-paragraph (f) as follows:

- (f) shall, in respect of Goods shipped but not delivered to the Site, be effected by the Contractor, irrespective of whether such Goods are subject to Sub-Clause 14.5 or not.

Add new Sub-Paragraph 18.2 (g) as follows:

In case of any damage to the Works or any materials or Plant or Temporary Works due to Risks covered by the insurance policies, the Contractor shall, as soon as possible, carry out the repairs and the making good of the defects. If the value of the compensation is greater than the amounts paid by the Contractor, then these amounts shall be paid to the Contractor; and if it is less than the cost of repair, then the difference shall be borne by the party responsible for the loss.

The replacement value and the additions on it shall be equal to 115% of such replacement cost.

Add at the end of Sub-Clause 18.2:

The insurance shall be effective from the Commencement Date and until the date of issue of the Performance Certificate (Final Acceptance Certificate). The Contractor shall bear responsibility for all deductibles in the policy.

## 18.3 INSURANCE AGAINST INJURY TO PERSONS AND DAMAGE TO PROPERTY

Add the following at the end of Sub-Clause 18.3:

All deductibles shall be borne by the Contractor.

#### 18.4 INSURANCE FOR CONTRACTOR'S PERSONNEL

Add the following at the end of Sub-Clause 18.4:

The Contractor shall immediately notify the Employer and his Representative in writing about any accident which occurs on Site if it results in an injury to any of the labourers or employees or damage to property, and he shall provide him with the details and the affidavits of witnesses.

Also, the Contractor shall inform the concerned authorities about such accidents when and if the laws and regulations so require.

Add new Sub-Clause 18.5 as follows:

#### 18.5 PROFESSIONAL INDEMNITY INSURANCE

The Contractor shall take out and maintain Professional Indemnity Insurance covering all his design liability under the Contract with reputable insurers acceptable to the Employer and without unusual or onerous conditions attached to it in the amount set out in the Appendix to Tender for any one occurrence or series of occurrences arising out of any one event for a period beginning from the commencement of the design and manufacture of the Works and continuing up to ten (10) years from the issue of Taking-Over Certificate of the whole of the Works.

All excess and deductibles shall be borne by the Contractor.

### 20 CLAIM DISPUTES AND ARBITRATION

#### 20.1 CONTRACTOR'S CLAIMS

Delete the last sentence of the last paragraph and substitute:

Notwithstanding any other provision of the Contract, including without limitation the provisions of Sub-Clause 14.14 (*Cessation of Employer's Liability*) of the Conditions of Contract, if the Contractor fails to comply with any of the provisions of the Contract, including without limitation the provisions of Sub-Clauses 1.9, 4.7, 4.12, 4.24, 7.4, 8.4, 8.5, 8.9, 9.2, 10.3, 13.7 and 20.1 of the Conditions of Contract, in respect of any act, event or omission of whatever nature which in the opinion of the Contractor should result in an increase in the Contract Price and/or an extension of the Time for Completion, such failure shall constitute on the part of the Contractor a definitive and irrevocable waiver of, and release of the Employer and his Representative from, any and all claims arising from any such act, event or

omission and the Contractor shall be irrevocably stopped from raising any claims arising from any such act, event or omission thereafter.

Delete Sub-Clauses from 20.2 to 20.8 (inclusive) and replace with the following new Sub-Clause 20.2:

## 20.2 JURISDICTION

"Notwithstanding anything to the contrary under the Contract, any and all disputes arising out of or in relation to the Contract shall first be resolved through mutual discussions between the Contractor and the Employer. If no resolution is obtained within thirty days from the date of the start of these discussions, the dispute shall be submitted to the competent courts of Ethiopia. Notwithstanding anything to the contrary, the Employer shall have the right to institute proceedings against the Contractor at any appropriate jurisdiction.

## 21 DETAILS TO BE CONFIDENTIAL

Add new Clause 21 as follows:

The Contractor shall treat the Contract Documents and details of the Contract as private and confidential and save in so far as may be necessary for the purposes of the Contract, shall not disclose the same or any particulars thereof to any person, nor publish any particulars thereof in any trade or technical paper, publicity material or elsewhere without the consent of the Employer. All documents provided to the Contractor shall be used only for the purposes of the Contract.

## 22 FINANCING ARRANGEMENTS

Add the following new Clause 22:

"The Contractor acknowledges that the Employer may obtain debt financing (the Financing) from a bank or syndicate of banks, (the Financiers) to, through the Contractor or directly with the Employer, to fund the development of the Works or refinance its existing debt; and the Contractor further agrees, upon reasonable request by the Employer or the Security Agent that it may (at the discretion of the Employer) enter into a deed (Tripartite Deed) between itself, the Security Agent and the Employer on terms reasonably acceptable to the Employer and the Security Agent.

