

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity



POVERTY REDUCTION FUND - PHASE II
(PRF II)

Community Procurement Manual

Sub-Project Grant - Procurement Carried out By the Community

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PREFACE

The Community Procurement Manual and related forms used for the sub-project implementations are intended in helping the Communities to carry out the procurements under the sub-project grants provided by PRF II. These procurements include, but not limited to the construction, repair and improvement of small-scale infrastructure sub-projects, procurement of goods such as construction materials and others material required for the sub-projects. This Manual also provide guidance to the communities for identifying and implementing the sub-projects with the assistance of PRF consultants/staff and inspection by the District Governor and relevant District Line Divisions concerned with the sub-projects.

This Manual will also be used by the PRF staff/consultant at the national, provincial and district levels in providing technical assistance to the community/village implementation teams as required.

This community procurement Manual may be updated periodically based on the actual proceedings of the procurement process carried out by the communities and lessons learnt during implementation with regards to community sensitization and facilitation in multi-ethnic environments, ensuring technical quality of investments, adequate provisions for operations and maintenance, procurement in remote areas and measures required to ensure the coherence of PRF activities with regular planning and investment processes at Community/Village level.

This Manual and relevant forms have been prepared for coherence with the following documents:

- The World Bank's Guidelines (Procurement under IBRD Loans and IDA Credits and Selection and Employment of Consultants by World Bank Borrowers), dated January 2011, and the provisions stipulated in the Legal Agreement;
- Prime Ministerial Decree No. 03/PM, dated 9 January 2004 on procurement of goods, construction, maintenance and services;
- Ministry of Finance's Implementing Rules and Regulations No.0063/MOF, dated March 12, 2004, and amended No. 0861/MOF, dated May 5, 2009;
- Standard Bidding Documents for Public Bidding and Request for Quotation or Limited Bidding, produced by Procurement Monitoring Office, Ministry of Finance, issued in 2009;
- Standard Bid Evaluation Form for procurement of goods and works produced by the Procurement Monitoring Office, Ministry of Finance, issued in 2009.

In case of any conflict between the provisions in this Manual and the World Bank's Guidelines, the Bank's Guidelines will take precedence and govern.

For more information regarding the rules, regulation and procurement process, please visit the websites www.worldbank.org; www.pp.gov.la; and www.prflaos.org or directly contact the National Procurement Unit, Finance and Administration Division at the PRF National Office, located at: Prime Minister's Office, Building 501, First floor, Nahaidiew Road, Vientiane Capital, Lao PDR, Phone: 021-261479-80 (ext. 105); Fax: 021-261481.

With best regards,
Executive Director

I. Introduction

The Poverty Reduction Fund is a legally autonomous entity established in year 2002 in accordance with the Prime Ministerial Decree. Based on PRF I's past achievements, the Government of the Lao PDR with supported funds from the World Bank and Multi-Donor Trust Funds, agreed to continue with Phase II of the Poverty Reduction Fund (PRF II) starting from the month of October 2011. The Project and related funds are managed by the Executive Director and his offices at the national, provincial and district levels which are staffed with qualified consultants recruited under the Project.

II. Sub-Project Design

The PRF II Project is largely focused on the implementation of sub-project grants through community-driven development (CDD) that gives control of decisions and resources to the community/village level to implement the sub-projects, including decentralization of procurement responsibility to the community/village level and Kumban level, with the support from the PRF Team, District Governors, and concerned District Line Divisions.

Most of procurement under the sub-project grants is expected to be small valued civil works and goods. However some small and short term consulting services may also be required.

Given the nature and type of the projects that the PRF II intends to support, one sub-project for one individual community/village was estimated to cost US\$ 30,000-50,000, and one sub-project for inter-communities/villages was estimated to cost not exceed US\$60,000.

Pilot arrangement:

All sub-projects in **Oudomxay** and **LuangPrabang** provinces will be handled at village level (or kumban level if multi-village sub-project). PRF staff would provide procurement guidance to villages as necessary. The district government would not have any role in the procurement aspects of these sub-projects.

The procurement of sub-projects in other **7 provinces** of PRF II would still be carried out by kumban level with the following arrangement:

- Bid opening to be done at district level with broad participation of village procurement committee representatives, district officials and district PRF team. Bidders may witness the bid opening if they wish.
- Bid evaluation and bid award to be undertaken by village procurement committees only, with support of PRF district staff only. No GoL officials to "observe" or participate in the sub-project bid evaluation process. Where technical questions arise, PRF to ensure technical support / input obtained.
- Bid evaluation should be done on different day and/or different venue from bid opening, though can be done at district level if PRF prefers.
- Bid evaluation findings to be shared with district government.
- PRF to finance participation of village procurement committee representatives at district level activities (and this should not be financed from the sub-project grant allocations. Should be financed under component 2).

- The procurement of each sub-project should be carried out on the basis of need and its best time, and should not be waiting for all sub-projects to start at the same time for the convenience of district or provincial levels. PRF may thus need to schedule more than one district bid opening meeting per cycle; and
- Others relevant arrangements in the following sections of this manual.

Phongsaly province may carry out the procurement either following the arrangement for other seven old provinces or following the arrangement for the pilot provinces (**Oudomxay** and **LuangPrabang**) in accordance with the actual circumstance. PRF staff will provide procurement guidance to villages as necessary.

If the pilot proves to be successful, the approach will be adopted in all PRF provinces for the final two cycles of PRF II.

III. Key Principles of procurement

Three key principles of the procurement are as follows:

- Procurement of works, goods, non-consulting services, and consulting services are carried out in the most efficient and economical way possible;
- All eligible bidders are given equal opportunities and same information to compete in providing goods, works, non-consulting services, and consulting services;
- The importance of transparency in the procurement process.

IV. Procurement Responsibilities

PRF II will recruit two Procurement Officers and one Procurement Assistant at the National Office to oversee, train, monitor, supervise and provide guidance to the PRF II procurement process including those of sub-projects grants as well as review all documents relevant to procurement process under sub-project grants. He/she will be accountable for ensuring all procurement is conducted in accordance with the procurement procedures agreed between the World Bank and the Government of the Lao PDR in a manner to ensure economy, efficiency and transparency.

A Provincial Procurement Officer/Consultant will be added in each of the project targeted provinces. This Provincial Procurement Officer/Consultant will be responsible in assisting beneficiary communities to carry out and monitor the procurement and contract management process, and also provide regular procurement training to the project's technical staff, concerned district staff, Kumban Teams, and Community/Village Implementation Teams involving in the procurement under the subproject grants.

PRF Provincial Office shall be responsible in reviewing all the documents relevant to the bidding process and give no objection letter under the sub-project grants and ensure all procurement are conducted in accordance with the rules, regulations, and procedures as specified in this Procurement Manual.

The PRF district staff as sub-project's facilitators shall assist¹ the villages in preparing all documents concerned with the sub-projects including preparation of Request for Quotation (RFQ), Local Bidding (LB), minutes of bid opening, minutes of bid evaluation, purchase order, contracts, work commencement, work progress report and any other concerned documents.

For each community selected sub-project, the Kumban Team or Community/Village Implementation Team that represents the Community(ies)/Village(s) will sign a contract with the PRF (refer to Annexes 1.1-1.2). With technical support and training from PRF provincial and district staff and procurement consultant and inspection from the local authorities, the Communities will then be responsible for implementing the sub-project including carrying out the procurement activities, managing the contract, maintaining the sub-project, keeping records of the related documents, and so forth.

The community members/villagers will elect, amongst themselves, members of the Community/Village Implementation Team. This Community/Village Implementation Team will be responsible for carrying out all procurement activities and contract administration on behalf of the villagers/community members. This Community/Village Implementation Team comprises of 3 members including at least one female member and one member, who can read and write, from the minority ethnic group.

In the case of a subproject that is for more than one community/village (inter-communities/villages) or a community has not enough community members who can read and write to form the Community/Village Implementation Team, a Kumban Team should be formed and will assist the Community(ies)/Village(s) in carrying out all procurement activities. This Kumban Team should comprise of 3 to 5 members including at least one female member, one member, who can read and write, from the minority ethnic group, and one member from each beneficiary community/village. The Village implementation team will receive training and guidance from PRF district and provincial staff/consultant for procurement and implementation.

For high technology and specialized equipment such as medical equipment or solar cells, for which there is no qualified local supplier in the local community or nearby communities, but only the suppliers at the national level can supply them, the procurement may be conducted by the PRF National Office on behalf of the community. In such case, the community/village implementation team prepares a letter authorizing the PRF National Office to carry out this procurement and do direct payment to the supplier.

The Community/Village Implementation Team (Kumban Team if applicable) with assistance from the PRF district and provincial staff/consultant, is responsible for:

- Identifying needs such as goods, works and services for the subprojects;
- Preparing cost estimates for the subprojects;
- Submitting the subproject proposal for approval at the kumban meetings and it is sent to the district level for technical endorsement.
- Preparing bidding documents including technical specifications;
- Inviting bids/quotations from the suppliers and contractors, or inviting expression of interests (EOIs) from consultants;

¹ The assistance does not intent to allow the PRF district staff does everything on behalf of communities/villages. But the advices/guidance and training are to be providing to the communities/villages.

- Receiving and evaluating bids/quotations or EOIs in order to select the lowest price substantially responsive bid/quotation or the best consultant respectively;
- Awarding and signing the contract or issuing a purchase order;
- Supervising contract execution;
- Making payments;
- Preparing progress reports;
- Maintaining all subprojects related documents including procurement documents;
- Making all subprojects related documents including procurement documents available for ex-post reviews and to independent auditors for annual audits.

Each member of Community/Village Implementation Team (or Kumban Team if applicable) is responsible as follows:

A. Village Implementation Coordinator (Head of Village Implementation Team) shall be responsible for the following activities:

a. General

- Overall coordination for the sub-project(s) implementation activities including procurement, financial management, monitoring, implementation, operation and maintenance;
- Facilitate and coordinate with other village implementation team member during sub-project implementation;
- Work closely with village procurement and finance coordinators;
- Work closely with the village feedback and Resolution team to solve any conflict during sub-project implementation;
- Undertaking other responsibilities as assigned by the Community.

b. Procurement

- Coordinating with the village team members and community to prepare and finalize the of the sub-project(s) proposal;
- Coordinating with local authorities and other concerned parties in participating as observers during the procurement process;
- Signing the contract / issuing purchase order.

c. Financial management

- Authorize the payments of sub-projects expenditures;
- Certify the progress report for further payment request;
- Certify each installment;
- Certify financial report before submitting to PRF;
- Call for regular accountability meeting.

d. Sub-project(s) implementation / supervision / maintenance

- Mobilize community to agree on sub-project operation and maintenance regulation;
- Mobilize community to ensure regular payment of the agreed maintenance per households;
- Mobilize community to ensure the organization and timely implementation of the sub-project community contribution and related sub-project monitoring;

- Coordinate with community; local authorities and concerned sector to plan for future maintenance mechanism;
- Mobilize community to ensure their participation to the sub-project maintenance activities;
- Organize regular meeting with villagers to report on the use of the maintenance fund.

B. Village Procurement Coordinator with guidance from the PRF district and provincial staff/consultant shall be responsible for the following functions:

- Drafting bidding documents/request for quotations/expression of interests base on formats in the annex to this manual;
- Reviewing technical specifications and other requirements;
- Drafting the Procurement Evaluation Report and ensure that they are approved by the PRF Provincial Office before signing the contract with the selected bidder and PRF National Office in the case of prior review contracts;
- Posting advertisements for bids or quotations or requesting for EOIs (REOIs);
- Issuing bidding documents;
- Maintain a list of the names and addresses of contractors ,suppliers, consultants to whom invitations to bid or requests for quotations or REOIs have been sent;
- Maintaining all subprojects related documents including procurement documents. The original filling is kept in the district PRF office and a copy of documents kept at the Village/Kumban office;
- Being responsible for Contractor's/Supplier's registration process;
- Receiving and recording bids/quotations or EOIs;
- Taking notes during the bid opening ceremony;
- Providing the necessary support required during the procurement meetings, trainings and workshops arranged by PRF;
- Undertaking other responsibilities of Community/Village Implementation Team (Kumban Team if applicable) together with other members.

C. Village Finance Coordinator shall be responsible for the following functions:

- Manage the subproject budget that approved by PRF and the payment;
- Coordinate with the village member in preparing the administration budget of the subproject;
- Summarize the payment of subproject and administration cost;
- Prepare the payment of subproject for each installment and payment vouchers;
- Prepare progress report of subproject's payment and submit to Head of Village Implementation Team to certified and submit to PRF on time;
- Ensure that all payments should be approved by the Head of Village Implementation Team;
- Report the financial status on village accountability meeting;
- Travel to the bank for withdrawal and making the transfer to contractor;
- Keep all supporting documents for auditing proposes (PRF, donors, auditors).

V. Procurement Training for Community/Village Implementation Team or Kumban Team

Once the Community/Village Implementation Team or Kumban Team (if applicable) has been formed, a 1-2 days training program will be organized by the PRF Provincial Procurement Officer/Consultant and PRF District Officers at the district government meeting hall for the Community/Village Implementation Team or the Kumban Team (if applicable) and PRF National Staff (if available), to ensure that the Community/Village Implementation Team or the Kumban Team (if applicable) fully understand the rules and guidance stated in the Community Procurement Manual and that they are able to perform the relevant duties during the implementation of procurement process.

The topics covered during the training program would mainly include the following:

- Procurement methodologies and specific procurement responsibilities assigned to the Community/Village Implementation Team or the Kumban Team (if applicable) and each member of the Team;
- Key issues such as corruption, transparency and accountability;
- PRF Community Procurement Instruction;
- Procurement methods for small works, goods, and community force account process;
- PRF policy regarding the recruitment of specific technical expertise for sub-projects;
- Inspection of sub-projects and goods before making payments to the Contractors/Suppliers;
- Filing system and so forth.

VI. Types of Procurement

There are three main types of procurement expected under the sub-project grants and they are procurement of Work, Goods (including equipment and construction materials) and Consulting Services. The resulting contracts of these three types are referred to as Works Contracts, Purchase Orders, and Consulting Service Contracts.

1. Works Contract is for the construction of immovable assets such as schools, health centers, small rural roads, bridges, minor irrigation works, etc. Sometimes a works contract may also include supplying certain kind of equipment, construction materials, labor, non-consulting services (design, drilling...) and other expenses. A Works Contract is implemented by a Works Contractor.
2. Purchase Order is used to buy any kind of goods, construction materials or equipment. The Supplier will supply the goods to the Project Community. When the goods are delivered, the Project Community will pay the Supplier, after which the purchase is considered as complete.
3. Consulting Service Contract is for hiring of a Consultant (any individual or organization) to provide support with regards to developing sub-project proposals, carrying out marketing studies, surveying and designing works for infrastructure projects etc.

VII. Who can be a Contractor or a Supplier or a Consultant?

a) Who can be a Works Contractor?

Any private businessperson, having a registered business license concerned with the related activity and comply with all qualifications, who can execute the construction works according to the specified Bill of Quantities and specifications, can be a Contractor.

b) Who can be a Supplier?

Any private businessperson or trader, having a registered business license, who can supply the correct type of goods in accordance with the stated specifications, can be a supplier.

c) Who can be a Consultant?

Any person or firm, who meet the minimum qualification requirements and can provide the consulting service in accordance with the terms of reference, can be a Consultant.

However: A public servant (a member of the police or armed services, or an official of a Government Ministry or Provincial/Municipal Administration) cannot be a Contractor, a Supplier, or a Consultant. The eligibility of bidders/consultants shall be as defined under section I of the World Bank's Guidelines; accordingly, a firm or individual previously declared ineligible by the World Bank based on determination by the World Bank that this firm or individual has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices shall be declared ineligible to be awarded a contract financed by the World Bank.

A list of debarred firms/individuals is available at <http://WWW.worldbank.org/debarr>.

VIII. Procurement Method

A. Methods of procurement for works and goods as follows:

1. **Local Bidding for Goods and Works.** This procedure may be used when the contract value is more than US\$ 50,000. Communities are often interested in open competition in order to enhance economy, fairness and equal opportunity to suppliers and contractors. Advertisements/invitations for bids should be posted on the radio/television and the local newspapers where possible, office information boards of the community/village, District and Provincial Governor. This procedure method is like NCB except it is not mandatory to advertise in a newspaper of national circulation. The bidding document is annexed to this instruction. Target suppliers and contractors are often those within the vicinity of the beneficiary community and nearby boundaries. *At least 30 days from the date of advertisement for bids or the date of availability of bidding documents, whichever is later, shall be provided to prospective bidders to prepare their bids.* Bids shall be opened in public bid opening ceremony immediately after the closing date of submission of bids and in the presence of community members and bidders who chose to attend the quotations opening meeting ceremony. Bids are examined to determine whether they meet the minimum specifications and qualification requirements mentioned in the bidding documents (experience, quality of works, equipment, services offered, and delivery dates). Bids that meet the minimum requirements specified in the bidding documents are retained for further evaluation and the bidder who meets the minimum requirements and offers the lowest bid will be selected for contract award. The award and amount of the contract should

be announced to all bidders and in public in where the advertisements/invitations for bids were posted.

2. **Shopping for Goods and Works.** This procedure may be used when the contract value is less than US\$ 50,000. Quotations are obtained from at least three qualified suppliers or contractors on basis of shopping documents annexed to this instruction. If shopping for works, the documents describe the scope of the works, provide specifications and where possible include drawings. Advertisement for quotations is not mandatory, but invitations for quotations have to send to as many qualified bidders as possible (five to six in general) to ensure that at least three quotations will be received for comparison. In addition to invitations for quotations sent to the qualified bidders, advertisement for quotations may be considered and posted on the radio/television where possible, office information boards of the community/village, District, and Provincial Governor. *At least 15 days from the date of invitation for quotations (or the date of advertisement quotations if applicable) shall be provided to prospective bidders to prepare their quotations.* Quotations shall be opened in public immediately after the closing date of submission of quotations and in the presence of community members and bidders who chose to attend the quotations opening meeting ceremony. As a general rule, the supplier or contractor who offers the lowest price and meet the required specifications and qualification requirement specified in the bidding documents will be awarded the contract. The award and amount of the contract should be announced to all bidders and public in where and if the advertisements/invitations for quotations were posted.
3. **Direct contracting method.** Direct contracting enables a supplier or a contractor to be chosen without applying the competitive methods described above. This method is used when there is only one source available. Other justifications for direct contracting include urgency, the need to adopt certain technology or a repeat order. To the extent possible, the contract price agreed upon should be within local market rates or established estimates as indicated in a Unit Cost Database. Under this method, the contract price can be negotiated. Direct contracting should require prior approval of PRF II National Office and the Prior Review of the World Bank.

Direct Contracting for works is exceptionally authorized for the use of the state enterprise established by the Ministry of Health (Nam-sa-ath Department) which drills wells in remote areas of Laos and for electrification works by the Electricite du Lao (EDL).

Direct Contracting for goods is exceptionally authorized for a proprietary nature goods or goods obtainable from once source such as school books from Education Printing Enterprise and solar cell from Sun Labob Renewable Energy.

4. **Community Force Account.** Under a community force account, the community implements the subproject using its own resources (skilled and unskilled labor, materials, equipment) and may subcontract part of the subproject to contractors or suppliers which may be procured following one of the above procedures. This approach is community driven and cost effective (inputs can be provided by the community at below-market costs), and it injects funds into the community (e.g., through the payment of wages and materials). The contract price signed with community should be within local market rates or established estimates as indicated in a Unit Cost Database.

B. Methods of procurement for consulting services:

In addition to the supports from the PRF Team, District Governors, and concerned District Line Divisions, Communities may need assistance in preparing and implementing their subprojects. Such assistance is usually provided by consultants (individuals or firms) or NGOs, and expected to be very small value contract. The Bank's Consultant Guidelines apply to selection of NGO's, individuals and firms. It may be useful for the PRF II National Office to prepare a roster of qualified consultants and NGOs, and communities can then contact the consultant or NGO of their choice from such lists.

