



## CLARIFICATION#2

FOR  
**PROCUREMENT OF DESIGN AND CONSTRUCTION OF ELECTRICITY  
DISTRIBUTION SYSTEM- EXTENSION & UPGRADATION  
(ISSUED ON 29 AUGUST 2024)**

**Ref No: (MCA-N/ETP/CB/007)**

SN	Reference to the Request for Offers	Questions from Offers	Response of Millennium Challenge Account Nepal (MCA-Nepal)
1.	Section III: Qualification and Evaluation Criteria	There is a discrepancy in the manufacturer's criteria regarding the type test report for ABC and insulators as two different criteria are mentioned for the type test. Can you clarify this?	Thanks for the observation. MCA-Nepal will issue an addendum updating this part of the criteria.
2.	Provision for Customs Clearance and Duty Rate	Could you provide clarification on the provision for customs clearance and the applicable customs duty rate? Also, please elaborate on the applicable taxes.	Goods imported by MCA-Nepal (or in the name of MCA-Nepal) for the project are exempt from Custom duty. MCA-Nepal processes for getting Custom Exemption Letter from Ministry of Finance. Please refer to Compact Section 2.8 and related ANNEX for other taxes.
3.	Part 2: Employer's Responsibilities	Under the project general description, is it mandatory to hold the OHSAS 18001:2007 certification?	No, the OHSAS 18001:2007 certification is not mandatory. The statement is "Contractor Group operates a health and safety management system that is compliant with <b>OSHAS 18001:2007</b> " so, the SoW

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			must be implemented in compliance with OSHAS 18001:2007 but it is not mandatory that the company shall be OHSAS certified.
4.	Evaluation Criteria for Optional Price	What are the evaluation criteria for the optional price? Would the total (base + optional) be taken as the basis for evaluation?	<p>Section III. Qualification and Evaluation Criteria B1. Price Review – Evaluation Criteria of the Bidding Document states, “The Evaluated Offer Price include the cost of Option for Evaluation Purpose and award shall be based on MCA-Nepal discretion subjected to availability of the budget”.</p> <p>Thus, total price including base and option cost will be used for Evaluation.</p>
5.	Access to Site and RoW Issues	Clarification on access to site, bush cutting, and other RoW and local issues—is this the employer’s responsibility or not?	<p>Based on the preliminary survey done by MCA-Nepal, most of the alignment falls under the public land and road corridor, so there is no requirement of any permanent land acquisition. Also, during the preliminary survey it was found that there is no need of tree cutting but there might be probability of trimming of the trees.</p> <p>However, the Contractor shall comply with the temporary land access procedures defined in the Employer ESHSMP for temporary access to site.</p> <p>Please note that any permanent access to site is the responsibility of MCA-Nepal.</p>
6.	Manufacturer’s Authorization	As the format for Manufacturer’s Authorization Letter is not attached, shall we use our own format for this?	Please refer to Addendum #2, SN 10.

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	Letter		
7.	Power of Attorney	As there is no specific format for Power of Attorney, shall we use our own format for this?	Yes, you are requested to submit the Power of Attorney as per applicable laws and provisions of Request for Offer (RFO).
8.	Notarized Documents	What are the documents we need to submit in a notarized form?	There is no requirement stated in the Bidding document to submit notarized documents. The bidders can submit copies with self-certification. However, please note that MCA-Nepal may review and return the original to the bidder at the time of bid evaluation.
9.	Pole Specification Discrepancy	There is a discrepancy in the pole specification in Manufacturer's criteria, BoQ, and the technical specification. Please clarify whether 11m and 9m or 11m and 8m poles are used for this project.	Please refer to Addendum #2, SN3.
10.	Provision of Compensation/Delay (GCC 36)	What is the provision of compensation/delay due to unspecified tests (GCC 36)?	Please note that General Conditions of Contract (GCC) 46.1 (d) states: "The Engineer instructs the Contractor to uncover or to carry out additional tests upon work, which is then found to have no Defects."

