



Government of the Republic of Zambia

BIDDING DOCUMENT

MoH/ORD/011/14

TENDER FOR THE SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF OXYGEN PLANTS FOR LEWANIKA AND MANSANGWA GENERAL HOSPITALS – MINISTRY OF HEALTH.

Financing Agency: Government of the Republic of Zambia

**Ministry of Health
Procurement and Supplies Unit
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Lusaka**

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REPUBLIC OF ZAMBIA



MINISTRY OF HEALTH

INVITATION FOR BIDS

TENDER FOR THE SUPPLY, DELIVERY, INSTALLATION AND COMMISSIONING OF TWO OXYGEN PLANTS FOR LEWANIKA AND MANSA GENERAL HOSPITALS

The Ministry of Health has received funds from the Ministry of Finance towards the cost of the Supply, Delivery, and Installation of Oxygen Plants for Lewanika and Mansa General Hospitals.

The Ministry of Health, now invites sealed bids from eligible bidders for the Supply, Delivery, Installation and Commissioning of Oxygen plants for Lewanika and Mansa General Hospitals.

A complete set of bidding documents may be purchased from the Head of Procurement and Supplies Unit, Ndeke House, Haile Selassie Avenue, Ground Floor, P. O. Box 30205, Lusaka, Zambia, upon payment of a non-refundable fee of **K500.00** or its equivalent in any freely convertible currency at the prevailing exchange rate, in cash or Bank certified cheque .

Bids must be deposited in the Tender Box at the Ministry of Health, Ndeke House, Ground Floor, Haile Salessie Road, Longacres, Lusaka, on or before **Friday, 19th September, 2014 at 10:00 hours local time** and must be accompanied by a Bid Security of not less than two (2%) percent of the Bid Sum duly signed by the Guarantor(s).

The closing date for the receipt of bids is **Friday, 19th September, 2014 at 10.00 hours local time** and any bid received after the time and date stipulated above will not be accepted. Bids will be opened soon after closing in the conference Room, in the presence of bidders or their representatives who choose to attend.

The Ministry of Health, now invites sealed bids from eligible bidders through National Competitive Bidding procedures prescribed in the Public Procurement Act for the supply, delivery, installation and commissioning of oxygen plants for Lewanika and Mansa General Hospitals.

Bids should be sent clearly marked **“Tender for the supply, delivery, installation and commissioning of oxygen plants for Lewanika and Mansa General Hospitals – Ministry of Health”** and addressed to the Head - Procurement and Supplies Unit, Ndeke House, Haile

Selassie Avenue, Ground Floor, P. O. Box 30205, Lusaka, Zambia. Bids must be sent not later than **Friday, 19th September 2014 at 10:00 hours local time. TELEGRAPHIC AND/OR ELECTRONIC OFFERS WILL NOT BE ACCEPTED**

Mr. K. Mutala
Ag/Head – Purchasing and Supplies Unit
MINISTRY OF HEALTH

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Instructions to Bidders

A. INTRODUCTION

- 1. Source of Funds**

 - 1.1 The source of funds is the Government of the Republic of Zambia and the Purchaser named in the **Bid Data Sheet (BDS)** intends to apply part of these funds to eligible payments under the contract for which this Invitation for Bids is issued.

- 2. Eligible Bidders**

 - 2.1 This Invitation for Bids is open to suppliers and manufacturers of hospital equipment.
 - 2.2 Bidders should not be associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the Purchaser to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the goods to be purchased under this Invitation for Bids.
 - 2.3 Bidders shall not be under a declaration of ineligibility for corrupt and fraudulent practices.

- 3. Eligible Goods and Services**

 - 3.1 All goods and related services to be supplied under the contract shall have their origin in eligible source countries, in accordance with the requirements shown in the Technical Specifications, and all expenditures made under the contract will be limited to such goods and services.
 - 3.2 For purposes of this clause, “origin” means the place where the goods are mined, grown, or produced, or the place from which the related services are supplied. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially recognized product results that is substantially different in basic characteristics or in purpose or utility from its components.
 - 3.3 The origin of goods and services is distinct from the nationality of the Bidder.

- 4. Cost of Bidding**

 - 4.1 The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Purchaser named in the Bid

Data Sheet, hereinafter referred to as “the Purchaser,” will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

B. THE BIDDING DOCUMENTS

- 5. Content of Bidding Documents**
- 5.1 The goods required, bidding procedures, and contract terms are prescribed in the bidding documents. In addition to the Invitation for Bids, the bidding documents include:
- (a) Instructions to Bidders (ITB)
 - (b) Bid Data Sheet
 - (c) General Conditions of Contract (GCC)
 - (d) Special Conditions of Contract (SCC)
 - (e) Schedule of Requirements
 - (f) Technical Specifications
 - (g) Sample forms
- 5.2 The Bidder is expected to examine all instructions, forms, terms, and specifications in the bidding documents. Failure to furnish all information required by the bidding documents or submission of a bid not substantially responsive to the bidding documents in every respect will be at the Bidder’s risk and may result in the rejection of its bid.
- 6. Clarification of Bidding Documents**
- 6.1 A prospective Bidder requiring any clarification of the bidding documents may notify the Purchaser in writing or by cable (hereinafter, the term *cable* is deemed to include telex and facsimile) at the Purchaser’s address indicated in ITB Clause 19.1. The Purchaser will respond in writing to any request for clarification of the bidding documents, which it receives no later than fourteen (14) days prior to the deadline for the submission of bids prescribed in the **Bid Data Sheet**. Written copies of the Purchaser’s response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective bidders that have received the bidding documents.
- 7. Amendment of Bidding Documents**
- 7.1 At any time prior to the deadline for submission of bids, the Purchaser, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, may modify the bidding documents by amendment.

- 7.2 All prospective bidders that have received the bidding documents will be notified of the amendment in writing or by cable, and will be binding on them.
- 7.3 In order to allow prospective bidders reasonable time in which to take the amendment into account in preparing their bids, the Purchaser, at its discretion, may extend the deadline for the submission of bids.

C. PREPARATION OF BIDS

- 8. Language of Bid**
- 8.1 The bid prepared by the Bidder, as well as all correspondence and documents relating to the bid exchanged by the Bidder and the Purchaser shall be written in the language specified in the **Bid Data Sheet**. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation of the relevant passages in the language specified in the Bid Data Sheet, in which case, for purposes of interpretation of the Bid, the translation shall govern.
- 9. Documents Comprising the Bid**
- 9.1 The bid prepared by the Bidder shall comprise the following components:
- (a) a Bid Form and a Price Schedule completed in accordance with ITB Clauses 10, 11, and 12;
 - (b) documentary evidence established in accordance with ITB Clause 13 that the Bidder is eligible to bid and is qualified to perform the contract if its bid is accepted;
 - (c) documentary evidence established in accordance with ITB Clause 14 that the goods and ancillary services to be supplied by the Bidder are eligible goods and services and conform to the bidding documents; and
 - (d) bid security furnished in accordance with ITB Clause 15.
- 10. Bid Form**
- 10.1 The Bidder shall complete the Bid Form and the appropriate Price Schedule furnished in the bidding documents, indicating the goods to be supplied, a brief description of the goods, their country of origin, quantity, and prices.

10.2 For the purpose of granting a margin of domestic preference, bids will be classified in one of three groups, as follows:

- (a) **Group A:** Bids offering goods manufactured in the Purchaser's country, for which (i) labor, raw materials, and components from within the Purchaser's country account for more than thirty (30) percent of the EXW price; and (ii) the production facility in which they will be manufactured or assembled has been engaged in manufacturing or assembling such goods at least since the date of bid submission.
- (b) **Group B:** All other bids offering goods from within the country of the Purchaser.
- (c) **Group C:** Bids offering goods of foreign origin to be imported by the Purchaser directly or through the Supplier's local Agent.

10.3 To facilitate this classification by the Purchaser, the Bidder shall complete whichever version of the Price Schedule furnished in the bidding documents is appropriate provided, however, that the completion of an incorrect version of the Price Schedule by the Bidder will not result in rejection of its bid, but merely in the Purchaser's reclassification of the bid into its appropriate bid group.

11. Bid Prices

11.1 The Bidder shall indicate on the appropriate Price Schedule the unit prices (where applicable) and total bid price of the goods it proposes to supply under the contract.

11.2 Prices indicated on the Price Schedule shall be entered separately in the following manner:

- (a) For goods offered from within the Purchaser's country:
 - (i) the price of the goods quoted EXW (ex works, ex factory, ex warehouse, ex showroom, or off-the-shelf, as applicable), including all customs duties and sales and other taxes already paid or payable:
 - a. on the components and raw material used in the manufacture or assembly of goods quoted ex works or ex factory;
 - or**
 - b. on the previously imported goods of foreign

origin quoted ex warehouse, ex showroom, or off-the-shelf.

- (ii) any Purchaser country sales and other taxes which will be payable on the goods if the contract is awarded.
 - (iii) the price for inland transportation, insurance, and other local costs incidental to delivery of the goods to their final destination, if specified in the Bid Data Sheet.
 - (iv) the price of other (incidental) services, if any, listed in the Bid Data Sheet.
- (b) For goods offered from abroad:
- (i) the price of the goods shall be quoted CIF named port of destination, or CIP border point, or CIP named place of destination, in the Purchaser's country, as specified in the **Bid Data Sheet**. In quoting the price, the Bidder shall be free to use transportation through carriers registered in any eligible countries. Similarly, the Bidder may obtain insurance services from any eligible source country.
 - (ii) the price of the goods quoted FOB port of shipment (or FCA, as the case may be), if specified in the Bid Data Sheet.
 - (iii) the price of goods quoted CFR port of destination (or CPT as the case may be), if specified in the Bid Data Sheet.
 - (iv) the price for inland transportation, insurance, and other local costs incidental to delivery of the goods from the port of entry to their final destination, if specified in the Bid Data Sheet.
 - (v) the price of (incidental) services, if any, listed in the Bid Data Sheet.

11.3 The terms EXW, CIF, CIP, etc., shall be governed by the rules prescribed in the current edition of *Incoterms* published by the International Chamber of Commerce, Paris.

11.4 The Bidder's separation of price components in accordance with ITB Clause 11.2 above will be solely for the purpose of facilitating the comparison of bids by the Purchaser and will not in any way limit the Purchaser's right to contract on any of the terms offered.

11.5 Prices quoted by the Bidder shall be fixed during the Bidder's performance of the contract and not subject to variation on any account, unless otherwise specified in the **Bid Data Sheet**. A bid submitted with an adjustable price quotation will be treated as non responsive and will be rejected, pursuant to ITB Clause 24. If, however, in accordance with the **Bid Data Sheet**, prices quoted by the Bidder shall be subject to adjustment during the performance of the contract, a bid submitted with a fixed price quotation will not be rejected, but the price adjustment would be treated as zero.

