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**Ministry of National Planning, Housing and Infrastructure**

Republic of Maldives

**CONTRACT DOCUMENT**

**BETWEEN**

**THE GOVERNMENT OF MALDIVES, REPRESENTED BY**

**THE MINISTRYOF NATIONAL PLANNING, HOUSING AND INFRASTRUCTURE**

**AND**

**(CONTRACTORS NAME)**

**For**

**Design and Build of \_\_\_\_\_\_ Housing Units at \_\_\_\_\_\_\_\_\_\_**

**TES/2023/\_\_\_\_\_\_**

**January 26, 2023**

(Agreement No)

Contract Agreement

THIS AGREEMENT made on the *Day* of *Month*, *Year* between **The Government of Maldives**, represented by **the Ministry of National Planning, Housing and Infrastructure**, Ameenee Magu, Male’, Republic of Maldives (hereinafter called the “Employer”) of the one part, and ***Contractor’s name and address*, (hereinafter called “the Contractor”( of the other part:**

**WHEREAS** the Employer desires that the Works known as **Design and Build of \_\_\_\_\_\_ Houses at \_\_\_\_\_\_\_\_\_\_\_** should be executed by the Contractor, and has accepted a Tender by the Contractor for the execution and completion of these Works and the remedying of any defects therein,

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other Contract documents.

* + 1. the Letter of Acceptance
    2. the Contractor’s Tender
    3. the Particular Conditions
    4. the General Conditions
    5. the Clarifications of the Bidding Documents
    6. the Requirements of the Client
    7. the Specification (to be incorporated and read with the agreement upon finalization);
    8. the Drawings (to be incorporated and read with the agreement upon finalization);
    9. the Bill of Quantities (to be incorporated and read with the agreement upon finalization) and
    10. the Work Schedule (to be incorporated and read with the agreement upon finalization),

3. In consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the 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 the laws of the Republic of Maldives on the day, month and year indicated above.

**For and on behalf of the Employer**

|  |  |
| --- | --- |
| Signed: |  |
| Name: |  |
| In the capacity of: | Ministry of National Planning, Housing and Infrastructure |

**In witness**

|  |  |
| --- | --- |
| Signed: |  |
| Name: |  |
| In the capacity of: | Ministry of National Planning, Housing and Infrastructure |

**For and on behalf of Contractor**

|  |  |
| --- | --- |
| Signed: |  |
| Name of member: |  |
| In the capacity of: |  |

|  |  |
| --- | --- |
| Signed: |  |
| Name of member: |  |
| In the capacity of: |  |

