



3 (f) Bill of Quantities

I.PREAMBLE TO THE BILL OF QUANTITIES

- 1.The Bill of Quantities shall be read in conjunction with the General Conditions and Specific Conditions of Contract, General Specification and Supplementary Specifications and drawings where available
- 2.The quantities given in the Bill of Quantities are estimated and provisional, and are given to provide a common basis for tendering. The basis of payment will be the actual quantity of work completed in accordance with the specification, as verified by the Construction Supervisor and valued at the rate and prices tendered in the priced Bill of Quantities, where available or at such rates and prices as the Employer may fix within the terms of the contract
- 3.The rates and prices tendered in the priced Bill of Quantities shall, except insofar as it is otherwise provided in the contract, include all construction plant, labour, materials, supervision, erection, maintenance, insurance, profit, taxes and duties, together with all general risks, liabilities and obligations set out or implied in the Contract
- 4.A rate or price, exclusive of VAT and Duties shall be entered against each item in the Bill of Quantities, whether quantities are stated or not. The cost of items against which the Contract has failed to enter a rate or price shall be deemed to be covered by rates entered for other items in the Bill of Quantities.
- 5.General directions and descriptions of work and materials are not necessarily repeated nor summarised in the Bill or Quantities. References to the relevant sections of the contract documents shall be made before entering prices against each item in the Bill of Quantities
- 6.Provisional sums included and so designated in the Bill of Quantities shall be expanded in whole or in part at the direction and discretion of the Employer in accordance with the conditions of contract.
- 7.The method of measurement of completed work for payment shall be in accordance with the Specification or the Supplementary Specification
- 8.Errors will be corrected by the Employer for any arithmetic errors in computation or summation as follows:
 - a) where there is a discrepancy between amount in figures and in words, the amount in words will govern; and
 - b) Where there is a discrepancy between the unit rate and the total amount derived from the multiplication of the unit rate and the quantity, the unit rate as quoted will govern.



BoQ
PROPOSED OLAL AIRPORT AIRPORT

Item	Ref. to Specs	Description	Unit	Quantity	Rate (VUV)	Cost (VUV)
1.0		Group 1 - General Clauses				
1.1	1.8.3	Traffic Management	LS			0.00
1.2	1.14.3	HIV/AIDS Prevention	LS			0.00
1.3	1.15.3	Safety	LS			0.00
1.4	1.16.3	Environment Protection	LS			0.00
1.5	1.17.3	Quality Assurance	LS			0.00
1.6	1.18.3	Community Liaison	LS			0.00
Sub-Total:						0.00
2.0		Group 2 - Establishment				
2.1	2.1.2	Contractor's Establishment	LS			0.00
2.2	2.1.3	Establishment Maintenance	LS			0.00
2.3	2.1.4	Contractors Demobilisation	LS			0.00
2.4	2.2.9	Construction Supervisor's Establishment				0.00
Sub-Total:						0.00
3.0		Group 3 - Clearing and Grubbing				
3.1	3.5	Clearing, grubbing and stripping of topsoil (including cutting and removal of trees and tree stumps)	m2	72,460	0.00	0.00
Sub-Total:						0.00
4.0		Group 4 - Earthworks & Preparation of Subgrade				
4.3		Excavation and Embankment for the formation of the runway	m2	27,000	0.00	0.00
Sub-Total:						0.00
5.0		Group 5 - Base and Sub-base Pavement Courses (Runway, Taxiway & Apron)				
5.2		Placing, spreading and compaction of materials	m3	5,400	0.00	0.00
Sub-Total:						0.00
7.0		Group 9 - Drainage				
7.1		Shaping of drainage	m	2,352	0	0.00



Sub-Total:			0.00
10.0	2.8 & 2.9 of AC 139	Airfield Facilities & Equipments	
10.1	2.8.5 & 2.9.1	Facilities and Equipment LS as outlined in specs. 2.8.5 & 2.9.1	0.00
Sub-Total:			0.00
Total Direct Cost			0.00
Contingency		10%	0.00
Total Estimated Cost			0.00



SECTION 4 TENDER RESPONSE SCHEDULES

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**RESPONSE TO
REQUEST FOR TENDER WORKS**

[Tenderer to enter name of Government of Vanuatu Procuring Entity (the "Employer")]

RFT NUMBER: xxxxxxxx

DESCRIPTION: Port Resolution Airport Construction

EMPLOYER: Ministry of Infrastructure and Public Utilities
PMB 9057
Port Vila, VANUATU
Tel: (678) 22790

**TENDER
SUBMISSION
ADDRESS:** The Acting Secretary
Central Tenders Board
Ministry of Finance & Economic Management
PMB 058
Port Vila, Vanuatu
Tel: (678) 24506/23032

**SUBMISSION
DATE & TIME:**



**TENDER RESPONSE SCHEDULE 1
TENDER SUBMISSION FORM**

[To be completed on Tenderer's letterhead]

The completed Tender form and attachments together will comprise the Tenderer's offer

To:

We agree to be bound by the **General Conditions of Tender, Special Conditions of Tender, General Conditions of Contract, Special Conditions of Contract**, and we hereby offer to perform the Works, in conformity with the Request for Tender (RFT) and in accordance with the Technical Specifications including the Bill of Quantities / Schedule of Activities [EMPLOYER to delete whichever is not applicable], for a Total tender price of:

[Total tender price and currency in words]

CURRENCY
& AMOUNT

[Total tender price in figures]

This amount is

- Exclusive of VAT and duties
 Inclusive of VAT and duties

We confirm receipt of the Addenda and Variations to the Invitation to Tender listed below:

Addendum	Dated	Date Received

Our Tender shall be valid for the period of time specified in the RFT, and it shall remain binding upon us and may be accepted at any time before the expiration of that period. If our Tender is accepted, we commit to obtaining a Performance Security in accordance with the RFT for the due performance of the Contract. Furthermore we warrant that we comply with all the eligibility criteria specified in the RFT.

We have no conflict of interest, and our firm, its affiliates and subsidiaries have not been declared ineligible under the laws of the Republic of VANUATU or in accordance with the RFT.



