



## **Federal Republic of Somalia Ministry of Finance**

### **Contract for Supply, Delivery & Commissioning of Oxygen Plants**

RFB No: SO-MOF-235309-GO-RFB  
Contract Name: Supply, delivery and Commissioning of two oxygen plants for Southwest, and Jubaland States  
Project: Somalia Crisis Recovery Project (SCRP)  
Project ID.: P173315  
Grant No.: IDA-D6300  
SCRP Closing Date: May 31, 2025  
Financing Agreement Closing Date: 30 September 2025  
Purchaser: Ministry of Finance, Federal Government of Somalia  
Supplier: Star Healthcare Solutions  
Country: Somalia

**Dated: January 29, 2022**

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## Contract Agreement

THIS AGREEMENT made **the 29<sup>th</sup> day of January, 2022.**

BETWEEN

- 1) **Ministry of Finance, Federal Government of Somalia** and having its principal place of business at Corso Street, Shangaani District, Mogadishu, Somalia (hereinafter called “the Purchaser”), of the one part, and
- 2) Star Healthcare Solutions, a company incorporated under the laws of Federal Republic of Somalia and having its principal place of business at Makkah Al-Mukarrama Street, Mogadishu, Somalia (hereinafter called “the Supplier”), of the other part:

**WHEREAS** the Purchaser invited Bids for certain Goods and related services, **Supply, delivery and Commissioning of two oxygen plants** and has accepted a Bid by the Supplier for the supply of those Goods at a total contract amount of **USD\$ 850,000** (Eight Hundred & Fifty Thousand US Dollars Only) to be delivered in 120-days from the date of the commencement of the contract.

The Purchaser and the Supplier agree as follows:

- 3) In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract documents referred to.
- 4) 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.
  - (a) the Letter of Acceptance
  - (b) the Letter of Bid.
  - (c) the Addenda No. 1 to the specifications- **Annex 1.**
  - (d) Special Conditions of Contract
  - (e) General Conditions of Contract
  - (f) Schedule of Requirements- **Annex 2.**
  - (g) the completed Schedules (including Price Schedules)- **Attached as Annex 3.**
  - (h) Supplier Code of Conduct – **Annex 4**
  - (i) Training & Maintenance Schedule –**Annex-5**
  - (j) any other document listed in GCC as forming part of the Contract
- 5) In consideration of the payments to be made by the Purchaser to the Supplier as specified in this Agreement, 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.

- 6) 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 the laws of the **Federal Republic of Somalia** on the day, month and year indicated above.

**FOR AND ON BEHALF OF THE PURCHASER**

in the capacity of Minister of Finance, Ministry of Finance, FRS

Name: Dr. Abdirahman D. Beige

Signature:

Date:



**FOR AND ON BEHALF OF THE SUPPLIER**

in the capacity of Executive Director

Yahya Mohamed Mire

Signature:

A handwritten signature in blue ink.

Date: 26<sup>th</sup> Jan 2022

## (a) THE LETTER OF ACCEPTANCE

Jamhuuriyadda Federaalka Soomaaliya  
Wasaaradda Maniyadda  
Mashruuca ka soo kabashada Xasaradaha Ee  
Soomaliya



جمهورية الصومال الفيدرالية  
وزارة المالية  
مشروع إنعاش الأزمات في الصومال

The Federal Government of Somali  
Ministry of Finance  
Somalia Crisis Recovery Project (SCRP)

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## Letter of Acceptance

January 6, 2022

To: **Star Healthcare Solutions**  
**Yahya Mohamed Mire**  
**Makka Al-Mukarrama Street, Mogadishu Somalia**  
**+252619798877**  
[info@starhealth.so](mailto:info@starhealth.so)

Subject: *Notification of Award Contract No. SO-MOF-235309-GO-RFB (Supply, Installation and Commissioning of Two PSA Oxygen Plants in Baidoa and Kismayo of Southwest and Jubaland States respectively)*

This is to notify you that your Bid dated *September 8, 2021* for execution of the *Contract No. SO-MOF-235309-GO-RFB* for the Accepted Contract Amount of *US\$ 850,000 (Eight Hundred & Fifty Thousand US Dollar Only)*, as corrected and modified in accordance with the Instructions to Bidders is hereby accepted by our Agency.