Letter of Acceptance

Letter of Tender

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# APPENDIX TO THE TENDER

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Conditions** | **Sub-Clause** | | **Data** | |
| **Employer’s name and address** | 1.1.2.2. & 1.3. | | Ministry of National Planning, Housing and Infrastructure  Ameenee Magu, Maafannu,  Male’ 20392  Republic of Maldives | |
| **Contractor’s name and address** | 1.1.2.3. & 1.3. | |  | |
| **Engineer’s name and address** | 1.1.2.4. & 1.3 | | Ministry of National Planning, Housing and Infrastructure  Ameenee Magu, Male’ 20392  Republic of Maldives | |
| **Time for Completion of the Works** | 1.1.3.3 | | 360 days | |
| **Defects Notification Period** | 1.1.3.7 | | \_\_\_ days | |
| **Electronic transmission systems** | 1.3 | | Electronic Mail and Facsimile | |
| **Governing Law** | 1.4 | | Laws of the Republic of Maldives | |
| **Ruling language** | 1.4 | | English | |
| **Language for communications** | 1.4 | | English and Dhivehi | |
| **Time for access to the Site** | 2.1 | | Upon fulfilment of the condition precedent stated in the contract agreement. | |
| **Amount of Performance Security** | 4.2 | | 5% of the Accepted Contract Amount, in the currencies and proportions in which the Contract Price is payable. | |
| **Period for notifying unforeseeable errors, faults and defects in the Employer’s Requirements** | 5.1 | | 14 days | |
| **Normal working hours** | 6.5 | | 08:00 to 17:00 or as may be suited for the works | |
| **Delay damages for the Works** | 8.7 & 14.15(b) | | 0.25% of the final Contract Price per day, in the currencies and proportions in which the Contract Price is payable. | |
| **Maximum amount of Delay damages** | 8.7 | | 15% of the Final Contract Price | |
| **Percentage for adjustment of Provisional Sums** | 13.5(b) | | Not Applicable | |
| **Conditions** | **Sub-Clause** | | **Data** | |
| **Total advance payment** | 14.2 | | 15% of the Accepted Contract Amount if the Advance is Claimed within 45 days. | |
| **Number and timing of instalments** | 14.2 | | Single payment in accordance with Clause 14.2 | |
| **Currencies and proportions** | 14.2 | | 100% in Maldivian Rufiyaa | |
| **Start repayment of advance payment** | 14.2 (a) | | From first progress invoice onwards | |
| **Repayment amortization of advance payment** | 14.2 (b) | | 15% | |
| **Percentage of Retention** | 14.3 | | 5% | |
| **Limit of Retention Money** | 14.3 | | 5% of the final Contract Price | |
| **Minimum amount of Interim Payment Certificate** | 14.6 | | 2.5% of the Accepted Contract Amount | |
| **Delayed Payment** | 14.8 | | Not Applicable | |
| **Currency of Payment** | 14.15 | | Maldivian Rufiyaa | |
| **Periods for submission of insurance:**   1. **Evidence of insurance** 2. **Relevant policies** | 18.1  18.1 | | 14 days  28 days | |
| **Maximum amount of deductibles for insurance of the Employer’s risks** | 18.2(d) | | Nil | |
| **Maximum amount of third party insurance** | 18.3 | | MVR 4 Million | |
| **The Dispute Adjudication Board shall be** | 20.2 | | A DAB of three members to be appointed when either party decides to call on the board for resolution of a dispute. | |
| **Appointment (if not agreed) to be made by** | 20.3 | | Ministry of Finance | |
| **Definitions of Sections:** | | | | |
| **Description**  **(Sub-Clause 1.1.5.6)** | | Value: percentage\* of  Accepted Contract Amount | Time for Completion  (Sub-Clause 1.1.3.3) | Delay Damages  (Sub-Clause 8.7) |
| * **These percentages shall also be applied to each half of the Retention Money under Sub-Clause 14.9** | | | | |

Particular Conditions of Contract

The Conditions of Contract comprise the “General Conditions”, which form part of “Conditions of Contract for Plant and Design-Build” First Edition 1999 published by the International Federation of Consulting Engineers (FIDIC), and the following “Particular Conditions”, which include amendments and additions to such General Conditions.