We further warrant that:

- (i) We are free from insolvency, bankruptcy or similar status;
- (ii) We have the legal capacity to enter into contract;
- (iii) We are current with payment of taxes;
- (iv) We and any director, officer, manager or supervisor of ours has not, within a period of three years preceding the date of issuance of the invitation to tender, been convicted of any criminal offence, whether in VANUATU or elsewhere:
 - a. Relating to professional conduct
 - b. Relating to the making of false statements or misrepresentations as to his eligibility or qualifications to enter into a procurement contract;
 - c. Involving dishonesty;
 - d. Under anti-corruption legislation;
- (v) We have not been suspended or disbarred by administrative or judicial proceedings from participating in procurements, whether in Vanuatu or elsewhere.

We understand that you are not bound to accept the lowest evaluated Tender or any other Tender that you may receive.

Signed:

Name:

Title/Position:

Authorised for and on behalf of:

Supplier:

Address:



**TENDER RESPONSE SCHEDULE 2
ELIGIBILITY AND QUALIFICATION INFORMATION**

[The Tenderer must complete this schedule and attach any relevant supporting documents]

1.1 Status of Tenderer:

Tenderer's Legal Name:	
Country of Registration:	
Address in Country of Registration:	
Year of Registration;	
Business Certificate Number	
VAT Registration Number (if applicable)	
Registration No. in Vanuatu	

1.2 Annual turnover of Works contracts for the last three completed years

Year	Total Amount for the Year in VUV or equivalent Using the VUV selling rate of the Reserve Bank of Vanuatu, on the date that the Tender is issued.
Average Annual Construction Turnover for these 3 years	
Current Commitments	

1.3 Balance Sheet Information and Income Statement for the past financial year (or last 3 financial years if required e.g. international tender) [EMPLOYER to specify – adjust table below if only past year is required]

Information from Balance Sheet			
Amounts in VUV Equivalent Using the VUV selling rate of the Reserve Bank of Vanuatu, on the date that the Tender is issued			
Years	[Enter year]	[Enter year]	[Enter year]
Total Assets			
Total Liabilities			
Net Worth			
Current Assets			
Current Liabilities			
Information from income statement			
Amounts in VUV Equivalent Using the VUV selling rate of the Reserve Bank of Vanuatu, on the date that the Tender is issued			
Total Revenues	[Enter year]	[Enter year]	[Enter year]
Profits before Tax			
Profits after Tax			

1.4 Access to financial resources



Source of financing	Total amount in VUV equivalent Using the VUV selling rate of the Reserve Bank of Vanuatu, on the date that the Tender is issued	Amount actually available after taking into account other commitments Amount in VUV equivalent Using the VUV selling rate of the Reserve Bank of Vanuatu, on the date that the Tender is issued

1.5 Works of a similar nature and volume over the past 3 years (3 examples)

Contract No 1 of 3		
Contract Identification:		
Award Date:		
Completion Date:		
Role in Contract:	[State Contractor, or Subcontractor]	
Brief Description of Work undertaken		
Total Contract Amount in VUV equivalent Using the VUV selling rate of the Reserve Bank of Vanuatu, on the date that the Tender is issued		
If partner in a JV or subcontractor, specify participation of total contract amount:	Percentage of Total:	
Employer's Name Address Telephone Number Fax Number E-mail address		
Contract No 2 of 3		
Contract Identification:		
Award Date:		
Completion Date:		
Role in Contract:	[State Contractor, or Subcontractor]	
Brief Description of Work undertaken		
Total Contract Amount in VUV equivalent Using the VUV selling rate of the Reserve Bank of Vanuatu, on the date that the Tender is issued		Amount
If partner in a JV or subcontractor, specify participation of total contract amount:	Percentage of Total	



Employer's Name Address Telephone Number Fax Number E-mail address	
Contract No 3 of 3	
Contract Identification:	
Award Date:	
Completion Date:	
Role in Contract:	[State Contractor, or Subcontractor]
Brief Description of Work undertaken	
Total Contract Amount in VUV equivalent Using the VUV selling rate of the Reserve Bank of Vanuatu, on the date that the Tender is issued	Amount
If partner in a JV or subcontractor, specify participation of total contract amount:	Percentage of Total
Employer's Name Address Telephone Number Fax Number E-mail address	

1.6 Proposed Site Manager and other Key Staff

Name	Role/Responsibility	Qualifications & General experience in Construction (years)	Experience in proposed post (years)
	Site Manager		
Complete and attach CV for the nominee(s)			

1.7 Contractor's proposed key Plant / Equipment

Description of equipment Brand, model	Age (years) Condition (new, good, poor)	Owned, leased or to be purchased No of units available and location



1.8 Method Statement and Works Programme

In not more than 3 pages of A4 paper Times Roman fonts size 12 Proposed Work Method Statement for construction of the concrete drainage and pavement and works Programme demonstrating the practical and safety aspects comply with the requirements of the Employer's Technical Specifications to be attached to this TRS.

1.9 Documentation attached:

Attached with this TRS are the Originals of the following documents:	Type
Power of Attorney for the signatory to sign the Tender	Original
Tender Security	Not require
Proposed Work Method Statement and Works Programme	Original
Completed Bill of Quantities or Schedule of Activities	Original
Completed Schedules	Original
Enclosed with this TRS are copies of the following documents:	
Business Registration Certificate in the Tenderer's country of registration	Copy
Latest Income Tax Clearance Certificate (if applicable – refer SCT)	Copy
In case of government owned entity in Vanuatu, documents establishing legal and financial autonomy and compliance with commercial law.	Copy
Details of name, address, contact data of banks that may provide references if contacted by the Employer.	Copy
Financial statement (balance sheet including all related notes, and income statements) for the past financial year (or last 3 years) complying with the following conditions: <ul style="list-style-type: none"> The financial statement must reflect the financial situation of the Tenderer and not sister or parent companies; The financial statement must be complete, including all notes to the financial statement The financial statement must correspond to the latest financial year (or last 3 financial years already completed and audited (no statements for partial periods shall be requested or accepted).	Copy
Documents proving access to financial resources	Copy
Documents proving the qualifications and experience of the Site Manager	
Any other documents requested by this RFT	Copy

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





SECTION 5 GENERAL CONDITIONS OF CONTRACT

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SECTION 5 GENERAL CONDITION OF CONTRACT (GCC)

5.1. GENERAL PROVISIONS

(1) The Employer is the Government of Vanuatu Procuring Entity stated in the Contract, represented by the person named in the 'Special Conditions of Contract' (SCC).

