

REPUBLIC OF MOLDOVA
ROAD SECTOR PROGRAM SUPPORT PROJECT

**CLARIFICATION TO QUESTIONS ON THE
BIDDING DOCUMENTS # RSPSP/2010/ICB02**

Procurement of Road Rehabilitation Works under four Contracts

Contract RSPSP/W2/02:

“Rehabilitation of M2 Chisinau-Soroca road km 26+200 – km 54+850”

Contract RSPSP/W2/03:

“Rehabilitation of M2 Chisinau-Soroca road km 54+850 – km 71+165”

Contract RSPSP/W2/04:

“Rehabilitation of R3 Chisinau-Hincesti road km 22+000 – km 29+920”

Question 1.

Regarding the mode of the bid submission:

Can you provide to us details on the contents of the envelope containing the offer? In particular:

- Inside the single envelope with the bid, The Technical Proposal should be included with the Economic Offer (Bill of Quantities and Letter of Tender) and the Qualification Documents or we have to insert each one in a separate envelope for later inclusion in a single outer envelope? If so, please indicate the detailed content of each envelope.

Answer 1.

In accordance with par. 21 Sealing and Marking of Bids: (Volume 1 Bidding Documents, Section 1. Instructions to Bidders) “The Bidder shall enclose the original and all copies of the bid, including alternative bids, if permitted in accordance with ITB 13, in separate sealed envelopes, duly marking the envelopes as “ORIGINAL”, “ALTERNATIVE” and “COPY.” These envelopes containing the original and the copies shall then be enclosed in one single envelope”.

All the Documents Comprising the Bid (see par. 11, Section I. Instructions to Bidders of Volume 1 Bidding Documents) shall be enclosed in one envelope. Note that “ALTERNATIVE” Bids shall not be considered (refer to ITB 13 in Bid Data Sheet).

Question 2.

The Technical Proposal should include the “Mobilization Schedule”. Can you specify what should comprise it?

Answer 2.

The Mobilisation Schedule shall address the requirements of:

- i) Chapter 003. Mobilisation, of the Volume 2 Technical Specification;
- ii) The Contractor Schedule;
- iii) The requirements of Particular Conditions of the Contract, Sub-Clause 14.2 in terms of Equipment and Personnel.

Question 3.

What is the maximum percentage of subcontracting allowed?

Answer 3.

Bidding Documents, Section VII. General Conditions, par.4.4 Subcontractors, states:

„The Contractor shall not subcontract the whole of the Works” and (b) „the prior consent of the Engineer shall be obtained to other proposed Subcontractors”. The Contractor requires the consent of the Engineer before any Subcontractor may be employed by the Contractor. The Contractor would be required to provide full details of the proposed subcontractor’s experience, capacity and the scope of work to be sub-contracted to obtain this consent.

Question 4.

It is necessary to communicate the presence at the site visit and pre-bid meeting? The representative of the company must be fitted with a power of attorney and if he represents an association, the empowerment must be signed by all the members of this?

Answer 4.

No empowerment is required for the representatives of the companies that will participate to pre-bid meeting and site visit, but a prior notice with the name of representatives that will attend is preferable.

Question 5.

If our association has been prequalified for all contracts, can we tender only for two of them? For example, only for W02 and W03.

Answer 5.

Yes, a company or joint venture or association (JVA) that has been prequalified for all contracts can tender for less contracts than the number for which prequalification was achieved.

Question 6.

In order to be able to prepare the best economic offers for the bidding works of the contracts, please be so kind to help us in pointing out where we can find the base estimated values for each project. We searched the documentation provided by you, but unfortunately we couldn’t find the projects’ estimated values. As such, we would deeply appreciate if you could provide us with this information.

Answer 6.

No such information will be disclosed/provided.

Question 7

Sub clause 14.7 of Section I Instructions to Bidders, it is mentioned that all duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bids, shall be included in the rates and prices and the total Bid Price submitted by the Bidder.

Could you please provide us with information on all such taxes and duties payable by law in Moldova under the Contract? Or could you please let us know where such information is available.