All Contractors/suppliers are obliged to pay a 10% tax and consultants are obligated to pay tax as required to the Ministry of Finance. As a result, the Community/Village Implementation Team or Kumban Team (if applicable) must check that this tax is included in all submitted proposals.

Summary of Procurement method, threshold values, and steps of procurement

Procurement category	Procurement Method	Threshold Value	Steps of procurement
I. Goods and Works	Local bidding method	\geq USD 50,000	<ol style="list-style-type: none">1. Preparing the bidding documents;2. For prior review contract only, submitting the draft bidding document to the PRF office and/or the World Bank and receipt a No Objection letter;3. Placing advertisements on the local newspaper, provincial/district radio/television and Project Community or Governor's Office information boards and directly send the invitation to Contractors/Suppliers;4. Receiving bids before the closing date of bids submission, and then opening the bids in public. At the time of bids opening, if the Community/Village Implementing Team receives less than three bids, the bid opening ceremony would still be continue if advertisement is publicly posted on the local newspaper, provincial/district radio/television and Project Community or Governor's Office information boards;5. Evaluating the bids and preparing an evaluation report;6. Submitting the bid evaluation report to the PRF National office for approval and the World Bank for No Objection Letter for sub-projects subjected to prior review included in the section IX;

			<p>7. Signing contract with the selected bidder with the lowest evaluated price and responsive bids;</p> <p>8. Submitting a copy of signed contract to the PRF National office and the World Bank for sub-project subjected to prior review for their records.</p>
	Shopping method	< USD 50,000	<p>1. Preparing the request for quotations;</p> <p>2. For prior review contract only, submitting the draft request for quotations to the PRF national office and/or the World Bank for no objection letter;</p> <p>3. Sending invitation for quotations directly to more than three qualified and eligible bidders (preferably five to six) to ensure three quotations received from three qualified Contractors/Suppliers.</p> <p>4. Receiving quotations before the closing date of quotations submission, and then opening the quotations in public. At the time of quotations opening, if the Community/Village Implementing Team receives less than three quotations, the opening ceremony is still continue if more than three qualified and eligible bidders were invited for quotations and sufficient time for quotation submission has been provided to the bidders.</p> <p>5. Evaluating the quotations and preparing an evaluation report;</p> <p>6. Submitting the evaluation report to the PRF National office for approval and the World Bank for No Objection letter, for sub-projects subjected to prior review included in the section IX;</p> <p>7. Signing contract with the selected bidder with the lowest evaluated price and responsive quotation;</p> <p>8. Submitting a copy of signed contract to the PRF National office and the World Bank for sub-project subjected to prior review for their records;</p>

	Direct Contracting	This method is used when there is only one source available, emergency, the need to adopt certain technology or a repeat order.	<ol style="list-style-type: none"> 1. Preparing the request for quotation; 2. Submitting the draft request for quotation to the PRF national office and the World Bank for no objection letter; 3. Sending invitation for quotation directly to the sole qualified and eligible supplier/contractor; 4. Receiving quotations and evaluating the quotations and negotiating the contract price; 5. Preparing the evaluation report including the minutes of negotiation and submitting it to the PRF office and the World Bank for No Objection letter; 6. Signing contract with the supplier/contractor after receiving the No Objection Letter; 7. Submitting a copy of signed contract to the PRF office and the World Bank for their records.
	Community Force Account	The community implements the subproject using its own resources (skilled and unskilled labor, materials, equipment).	<p>The Community signs the contract with PRF District Level and the contract price should be based on the local market rates or/and established estimates as indicated in a Unit Cost Database of PRF.</p> <p>In the case the Community wishes to subcontract part of the subproject to contractors or suppliers, one of the above procurement method and its procurement steps shall be followed.</p>
II. Consulting Services			PRF II National Office to prepare a roster of qualified consultants and NGOs, and communities can then contact the consultant or NGO of their choice from such lists

IX. Procurement Plan for Sub-projects and review arrangement

Once all the sub-project proposals have been submitted by the communities/villages and approved during the sub-project selection meeting at the Kumban level, the Village Implementation Team will then prepare the Sub-project Procurement Plan (refer to Annex 2) and submit it to the PRF District Office for consolidation of all sub-projects located in the district and for submission to the Provincial Office for review and approval. After it has been approved, the PRF Provincial Office will then send back the sub-project procurement plan to the district office with copies to the PRF National Office. The PRF National Office will thereafter prepare a consolidated Procurement Plan for the sub-projects and send to the World Bank for their reference and record.

The Sub-project Procurement Plan can be updated during the implementation process to reflect the new cost estimates, technical specifications, new sub-projects added, and other vital matters. The updated consolidated sub-project Procurement Plan shall be submitted to the World Bank for their information and records.

Only the sub-projects procured through the direct contracting method or Single Source method for consulting services and for a case of a bid price is much lower or higher than approved estimated cost, the World Bank's prior review and no objection are needed. Other sub-projects are subject to the World Bank's post review.

The World Bank will do the post review on the basis of post review reports prepared by PRF National Office and also randomly post review some sub-projects at the community/village level. 10% of sub-projects are subject to the Bank's post review.

The PRF National Office will randomly select 20% of sub-project contracts for its post review exercise. No prior review and approval is required from PRF National Office, except for the sub-projects procured through the direct contracting method and Single Source method for consulting services, for a case of the receipt of bids/quotations from less than three qualified bidders, and for a case of a bid price is much lower or higher than the approved estimated cost.

The World Bank and PRF National office will carry out the post review at least one per year. Copies of all documents related with the procurement process including the detailed Evaluation Report, together with the original of all received bids/quotations shall be kept at the community/village office or Kumban office (if applicable), and district PRF Office and made available to the PRF National Office and the World Bank for their post reviews and to the External Audit Team..

X. Preparation of Bidding Documents

Four types of bidding documents (refer to Annexes 3.1-3.4) are as follows:

1. the Request for Quotation for goods is for Shopping for Goods;
2. the Request for Quotation for works is for Shopping for Works;
3. Local Competitive Bidding Document for Goods is for Local Bidding for Goods;
4. Local Competitive Bidding Document for Work is for Local Bidding for Works.

These entire set of bidding documents (refer to Annexes 3.1-3.4) are prepared in accordance with the standard format bidding documents prepared by the Procurement Monitoring Office of the Ministry of Finance with appropriate modifications satisfactory with the community procurement process.

The Community/Village Implementation Team or Kumban Team (if applicable) with the support from the District Officers and Provincial Procurement Officer can begin preparing the bidding documents (refer to Annexes 3.1-3.4) after receiving the approval of the Sub-project Procurement Plan which indicates the procurement method and who would implement the sub-project.

For sub-projects which are subjected to the Bank's prior review, the Community/Village Implementation Team or Kumban Team (if applicable) will prepare the complete set of bidding document, before proceeding with posting of advertisements and/or sending out the invitation to

bids, and submit it to PRF National Office for seeking the World Bank's no-objection letter. If any comments made by the World Bank along with the no objection letter, Community/Village Implementation Team or Kumban Team (if applicable) will modify the bidding document to incorporate the comments and then proceed with the procurement process.

Technical information to be incorporated in to the bidding documents

PRF Provincial/District Engineering or consultant(s) if needed will provide the technical information to the Community/Village Implementation Team or Kumban Team (if applicable) for incorporation in to the bidding document as listed below herewith:

1. Details of Bill of Quantities/List of Construction Materials/Price schedules for goods/Price schedules for related services;
2. Specification requirements of works and/or materials;
3. The environmental and social safeguards guidance for the Contractor;
4. Drawings.

Specifications are technical documents that describe the quality of the works on the drawings. For example, the drawing may show "Concrete," but the specifications might say how many bags of cement it contains, what kind and dosage of aggregates are used, and how the concrete must be mixed.

Standard specifications for several types of sub-projects are available in the PRF Technical Manual. If the types of sub-projects are the same, those specifications should be copied and used for the invitation of bids (attach with the Bid Form). However, if there are special types of sub-projects, the specifications have to be prepared and attached with the Bid Form.

Bid Form for Works Contract

The bid form must show:

- A description of each output;
- The village where each output will be constructed;
- The unit and quantity for each output.

The information below must be filled in by a bidder in the Bid Form when he submits his bid for a works contract:

- The price per unit for each output;
- The total price for each output;
- The total bid price for the contract.

The reason for asking the Bidder to specify the price for each output separately is because:

- It is easier to compare with the cost estimate to see if the Bidder has made any major mistake in his price;
- If the Project Community wants to change the quantity after the bidding, for example there are some funds left so they want to add one more culvert or one more well, they can just follow the unit price on the bidding form.

Bidding Form for Purchase Order

For a Purchase Order, Community/Village Implementation Team or Kumban Team (if applicable) shall prepare a simple form that shows the description and quantity of the goods. Usually, there will be no need for any additional documents.

However, for some type of orders, it may be necessary to write a detailed specification (for example, for a particular type of equipment such as generator) or to prepare the relevant drawing (for example, for furniture). In this case, these documents should be disseminated together with the quotation form.

Evaluation Criteria

The evaluation criteria shall be clearly stated in the bidding documents. No other criteria than the one included in the bidding documents shall be taken into account in the bid evaluation and contract award. The contract shall be awarded to the Bidder whose quotation has been determined to be substantially responsive to the qualification criteria specified, meets the requirements of technical specifications, and who has offered the lowest evaluated price.

Site Visit for Civil Works Sub-Projects- From the lessons learnt from the community contracting under other CDD projects in other countries such as the KALAHI-CIDSS Project in the Philippines, a site visit is compulsory before submission of the bid proposal for both works. The site visit gives the Bidders an opportunity to examine the construction site and its surroundings and gather the necessary information that may be essential in preparing the bids and entering into a contract, for the sub-projects that are located in remote and upland areas which are difficult to access for service delivery and are located far away from the market. Thereby, the site visit is one of the requirements in the selection criteria of PRF II. After the site inspection, the Bidder shall request the Community/Village Implementation Team or Kumban Team (if applicable) to provide a certificate for the site visit undertaken. This site visit certificate will be signed by the Community Coordinator or Procurement Administrator (in case of the absence of the Community Coordinator) of the Community/Village Implementation Team or Kumban Team (if applicable). A bidder who does not submit the site visit certificate in his bid, his bid shall be rejected and considered as a non-responsive bid.

Bid Security in the form of a Bid and Performance Securing Declaration is required for shopping method and local bidding method. The template of Bid and Performance Securing Declaration is included in the bidding documents.

Bid and Performance Securing Declaration validity period shall remain valid for a period of twenty eight days beyond the original validity period of Bids

Where to obtain the bidding documents

Contractors/Suppliers shall be able to obtain copies of the bidding documents free of charge at the offices of Community/Village or Kumban or District, or Province.

All the offices ensure that the bidding documents are made available at all times during the office hours from the date of advertisement for bids to closing date of bid submission.

Information to be included in the advertisement or invitation for bids/quotations:

An advertisement or invitation for bids/quotations should contain information for the Contractors and Suppliers regarding what the bidding is for and how to bid.

The advertisement for a works contract should indicate:

- What the outputs of the contract will be;
- Which type of Contractors are allowed to bid;
- Where to obtain the bidding documents;
- The time and place for the orientation meeting;
- The deadline for submission of the bids;
- The time and place for the bid opening.

The advertisement for procurement of goods should indicate:

- Description of the goods to be purchased;
- The destination that goods should be delivered;
- Where to obtain the bidding documents;
- The time and place for bid submission and bid receipt;
- The time and place for the bid opening.

XI. Bids/Quotations Submission

All bids/quotations shall be submitted in sealed envelopes by the time and date, and at the place specified in the bidding document.

XII. Bids/Quotations opening ceremony

The bids/quotations opening ceremony shall be organized at the Community/Village office or Kumban office (if applicable) of the sub-project and it can be observed by the beneficiary community members/villagers.

All bids shall be opened in public in the presence of representatives of Bidders and beneficiaries, who choose to attend in person at the time, day, and place specified in the bidding document immediately after the deadline for submission of bids. In the case the bids/quotations opening ceremony has been postponed, and address for the receipt of bids has been changed, the Community/Village Implementation Team or Kumban Team (if applicable) shall inform all the Bidders before the closing date and time. The notification of the changes shall be made within a reasonable time to ensure that all the Bidders receive such notification.

No bid/quotation shall be rejected during the bids/quotations opening ceremony, except for late bids/quotations, which shall be returned to the Bidder unopened. After the bids/quotations have been opened and read out, all members of the community/village implementation team or Kumban team (if applicable) shall initial the original bids.

At the time of bids/quotations opening ceremony, if less than three quotations from three qualified bidders have been received, the opening ceremony is still continue provided that sufficient public invitation for bids has been made and sufficient time for bid submission has been provided to

bidders. However, the community/village implementation team or Kumban team (if applicable) is required to prepare a proper justification including a description of the whole process, number of bidders received the invitations for bids/quotations, locations where the advertisement for bids were posted, sub-project location, number of potential companies available in the community and district, and possible reasons for not enough bids/quotation have been received. This justification along with the bids/quotation evaluation report shall be submitted to the PRF office for approval and the World Bank for no objection letter before proceeding with the contract award.

Minutes of the bid opening including attendance records (refer to Annex 4.1) shall be prepared by the Community/Village Implementation Team or Kumban Team (if applicable). The Minutes shall be recorded and signed by all the members of the Community/Village Implementation Team and Bidder's representatives who were present at the Meeting. The minutes shall include:

- Names of the Bidders;
- Legal status (business license and tax payment certificate);
- Bid Securing and Performance Securing Declaration and its expiry date;
- Preliminary examination;
- Bidding amount as read out.
- The minutes shall be sent to all bidders immediately after the bids/quotations opening ceremony and one copy of the minutes for the prior review contract shall be sent to PRF II National Office and the World Bank for their information and record.

XIII. Bid Evaluation Report

The bid evaluation should be carried out immediately after the bid opening at in according with the Bid Evaluation Report form (refer to Annex 4.2). In case of technical support or advice is required from district level, or provincial level, or even at the PRF II national level, the Community/Village Implementation Team or Kumban Team (if applicable) can request for it through a formal request.

The bid evaluation and contract award shall be done on the basis of only the qualification requirements and specifications set forth in the bidding document. No other criteria shall be added during the bid evaluation and contract award stage.

Bids shall not be rejected simply on basis of cost estimates or budget ceiling without prior no objection letter from the World Bank.

Special attention should be given to preserve the confidentiality of the evaluation process until the signature of the contract.

The bid evaluation report shall be signed by all members of the Community/Village Implementation Team or Kumban Team (if applicable).

XIV. The steps of bid evaluation are as follows:

1. Preliminary examination

The Preliminary examination of bids determines whether the bids meet the general procedural requirements of the bidding document. The Community/Village Implementation Team or Kumban Team (if applicable) should examine bids for compliance with the following requirements, which shall be specified in the bidding document:

- The Bid should be properly signed by an authorized person;
- Authorization letter for signing the bid is required if the person who sign the bid is not whom the business license is registered under;
- Bid submission form in prescribed form;
- Original Bid and Performance Securing Declaration in acceptable format and its expiry date;
- For Civil Works, Site visit certificate signed by Community Coordinator or Procurement Administrator (in case of the absence of the Community Coordinator) of the Community/Village Implementation Team or Kumban Team (if applicable).
- Bid shall contain all required documents including supporting evidences of bidder's eligibility and qualifications including business license, tax payment certificate. These documents can be requested from the bidders during the bid evaluation if they were not submitted with the bids;
- Bid validity,
- Completion schedule of works/delivery schedule of goods, and others;

If a bid fails to meet one of the above requirements, this bid will be rejected and not evaluated further

2. Technical evaluation , and calculation and correction of arithmetical error

The Bidder must accept such arithmetical corrections made or else his bid would be rejected. All corrections that could affect the comparative ranking of bids should be explained clearly what items and reasons for that in the report..

In case of a bid price is much lower or higher than the approved estimated cost, the Community/Village Implementation Team or Kumban Team (if applicable) should not immediately reject the bid or award the contract to this bidder, but should instead conduct a due diligence with support from the concerned district level, or provincial level, or even at the PRF II national level, or a consultant if required to ensure that this bid price is reasonable or not in comparison with the prevail market price. The Bank's prior review and no objection letter are also requested in this case.

3. Post qualification and contract award recommendation

The purpose of post qualification is to ensure that the lowest evaluated price and substantially responsive bidder has the required experience and capability (technically and financially) to execute the contract. If this Bidder fails to demonstrate the necessary experience, capability, and finance to carry out the contract, the bid is rejected. The next lowest evaluated price and substantially responsive Bidder shall be subjected to post qualification. If this next lowest evaluated price and substantially responsive bidder passes all post qualification requirements, it will be selected for the contract award.

The contract award shall be done before the expiration of the validity period of the bid that is recommended for award of contract. All the other substantially responsive bids shall be kept valid until the contract has been awarded.

In case no bidders pass the post qualification, a new procurement process or a direct contracting if justified may be proceeded subject to the World Bank's no objection letter has been received

The post qualification verification is required only for Local Bidding Method, but not for the shopping method or direct contracting method. For shopping method or direct contracting method, suppliers or contractors have to be qualified; otherwise their quotations shall not be invited by Community/Village Implementation Team or Kumban Team (if applicable).

XV. Sign Contract

The meeting for signing the contract should be organized within fifteen days after the date of notification of the contract award..

XVI. Inspection and contract administration

The important points shall be considered as follows:

- Commencement of works;
- Completion works/delivery time;
- Quality meets the technical specification requirements/Quantity of goods;
- Warranties/Maintenance period.

Inspection and delivery of goods and supervision of construction works shall involve the participation of the members of the beneficiary community to ensure that the delivery of goods and execution of works are carried out in accordance with the contract obligations. In case any damage or issue is found, a member of community can report to the Community/Village Implementation Team or Kumban Team (if applicable), who shall then issue instruction to the Supplier/Contractor for appropriate rectification. If the Supplier/Contractor does not take any correction action as per the requirement of the contract agreement, the Community/Village Implementation Team or Kumban Team shall take measures as provided in the contract agreement. The Community/Village Implementation Team or Kumban Team may request for a support from any PRF concerned office for handling any issue happening during the contract administration. An Acceptance Certificate shall be issued by Community/Village Implementation Team or Kumban Team (if applicable) only if the delivery of goods or construction works has been completed as per the requirement of the contract agreement.

XVII. Documents Filing

All original documents concerned with the procurement process must be kept at the PRF district Office and made available for the post reviews carried by the PRF National Office or the World Bank' and external auditing team. Another copy of these documents shall be kept at the office of Community/Village or Kumban (if applicable) for them to follow up on the progress of the works/goods delivery and inspect the project implementation.

Document filing checklist

1. Approved sub-project proposal;
2. Sub-project Procurement Plan;
3. Bidding documents/request for quotations (original);
4. All no-objection letters and recommendations issued by the PRF office and the World Bank;
5. Evidence of advertisements posted (photos, agreement with radio or television station);
6. List of Bidders who received bidding documents or request for quotations;
7. All bidding documents/quotations submitted by the Bidders;
8. Minutes of bid opening including list of Bidders who submitted bid proposals;
9. Attendance list of the bid opening ;
10. Bid Evaluation Report;
11. Approved letter from the PRF Provincial Office;
12. Notification of award or purchase order;
13. Signed contracts;
14. Signed contract/agreement between PRF and Community/Village Implementation Team or Kumban Team (if applicable);
15. Evidences of bid security returned to the Bidder;
16. Works Progress Report or delivery certificate of goods including evidence photos;
17. Receipt from Contractor/Supplier;
18. Complaint received and responses of resolutions, if any;
19. All other documents concerned with the procurement process.