(2) The Contractor is the entity stated in the Contract Agreement, represented by the person named in the **SCC**.

(3) The Contract Documents listed in the Contract Agreement represent the entire and integrated Contract between the Employer and the Contractor. The Contract is governed by and shall be construed in accordance with the Laws of the Republic of Vanuatu, and the ruling language of the Contract is English.

(4) All prior negotiations, representations and agreements, both oral and written, are superseded by the Contract. All correspondence and documents relating to the Contract between the parties and their representatives shall be in English.

(5) Neither the Employer nor the Contractor shall assign, in whole or in part, their obligations under the Contract, except with the prior written consent of the other party.

(6) In these Conditions of Contract, unless the context otherwise requires:

Bill of Quantities means the priced and completed Bill of Quantities forming part of the Tender;

Construction Supervisor means the person named in the **SCC** who, on behalf of the Employer, supervises the Construction and certifies the completion of the Works

Contingency Sum means a sum specified by the Employer to meet unforeseeable costs likely to be incurred during the contract;

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

Contractor means the person or organisation stated in the Contract Agreement whose Tender to provide the Works and Services has been accepted by the Employer;

Contract Price means the price stated in the Contract;

Date for Commencement means the date by which the Contractor shall commence the execution of the Works as defined in the **SCC**;

Date for Completion means the date by which the Works are expected to be completed as defined in the **SCC**;

Days mean calendar days;

Day works are varied work inputs subject to payment on a time basis for the Contractor's employees and equipment, in addition to payments for associated Materials and Plant;

Defect is any part of the Works not completed in accordance with the Contract;

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



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

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

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

Equipment is the Contractor's machinery and vehicles brought temporarily to the Site to construct the Works;

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

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

Months mean calendar months;

Practical Completion ("Taking Over") Certificate means the Certificate issued by the Construction Supervisor on acceptance of the works by the Employer and its date of issue is the date from which the Defects Liability Period commences;

Provisional Sum means a sum specified by the Employer and included in the contract for the execution of any part of the Works, which sum may be used in whole, or in part, or may not be used at all, on the instructions of the Employer;

Schedule of Activities means a breakdown of the Works to be provided and includes the lump sum price of the Works;

Site means the place of performance of the Works as specified in the Contract;

Site Manager means the person appointed by the Contractor to act as the Contractor's representative on Site during the performance of the Works;

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

Subcontractor means any person or organisation that supplies goods, materials or services to the Contractor;

Variation is an instruction given by the Employer which varies the Contract;

Works means what the Contract requires the Contractor to construct, install and hand over to the Employer.

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

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

Words indicating a gender include either gender.

5.2. OBLIGATIONS OF THE EMPLOYER

5.2.1. Access to the Site and Payments

- 1) The Employer will arrange to place the site and access thereto at the disposal of the Contractor as provided for under the Contract.
- 2) The Employer shall pay to the Contractor sums due under the Contract.

5.2.2. Construction Supervisor

(1) The Employer shall appoint a Construction Supervisor, as named in the **SCC**, for the Works and shall provide written notice to the Contractor of such an appointment. The Employer may from time to time replace the Construction Supervisor by giving written notice to the Contractor of such replacement.

(2) The duties and powers of the Construction Supervisor are to:



- (a) Issue written instructions which the Contractor shall carry out without delay, notwithstanding the provisions of Clause 5.8. Such instructions may include, but are not limited to, those which in the opinion of the Construction Supervisor may be necessary to resolve ambiguities or discrepancies in the various documents forming the Contract. If instructions are given orally they shall within 7 days be confirmed in writing;
- (b) Issue instructions as to the expenditure of the provisional sum, if any. The Construction Supervisor on a fair and reasonable basis shall value any costs arising out of such instruction;
- (c) Supply details of lines, levels and/or reference points to enable the Contractor to set out the works;
- (d) Order the removal or the rectification of defects; and/or
- (e) Instruct the Contractor to delay the start of or the progress of any activity on the Works Programme (refer to Clause 5.4.4). Any claims or costs that may arise out of such an instruction shall be forwarded by the Contractor to the Construction Supervisor and shall include therein details and supporting documentary evidence. The claim(s) shall be submitted within 7 days from the date of the instruction. The Construction Supervisor shall evaluate and determine the appropriate form of the compensation for the delay, so as to advise the Contractor within 14 days and forward a copy of the advice to the Employer. However, the Construction Supervisor shall prior to the issue of the instructions under this Clause obtain approval from the Employer.
- (f) Any other duties and powers assigned to the Construction Supervisor, in addition to the above, are stated in the **SCC**.

(3) The Construction Supervisor may appoint a Representative to supervise the Contract and delegate any or all of the duties and powers of the Construction Supervisor to that Representative. If such an appointment is made the Construction Supervisor shall provide written notice to the Contractor and the Employer and specify the duties and powers that are delegated to the Construction Supervisor's Representative.

(4) The Construction Supervisor may require the instant dismissal from the Works of any agent, foreman or other person employed on the Works, or in connection with the Works, whether employed by the Contractor or not, where in the reasonable view of the Construction Supervisor that person breached any regulation or obligation in connection with the Works or applicable at the Site, or in connection with other persons involved with the works, or is negligent, or incompetent, or behaves in any other way inappropriate. The Contractor shall immediately comply with, or ensure immediate compliance with, such requirement for dismissal, and the Contractor shall not again employ a person so dismissed on or in connection with the Works.