Answer 7

In accordance with Volume 1 Bidding Documents, Section I, Instruction to Bidders par. 7.2, it is the Bidder’s responsibility to acquire this information. Also, refer to Section 7, General Conditions par. 4.10.

Question 8

When will the Invitation to Bid for *Contract RSPSP/W2/05* be expected to be issued?

Answer 8

Please refer to the Invitation for Prequalification No. RSPSP/2010/PQ02, Section VI. Scope of Works, Chapter 1 “General Project Description” <http://www.asd.md/ENG/docs/RSPSP-2010-ICB02.pdf>, which states:

“Package 3 The third package, financed by the EC Multi-Sector Grant administered by the World Bank comprises the Contract **RSPSP/W2/05**; it will be procured through International Competitive Bidding in accordance with the World Bank’s procurement guidelines. The prequalification for this contract will be combined with the prequalification for the package 2. The bidding process will be postponed until after contract award under the first two packages. This approach aims to enhance competition, especially among successful bidders, and obtain the best price for this relatively small contract.”

Question 9

Regarding the Bid Security for the named tenders, the documentation provided (Instructions for Bidders) states the following: *“The bid security or the Bid-Securing Declaration of a JVA shall be in the name of the JVA that submits the bid. If the JVA has not been legally constituted into a legally enforceable JVA at the time of bidding, the bid security or the Bid-Securing Declaration shall be in the names of all future partners as named in the letter of intent referred to in ITB 4.1.”*

Our intention is to participate with a JV of 3 companies, which have not been legally constituted yet, but officially expressed the intention to create a partnership for this purpose. In this case, please be so kind to clarify if the Bid Securities (Bank Guarantees) can be made up each of three other bank guarantees, one from each partner, summing the requested amounts (250.000 EUR, 100.000 EUR and respectively 150.000 EUR). For example, for the bidding of the first contract (W2/02) do you accept 3 bank guarantees (one from each member) with the values 85.000 EUR, 82.500 EUR and 82.500 EUR, summing up the requested amount of 250.000 EUR?

Answer 9

Regarding the Bid Security, ITB 19.8 requires the Bid Security to be in the names of **ALL** future partners as named in a Letter of Intent (ITB 4.1) in the case that the JVA has not been constituted into a legally enforceable JVA at the time of bidding.

Submission of separate Bid Securities, one from each partner, does not comply with this and would therefore not be acceptable.

Question 10

In the Bill of Quantities there is no mention of the relocation of utilities. Should we consider this item of works in our integrated offer?

Answer 10

No relocation of utilities is anticipated in the scope of work. Should any utility relocation work become necessary, it will be the subject of a Variation Order under Sub-Clause 13 of the Conditions of Contract.

Question 11

In the Preamble of the Bill of Quantities, point 3 states:

“3. Certain items in the Bill of Quantities shall be known as “fixed rate items” and for the purposes of evaluation in accordance with Sub-Clause 12.6 of the Conditions of Contract

such items shall not be eligible for consideration of a new rate or price in the event of a change in the quantity of work payable against the item. Fixed rate items in this contract are:

- a) Items which apply to machine laid asphaltic material in regulating, binder and wearing course layers.
- b) Items which apply to the cleaning and sealing of cracks in the asphalt surfacing.
- c) Items which apply to the provision and placing of stress absorbing membrane interface (SAMI) layers.

However, the Appendix to Bid presents **Table B. Foreign Currency (FC)**, which states the following:

Index code	Index description	Source of index	Base value and date	Bidder's related source currency in type/amount	Equivalent in FCI	Bidder's proposed weighting
	Nonadjustable	—	—	—		A: 15%
	Labour					B: _____
	Equipment					C: _____
	Oil Related Products					D: _____
	Metal Products					E: _____
Total						100%

As such, there is an inconsistency in the fact that the four main adjustable elements can be also found within the fixed rate items presented in the Preamble, at point 3. For example, the item **a)** comprises Equipment, which is mentioned in the table as an adjustable index. Item **b)** comprises as well the revisable indexes Equipment and Oil Related Products.