12. Bid Currencies 12.1 Prices shall be quoted in the following currencies:

- (a) For goods and services that the Bidder will supply from within the Purchaser's country, the prices shall be quoted in the currency of the Purchaser's country, unless otherwise specified in the Bid Data Sheet.
- (b) For goods and services that the Bidder will supply from outside the Purchaser's country, the prices shall be quoted in any freely convertible currency. If the Bidder wishes to be paid in a combination of amounts in different currencies, it may quote its price accordingly but use no more than three foreign currencies.

**13. Documents
Establishing
Bidder's
Eligibility and
Qualification**

13.1 Pursuant to ITB Clause 9, the Bidder shall furnish, as part of its bid, documents establishing the Bidder's eligibility to bid and its qualifications to perform the contract if its bid is accepted.

13.2 The documentary evidence of the Bidder's eligibility to bid shall establish to the Purchaser's satisfaction that the Bidder, at the time of submission of its bid, is eligible as defined under ITB Clause 2.

13.3 The documentary evidence of the Bidder's qualifications to perform the contract if its bid is accepted shall establish to the Purchaser's satisfaction:

- (a) that, in the case of a Bidder offering to supply goods under the contract which the Bidder did not manufacture or otherwise produce, the Bidder has been duly authorized by

the goods' Manufacturer or producer to supply the goods in the Purchaser's country;

- (b) that the Bidder has the financial, technical, and production capability necessary to perform the contract;
- (c) that, in the case of a Bidder not doing business within the Purchaser's country, the Bidder is or will be (if awarded the contract) represented by an Agent in that country equipped, and able to carry out the Supplier's maintenance, repair, and spare parts stocking obligations prescribed in the Conditions of Contract and/or Technical Specifications; and
- (d) that the Bidder meets the qualification criteria listed in the Bid Data Sheet.

**14. Documents
Establishing
Goods'
Eligibility and
Conformity to
Bidding
Documents**

14.1 Pursuant to ITB Clause 9, the Bidder shall furnish, as part of its bid, documents establishing the eligibility and conformity to the bidding documents of all goods and services which the Bidder proposes to supply under the contract.

14.2 The documentary evidence of the eligibility of the goods and services shall consist of a statement in the Price Schedule of the country of origin of the goods and services offered which shall be confirmed by a certificate of origin issued at the time of shipment.

14.3 The documentary evidence of conformity of the goods and services to the bidding documents may be in the form of literature, drawings, and data, and shall consist of:

- (a) a detailed description of the essential technical and performance characteristics of the goods;
- (b) a list giving full particulars, including available sources and current prices of spare parts, special tools, etc., necessary for the proper and continuing functioning of the goods for a period to be specified in the **Bid Data Sheet**, following commencement of the use of the goods by the Purchaser; and
- (c) an item-by-item commentary on the Purchaser's Technical Specifications demonstrating substantial responsiveness of the goods and services to those specifications, or a statement of deviations and exceptions to the provisions of the Technical Specifications.

14.4 For purposes of the commentary to be furnished pursuant to ITB Clause 14.3(c) above, the Bidder shall note that standards for workmanship, material, and equipment, as well as references to brand names or catalogue numbers designated by the Purchaser in its Technical Specifications, are intended to be descriptive only and not restrictive. The Bidder may substitute alternative standards, brand names, and/or catalogue numbers in its bid, provided that it demonstrates to the Purchaser's satisfaction that the substitutions ensure substantial equivalence to those designated in the Technical Specifications.

15. Bid Security

15.1 Pursuant to ITB Clause 9, the Bidder shall furnish, as part of its bid, a bid security in the amount specified in the **Bid Data Sheet**.

15.2 The bid security is required to protect the Purchaser against the risk of Bidder's conduct which would warrant the security's forfeiture, pursuant to ITB Clause 15.7.

15.3 The bid security shall be denominated in the currency of the bid or in another freely convertible currency, and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the Purchaser's country or abroad, in the form provided in the bidding documents or another form acceptable to the Purchaser and valid for thirty (30) days beyond the validity of the bid; or

(b) a manager's or bank-certified cheque.

15.4 Any bid not secured in accordance with ITB Clauses 15.1 and 15.3 will be rejected by the Purchaser as non-responsive, pursuant to ITB Clause 24.

15.5 Unsuccessful bidders' bid security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of bid validity prescribed by the Purchaser pursuant to ITB Clause 16.

15.6 The successful Bidder's bid security will be discharged upon the Bidder signing the contract, pursuant to ITB Clause 34, and furnishing the performance security, pursuant to ITB Clause 35.

15.7 The bid security may be forfeited:

- (a) if a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Bid Form; or
- (b) in the case of a successful Bidder, if the Bidder fails:
 - (i) to sign the contract in accordance with ITB Clause 34;
 - or**
 - (ii) to furnish performance security in accordance with ITB Clause 35.

**16. Period of
Validity of
Bids**

16.1 Bids shall remain valid for the period specified in the Bid Data Sheet after the date of bid opening prescribed by the Purchaser, pursuant to ITB Clause 19. A bid valid for a shorter period shall be rejected by the Purchaser as non-responsive.

16.2 In exceptional circumstances, the Purchaser may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing (or by cable). The bid security provided under ITB Clause 15 shall also be suitably extended. A Bidder may refuse the request without forfeiting its bid security. A Bidder granting the request will not be required nor permitted to modify its bid, except as provided in ITB Clause 16.3.

16.3 In the case of fixed price contracts, if the award is delayed by a period exceeding sixty (60) days beyond the expiry of the initial bid validity, the contract price will be adjusted by a factor specified in the request for extension.

**17. Format and
Signing of Bid**

17.1 The Bidder shall prepare an original and the number of copies of the bid indicated in the Bid Data Sheet, clearly marking each "ORIGINAL BID" and "COPY OF BID," as appropriate. In the event of any discrepancy between them, the original shall govern.

17.2 The original and the copy or copies of the bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the contract. All pages of the bid, except for un-amended printed literature, shall be initialed by the person or persons signing the bid.

17.3 Any inter lineation, erasures, or overwriting shall be valid only if they are initialed by the person or persons signing the bid.

17.4 The Bidder shall furnish information as described in the Form of Bid on commissions or gratuities, if any, paid or to be paid to agents relating to this Bid, and to Contract execution if the Bidder is awarded the Contract.

D. SUBMISSION OF BIDS

18. Sealing and Marking of Bids

18.1 The Bidder shall seal the original and each copy of the bid in separate envelopes, duly marking the envelopes as “ORIGINAL” and “COPY.” The envelopes shall then be sealed in an outer envelope.

18.2 The inner and outer envelopes shall:

- (a) be addressed to the Purchaser at the address given in the Bid Data Sheet; and
- (b) bear the Project name indicated in the Bid Data Sheet, the Invitation for Bids (IFB) title and number indicated in the **Bid Data Sheet**, and a statement: “DO NOT OPEN BEFORE,” to be completed with the time and the date specified in the Bid Data Sheet, pursuant to ITB Clause 2.2.

18.3 The inner envelopes shall also indicate the name and address of the Bidder to enable the bid to be returned unopened in case it is declared “late”.

18.4 If the outer envelope is not sealed and marked as required by ITB Clause 18.2, the Purchaser will assume no responsibility for the bid’s misplacement or premature opening.

19. Deadline for Submission of Bids

19.1 Bids must be received by the Purchaser at the address specified under ITB Clause 18.2 no later than the time and date specified in the **Bid Data Sheet**.

19.2 The Purchaser may, at its discretion, extend this deadline for the submission of bids by amending the bidding documents in accordance with ITB Clause 7, in which case all rights and obligations of the Purchaser and bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

20. Late Bids

20.1 Any bid received by the Purchaser after the deadline for submission of bids prescribed by the Purchaser pursuant to ITB

Clause 19 will be rejected and returned unopened to the Bidder.

**21. Modification
and
Withdrawal of
Bids**

- 21.1 The Bidder may modify or withdraw its bid after the bid's submission, provided that written notice of the modification, including substitution or withdrawal of the bids, is received by the Purchaser prior to the deadline prescribed for submission of bids.
- 21.2 The Bidder's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of ITB Clause 18. A withdrawal notice may also be sent by cable, but followed by a signed confirmation copy, postmarked not later than the deadline for submission of bids.
- 21.3 No bid may be modified after the deadline for submission of bids.
- 21.4 No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Bid Form. Withdrawal of a bid during this interval may result in the Bidder's forfeiture of its bid security, pursuant to the ITB Clause 15.7.

E. OPENING AND EVALUATION OF BIDS

**22. Opening of
Bids by the
Purchaser**

- 22.1 The Purchaser will open all bids in the presence of bidders' representatives who choose to attend, at the time, on the date, and at the place specified in the **Bid Data Sheet**. The bidders' representatives who are present shall sign a register evidencing their attendance.
- 22.2 The bidders' names, bid modifications or withdrawals, bid prices, discounts, and the presence or absence of requisite bid security and such other details as the Purchaser, at its discretion, may consider appropriate, will be announced at the opening. No bid shall be rejected at bid opening, except for late bids, which shall be returned unopened to the Bidder pursuant to ITB Clause 20.
- 22.3 Bids (and modifications sent pursuant to ITB Clause 21.2) that are not opened and read out at bid opening shall not be considered further for evaluation, irrespective of the circumstances. Withdrawn bids will be returned unopened to the

bidders.

22.4 The Purchaser will prepare minutes of the bid opening.

23. Clarification of Bids

23.1 During evaluation of the bids, the Purchaser may, at its discretion, ask the Bidder for a clarification of its bid. The request for clarification and the response shall be in writing, and no change in the prices or substance of the bid shall be sought, offered, or permitted.

24. Preliminary Examination

24.1 The Purchaser will examine the bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order.

24.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail, and the total price shall be corrected. If the Supplier does not accept the correction of the errors, its bid will be rejected, and its bid security may be forfeited. If there is a discrepancy between words and figures, the amount in words will prevail.

24.3 The Purchaser may waive any minor informality, nonconformity, or irregularity in a bid which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Bidder.

24.4 Prior to the detailed evaluation, pursuant to ITB Clause 26, the Purchaser will determine the substantial responsiveness of each bid to the bidding documents. For purposes of these Clauses, a substantially responsive bid is one which conforms to all the terms and conditions of the bidding documents without material deviations. Deviations from, or objections or reservations to critical provisions, **such as** those concerning Bid Security (ITB Clause 15), Applicable Law (GCC Clause 30), and Taxes any Duties (GCC Clause 32), will be deemed to be a material deviation. The Purchaser's determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence.