| **Item** | **Sub-Clause** | **Data** |
| --- | --- | --- |
| ***Clause 1*** |  |  |
| ***Details to be Confidential*** | 1.15 | Add;  The Contractor shall treat the details of the Contract as private and confidential, except to the extent necessary to carry out obligations under it or to comply with applicable Laws. The Contractor shall not publish, permit to be published, or disclose any particulars of the Works in any trade or technical paper or elsewhere without the previous agreement of the Employer. |
|  |  |  |
| ***Priority of Documents*** | 1.5 | *Delete Sub-Clause 1.5 and substitute:*  The documents forming the Contract are to be taken as mutually explanatory of one another. If an ambiguity or discrepancy is found, the priority shall be such as may be accorded by the governing law. The Engineer has authority to issue any instruction which he considers necessary to resolve an ambiguity or discrepancy. |
| ***Other Definitions*** | 1.1.6.10 | *Add after 1.1.6.9*  “Employer’s Representative” means an entity or a person assigned by the entity for the monitoring of Works under the under Contract. |
| ***Clause 2*** |  |  |
| ***Employer’s Representative*** | 2.6 | *Insert Additional sub-Clause 2.6 after Sub-Clause 2.5*  The Employer’s Representative shall:   * monitor the works on site daily and prepare daily sheets for the work progress. * hold monthly site meetings with the project team * Inform the employer of any issue to be rectified or requiring immediate attention. * Assist the Engineer in resolving issues at site which need the intervention of Employer. |
| ***Clause 3*** |  |  |
| ***Engineer’s Duties and Authority*** | 3.1 | *Insert this at the end of Sub- Clause 3.1 as (d):*  “The Engineer shall obtain the specific approval of the Employer before ordering any works involving delay or any extra payment by the Employer or to make variation of or in the Works or Contract.” |
| ***Management Meetings*** | 3.6 | *Insert this additional Sub-Clause 3.6 at the end of Sub-Clause 3.5:*  “The Engineer shall invite the Contractor and other relevant parties to the first Management Meeting where he shall decide upon intervals between future Management Meetings.  The purpose of these Management Meetings is to coordinate the Works with the Contractor, (and other parties if deemed necessary) to record progress in relation to agreed program, and to reach and verify agreements  Minutes of each Management Meeting will be prepared by the Engineer and circulated to all parties attending the Management Meeting, prior to the next meeting, Agreements reached at the particular Management Meeting if duly recorded and confirmed at the next meeting will be considered accepted by all parties. Where such agreements require to be confirmed by Instructions from the Engineer in compliance with the Contract, the Engineer shall forthwith issue such Instructions.  Agreement reached at meetings shall not be means to override the requirements to follow stipulated procedure and to submit the required quality assurance documents, method statements, shop drawings, etc. |
| ***Clause 4*** |  |  |
| ***Performance Security*** | 4.2 | *At the end of second paragraph of Sub-Clause 4.2, insert the following:*  If the Performance Security is in the form of a bank guarantee, it shall be issued either (a) by a local bank or a financial institute, or (b) by a foreign bank located in the country, acceptable to the Employer.  If the Performance Security is not in the form of a bank guarantee, it shall be furnished by a financial entity registered, or licensed to do business, in the Country. |
| ***Contractor’s Representative*** | 4.3 | *At the end of the second paragraph of Sub-Clause 4.3:*  The Contractor’s Representative and all these persons shall also be fluent in English Language. |
| ***Subcontractors*** | 4.4 | Prior consent shall not be required if the value of the subcontract is less than one percent (1%) of the Accepted Contract Amount. |
| ***Clause 5*** |  |  |
| ***General Design Obligations*** | 5.1 | The outline design provided as part of the Employer’s Requirement is a basic requirement. Detail design must be prepared taking into consideration this concept design without deviation. |
| ***Clause 6*** |  |  |
| ***Employment of Staff and Labour*** | 6.1 | *Add to this Sub-Clause*  The Contractor is encouraged, to the extent practicable and reasonable, to employ staff and labour with appropriate qualification and experience from sources within the Country of Works. |
| ***Foreign staff and Labour*** | 6.12 | *Add after Clause 6.11*  The Contractor may import any personnel who are necessary for the execution of the Works. The Contractor must ensure that these personnel are provided with the required residence visas and work permits. The Contractor shall be responsible for the return |
| ***Measures against Insect and Pest Nuisance*** | 6.13 | *Add after Clause 6.12*  The Contractor shall at all times take the necessary precautions to protect all staff and labour employed on the Site from insect and pest nuisance, and to reduce their danger to health. The Contractor shall provide suitable prophylactics for the Contractor’s Personnel and shall comply with all the regulations of the local health authorities, including use of appropriate insecticide. |
| ***Alcoholic Liquor or Drugs*** | 6.14 | *Add this Sub-Clause*  The Contractor shall not, otherwise than in accordance with the Laws of the Maldives, import, sell, give, barter or otherwise dispose of any alcoholic liquor or drugs, or permit or allow importation, sale, gift, barter or disposal by Contractor’s personnel. |
| ***Arms and Ammunition*** | 6.15 | *Add this Sub-Clause*  The Contractor shall not give, barter or otherwise dispose of to any person, any arms or ammunition of any kind, or allow Contractor’s personnel to do so. |
| ***Festivals and Religious Customs*** | 6.16 | *Add this Sub-Clause*  The Contractor shall respect the recognized festivals, days of rest, and local and religious customs of the Maldives or other customs. |
| ***Clause 8*** |  |  |
| ***Commencement of Work*** | 8.1 | Commencement of work shall start upon fulfilment of the condition precedent stated in the contract agreement. |