In these conditions, **please clarify the fixed rate items and specify the exact content on the nonadjustable share of 15%** (the precise elements). Moreover, this confusion also rises because of the specification in the BDS, claiming that *“This is an adjustable price contract. No adjustment for delay in award will be made, other than the automatic adjustments which will occur through the application of the adjustment formulae.”*, and also because, due to inflation and uncontrollable factors, the contract price should be revisable. Therefore, we need to know **if there are nonadjustable items and their precise description**.

Answer 11

2. Item 3 of the Preamble to the Bill of Quantities remains unchanged subject to the following point: the reference to Sub-Clause 12.6 of the Conditions of Contract (including Part B - Specific Provisions - of the Particular Conditions) in the Bidding Documents is incorrect and is amended to Sub-Clause 12.3(a).

The unit rates for items of work mentioned in point 3 of the Preamble are excluded from consideration of a new rate under Sub-Clause 12.3(a) [changes in quantities].

Table B (and Table A) in the Appendix to Bid relates to Sub-Clause 13.8 of the Conditions of Contract [changes in the cost of labour, Goods and other inputs to the Works]. This Sub-Clause applies to **all items** in the Bills of Quantities including the items mentioned in point 3 of the Preamble to the Bills of Quantities.

Regarding the non-adjustable portion in Table B of the Appendix to Bid, please refer to Sub-Clause 13.8 of the Conditions of Contract. The non-adjustable portion mentioned in Table B (and Table A) refers to the portion of the amounts payable to the Contractor where price adjustment under Sub-Clause 13.8 shall not apply (15%). Bidders should indicate in Table B (foreign currency part), **at their discretion and as they consider appropriate**, the remainder (85%) that will be subject to price adjustment. This includes (i) coefficients (percentages of the

work) and (ii) cost indices for *each estimated proportion of each cost element* related to the execution of the Works.

Question 12

Considering the complexity of the bid and the implication of three separate and major contracts, with specific demands, please be so kind to postpone the submission and opening of the Bids, by granting us an extension of at least 20 days.

Answer 12

The argument for extension is not justified. The bidding period will not be extended.

Question 13

Regarding the bidding for the captioned contracts, it shall be highly appreciated if you could kindly clarify whether Value Added Tax shall be exempted for the successful contractor(s) under the captioned contracts.

Answer 13

"Bidders are responsible for interpreting the Applicable Laws, including with regard to tax liability and exemption. The Applicable Laws governing the Contract will be the Laws of Moldova including relevant Government decrees and the successful Contractor shall comply with these (Sub-Clauses 1.4 and 1.13 of the Conditions of Contract).

With reference to Instructions to Bidders Sub-Clause 14.7, Bidders should *not* include Value Added Tax or any other taxes, duties or levies in the unit rates that they quote in their submitted Bills of Quantities."

Question 14

With regard to your answer to Question 13, we found a discrepancy between your answer 13 and Instructions to Bidders Sub-Clause 14.7, in that Answer 13 said " Bidders should *not* include Value Added Tax or any other taxes, duties or levies in the unit rates that they quote in their submitted Bills of Quantities.", while Instructions to Bidders Sub-Clause 14.7 said "All duties, taxes, and other levies payable by the Contractor under the Contract, or for any other cause, as of the date 28 days prior to the deadline for submission of bids, shall be included in the rates and prices and the total Bid Price submitted by the Bidder."

Answer 14

As mentioned in Answer 13, it is suggested that Bidders should check the terms of all current and relevant legislation.

It is confirmed that the Road Sector Program Support Project (RSPSP/2010/ICB02 is part of this) is exempt from Value Added Tax and other duties under current legislation.

We indicated that Bidders should not include Value Added Tax, or other taxes, duties or levies in their unit rates *because* these are *not payable* under current legislation.

It is confirmed that Sub-Clause 14.7 of the Instructions to Bidders is fully applicable.