24.5 If a bid is not substantially responsive, it will be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the nonconformity.

- 25. Conversion to Single Currency**
- 25.1 To facilitate evaluation and comparison, the Purchaser will convert all bid prices expressed in the amounts in various currencies in which the bid prices are payable to either:
- (a) the currency of the Purchaser's country at the selling exchange rate established for similar transactions by the Central Bank or a commercial bank in the Purchaser's country;
- or**
- (b) a currency widely used in international trade, such as U.S. dollars, at the selling rate of exchange published in the international press for the amount payable in foreign currency; and at the selling exchange rate established for similar transactions by the Central Bank in the Purchaser's country for the amount payable in the currency of the Purchaser's country.
- 25.2 The currency selected for converting bid prices to a common base for the purpose of evaluation, along with the source and date of the exchange rate, are specified in the Bid Data Sheet.
- 26. Evaluation and Comparison of Bids**
- 26.1 The Purchaser will evaluate and compare the bids which have been determined to be substantially responsive, pursuant to ITB Clause 24.
- 26.2 The Purchaser's evaluation of a bid will exclude and no take into account:
- (a) in the case of goods manufactured in the Purchaser's country or goods of foreign origin already located in the Purchaser's country, sales and other similar taxes, which will be payable on the goods if a contract is awarded to the Bidder;
 - (b) in the case of goods of foreign origin offered from abroad, customs duties and other similar import taxes which will be payable on the goods if the contract is awarded to the Bidder; and
 - (c) any allowance for price adjustment during the period of execution of the contract, if provided in the bid.
- 26.3 The comparison shall be between the EXW price of the goods offered from within the Purchaser's country, such price to include all costs, as well as duties and taxes paid or payable on

components and raw material incorporated or to be incorporated in the goods, and the CIF named port of destination (or CIP border point, or CIP named place of destination) price of the goods offered from outside the Purchaser's country.

26.4 The Purchaser's evaluation of a bid will take into account, in addition to the bid price quoted in accordance with ITB Clause 11.2, one or more of the following factors as specified in the Bid Data Sheet, and quantified in ITB Clause 26.5:

- (a) cost of inland transportation, insurance, and other costs within the Purchaser's country incidental to delivery of the goods to their final destination.
- (b) delivery schedule offered in the bid;
- (c) deviations in payment schedule from that specified in the Special Conditions of Contract;
- (d) the cost of components, mandatory spare parts, and service;
- (e) the availability in the Purchaser's country of spare parts and after-sales services for the equipment offered in the bid;
- (f) the projected operating and maintenance costs during the life of the equipment;
- (g) the performance and productivity of the equipment offered; and/or
- (h) other specific criteria indicated in the Bid Data Sheet and/or in the Technical Specifications.

26.5 For factors retained in the Bid Data Sheet pursuant to ITB 26.4, one or more of the following quantification methods will be applied, as detailed in the Bid Data Sheet:

- (a) *Inland transportation from EXW/port of entry/border point, insurance, and incidentals.*

Inland transportation, insurance, and other incidental costs for delivery of the goods from EXW/port of entry/border point to Project Site named in the Bid Data Sheet will be computed for each bid by the Purchaser on the basis of published tariffs by the rail or road transport agencies,

insurance companies, and/or other appropriate sources. To facilitate such computation, bidder shall furnish in its bid the estimated dimensions and shipping weight and the approximate EXW/CIF (or CIP border point) value of each package. The above cost will be added by the Purchaser to EXW/CIF/CIP border point price.

(b) *Delivery schedule.*

(i) The Purchaser requires that the goods under the Invitation for Bids shall be delivered (shipped) at the time specified in the Schedule of Requirements. The estimated time of arrival of the goods at the Project Site will be calculated for each bid after allowing for reasonable international and inland transportation time. Treating the bid resulting in such time of arrival as the base, a delivery “adjustment” will be calculated for other bids by applying a percentage, specified in the Bid Data Sheet, of the EXW/CIF/CIP price for each week of delay beyond the base, and this will be added to the bid price for evaluation. No credit shall be given to early delivery.

Or

(ii) The goods covered under this invitation are required to be delivered (shipped) within an acceptable range of weeks specified in the Schedule of Requirement. No credit will be given to earlier deliveries, and bids offering delivery beyond this range will be treated as non-responsive. Within this acceptable range, an adjustment per week, as specified in the Bid Data Sheet, will be added for evaluation to the bid price of bids offering deliveries later than the earliest delivery period specified in the Schedule of Requirements.

Or

(iii) The goods covered under this invitation are required to be delivered (shipped) in partial shipments, as specified in the Schedule of Requirements. Bids offering deliveries earlier or later than the specified deliveries will be adjusted in the evaluation by adding to the bid price a factor equal to a percentage, specified in the Bid Data Sheet, of EXW/CIF/CIP price per week of variation from the specified delivery schedule.

(c) *Deviation in payment schedule.*

- (i) Bidders shall state their bid price for the payment schedule outlined in the SCC. Bids will be evaluated on the basis of this base price. Bidders are, however, permitted to state an alternative payment schedule and indicate the reduction in bid price they wish to offer for such alternative payment schedule. The Purchaser may consider the alternative payment schedule offered by the selected Bidder.

Or

- (ii) The SCC stipulate the payment schedule offered by the Purchaser. If a bid deviates from the schedule and if such deviation is considered acceptable to the Purchaser, the bid will be evaluated by calculating interest earned for any earlier payments involved in the terms outlined in the bid as compared with those stipulated in this invitation, at the rate per annum specified in the Bid Data Sheet.

- (d) *Cost of spare parts.*

- (i) The list of items and quantities of major assemblies, components, and selected spare parts, likely to be required during the initial period of operation specified in the Bid Data Sheet, is annexed to the Technical Specifications. The total cost of these items, at the unit prices quoted in each bid, will be added to the bid price.

Or

- (ii) The Purchaser will draw up a list of high-usage and high-value items of components and spare parts, along with estimated quantities of usage in the initial period of operation specified in the Bid Data Sheet. The total cost of these items and quantities will be computed from spare parts unit prices submitted by the Bidder and added to the bid price.

Or

- (iii) The Purchaser will estimate the cost of spare parts usage in the initial period of operation specified in the Bid Data Sheet, based on information furnished by each Bidder, as well as on past experience of the Purchaser or other purchasers in similar situations. Such costs shall be added to the bid price for evaluation.

- (e) *Spare parts and after sales service facilities in the Purchaser's country.*

The cost to the Purchaser of establishing the minimum service facilities and parts inventories, as outlined in the Bid Data Sheet or elsewhere in the bidding documents, if quoted separately, shall be added to the bid price.

(f) *Operating and maintenance costs.*

Since the operating and maintenance costs of the goods under procurement form a major part of the life cycle cost of the equipment, these costs will be evaluated in accordance with the criteria specified in the Bid Data Sheet or in the Technical Specifications.

(g) *Performance and productivity of the equipment.*

(i) Bidders shall state the guaranteed performance or efficiency in response to the Technical Specification. For each drop in the performance or efficiency below the norm of 100, an adjustment for an amount specified in the Bid Data Sheet will be added to the bid price, representing the capitalized cost of additional operating costs over the life of the plant, using the methodology specified in the Bid Data Sheet or in the Technical Specifications.

Or

(ii) Goods offered shall have a minimum productivity specified under the relevant provision in the Technical Specifications to be considered responsive. Evaluation shall be based on the cost per unit of the actual productivity of goods offered in the bid, and adjustment will be added to the bid price using the methodology specified in the Bid Data Sheet or in the Technical Specifications.

(h) *Specific additional criteria indicated in the Bid Data Sheet and/or in the Technical Specifications.*

The relevant evaluation method shall be detailed in the Bid Data Sheet and/or in the Technical Specifications.

27. Domestic Preference

27.1 If the Bid Data Sheet so specifies, the Purchaser will grant a margin of preference to goods manufactured in the Purchaser's country for the purpose of bid comparison, in accordance with the procedures outlined in subsequent paragraphs, provided the Bidder shall have established to the satisfaction of the Purchaser

and of the Bank that its bid complies with the criteria specified in ITB Clause 10.2 (a):

- 27.2 The Purchaser will first review the bids to confirm the appropriateness of, and to modify as necessary, the bid group classification to which bidders assigned their bids in preparing their Bid Forms and Price Schedules, pursuant to ITB Clauses 10 and 11.
- 27.3 All evaluated bids in each group will then be compared among themselves to determine the lowest evaluated bid of each group. The lowest evaluated bid of each group will next be compared with the lowest evaluated bids of the other groups. If this comparison results in a bid from Group A or Group B being the lowest, it will be selected for contract award.
- 27.4 If, as a result of the preceding comparison, the lowest evaluated bid is from Group C, all Group C bids will then be further compared with the lowest evaluated bid from Group A, after adding to the evaluated bid price of the imported goods offered in each Group C bid, for the purpose of this further comparison only:
- (a) the amount of customs duties and other import taxes that a nonexempt importer would have to pay for the importation of goods offered in each Group C bid;
- or**
- (b) fifteen (15) percent of the CIF (or CIP border point or CIP named place of destination, as the case may be) bid price of such goods, if the customs duties and taxes exceed fifteen (15) percent of the CIF (or CIP border point or CIP place of destination) price of such goods.

If the Group A bid in the further comparison is the lowest, it will be selected for award. If not, the lowest evaluated bid from Group C, as determined from the comparison under ITB Clause 27.3 above, will be selected for award.

28. Contacting the Purchaser

28.1 Subject to ITB Clause 23, no Bidder shall contact the Purchaser on any matter relating to its bid, from the time of the bid opening to the time the contract is awarded. If the Bidder wishes to bring additional information to the notice of the Purchaser, it should do so in writing.

28.2 Any effort by a Bidder to influence the Purchaser in its decisions

on bid evaluation, bid comparison, or contract award may result in the rejection of the Bidder's bid.

F. AWARD OF CONTRACT

29. Post- Qualification

- 29.1 In the absence of pre qualification, the Purchaser will determine to its satisfaction whether the Bidder that is selected as having submitted the lowest evaluated responsive bid is qualified to perform the Contract satisfactorily, in accordance with the criteria listed in ITB Clause 13.3.
- 29.2 The determination will take into account the Bidder's financial, technical, and production capabilities. It will be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder, pursuant to ITB Clause 13.3, as well as such other information as the Purchaser deems necessary and appropriate.
- 29.3 An affirmative determination will be a prerequisite for award of the Contract to the Bidder. A negative determination will result in rejection of the Bidder's bid, in which event the Purchaser will proceed to the next lowest evaluated bid to make a similar determination of that Bidder's capabilities to perform satisfactorily.