List of Annexes

Annex 1.1.

Contract for Financing Sub-project Implemented by Community

POVERTY REDUCTION FUND PROJECT II
IDA GRANT No. H685-LA

Terms and Conditions for Financing Community Force Account Sub-Projects

Sub-project Implementation Contract between PRF and the Community

Project Code: _____

Project Name: _____

Project Location:

Village _____, Kumban _____, District _____, Province _____

1. MAIN PARTIES TO THE CONTRACT

- 1.1 The Poverty Reduction Fund established by the Government of Lao in 2002, which for the purposes of this contract will be referred to as the “Financing Entity”, will be represented by its District Coordinator, officially based at the PRF Office located in District _____, Province _____, Lao PDR.
- 2.1 Village/Community or Kumban (if applicable) _____, which for the purpose of this contract will be referred to as the “**Community**”, as per the definition contained in PRF’s Operations Manual, and will be represented by:
 1. Ms/Mr. _____, Position: _____, Village: _____
 2. Ms/Mr. _____, Position: _____, Village: _____
 3. Ms/Mr. _____, Position: _____, Village: _____
 4. Ms/Mr. _____, Position: _____, Village: _____
 5. Ms/Mr. _____, Position: _____, Village: _____

(Refer to attached file on ”Minutes of Meeting regarding establishment of the Committee”)

2. RIGHTS AND OBLIGATIONS OF THE CONTRACTING PARTIES

2.1. The Community

- 2.1.1. Shall be responsible for selecting a Supplier for delivery of construction materials to implement the project accordance with the procurement process provision as stated in the Community Procurement Manual.
- 2.1.2. Shall be responsible for implementing the sub-project through the force account method according to the specifications, designs, site plan, project description, implementation schedule and costs contained in the contract and its relevant attachments.

- 2.1.3. Shall maintain a site "Instruction and Record Book", and shall comply with all guidelines/instructions stated therein, which shall be made available to any PRF Facilitators/Technical Advisors and other authorized World Bank personnel.
- 2.1.4. Shall ascertain and conform in all respects with the provisions of laws, rules and regulations of the Government of Lao PDR, which may be applicable to the project, but not limited, such as, safety and security of all site operations including methods of construction, traffic regulations, and promotion of environmental protection.
- 2.1.5. Shall be solely responsible for any accidents, injuries, liabilities or damages incurred from the execution of work.
- 2.1.6. Shall not assign the contract or any part thereof to any third party, without the prior consent of the Financing Entity.
- 2.1.7. Shall fully cooperate with the Financing Entity in its Observation activities
- 2.1.8. Shall be responsible for implementing, monitoring and managing the contract.
- 2.1.9. Shall furnish the Financing Entity with an "Operation and Maintenance Plan" to ensure the sustainable use of the facilities created in accordance with the general standards set forth in the PRF's Operational Manual and thereafter carry out or cause to be carry out such plan.
- 2.1.10. Ensure that the nature and environment located within and areas surrounding the Sub-Project Construction Site are protected and preserved in good order and are not destroyed by the sub-project operations. If any damages are incurred, the community/individuals should notify PRF and the concerned parties immediately
- 2.1.11. Be highly responsible towards the agreement which requires the involvement and participation by the community. If the community does not perform as per the terms defined in the Agreement, which affects the operations of the Sub-Project thus consequently causing it to be incomplete, the Community shall be held responsible for all ensuing problems that occur.

2.2. Financing Entity

- 2.1.1. Shall be responsible for financing the contract and for disbursements of the contract amount to the Community for work accomplished as per schedule.
- 2.1.2. Shall provide necessary supports and trainings to the Community to ensure that the procurement of suppliers of related goods is carried by the community in accordance with the provisions of the procurement procedures as stated in the Community Procurement Manual.
- 2.1.3. Shall provide necessary supports and trainings to enable the Community to successfully implement the sub-project. .
- 2.1.4. Shall have the final responsibility for suspension or cancellation of the contract, if deemed necessary.
- 2.1.5. Shall have the power to supervise the implementation of the sub-project from the start until completion, and shall have the right to inspect the sub-project facility anytime.

- 2.1.6. Shall stop any activity that might affect or greatly affect the nature and surrounding environment located within the Sub-Project Site.

3. PURPOSES OF THE CONTRACT

In accordance with the decision of the Final District Decision Meeting held on ____/____/____, the Financing Entity will provide financial support for the contract implementation as requested by the Community named above and in accordance with the documents attached hereto.

4. ATTACHMENTS TO THE CONTRACT

Documents attached to this contract include the following:

- 4.1. Application form.
- 4.2. Approved design, specification, site plan, and project costs.
- 4.3. Mandates, designations and other legal documents.
- 4.4. Bill of Quantities.
- 4.5. Community declaration form.
- 4.6. Schedule of implementation.
- 4.7. Public land documents

5. SUB-PROJECT DESCRIPTION

(Brief description of the main components, or see the project proposal for details)

6. FINANCING AND DISBURSEMENTS

- 6.1. The total amount contracted is _____ LAK (in words _____), which shall be paid in the following order:

1. **The first payment**² of 95 % equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Community's account upon completion of the following works:
 - All the construction materials which were purchased through one single bidding process, has been delivered to the construction site as specified in the bidding document, and has been inspected, accepted and certified by the Community Committee.
 - Setting and repairing the Community information board

² The first installment can exceed 95% based on the actual needs, for all costs not directly related to construction and managed directly by the communities, for example: training costs, technical advisor fees, construction of village/kumban information boards, water test, pipe fitting, con ring mold.

- The authorization letter for using the land where the sub-project would be located
 - The official letter on the clearance of unexplored bombs (UXO Clearance Certificate) from the concerned departments
 - List of community resources.
 - Other concerned documents related to each sub-project.
2. **The second payment** of 5% equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Community's account upon completion of the following:
- Completion of 100% of the construction works and it is certified by the Community Implementation Team PRF district office.
 - Completion of accountability meeting at Community level to inform villager about the use of progress first payment.
 - Submission of the financial report including the related receipts and the original bidding document to PRF district office.

6.2. The Community, as deemed necessary and in writing, will submit "payment requests", as per the procedures established by the Financing Entity. The Financing Entity will thereafter disburse all resources on a grant basis in accordance with the time schedule specified above and upon completion of the works or receipt of the equipment.

7. SUB-PROJECT SUPERVISION

- 7.1. The Financing Entity shall directly supervise the implementation of the sub-project.
- 7.2. The Community commits to verify the correct implementation of the sub-project and may object to a disbursement submitted to the Financing Entity.

8. DISBURSEMENT PROCEDURES

- 8.1. All disbursements under this contract shall be carried out by means of Money Transfer Order to the Community's bank account at district level.
- 8.2. All disbursements up to the final disbursement on sub-project completion shall be made only after carrying out the following procedures:
- a) The Community requests disbursement from the Financing Entity by means of a request of payment based on the disbursement plan and technical progress assessment;
 - b) Requested disbursement is approved by the Financing Entity (PRF);
 - c) If an objection to the disbursement has been submitted by the Community or its representatives, the Financing Entity shall discuss the details with the Community Representatives to derive a solution and notify the decision to all concerned.

9. CONTRACT TERMINATION

9.1. Disbursements may be suspended and the related contract canceled by the Financing Entity based on the following conditions:

- d) Non-completion of any of the obligations stated within this contract by any of the parties to this contract.
- e) If the Community did not procure the Supplier for delivery of construction materials for implementing the sub-project in accordance with the provisions stated in the Community Procurement Procedure.
- f) If at any time, it is determined that the Community has engaged in any corrupt or fraudulent, coercive, collusive, or obstructive practices.
- g) If in the judgment of the Financing Entity, the quality of the project implementation (equipment supplied or works completed) is deficient based on reports stating that the purposes of the sub-project are at risk.
- h) Up on request of the Community in response to extraordinary circumstances not foreseen in the sub-project documents.
- i) If in the judgment of the Financing Entity, the Contractor has suspended implementation for such a length of time that puts the sub-project at risk.

9.2. In the event that the Financing Entity decides to end the contract, it may request the Community to rectify the causes of cancellation within a limited period of time and to the satisfaction of the Financing Entity before carrying out such cancellation.

10. AMENDMENTS TO THE CONTRACT

Amendment to the provisions of this contract can be made only with the mutual consent of all parties, who are signatories of this contract.

11. PROHIBITIONS

11.1. For implementation of the Civil Works, the Community will not use heavy equipment not provided for in the project cost table attached herewith.

11.2. The Community is prohibited to request free counterpart work from beneficiaries for activities being paid for under the contract. On the contrary, the Financing Entity shall have the full right to immediately halt the disbursement and suspend or cancel this contract.

11.3. The Community is not allowed to use the fund under this agreement for any other purpose than the purpose of the sub-project.. If the fund is not used for the purpose of the sub-project, the Financial Entity shall have the full right to cancel this contract and shall not reimburse the costs spent by the Community.

12. AUTHORIZED SIGNATORIES

Any request or report directed to any of the parties to this contract must be signed for only by the designated representatives of both parties.

13. CONTRACT DURATION

The Community commits to complete the implementation of the sub-project within _____ months, commencing from the date issued purchase order to Supplier.

14. ADDITIONAL REVISIONS

In the case of unexpected substantial increase in price of project items (i.e. materials, labor etc...) during sub-project implementation, price escalation may be allowed by the Financing Entity only if the total increase in price of the remaining works does not exceeds 5% of the total contract cost. Total contract cost shall then be the original contract cost plus any variation in prices that may have been authorized by the Financing Entity. The basic for computing unit cost prices for this purpose shall at all time be the unit cost database of the Financing Entity.

15. SETTLEMENT OF DISPUTES

Any conflicts or disputes arising out of or in connection with the interpretation or implementation of this contract, which cannot be settled amicably by the parties, shall be decided through judicial proceedings in accordance with the Laws of Lao PDR.

16. CONTRACT EFFECTIVENESS

This contract shall be effective from the date of signature entered into upon by all concerned parties.

Signed on this date ____/____/____

For the PRF:

District Coordinator

Signature: _____

Name: _____

Witnesses:

1. **Representative of** _____

Name and signature: _____

2. **Representative of** _____

Name and signature: _____

3. **Representative of** _____

Name and signature: _____

For Community Representatives:

1. Title: _____

Name and signature: _____

2. Title: _____

Name and signature: _____

3. Title: _____

Name and signature: _____

4. Title: _____

Name and signature: _____

5. Title: _____

Name and signature: _____

Annex 1.2.

Agreement for Financing Sub-project Implemented by Contractor

POVERTY REDUCTION FUND PROJECT II
IDA GRANT No. H685-LA

Terms and Conditions for Financing Sub-project Agreement

Sub-project Implementation Agreement between PRF and the Community
(This agreement is applicable for Communities who intends to implement sub-projects through procurement of small works)

Project Code: _____

Project Name: _____

Project Location:

Village _____, Kumban _____, District _____, Province _____

1. MAIN PARTIES TO THE AGREEMENT

- 1.1. The Poverty Reduction Fund established by the Government of Lao in 2002, which for the purposes of this agreement will be referred to as the “Financing Entity” and will be represented by its District Coordinator, officially based at the PRF Office at District _____, Province _____, Lao PDR.
- 1.2. Community/Village _____, which for the purpose of this agreement will be referred to as the **Community**”, as per the definition contained in PRF’s Operations Manual, and will be represented by:
 1. Ms/Mr. _____, Position: _____, Village: _____
 2. Ms/Mr. _____, Position: _____, Village: _____
 3. Ms/Mr. _____, Position: _____, Village: _____
 4. Ms/Mr. _____, Position: _____, Village: _____
 5. Ms/Mr. _____, Position: _____, Village: _____

(Refer to the attached “Minutes of Meeting regarding establishment of the Committee”)

2. OBLIGATIONS OF THE CONTRACTING PARTIES

2.1. The Community

- 2.1.1. Shall be responsible for selecting a Contractor/Supplier to implement the sub-project according to the procurement process as stated in the community procurement manual as well as specifications, designs, site plan, sub-project description, implementation schedule and costs in the subproject proposal.
- 2.1.2. Shall ascertain that the selected Contractor/Supplier conforms with the provisions of laws, rules and regulations of the Government of Lao PDR in all aspects, which may be applicable to the sub-project such as, but not limited to, safety and security of all site operations and methods of construction, traffic regulations, and promotion of environmental protection.

- 2.1.3. Shall fully cooperate with the PRF in its Supervision activities
- 2.1.4. Shall be responsible for monitoring and managing the implementation of the agreement.
- 2.1.5. Shall furnish the PRF with an "Operation and Maintenance Plan" to ensure the sustainable use of the facilities created in accordance with the general standards set forth in PRF's Operational Manual and thereafter implement or cause to implement such plan.

2.2. Financing Entity

- 2.1.1. Shall be responsible for financing the agreement and for the disbursements of the agreement amount to the Community for work accomplished as per schedule.
- 2.1.2. Shall provide necessary supports and training to the Community to ensure that the Community will carry out the procurement in accordance with the provisions of the procurement procedures as stated in the Community Procurement Instruction.
- 2.1.3. Shall provide necessary supports and training to the Community to ensure that the Community can well supervise the execution of contract of the sub-project.
- 2.1.4. Shall have the final responsibility for termination or cancellation of the agreement, when deemed necessary, for example: the PRF has the right to terminate any activity which may have severe impacts on the environment within or around the sub-project site.
- 2.1.5. Shall have the power to supervise the implementation of the sub-project from start until completion, and shall have the right to inspect the project facility at anytime.

3. PURPOSES OF THE CONTRACT

In accordance with the decision of the PRF at the District Decision Meeting held on ____/____/____, the PRF will provide financial support for the agreement as requested by the Community named above and in accordance with the documents attached hereto.

4. ATTACHMENTS

Documents attached to this contract should include:

- 4.1. Sub-project proposal (Approved design, specifications, site plans, project costs, Bill of Quantities, Operation, and Maintenance Plan).
- 4.2. Community Representatives and Community Implementation Team establishment memorandum (forms).
- 4.3. Any documents certified by the concerned organizations.
- 4.4. Public land documents, if any.

5. PROJECT DESCRIPTION

(Brief description of the main components, or see the sub-project proposal for details)

6. FINANCING AND DISBURSEMENTS

6.1. The total contracted amount is _____ LAK (in words _____) which shall be paid in the following order:

1. **The first payment**³ of 40% equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Community's account upon completion of the following works:

- Setting and repairing the Community information board
- Completion of at least 40% of the construction works and it is certified by the Community Implementation Team.
- The authorization letter for using the land where the sub-project would be located
- The official letter on the clearance of unexplored bombs (UXO Clearance Certificate) from the concerned department
- List of community resources.
- Submission of a copy of contract documents for the sub-project (between the Community and the Contractor) to PRF National Office.

Before the first payment is transferred to the Contractor's account, the Community must first verify that the Contractor has mobilized to site for commencement of the construction works and has completed at least 40% of the work and it is certified by the Community Implementation Team.

2. **The Second payment** of 50% equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Community's account upon completion of the following:

- Completion of 100% of the construction works and it is certified by the Community Implementation Team.
- Completion of accountability meeting at Community level to inform villager about the use of progress the first payment.
- Submission of the financial report, progress report, and certificate of completion to PRF National Office.
- Community distribution including:
 1. _____
 2. _____
 3. _____

Before community can transfer the second payment to contractor's account, the community must verify that the contractor has completed 100% of the works and it is certified by Community Implementation Team,

³ The first installment can exceed 40% based on the actual needs, for all costs not directly related to construction and managed directly by the communities, for example: training costs, technical advisor fees, construction of village/kumban information boards, water test, pipe fitting, con ring mold.

3. **The third payment** of 10 % equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Community's account upon completion of the following works:

- All defects have been repaired before the end of the Defects Liability Period and certified by the Community Implementation Team.
- Accountability meeting at Community level to inform villagers about the use of progress second payment.
- Submission of the certificate of acceptance to PRF National Office.
- Community distribution including:
 1. _____
 2. _____
 3. _____
 4. _____
 5. _____
 6. _____
 7. _____

Before the third payment is transferred to the Contractor's account, the Community must first verify that the Contractor has repaired all defected works before the end of the Defects Liability Period and it is certified by the Community Implementation Team.

6.2. The Community, as deemed necessary and in writing, will submit "payment requests", as per the procedures established by the Financing Entity. The Financing Entity shall thereafter disburse all resources on a grant basis in accordance with the time schedule specified above and upon completion of the works.

7. SUB-PROJECT SUPERVISION

7.1. The Financing Entity shall assist the Community to supervise the implementation of the sub-project. .

7.2. The Community commits to verify the correct implementation of the sub-project and may object to a disbursement submitted to the Financing Entity.

8. DISBURSEMENT PROCEDURES

8.1. All disbursements under this agreement shall be carried out by means of Money Transfer Order to the Community's bank account at district level.

8.2. All disbursements up to the final disbursement on project completion shall be made only after carrying out the following procedures:

- a) The Community requests disbursement from the Financing Entity by means of a request of payment based on the disbursement plan and technical progress assessment;
- b) Requested disbursement is approved by the Financing Entity (PRF);

- c) If an objection to the disbursement has been submitted by the Community or its representatives, the Financing Entity shall discuss the details with the Community Representatives to derive a solution and notify the decision to all concerned.

9. CONTRACT TERMINATION

- 9.1. Disbursements may be suspended and the related agreement canceled by the Financing Entity based on the following conditions:
- a) Non-completion of any of the obligations stated within this agreement by any of the parties to this agreement.
 - b) If the Community did not carry out the procurement for the sub-project in accordance with the provisions stated in the Community Procurement Instruction.
 - c) If at any time, it is determined that the Community has engaged in any corrupt or fraudulent, coercive, collusive, or obstructive practices.
 - d) If in the judgment of the Financing Entity, the quality of the sub-project implementation (equipment supplied or works completed) is deficient based on reports stating that the purposes of the project are at risk.
 - e) Up on request of the Community in response to extraordinary circumstances not foreseen in the sub-project documents.
 - f) If in the judgment of the Financing Entity, the Contractor has suspended the contract execution for such a length of time that puts the sub-project at risk.
- 9.2. In the event that the Financing Entity decides to end the contract, it may request the Community to rectify the causes of cancellation within a limited period of time and to the satisfaction of the Financing Entity before carrying out such cancellation.

10. AMENDMENTS TO THE CONTRACT

Amendments to the provisions of this contract can be made only with the mutual consent of all parties, who are signatories of this agreement.

11. AUTHORIZED SIGNATURES

Any request or report directed to any of the parties to this contract must be signed for by the designated authorized representatives of the parties.

12. DURATION OF THE CONTRACT

The Community commits to complete the implementation of the sub-project within _____ months, from the date ____/____/_____ to be accounted for from the date issued the commencement letter to contractor.

13. SETTLEMENT OF DISPUTES

Any conflicts or disputes arising out of or in connection with the interpretation or implementation of this contract, which cannot be settled amicably by either party, shall be decided through judicial proceedings in accordance with the laws of the Lao PDR.

14. EFFECTIVENESS

This agreement shall be effective from the date of signature entered into upon by both parties.

Signed on this date ____/____/____

For the PRF:

District Coordinator

Signature: _____

Name: _____

For Community Representatives:

1. Title: _____

Name and signature: _____

2. Title: _____

Name and signature: _____

3. Title: _____

Name and signature: _____

4. Title: _____

Name and signature: _____

5. Title: _____

Name and signature: _____

Witnesses:

1. **Representative of** _____

Name and signature: _____

2. **Representative of** _____

Name and signature: _____

3. **Representative of** _____

Name and signature: _____

Annex 2.1.