5.3. OBLIGATIONS OF THE CONTRACTOR

5.3.1. General Obligations

(1) The Works to be performed shall be as specified in the Drawings and Specifications and the Contractor with due diligence and in a good workmanlike manner shall carry out and complete the Works to the reasonable satisfaction of the Construction Supervisor.



- (2) The Contractor shall check and verify dimensions on Drawings on Site before proceeding with the Works, and shall bring any ambiguities in the Drawings and Specifications to the attention of the Construction Supervisor for clarification.
- (3) The Contractor shall comply with all notices required by statute, statutory instrument, rule, order, regulation, or by-law applicable to the Works and shall pay all fees and charges in connection therewith.
- (4) The Contractor shall at all times keep upon the Site a Site Manager acceptable to the Construction Supervisor, to supervise and direct the performance of the Works.
- (5) The Contractor shall allow the Construction Supervisor and any person authorised by the Construction Supervisor access to the Site and to any place where work in connection with the Contract is being carried out or is intended to be carried out.
- (6) The Contractor shall carry out all instructions of the Construction Supervisor which comply with the applicable laws of the Republic of Vanuatu.
- (7) The Contractor is responsible for acts and omissions of all employees of the Contractor and other persons performing portions of the Work under contract with the Contractor.
- (8) The Contractor shall not subcontract any part of the Works without the written consent of the Construction Supervisor. If requested, the Construction Supervisor shall not unreasonably withhold such consent.

5.3.2. Sufficiency of Tender Prices

- (1) The Contractor shall be deemed to have inspected and examined the site and its surroundings and to have satisfied himself as to the nature of the ground and the subsoil before submitting his tender. He shall also be deemed to have taken into account the form and nature of the site, the extent and nature of the work and materials necessary for the completion of the works, the means of communication with and access to the site, the accommodation he may require and in general to have obtained for himself all necessary information as to the risks, contingencies and any other circumstances influencing or affecting his tender.
- (2) The Contractor shall be deemed to have satisfied himself before submitting his tender as to the correctness and sufficiency of the tender and of the rates and prices stated in the Bill of Quantities or Schedule of Activities, which shall cover all his obligations under the contract.
- (3) Since the Contractor is deemed to have determined his prices on the basis of his own calculations, operations and estimates, he shall, at no additional charge, carry out any work that is the subject of any item whatsoever in his tender for which he indicates neither a unit price nor a lump sum.

5.3.3. Safety, Health and Welfare and Environment

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

5.3.4. Copyright

- (1) The intellectual property and copyright (IP) in all drawings, documents and other materials containing data and information furnished to the Employer by the



Contractor shall remain vested in the Contractor, or, if they are furnished to the Employer directly or through the Contractor by any third party, including Suppliers of materials, the copyright in such materials shall remain vested in such third party save insofar as the Contractor shall grant to the Employer a world-wide, non-exclusive, irrevocable and royalty-free licence to use the IP to give effect to the provisions of this agreement.

5.4. PERFORMANCE OF THE WORKS

5.4.1. Site of the Works, Date for Commencement and Completion

(1) The Site of the Works, Expected Site Possession Date, Date for Commencement and Date for Completion are provided in the **SCC**, unless the dates are otherwise agreed in writing with the Construction Supervisor. However, the Contractor cannot take possession of the Site until the Contractor has provided copies of the relevant Insurance policies to the Construction Supervisor.

(2) If it becomes apparent that the Works will not be completed within the Time for Completion for reasons beyond the control and without fault of the Contractor, the Contractor shall so notify the Construction Supervisor who shall extend the Time for Completion by a period reasonably supported by detailed particulars provided by the Contractor.

(3) Every delay in the completion of the Works that is not caused by the Contractor shall not constitute non-compliance with this Contract by the Contractor.

5.4.2. Adverse Weather Conditions

(1) In the event that unforeseeable adverse weather conditions affect the Contractual Works Programme, the Contractor may require an extension of time and, in such an event, shall notify the Construction Supervisor who shall extend the Date for Completion by a period determined by him/her without additional costs accruing to the Contract, provided the Contractor has supportive documentary evidence to substantiate that the inclement weather conditions prevailing at the time are worse than the average conditions normally prevailing in that locality and are, therefore, deemed to be unforeseeable.

5.4.3. Working Hours

(1) The working hours shall be 07:30 Hours to 16:30 Hours with a break of one (1) hour around mid-day for weekdays and 07:30 Hours to 12:00 Hours (noon) on Saturdays. No work shall be carried out outside these working hours unless a written request has been submitted and approval given in writing by the Construction Supervisor, whose consent shall not be unreasonably withheld.

5.4.4. Contractual Works Programme and Communications

(1) Within 14 days of signing the contract the Contractor shall update the proposed Work Programme, including a revised methods statement (as included in the tender), and this will constitute the first Contractual Works Programme

(2) The Contractual Works Programme shall be revised, as required by the Construction Supervisor, showing the modifications to such programme necessary to ensure completion of the Works within the Time for Completion.



(3) Communications between parties that are referred to in these Conditions shall be effective only when made in writing, and only when having been delivered and acknowledged in writing between one party and the other.

5.4.5. Contractor's Risks

(1) From the Time of Commencement until the Time of Completion the risks of personal injury, death, and loss of or damage to property (including, without limitation, the Works, materials and equipment) which are not the Employer Risks are Contractor's Risks.

5.4.6. Protection of Works and Property

(1) The Contractor shall, throughout the execution and completion of the Works and the remedying of any defects therein, take reasonable precautions for safety and protection to prevent damage, injury or loss to:

- (a) Employees of the work site and other persons who may be affected;
- (b) The Works and materials to be incorporated therein, whether in storage on or off the site, under the care, custody or control of the Contractor or any sub-contractor of the Contractor;
- (c) Other property at or adjacent to the site including but not limited to trees, shrubs, lawns, walkways, pavement, roadways, structures and utilities not designated for removal, relocation or replacement in the course of the construction.

(2) Any damage caused to existing buildings, structures, services, roads and other site features shall be made good at the sole expense of the Contractor.