30. Award Criteria.

- 30.1 Subject to ITB Clause 32, the Purchaser will award the contract to the successful Bidder whose bid has been determined to be substantially responsive and has been determined to be the lowest evaluated bid, provided further that the Bidder is determined to be qualified to perform the contract satisfactorily.

31. Purchaser's Rights to vary Quantities at Time of award

- 31.1 The Purchaser reserves the right at the time of contract award to increase or decrease, by the percentage indicated in the Bid Data Sheet, the quantity of goods and services originally specified in the Schedule of Requirements without any change in unit prices or other terms and conditions.

32. Purchaser's Right to Accept any Bid and to Reject any or All Bids

- 32.1 The Purchaser reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award, without thereby incurring any liability to the affected Bidder or Bidders on the grounds for the Purchaser's action.

- 33. Notification of Award**
- 33.1 Prior to the expiration of the period of bid validity, the Purchaser will notify the successful Bidder in writing by Registered letter or by cable, to be confirmed in writing by Registered letter, that its bid has been accepted.
- 33.2 The notification of award will constitute the formation of the Contract.
- 33.3 Upon the successful Bidder's furnishing of the performance security pursuant to ITB Clause 35, the Purchaser will promptly notify each unsuccessful Bidder and will discharge its bid security, pursuant to ITB Clause 15.
- 34. Signing of Contract**
- 34.1 At the same time as the Purchaser notifies the successful Bidder that its bid has been accepted, the Purchaser will send The Bidder the Contract Form provided in the bidding Documents, incorporating all agreements between the parties.
- 34.2 Within thirty (30) days of receipt of the Contract Form, the successful Bidder shall sign and date the contract and return it to the Purchaser.
- 35. Performance Security**
- 35.1 Within thirty (30) days of receipt of notification of award from the Purchaser, the successful Bidder shall furnish the performance security in accordance with the Conditions of Contract, in the Performance Security Form provided in the bidding documents, or in another form acceptable to the Purchaser.
- 35.2 Failure of the successful Bidder to comply with the requirement of ITB Clause 34 or ITB Clause 35.1 shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security, in which event the Purchaser may make the award to the next lowest evaluated Bidder or call for new bids.
- 36. Corrupt or Fraudulent Practices**
- 36.1 The Purchaser requires that Bidders/Suppliers observe the highest standard of ethics during the procurement and execution of such a contract. In pursuance of this policy, the Purchaser:
- (a) defines, for the purpose of this provision, the terms set forth below as follows:
- (i) "corrupt practices" means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution; and

(ii) “fraudulent practices” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Purchaser and includes collusive practices among Bidders (prior to or after bid submission) designed to establish bid prices at artificial non-competitive levels and to deprive the Purchaser of the benefits of free and open competition;

(b) will reject a proposal for award if it determines that the Bidder recommended for award has engaged in corrupt or Fraudulent practices in competing for the contract in question;

(c) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded a Government-financed contract if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing, a Government-financed contract.

36.2 Furthermore, Bidders shall be aware of the provision stated in sub-clause 5.4 and sub-clause 24.1 of the General Conditions of Contract.

Section III. Bid Data Sheet

Bid Data Sheet

The following specific data for the goods to be procured shall complement, supplement, or amend the provisions in the Instructions to Bidders (ITB). Whenever there is a conflict, the provisions herein shall prevail over those in ITB.

Introduction	
ITB 1.1	Name of Purchaser: Ministry of Health.
ITB 6.1	Purchaser's address: Ministry of Health Ndeke House Haile Selasse Avenue P O Box 30205 LUSAKA Zambia Tel: +260 (211) 253949 Fax: +260 (211) 251404 Address for seeking clarifications is: Head, Procurement & Supplies Unit Ministry of Health Ground Floor, Ndeke House Haile Selasse Avenue, Longacres P. O. Box 30205 Lusaka, ZAMBIA Facsimile: +260-1-251404
ITB 8.1	Language of the bid: English
ITB 9.1	Applies
ITB 10.1	A Bidder who submits a Bid Form and price schedules that are not signed shall be considered non-responsive.

Bid Price and Currency	
ITB 11.1	Applies. Bidders wishing to offer a discount shall state so in their bid and indicate the discount offered.
ITB 11.2 (a)	The price quoted shall be Ex Works. The price of inland transportation, insurance, and other costs incidental to delivery of the goods to the final

	destination must be quoted in addition to the Ex Works price.
ITB 11.2 (b)	The price quoted shall be CIP to Lewanika and Mansa General Hospitals. Bidders shall in addition to Lewanika and Mansa General hospitals price quote for installation and commissioning separately.
ITB 11.5	The price shall be fixed during the whole period of the contract.
ITB 12.1	<p>(a) For goods and services that the Bidder will supply from within the Purchaser's country, the prices shall be quoted in the currency of the Purchaser's country;</p> <p>(b) For goods and services that the Bidder will supply from outside the Purchaser's country, the prices shall be quoted in the United States Dollar currency.</p>

Preparation and Submission of Bids

ITB 13.3 (d)	<p>Qualification requirements: For bids to qualify, the following documentary evidence of the bidders' eligibility to bid shall be submitted. Failure to submit any of the required documentary evidence may disqualify the bid.</p> <p>(i) In the case of a Bidder offering to supply goods under the contract which the Bidder did not manufacture or otherwise produce, the Bidder must provide documentary evidence that he has been duly authorized by the goods' Manufacturer or producer to supply the goods in the Purchaser's country (the manufacturers' authorization should be addressed to the Permanent secretary, Ministry of Health bearing the project name)</p> <p>(ii) Bidder must demonstrate capacity to deliver directly to final installation site,</p> <p>(iii) Bidder must demonstrate capacity to install and commission offered equipment by way of indicating the number and qualification of technical staff to carry out the installation of the equipment which requires installation.</p> <p>(iv) Bidder must show evidence of having successfully installed, operated and maintained systems within the African region for a minimum period of 10 years prior to this date, of similar size (Proof to have supplied similar equipment within the African continent and in a working condition).</p>
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	<p>(a) Letters of record can be submitted as provided by the institution where such similar equipment has been successfully supplied and installed, indicating the following:</p> <ul style="list-style-type: none"> - The level of training provided by the bidder to the institution's operators and technical staff; - A description of the level of maintenance provided by the Supplier, minor or major; <p>(v) Bids must be accompanied by original Manufacturer's Catalogues/Brochures for Equipment Offered</p> <p>(vi) Bidder must provide the following documents:</p> <ol style="list-style-type: none"> 1. Delivery Schedule 2. Packaging/Labeling Plan; <p>The Bidder shall also submit the following additional information:</p> <p>(a) Financial Capability</p> <p>The Bidder shall furnish documentary evidence that it meets the following financial requirement(s):</p> <p><i>(i) Average turnover for the last three (3) years should be equivalent to at least three (3) times the total value of the bid under consideration; and</i></p> <p><i>(ii) Audited Financial Statements for the past three (3) years must be included in the bid.</i></p> <p>(b) Experience and Technical Capacity</p> <p>The Bidder shall furnish documentary evidence to demonstrate that it meets the following experience requirement(s):</p> <p><i>(i) Evidence of having previously (in the last three [3] years) supplied not less than the equivalent of the same quantity and value of similar goods, required under this procurement; and</i></p> <p><i>(ii) The Supplier must have the technical capacity to manufacture the required quantities of goods or, if the supplier is an agent, he or she should have the original manufacturers' authorization as a dealer or distributor for the goods to be provided in Zambia.</i></p>
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ITB 14.3	<p>(a) Bidders shall provide documentary evidence that the goods they are offering meet the technical specifications. Documentary evidence shall be in the form of literature, brochures or catalogues and must come from the manufacturers of goods being offered. Bidders who shall not provide this documentary evidence shall be considered to be non responsive for those particular goods.</p> <p>(b) Bidders shall give an item-by-item commentary on the Purchaser's Technical Specifications demonstrating substantial responsiveness of the goods and services to those specifications, or a statement of deviations and exceptions to the provisions of the Technical Specifications</p>
ITB 15.1	<p>Amount of bid security: Not less than 2 % of bid amount. Bid security must be valid thirty (30) days after the end of the bid validity period that is One Hundred and Twenty (120) days.</p> <p>Accordingly, a bid with a bid security that expires before thirty (30) days after the end of the bid validity period shall be rejected.</p>
ITB 15.3	The Bid Security shall be denominated in the currency of the bid.
ITB 15.3(a)	Bid Securities from Insurance Companies are not acceptable.
ITB 16.1	Bid validity period: 90 days from date of opening of bids.
ITB 17.1	Number of copies: one original, and four copies.
ITB 18.2 (a)	<p>Address for bid submission:</p> <p>Head, Procurement & Supplies Unit Ministry of Health Ground Floor, Ndeke House Haile Selasse Avenue, Longacres P. O. Box 30205 Lusaka, ZAMBIA</p> <p>Facsimile: +260-1-251404</p>
ITB 18.2 (b)	<p>IFB title and number. : Tender for the supply, delivery, installation and commissioning of Oxygen plants for Lewanika and Mansa General Hospitals – Ministry of Health.</p> <p>IFB Number: MOH/ORD/011/14</p>
ITB 19.1	Deadline for bid submission: 10:00 Hours on Friday, 19th September, 2014
ITB 21.3	Applies
ITB 21.4	Applies
ITB 22.1	Time, date, and place for bid opening. : 10.00 Hours Local time on Friday,19th September, 2014 in the Board Room at the Ministry of

	<p>Health Ground Floor, Ndeke House, Haile Selassie Avenue, Longacres , Lusaka, Zambia.</p>
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Bid Evaluation	
ITB 24	Applies
ITB 25.2	<p>Currency chosen for the purpose of converting to a common currency: Zambian Kwacha.</p> <p>Source of exchange rate: Bank of Zambia, Lusaka prevailing on the date of tender opening.</p>
ITB 26.4	Criteria for bid evaluation are: ITB 10.1, 13.3(d), 14.3, 15.1, 16.1, 26.4(a), (b), (c) and (h).
ITB 26.5 (b) (ii)	Delivery period acceptable is 8 - 10 weeks. The adjustment per week for delivery delays beyond the earliest delivery period offered in the Schedule of Requirements is one half (0.5%) percent of the total bid sum for every week delayed.
ITB 26.5 (c) (ii)	<p>Deviation in payment schedule.</p> <p>The Purchaser will not accept deviations in the payment schedule in the SCC.</p>
ITB 26.5 (e)	Not applicable
ITB 27	Not applicable
Contract Award	
ITB 31.1	Percentage for quantity increase or decrease: Not to exceed fifteen (15) percent.