Community Procurement Plan

Community Procurement Plan

Village: _____; Kumban; _____, District: _____, Province: _____

No.	Project Code	Contract No.	Project Name	Project Location	Size	Cost Estimate (LAK)	Type of Proc.	Proc. Method	Bid Invitation Issued (Date)	Expected Bid Opening	Works Expected to Start	Works Expected to be Completed	Implement by Community / Contractor/ Supplier
1													
2													

Acknowledged by:

Verified by:

Prepared by:

Provincial Coordinator

Provincial Procurement Officer

Community Coordinator

Annex 3.1.

Sub-Project Standard RFQ for Goods Shopping Method

Poverty Reduction Fund (PRF)

Province: _____

District: _____

Kumban: _____

Community/Village: _____

Date: _____

Request for Quotation

Project Name: _____

Project Code: _____

Contract Number: _____

To: _____

1. Our community has received a grant from Second Poverty Reduction Fund Phase II Program. This grant is co-financing of an International Development Association (IDA) Grant and other Multi-Donor Trust Fund, and the Community intends to apply this grant to eligible payments under the contract of _____ under this Request for Quotation.
2. Our Community requests you to quote your prices for the items listed in Schedule of Items and Priced Quotation. . Your quotation shall be submitted in sealed envelope, duly signed and stamped, at or before 9:00 hours on ____/____/201__ to address _____. Late quotations will be rejected and returned unopened to the bidders. All quotations will be opened at 9:00 hours on ____/____/201__, at the address _____ in the presence of the Community/Village Implementation Team, Community members and the Bidder representatives who choose to attend.

Schedule of Items and Priced Quotation

Item No.	Description & Details	QTY	Unit	Unit Price (LAK)	Amount (LAK)
Total Amount:					
Transportation Cost:					
Grand Total Amount:					

Grand Total Amount in words: _____

3. Quotation and Price quoted must be valid and fixed for 90 days from the deadline of quotation submission;
4. The delivery period is 30 days from the date of contract signed;
5. The Quotation Price shall include taxes, duty, inland transportation, insurance and costs incidental to delivery of the goods to their final destinations;

6. Alternative Quotation will not be permitted;
7. Quotations will be evaluated by adjusting the Bid by making any correction for any arithmetic errors as follows:
 - (a) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
 - (b) where is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;If a Bidder refuses to accept the correction, his quotation will be rejected and his Quotation and Performance Securing Declaration will be executed.
8. A quotation shall be accompanied by a Quotation and Performance Securing Declaration in accordance with the Form 2; otherwise this quotation will be rejected by the Community as non-responsive.
9. The Supplier is required to mention make/model (as applicable) of the goods to be supplied and must attach the appropriate original printed literature/brochures for the various items listed, if required;
10. Products: Warranty at leastmonths;

Community Team

Signature: _____

Name: _____

Technical Specification of the Goods Required

[illegible]

Form 1: Quotation Form

Name and Logo of the Company
Address
Phone Number

Date: _____

To: *[Name and address of the Purchaser]*

Having examined the Request for Quotation Document, the receipt of which is here by duly acknowledged, We, the undersigned, offer to supply (Name of Goods) in conformity with the said Request for Quotation Document in total Price:

- (Insert Value in figures) in Kip
- (Insert Value in words) in Kip

We undertake, if our Quotation is accepted, to deliver the goods in (weeks/months) from the date of receipt of your Purchase Order, in accordance with the delivery time specified in Clause 5 of the Conditions of Contract.

We are not participating as Bidders in more than one Quotation in this Quotation process. Our Quotation shall be valid fordays after the deadline for submission of Quotation.

We declare that we and any Subcontractors or Contractors for any part of the Contract have not been declared ineligible by the World Bank on charges of engaging in corrupt, fraudulent, collusive, coercive, or obstructive practices. We furthermore, pledge not to indulge such practices in the duration of the Contract.

We understand that your written Purchase Order shall constitute the acceptance of our Quotation and shall become a binding contract between us.

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

The following documents are attached with this quotation:

1. Original letter naming the person authorised to sign on behalf of the Bidder
2. Legal document (copy of Business License, Tax payment Certificate);
3. Quotation and Performance Securing Declaration.

Authorized Signature of Supplier and Stamp
Name and title of Signatory

Form 2: QUOTATION AND PERFORMANCE SECURING DECLARATION

[If required, the Bidder shall fill in this form in accordance with the instructions indicated in brackets.]

Date: *[insert date]*

Name of contract: *[insert name]*

Contract Identification No: *[insert number]*

Request for Quotation No. and Date: *[insert number]*

To: _____

We, the undersigned, declare that:

- a) We understand that, according to your conditions, Quotation must be supported by a Quotation and Performance Securing Declaration.
- b) We accept that we shall be suspended from being eligible for bidding in any contract with the Community and the Government of Lao for the period of time of two (2) years starting on the date of the Community's execution of this Declaration, if we:
 - i) have withdrawn our Quotation during the period of bid validity specified by us in the Bid Submission Sheet; or
 - ii) do not accept the correction of errors in accordance with paragraph 7 of the Request for Quotation, or
 - iii) having been notified of the acceptance of our Quotation by the Community during the period of bid validity, fail or refuse to execute the Contract, or
 - iv) committed a fundamental breach of contract leading to the Community's termination of the contract for reasons of our default.
- c) We understand this Quotation and Performance Securing Declaration shall expire if we are not the successful bidder on *[insert date one month after the expiry of the bid validity]*, or in the event that our quotation is successful and we are awarded a contract we understand that this Quotation and Performance Securing Declaration will expire six months after the completion of the delivery of goods.

Signed *[insert signature(s) of authorized representative]*

In the Capacity of *[insert title]*

Name *[insert printed or typed name]*

Duly authorized to sign the quotation for and on behalf of *[insert authorizing entity]* and affix Seal

Dated on *[insert day]* day of *[insert month]*, *[insert year]*

Form 3: Purchase Order

Purchase Order No: _____	Purchase Order Date: ____/____/201____
Project Name: _____ Project Code: _____ Contract Number: _____ Project location: Village: _____, Kumban: _____, District: _____, Province: _____	
To: <i>[name and address of the Supplier]</i>	<i>[Contact person, Telephone Number Fax Number e-mail address supplier reference]</i>
Total Amount: _____ LAK	Delivery date: ____/____/201____

The Community has accepted your Quotation dated ____/____/____ for the supply of Goods as listed in the Schedule of Items and Priced Quotation attached to this Purchase Order and requests that you supply the goods at or before the delivery date stated above, in the quantities and units.

In acceptance of this Purchase Order you are requested to sign and stamp below, at which time the Contract shall become legally binding upon both parties and you are also requested to return the signed Purchase Order within a period of 15 days from the date of issue of this Purchase Order.

For the Supplier:

Signature: _____
 Print Name: _____
 Title In the presence of Name: _____

**For Community Representatives
 (Community Implementation Team):**

1. Title: _____
 Name and signature: _____
2. Title: _____
 Name and signature: _____
3. Title: _____
 Name and signature: _____
4. Title: _____
 Name and signature: _____
5. Title: _____
 Name and signature: _____

Conditions of Contract

1. The following documents forming the contract shall be interpreted in the following order of priority:
 - (a) The signed Purchase Order;
 - (b) The conditions of the contract
 - (c) Schedule of Items and Priced Quotation
 - (d) Technical Specification of the Goods Required
 - (e) Bid and Performance Securing Declaration
2. This Contract shall be amended only by written agreement between the Community and the Supplier.
3. Price adjustment and variation: the contract price shall not apply for adjustment and variation.
4. Payment Provisions:
 - Currency of Payment. Community will pay to the Supplier in Lao Kip by transfer to the account of the Supplier.
 - Payment under the Contract: The Community will pay the Supplier for the supply of goods as follows:
 1. First payment of (95%) percent of the contract price, shall be paid after the goods are inspected and accepted and on receipt of the Supplier's invoice; and
 2. Second payment of the remaining (5%) percent of the contract price, shall be paid after expiry of the warranty period.
 3. The Community will effect payment within 30 calendar days of receipt of the Supplier's invoice and against the actual quantity of supplied goods. Payments against VAT/Taxes and other impositions shown in the Supplier's invoice shall be made in accordance with the current regulations, at the time of settlement of the Invoice. If any payment is delayed beyond the Due Date for Payment, the Community will pay interest to the Supplier at the rate of 2% of the amount of the payment for the first month and for each subsequent full calendar month during which payments are delayed.
5. Late Delivery: If the Supplier delivered the specified goods later than the delivery date specified in the Purchase Order. The Community has the right to reduce the payment to the supplier by 0.05% of the total price of contract for each day of delay beyond the delivery time. The reduction is up to a maximum of the 10%, and then the Community may terminate the contract.
6. Packaging of goods: The Supplier shall warrant that goods are contained or packaged adequately to protect the goods from loss or damage when transporting to final destinations.
7. Inspection: Community shall inspect the goods delivered and accept only the goods that conform to contract requirements. An acceptance letter shall be issued by Community to the Supplier if all delivered goods are acceptable. .
8. After completion of the supply of the goods and receipt of the acceptance letter from Community, the Supplier shall submit an original Invoice, and two (2) copies, to the Community.
9. Warranty: The Supplier shall provide the warranty, as stipulated in the Quotation document Section 4, for the goods to be supplied are new and unused and confirm that if any faults are detected within the warranty period in the supplied/installed goods, the Supplier shall be bound to rectify the fault or replace the goods within seven (7) days.
10. Termination of Contract: the Community may, by written notice sent to the Supplier, terminate the Contract in whole or in part at any time:
 - (i) if the Supplier fails to deliver any or all the goods within the time period(s) specified in this contract and in accordance with Clause 5 above, or
 - (ii) if the Supplier fails to perform any other obligation(s) under this contract, or

- (iii) if the Supplier fail to comply with Clause 10- Warranty; or
if the Supplier, in the judgment of the Community, has engaged in fraud and corruption practices elaborated in the applicable World Bank's Procurement Guidelines applicable to this project in competing for or in executing this contract
- 11. If Force Majeure makes completion of the contract impossible, the Supplier may ask the Community to release him from the Contract.
- 12. Settlement of disputes:

If any dispute arises between the two parties, relating to any aspects of this Agreement, the parties shall first attempt to settle the dispute through mutual and amicable consultation.

In the event of agreement not being reached, the matter will be settled in accordance with the laws of Lao PDR. .

Bidders' Checklist

No.	Descriptions	Checkbox
1	Understand the Request for Quotation <ul style="list-style-type: none"> - Thoroughly read, review and understand this RFQ - Know when and where the Bid Proposal is to be delivered - The bid proposal should be submitted in a sealed envelope 	<input type="checkbox"/> Yes <input type="checkbox"/> No
2	Complete and sign all forms requiring a signature and/or stamp	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The power of attorney of signatory of the quotation and/or attendee of the bid opening are attached showing the name of the person who signed and who will be attending the bid opening	<input type="checkbox"/> Yes <input type="checkbox"/> No
4	Complete and sign the Bid Submission form and ensure that all information requirements have been fulfilled including: <ul style="list-style-type: none"> - Bid price in figures and in words - Bid validity period - Date should be the date of bid opening day - Signature and/or stamp - Bid and Performance Securing Declaration 	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Photocopies of valid registration certificates including: <ul style="list-style-type: none"> - Business License - Tax Payment Certificate 	<input type="checkbox"/> Yes <input type="checkbox"/> No
6	Schedule of Items and Priced Quotation: <ul style="list-style-type: none"> - Did you enter unit prices for all items as required by the bid document? - Have you entered amounts for all the bid items? - Mention the warranty period 	<input type="checkbox"/> Yes <input type="checkbox"/> No
7	Prepare Technical Specifications to be proposed <ul style="list-style-type: none"> - Thoroughly read, review and understand the product, specifications, special provisions, general terms and conditions and confirm that he/she will comply with all requirements as provided - Complete statement of compliance with specifications requirement. 	<input type="checkbox"/> Yes <input type="checkbox"/> No

Annex 3.2.

Standard Local Competitive Bidding Document for Goods

Local Bidding Method

Table of Content

	Page
Invitation for Bids	
Section 1: Instruction to bidders	
Section 2: Bidder Information Sheet	
Section 3: Conditions of contract	
Section 4: Bid Form	
Section 5: Price and Delivery Schedule	
Section 6: Technical Specifications	
Section 7: Purchase Order	
Section 8: Drawing (If not required, delete it)	
Section 9: Contract Agreement	
Form 1. Bid and Performance Securing Declaration	

Poverty Reduction Fund (PRF)

Province: _____

District: _____

Kumban: _____

Community/Village: _____

Date: _____

Invitation for Bids

Project Name: _____

Project Code: _____

Contract Number: _____

To: _____

1. Our community has received a grant from Second Poverty Reduction Fund Phase II Program. This grant is co-financing of an International Development Association (IDA) Grant and other Multi-Donor Trust Fund, and the Community intends to apply this grant to eligible payments under the contract for the supply of goods included in the table below.

Item No.	Description & Details	QTY	Unit	Expected Delivery date

2. Our Community requests you to submit your bid prices for the items listed above. Your bid shall be submitted in sealed envelope, duly signed and stamped, at or before 9:00 hours on ____/____/201__ to address _____. Late bids will be rejected and returned unopened to the bidders. All bids will be opened at 9:00 hours on ____/____/201__, at the address _____ in the presence of the Community/Village Implementation Team, Community members and the Bidder representatives who choose to attend.
3. The Community will award the contract to the bidder whose bid has been evaluated to be the lowest evaluated price and substantially responsive to the bidding documents, provided further that the bidder is determined to be eligible and qualified to perform the contract.
4. Interested qualified eligible bidders are invited to obtain a copy of the bidding documents free-of-charge from the address given in paragraph 6 below. There shall be no condition for obtaining the bidding documents. To be considered eligible and qualified, a bidder must meet all the requirements specified in paragraph 2 of the Instructions to Bidders.

5. Each bid shall be accompanied by a Bid and Performance Securing Declaration in according with the form included in the bidding documents.
6. The address where the bidding documents may be inspected and obtained is:

Signature of authorized person and stamp

Section 1: Instruction to the Bidders

1. Our community has received a grant from Second Poverty Reduction Fund Phase II Program. This grant is co-financing of an International Development Association (IDA) Grant and other Multi-Donor Trust Fund, and the Community intends to apply this grant to eligible payments under the contract for supply of _____ under the request for quotation/limited bidding. The successful bidder is expected to deliver the goods within the time allowed under paragraph 5 of the conditions of the contract.

2. Eligibility and Qualification of Bidders:

Eligible criteria for bidders and goods are provided in the Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers date January 2011 and other specific version applicable to each project.

Only bidders that meeting the following criteria will be considered qualified to the execution of the contract.

- Have completed at least two (2) contracts for supply of similar goods in the preceding 3 years of not less than 50% of the bid price in each contract;
- Have completed contracts in the preceding 2 years with a total cumulative value equal to at least two (2) times the value of the bid price

In the above connection, the bidder shall provide information specified in Section 2: Bidder Information Sheet.

3. Content of the Bidding Documents: the Bidding Document comprises of the following documents:
Invitation for Bids

Section 1: Instruction to bidders

Section 2: Bidder Information Sheet

Section 3: Conditions of contract

Section 4: Bid Form

Section 5: Price and Delivery Schedule

Section 6: Technical Specification

Section 7: Purchase Order

Section 8: Drawing (If not required, delete it)

Section 9: Contract Agreement

Form 1. Bid and Performance Securing Declaration

4. Documents comprising the Bid: Bid submitted by a bidder shall comprise the following documents:
 - (a) Bid Form;
 - (b) Price and Delivery Schedule;
 - (c) Technical Specification of the Goods to be supplied;
 - (d) Bidder Information Sheet;
 - (e) Bid and Performance Securing Declaration;
 - (f) The appropriate original printed literature / brochures for the various items listed . (If not required, delete it) and
 - (g) Any other documents, if required.

5. Bid and Evaluation criteria: The bidder's bid shall be for all items required specified in the Section 5: Price and Delivery Schedule. The Community has the right to reject bids that are (1) Incorrectly completed or (2) Their proposed technical Specifications do not meet with the required technical Specifications. The contract will be awarded to the bidder offering the lowest evaluated price and responsive bid.
6. Validity of Bid: The Bid shall remain valid for the period of 90 days after the deadline for submission of bid specified in the paragraph 13 of the Instruction to the Bidder.
7. Currency of Bid: All prices shall be quoted in Lao Kip.
8. Bid Price: The Bid Price shall include (taxes, duty, inland transportation, insurance and costs incidental to delivery of the goods to their final destinations...). The Price quoted by the bidder shall be fixed for during the bidder's performance of the contract.
9. Alternative bid will not be permitted or (applicable).
11. Warranty of Products: Warranty at least (.....Insert Number) months.
11. After sale Services: The Supplier should also provide a priced schedule of consumables, spare parts and routine maintenance that are expected to be required on the basis of a normal utilization of the equipment over a period of two (2) years. (If not required, delete it).
This priced schedule will not be taken into account in the quotation evaluation, but will be used to determine anticipated operational costs of the equipment.
12. Preparation of Bid: The Bidder shall prepare one original of the documents comprising the bid as described in paragraph 4 of these instructions and marked "Original". In addition, the bidder shall also submit (.....Insert number) Copies. In the event of any discrepancy between the original and the copies, the original shall prevail. The bid shall be included in a sealed envelope.

The original and each copy of the bid shall be signed by a duly authorised person on behalf of the Bidder. The name and position held by the authorised person must be indicated below his/her signature.

Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialled by the person(s) signing the bid.

Each Bidder shall submit only one bid.
13. Place and deadline of submission of Bid: The Bid shall be delivered no later than (.....Time and date) to address(please insert the same time and date as the deadline, address as specified in the Invitation for Bids) Any Bid received after the deadline prescribed in this paragraph will be rejected and returned unopened to the bidder.
14. Bid and Performance Securing Declaration: The Bid and Performance Securing Declaration should be in accordance with Form 1 included in the bidding documents. Any Bid not accompanied by a Bid and Performance Securing Declaration will be rejected by the Community as non-responsive bid. The execution of a bid and performance securing declaration will result in the Bidder being held ineligible for all contracts let by the government of Lao for a period of two years from the expiry of the Bid Validity. The Bid Securing and Performance Declaration will be executed:
 - (a) if a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Bid Form or
 - (b) if the Bidder does not accept the correction of its Bid Price pursuant to Paragraph 18 of these Instructions.

- (c) if the successful Bidder fails within the specified time to sign the Contract:
- (d) if the successful bidder, once contracted commits a fundamental breach of contract

The Bid and Performance Securing Declaration will expire: (a) if a bidder is not the successful bidder, and (b) six months (.....or any specified period) after the winning bidder completed the delivery of all required goods.

15. Modification and withdrawal of Bids: The bidder may withdraw his bid after submission, provided that written notice of the withdrawal is received by the Community Implementation Team prior to the deadline for submission. No bid shall be modified after the deadline for submission of bids specified above in paragraph 13 of these instructions. Withdrawal of a bid between the deadline for submission of bid and expiration of the validity may result in the forfeit of the Bid and Performance Securing Declaration.
16. Opening of Bids will be opened at (.....insert the same time and date as the deadline, place as specified in the Invitation for Bids) in the presence of the Community Implementation Team and the bidders' representatives who choose to attend. The bidder name, bid modification or withdrawals, bid price, discounts, Bid and Performance Securing Declaration will announce at the opening. The Community Implementation Team shall provide to all attendees with written minutes of the bid opening. No bid shall be rejected at the bid Opening, except for late bids.
17. Confidentiality: After the opening of bids, information relating to the examination, clarification, and evaluation of bids and recommendations for award shall not be disclosed to Bidders or other persons not officially concerned with the evaluation process until after the award of the Contract is announced.
18. Evaluation and Comparison of Bids: The Community will award the contract to the bidder whose quotation has determined to be substantially responsive to the Bidding Document and who has offered the lowest evaluated price. In evaluating the bids, the Community Implementation Team will evaluate each bid by adjusting the bid price by marking any correction for any arithmetic errors as follows:
 - (a) Where there is a discrepancy between amount in figures and in words, the amount in words will govern;
 - (b) Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern.