5.5. INDEMNIFICATION AND INSURANCE REQUIREMENTS

5.5.1. Indemnification

(1) The Contractor shall keep the Employer and employees or agents of the Employer indemnified against any legal liability, loss, claim, action or proceeding for personal injury to or death of any person or damage to any property arising from the carrying out of the Works (except loss or damage caused by any negligent act, omission or default of the Employer or employees or agents of the Employer) and from any costs and expenses that may be incurred in connection with any such loss, claim, action or proceeding.

(2) The Contractor shall indemnify the Employer at all times against any compensation paid or any action, claim, demand or expense arising from or incurred by reason of the existence of any patent, design, trademark or copyright or other protected right in respect of any machine, plant, work material or thing, system or method of using, fixing, working or arrangement, used or fixed or supplied by the Contractor in connection with carrying out the Works.

5.5.2. Insurances

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



(2) The Contractor shall not cancel, cause to be cancelled, or alter the terms and conditions of any insurance policy covering this Contract without the express permission of the Employer.

5.5.3. Amounts and Evidence of Cover

(1) Such indemnification and insurances shall be in the type and amounts specified in the **SCC**, shall cover the period from the Date for Commencement to the end of the Defects Liability Period and shall be effected within fourteen (14) days of the date of contract signature, and in terms approved by the Employer.

(2) Prior to commencement of the Works, the Contractor, and any subcontractor, shall produce such evidence as the Construction Supervisor may reasonably require that the indemnification and insurances referred to in this Clause have been taken out and are in force for the duration required under the Contract.

(3) If the Contractor does not provide any of the policies and certificates required, the Employer may effect the insurance which the Contractor should have provided and recover the premiums the Employer has paid from payments otherwise due to the Contractor or, if no payment is due, the payment of the premiums shall be a debt due.

5.6. MATERIALS AND WORKMANSHIP

5.6.1 Conforming to Contract

All materials used in the Works and the standards of workmanship shall conform to the provisions of the Contract. In the absence of such provisions, materials and standards of workmanship shall be of a kind that is suitable for their purpose and consistent with the nature and character of the Works. Any material not otherwise specified shall be new and, where applicable, material and workmanship shall be to the satisfaction of the Construction Supervisor.. If the Construction Supervisor is of the opinion that any materials or the work or any part thereof, whether fixed or not, is unsatisfactory he may direct its replacement, removal or correction at the Contractor's expense.

5.6.2. Proprietary Items

Unless specifically stated to the contrary, it is not intended to give any preference to the manufacturer or brand mentioned wherever a proprietary item is specified. If the Contractor proposes to use a substitute proprietary item, he must provide full details of the item proposed to the Construction Supervisor for approval and the Construction Supervisor shall decide whether or not the proposed substitute may be used. If approved, the substitution shall be recorded in writing by the Construction Supervisor, and the substitution shall only be used after the Contractor has received such written approval.

5.6.3. Storage of Material

The Contractor's materials and plant shall only be stored in the location approved by the Construction Supervisor. If no storage facilities are available it shall be the responsibility of the Contractor to provide storage facilities.

5.6.4. Access to Works and Materials

(1) The Construction Supervisor or any other person authorised by him, shall have free and uninterrupted access at all times to the Works and during working hours to



any workshop or premises not on the site of the Works where materials may be in preparation or stored for the purpose of the Contract.

(2) The Contractor, if so required by the Construction Supervisor, shall give the Construction Supervisor all particulars as to the mode and place of manufacture of any of the materials proposed to be used in connection with the Contract and shall facilitate inspection of the materials.

5.6.5. Defects and Tests

(1) The Construction Supervisor shall check the Contractor's work and notify the Contractor of any Defects that are found. Such checking shall not affect the Contractor's responsibilities. The Construction Supervisor may instruct the Contractor to search for a Defect and to uncover and test any work that the Construction Supervisor considers may have a Defect.

(2) If the Construction Supervisor instructs the Contractor to carry out a test not specified in the Specification to check whether any work has a Defect and the test shows that it does, the Contractor shall pay for the test and any samples. If there is no Defect, the cost of testing will be compensated by the Employer to the Contractor.

(3) The Construction Supervisor shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at the date of the issue of the Practical Completion ("Taking Over") Certificate, and is defined in the **SCC**. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.

(4) Every time notice of a Defect is given, the Contractor shall correct the notified Defect within the length of time specified by the Construction Supervisor's notice. If the Contractor has not corrected a Defect within the time specified in the Construction Supervisor's notice, the Construction Supervisor will assess the cost of having the Defect corrected, and the Contractor will pay this amount.

5.7. COMPLETION AND CERTIFICATES

5.7.1. Practical Completion ("Taking Over") Certificate

(1) When, in the opinion of the Contractor, the whole of the Works have been substantially completed and have satisfactorily passed any tests on completion prescribed by the Contract, he shall request the Construction Supervisor to issue a Practical Completion ("Taking Over") Certificate in the format provided.

- (a) The Construction Supervisor shall within 14 days of the date of such request, issue to the Contractor, with a copy to the Employer, a Practical Completion ("Taking Over") Certificate, stating the date on which, in his opinion the Works were substantially completed in accordance with the Contract; or
- (b) The Construction Supervisor shall within 14 days of the date of such request, reject the application, giving reasons and specifying the work to be done in order for a Practical Completion ("Taking Over") Certificate to be issued; or
- (c) If the Construction Supervisor fails either to issue the Practical Completion ("Taking Over") Certificate or to reject the Contractor's request within a period of twenty eight (28) days of the date of such request, and if the Works are substantially complete in accordance with



the Contract, the Practical Completion ("Taking Over") Certificate shall be deemed to have been issued on the last day of that period.

- (2) Upon the issue of the Practical Completion ("Taking Over") Certificate 50% of the Retention money shall be certified by the Construction Supervisor for payment by the Employer to the Contractor;
- (3) The Construction Supervisor may, at the request of the Contracting Authority or Contractor and if the nature of the works so permits proceed with partial taking over, provided that the structures, parts of structures or sections of the works are completed and suited to the use as described in the contract. In the cases of partial taking over, the defects liability period for the works taken over shall, unless the **SCC** provide otherwise, run from the date of such partial taking over.