| ***Clause 13*** |  |  |
| ***Provisional Sums*** | 13.5 | *This Sub-Clause is not applicable.* |
| ***Clause 14*** |  |  |
| ***The Contract Price*** | 14.1 | Add the following sub-paragraph   1. if any part of the Works is to be paid according to works completed, Engineer shall use the rate specified in the Contractor’s priced Schedule. |
|  |  |  |
| ***Payment of Retention Money*** | 14.9 | Complete payment will be made after completion of all the works and when Defects liability period is over. **OR**  Retention Money may be released in full to the Contractor if a guarantee is submitted in a form and provided by an entity approved by the Employer, in amounts and currencies equal to the payment. The Contractor shall ensure that the guarantee is valid and enforceable until the end of defects liability period and any extensions therein. The Employer shall ensure that all Works under the Contract is completed before release of Retention payment and remedied any defects therein and Employer shall release the guarantees after completion of defects liability period where all defects have been corrected. Employer reserves the right to invoke guarantee where defects are not corrected in accordance to the Contract. |
| ***Clause 15*** |  |  |
| ***Corrupt or Fraudulent Practices*** | 15.6 | Sub Clause 15.6 is amended to read as under:  If the Employer determines that the Contractor and Financier has engaged in corrupt, fraudulent, collusive or coercive practices, in competing for or in executing the Contract, then the Employer may, after giving 14 days’ notice to the Contractor, terminate the Contractor’s employment under the Contract and expel him from the Site, and the provisions of Clause 15 shall apply as if such expulsion had been made under Sub- Clause 15.2 [Termination by Employer].  Should any employee of the Contractor or Financier be determined to have engaged in corrupt, fraudulent or coercive practice during the execution of the work then that employee shall be removed in accordance with Sub-Clause 6.9 [Contractor’s Personnel].  The Employer requires that all Contractors adhere to the Employer’s Policies for the Procurement of Works and Goods. In particular, the Employer requires that the executing agencies and contracting agencies, as well as all firms, entities and individuals bidding for or participating in this project, including, inter alia, applicants, bidders, contractors, consulting firms and individual consultants (including their respective officers, employees and agents) adhere to the highest ethical standards, and report to the Employer all suspected acts of fraud or corruption of which it has knowledge or becomes aware, during the Bidding Process and throughout the negotiation or execution of a Contract. Fraud and corruption are prohibited. Fraud and corruption include acts of: (a) bribery, (b) extortion or coercion, (c) fraud and (d) collusion.  The definitions of actions set forth below cover the most common types of corrupt practices, but are not exhaustive. For this reason, the Employer shall also take action in the event of any similar deed or complaint involving alleged acts of corruption, even when these are not specified in the following list. The Employer shall in all cases proceed in accordance with Sub-Clause 15.6.  In pursuance of this policy:   1. The Employer defines the terms set forth below as follows: 2. "Bribery" meaning the offering or giving of anything of value to influence the actions or decisions of third parties or the receiving or soliciting of any benefit in exchange for actions or omissions related to the performance of duties; 3. "Extortion" or "Coercion" meaning the act of obtaining something compelling an action or influencing a decision through intimidation threat or the use of force, where potential or actual injury may befall upon a person, his/her reputation or property; 4. "Fraud" meaning any action or omission intended to misrepresent the truth so as to induce others to act in reliance thereof, with the purpose of obtaining some unjust advantage or causing damage to others; and 5. "Collusion" meaning a secret agreement between two or more parties to defraud or cause damage to a person or entity or to obtain an unlawful purpose; 6. If the Employer, in accordance with its administrative procedures, demonstrates that any firm, entity or individual bidding for or participating in this project including, inter alia, applicants, bidders, contractors, consulting firms, individual consultants, purchasers, executing agencies and contracting agency (including their respective officers, employees and agents) engaged in an act of fraud or corruption in connection with this project, the Employer may: 7. decide not to accept any proposal to award a contract or a contract awarded; 8. suspend the operation if it is determined at any stage that evidence is sufficient to support a finding that an employee, agent or representative of the Employer, Executing Agency or Contracting Agency has engaged in an act of fraud or corruption. |
| ***Clause 18*** |  |  |
| ***General Requirements for Insurances*** | 18.1 | Add the following at the end of Sub-Clause 18.1:  Acceptable to the Employer. |
| ***Insurance against Damage to Property*** | 18.3 | Add the following sentence at the end of the Sub-Clause 18.3  Prior to commencing any excavation or using any heavy equipment in close proximity to third party properties, the Contractor shall at his own expense arrange his insurers to inspect such properties. He shall also prepare pre-operation condition reports of such properties including any photographs, as deemed appropriate, for future reference. |
| ***Clause 20*** |  |  |
| ***Arbitration*** | 20.6 | At the end of sub-paragraph (a), insert the following:  Any dispute, controversy arising out of or in relation to a contract, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration administered by the Maldives International Arbitration Centre (“MIAC”) in accordance with MIAC’s Rules of Arbitration in force at the time;  The seat of Arbitration shall be Male’ (Republic of Maldives).  The arbitration shall be conducted in English Language. |