You are requested to furnish (i) the Performance Security of Ten (10%) of the contract amount within 28 days in accordance with the Conditions of Contract, using for that purpose one of the Performance Security Forms attached herein.

Signature: \_\_\_\_\_

Name: Ali Haji Adan  
Title/position: SCRCP Project Coordinator  
Email: [alihaji.scrp@gmail.com](mailto:alihaji.scrp@gmail.com)

Attachment: Contract Agreement

## (b) THE LETTER OF BID



Head Office: Mogadishu, Branches in Galkayo and Kismayo  
 Physical address: 1<sup>st</sup> floor Fadli mall building, Maka amulcarama Road  
 Hodan District, Mogadishu Somalia  
 Tel: +252619798877  
 Email: info@starhealth.so

### Letter of Bid

**Date of this Bid submission:** 08/09/2021

**RFB No.:** Date: 08/09/2021

**RFB No:** SO-MOF-235309-GO-RFB

**Alternative No:** IDA-D6300

**To:** MINISTRY OF FINANCE (FGS)

- (a) **No reservations:** We have examined and have no reservations to the bidding document, including Addenda issued in accordance with Instructions to Bidders (ITB 8);
- (b) **Eligibility:** We meet the eligibility requirements and have no conflict of interest in accordance with ITB 4;
- (c) **Bid/Proposal-Securing Declaration:** We have not been suspended nor declared ineligible by the Purchaser based on execution of a Bid-Securing Declaration or Proposal-Securing Declaration in the Purchaser's Country in accordance with ITB 4.7;
- (d) **Conformity:** We offer to supply in conformity with the bidding document and in accordance with the Delivery Schedules specified in the Schedule of Requirements the following Goods: **[Supply and installation, and commissioning of 2 oxygen plant both 60m3 kismayo and Baidoa];**
- (e) **Bid Price:** The total price of our Bid, excluding any discounts offered in item (f) below is:

Option 1, in case of one lot: Total price is: **(850,000 USD ( Eight Hunded and fifty thousand dollars only)**

Or

Option 2, in case of multiple lots: (a) Total price of each lot  
 a. **(Kismayo Oxygen Plant 425,000 USD ( Four hunded and twenty five thousand dollars only, Baidoa Oxygen Plant 425,000 USD ( Four hunded and twenty five thousand dollars only)**

b. Total both 850,000 USD (Eight Hunded and fifty thousand dollars only)

Name of the Bidder: \*STAR HEALTHCARE SOLUTIONS

Name of the person duly authorized to sign the Bid on behalf of the Bidder: \*\* YAHYA MOHAMED MIRE

Title of the person signing the Bid: EXECUTIVE DIRECTOR

Signature of the person named above:



Date signed 8<sup>th</sup> day of September, 2021

## (d) - Special Conditions of Contract

The following Special Conditions of Contract (SCC) shall supplement and / or amend the General Conditions of Contract (GCC). Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

<b>SCC 1.1(i)</b>	The Purchaser's Country is: <b>Federal Republic of Somalia</b>
<b>SCC 1.1(j)</b>	The Purchaser is: <b>Ministry of Finance, Federal Government of Somalia</b>
<b>SCC 1.1 (o)</b>	The Project Site(s)/Final Destination(s) is/are: <ul style="list-style-type: none"> <li>- <b>Kismayo General Hospital, Kismayo</b></li> <li>- <b>Baydhabo regional hospital, Southwest state</b></li> </ul>
<b>SCC 4.2 (a)</b>	The meaning of the trade terms shall be as prescribed by Incoterms. If the meaning of any trade term and the rights and obligations of the parties thereunder shall not be as prescribed by Incoterms, they shall be as prescribed by: <b>FCA</b>
<b>SCC 4.2 (b)</b>	The version edition of <b>Incoterms shall be 2020</b>
<b>SCC 5.1</b>	The language shall be: <b>English</b>
<b>SCC 8.1</b>	For <b>notices</b> , the Purchaser's address shall be: <p>To: Saleiman Sheikh Umar Director General of the Ministry of Finance Federal Republic of Somalia Email: <a href="mailto:dg@mof.gov.so">dg@mof.gov.so</a></p> <p>CC: Ali Haji Adan Project Coordinator, SCRP Ministry of Finance Email: <a href="mailto:alihaji.scrp@gmail.com">alihaji.scrp@gmail.com</a></p>
<b>SCC 8.2</b>	Designated representative shall be: <p>Saleiman Sheikh Umar Director General of the Ministry of Finance Federal Republic of Somalia Email: <a href="mailto:dg@mof.gov.so">dg@mof.gov.so</a></p>
<b>SCC 9.1</b>	The governing law shall be the law of: <b>Federal Republic of Somalia</b>
<b>SCC 10.2</b>	The rules of procedure for arbitration proceedings pursuant to GCC Clause 10.2 shall be as follows:

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	<p>In the case of a dispute between the Purchaser and the Supplier, the dispute shall be referred to arbitration in accordance with the laws of the Purchaser's Country.</p>
<b>SCC 13.1</b>	<p>Details of Shipping and other Documents to be furnished by the Supplier are:</p> <ul style="list-style-type: none"><li>- <b>Bill of lading and proforma invoice</b></li><li>- <b>Manufacturer's or Supplier's warranty certificate</b></li><li>- <b>Inspection certificate issued by nominated inspection agency</b></li><li>- <b>Supplier's factory shipping details and packing list</b></li></ul> <p>The above documents shall be received by the Purchaser before arrival of the Goods and, if not received, the Supplier will be responsible for any consequent expenses.</p>



<p><b>SCC 14.9</b></p>	<p>GCC 14.9.1 The Supplier shall sign <b>SCRP code of conduct</b> attached in <b>Annex-5</b> and provide appropriate sensitization, for its personnel carrying out installation, operation and maintenance that include, but not limited to, maintaining a safe working environment and not engaging in the following practices:</p> <ul style="list-style-type: none"> <li>(i) any form of sexual harassment including unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature with other Supplier's or Purchaser's personnel;</li> <li>(ii) Sexual Exploitation, which means any actual or attempted abuse of position of vulnerability, differential power or trust, for sexual purposes, including, but not limited to, profiting monetarily, socially or politically from the sexual exploitation of another;</li> <li>(iii) Sexual Abuse, which means the actual or threatened physical intrusion of a sexual nature, whether by force or under unequal or coercive conditions; and</li> <li>(iv) any form of sexual activity with individuals under the age of 18, except in case of pre-existing marriage.</li> </ul> <p>GCC 14.9.2 The Purchaser may require the Supplier <b>to remove (or cause to be removed)</b>, from the site or other places where the <i>works</i> is being executed, a Supplier's personnel that undertakes behaviors that are not consistent with the code of conduct stated in GCC 14.9.1. Notwithstanding any requirement from the Purchaser to replace any such person, the Supplier shall immediately remove (or cause to be removed) any such person, from the site or other places where the <i>work</i> is being executed. In either case, the Supplier shall promptly appoint, as appropriate, a suitable replacement with equivalent skills and experience.</p>
<p><b>SCC 15.1</b></p>	<p>The prices charged for the Goods supplied and the related Services performed <b>shall not be adjustable</b>.</p>
<p><b>SCC 16.1</b></p>	<p>GCC 16.1—The method and conditions of payment to be made to the Supplier under this Contract shall be as follows:</p> <p><b>Payment for Goods supplied from abroad:</b> Payment of foreign currency portion shall be made in <b>United States Dollar</b> in the following manner:</p>