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			Further GCC 44 describes the Payment Certificates and GCC 44.5 states: “The value of work executed shall include the valuation of Variations and Compensation Events.”. Thus, the Payment shall be as per Conditions of Contract.
11.	Adjudication (GCC 37.2)	What if the length of time is not possible to be conducted in? Is adjudication the way (GCC 37.2)?	<p>The reference and clause number are not matching.</p> <p>WE understand that your question pertains to GCC 37.2.</p> <p>If the Correction of Defects will not be made within the specified timeline, the Conditions of Contract 37.1 (The Engineer shall give notice to the Contractor of any Defects before the end of the Defects Liability Period, which begins at Completion, and is defined in the PCC. The Defects Liability Period shall be extended for as long as Defects remain to be corrected.) and 38.1 shall apply, in addition to other applicable provisions of the Contract.</p>
12.	Threshold of 25% (GCC 40)	The threshold of 25% quantity and price, is it for the total value (base + option) (GCC 40)?	The quantity shall be the quantity stated in the Contract. Further, the stated quantity/price is for base until the option is exercised.
13.	Certified Test Reports	For materials like Flat Crossarm Brace, Transformer Platform, Pole Clamp, Bolts and Nuts, Stay Set,	The Contractor shall provide the certified test reports to the Engineer/Employer

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		ACSR Conductor, ABC Cable, Insulator Pin, Grounding Conductor, etc., do we need to submit the certified test reports to the Engineer/Employer at the time of bidding, or may they be provided after the selection of the bid?	during the implementation of the contract. However, for those manufacturers listed under qualification criteria, the test reports shall be submitted with the bid.
14.	BoQ (Price Schedule)	In Price Schedule 3, the quantities are not specified. We seek clarification regarding the note—does this imply that there is no provision to procure the material locally, i.e., from Nepal?	<p>The Offeror is free to source and quote from abroad or from Nepal. Please note that the quantity is stated only under Schedule/Bill No. 2 - Plant and Mandatory Spare Parts Supplied from Abroad. Thus, if one Offeror wants to source and quote from Nepal, in that case “<b>Schedule/Bill No. 3 - Plant and Mandatory Spare Parts Supplied from Nepal</b>” is required to be filled.</p> <p>If the Offeror wants to source and quote from abroad, in that case the “Schedule/Bill No. 2 - Plant and Mandatory Spare Parts Supplied from Abroad” is required to be filled.</p> <p>If the Offeror wants to source part of the quantity of a particular item from abroad and part from Nepal, in that case they need to fill both “Schedule/Bill No. 2 - Plant and Mandatory Spare Parts Supplied from Abroad” and “<b>Schedule/Bill No. 3 - Plant and Mandatory Spare Parts Supplied from Nepal</b>”. In that case the total quantity stated in “Schedule/Bill No. 2 -</p>

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			Plant and Mandatory Spare Parts Supplied from Abroad” should be divided accordingly, and total of “Schedule/Bill No. 2” plus “ <b>Schedule/Bill No. 3</b> ” should be equal to the quantity stated in “Schedule/Bill No. 2 - Plant and Mandatory Spare Parts Supplied from Abroad” as we have included the quantity only under “Schedule/Bill No. 2 - Plant and Mandatory Spare Parts Supplied from Abroad”.
15.		What will be the tax on imported items, is there is any provision for tax deduction?	Goods imported by MCA-Nepal/in the name of MCA-Nepal for the project are exempt from Custom duty. MCA-Nepal processes for getting Custom Exemption Letter from Ministry of Finance. Please refer to Compact Section 2.8 and related ANNEX for other taxes.
16.		We have our company registrations and other documents in Nepali language, do we need to translate in English language?	Please refer to Section I. Instructions to Offerors (ITO) 11.1 which states “The Offer, as well as all correspondence and documents relating to the Offer exchanged by the Offeror and the Employer, shall be written in the language specified in the DS. Supporting documents and printed literature that are part of the Offer may be in another language provided they are accompanied by an accurate translation of the relevant passages into the language specified in the DS, in which case, for purposes of interpretation of the Offer, such translation

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			shall govern.” and section II Data Sheet 11.1 which states that “The Offer shall be submitted in <b>English language only.</b> ”
17.		Are there any chances that we can make consideration about the estimated amount, because it seems to be very uncalculated?	The Offeror’s are free to offer the Price as per their study, analysis and experience, which they can justify.
18.		About the debarred/not black listed company or contactors, is it true we need to mail it before submissions?	Please refer the Section IV: Submission Forms: Compliance with Sanctions Certification Form states: “ <b>The form is to be submitted to the Accountable Entity Procurement Agent at the time of Offer submission</b> , and to the Fiscal Agent thereafter (MCANepalPA@dt-global.com and babken.mnatsakanyan@dt-global.com) with a copy to MCC at sanctionscompliance@mcc.gov.
19.		About the hard copy of bid security is there any procedure about submissions, or just in an envelope is enough, just to make sure we are not doing anything to get in disqualification list.	As per ITO 22.1 (j) The scanned copy of the Bid Security must be submitted by the deadline for submission of Offers in ITO Sub-Clause 23.1. The hard copy of the Bid Security shall be submitted by the date specified in the DS. Failure to submit the hard copy by that date shall result in rejection of the Offer. Data Sheet ITO 22.1 (j) states: The hard copy of the Bid Security shall be submitted by 17 September 2024, 14:00 hours ((local time of Nepal (GMT+5:45)).