General Conditions of Contract

The conditions of contract comprise the “General Conditions”, which form part of the “Conditions of Contract for Plant and Design Build for electrical and mechanical plant and for building and engineering works, designed by the Contractor”, First Edition 1999 Published by Federation Internationale des ingenieurs-Conseils (FIDIC) and the following “Particular Conditions: which include amendments and additions to such General Conditions

###### Copies of FIDIC Conditions of Contract, referred to above, may be obtained from:

###### FIDIC Secretariat

###### P.O. Box 86

###### CH 1000 Lausanne 12

###### Switzerland

###### Fax No: +41 21 653 5432

Refer to above FIDIC document which is an integral part of this Contract.

Requirements of the Employer

Work Schedule

Note: Bidders shall submit work schedule for each project separately. Project name, Project number, client and duration should be clearly indicated.

Each page of the Work Schedule should be signed by a person with the proper authority to sign documents for the Bidder.

The work schedule should be submitted for the following projects;

| **Work Schedule** | |
| --- | --- |
| **Project Number** | **Project Name** |
| TES/2023/\_\_\_\_ | Design and Build of \_\_\_\_ Housing Units at \_\_\_\_\_\_\_\_\_\_\_\_ |

Contractors proposal

**(This section shall comprise of the Contractor’s Technical Proposal)**

Drawings

Bill of Quantities

[Note: Bidders shall submit fully priced Bills of Quantities for the projects mentioned below].

Each page of the Bills of Quantities or the Schedule of Activities should be signed by a person with the proper authority to sign documents for the Bidder].

The Bill of Quantities ( BoQ) attached with this Tender Document are;

| **Bill of Quantities** | |
| --- | --- |
| **Project Number** | **Project Name** |
| TES/2023/\_\_\_\_ | Design and Build of \_\_\_\_ Housing Units at \_\_\_\_\_\_\_\_\_\_\_\_ |