**SECTION IV. GENERAL CONDITIONS OF
CONTRACT**

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General Conditions of Contract

1. Definitions

1.1 In this Contract, the following terms shall be interpreted as indicated:

- (a) “The Contract” means the agreement entered into between the Purchaser and the Supplier, as recorded in the Contract Form signed by both parties, including all attachments and appendices thereto and all other documents incorporated by reference therein.
- (b) “The Contract Price” means the price payable to the Supplier for the performance of the Contract for the full and proper performance of its contractual obligations.
- (c) “The Goods” means all of the equipment, machinery, and/or other materials which the Supplier is required to supply to the Purchaser under the Contract.
- (d) “The Services” means those services ancillary to the supply of the Goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, and other such obligations of the Supplier covered under the Contract.
- (e) “GCC” means the General Conditions of Contract contained in this Contract.
- (f) “SCC” means the Special Conditions of Contract.
- (g) “The Purchaser” means the organization purchasing the Goods, as defined in the SCC.
- (h) “The Purchaser’s country” is the country named in SCC.
- (i) “The Supplier” means the individual or firm supplying the Goods and Services under this Contract.
- (k) “The Project Site,” where applicable, means the place or places named in the SCC.
- (l) “Day” means calendar day.

2. Application

2.1 These General Conditions shall apply to the extent that they are not superseded by provisions of other parts of the Contract.

- 3. Country of Origin**
- 3.1 All Goods and Services supplied under the Contract shall have their origin in the countries and territories eligible for the required goods.
- 3.2 For purposes of this Clause, “origin” means the place where the Goods were mined, grown, or produced, or from which the Services are supplied. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially recognized new product results that is substantially different in basic characteristics or in purpose or utility from its components.
- 3.3 The origin of Goods and Services is distinct from the nationality of the Supplier.
- 4. Standards**
- 4.1 The Goods supplied under this Contract shall conform to the standards mentioned in the Technical Specifications and, when no applicable standard is mentioned, to the authoritative standards appropriate to the Goods’ country of origin. Such standards shall be the latest issued by the concerned institution.
- 5. Use of Contract Documents and Information; Inspection and Audit by the Purchaser**
- 5.1 The Supplier shall not, without the Purchaser’s prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purposes of such performance.
- 5.2 The Supplier shall not, without the Purchaser’s prior written consent, make use of any document or information enumerated in GCC Sub-Clause 5.1 except for purposes of performing the Contract.
- 5.3 Any document, other than the Contract itself, enumerated in GCC Sub-Clause 5.1 shall remain the property of the Purchaser and shall be returned (all copies) to the Purchaser on completion of the Supplier’s performance under the Contract if so required by the Purchaser.
- 6. Certification of Goods in Accordance**
- 6.1 If required under the Applicable Law, Goods supplied under the Contract shall be registered for use in the Purchaser’s

with Laws of the Purchaser's Country

country. The Purchaser undertakes to cooperate with the Supplier to facilitate registration of the Goods for use in the Purchaser's country.

6.2 Unless otherwise **specified in the SCC**, the Contract shall become effective on the date ("the Effective Date") that the Supplier receives written notification from the relevant authority in the Purchaser's country that the Goods have been registered for use in the Purchaser's country.

6.3 If thirty (30) days, or such longer period **specified in the SCC**, elapse from the date of Contract signing and the Contract has not become effective pursuant to Sub-Clause 6.2 above, then either party may, by not less than seven (7) days' written notice to the other party, declare this Contract null and void. In such event, the Supplier's performance security shall be promptly returned.

7. Patent Rights

7.1 The Supplier shall indemnify the Purchaser against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof in the Purchaser's country.

8. Performance Security

8.1 Within twenty-eight (28) days of receipt of the notification of Contract award, the successful Bidder shall furnish to the Purchaser the performance security in the amount **specified in the SCC**.

8.2 The proceeds of the performance security shall be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its obligations under the Contract.

8.3 The performance security shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to the Purchaser, and shall be in one of the following forms:

(a) a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in the Purchaser's country or abroad, acceptable to the Purchaser, in the format provided in the Bidding Documents or another format acceptable to the Purchaser; or

(b) a cashier's or certified check.

8.4 The performance security will be discharged by the Purchaser and returned to the Supplier not later than thirty (30) days following the date of completion of the Supplier's performance

obligations under the Contract, including any warranty obligations, unless **specified otherwise in the SCC.**

9. Inspections and Tests

9.1 The Purchaser or its representative shall have the right to inspect and/or to test the Goods to confirm their conformity to the Contract specifications. The **SCC** and the Technical Specifications shall specify what inspections and tests the Purchaser requires and where they are to be conducted. The Purchaser shall notify the Supplier in writing, in a timely manner, of the identity of any representatives retained for these purposes.

(a) Said inspection and testing is for the Purchaser's account. In the event that inspection and testing is required prior to dispatch, the Goods shall not be shipped unless a satisfactory inspection and quality control report has been issued in respect of those Goods.

(b) The Supplier may have an independent quality test conducted on a batch ready for shipment. The cost of such tests will be borne by the Supplier.

(c) Upon receipt of the Goods at place of final destination, the Purchaser's representative shall inspect the Goods or part of the Goods to ensure that they conform to the condition of the Contract and advise the Purchaser that the Goods were received in apparent good order. The Purchaser will issue an Acceptance Certificate to the Supplier in respect of such Goods (or part of Goods). The Acceptance Certificate shall be issued within ten (10) days of receipt of the Goods or part of Goods at place of final destination.

9.2 Where the Supplier contests the validity of the rejection by the Purchaser or his representative, of any inspection as required by 9.1 above conducted before shipment or at ultimate destination, whether based on product or packing grounds, a sample drawn jointly by the Supplier and Purchaser or his or her representative and authenticated by both, will be forwarded for umpire analysis within four weeks of the time the Supplier contests to an independent agency mutually agreed by the Purchaser and Supplier. The umpire's finding, which will be promptly obtained, will be final and binding on both parties. The cost of umpire analysis will be borne by the losing party.

10. Packing

10.1 The Supplier shall provide such packing of the Goods as is

required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt, and precipitation during transit and open storage. Packing case size and weights shall take into consideration, where appropriate, the remoteness of the Goods' final destination and the absence of heavy handling facilities at all points in transit.

10.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract, including additional requirements, if any, **specified in the SCC** or Technical Specifications, and in any subsequent instructions ordered by the Purchaser.

11. Delivery and Documents

11.1 Delivery of the Goods shall be made by the Supplier in accordance with the terms specified in the Schedule of Requirements. The details of shipping and/or other documents to be furnished by the Supplier are **specified in the SCC**.

11.2 For purposes of the Contract, "EXW," "FOB," "FCA," "CIF," "CIP," and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of *Incoterms* published by the International Chamber of Commerce, Paris.

11.3 Documents to be submitted by the Supplier are **specified in the SCC**. *Incoterms* provides a set of international rules for the interpretation of the more commonly used trade terms.

12. Insurance

12.1 The Goods supplied under the Contract shall be fully insured in a freely convertible currency against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery in the manner **specified in the SCC**.

12.2 Where delivery of the Goods is required by the Purchaser on a CIF or CIP basis, the Supplier shall arrange and pay for cargo insurance, naming the Purchaser as beneficiary. Where delivery is on an FOB or FCA basis, insurance shall be the responsibility of the Purchaser.

13. Transportation

13.1 Where the Supplier is required under Contract to deliver the Goods FOB, transport of the Goods, up to and including the point of putting the Goods on board the vessel at the specified port of loading, shall be arranged and paid for by

the Supplier, and the cost thereof shall be included in the Contract Price. Where the Supplier is required under the Contract to deliver the Goods FCA, transport of the Goods and delivery into the custody of the carrier at the place named by the Purchaser or other agreed point shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.

13.2 Where the Supplier is required under Contract to deliver the Goods CIF or CIP, transport of the Goods to the port of destination or such other named place of destination in the Purchaser's country, as shall be specified in the Contract, shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.

13.3 Where the Supplier is required under the Contract to transport the Goods to a specified place of destination within the Purchaser's country, defined as the Site, transport to such place of destination in the Purchaser's country, including insurance and storage, as shall be specified in the Contract, shall be arranged by the Supplier, and related costs shall be included in the Contract Price.

13.4 Where the Supplier is required under Contract to deliver the Goods CIF or CIP, no restriction shall be placed on the choice of carrier. Where the Supplier is required under Contract (a) to deliver the Goods FOB or FCA, and (b) to arrange on behalf and at the expense of the Purchaser for international transportation on specified carriers or on national flag carriers of the Purchaser's country, the Supplier may arrange for such transportation on alternative carriers if the specified or national flag carriers are not available to transport the Goods within the period(s) specified in the Contract.

14. Incidental Services

14.1 The Supplier shall provide such incidental services, if any, as are **specified in the SCC**.

14.2 Prices charged by the Supplier for incidental services, if not included in the Contract Price for the Goods, shall be agreed upon in advance by the parties and shall not exceed the prevailing rates charged to other parties by the Supplier for similar services.

15. Warranty

15.1 The Supplier warrants that all the Goods are new, unused, and of the most recent or current models, and that they incorporate all recent improvements in design and materials, unless provided otherwise in the Contract.

- 15.2 Subject to GCC Sub-Clause 21.1(b), the Supplier further warrants that the Goods shall be free from defects arising from any act or omission of the Supplier or arising from design, materials, and workmanship, under normal use in the conditions prevailing in the country of final destination.
- 15.3 Unless otherwise specified in the **SCC**, the warranty shall remain valid for twelve (12) months after the Goods, or any portion thereof as the case may be, have been delivered to and accepted at the final destination indicated in the **SCC**, or for eighteen (18) months after the date of shipment from the port or place of loading in the country of origin, whichever period concludes earlier.
- 15.4 The Purchaser shall give notice to the Supplier stating the nature of any such defects together with all available evidence thereof, promptly following the discovery thereof. The Purchaser shall afford all reasonable opportunity for the Supplier to inspect such defects.
- 15.5 Upon receipt of such notice, the Supplier shall, within the period specified in the **SCC**, expeditiously repair or replace the defective Goods or parts thereof, at no cost to the Purchaser.
- 15.6 If having been notified, the Supplier fails to remedy the defect within the period specified in the **SCC**, the Purchaser may proceed to take within a reasonable period such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Purchaser may have against the Supplier under the Contract

16. Payment

- 16.1 The method and conditions of payment to be made to the Supplier under this Contract shall be **specified in the SCC**.
- 16.2 The Supplier's request(s) for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the Goods delivered and Services performed, and by documents submitted pursuant to GCC Clause 11, and upon fulfillment of other obligations stipulated in the Contract.
- 16.3 Payments shall be made promptly by the Purchaser, but in no case later than sixty (60) days after submission of an invoice

or claim by the Supplier.