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			The Offeror shall submit the hard copy of the Bid Security before the deadline stated in the Bidding Document and shall be submitted to the Procurement Agent of MCA-Nepal at MCA-Nepal address stated in the Bidding Document, in an envelope, clearly stating on top “Bid Security for the Procurement of Design and Construction of Electricity Distribution System- Extension & Upgradation (MCA-N/ETP/CB/007). Submitted by ..... (Name of the Offeror).
20.		Please conform whether EHS policy is required or ISO certified EHS company can only submit the Bid.	This bidding process is open for all offerors who meet all the bidding requirements.
21.		We have experience in the similar field but we don't have experience on Environment & social management and Health & Safety management, but we have followed both during similar project implementation whether it will be ok when we will submit EHS Policy rather than submitting EHS Experience?	The Offerors shall comply with the requirements as stated in the bidding documents.
22.		Whether we will get scalation in this project or not?	The question is not clear.  However, please note that GCC 49.1 states that “This Contract <b>is not</b> subject to price adjustment in accordance with GCC Clause



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			49.” Thus, there is no price adjustment for this contract during implementation.																																																																						
23.		Please clarify the payment procedure for Supply of material, Erection and Installation.	It will be progress payment, please refer to payment clauses under General Conditions of Contract.																																																																						
24.		<p>At the BOQ file, the size of LV ABC Cable you need 3Cx95+70mm<sup>2</sup> and 3Cx50+35mm<sup>2</sup> ,but the size are 3CX50+50mm<sup>2</sup> and 3Cx95+95mm<sup>2</sup> at Volume-II ,there are different ,please confirm these ,which size correct ?</p> <table border="1"> <thead> <tr> <th colspan="5">B. LT AB cable 3C X 95 +70 sq. mm. (insulated messenger wire) along with all associated access</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Stringing of LT AB cable 3C X 95 +70 sq. mm. including hardware fitting</td> <td>Km</td> <td>65.00</td> <td></td> </tr> <tr> <td>3</td> <td>9m Steel tubular Pole Erection , including necessary civil works.</td> <td>No</td> <td>852.00</td> <td></td> </tr> <tr> <td>4</td> <td>Stay set installation</td> <td>set</td> <td>113.00</td> <td></td> </tr> <tr> <td>5</td> <td>Dismantling of Pole (Works includes dismantling and carry back to designated office safely)</td> <td>set</td> <td>86.00</td> <td></td> </tr> <tr> <td>6</td> <td>Dismantling of Conductor (Works includes dismantling and carry back to designated office safely)</td> <td>Km</td> <td>7.00</td> <td></td> </tr> <tr> <td colspan="3">Sub-Total (B)</td> <td></td> <td></td> </tr> <tr> <th colspan="5">C. LT AB cable 3C X 50 +35 sq. mm. (insulated messenger wire) along with all associated access</th> </tr> <tr> <td>1</td> <td>Stringing of LT AB cable 3C X 50 +35 sq. mm. including hardware fitting</td> <td>Km</td> <td>1502.00</td> <td></td> </tr> <tr> <td>2</td> <td>9m Steel Tubular Pole Erection , including necessary civil works.</td> <td>No</td> <td>1502.00</td> <td></td> </tr> <tr> <td>3</td> <td>Stay set installation</td> <td>set</td> <td>829.00</td> <td></td> </tr> <tr> <td>4</td> <td>Dismantling of Pole (Works includes dismantling and carry back to designated office safely)</td> <td>set</td> <td>151.00</td> <td></td> </tr> <tr> <td>5</td> <td>Dismantling of Conductor (Works includes dismantling and carry back to designated office safely)</td> <td>Km</td> <td>151.00</td> <td></td> </tr> <tr> <td colspan="3">Sub-Total (C)</td> <td></td> <td></td> </tr> </tbody> </table>	B. LT AB cable 3C X 95 +70 sq. mm. (insulated messenger wire) along with all associated access					1	Stringing of LT AB cable 3C X 95 +70 sq. mm. including hardware fitting	Km	65.00		3	9m Steel tubular Pole Erection , including necessary civil works.	No	852.00		4	Stay set installation	set	113.00		5	Dismantling of Pole (Works includes dismantling and carry back to designated office safely)	set	86.00		6	Dismantling of Conductor (Works includes dismantling and carry back to designated office safely)	Km	7.00		Sub-Total (B)					C. LT AB cable 3C X 50 +35 sq. mm. (insulated messenger wire) along with all associated access					1	Stringing of LT AB cable 3C X 50 +35 sq. mm. including hardware fitting	Km	1502.00		2	9m Steel Tubular Pole Erection , including necessary civil works.	No	1502.00		3	Stay set installation	set	829.00		4	Dismantling of Pole (Works includes dismantling and carry back to designated office safely)	set	151.00		5	Dismantling of Conductor (Works includes dismantling and carry back to designated office safely)	Km	151.00		Sub-Total (C)					The Employers requirement is “LV ABC Cable you need 3Cx95+70mm <sup>2</sup> and 3Cx50+35mm <sup>2</sup> ”.
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25.		Format of manufacturer Authorization Letter is not provided in the tender documents, kindly provide the same.	The format for Manufacturer authorization has been provided in addendum #2 to the Bidding Document.																																																																						
26.		Kindly confirm if we need to fill Form ELI-3: Government-Owned Enterprise Certification Form, as being a non-	All Offeror and each Joint Venture member are required to submit the completely filled																																																																						