If a Bidder refuses to accept the correction, his Bid will be rejected and Bid and Performance Securing Declaration executed.

19. Community right: Depending on the final requirement, the Community may increase or decrease by fifteen percent (15%) and this shall be reflected in the Purchase Order. The Community reserves the right to accept or reject any bid or to cancel the process of the competition and reject all bids, at any time prior to the award of the contract, without thereby incurring any liability to affected bidders or any obligation to inform the affected bidders of grounds for the Community's decision.
20. Notification of Award and signing of contract: Prior to the expiration of the period of validity of the Bid, the Community will send the successful bidder the purchase order. The purchase order may only be accepted by the supplier's signing and returning to the Community and the supplier are also requested to sign the contract within a period of 15 days from the date of issue of this Purchase Order. The signed Contract Agreement should be registered by the supplier, in accordance with the Decree No. 52/PM, dated 13 March 1993.

21. Advising unsuccessful bidders and Debriefing: Upon signing the contract, the Community shall notify all other bidders that their bids have been unsuccessful. An unsuccessful Bidder has the right to request a debriefing to ascertain why its bid was unsuccessful and the Community has the obligation to provide it. No commercial confidential will be breached and no detailed information concerning other bids will be disclosed other than the information already read out at bid opening and the reasons for rejection of this bidder's bid.

22. Complaints:

Any Bidder has the right to complain, if it has suffered or may suffer loss or damage due to a breach of a duty imposed on the Community by the Decree 03 and IRR 063.

The Complaint shall firstly be processed through an administrative review following the procedures set in IRR 063. The place and address for the first step in the submission of complaints to the (Office of Community) and a copy to PrMO, Ministry of Finance.

If not satisfied with the outcome of the administrative review, the Bidder may complaint to court pursuant to IRR 063.

Section 2: Bidder Information Sheet

1. Bidder's Legal Name, Address and copy of Business License, Tax payment Certificate. Original letter naming the person authorised to sign on behalf of the Bidder.
2. Evidences of the supplies of similar type of Goods over the last three years (3) years. Also list details of supplies of similar type of Goods under way or committed, including expected delivery date.
3. Information on litigation in which the Bidder is, or has been, involved.

The Community may define the information required, based on the importance of Goods and equipment to be purchased, if not required, the information can be omitted).

Section 3: Conditions of Contract

1. The following documents forming the contract shall be interpreted in the following order of priority:
 - (a) The signed Contract,
 - (b) The conditions of the contract,
 - (c) The Purchase Order,
 - (d) The Bid Form submitted by the Bidder,
 - (e) Price and Delivery Schedule,
 - (f) Technical Specifications of the Goods Required,
 - (g) Bid and Performance Securing Declaration,
2. This Contract shall be amended only by written agreement between the Community and the Supplier.
3. Price adjustment and variation: the contract price shall not apply for adjustment and variation.
4. Payment Provisions: The Community will pay to the Supplier in Lao Kip by transfer to the account of the Supplier as follows:
 - i. First payment of (95%) percent of the contract price, shall be paid after the goods are inspected and accepted and on receipt of the Supplier's invoice; and
 - ii. Second payment of the remaining (5%) percent of the contract price, shall be paid after expiry of the warranty period.
 - iii. The Community will effect payment within 30 calendar days of receipt of the Supplier's invoice and against the actual quantity of supplied goods. Payments against VAT/Taxes and other impositions shown in the Supplier's invoice shall be made in accordance with the current regulations, at the time of settlement of the Invoice. If any payment is delayed beyond the Due Date for Payment, the Community will pay interest to the Supplier at the rate of 2% of the amount of the payment for the first month and for each subsequent full calendar month during which payments are delayed.
5. Delivery time: All goods shall be delivered to the Community by the delivery date specified in the Purchase Order.
6. Late Delivery: If the Supplier delivered the specified goods later than the delivery date specified in the Purchase Order. The Community has the right to reduce the payment to the supplier by 0.05% of the total price of contract for each day of delay beyond the delivery time. The reduction is up to a maximum of the 10%, and then the Procuring Entity may terminate the contract.
7. Packaging of goods: The Supplier shall warrant that goods are contained or packaged adequately to protect the goods from loss or damage when transporting to delivery point.
8. Inspection: the Community shall inspect the goods delivered and accept only the goods that conform to contract requirements. An acceptance letter shall be issued by Community to the Supplier if all delivered goods are acceptable.

9. After completion of the supply of the goods and receipt of the acceptance letter from Community, the Supplier shall submit an original Invoice, and two (2) copies, to the Community;
10. Warranty: The Supplier shall provide the warranty, as stipulated in the Quotation document Section 4, for the goods to be supplied are new and unused and confirm that if any faults are detected within the warranty period in the supplied/installed goods, the Supplier shall be bound to rectify the fault or replace the goods within seven (7) days.
The supplier shall also warrants the use by the Community of the goods sold under this contract does not infringe any patent, design, trade name or trade mark. In addition, the supplier shall, pursuant to this warranty, indemnify, defend and hold the Community harmless from any action or claim brought against the Community pertaining to the alleged infringement of patent, design, trade name or trade mark arising in connection with the goods sold under this contract.
11. Termination of Contract: the Community may, by written notice sent to the Supplier, terminate the Contract in whole or in part at any time:
- (iv) if the Supplier fails to deliver any or all the goods within the time period(s) specified in this contract and in accordance with Clause 5 above, or
 - (v) if the Supplier fails to perform any other obligation(s) under this contract, or
 - (vi) if the Supplier fail to comply with Clause 10- Warranty; or
- if the Supplier, in the judgment of the Purchaser, has engaged in fraud and corruption practices elaborated in the applicable World Bank's Procurement Guidelines in competing for or in executing this contract.
12. If Force Majeure makes completion of the contract impossible, the Supplier may ask the Community to release him from the Contract.
13. Settlement of disputes:
- If any dispute arises between the two parties, relating to any aspects of this Agreement, the parties shall first attempt to settle the dispute through mutual and amicable consultation.
- In the event of agreement not being reached, the matter will be settled in accordance with the laws of Lao PDR.

Section 4: Bid Form

Name and Logo of the Company
Address
Phone Number

Date: _____

To: *[Name and address of the Purchaser]*

Having examined the Bidding Document, the receipt of which is here by duly acknowledged. We, the undersigned, offer to supply (Name of Goods) in conformity with the said Bidding Document in total Price:

- (Insert Value in figures) in Kip
- (Insert Value in words) in Kip

We undertake, if bid is accepted, to deliver the goods in(weeks/months) from the date of receipt of your Purchase Order, in accordance with the delivery time specified in Clause 5 of the Conditions of Contract.

We are not participating as Bidders in more than one bid in this bidding process. Our Bid shall be valid fordays after the deadline for submission of bids.

We declare that we and any Sub-suppliers or Suppliers for any part of the Contract have not been declared ineligible by the World Bank on charges of engaging in corrupt, fraudulent, collusive, coercive, or obstructive practices. We furthermore, pledge not to indulge such practices in the duration of the Contract.

We understand that your written Purchase Order shall constitute the acceptance of our Bid and shall become a binding contract between us, until a formal contract is prepared and executed.

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

Authorized Signature of Supplier and Stamp
Name and title of Signatory

Section 5: Technical Specifications of the Goods Required

[illegible]

Signature of Supplier and Stamp

Name of Supplier

Section 6: Price and Delivery Schedule

Line Item N°	Description of Goods	Quantity	Physical unit	Delivery Final Destination	Delivery Date	Unit Price, inclusive of any taxes and duties payable, transportation , insurance to final destination (Kip)	Total price inclusive of any taxes and duties payable, transportation, insurance to final destination (Kip)
<i>[insert item No]</i>	<i>[insert description of Goods]</i>	<i>[insert quantity of item to be supplied]</i>	<i>[insert physical unit for the quantity]</i>	<i>[insert place of Delivery]</i>	<i>[insert the number of days following the date of effectiveness the Contract]</i>	<i>To be completed by the bidder</i>	<i>To be completed by the bidder</i>

Total Contract Price :

In Words _____

Authorized Signature of Bidder.(and affix Seal).....

Note:

(1) Currency to be used is Lao KIP. The price shall include all customs duties and sales and other taxes already paid or payable, transportation, insurances, and any other local charges for delivery of the goods up to final destination.

(2) The Price quoted by the bidder shall be fixed for during the bidder's performance of the contract

[Purchaser to use normal Letter Headed format]

Section 7: PURCHASE ORDER

Purchase Order No:	Purchase Order Date:
From: <i>[name and address of Purchaser]</i>	<i>[Contact person, Telephone Number Fax Number e-mail address]</i>
To: <i>[name and address of the Supplier]</i>	<i>[Contact person, Telephone Number Fax Number e-mail address supplier reference]</i>
Total Amount:	Order Value: Kip
Delivery date:	

The Community has accepted your Quotation dated *[insert date]* for the supply of Goods as listed below and requests that you provide the goods within the delivery date stated above, in the quantities and units. For convenience a copy of your signed quotation is attached.

In acceptance of this Purchase Order you are requested to sign and stamp below, at which time the Contract shall become legally binding upon both parties and you are also requested to sign the contract within a period of 15 days from the date of issue of this Purchase Order.

For Kumban Representative:

Signature: _____

Print Name: _____

Title in the presence of Name: _____

For Supplier:

Signature: _____

Print Name: _____

Title in the presence of Name: _____

Section 8: Drawing

The Supplier is required to mention make / model (as applicable) of the goods to be supplied and must attach the appropriate original printed literature / brochures for the various items listed, If required.

Section 9: Contract Agreement

THIS AGREEMENT made the [day] day of [month] [year] between [name and address of Community] (hereinafter called “the Community”) and [name and address of Supplier] (hereinafter called “the Supplier”).

WHEREAS the Community invited for bid for certain goods [brief description of goods and has accepted a bid by the Supplier for the supply of those goods in the sum of Kip [Contract Price in figures and in words] (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESS AS FOLLOWS:

1. The documents forming the Contract shall be interpreted in the following order of priority:
 - (a) The signed Contract Agreement,
 - (b) The conditions of the contract,
 - (c) The Purchase Order,
 - (d) The Bid Form submitted by the Bidder,
 - (e) Price and Delivery Schedule,
 - (f) Technical Specification of the Goods Required,
 - (g) Bid and Performance Securing Declaration,
2. In consideration of the payments to be made by the Community to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Community to provide the goods and related services and to remedy any defects therein in conformity in all respects with the provisions of the Contract.
3. The Community hereby covenants to pay the Supplier in consideration of the provision of the goods and related services and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the time and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Lao PDR on the day, month and year first written above.

For the Supplier:

Signature: _____

Print Name: _____

Title In the presence of Name: _____

Witnesses:

1. Representative of _____

Name and signature: _____

2. Representative of _____

Name and signature: _____

For Community

(Community Implementation Team):

1. Title: _____

Name and signature: _____

2. Title: _____

Name and signature: _____

3. Title: _____

Name and signature: _____

4. Title: _____

Name and signature: _____

Form 1: BID AND PERFORMANCE SECURING DECLARATION

[If required, the Bidder shall fill in this form in accordance with the instructions indicated in brackets.]

Date: *[insert date]*

Name of contract: *[insert name]*

Contract Identification No: *[insert number]*

Invitation for Bids No. and Date: *[insert number]*

To: _____

We, the undersigned, declare that:

- a) We understand that, according to your conditions, Bid must be supported by a Bid and Performance Securing Declaration.
- b) We accept that we shall be suspended from being eligible for bidding in any contract with the Community and the Government of Lao for the period of time of two (2) years starting on the date of the Community's execution of this Declaration, if we:
 - i) have withdrawn our Bid during the period of bid validity specified by us in the Bid Submission Sheet; or
 - ii) do not accept the correction of errors in accordance with paragraph 18 of the Instruction to Bidders, or
 - iii) having been notified of the acceptance of our Bid by the Community during the period of bid validity, fail or refuse to execute the Contract, or
 - iv) committed a fundamental breach of contract leading to the Community's termination of the contract for reasons of our default.
- c) We understand this Bid and Performance Securing Declaration shall expire if we are not the successful bidder on *[insert date one month after the expiry of the bid validity]*, or in the event that our Bid is successful and we are awarded a contract we understand that this Bid and Performance Securing Declaration will expire six months after the completion of the delivery of goods.

Signed *[insert signature(s) of authorized representative]*

In the Capacity of *[insert title]*

Name *[insert printed or typed name]*

Duly authorized to sign the quotation for and on behalf of *[insert authorizing entity]* and affix Seal

Dated on *[insert day]* day of *[insert month]*, *[insert year]*

Bidders' Checklist

No.	Descriptions	Checkbox
1	<p>Understand the Bidding Document</p> <ul style="list-style-type: none"> - Thoroughly read, review and understand the bidding document - Know when and where the Bid Proposal is to be delivered - The bid proposal should be submitted in a sealed envelope 	<input type="checkbox"/> Yes <input type="checkbox"/> No
2	Complete and sign all forms requiring a signature and/or stamp	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The power of attorney of signatory of the quotation and/or attendee of the bid opening are attached showing the name of the person who signed and who will be attending the bid opening	<input type="checkbox"/> Yes <input type="checkbox"/> No
4	<p>Complete and sign the Bid Submission form and ensure that all information requirements have been fulfilled including:</p> <ul style="list-style-type: none"> - Bid price in figures and in words - Bid validity period - Date should be the date of bid opening day - Signature and/or stamp - Bid and Performance Securing Declaration 	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	<p>Photocopies of valid registration certificates including and supporting documents:</p> <ul style="list-style-type: none"> - Business License - Tax Payment Certificate - Evidences of the supplies of similar type of Goods and other documents required under Section 2 : bidder's information sheet of the bidding document 	<input type="checkbox"/> Yes <input type="checkbox"/> No
6	<p>Prepare Price and Delivery Schedule:</p> <ul style="list-style-type: none"> - Did you enter unit prices for all items as required by the bidding document? - Have you entered amounts for all the bid items? - Mention the warranty period 	<input type="checkbox"/> Yes <input type="checkbox"/> No
7	<p>Prepare Technical Specifications to be proposed</p> <ul style="list-style-type: none"> - Thoroughly read, review and understand the product, specifications, special provisions, general terms and conditions and confirm that he/she will comply with all requirements as provided - Complete statement of compliance with specifications requirement. 	<input type="checkbox"/> Yes <input type="checkbox"/> No

Annex 3.3.

Standard RFQ for Works

Shopping Method

Poverty Reduction Fund (PRF)

Province: _____

District: _____

Kumban: _____

Community/Village: _____

Date: _____

Request for Quotation

To: _____

1. Our community has received a grant from Second Poverty Reduction Fund Phase II Program. This grant is co-financing of an International Development Association (IDA) Grant and other Multi-Donor Trust Fund, and the Community intends to apply this grant to eligible payments under the contract of _____ under this Request for Quotation.. The quantity and description of all the works/services to be performed and the site & schedule are listed in Annex A: Priced Activity Schedule.
2. Our Community would like to invites your company to submit the **sealed** Quotation for the works as mentioned above. The construction period is _____ **days** from the date of contract signed.
3. The Quotations shall be delivered no later than 9:00 hours on ____/____/____ to address given below. Late quotations will be rejected and returned unopened to the bidders. All quotations will be opened at 9:00 hours on ____/____/____, at the address given below in the presence of the Community/Village Implementation Team, Community members and the bidders' representatives who choose to attend.
The address referred to above is:
Community/Village Office, District: _____, Province: _____.
4. Alternative Quotation will not be permitted.
5. A quotation shall be accompanied by a Quotation and Performance Securing Declaration in accordance with the Form 2; otherwise this quotation will be rejected by the Community as non-responsive.
6. The Community will award the Contract to the Bidder whose offer has been determined to be the lowest evaluated bid and is substantially responsive to the Request for Quotations.

Community Team

Signature: _____

Name: _____

Annex A. Priced Activity Schedule

No.	Description of works item (1)	Qty (2)	Unit (3)	Price/Unit (4)	Total Price for Item (5)
1					
2					
3					
4					
5					
6					
	Grand Total:				Kip

Note:

- i. Quotations will be evaluated by making correction for any arithmetic errors as follows:
 - (a) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
 - (b) where is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;

If a Bidder refuses to accept the correction, his quotation will be rejected and Quotation and Performance Securing Declarations executed.
- ii. Quoted Prices shall be inclusive of all costs such as materials, equipment, labor, transportation, profit, customs duties, and other taxes paid or payable if the contract is awarded. Prices shall remain fixed and not subject to price adjustment during the period of performance of the contract.
- iii. The unit rates quoted above will be used to determine the price for any additional scope or works as instructed and approved by the Community.

Name, Title and Signature of Bidder's Authorized representative-affix

Seal:.....Date:.....

Annex B. Technical Specifications and Drawings

A set of precise and clear Specifications is a prerequisite for bidders to respond realistically and competitively to the requirements of the Community without qualifying or conditioning their bids. These should be included here. The Specifications must be drafted to permit the widest possible competition and, at the same time, present a clear statement of the required standards of workmanship, materials, and performance of the goods and services to be procured. The Specifications should require that all goods and materials to be incorporated in the Works be new, unused, of the most recent or current models, and incorporate all recent improvements in design and materials unless provided otherwise in the Contract.

Samples of Specifications from previous similar projects in the same country are useful in to prepare Specifications. The use of metric units is encouraged. Most Specifications are normally written specially by the Employer or Project Manager to suit the Contract Works in hand.

Insert here a list of Drawings. The actual Drawings, including site plans, should be attached to this section or annexed in a separate folder.

Annex C. Quotation Form

Name and Logo of the Company
Address
Phone Number

Date: _____

To: [Name and address of the Community]

Having examined the Request for Quotation Document, the receipt of which is here by duly acknowledged, We, the undersigned, offer to the following quotation for (*the title of procurement* as specified in INVITATION FOR QUOTATION and IFQ *reference number*) in conformity with the said Request for Quotation Document in total Price:

- (Insert Value in figures) in Kip
- (Insert Value in words) in Kip

We undertake, if our Quotation is accepted, to complete the works in..... (weeks/months) from the date of receipt of your Purchase Order.

We are not participating as Bidders in more than one Quotation in this Quotation process. Our Quotation shall be valid fordays after the deadline for submission of Quotation.

We declare that we and any Subcontractors or Contractors for any part of the Contract have not been declared ineligible by the World Bank on charges of engaging in corrupt, fraudulent, collusive, coercive, or obstructive practices. We furthermore, pledge not to indulge such practices in the duration of the Contract.

We understand that your written Works Order shall constitute the acceptance of our Quotation and shall become a binding contract between us.

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

The following documents are attached with this quotation for your evaluation:

1. Form 1. Site Visit Certificate;
2. Form 2. Quotation and Performance Securing Declaration;
3. Original letter naming the person authorised to sign on the quotation behalf of the Bidder;
4. Legal document (copy of Business License, Tax payment Certificate).

Authorized Signature of Supplier and Stamp
Name and title of Signatory

Form 1. Site Visit Certificate

This is to certify that Mr/Ms. _____ (name of Bidder or his Representative) from _____ (name of Construction Firm) visited the site in connection with the Bid for the _____ (name of the Sub-project) located in Village: _____, Kumban: _____, District: _____, Province: _____ to examine the site and its surroundings and gather the necessary information required for preparing the bid documents.

This is to further certify that the Bidder has also visited the known source of aggregates and other indigenous construction materials and has inspected the labor force available in the area.

This certification is issued to support the Bidder's intent to bid the above mentioned Sub-project

Community Coordinator

Signature: _____

Name: _____

Form 2: QUOTATION AND PERFORMANCE SECURING DECLARATION

[If required, the Bidder shall fill in this form in accordance with the instructions indicated in brackets.]