16.4 The currency or currencies in which payment is made to the Supplier under this Contract shall be **specified in the SCC** subject to the following general principle: Payment will be made in the currency or currencies in which the payment has been requested in the Supplier's bid.

16.5 All payments shall be made in the currency or currencies specified in the SCC pursuant to GCC 16.4.

17. Prices

17.1 Prices charged by the Supplier for Goods delivered and Services performed under the Contract shall not vary from the prices quoted by the Supplier in its bid, with the exception of any price adjustments **authorized in the SCC** or in the Purchaser's request for bid validity extension, as the case may be.

18. Change Orders

18.1 The Purchaser may at any time, by a written order given to the Supplier pursuant to GCC Clause 31, make changes within the general scope of the Contract in any one or more of the following:

(a) specifications, where Goods to be furnished under the Contract are to be specifically manufactured for the Purchaser;

(b) the method of shipment or packing;

(c) the place of delivery; and/or

(d) the Services to be provided by the Supplier.

18.2 If any such change causes an increase or decrease in the cost of, or the time required for, the Supplier's performance of any provisions under the Contract, an equitable adjustment shall be made in the Contract Price or delivery schedule, or both, and the Contract shall accordingly be amended. Any claims by the Supplier for adjustment under this clause must be asserted within thirty (30) days from the date of the Supplier's receipt of the Purchaser's change order.

19. Contract Amendments

19.1 Subject to GCC Clause 18, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

20. Assignment

20.1 The Supplier shall not assign, in whole or in part, its obligations to perform under this Contract, except with the Purchaser's prior written consent.

- 21. Delays in the Supplier's Performance**
- 21.1 Delivery of the Goods and performance of Services shall be made by the Supplier in accordance with the time schedule prescribed by the Purchaser in the Schedule of Requirements.
- 21.2 If at any time during performance of the Contract, the Supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the Goods and performance of Services, the Supplier shall promptly notify the Purchaser in writing of the fact of the delay, its likely duration, and its cause(s). As soon as practicable after receipt of the Supplier's notice, the Purchaser shall evaluate the situation and may at its discretion extend the Supplier's time for performance, with or without liquidated damages, in which case the extension shall be ratified by the parties by amendment of Contract.
- 21.3 Except as provided under GCC Clause 24, a delay by the Supplier in the performance of its delivery obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 22, unless an extension of time is agreed upon pursuant to GCC Clause 21.2 without the application of liquidated damages.
- 22. Liquidated Damages**
- 22.1 Subject to GCC Clause 24, if the Supplier fails to deliver any or all of the Goods or to perform the Services within the period(s) specified in the Contract, the Purchaser shall, without prejudice to its other remedies under the Contract, deduct from the Contract Price, as liquidated damages, a sum equivalent to the percentage **specified in the SCC** of the delivered price of the delayed Goods or unperformed Services for each week or part thereof of delay until actual delivery or performance, up to a maximum deduction of the percentage **specified in the SCC**. Once the maximum is reached, the Purchaser may consider termination of the Contract pursuant to GCC Clause 23.
- 23. Termination for Default**
- 23.1 The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate this Contract in whole or in part:
- (a) if the Supplier fails to deliver any or all of the Goods within the period(s) specified in the Contract, or within any extension thereof granted by the Purchaser pursuant to GCC Clause 21; or
 - (b) if the Goods do not meet the Technical Specifications stated in the Contract; or
 - (c) if the Supplier fails to provide any registration or other

certificates in respect of the Goods within the time specified in the Special Conditions.

- (d) if the Supplier, in the judgment of the Purchaser, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purpose of this clause:

“corrupt practice” means the offering, giving, receiving, or soliciting of any thing of value to influence the action of a public official in the procurement process or in Contract execution.

“fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a Contract to the detriment of the Borrower, and includes collusive practice among Bidders (prior to or after bid submission) designed to establish bid prices at artificial noncompetitive levels and to deprive the Borrower of the benefits of free and open competition.

- (e) if the Supplier fails to perform any other obligation(s) under the Contract.

23.2 In the event the Purchaser terminates the Contract in whole or in part, pursuant to GCC Clause 23.1, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, Goods or Services similar to those undelivered, and the Supplier shall be liable to the Purchaser for any excess costs for such similar Goods or Services. However, the Supplier shall continue performance of the Contract to the extent not terminated.

24. Force Majeure

24.1 Notwithstanding the provisions of GCC Clauses 21, 22, and 23, the Supplier shall not be liable for forfeiture of its performance security, liquidated damages, or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

24.2 For purposes of this clause, “Force Majeure” means an event beyond the control of the Supplier and not involving the Supplier’s fault or negligence and not foreseeable. Such events may include, but are not restricted to, acts of the Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight

embargoes.

24.3 If a Force Majeure situation arises, the Supplier shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

25. Termination for Insolvency

25.1 The Purchaser may at any time terminate the Contract by giving written notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In this event, termination will be without compensation to the Supplier, provided that such termination will not prejudice or affect any right of action or remedy that has accrued or will accrue thereafter to the Purchaser.

26. Termination for Convenience

26.1 The Purchaser, by written notice sent to the Supplier, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser's convenience, the extent to which performance of the Supplier under the Contract is terminated, and the date upon which such termination becomes effective.

26.2 The Goods that are complete and ready for shipment within thirty (30) days after the Supplier's receipt of notice of termination shall be accepted by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may elect:

(a) to have any portion completed and delivered at the Contract terms and prices; and/or

(b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and Services and for materials and parts previously procured by the Supplier.

27. Settlement of Disputes

27.1 If any dispute or difference of any kind whatsoever shall arise between the Purchaser and the Supplier in connection with or arising out of the Contract, the parties shall make every effort to resolve amicably such dispute or difference by mutual consultation.

27.2 If, after thirty (30) days, the parties have failed to resolve their dispute or difference by such mutual consultation, then

either the Purchaser or the Supplier may give notice to the other party of its intention to commence arbitration, as hereinafter provided, as to the matter in dispute, and no arbitration in respect of this matter may be commenced unless such notice is given.

27.2.1 Any dispute or difference in respect of which a notice of intention to commence arbitration has been given in accordance with this Clause shall be finally settled by arbitration. Arbitration may be commenced prior to or after delivery of the Goods under the Contract.

27.2.2 Arbitration proceedings shall be conducted in accordance with the rules of procedure **specified in the SCC**.

27.3 Notwithstanding any reference to arbitration herein,

- (a) the parties shall continue to perform their respective obligations under the Contract unless they otherwise agree; and
- (b) the Purchaser shall pay the Supplier any monies due the Supplier.

28. Limitation of Liability

28.1 Except in cases of criminal negligence or willful misconduct, and in the case of infringement pursuant to Clause 7,

- (a) the Supplier shall not be liable to the Purchaser, whether in contract, tort, or otherwise, for any indirect or consequential loss or damage, loss of use, loss of production, or loss of profits or interest costs, provided that this exclusion shall not apply to any obligation of the Supplier to pay liquidated damages to the Purchaser and
- (b) the aggregate liability of the Supplier to the Purchaser, whether under the Contract, in tort or otherwise, shall not exceed the total Contract Price, provided that this limitation shall not apply to the cost of repairing or replacing defective equipment.

29. Governing Language

29.1 The Contract shall be written in the language **specified in the SCC**. Subject to GCC Clause 30, the version of the Contract written in the specified language shall govern its interpretation. All correspondence and other documents pertaining to the Contract that are exchanged by the parties shall be written in the same language.

30. Applicable Law

30.1 The Contract shall be interpreted in accordance with the laws

of the Purchaser's country, unless otherwise **specified in the SCC.**

31. Notices

- 31.1 Any notice given by one party to the other pursuant to this Contract shall be sent to the other party in writing or by cable, telex, or facsimile and confirmed in writing to the other party's address **specified in the SCC.**
- 31.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

32. Taxes and Duties

- 32.1 A Supplier supplying Goods from abroad shall be entirely responsible for all taxes, stamp, duties, license fees, and other such levies imposed outside the Purchaser's country.
- 32.2 A Supplier supplying Goods offered locally shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted Goods to the Purchaser.
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**SECTION V. SPECIAL CONDITIONS OF
CONTRACT**

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Special Conditions of Contract

The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract. The corresponding clause number of the GCC is indicated in parentheses.

1. Definitions (GCC Clause 1)	
GCC 1.1 (c)	The Goods: Equipment as per Schedule of Requirements
GCC 1.1 (g)	The Purchaser is: Ministry of Health, Ndeke House, Haile Selassie Avenue, Longacres, P o Box 30205, Lusaka, Tel: 253949, Fax: 251404
GCC 1.1 (h)	The Purchaser's country is: Zambia
GCC 1.1 (i)	The Supplier is:
GCC 1.1 (k)	The Site is Lewanika and Mansa General Hospitals
2. Application (GCC Clause 2)	
GCC 2	Applies.
4. Standards (GCC Clause 4)	
GCC 4	Applies
5. Use of Contract Documents and Information (GCC Clause 5)	
GCC 5	<i>There are no Special Conditions of Contract applicable to GCC Clause 5.</i>
6. Certification of Goods in Accordance with Laws of the Purchaser's Country (GCC Clause 6)	
GCC 6.1	<i>N/A</i>
GCC 6.2	The Effective Date of the Contract is: <i>Date of Signing the Contract by both the Purchaser and the Supplier.</i>
GCC 6.3	The time period shall be: <i>Not Applicable.</i>

7. Patent Rights (GCC Clause 7)	
GCC 7	<i>There are no Special Conditions of Contract applicable to GCC Clause 7.</i>
8. Performance Security (GCC Clause 8)	
GCC 8.1	Performance security shall be for an amount equal to: ten (10) percent of the Contract Price.
GCC 8.4	<i>There are no Special Conditions of Contract applicable to GCC Sub-Clause 8.4.</i>
9. Inspections and Tests (GCC Clause 9)	
GCC 9.1	Pre-shipment inspection shall be undertaken by the ministry of Health officials who shall issue an Inspection Certificate.
10. Packing (GCC Clause 10)	
GCC 10.2	Packing and marking requirements are indicated in the Technical Specifications.
11. Delivery and Documents (GCC Clause 11)	
GCC 11.1 & 11.3	<p>Upon shipment, the Supplier shall notify the Purchaser and the insurance company in writing the full details of the shipment including Contract number, description of the Goods, quantity, date and place of shipment, mode of transportation, and estimated date of arrival at place of destination. In the event of Goods sent by airfreight, the Supplier shall notify the Purchaser a minimum of forty-eight (48) hours ahead of dispatch, the name of the carrier, the flight number, the expected time of arrival, and the waybill number. The Supplier shall fax and then send by courier the following documents to the Purchaser, with a copy to the insurance company:</p> <p>(i) two originals and two copies of the Supplier's invoice, showing Purchaser as Ministry of Health, the Contract number, Goods description, quantity, unit price, and total amount. Invoices must be signed in original, stamped, or sealed with the company stamp/seal;</p>