5.7.2. Defects Liability Certificate

- (1) Any defects which appear within the Defects Liability Period stated in the **SCC** after the date of substantial completion of the Works (as recorded in the Practical Completion ("Taking Over") Certificate) shall be made good by the Contractor entirely at his own cost.
- (2) The Defects Liability Certificate shall be issued by the Construction Supervisor once the Defects Liability Period has been completed and all defects that have been notified to the Contractor have been rectified.
- (3) The Contract shall not be considered as completed until a Defects Liability Certificate has been signed and issued by the Construction Supervisor to the Employer, with a copy to the Contractor, stating the date when the Contractor shall have completed his obligations to execute and complete the Works and remedy any defects to such work to the satisfaction of the Construction Supervisor.
- (4) Upon issuance of the Defects Liability Certificate and no later than the Final Payment Certificate, the Construction Supervisor shall certify the remaining fifty (50) percent of the Retention money for payment by the Employer to the Contractor.

5.8. VARIATION ORDERS

- (1) The Construction Supervisor may prepare a Variation Order making changes to the Works, specifications, timing and/or cost of the Contract and submit it to the Employer, with a brief justification for the variation, for approval to issue the Variation Order.
- (2) The Contractor may submit a written proposal to the Construction Supervisor requesting a variation in the Works. The proposal shall include a reasonable estimate of the time and/or cost of the variation, as well as a brief justification for the variation. If the Construction Supervisor agrees to the proposal he shall submit it to the Employer for approval to issue a Variation Order.
- (3) After receiving approval from the Employer, the Construction Supervisor shall issue the Variation Order to the Contractor within 3 days. By signing and returning a copy of the Variation Order the Contractor agrees to the terms and conditions of the Variation Order.



(4) The Contractor shall, in writing and within 7 days of receiving the Variation Order, notify the Construction Supervisor of any disagreement with the Variation Order. Any disagreement shall be settled in accordance with Clause 5.14.

5.9. TERMS OF PAYMENT

5.9.1. Contract Price

(1) Unit Costs / Lump Sum charged by the Contractor for the Works performed under the Contract shall not vary from the Unit Costs / Lump Sum offered by the Contractor in its Tender. The total payments to be made against the Contract shall not exceed the Contract Price stated in the Contract Agreement, except for changes made to the Contract as provided for in Clause 5.8.

(2) The Rates in the Bill of Quantities / Schedule of Activities [EMPLOYER to delete whichever is not appropriate, depending on the type of contract in question], shall not be subject to adjustment during the Contract to take into account any change in cost to the Contractor of any plant, equipment, materials, service, labour or any other thing necessary for the completion of the Works.

5.9.2. Provisional Sum

The Contractor shall be entitled only to such amounts in respect of the work to which the Provisional Sum relates as the Employer shall determine.

5.9.3. Advance Payment

(1) If specified in the **SCC**, the Employer will make an advance payment to the Contractor in the percentage stated in the **SCC** against submission of an unconditional Bank Guarantee for the full value of the advance, in the format provided.

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

5.9.4. Interim Payments

(1) The Contractor shall submit, at the intervals stated in the **SCC**, an Interim Payment Statement to the Construction Supervisor, in the form approved by the Construction Supervisor, showing:

- (a) The value of the Works executed on the Site, including any materials and goods delivered to the Site for incorporation in the Works, for the period covered by the Statement;
- (b) Any other sums to which the Contractor considers himself to be entitled under the Contract (if applicable);
- (c) Less the total of interim progress payments made by the Employer;
- (d) Less the amount to be deducted for Retention, at the rate stated in Clause 5.9.6;
- (e) Less the amount, if any, to be recovered from the Contractor due to an advance payment having been made to the Contractor.

(2) The Construction Supervisor shall satisfy himself that the Works accomplished for the respective period have been completed without defects in pursuance of the Contract, and any statutory Acts regulating construction Works in Vanuatu, and within 7 days shall certify the interim payment which he considers due and payable to



the Contractor in respect of the above mentioned items. The Employer shall pay to the Contractor the amount so certified within 30 days of the date of the Payment Certificate issued by the Construction Supervisor. The basis for calculation of payments shall be that specified in the Bill of Quantities / Schedule of Activities [EMPLOYER to delete whichever is not appropriate, depending on the type of contract in question].

(3) When defects are detected in the Works accomplished for the respective period they shall be priced and their cost shall be retained from the amount due for that period. If the defects are not completed by the time of submission of the next Interim Payment Statement the costs shall be retained until the completion of the defects and the issuance of the Practical Completion ("Taking Over") Certificate.

5.9.5. Final Payment

(1) Within 30 days of issuance of the Defects Liability Certificate, the Contractor shall submit a Final Payment Statement to the Construction Supervisor, in the form approved by the Construction Supervisor, showing:

- (a) The value of all the work done in accordance with the Contract;
- (b) Any further sums which the Contractor considers to be due to him under the Contract (if applicable);
- (c) Less any sums due to the Employer under the provisions of Clause 5.12 – Liquidated Damages;
- (d) Less the amount to be deducted for Retention, at the rate stated in Clause 5.9.6;
- (e) Less the total of all interim payments received under the Contract and any sums that might be due from the Contractor to the Employer.

The basis for calculation of the value of the work done shall be that specified in the Bill of Quantities / Schedule of Activities [EMPLOYER to delete whichever is not appropriate, depending on the type of contract in question].

(2) Provided the Contractor shall have provided all documents reasonable necessary for the computation of the amount to be certified, the Construction Supervisor shall within 30 days of receiving the Contractor's Final Payment Statement, issue a Final Payment Certificate certifying the amount due to the Contractor or to the Employer, as the case may be, and such sums shall be a debt payable within 30 days of the date of the Final Payment Certificate.

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

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

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

(7) The Employer shall not be liable to the Contractor for any matter or thing arising out of or in connection with the Contract or the execution of the Works, unless the



Contractor shall have included a claim in respect thereof in his Final Payment Statement.