Date: *[insert date]*

Name of contract: *[insert name]*

Contract Identification No: *[insert number]*

Request for Quotation No. and Date: *[insert number]*

To: _____

We, the undersigned, declare that:

- a) We understand that, according to your conditions, Quotation must be supported by a Quotation and Performance Securing Declaration.
- b) We accept that we shall be suspended from being eligible for bidding in any contract with the Community and the Government of Lao for the period of time of two (2) years starting on the date of the Community's execution of this Declaration, if we:
 - i) have withdrawn our Quotation during the period of bid validity specified by us in the Bid Submission Sheet; or
 - ii) do not accept the correction of errors in accordance with paragraph 7 of the Request for Quotation, or
 - iii) having been notified of the acceptance of our Quotation by the Community during the period of bid validity, fail or refuse to execute the Contract, or
 - iv) committed a fundamental breach of contract leading to the Community's termination of the contract for reasons of our default.
- c) We understand this Quotation and Performance Securing Declaration shall expire if we are not the successful bidder on *[insert date one month after the expiry of the bid validity]*, or in the event that our quotation is successful and we are awarded a contract we understand that this Quotation and Performance Securing Declaration will expire six months after the completion of the works.

Signed *[insert signature(s) of authorized representative]*

In the Capacity of *[insert title]*

Name *[insert printed or typed name]*

Duly authorized to sign the quotation for and on behalf of *[insert authorizing entity]* and affix Seal

Dated on *[insert day]* day of *[insert month]*, *[insert year]*

Form 3: Works Order

Works Order No: _____	Works Order Date: ____/____/201____
Sub-Project Name: _____ Sub- Project Code: _____ Contract Number: _____ Sub-Project location: Village: _____, Kumban: _____, District: _____, Province: _____	
To: <i>[name and address of the Contractor]</i>	<i>[Contact person, Telephone Number Fax Number e-mail address contractor reference]</i>
Total Amount: _____ LAK	Start Date: ____/____/201____ Completion date: ____/____/201____

We are pleased to accept your offer of the below works *[amend as appropriate]* as per the below detail and as per your attached quotation **for** the sum of USD and we agree that you perform the works and services *[amend as appropriate]* on the following conditions:

1	2	3	4	5	6
Item	Description	Unit	Quantity	Unit Price USD	Total Price USD
1					
2					
3					
4					
	Grand Total:				USD

1. Warranty/Guarantee period: 6 months *[amend as appropriate]*.
2. Warranty/Guarantee conditions: The works are in line with the Employer's specifications and drawings attached.

3. The attached Conditions of Contract for Civil Works apply to this contract.

In acceptance of this Works Order you are requested to sign and stamp below, at which time the Contract shall become legally binding upon both parties and you are also requested to sign this Works Order and Return it to Community within a period of 15 days from the date of issue of this Works Order.

For Community Coordinator:

Signature: _____

Print Name: _____

Title in the presence of Name: _____

For Supplier:

Signature: _____

Print Name: _____

Title in the presence of Name: _____

Conditions of Contract

1. The following documents forming the contract shall be interpreted in the following order of priority:
 - (a) The signed Works Order;
 - (b) The conditions of the contract;
 - (c) Price Activity Schedule;
 - (d) Technical Specification of the Goods Required;
 - (e) Drawings; and
 - (f) Quotation and Performance Securing Declaration
2. This Contract shall be amended only by written agreement between the Community and the Contractor.
3. Price adjustment and variation: the contract price shall not apply for adjustment and variation.
4. The Contractor shall not sub-contract more than 30% of the whole of the works. The Contractor shall not, without the written consent of the Community, sub-contract any part of the Works. In the event the Community approves the sub-contracting; such consent shall not relieve the Contractor of his obligations under the Contract.
5. The Contractor shall start the Contract and implementation of the Works on the start date specified in the Works Order and shall complete the whole of the works not later than the number of calendar days stated in the Works Order. If implementation of the Contract is delayed due to any circumstances or event, which could not have been foreseen by the contractor, the Contractor must inform the Community immediately about the delay. If the Community considers that an extension of time for the Contract is justified, the Contractor must submit an amended Activity Schedule and Work Plan for the approval of the Community.
6. If, 15 days after the Works Start Date, the Contractor has not started to implement the contract, the Community has the right to cancel the contract. If, at any time, implementation of any part of the Works is delayed by more than 100 calendar days beyond the dates shown in the Work Plan, the Community has the right to cancel the contract.
7. The Community has the right to reduce the payment to the Contractor by 0.1% of the total price of the contract for every day of delay after the Works Completion Date or as extended by the Community in accordance with Paragraph 5 above , until the work is complete. The reduction is up to a maximum of 10%, after which the Employer may terminate the contract.
8. If Force Majeure makes completion of the contract impossible, the Contractor may ask the Community to release him from the Contract. The Contractor may request payment for that part of the works that is complete and intact at the time the request for release is made.
9. If the Contract is cancelled because of the fault of the Contractor, the Community has the right to take over the Works and complete them by any other method. No payment will be made to the Contractor until the Works have been completed. Payment to the Contractor will be limited to the difference between the Contract price and the cost to the Community for completing the part of the works that was not implemented by the Contractor.
10. Payment Provisions: When the Contractor wishes to apply for payment he must submit a written Request for Payment to the Community. The Community Coordinator will then verify the quantity of work completed and will check that the quality of the materials used and the quality of the Contractor's workmanship is in line with the Contract. The Community will also check that the construction is following the Specifications and Drawings and any instructions given by the Community to the Contractor.

The Community will pay to the Contractor in Lao Kip by transfer to the account of the Contractor as follows:

- i. **The first payment (Advance Payment)** of 40% equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Contractor's account after the Community certified that the Contractor has mobilized to site for commencement of the construction works and the Contractor has completed at least ____ % of the works. .
- ii. **The second payment** of 50% equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Contractor's account after the Community certified that the Contractor has completed at least 100% of the works.
- iii. **The third payment** of 10% equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Contractor's account after the Community certified that the Contractor has repaired all defected works before the end of the Warranty/Guarantee period specified in the Works Order.

The Community will pay the Contractor within 1 month after the date of receipt of the Request for Payment. If any payment is delayed for more than 1 calendar month after the date of receipt of the Request for Payment, the Community will pay interest to the Contractor at the rate of 2% of the amount of the payment for the first month and for each subsequent full calendar month during which payments are delayed. In addition, the number of calendar days during which the payment is delayed will automatically be added on to the time for completion of the project.

11. The Contractor agrees to ensure that the work is carried out in a safe manner and with the minimum disturbance to people living close to or passing by the site, or damage to the environment. The Community must approve the place of disposing of excavated earth, dirty water or other waste materials before disposal starts.
12. On completion of the works the contractor shall be responsible for removing all plant, surplus materials and wastes from the site and for restoring the site to a clean and tidy condition.
13. The Community may instruct the Contractor to dig inspection holes in completed sections of the work in order to allow inspection. The Contractor will cooperate with the Community and allow the Community to use the Contractor's staff and equipment as necessary to carry out inspections of the work. All additional works undertaken on the instructions of the Community for the purposes of inspection will be reimbursed at the rates shown in the Activity Schedule provided that such works inspected do not prove defective. Should the works prove defective all costs of inspection will be borne by the Contractor.
14. Settlement of disputes:

If any dispute arises between the two parties, relating to any aspects of this Agreement, the parties shall first attempt to settle the dispute through mutual and amicable consultation.

In the event of agreement not being reached, the matter will be settled in accordance with the laws of Lao PDR.

Bidders' Checklist

No.	Descriptions	Checkbox
1	Understand the Request for Quotation <ul style="list-style-type: none"> - Thoroughly read, review and understand this RFQ - Know when and where our Quotation is to be delivered - The quotation shall be submitted in a sealed envelope 	<input type="checkbox"/> Yes <input type="checkbox"/> No
2	Complete and sign all forms requiring a signature and/or stamp	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The power of attorney of signatory of the quotation and/or attendee of the bid opening are attached showing the name of the person who signed and who will be attending the bid opening	<input type="checkbox"/> Yes <input type="checkbox"/> No
4	Complete and sign the Quotation form and ensure that all information requirements have been fulfilled including: <ul style="list-style-type: none"> - Quotation price in figures and in words - Quotation validity period - Date should be the date of quotation opening day - Signature and/or stamp - Quotation and Performance Securing Declaration 	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Photocopies of valid registration certificates including: <ul style="list-style-type: none"> - Business License - Tax Payment Certificate 	<input type="checkbox"/> Yes <input type="checkbox"/> No
6	Schedule of Items and Priced Quotation: <ul style="list-style-type: none"> - Did you enter prices for all items as required? 	<input type="checkbox"/> Yes <input type="checkbox"/> No

Annex 3.4.

Standard Bidding Document for Works

Local Bidding Method

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Poverty Reduction Fund (PRF)

Province: _____

District: _____

Kumban: _____

Community/Village: _____

Date: _____

Invitation for Bids

To: _____

1. Our community has received a grant from Second Poverty Reduction Fund Phase II Program. This grant is co-financing of an International Development Association (IDA) Grant and other Multi-Donor Trust Fund, and the Community intends to apply this grant to eligible payments under the contract of _____ under this Invitation for Bids. The quantity and description of all the works/services to be performed and the site & schedule are listed in Section 5: Priced Activity Schedule. The construction period is _____ days from the date of contract signed.
2. Our Community would like to interested qualified eligible bidders to submit the sealed Bids for the works as mentioned above. A bidder can obtain a copy of the bidding documents free-of-charge from the address given in paragraph 6 below. There shall be no condition for obtaining the bidding documents. To be considered eligible and qualified, a bidder must meet all requirements specified in paragraph 2 of the Instructions to Bidders.
3. The Bids shall be delivered no later than 9:00 hours on ____/____/____ to address given below. Late Bids will be rejected and returned unopened to the bidders. All Bids will be opened at 9:00 hours on ____/____/____, at the address given below in the presence of the Community/Village Implementation Team, Community members and the bidders' representatives who choose to attend.
The address referred to above is: _____ Community/Village Office, District: _____, Province: _____.
4. Each bid shall be accompanied by a Bid and Performance Securing Declaration in according with the form included in the bidding documents.
5. The Community will award the Contract to the Bidder whose offer has been determined to be the lowest evaluated bid and is substantially responsive to the requirements of the bidding documents.
6. The address where the bidding documents may be inspected and obtained is:.....

Community Team

Signature: _____

Name: _____

Section 1: Instruction to Bidders

1. **Description of Works:** The Community under Poverty Reduction Fund Program invites bids for the construction of _____. The successful Bidder will be expected to construct the works within the time specified in paragraph 7 of the Conditions of Contract.

2. Eligibility and Qualification of Bidders:

Eligible criteria for bidders and goods are provided in the Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers date January 2011 and other specific version applicable to each project.

Only bidders that meeting the following criteria will be considered qualified to execute the contract.

- (a) Have completed at least two contracts of a similar nature in the last 3 years and each contract is at least 75% of the bid price.
- (b) Have cumulative construction turnover in the last two years equal to at least 1.5 times the value of the bid price.
- (c) The proposed works manager must have at least 2 years of experience in the supervision of works of an equivalent nature and size.

In the above connection, the bidder shall provide supporting documents specified in Section 2: Bidder Information Sheet.

3. **Content of the bidding documents:** the set of bidding documents comprises the documents listed below:

Invitation for Bids,

Section 1: Instruction to Bidders,

Section 2: Bidder Information Sheet,

Section 3: Conditions of Contract,

Section 4: Bid Form,

Section 5: Activity Schedule ,

Section 6: Technical Specifications and Work Schedule,

Section 7: Drawings,

Form 1: Notification of Award,

Form 2: Contract Agreement,

Form 3: Site Visit Certificate,

Form 4: Bid and Performance Securing Declaration

Form 5: Bidder's checklist.

4. **Documents comprising the Bid:** Bid submitted by the Bidders shall comprise the following documents:

- (a). Bid Form,
- (b). Priced Activity Schedule,
- (c). Technical Specifications and Work Schedule,

- (d). Bidder Information Sheet,
 - (e). Site visit certificate certified by the Community Coordinator or any authorized person, and
 - (f). Bid and Performance Securing Declaration.
5. **Validity of Bid:** All Bids shall remain valid for the period of **90 days** after the deadline for submission of bids as specified in the paragraph 12 of the Instruction to the Bidder.
6. **Bid and Performance Securing Declaration:** The Bid and Performance Securing Declaration should be in accordance with Form 4 included in the bidding documents. Any Bid not accompanied by a Bid and Performance Securing Declaration will be rejected by the Community as non-responsive bid. The execution of a bid and performance securing declaration will result in the Bidder being held ineligible for all contracts let by the government of Lao for a period of two years from the expiry of the Bid Validity. The Bid Securing and Performance Declaration will be executed:
- (a) if a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Bid Form or
 - (b) if the Bidder does not accept the correction of its Bid Price pursuant to Paragraph 14 of these Instructions.
 - (c) if the successful Bidder fails within the specified time to sign the Contract:
 - (d) if the successful bidder, once contracted commits a fundamental breach of contract

The Bid and Performance Securing Declaration will expire: (a) if a bidder is not the successful bidder, and (b) six months after the winning bidder completed the complete the construction.

7. **Preparation and Sealing of bid:** The Bidder shall prepare one original of the documents comprising the bid as described in paragraph 4 of these instructions and marked “Original”. In addition, the Bidder shall also submit (.....Insert number) Copies. In the event of any discrepancy between the original and the copies, the original shall prevail. The bid shall be included in a sealed envelope.

The original and each copy of the bid shall be signed by a duly authorised person on behalf of the Bidder. The name and position held by the authorised person must be indicated below his/her signature.

Any interlineations, erasures, or overwriting shall be valid only if they are signed or initialled by the person(s) signing the bid. Each Bidder shall submit only one bid.

8. **Currency of Quotation:** All prices shall be quoted in Lao Kip.

9. **Bid Price:**

- a) The Contract shall be for the whole works as described in drawings and technical specifications. Corrections, if any, shall be made by crossing out, initialing, dating, and rewriting.
- b) All duties, taxes and other levies payable by the Contractor under the Contract shall be included in the total price.
- c) The rates quoted by the Bidder shall be fixed for the duration of the Contract and shall not be subject to adjustment on any account.

10. **Site Visit:** Conducting a site visit before submission of bid is compulsory. This will enable the Contractors to examine the work site and its surroundings and obtain all relevant information that may be necessary in preparing the bid and offering a good bid price. After the site inspection, the Contractor(s) shall request the Community Coordinator to certify a certificate of site inspection form. The Bidder is to visit the site of works at his own expense.
11. **Modification and withdrawal of Bids:** The Bidder may withdraw his bid after submission, provided that written notice of the withdrawal is received by the Community Implementation Team prior to the deadline for submission. No Bids shall be modified after the deadline for submission of bids specified below in paragraph 12 of these instructions. Withdrawal of a Bid between the deadline for submission of bid and expiration of the validity may result in the forfeit of the Bid and Performance Securing Declaration.
12. **Place and deadline of submission of Bids:** The Bids shall be delivered no later than the time and date and the address specified in paragraph 3 of the Invitation for Bids. Any Quotation received after the deadline prescribed in this paragraph will be rejected and returned unopened to the Bidder.
13. **Opening of Bids:**

Bids will be opened at the time and date and the address specified in paragraph 3 of the Invitation for Bids in the presence of the Community Implementation Team and the bidders' representatives who choose to attend. The bidder name, bid modification or withdrawals, bid price, discounts, Bid and Performance Securing Declaration will announce at the opening. The Community Implementation Team shall provide to all attendees with written minutes of the bid opening. No bid shall be rejected at the bid Opening, except for late bids.
14. **Evaluation and Comparison of Bid:** The Community will award the contract to the Bidder whose bid has determined to be substantially responsive to the bidding Document and who has offered the lowest evaluated price. In evaluating the bid, the Community Implementation Team will evaluate each bid by marking any correction for any arithmetic errors as follows:
 - (a). Where there is a discrepancy between amount in figures and in words, the amount in word will govern;
 - (b). Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern.

If a Bidder refuses to accept the correction, his Bid will be rejected and Bid and Performance Securing Declaration executed.

15. **Confidential:** After the opening of Quotations, information relating to the examination, clarification, and evaluation of bids and recommendations for award shall not be disclosed to Bidders or other persons not officially concerned with the evaluation process until after the award of the Contract is announced.
16. **Award of Contract:**

The Community will award the contract to the Bidder whose Bid has been determined to be substantially responsive and who has offered the lowest evaluated Bid price and who meets the specified qualification criteria. The Bidder whose Bid is accepted will be notified of the award of contract by the Community prior to expiration of the Bid validity period. The Community shall publish the following information on contract award, (a) name of each bidder who submitted a bid; (b) bid prices as read out at bid opening; (c) name and evaluated price of each bid that was evaluated; (d) name of bidders whose bid were rejected and the reasons for rejection; (e) name of the winning bidder, contract price, explanation if it is different than the bid price as well as the duration and summary scope of the contract awarded.

17. **Advising unsuccessful Bidders:** Upon signing the Contract, the Community shall notify all other Bidders that their bids have been unsuccessful. A Bidder has the right to request a debriefing to ascertain why its bid was unsuccessful and the Community has the obligation to provide it. No commercial confidential will be breached and no detailed information concerning other bids will be disclosed other than the information already read out at bid opening and the reasons for rejection of this bidder's bid.
18. **Community right:** The Community reserves the right to accept or reject any bid, and to cancel the process of the competition and reject all bids, at any time prior to the award of the contract, without thereby incurring any liability to affected Bidders or any obligation to inform the affected **Bidders of grounds for the** Community's decision.
19. **Complaints:** Any Bidder has the right to complain, if it has suffered or may suffer loss or damage due to a breach of a duty imposed on the Community by the Decree 03 and IRR 063.

The Complaint shall firstly be processed through an administrative review following the procedures set in IRR 063. The place and address for the first step in the submission of complaints to the Community and a copy to PrMO, Ministry of Finance.

If not satisfied with the outcome of the administrative review, the Bidder may complaint to court pursuant to IRR 063.

Section 2: Bidder's Information Sheet

1. For Bidders

- Principal place of business.
- Power of attorney of signatory of Bid.
- Attach copy of the Business license and tax payment certificate

2. Cumulative construction turnover in the last two years (20__ and 20__) equal to at least 1.5 times the value of the bid price. Enclose contract evidence.

3. Have completed at least two contracts of a similar nature in the last 3 years (20__ and 20__) and each contract is at least 75% of the bid price.

Project Name	Name of Employer	Description of work	Value of contract (Kips)	Stipulated period of completion	Actual date of completion	Remarks explaining reasons for delay and work completed (if any)

4. Qualification and Experience of works manager must have at least 2 years of experience in the supervision of works of an equivalent nature and size. (Attach biographical Data).