	<ul style="list-style-type: none"> (ii) one original and two copies of the negotiable, clean, on-board through bill of lading marked “freight prepaid” and showing Purchaser as Ministry of Health and Notify Party as stated in the Contract, with delivery through to final destination as per the Schedule of Requirements and two copies of non-negotiable bill of lading, or three copies of railway consignment note, road consignment note, truck or air waybill, or multimodal transport document, marked “freight prepaid” and showing delivery through to final destination as per the Schedule of Requirements; (iii) three copies of the packing list identifying contents of each package; (iv) copy of the Insurance Certificate, showing the Purchaser as the beneficiary; (v) one original of the manufacturer’s or Supplier’s Warranty Certificate covering all items supplied; (vi) one original of the Supplier’s Certificate of Origin covering all items supplied; (vii) original copy of the Certificate of Inspection furnished to Supplier by the nominated inspection agency and six copies (where inspection is required); (viii) any other procurement-specific documents required for delivery/payment purposes. <p>Note: In the event that the documents presented by the Supplier are not in accordance with the Contract, then payment will be made against issue of the Acceptance Certificate, to be issued in accordance with SCC 9 (GCC 9) above.</p>
12. Insurance (GCC Clause 12)	
GCC 12.1	The insurance shall be in an amount equal to 110 percent of the CIP value of the Goods from “warehouse” to “warehouse” on “All Risks” basis, including war risks and strikes.
13. Transportation (GCC Clause 13)	
GCC 13	Transportation of the Goods to the delivery sites as indicated in the Schedule of Requirements shall be done by the Bidder, therefore the Contract Price shall include this costs.

14. Incidental Services (GCC Clause 14)	
GCC 14.1	Incidental services to be provided are: <i>Demonstration on the use of the equipment</i>
15. Warranty (GCC Clause 15)	
GCC 15.1	<i>All equipment shall have a manufacturer's warranty of 12 months minimum from the date of acceptance/commissioning or from 30 days after shipment date from source, which ever comes first</i>
GCC 15.4	The period for the replacement of defective goods is: Six (6No.) Weeks after notification of such defects.
16. Payment (GCC Clause 16)	
GCC 16.1 & 16.4	<p>The method and conditions of payment to be made to the Supplier under this Contract shall be as follows:</p> <p>Payment shall be made in <i>currency of the Contract Price</i> in the following manner:</p> <ul style="list-style-type: none"> (i) Advance Payment: Ten (10) percent of the Contract Price shall be paid within thirty (30) days of signature of Contract and receipt of the Performance Guarantee, upon submission of an invoice (showing Purchaser's name; the Contract number, loan number; description of payment and total amount, signed in original, stamped or sealed with the company stamp/seal) and a bank guarantee in the form provided in Section VIII, Advance Payment Bank Guarantee. (ii) On Shipment: Eighty (80) percent of the Contract Price of the Goods shipped shall be paid through irrevocable confirmed letter of credit opened in favor of the Supplier in a bank in its country, upon submission of documents specified in GCC Clause 11 or, alternatively, at the Supplier's option, within thirty (30) days of submission of documents specified in GCC Clause 11 above by direct bank transfer to the Supplier's nominated bank account. Opening charges and charges for amendment of the letter of credit at the request of or due to a fault or default of the Purchaser are for the account of the Purchaser. Confirmation charges and charges for amendment to letters

	<p>of credit at the request of or due to a fault or default on behalf of the Supplier are for the account of the Supplier.</p> <p>(iii) On Acceptance: Ten (10) percent of the Contract Price of Goods received shall be paid within thirty (30) days of receipt of the Goods upon submission of an invoice (showing Purchaser's name; the Contract number, loan number; description of payment and total amount, signed in original, stamped or sealed with the company stamp/seal) supported by the Acceptance Certificate/Installation Certificate issued by the Purchaser</p>
17. Prices (GCC Clause 17)	
GCC 17.1	Prices shall be fixed and firm for the duration of the Contract.
18. Change Orders (GCC Clause 18)	
GCC 18	Applicable
19. Contract Amendments (GCC Clause 19)	
GCC 19	Applicable
20. Assignment (GCC Clause 20)	
GCC 20	Not applicable

21. Delays in the Supplier's Performance (GCC Clause 21)	
GCC 21	Applicable.
22. Liquidated Damages (GCC Clause 22)	
GCC 22.1	<i>applicable rate:</i> One-half (0.5) percent per week <i>maximum deduction:</i> Ten (10) percent of the Contract Price.
23. Termination for Default (GCC Clause 23)	
GCC 23	<i>There are no Special Conditions of Contract applicable to GCC 23.</i>
24. Force Majeure (GCC Clause 24)	
GCC 24	<i>There are no Special Conditions of Contract applicable to GCC 24.</i>
25. Termination for Insolvency (GCC Clause 25)	
GCC 25	<i>There are no Special Conditions of Contract applicable to GCC 25.</i>
26. Termination for Convenience (GCC Clause 26)	
GCC 26	<i>There are no Special Conditions of Contract applicable to GCC 26.</i>
27. Settlement of Disputes (GCC Clause 27)	
GCC 27.2.2	The dispute resolution mechanism to be applied pursuant to GCC Sub-Clause 27.2.2 shall be as follows: <i>(a) Contracts with foreign Supplier:</i> GCC 27.2.2 (a)–Any dispute, controversy, or claim arising out of or relating to this Contract, or breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.

28. Limitation of Liability (GCC Clause 28)	
GCC 28	<i>There are no Special Conditions of Contract applicable to GCC 28.</i>
29. Governing Language (GCC Clause 29)	
GCC 29.1	<i>Governing language: English</i>
30. Applicable Law (GCC Clause 30)	
GCC 30.1	The Contract shall be interpreted in accordance with the laws of the: Republic of Zambia
31. Notices (GCC Clause 31)	
GCC 31.1	<p>Purchaser's address for notice purposes:</p> <p>The Permanent Secretary Ministry of Health P.O. Box 30205 Haile Salessie Avenue, Lusaka, Zambia.</p> <p>Tel : 260 (211) 253949 Fax : number 260 (211) 251404</p> <p>Supplier's address for notice purposes:</p>
32. Taxes and Duties (GCC Clause 32)	
GCC 32	<i>There are no Special Conditions of Contract applicable to GCC 32.</i>

SECTION VI. SCHEDULE OF REQUIREMENTS

SCHEDULE OF REQUIREMENTS

The delivery schedule expressed as weeks stipulates hereafter a delivery date that is the date of delivery (i) at EXW premises or (ii) to the carrier at the port of shipment when the Contract is placed on FOB or CIF terms or (iii) to the first carrier when the Contract is placed on FCA or CIP terms. To determine the correct date of delivery hereafter specified, the Purchaser has taken into account the additional time that will be needed for international or national transit to the site or to another common place.

**The named destination for delivery CIP is:
Lewanika and Mansa General Hospitals
Lusaka. Zambia.**

General – Lot 1

Item No.	Description	Qty	Delivery Period
1.	Oxygen Plant	2	8 – 10 weeks

SECTION VII. TECHNICAL SPECIFICATIONS

Technical Specifications for the Provincial O2 Plant

Name of Equipment	Technical Specifications
Oxygen Generating Plant	<p>Machine to supply medical Oxygen with the following specifications</p> <p>Capacity: 25.6 to 28Nm³/hr</p> <p>Purity: 93%+/-2%</p> <p>Output Pressure: 6.0bar(g) to 7bar(a) (O₂ discharge Pressure)</p> <p>Quality/Reliability: High</p> <p>Air factor : 10 to 11</p> <p>No touch screen system to be applied</p> <p>To produce sufficient oxygen pressure for any kind of patient –interactive respiratory ventilators and despite tolerances, oxygen purity should always remain safely above the 90%limit</p> <p>Mechanical Features</p> <ul style="list-style-type: none"> -Machine to have process filters for removal of vapor, condensate and duct particles Machine to have two or more PSA towers with molecular sieve -PSA towers certified with European pressure equipment directive 97/23/CE including fatigue analysis for unlimited cyclic loads; individual identification plates on each tower. -Process piping in stainless steel -Pressure regulators with stainless steel bodies in the in and outlet lines -All instrument tubing and fittings in stainless steel -Flow controlling valves with stainless steel valve bodies -Certified safety valves and set at appropriate pressure level -Should have set of electro-pneumatic valves and throttles -to have special designed with modular type system allowing easy unit up and down grade -Each master station to control up to two units in parallel operation. <p>The Generator to be designed and manufactured conforming to the following laws:EN60204-1,EN292-1,EN292-2,DPR459/96,98/37/CE,73/23/CE,89/336/CE,97/23/CE,87/404/CE,CE93/42 ClassII B (Medical Device Directive)</p> <p>Electrical Components</p> <p>Programmable Logic Controller</p> <p>Primary brand, high quality PLC (Allen Bradley complete CE certified electrical system with DIN terminal blocks</p> <p>No process piping inside electrical box admitted</p> <p>Entire electrical and control system in an IP65 protected steel cabinet</p> <p>Compressor</p> <p>GA 55-125 plus separate over sized refrigeration dryer</p>