	<p>i. <b>Advance Payment: Fifteen (15%) percent</b> of the Contract Price shall be paid within thirty (30) days of signing of the Contract, and upon submission of claim and a Bank Guarantee for equivalent amount valid until the Goods are delivered and, in the form, provided in the bidding document or another form acceptable to the Purchaser.</p> <p>ii. <b>On Shipment: Sixty (60%) percent</b> of the Contract Price of the Goods shipped shall be paid upon submission of documents specified in GCC Clause 13.1</p> <p>iii. <b>On Acceptance: Ten (10%) percent</b> of the Contract Price of Goods received, installed and commissioned shall be paid within thirty (30) days of receipt of the Goods upon submission of claim supported by the acceptance certificate issued by the Purchaser.</p> <p>iv. <b>Upon completion of Training of local staff: Fifteen (15%) percent</b> shall be paid within thirty (30) days of receipt of the Goods upon submission of claim supported by the acceptance certificate issued by the Purchaser.</p>
<b>SCC 16.5</b>	<p>The payment-delay period after which the Purchaser shall pay interest to the supplier shall be. <b>Not applicable</b></p> <p>The interest rate that shall be applied is %: <b>Not Applicable</b></p>
<b>SCC 18.1</b>	A Performance Security “ <b>shall</b> ” be required
<b>SCC 18.3</b>	<p>A Performance Security acceptable to the Employer shall be for an amount of <b>Ten percent (10%) of the contract price and shall be valid 28-days after contract completion date.</b></p> <p><b>The Bank Guarantee will be terminated on the guarantor’s receipt of a signed letter of acknowledgment from the Purchaser that Goods are received and all related Services have been provided.</b></p> <p><b>The Performance Security provided in the form of unconditional (on demand) Bank Guarantee.</b></p>
<b>SCC 18.4</b>	Discharge of the Performance Security shall take place: <b>24-months after contract completion date</b>
<b>SCC 23.2</b>	The packing, marking and documentation within and outside the packages shall be: The type of packing required, the markings in the packing and all documentation required as recommended by the manufacturer

<b>SCC 24.1</b>	The insurance coverage shall be as specified in the Incoterms. Incoterms. If not specified, insurance shall be as follows: 100% of the value of the supplied goods in US dollars
<b>SCC 25.1</b>	Responsibility for transportation of the Goods shall be as specified in the <b>FCA under the Incoterms 2020 rules.</b>
<b>SCC 25.2</b>	Incidental services to be provided are: <ul style="list-style-type: none"> <li>- <b>Installation, Commissioning and training of staff</b></li> <li>- <b>Furnishing of a detailed operations and maintenance manual</b></li> <li>- <b>Maintenance of oxygen plants for two years beyond warranty period</b></li> </ul>
<b>SCC 26.1</b>	The inspections and tests shall be: <b>completed within 30-days following supplier's notice that the plants are installed and ready for inspection and testing.</b>
<b>SCC 26.2</b>	The Inspections and tests shall be conducted at: <b>Physical address of oxygen plants are :</b> <ul style="list-style-type: none"> <li>- <b>Kismayo General Hospital, Kismayo</b></li> <li>- <b>Baydhabo regional hospital, Southwest state</b></li> </ul> <p>Contacts of the focal persons are:</p> <ul style="list-style-type: none"> <li>- dris Hassan Mohamud (DG of Jubbaland MoH, <a href="mailto:dg-moh@jubalandstate.so">dg-moh@jubalandstate.so</a>, 0619604216)</li> <li>- Abdi Ali Dogey (DG of Southwest state MoH, <a href="mailto:alidogey27@gmail.com">alidogey27@gmail.com</a>, 0619519999)</li> </ul>
<b>SCC 27.1</b>	The liquidated damage shall be: <b>0.5% per week</b>
<b>SCC 27.1</b>	The maximum amount of liquidated damages shall be: <b>10% of the total contract amount</b>
<b>SCC 28.3</b>	The period of validity of the Warranty shall be: <b>Two (2) years after the Goods have been delivered to and accepted at the final destination.</b>  For purposes of the Warranty, the place(s) of final destination(s) shall be: <b>Baidoa and Kismayo</b> <ul style="list-style-type: none"> <li>(a) make such changes, modifications, and/or additions to the Goods or any part thereof as may be necessary in order to attain the contractual guarantees specified in the Contract at its own cost and expense and to carry out further performance tests in accordance with GCC 26.7,</li> </ul>
<b>SCC 28.5, SCC 28.6</b>	The period for repair or replacement shall be: <b>14-days.</b>

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<b>SCC 33.4</b>	If the value engineering proposal is approved by the Purchaser the amount to be paid to the Supplier shall be N/A% (insert appropriate percentage). The percentage is normally up to N/A of the reduction in the Contract Price.
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## (e)- General Conditions of Contract