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		government Entity this form is not applicable for us.	ELI-3 form together with all other requirements.
27.		<p>Whether ISO Certified certificate of following is required during bidding process for MCA-N/ETP/CB/007</p> <ol style="list-style-type: none"> <li>1. ISO 9001:2015</li> <li>2. ISO 14001:2015</li> <li>3. ISO 45001:2018</li> </ol>	The question is not clear which section of the bidding document the question is referred to.
28.		<p>This is with reference to the clarifications received on date August 22,2024, we have gone through the Clause 44 and 45 of General Conditions of Contract of the Bidding Documents, and noticed that still there is no specific stages of payment apart from Advance Payment are defined. To proceed further, we kindly request more detailed payment terms related to each project milestones such as</p> <ol style="list-style-type: none"> <li>1. Design Phase <ul style="list-style-type: none"> <li>- Advance Payment</li> <li>- Approval of Design</li> </ul> </li> <li>2. Supply of Goods/ Materials <ul style="list-style-type: none"> <li>- Advance Payment</li> <li>- Shipment of Goods/ Materials</li> <li>- Installation of Materials</li> </ul> </li> <li>3. Installation Commissioning <ul style="list-style-type: none"> <li>- Advance Payment</li> <li>- Installation and Commissioning of Materials ( on Pro rata basis)</li> </ul> </li> <li>4. Final acceptance</li> </ol>	<p>Please note that if you refer to the stages of the payment. The payment will be progressive payment and will be made on monthly basis based on the contractor's submission of monthly statement of the estimated value of the works and the Engineer's Certification.</p> <p>Please note that GCC clauses 44.1 state:  <i>"44.1 The Contractor shall submit to the Engineer monthly statements of the estimated value of the work executed less the cumulative amount certified previously."</i></p> <p>And GCC 45.1 states:  <i>"The Employer shall pay, or cause to be paid to, the Contractor the amounts certified by the Engineer within 28 days of the date of each Payment Certificate."</i></p>

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			<i>For the complete understanding of the payment terms the offeror needs to read “D. Cost Control” in the General Conditions of Contract together with PCC.</i>
29.		Kindly also clarify regarding the compaction of Steel tubular poles – it shall be backfilling by soil and hard rock or any other method, please clarify?	The compaction of Steel Tubular Poles – it shall be backfilling by soil and hard rock
30.		<p><b>Qualification Tables:</b></p> <p>Sub-Factor 14 [Environmental and Social Management Experience]: Experience managing environmental and social impacts in similar one (1) project in the last Seven (7) years prior to the Offer submission deadline.</p> <p>AND</p> <p>Sub-Factor 15 [Health and Safety Management Experience]: Experience managing health and safety impacts in similar one (1) project in the last Seven (7) years prior to the Offer submission deadline</p> <p>Request you to consider with Similar one (1) Project with any Project as per attached ADB / World Bank Criteria.</p> <p>(One example was attached which is not included here.)</p>	The criteria shall not be amended.