The Contractor also agrees to comply with the reasonable requests of the Employer and/or the Financiers in relation to matters relevant to the Financing, including access to the site of the Works and provision of reports or information to the Financiers."



## 2 CONTRACT AGREEMENT

**This Agreement** made the ..... day of ..... 20.....  
between ..... (*Name of Employer*)  
of ..... (*Address of  
Employer*) (hereinafter called 'the Employer') of the one part  
and ..... (*Name of Contractor*)  
of ..... (*Address of Contractor*)  
(hereinafter called "the Contractor") of the other part.

**Whereas**, the Employer desires that the Works known as "The Ethiopian Airlines Village Project (Phase II) (Package 1)", should be executed by the Contractor, and has accepted a Fixed Lump Sum Tender by the Contractor for the design, execution and completion of these Works and the remedying of any defects therein,

### **The Employer and the Contractor agree as follows:**

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract hereinafter referred to.
2. The documents forming the Contract are to be taken as mutually explanatory of one another. If there is an ambiguity or discrepancy in the documents, the Employer shall issue any necessary clarification or instruction to the Contractor, and the priority of the documents shall be as follows:
  - a) The Contract Agreement
  - b) The Letter of Acceptance dated.....
  - c) The Particular Conditions
  - d) The General Conditions
  - e) The Preliminary Design (Employer's Requirements) – Volume 5
  - f) The General Preliminaries and Design Deliverables (Annex to Volume 1)
  - f) The Drawings (Volume 4) and the Specifications (Volume 2)
  - g) The Priced Letter of Tender dated.....and Appendix to Tender

- h) Any other documents forming part of the Contract; and
- i) The Contractor's Proposal.

The above documents will be superseded by the amendments introduced in Addenda and Notices to the Tender without affecting the above priority of the documents.

3. 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 execute and complete the Works and remedy any defects therein, in conformity with the provisions of the Contract.
  
4. The Employer hereby covenants to pay the Contractor, in consideration of the execution and completion of the Works and the remedying of defects therein, the lump Sum Contract Price of .....  
..... (ETB) and  
..... (USD) at the  
times and in the manner prescribed in the Contract.

**In Witness** whereof the Parties hereto have caused this Agreement to be executed the day and year first before written in accordance with their respective laws.

SIGNED by: ..... SIGNED by: .....

for and on behalf of the Employer in the presence of      for and on behalf of the Contractor in the presence of

Witness: .....      Witness: .....  
Name: .....      Name: .....  
Address: .....      Address: .....  
Date: .....      Date: .....

### 3 CONTRACT GUARANTEES

#### 3.2 PERFORMANCE BANK GUARANTEE (UNCONDITIONAL)

##### FOR

.....

To:

WHEREAS ..... (hereinafter called "the Contractor") has undertaken, in pursuance of Contract No. .... dated ..... to execute ..... (hereinafter called "the Contract");

AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with his obligations in accordance with the Contract;

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee;

NOW THEREFORE we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Contractor, up to a total of ..... (ETB and/or USD) (being not less than Ten (10) percent of the Contractor's price stated in his tender), such sum being payable in the types and proportions of currencies in which the Contract Sum is payable, and we undertake to pay you, upon your first written demand in writing stating that the Contractor is in breach of his obligation (s) and without cavil or argument, any sum or sums within the limits of ..... as aforesaid without your needing to prove or to show grounds or reasons for your demand for the sum specified therein and notwithstanding any objection from the Contractor and without any need for notarial warning and judicial proceeding.

We hereby waive the necessity of your demanding the said debt from the Contractor before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the Contract or of the Works to be performed thereunder or of any of the Contract documents which may be made between you and the Contractor shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.

This guarantee shall be valid until the date of issue of the Performance Certificate.

Signature and Seal of the Guarantor: .....

Name of Bank: .....

Address: .....

Date: .....

3.3 **FORM OF UNCONDITIONAL ADVANCE PAYMENT GUARANTEE**

.....

To Messrs:

We have the pleasure to inform you that our bank, .....  
.....  
has guaranteed by a financial guarantee the Contractor, Messrs .....  
.....  
for the sum of (ETB and/or USD) .....  
payable in (ETB and/or USD) as an Advance Payment Guarantee for Tender No.  
..... pertaining to the Project of .....  
..... to ensure the obligations of the Contractor for repayment  
of the advance payment in accordance with the Conditions of Contract.

We undertake to deposit with you the said amount mentioned above or the remaining amount  
due upon your first written demand without warning or reservation or any other condition,  
and notwithstanding any objection on the part of the Contractor.

This Guarantee shall remain valid from the date of its issuance and until the repayment of  
the full amount of the advance payment and shall be renewed until complete recovery of  
the advance payment installments.

Issued at: .....  
Signature of Guarantor/Bank: .....  
Name of Authorized Signatory: .....  
Date: .....