Position	Name	Year of Experience (general)	Experience in Similar Work

Section 3: Conditions of Contract

1. The following documents forming the contract shall be interpreted in the following order of priority:
 - (a). The signed Contract Agreement;
 - (b). Conditions of Contract;
 - (c). Notification of Award;
 - (d). The signed bid form submitted by the Bidder;
 - (e). The priced activity schedule submitted by the Bidder;
 - (f). Technical Specifications and Works Schedule; and
 - (g). Drawings.
 - (h). Bid and Performance Securing Declaration.
2. The Community has approved the Work Schedule submitted by the Contractor, including the works Starting date and the Works Completion date.
3. The Contract shall be amended only by written agreement between the Community and Contractor.
4. Price adjustment and variation: the contract price shall not apply for adjustment and variation.
5. The Contractor shall not sub-contract more than 30% of the whole of the works. The Contractor shall not, without the written consent of the Community, sub-contract any part of the Works. In the event the Community approves the sub-contracting; such consent shall not relieve the Contractor of his obligations under the Contract.
6. The Contractor shall start the Contract and implementation of the Works on the start date specified in the contract agreement and shall complete the whole of the works not later than the number of calendar days stated in the contract agreement. If implementation of the Contract is delayed due to any circumstances or event, which could not have been foreseen by the contractor, the Contractor must inform the Community immediately about the delay. If the Community considers that an extension of time for the Contract is justified, the Contractor must submit an amended Activity Schedule and Work Plan for the approval of the Community.
7. If, 15 days after the Works Start Date, the Contractor has not started to implement the contract, the Community has the right to cancel the contract. If, at any time, implementation of any part of the Works is delayed by more than 100 calendar days beyond the dates shown in the Work Plan, the Community has the right to cancel the contract.
8. The Community has the right to reduce the payment to the Contractor by 0.1% of the total price of the contract for every day of delay after the Works Completion Date or as extended by the Community in accordance with Paragraph 5 above , until the work is complete. The reduction is up to a maximum of 10%, after which the Employer may terminate the contract.
9. If Force Majeure makes completion of the contract impossible, the Contractor may ask the Community to release him from the Contract. The Contractor may request payment for that part of the works that is complete and intact at the time the request for release is made.
10. If the Contract is cancelled because of the fault of the Contractor, the Community has the right to take over the Works and complete them by any other method. No payment will be made to the Contractor until the Works have been completed. Payment to the Contractor will be limited to the difference between the Contract price and the cost to the Community for completing the part of the works that was not implemented by the Contractor.

11. Payment Provisions: When the Contractor wishes to apply for payment he must submit a written Request for Payment to the Community. The Community Coordinator will then verify the quantity of work completed and will check that the quality of the materials used and the quality of the Contractor's workmanship is in line with the Contract. The Community will also check that the construction is following the Specifications and Drawings and any instructions given by the Community to the Contractor.

The Community will pay to the Contractor in Lao Kip by transfer to the account of the Contractor as follows:

- i. **The first payment (Advance Payment)** of 40% equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Contractor's account after the Community certified that the Contractor has mobilized to site for commencement of the construction works the Contractor has completed at least ____ % of the works.
- ii. **The second payment** of 50% equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Contractor's account after the Community certified that the Contractor has completed 100% of the works.
- iii. **The third payment** of 10 % equivalent to an amount of _____ LAK (in words _____) shall be transferred to the Contractor's account after the Community certified that the Contractor has repaired all defected works before the end of the Defects Liability Period.

The Community will pay the Contractor within 1 month after the date of receipt of the Request for Payment. If any payment is delayed for more than 1 calendar month after the date of receipt of the Request for Payment, the Community will pay interest to the Contractor at the rate of 2% of the amount of the payment for the first month and for each subsequent full calendar month during which payments are delayed. In addition, the number of calendar days during which the payment is delayed will automatically be added on to the time for completion of the project.

12. The Contractor agrees to ensure that the work is carried out in a safe manner and with the minimum disturbance to people living close to or passing by the site, or damage to the environment. The Community must approve the place of disposing of excavated earth, dirty water or other waste materials before disposal starts.
13. On completion of the works the contractor shall be responsible for removing all plant, surplus materials and wastes from the site and for restoring the site to a clean and tidy condition.
14. The Community may instruct the Contractor to dig inspection holes in completed sections of the work in order to allow inspection. The Contractor will cooperate with the Community and allow the Community to use the Contractor's staff and equipment as necessary to carry out inspections of the work. All additional works undertaken on the instructions of the Community for the purposes of inspection will be reimbursed at the rates shown in the Activity Schedule provided that such works inspected do not prove defective. Should the works prove defective all costs of inspection will be borne by the Contractor.

15. Defects Liability Period

- 15.1. Upon work completion, the Contractor shall issue notice in writing to the Community , to inspect and handover the work temporarily.
- 15.2. After certificate of completion, the Contractor shall be liable for correcting the defects within six (insert number.....if any different period) months. In this period, every time a notice of a defect is given by the Community coordinator or any authorized community representative, the Contractor shall correct the notified defect within the length of time specified in the notice and before the expiry of the Defects Liability Period.
- 15.3. The Community shall inspect all corrected defects and certify the successful completion of correction.

- 15.4. If the Contractor has not corrected a defect within the time specified in the Community's Notice, the Community will correct it using a third party and the Contractor shall pay for this amount.
16. Dispute Settlement: If over the works, any dispute arises between the two parties, relating to any aspects of this Agreement, the parties shall first attempt to settle the dispute through mutual and amicable consultation.

In the event of agreement not being reached, the matter will be settled in accordance with the laws of Lao PDR.

Section 4: Bid Submission Form

Logo of the Company

Address

Invitation for bids No. _____, date _____

Contract No. _____

Date: _____

To: *[Name and address of the Contractor]*

Having examined the Bidding Documents, the receipt of which is here by duly acknowledged, We, the undersigned, offer to execute the (Name of Work) in conformity with the contract agreement in total Price:

- (Insert value in figures) Kip
- (Insert value in words) Kip

We are not participating as Bidders in more than one Bid in this Bidding process. Our bid shall be valid for the period stated in the Instruction to the Bidder paragraph 5 or (Number of Days and it shall remain binding upon us and may be accepted at any time before the expiration of that period)

We declare that ourselves and any Subcontractors or Contractors for any part of the Contract have not been declared ineligible by the World Bank on charges of engaging in corrupt, fraudulent, collusive, coercive or obstructive practices. We furthermore, pledge not to indulge such practices in the duration of the Contract.

We understand that your written Notice of Award shall constitute the acceptance of our bid and shall become a binding contract between us, until a formal contract is prepared and executed.

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

Signature of Supplier and Stamp
Name of Supplier

Section 5: Priced Activity Schedule

Logo of the Company

Address

Date: _____

Contract No. _____

Project Location: _____

Item No.	Description of Works	Quantity	Unit Price	Total
			Tax:	
			Grand Total:	

(Insert value in words) Kip

Quotation must be valid for: _____ days

Note:

- i. Quoted Prices shall be inclusive of all costs such as materials, equipment, labor, transportation, profit, customs duties, and other taxes paid or payable if the contract is awarded. Prices shall remain fixed and not subject to price adjustment during the period of performance of the contract.
- ii. The unit rates quoted above will be used to determine the price for any additional scope or works as instructed and approved by the Community.

Signature and stamp of the Bidder

Section 6: Technical Specifications, Work Plan and the environmental and social safeguards guidance for the Contractor

A. Technical Specification

A set of precise and clear specifications is a prerequisite for Bidders to respond realistically and competitively to the requirements of the Employer without introducing deviations or conditionalities in their Bids. In the context of national competitive bidding, the specifications shall be drafted to permit the widest possible competition and, at the same time, present a clear statement of the required standards of workmanship, materials, and performance of the works to be procured. Only if this is done, the objectives of the procurement will be fulfilled as a result of economy, efficiency and fairness in procurement be realized, responsiveness of Bids is ensured, and the subsequent task of Bid evaluation facilitated. The specifications should require that all goods and materials to be incorporated in the Works be new, unused, of the most recent or current models, and incorporate all recent improvements in design and materials, unless provided otherwise in the Contract.

Samples of specifications from previous similar projects are useful in this respect. Most specifications are normally written specially by the Employer or Engineer to suit the Contract Works in hand. There is no standard set of Specifications for universal application in all sectors, but there are established principles and practices, which are reflected in these documents.

There are considerable advantages in standardizing General Specifications for repetitive Works in recognized public sectors, such as highways, ports, railways, urban housing, irrigation, and water supply, where similar conditions prevail. The General Specifications should cover all classes of workmanship, materials, and equipment commonly used in construction, although not necessarily to be used in a particular Works Contract. Deletions or amendment should then adapt the General Specifications to the particular Works. Such General Specifications are those issued by the specialised ministries/professional bodies in Lao PDR and/or those of the International Standards Organisation (ISO).

These notes for preparing Specifications are intended only as information for the Project Owner or the person drafting the Bid document. They should not be included in the final documents.

B. Work Schedule

The contractor shall provide their work schedule in according with completion time specified in the contract agreement.

C. The environmental and social safeguards guidance for the Contractor

Section 7: Drawings

Form 1: Notification of Award

Contract No:

Date: _____

To: *[enter name of Contractor]*

This is to notify you that your Bid dated *[insert date]* for the execution of the Works for *[name of project/Contract]* for the Contract Price of Kip *[amount in figures and words]*, as corrected and modified in accordance with the Instructions to Bidders is hereby accepted by *[name of the Community]*.

You are requested to proceed with the execution of the Works on the basis that this Notification of Award shall constitute the formation of a Contract.

We attach the Contract Agreement and Conditions of Contract for your perusal and signature. Please return the signed Contract Agreement and Conditions of Contract to the Community within 15 days after the date of this notification of contract award.

Signature(s)

Duly authorised to sign for and on behalf of
Community

Form 2: Contract

THIS AGREEMENT made the [day] day of [month] [year] between [name and address of the Community] (hereinafter called “the Community”) of the one part and [name and address of Contractor] (hereinafter called “the Contractor”) of the other part:

WHEREAS the Community is desirous that the Contractor execute [name and identification No. of Contract] (hereinafter called “the Works”) and has accepted a bid by the Contractor for the execution and completion of such Works and the remedying of any defects therein in the sum of Kip [Contract Price in figures and in words] (hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. The documents forming the Contract shall be interpreted in the following order of priority:
 - (a) the signed Contract Agreement;
 - (b) the Conditions of Contract;
 - (c) the letter of Notification of Award ;
 - (d) the Signed Bid Form submitted by the Bidder;
 - (e) the priced Activity Schedule submitted by the Bidder;
 - (f) the Technical Special Specifications and Work schedule;
 - (g) the Drawings.
 - (h) Bid and Performance Securing Declaration.
2. In consideration of the payments to be made by the Community to the Contractor as hereinafter mentioned, the Contractor hereby covenants with the Community to execute and complete the works and to remedy any defects therein in conformity in all respects with the provisions of the Contract.
3. The Community hereby covenants to pay the Contractor in consideration of the execution and completion of the works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.
4. Completion time: The works should be completed in ____ days from the date of this Agreement to____/____/_____. In exceptional circumstances, the time period stated in this clause may be extended in writing by mutual consent of both parties.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Lao PDR on the day, month and year first written above.

For the Contractor:

Title In the presence of Name: _____

Signature: _____

Print Name: _____

Witnesses:

1. Representative of _____

Name and signature: _____

2. Representative of _____

Name and signature: _____

For Kumban Team Representatives:

1. Title: _____

Name and signature: _____

2. Title: _____

Name and signature: _____

3. Title: _____

Name and signature: _____

4. Title: _____

Name and signature: _____

Form 3: Site Visit Certificate

This is to certify that Mr/Ms. _____ (name of Bidder or his Representative) from _____ (name of Construction Firm) visited the site in connection with the Bid for the _____ (name of the Sub-project) located in Village: _____, Kumban: _____, District: _____, Province: _____ to examine the site and its surroundings and gather the necessary information required for preparing the bid documents.

This is to further certify that the Bidder has also visited the known source of aggregates and other indigenous construction materials and has inspected the labor force available in the area.

This certification is issued to support the Bidder's intent to bid the above mentioned Sub-project

Community Coordinator

Signature: _____

Name: _____

Form 4: Bid AND PERFORMANCE SECURING DECLARATION

[If required, the Bidder shall fill in this form in accordance with the instructions indicated in brackets.]

Date: *[insert date]*

Name of contract: *[insert name]*

Contract Identification No: *[insert number]*

Invitation for Bid No. and Date: *[insert number]*

To: _____

We, the undersigned, declare that:

- a) We understand that, according to your conditions, Bid must be supported by a Bid and Performance Securing Declaration.
- b) We accept that we shall be suspended from being eligible for bidding in any contract with the Community and the Government of Lao for the period of time of two (2) years starting on the date of the Community's execution of this Declaration, if we:
 - i) have withdrawn our Bid during the period of bid validity specified by us in the Bid Submission Sheet; or
 - ii) do not accept the correction of errors in accordance with paragraph 14 of the Instruction to Bidders, or
 - iii) having been notified of the acceptance of our Bid by the Community during the period of bid validity, fail or refuse to execute the Contract, or
 - iv) committed a fundamental breach of contract leading to the Community's termination of the contract for reasons of our default.
- c) We understand this Bid and Performance Securing Declaration shall expire if we are not the successful bidder on *[insert date one month after the expiry of the bid validity]*, or in the event that our Bid is successful and we are awarded a contract we understand that this Bid and Performance Securing Declaration will expire six months after the completion of the construction.

Signed *[insert signature(s) of authorized representative]*

In the Capacity of *[insert title]*

Name *[insert printed or typed name]*

Duly authorized to sign the quotation for and on behalf of *[insert authorizing entity]* and affix Seal

Dated on *[insert day]* day of *[insert month]*, *[insert year]*

Form 5: Checklist

This checklist is provided for the Bidder's convenience in preparing the bidding documents to be submitted to the Community. This can be very useful for the Bidders to avoid forgetting any required information from their bids.

No.	Descriptions	Checkbox
1	Understand the Bidding document <ul style="list-style-type: none"> - Thoroughly read, review and understand this bidding document - Know when and where the Bid Proposal is to be delivered - The bid proposal should be submitted in a sealed envelope 	<input type="checkbox"/> Yes <input type="checkbox"/> No
2	Complete and sign all forms requiring a signature	<input type="checkbox"/> Yes <input type="checkbox"/> No
3	The power of attorney of signatory of the bid and/or attendee of the bid opening are attached showing the name of the person who signed and who will be attending the bid opening	<input type="checkbox"/> Yes <input type="checkbox"/> No
4	Complete and sign the Bid Submission form and ensure that all information requirements have been fulfilled including: <ul style="list-style-type: none"> - Bid price in figures and in words - Bid validity period - Date should be the date of bid opening day - Signature - Bid Security and Performance Securing Declaration 	<input type="checkbox"/> Yes <input type="checkbox"/> No
5	Complete forms with all necessary information filled in where necessary as specified in the section 2 "Bidder's Information Sheet" of the BD	<input type="checkbox"/> Yes <input type="checkbox"/> No
6	Photocopies of valid registration certificates including: <ul style="list-style-type: none"> - Business License - Tax Payment Certificate 	<input type="checkbox"/> Yes <input type="checkbox"/> No
7	The original certificate of site inspection duly signed by Community Coordinator or any authorized community representative is enclosed	<input type="checkbox"/> Yes <input type="checkbox"/> No
8	Information on technical documents to be enclosed including: <ul style="list-style-type: none"> - Number of years of overall experience - Photocopies of contract of similar works undertaken in the past - Details about expectations for key staff in terms of their background and qualifications related to this project, physical presence in your jurisdiction, their current availability, and time to be spent on the project 	<input type="checkbox"/> Yes <input type="checkbox"/> No
9	Prepare Bill of Quantity: <ul style="list-style-type: none"> - Did you enter unit prices for all items as required by the bidding document? - Have you entered amounts for all the bid items? 	<input type="checkbox"/> Yes <input type="checkbox"/> No

10	Prepare Work Plan to be enclosed in the bid proposal	<input type="checkbox"/> Yes <input type="checkbox"/> No
11	Prepare sealed envelopes of: <ul style="list-style-type: none"> - One set of original documents marked “Original” and required number of photocopy of the complete set of original documents. Mark the photocopy set “Copy.” and place in a sealed envelope - Make sure the envelope is clearly labeled with the name, address and location of the sub-project. 	<input type="checkbox"/> Yes <input type="checkbox"/> No

Annex 4.1.

Sub-Project Minutes of Bids/Quotations Opening Form

Lao People's Democratic Republic
Pace Independence Democracy Unity Prosperity
----- 000 -----

Minutes of Bids/Quotations Opening

Project Name: _____

Project Code: _____, Contract No.: _____

Project Location: Village _____, Kumban _____, District _____, Province _____

- Reference is made to the invitation for bids / request for quotation no. _____, dated ____/____/____

The bid opening was publicly opened on ____/____/____, at _____ hours, at the _____
District: _____, Province: _____. The followings are the results of the bid opening:

No.	Verification for completeness of all items	Bidder's Name		
		Company A	Company B	Company C
1	Bid and Performance Securing Declaration			
	Expiry date			
	Original document			
2	Bid/Quotation Submission Form (in prescribed form)			
3	Bidder's information Sheet			
4	Authorization Letter			
5	Business License			
6	Certification of Tax Payment			
7	Site Visit Certificate (for civil works only):			
8	Read Out Bid Prices (LAK):			
Bidder's Signature				

Signature, Name, and Designation of Recorder: _____

Community Implementation Team

1. Title: _____, Name and signature: _____

2. Title: _____, Name and signature: _____

3. Title: _____, Name and signature: _____

4. Title: _____, Name and signature: _____

List of participants (including the Community/Village Implementation Team or Kumban Team, members of beneficiary community, and representatives of bidders) in

the Bids/Quotations Opening Ceremony

(Registration Sheet)

Project Name: _____

Project Code: _____, Contract No.: _____

Project Location: Village _____, Kumban _____, District _____, Province _____

Bid Opening Date: ____/____/_____, Time: _____ hours

Organized at _____, District: _____, Province: _____

No.	Name	Designation	Department	Signature
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				

List of Bidders who submitted bids

(Registration Sheet)

Project Name: _____

Project Code: _____, Contract No.: _____

Project Location: Village _____, Kumban _____, District _____, Province _____

Bid Opening Date: ____/____/_____, Time: _____ hours

Organized at _____, District: _____, Province: _____

No.	Name of Company/Shop	Address	Representative Name	Designation	Phone	Signature
1						
2						
3						
4						
5						

List of Bidders who received BD or RFQ

(Registration Sheet)

Project Name: _____

Project Code: _____, Contract No.: _____

Project Location: Village _____, Kumban _____, District _____, Province _____

Bid Opening Date: ____/____/_____, Time: _____ hours

Organized at _____, District: _____, Province: _____

No.	Name of Company/Shop	Address	Representative Name	Designation	Phone	Date	Signature
1							
2							
3							
4							
5							

Annex 4.2.

Sub-Project Bid Evaluation Report Form

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity



POVERTY REDUCTION FUND
(PRF)
BID EVALUATION REPORT

1. **Project Name:** _____
2. **Fund:** IDA Grant No. H685-LA
3. **Project Code:** _____
4. **Contract Number:** _____
5. **Project Location:**
Village: _____, Kumban: _____, District: _____, Province: _____
6. **Cost Estimate:** _____
7. **Method of Procurement:** ____ Local bidding, ____ Shopping
8. **Review Required:** ____ Prior, ____ Post, . **If Prior, Date of Bank's NOL:** ____/____/____
9. **Bid Opening Date:** ____/____/____

Community Implementation Team

5. Title: _____, Name and signature: _____
6. Title: _____, Name and signature: _____
7. Title: _____, Name and signature: _____
8. Title: _____, Name and signature: _____

TABLE 1. BIDDING PROCESS

1.1. BD / RFQ Preparation. - Issued date: ____/____/____
1.2. Specific procurement notice. 1. Community/Kumban Information Board: - Start date: ____/____/____ 2. District radio announcement: - Date: _____ 3. Provincial radio announcement: - Date: _____ 4. Television: - Date: _____ 5. Newspaper. - Name of national newspaper: _____ - Issue date: _____
1.3. Number of firms issued bidding documents or invited for quotations/bids: _____
1.4. Amendments to documents: Yes _____, No _____ - list all issue dates: _____
1.5. Pre-bid conference: Yes _____, No _____ - Date of conference: ____/____/____

TABLE 2. BID SUBMISSION AND OPENING

2.1. Bids/quotation submission deadline. - Original date: ____/____/____, Time: _____ hours - Extensions, if any, Date: ____/____/____, Time: _____ hours
2.2. Bids/quotation opening date: ____/____/____, Time: _____ hours
2.3. Number of bids/quotation received: _____
2.4. Bid validity period. - Originally specified: _____ days - Extensions (if any): _____ days

TABLE 3. PRELIMINARY EXAMINATION

No.	Bidders	Verification for completeness of all items	Eligibility	Bid and Performance Securing Declaration				Completeness of Bid/quotation	Substantial Responsiveness	Acceptance for Detailed Examination (Pass or fail)
				Yes or No			Expired Date			
1										
2										
3										
4										
5										
6										

Remarks:

- Using following criteria: Yes - Responsive; NR - Not responsive
- All details information relating to the examination for this table is taking from Minute of Bid Opening Sheet.

