



CLARIFICATION#1

FOR

CONSULTANT/ENGINEER FOR DESIGN REVIEW AND CONSTRUCTION SUPERVISION OF ELECTRICITY DISTRIBUTION SYSTEM – EXTENSION AND UPGRADATION (ISSUED ON 30 JULY 2024)

Ref No: (MCA-N/ETP/QCBS/012)

SN	Reference to the Request for Offers	Questions from Offers	Response of Millennium Challenge Account Nepal (MCA-Nepal)
1.	Clause no. ITO 15.1	It is clear that payments will be made in US\$. However, we presume that international bidder is not required to open a bank account in Nepal and these payments will be made to the International Bidder's home country bank account. Kindly confirm.	Yes Confirmed. International bidder is not required to open a bank account in Nepal subject to the answer given to point no 2 below. For taxation purpose, if applicable, local bank account is required.
2.	Section II. Data Sheet A. General (ITO 1.4)	We understand that, if international bidder participates with local Nepalese consultant as a Lead/consortium member, PAN/VAT registration are not mandatory for International bidder. Kindly confirm	PAN/VAT registration is as per the Tax laws of Nepal. International firm is not required to register here at bidding stage. Every entity is required to register as a Permanent Establishment (PAN/VAT) if contract is awarded.
<u>Request for inclusion of new clauses: -</u>			
3.	Clause 20.2 of the GCC	Under clause 20.2 of the GCC, BU to have rights to terminate the agreement in the following format: If the client (MCA-N) becomes insolvent, is placed into administration, receivership, or liquidation, commences proceedings to be wound up, enters into any voluntary	The Request for Offer document shall not be amended.

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		arrangement with its creditors, or on the happening of any similar event according to the laws of its domicile.	
4.	Validity of Compensation Clause	Validity of compensation clause- Ours compensation under the Agreement is valid till Contract Original Date. If Project gets extended beyond such date for reasons not attributable to us, our compensation for balance scope of Project shall be escalated at 10% per annum year on year.	The Request for Offer document shall not be amended.
5.	Deviations/Variations & Deliverables clause	Deviations/Variations & Deliverables clause- A total of 2 no. of engineering revisions and a total of 2no. of Deliverables/Drawings are considered in Contract Value. Any additions to it for reasons not attributable to us shall be charged extra.	<p>The question is not clear.</p> <p>It appears that the question is related with “Design review will ensure that MCA-Nepal requirements and specifications as laid down in the Contract are met by the Contractors in their detailed design of the Project, and that the design methodology follows the appropriate standards and practice in the industry. The Supervision Consultant shall ensure review of Works Contractor’s design within 14 days of submission of the design by the Works Contractor. The Supervision Consultant will also be responsible to coordinate with all stakeholders like MCA-Nepal, MCC (including their due diligence consultant) and also integrate their comments/observations and respond to the works contractor within 14 days. Second and subsequent submission of the reviewed design shall be reviewed within 14 days of submission by the Works Contractor</p>

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			following the above procedure.”. No extra payment shall be made for further revision and for the same scope of work.
6.	Deliverables	Consultant deliverables should be accepted / commented upon within 07 days since consultant submits the same. In the event of non-confirmation in such stated time, the deliverables shall be deemed accepted & will automatically become eligible for full payment.	The revision period depends on the quality of deliverable. Further, MCA and other stakeholders’ reviews required to review the deliverable before acceptance. Thus, the review period will be 21 days and submission will not be accepted automatically. The submitted proposal is not acceptable.
7.	Additional Services	An “Additional Services” clause to be inserted in the below format: Any services performed by us beyond the agreed scope in the Contract shall be charged extra.	The Request for Offer document shall not be amended.
8.	Limitation of liability of the consultant under clause 35 of the GCC	The Limitation of liability of the consultant under clause 35 of the GCC, as per the following format, “The overall total liability of Consultant arising out of this Agreement for any reason whatsoever including for the conclusively proved faulty engineering Services and for the delay as stated above, shall be limited to 10% of Consultant’s compensation.”	The Request for Offer document shall not be amended.