5.9.6. Payment Retention and Release

(1) In order to take into account any list of outstanding Works at the time of taking over of the Works and the obligation of the Contractor to complete the proper execution of the Works a Payment Retention of 10% shall be deducted from the payments due to the Contractor with respect to each interim payment and the final payment of the Contract.

(2) 50% of the sum retained shall be paid by the Employer to the Contractor within 30 days following the issue of the Practical Completion ("Taking Over") Certificate.

(3) The substitution of the Payment Retention by a Bank guarantee or security bond may be provided by the Contractor on the date of issue of the Practical Completion ("Taking Over") Certificate. The remaining 50% shall be released within 30 days upon the issue of the Final Payment Certificate.

5.10. PAYMENTS ON TERMINATION

(1) Upon termination of the Contract, the Contractor shall be entitled to payment of the unpaid balance of the value of the Works executed adjusted by the following:

- (a) Any sums to which the Contractor is entitled under this Clause; and
- (b) Any sums to which the Employer is entitled.

5.10.1. Taxes and Duties

(1) Refer to the **SCC**.

5.11. PERFORMANCE SECURITY

(1) The proceeds of the Performance Security provided by the Contractor shall be payable to the Employer as compensation for any loss resulting from the Contractor's failure to complete its obligations under the Contract.

(2) The Performance Security shall be discharged by the Employer and returned to the Contractor not later than 30 days following the date of Completion of the Contractor's obligations under the Contract, including any defects liability obligations.

5.12. LIQUIDATED DAMAGES

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

5.13. TERMINATION AND SUSPENSION

5.13.1. Termination for Default

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

- (a) Abandons the works, refuses or fails to comply with a valid instruction of the Employer or fails to proceed expeditiously and without delay; or
- (b) Persistently or repeatedly refuses or fails to supply sufficient properly skilled workers or proper materials; or
- (c) Persistently disregards laws, ordinance, or rules, regulations or orders, of a public authority having jurisdiction; or
- (d) Otherwise is guilty of substantial breach of a provision of the Contract; or



- (e) Has engaged in corrupt, fraudulent, coercive or obstructive practices in competing for or in executing the Contract. Termination for Insolvency

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

5.13.2. Termination for Convenience

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

5.13.3. Termination by the Contractor

(1) In the event the Employer fails to comply with the requirements under Clause 5.9.3 and 5.9.4 within a period of 30 days after the payments became due, the Contractor may after a further 7 days serve a notice to the Employer to terminate this Contract and any costs shall be determined in accordance with the provisions of Clause 5.9.4.

5.13.4. Property

(1) All materials, plant, equipment on the Site, and Works shall be deemed to be the property of the Employer if the Contract is terminated because of the Contractor's default.

5.13.5. Suspension of Funding

(1) In the event that funding from which part of the payments to the Contractor are being made is suspended the Employer is obliged to notify the Contractor of such suspension within 7 days of having received advice of the suspension of funding.

5.13.6. Suspension of the Works

(1) In the event that the Works are suspended due to circumstances beyond the control of the Employer or the Contractor, the Employer shall after due consultation with the Contractor, determine any extension of time to which the Contractor is entitled and the amount that shall be added to the Contract Price (if any) under Clause 5.8. The Contractor shall make all reasonable effort to find alternative arrangements for plant that is idle due to the suspension of Works.

5.14. DISPUTES AND SETTLEMENT

5.14.1. Negotiated Settlement

(1) The Parties agree that the avoidance or early resolution of disputes is crucial for a smooth execution of the Contract and the success of the assignment. The Parties shall use their best efforts to negotiate all disputes arising out of, or in connection, with this Contract or its interpretation. Failing successful negotiation the courts in Vanuatu will settle any disputes in line with the laws of the Republic of Vanuatu.



5.15. FORCE MAJEURE

5.15.1. No Breach of Contract

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

5.15.2. Extension of Time

(1) Any period within which a Party shall, pursuant to this Contract, complete any action or task shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

5.15.3. Payments

(1) During the period of its inability to complete the Works as a result of an event of Force Majeure the Contractor shall be entitled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Contract and in reactivating the Contract after the end of such period.

5.16. INTEGRITY/ PROBITY

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

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

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



**SECTION 6
SPECIAL CONDITIONS OF CONTRACT**

These Special Conditions (SCC) of Contract supplement and/or amend the General Conditions of Contract. The SCC will be updated and included in the Contract Documents when these are prepared for issue to the successful Tenderer.

GCC Ref.	Heading	Description
5.1 (1)	Employer's Representative	The Employer is represented by: Harrison Luen Title/Position: Director General Address: Ministry of Infrastructure and Public Utilities PMB 9057 Port Vila, VANUATU Tel: (678) 22790 Fax: (678) 227714 Email: jbiauma@vanuatu.gov.vu
5.1 (2)	Contractor's Representative	The Contractor is represented by: [EMPLOYER to enter name of person] [EMPLOYER to enter contact address] Tel: [EMPLOYER to enter telephone number] Fax: [EMPLOYER to enter fax number] Email: [EMPLOYER to enter e-mail address]
5.1(6) 5.2.2(1)	Construction Supervisor	The Works Supervisor appointed by the Employer to supervise the Works and certify completion is: The Director Public Works Department PMB 9058 Port Vila, Vanuatu Tel: 222888 Fax: Email: afaerua@vanuatu.gov.vu
5.1(6) 5.4.1(1)	Date for Commencement	TBC
5.1(6) 5.4.1(1)	Date for Completion	TBC
5.1 (6), 5.6.5 (3) & 5.7.2 (1)	Defects Liability Period	Not required
5.2.2(2)(f)	Other duties and powers assigned to	The other powers and duties assigned to the Works Supervisor under this contract are as