The evaluation of bids is carried out following the steps in accordance with the Instruction to Bidders. The bids are assessed for completeness and substantial responsiveness in the preliminary examination. Then, the detailed examination (evaluation) is undertaken for all bids that are determined to be substantially responsive to the requirements of the bidding documents.

At the initial stage, preliminary evaluation of bids are undertaken to determine completeness and substantial responsiveness for the following:

Table 4: COMPARISON OF TECHNICAL SPECIFICATION REQUIREMENTS AND TECHNICAL SPECIFICATION PROPOSED BY THE BIDDERS

Item No.	Description	Technical Specification Requirements	Technical Specification Proposed by the Bidders			
			Company A	Company B	Company C	Company D
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
Acceptance for Detailed Examination:						

Remarks: Using following criteria: C - Complied, NC - Not Complied, and NS - Not Specified

TABLE 5. CORRECTIONS (COMMPUTATIONAL ERRORS)

No.	Bidder	Read-out Bid Price		Corrections		Ranking
		Currency (a)	Amount (b)	Computational Errors (c)	Corrected Bid Price (d) = (b) + (c)	
1						
2						
3						
4						
5						
6						

Note:

- Only bids accepted for preliminary examination (Table 3) should be included in this table and subsequent tables.
- Corrections in column (c) may be positive or negative.

TABLE 6. POST QUALIFICATION EXAMINATION (for Local bidding method only)

The purpose of post qualification is to validate the documents submitted by lowest responsive evaluated bid has the capability to perform the contract. If this bidder fails to demonstrate the necessary experience, capability, and finance to carry out the contract, the bid is rejected and the next lowest evaluated bidder is subject to post qualification. If the next lowest bidder passes the post qualification, it will be declared as the lowest evaluated and responsive bid.

No.	Requirement	Post Qualification	Pass or Fail
1	The experience in completing during the last _____ years at least _____ contracts	1. Project Name: _____ - Year: _____ - Amount: _____ - Completion Date: ____/____/____ 2. Project Name: _____ - Year: _____ - Amount: _____ - Completion Date: ____/____/____ 3. Project Name: _____ - Year: _____ - Amount: _____ - Completion Date: ____/____/____	
2	Current Contract Commitments / Works in Progress	1. Project Name: _____ - Contract Date: _____ - Amount: _____ - Estimated Completion Date: ____/____/____ 2. Project Name: _____ - Contract Date: _____ - Amount: _____ - Estimated Completion Date: ____/____/____ 3. Project Name: _____ - Contract Date: _____ - Amount: _____ - Estimated Completion Date: ____/____/____	
3	Annual Turnover Data for the Last 3 Years (Construction only)	- Year 1: _____ - Year 2: _____ - Year 3: _____	

No.	Requirement	Post Qualification	Pass or Fail
4	Financial Capacity - Not less than _____ LAK and issued by the Bank should be issued 2 weeks before the bid opening date.	- Bank Name: _____ - Amount: _____ - Issue date: ____/____/____	
5	List of Technical Personnel: 1. _____ 2. _____	1. _____ 2. _____	
6	List of Essential Vehicles and Equipments (owner/leased) 1. _____ 2. _____ 3. _____	1. _____ 2. _____ 3. _____	
Conclusion Consideration:			

TABLE 6. PROPOSED CONTRACT AWARD

1. Lowest evaluated responsive bidder (proposed for contract award). - Name: _____ - Address: House No.: _____, Road: _____, Village: _____ District: _____, Province: _____, Country: _____ Telephone: _____, Mobile: _____ Email: _____		
1. If bid from joint venture, list all partners, nationalities, and estimated shares of contract. - Name: _____ - Address: House No.: _____, Road: _____, Village: _____ District: _____, Province: _____, Country: _____ Telephone: _____, Mobile: _____ Email: _____		
4. Principle country of origin of goods/materials: _____		
5. Estimated date (month, year) of contract signing: ____/____/____		
6. Estimated delivery to project site/completion period: ____/____/____		
	Currency	Amount
7. Bid Price (Read-out)	LAK	
8. Corrections for Errors	LAK	
9. Discounts	LAK	
10. Other Adjustments	LAK	
11. Proposed Award	LAK	

Annex 4.3.

Sub-Project Minutes of Bid Evaluation Form

Lao People's Democratic Republic
Pace Independence Democracy Unity Prosperity
----- 000 -----

Minutes of Bid Evaluation

Project Name: _____

Project Code: _____, Contract No.: _____

Project Location: Village _____, Kumban _____, District _____, Province _____

Reference is made to:

- the minutes of bid opening, dated ____/____/____
- the bid evaluation report

Results of bid evaluation meeting:

The Community Implementation Team organized the final bid evaluation on ____/____/____, at _____ hours, at the _____ District: _____, Province: _____.

On the basis of the systematic evaluation and comparison of bids on the basis of criteria specified in the bidding document, the Community proposed to award the contract to _____, Business address: _____, as the lowest evaluated bid price and substantially responsive bidder at the contract amount not exceeding _____ LAK (in words _____).

Community Implementation Team or Kumban Team (if applicable) – (Community)

1. Name _____, Designation: _____, Signature: _____
2. Name _____, Designation: _____, Signature: _____
3. Name _____, Designation: _____, Signature: _____
4. Name _____, Designation: _____, Signature: _____
5. Name _____, Designation: _____, Signature: _____

Acknowledged by:

1. **Representative of** _____
Name _____, Designation: _____, Signature: _____
2. **Representative of** _____
Name _____, Designation: _____, Signature: _____
3. **Representative of** _____
Name _____, Designation: _____, Signature: _____
4. **Representative of** _____
Name _____, Designation: _____, Signature: _____

Notes: Before the community issues the Notification of Award and/or Purchase Order and sign the contract, it must first secure the approval from the PRF Provincial Office and/or from the PRF National Office and the World Bank for the prior review contracts only.

Annex 5.1.

Request for Expression of Interest of Individual Consultants

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

=====



REQUEST FOR EXPRESSION OF INTEREST

for the position of
Community Technical Advisor and/or Skilled Labor

Our community has received a grant from Second Poverty Reduction Fund (PRF II). This grant is co-financing of an International Development Association (IDA) Grant and other Multi-Donor Trust Fund, and the Community intends to apply this grant to eligible payments under the contract for the technical services of a Community Technical Advisor and/or Skilled Labor on a short-term under Sub-project: _____, located in village: _____, Kumban: _____, District: _____, Province: _____.

Our Community now invites eligible individual Consultants to express their interests to assist the Community in implementing the sub-project as per the terms of reference.

Only the first ranked consultant in the short-list consultants may be invited for the contract negotiation.

A Consultant will be selected in accordance with the procedures set out in the PRF II's Community Manual and the Section V of the Guidelines- Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers dated January 2011. Only the first ranked consultant in the short-list consultants may be invited for the contract negotiation.

Expressions of interest and **most updated** Curriculum Vitae must be delivered by hand, to the Community Implementation Office at or before 9:00 hours on ____/____/201__ to address _____.

Interested individual Consultants may obtain further information from the Community Implementation Office

Date ____/____/____

Name and Signature of Community Coordinator

CURRICULUM VITAE

1. Personal Information

- Name and surname: _____
- Date of birth: __/__/____, Place of birth: _____
- Nationality: _____
- Marital status: _____
- Address: _____
- Mobile: _____

2. Education

- High School: _____
- College: _____
- University: _____

3. Working Experience

- Current: _____
- From __/__/__ to __/__/__ : _____
- From __/__/__ to __/__/__ : _____
- From __/__/__ to __/__/__ : _____

4. Reference

- Mr/Ms. _____ Residence: _____ Occupation: _____
- Mr/Ms. _____ Residence: _____ Occupation: _____
- Mr/Ms. _____ Residence: _____ Occupation: _____

5. Skills

6. Languages

- _____
- _____
- _____
- _____

Signature

Date __/__/__

SAMPLE CONTRACT FOR CONSULTING SERVICES
Individual Consultant
TIME-BASED PAYMENTS
(IBRD/IDA FINANCED)

CONTRACT No. *[insert]*

THIS CONTRACT ("Contract") is entered into this *[insert starting date of assignment]*, by and between *[insert Community's name]* ("the Client") having its principal place of business at *[insert Client's address]*, and *[insert Consultant's name]* ("the Consultant") at *[insert Consultant's address]*¹.

WHEREAS, the Client wishes to have the Consultant performing the services hereinafter referred to, and

WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

- 1. Services**
- (i) The Consultant shall perform the services specified in Annex A, "Terms of Reference and Scope of Services," which is made an integral part of this Contract ("the Services").
 - (ii) The Consultant shall provide the reports listed in Annex B, "Consultant's Reporting Obligations," within the time periods listed in such Annex, and with the costs listed in Annex C, "Cost Estimate of Services, Schedule of Rates" to perform the Services.

- 2. Term**
- The Consultant shall perform the Services during the period commencing *[insert start date]* and continuing through *[insert completion date]* or any other period as may be subsequently agreed by the parties in writing.

- 3. Payment**
- A. Ceiling

For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed a ceiling of *[insert ceiling amount]*. This amount has been established based on the understanding that it includes all of the Consultant's costs and any tax obligation that may be imposed on the Consultant. The payments made under the Contract consist of the Consultant's remuneration as defined in sub-paragraph B below and of the reimbursable expenditures as defined in sub-paragraph C below.

- B. Remuneration

¹ Avoid use of "P.O. Box" address

The Client shall pay the Consultant for Services rendered at the rate(s) per man/month spent¹ (**or** per day spent **or** per hour spent, subject to a maximum of eight hours per day) in accordance with the rates agreed and specified in Annex C, “Cost Estimate of Services, and Schedule of Rates.”

C. Reimbursables

The Client shall pay the Consultant for reimbursable expenses, which shall consist of and be limited to:

- (i) normal and customary expenditures for official travel, accommodation, printing, and telephone charges; official travel will be reimbursed at the cost of less than business class travel and will need to be authorized by the Client’s coordinator;
- (ii) such other expenses as approved in advance by the Client’s coordinator.²

D. Payment Conditions

Payment shall be made in [*specify currency*] not later than 14 days following submission of invoices in duplicate to the Coordinator designated in paragraph 4.

4. Project Administration

A. Coordinator

The Client designates Mr./Ms. [*insert name and job title*] as Client’s Coordinator; the Coordinator shall be responsible for the coordination of activities under the Contract, for receiving and approving invoices for payment, and for acceptance of the deliverables by the Client.

B. Timesheets

During the course of the work under this Contract, including field work, the Consultant under this Contract may be required to complete timesheets or any other document used to identify time spent, as well as expenses incurred, as instructed by the Project Coordinator.

C. Records and Accounts

The Consultant shall keep accurate and systematic records in

¹ Select the applicable rate and delete the others.

² Specific expenses can be added as an item (iii) in paragraph 3.C.

respect of the Services, which will clearly identify all charges and expenses. The Client reserves the right to audit, or to nominate a reputable accounting firm to audit, the Consultant's records relating to amounts claimed under this Contract during its term and any extension, and for a period of three months thereafter.

- | | |
|--|---|
| 5. Performance Standard | The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. |
| 6. Inspections and Auditing | The Consultant shall permit the Bank and/or persons or auditors appointed by the Bank to inspect and/or audit its records and other documents relating to the submission of the Proposal to provide the Services and performance of the Contract. Any failure to comply with this obligation may constitute a prohibited practice subject to contract termination and/or the imposition of sanctions by the Bank (including without limitation a determination of ineligibility) in accordance with prevailing Bank's sanctions procedures. |
| 7. Confidentiality | The Consultants shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client. |
| 8. Ownership of Material | Any studies, reports or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software. ³ |
| 9. Consultant Not to be Engaged in Certain Activities | The Consultant agrees that, during the term of this Contract and after its termination, the Consultants and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than consulting services that would not give rise to a conflict of interest) resulting from or closely related to the Consulting Services for the preparation or implementation of the Project. |
| 10. Insurance | The Consultant will be responsible for taking out any appropriate insurance coverage. |
| 11. Assignment | The Consultant shall not assign this Contract or Subcontract any portion of it. |
| 12. Law Governing Contract and Language | The Contract shall be governed by the laws of <i>[insert government]</i> , and the language of the Contract shall be ⁴ <i>[insert language]</i> . |

³ Restrictions about the future use of these documents and software, if any, shall be specified at the end of Article 8.

⁴ The law selected by the Client is usually the law of its country. However, the Bank does not object if the Client and the Consultant agree on another law. The language shall be English, French, or Spanish, unless the Contract is entered into with a domestic firm, in which case it can be the local language.

13. Dispute Resolution⁵

Any dispute arising out of this Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Client's country.

14. Termination

The Client may terminate this Contract with at least ten (10) working days prior written notice to the Consultant after the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause:

- (a) If the Consultant does not remedy a failure in the performance of its obligations under the Contract within seven (7) working days after being notified, or within any further period as the Client may have subsequently approved in writing;
- (b) If the Consultant becomes incapable;
- (c) If the Consultant, in the judgment of the Client or the Bank, has engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices (as defined in the prevailing Bank's sanctions procedures) in competing for or in performing the Contract.
- (d) If the Client, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.

FOR THE CLIENT

Signed by _____

Title: _____

FOR THE CONSULTANT

Signed by _____

Title: _____

⁵ In the case of a Contract entered into with a foreign Consultant, the following provision may be substituted for paragraph 13: "Any dispute, controversy or claim arising out of or relating to this Contract or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force."

LIST OF ANNEXES

Annex A: Terms of Reference and Scope of Services

Annex B: Consultant's Reporting Obligations

Annex C: Cost Estimate of Services, and Schedule of Rates

ANNEX C

Cost Estimate of Services, and Schedule of Rates

(1) Remuneration of Consultant

Name	Rate (per month/day/ hour in currency)	Time spent (number of month/day/hour)	Sub-Total (1) (currency)

(2) Reimbursables⁶

	Rate	Days	Total
(a) International Travel			
(b) Local Transportation			
(c) Per Diem			
			Sub-total (2)

TOTAL COST _____

Physical Contingency⁷ _____

CONTRACT CEILING _____

⁶ To include expenses for international travel, local transportation, per diem, communications, reporting costs, visas, inoculations, routine medical examinations, portage fees, in-and-out expenses, airport taxes, and other such travel related expenses as may be necessary; reimbursable at cost with supporting documents/receipts; except for per diem (which is fixed and includes housing and _____ expenses).

⁷ From 0 to 15 percent of total cost; use of contingency requires prior approval of the Client.

SAMPLE CONTRACT FOR CONSULTING SERVICES

Individual Consultant

Lump-Sum Payments

**SAMPLE CONTRACT FOR CONSULTING SERVICES
INDIVIDUAL CONSULTANT
LUMP-SUM PAYMENTS
(IBRD/IDA FINANCED)**

CONTRACT No. *[insert]*

THIS CONTRACT (“Contract”) is entered into this *[insert starting date of assignment]*, by and between *[insert Community’s name]* (“the Client”) having its principal place of business at *[insert Client’s address]*, and *[insert Consultant’s name]* (“the Consultant”) at *[insert Consultant’s address]*¹.

WHEREAS, the Client wishes to have the Consultant perform the services hereinafter referred to, and

WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

- 1. Services**
 - (i) The Consultant shall perform the services specified in Annex A, “Terms of Reference and Scope of Services,” which is made an integral part of this Contract (“the Services”).
 - (ii) The Consultant shall submit to the Client the reports in the form and within the time periods specified in Annex C, “Consultant’s Reporting Obligations.”
- 2. Term**

The Consultant shall perform the Services during the period commencing *[insert starting date]* and continuing through *[insert completion date]*, or any other period as may be subsequently agreed by the parties in writing.
- 3. Payment**
 - A. Ceiling**

For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed *[insert amount]*. This amount has been established based on the understanding that it includes all of the Consultant's costs and any tax obligation that may be imposed on the Consultant.
 - B. Schedule of Payments**

The schedule of payments is specified below²:

[insert detailed list of payments specifying amount of each installment, deliverable/output for which the installment is paid and currency]
 - C. Payment Conditions**

¹ Avoid use of “P.O. Box” address

² Fill in based on required outputs as described in Annex A (Terms of Reference) and Annex C (Reporting Requirements). Avoid front-loaded payments. Advance payments in contracts with firms require a bank guarantee for the same amount.

Payment shall be made in *[specify currency]*, no later than 14 days following submission by the Consultant of invoices in duplicate to the Coordinator designated in paragraph 4.

4. Project Administration

A. Coordinator.

The Client designates Mr./Ms. *[insert name and job title]* as Client's Coordinator; the Coordinator will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for the payment.

B. Reports.

The reports listed in Annex C, "Consultant's Reporting Obligations," shall be submitted in the course of the assignment, and will constitute the basis for the payments to be made under paragraph 3.

5. Performance Standards

The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity.

6. Inspections and Auditing

The Consultant shall permit the Bank and/or persons or auditors appointed by the Bank to inspect and/or audit its records and other documents relating to the submission of the Proposal to provide the Services and performance of the Contract. Any failure to comply with this obligation may constitute a prohibited practice subject to contract termination and/or the imposition of sanctions by the Bank (including without limitation s determination of ineligibility) in accordance with prevailing Bank's sanctions procedures.

7. Confidentiality

The Consultants shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client.

8. Ownership of Material

Any studies reports or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software³.

9. Consultant Not to be Engaged in Certain Activities

The Consultant agrees that, during the term of this Contract and after its termination, the Consultants and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than consulting services that would not give rise to a conflict of interest) resulting from or closely related to the Consulting Services for the preparation or implementation of the Project

10. Insurance

The Consultant will be responsible for taking out any appropriate

³ Restrictions about the future use of these documents and software, if any, shall be specified at the end of paragraph 8.

insurance coverage.

- 11. Assignment** The Consultant shall not assign this Contract or subcontract any portion of it.
- 12. Law Governing Contract and Language** The Contract shall be governed by the laws of *[insert government]*, and the language of the Contract shall be⁴ *[insert language]*
- 13. Dispute Resolution⁵** Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Client's country.
- 14. Termination** The Client may terminate this Contract with at least ten (10) working days prior written notice to the Consultant after the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause:
- (a) If the Consultant does not remedy a failure in the performance of its obligations under the Contract within seven (7) working days after being notified, or within any further period as the Client may have subsequently approved in writing;
 - (b) If the Consultant becomes incapable ;
 - (c) If the Consultant, in the judgment of the Client or the Bank, has engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices (as defined in the prevailing Bank's sanctions procedures) in competing for or in performing the Contract.
 - (d) If the Client, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.

FOR THE CLIENT

FOR THE CONSULTANT

Signed by _____

Signed by _____

Title: _____

Title: _____

⁴ The law selected by the Client is usually the law of its country. However, the Bank does not object if the Client and the Consultant agree on another law. The language shall be English, French, or Spanish, unless the Contract is entered into with a domestic firm, in which case it can be the local language.

⁵ In case of a Contract entered into with a foreign Consultant, the following provision may be substituted for paragraph 13: "Any dispute, controversy or claim arising out of or relating to this Contract or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force."

LIST OF ANNEXES

Annex A: Terms of Reference and Scope of Services

Annex B: Consultant's corresponding unit rates

Annex C: Consultant's Reporting Obligations