	<p>-Compressor to 5% performance tolerance</p> <p>-At ambient temperatures higher than 20 degree Cels(design condition for each PSA oxygen generator ,independent from the manufacturer)</p> <p>Compressor to supply less air at higher ambient temperatures in order to guarantee correct performance of entire oxygen generation system at 35degreeCelsus and 100%RH</p> <p>-The refrigeration dryer to be dimensioned to dry the feed air to a dew point of</p> <p>-20 degree Celus even at high ambient relative humidity. The feed air temperature after the air dryer should be lower or equal to the ambient temperature. This is to avoid the risk of damaging the molecular sieves.</p> <p>Pre-filter</p> <p>Machine to have pre-filter for removal of dirt and other contaminates</p> <p>Air Dryer</p> <p>Machine to have air dryer with refrigerant compressed Air Dryer CQ 0550 so that we have:</p> <p>-LCD display to monitor the actual quality of compressed air (Dew point)</p> <p>-Easy maintenance due to the system not being integrated to compressor</p> <p>Dry Air tank</p> <p>To store volume of dry air before entering to the oxygen generator to compensate the required air to produce oxygen.</p> <p>Oxygen Analyzer</p> <p>Machine to have Zirconium Oxide Cell Oxygen Analyzer to record the oxygen purity produced by the oxygen generator to display to the ALLEN BRADLEY panel view display</p> <p>The factory setting for the oxygen analyzer to be 92 to 95% and that when the purity drops below 92% then it should automatically vent the oxygen to exhaust and have an operational mode and continuous production of oxygen until the required purity is reached so that the valve can automatically open to deliver to the user.</p> <p>-In the case where the purity is not within then entire oxygen generator system (air compressor, air dryer and PSA oxygen generator to automatically switch off.</p> <p>-Zirconium Oxide cell analyzer have a life span of 5 years or more</p> <p>-It should have stable measurements</p> <p>Carbon Filter</p> <p>The machine to have an active carbon filter to filter oil vapor and odor</p> <p>Oxygen Compressor for Refilling Station</p> <p>Brand : RIX</p> <p>Max Pressure 152 bar (g) or more</p> <p>Output: 80 to 3.20m3/hr</p> <p>Equivalent to 10 cylinders per day or more</p> <p>The package to include the technical training and on site visit at the manufacturing plant at least two facilities engineers.</p> <p>Machine to have a warranty period of 24 months and separate cost for extended warranty</p> <p>Manufacturer to be certified with:</p>
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	<ul style="list-style-type: none">-ISO 9001:2000-ISO 14001:2004-ISO 13485:2003-EMAS EN 761-2001-Oxygen Generator to be certified as medical device according to EU standard CE93/42, Class II B-Supply of free sales certificate <p>Note that the quotation should also include the piping of the oxygen outlets for about 150 point for each hospital</p>
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SECTION VIII. SAMPLE FORMS

NOTES TO BIDDERS ON THE PREPARATION OF SAMPLE FORMS

The Purchaser has prepared the forms in this section of the Bidding Documents to suit the specific requirements of the procurement. In its bid, the Bidder **MUST** use these forms (or forms that present in the same sequence substantially the same information). If the Bidder has a question regarding the meaning or appropriateness of the contents or format of the forms and/or the instructions contained in them, these questions should be brought to the Purchaser's attention as soon as possible during the bid clarification process, by addressing them to the Purchaser in writing pursuant to ITB Clause 11.

The Purchaser has provided explanatory text and instructions to help the Bidder prepare the forms accurately and completely. The instructions that appear directly on the forms themselves are indicated by use of typographical aides such as italicized text within square brackets.

In preparing its bid, the Bidder **MUST** ensure all such information is provided and that the typographical aides are removed.

SAMPLE FORMS

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1. BID FORM AND PRICE SCHEDULES

Date: _____

IFB N°: _____

To: [_____]

Gentlemen and/or Ladies:

Having examined the bidding documents including Addenda Nos. *[insert numbers]*, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply and deliver *[description of goods and services]* in conformity with the said bidding documents for the sum of *[total bid amount in words and figures]* or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

If our Bid is accepted, we will obtain the guarantee of a bank in a sum equivalent to _____ percent of the Contract Price for the due performance of the Contract, in the form prescribed by the Purchaser.

We agree to abide by this Bid for a period of 90 days from the date fixed for Bid opening under Clause 22 of the Instructions to Bidders, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal Contract is prepared and executed, this Bid, together with your written acceptance thereof and your notification of award, shall constitute a binding Contract between us.

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

Dated this _____ day of _____ 20_____.

*[signature]*_____
[in the capacity of]

Duly authorized to sign Bid for and on behalf of _____

Price Schedule for Goods Offered from Abroad

(Group C bids)

Name of Bidder _____ . IFB Number : _____

1	2	3	4	5	6	7	8	9
Item	Description	Country of origin	Manufacturer	Quantity	Unit price FOB or FCA port or place of loading (specify port or place) ¹	Unit price ² CIF port of entry (specify port) or CIP named place (specify border point or place of destination)	Total CIF or CIP price per item (col. 4 x 6)	Unit price of inland delivery to final destination and unit price of other incidental services ³

¹ Optional, but in accordance with Clause 11.2 (b) (ii) or (iii) of the Instructions to Bidders and the related provisions in the Bid Data Sheet.

² Currencies to be used in accordance with Clause 12 of the Instructions to Bidder.

³ Optional, but in accordance with Clause 11.2 (b) (iv) and (v) in the Instructions to Bidders and the related provisions in the Bid Data Sheet.

Signature of Bidder _____

Note: In case of discrepancy between unit price and total, the unit price shall prevail.

Price Schedule for Domestic Goods Offered from within the Purchaser's Country

(Group A and Group B bids)

Name of Bidder _____ . IFB Number : _____

1	2	3	4	5	6	7	8	9	10
Item	Description	Country of origin		Quantity	Unit price ¹ EXW per item	Cost of local labor, raw material, and component ²	Total price EXW per item (cols. 4 x 5)	Unit price per item final destination and unit price of other incidental services ³	Sales and other taxes payable if Contract is awarded

¹ Currencies to be used in accordance with Clause 12 of the Instructions to Bidders. The price shall include all customs duties and sales and other taxes already paid or payable on the components and raw material used in the manufacture or assembly of the item or the customs duties and sales and other taxes paid on the previously imported item offered ex warehouse, ex showroom, or off-the-shelf. These factors should not be entered separately.

² Indicated as a percentage of the EXW price.

³ Optional and only when required in accordance with Clause 11.2 (a)(iii) and (iv) in the Instructions to Bidders and the related provisions in the Bid Data Sheet.

Signature of Bidder _____

Note: In case of discrepancy between unit price and total, the unit price shall prevail.

2. BID SECURITY FORM

Whereas *[name of the Bidder]* (hereinafter called “the Bidder”) has submitted its bid dated *[date of submission of bid]* for the supply of *[name and/or description of the goods]* (hereinafter called “the Bid”).

KNOW ALL PEOPLE by these presents that WE *[name of bank]* of *[name of country]*, having our registered office at *[address of bank]* (hereinafter called “the Bank”), are bound unto *[name of Purchaser]* (hereinafter called “the Purchaser”) in the sum of for which payment well and truly to be made to the said Purchaser, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this ____ day of _____ 20 ____.

THE CONDITIONS of this obligation are:

1. If the Bidder withdraws its Bid during the period of bid validity specified by the Bidder on the Bid Form; or
2. If the Bidder, having been notified of the acceptance of its Bid by the Purchaser during the period of bid validity:
 - (a) fails or refuses to execute the Contract Form, if required; or
 - (b) fails or refuses to furnish the performance security, in accordance with the Instructions to Bidders;

we undertake to pay to the Purchaser up to the above amount upon receipt of its first written demand, without the Purchaser having to substantiate its demand, provided that in its demand the Purchaser will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including thirty (30) days after the period of bid validity, and any demand in respect thereof should reach the Bank not later than the above date.

[signature of the bank]

3. CONTRACT FORM

THIS AGREEMENT made the ____ day of _____ 20____ between the Ministry of Health, Ndeke House, Lusaka hereafter called “the Purchaser”) of the one part and _____ hereinafter called “the Supplier”) of the other part:

WHEREAS the Purchaser invited bids for certain goods and ancillary services, viz., Supply and delivery of Various Medical Equipment for 133no. Health Posts and 04no. Health Centres in Zambia and has accepted a bid by the Supplier for the supply of those goods and services in the sum of _____ hereinafter called “the Contract Price”).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, viz.:
 - (a) the Bid Form and the Price Schedule submitted by the Bidder;
 - (b) the Schedule of Requirements;
 - (c) the Technical Specifications;
 - (d) the General Conditions of Contract;
 - (e) the Special Conditions of Contract; and
 - (f) the Purchaser’s Notification of Award.
3. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the goods and services and to remedy defects therein in conformity in all respects with the provisions of the Contract
4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the goods and 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 times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws the day and year first above written.

Signed, sealed, delivered by _____ the _____ (for the Purchaser)

Signed, sealed, delivered by _____ the _____ (for the Supplier)

4. PERFORMANCE SECURITY FORM

To: *[name of Purchaser]*

WHEREAS *[name of Supplier]* (hereinafter called “the Supplier”) has undertaken, in pursuance of Contract No. *[reference number of the contract]* dated _____ 20____ to supply *[description of goods and services]* (hereinafter called “the Contract”).

AND WHEREAS it has been stipulated by you in the said Contract that the Supplier shall furnish you with a bank guarantee by a reputable bank for the sum specified therein as security for compliance with the Supplier’s performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the Supplier a guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the Supplier, up to a total of *[amount of the guarantee in words and figures]*, and we undertake to pay you, upon your first written demand declaring the Supplier to be in default under the Contract and without cavil or argument, any sum or sums within the limits of *[amount of guarantee]* as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the _____ day of _____ 20_____.

Signature and seal of the Guarantors

[name of bank or financial institution]

[address]

[date]

5. BANK GUARANTEE FOR ADVANCE PAYMENT

To: *[name of Purchaser]*

[name of Contract]

Gentlemen and/or Ladies:

In accordance with the payment provision included in the Special Conditions of Contract, which amends Clause 16 of the General Conditions of Contract to provide for advance payment, *[name and address of Supplier]* (hereinafter called “the Supplier”) shall deposit with the Purchaser a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of *[amount of guarantee in figures and words]*.

We, the *[bank or financial institution]*, as instructed by the Supplier, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to the Purchaser on its first demand without whatsoever right of objection on our part and without its first claim to the Supplier, in the amount not exceeding *[amount of guarantee in figures and words]*.

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

This guarantee shall remain valid and in full effect from the date of the advance payment received by the Supplier under the Contract until *[date]*.

Yours truly,

Signature and seal of the Guarantors

[name of bank or financial institution]

[address]

[date]

6. MANUFACTURER'S AUTHORIZATION FORM

[See Clause 13.3 (a) of the Instructions to Bidders.]

To: *[name of the Purchaser]*

WHEREAS *[name of the Manufacturer]* who are established and reputable manufacturers of *[name and/or description of the goods]* having factories at *[address of factory]*

do hereby authorize *[name and address of Agent]* to submit a bid, and subsequently negotiate and sign the Contract with you against IFB No. *[reference of the Invitation to Bid]* for the above goods manufactured by us.

We hereby extend our full guarantee and warranty as per Clause 15 of the General Conditions of Contract for the goods offered for supply by the above firm against this Invitation for Bids.

[signature for and on behalf of Manufacturer]

Note: This letter of authority should be on the letterhead of the Manufacturer and should be signed by a person competent and having the power of attorney to bind the Manufacturer. It should be included by the Bidder in its bid. The power of attorney is therefore mandatory for every bidder to include as part of its bid in addition to the Manufacturers.