GCC Ref.	Heading	Description
	the Construction Supervisor	follows: Limited to ensuring the works are done to meet the requirement. Any Variation need to be approved by the employer's representative
5.4.1 (1)	Site of the Works	The exact location of the Site is: Port Resolution, South East of Tanna Island, TAFEA PROVINCE
5.4.1 (1)	Expected Site Possession Date	Within 14days after Both Parties sign the Contract
5.5.3 (1)	Insurances	The Contractor must have minimum insurance cover to protect itself, its employees and any third party against dead, lost or damage.
5.7.1 (3)	Partial Practical Completion ("Taking Over") Certificates	Partial Practical Completion ("Taking Over") Certificates are permitted for completion of the works from each site.
5.9.3 (1)	Advance Payment	The Amount of the Advance Payment will be 25 % of the Contract price. The Formula for Recovery of Advance payment will be 100% if and single claim is made and 50% if 2 or more claim are made.
5.9.4 (1)	Interim Payment Statements	The Contractor shall submit Interim Payments Statements as follows: upon completion of the full scope or works describe in the contract or upon completion of works on each site as described in the contract.
5.10.1	Taxes and Duties	Contractor is not exempted from Taxes and Duties
5.12.1	Liquidated Damages	Liquidated damages shall not be more than 10% of the total contract amount.



SECTION 7 FORMS

Sample forms are attached for use as applicable:

FORM 1 TENDER SECURITY (BANK GUARANTEE)

FORM 2 PERFORMANCE SECURITY (BANK GUARANTEE)

FORM 3 ADVANCE PAYMENT SECURITY (BANK GUARANTEE)

FORM 4 CONTRACT AGREEMENT

FORM 5 PRACTICAL COMPLETION ("TAKING OVER") CERTIFICATE

FORM 6 DEFECTS LIABILITY CERTIFICATE



Form 1 - Tender Security (Bank Guarantee)

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

To:

Beneficiary: [Enter beneficiary]

Date: [Enter date]

TENDER SECURITY No: [Enter Bank Guarantee Number]

We have been informed that [enter name of the Tenderer] ("the Tenderer") intends to submit to you its Tender ("the Tender") for the execution of [enter name of contract] under RFT Works No. [enter Tender number] ("the RFT").

Furthermore, we understand that, according to your conditions, the Tender must be supported by a Tender Security.

At the request of the Tenderer, we [Enter name of Bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of [Enter name of currency and amount in figures and in words]¹ upon receipt by us of your first demand in writing accompanied by a written statement stating that the Tenderer is in breach of its obligation(s) under the Tender conditions, because the Tenderer:

- (a) Has withdrawn its Tender during the period of Tender validity as specified in the Tendering Document; or
- (b) Does not accept the correction of arithmetical errors as specified in Tendering Document; or
- (c) Having been notified of the acceptance of its Tender during the period of Tender validity, (i) fails to furnish the performance security, in accordance with the Tender Document or, (ii) fails or refuses to execute the Contract Agreement.

This guarantee will expire: (a) if the Tenderer is the successful Tenderer, upon our receipt of copies of the signed contract; or (b) if the Tenderer is not the successful Tenderer, upon the earlier of (i) our receipt of a copy of your notification that the Tenderer's Tender has not been successful; or (ii) thirty days after the expiration of the Tenderer's Tender.

Consequently, we must receive any demand for payment under this guarantee at our offices on or before that date.

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

[Seal of Bank and Signature(s)]



Form 2 - Performance Security (Bank Guarantee)

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

To:

Beneficiary: [Enter beneficiary]

Date: [Enter date]

PERFORMANCE SECURITY No.: [Enter Guarantee Number]

We have been informed that [Enter name of the Contractor] ("the Contractor") was awarded a Contract for the Execution of [Enter name of contract and brief description of Works] ("the Contract"), as a result of RFT Works No. [Enter number].

Furthermore, we understand that, according to the conditions of the Tender, a Performance Guarantee is required.

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

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

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

[Seal of Bank and Signature(s)]

Note:

Insert the amount representing 10% of the Contract Price and denominated in the currency (ies) of the Contract, or a freely convertible currency acceptable to the Beneficiary.

² Insert the date twenty-eight days after the expiry of the defects liability obligations, as provided for under the Tender Document / Contract. The Beneficiary should note that in the event of an extension of the time for completion of the Contract (and therefore of the Defects Liability Period), the Beneficiary will need to request an extension of this guarantee from the Bank, accordingly. Such request must be in writing and must be made prior to the expiration date established in the guarantee.



FORM 3 - Advance Payment Security (Bank Guarantee)

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

To:

Beneficiary: [Enter beneficiary]

Date: [Enter date]

ADVANCE PAYMENT GUARANTEE No.: [Enter Guarantee Number]

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

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

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

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

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

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

[Seal of Bank and Signature(s)]

Notes:

¹ Insert the amount representing the amount of the advance payment, and denominated in the currency (ies) of the Contract, or a freely convertible currency acceptable to the Beneficiary.

² Insert the date stipulated in the Contract for completion of works..



FORM 5 - Contract Agreement

Contract No:	
Brief Description:	

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

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

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.

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

- (a) This Contract Agreement
- (b) The Special Conditions of Contract
- (c) The General Conditions of Contract
- (d) Technical Specifications, Bill of Quantities
- (e) The Contractors Tender and Response Schedules
- (f) Other documents [EMPLOYER to enter as required];

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

The Employer hereby agrees to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein the Contract Price or other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS of the aforesaid, the parties hereto have caused this Contract to be executed in accordance with the laws of the Republic of Vanuatu.

For the Employer		For the Contractor	
Signature:		Signature:	
Date:		Date:	



FORM 5 – Practical Completion (“Taking Over”) Certificate

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

DESCRIPTION OF WORKS COVERED BY THIS CERTIFICATE

1.	

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

The defects liability period commences from the date of Practical Completion and shall remain in effect for [Employer to enter defects liability period] thereafter.

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

LOCATION	DESCRIPTION

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

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



Form 6 – Defects Liability Certificate

Contract No. [EMPLOYER to insert]

Description of Works	
Location of Works	
Name of Contractor	
Total Cost of Works	
Date Started	
Date Completion of Defects Liability Period	

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

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

Issued [Enter date].

By:

[EMPLOYER to enter name]

Construction Supervisor

[Enter signature]

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

[Enter signature]