### Table of Clauses

1. Definitions.....	14
2. Contract Documents.....	15
3. Fraud and Corruption.....	15
4. Interpretation.....	15
5. Language.....	16
6. Joint Venture, Consortium or Association.....	16
7. Eligibility .....	17
8. Notices .....	17
9. Governing Law .....	17
10. Settlement of Disputes .....	17
11. Inspections and Audit by the Bank .....	18
12. Scope of Supply .....	18
13. Delivery and Documents.....	18
14. Supplier’s Responsibilities.....	19
15. Contract Price.....	20
16. Terms of Payment .....	20
17. Taxes and Duties.....	20
18. Performance Security .....	21
19. Copyright .....	21
20. Confidential Information .....	21
21. Subcontracting .....	22
22. Specifications and Standards .....	22
23. Packing and Documents.....	23
24. Insurance .....	23
25. Transportation and Incidental Services.....	23
26. Inspections and Tests .....	24
27. Liquidated Damages .....	25
28. Warranty .....	25
29. Patent Indemnity .....	26
30. Limitation of Liability.....	27
31. Change in Laws and Regulations.....	27
32. Force Majeure .....	28
33. Change Orders and Contract Amendments.....	28
34. Extensions of Time .....	30
35. Termination.....	30
36. Assignment .....	31
37. Export Restriction .....	31

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## Section VIII - General Conditions of Contract

### 1. Definitions

- 1.1 The following words and expressions shall have the meanings hereby assigned to them:
- (a) “Bank” means the World Bank and refers to the International Bank for Reconstruction and Development (IBRD) or the International Development Association (IDA).
  - (b) “Contract” means the Contract Agreement entered into between the Purchaser and the Supplier, together with the Contract Documents referred to therein, including all attachments, appendices, and all documents incorporated by reference therein.
  - (c) “Contract Documents” means the documents listed in the Contract Agreement, including any amendments thereto.
  - (d) “Contract Price” means the price payable to the Supplier as specified in the Contract Agreement, subject to such additions and adjustments thereto or deductions therefrom, as may be made pursuant to the Contract.
  - (e) “Day” means calendar day.
  - (f) “Completion” means the fulfillment of the Related Services by the Supplier in accordance with the terms and conditions set forth in the Contract.
  - (g) “GCC” means the General Conditions of Contract.
  - (h) “Goods” means all of the commodities, raw material, machinery and equipment, and/or other materials that the Supplier is required to supply to the Purchaser under the Contract.
  - (i) “Purchaser’s Country” is the country specified in the **Special Conditions of Contract (SCC)**.
  - (j) “Purchaser” means the entity purchasing the Goods and Related Services, as **specified in the SCC**.
  - (k) “Related Services” means the services incidental to the supply of the goods, such as insurance, installation, training and initial maintenance and other such obligations of the Supplier under the Contract.
  - (l) “SCC” means the Special Conditions of Contract.
  - (m) “Subcontractor” means any person, private or government entity, or a combination of the above, to whom any part of

the Goods to be supplied or execution of any part of the Related Services is subcontracted by the Supplier.

- (n) “Supplier” means the person, private or government entity, or a combination of the above, whose Bid to perform the Contract has been accepted by the Purchaser and is named as such in the Contract Agreement.
- (o) “The Project Site,” where applicable, means the place named in the **SCC**.

## 2. **Contract Documents**

2.1 Subject to the order of precedence set forth in the Contract Agreement, all documents forming the Contract (and all parts thereof) are intended to be correlative, complementary, and mutually explanatory. The Contract Agreement shall be read as a whole.

## 3. **Fraud and Corruption**

3.1 The Bank requires compliance with the Bank’s Anti-Corruption Guidelines and its prevailing sanctions policies and procedures as set forth in the WBG’s Sanctions Framework, as set forth in Appendix to the GCC.

3.2 The Purchaser requires the Supplier to disclose any commissions or fees that may have been paid or are to be paid to agents or any other party with respect to the Bidding process or execution of the Contract. The information disclosed must include at least the name and address of the agent or other party, the amount and currency, and the purpose of the commission, gratuity or fee.

## 4. **Interpretation**

4.1 If the context so requires it, singular means plural and vice versa.

### 4.2 Incoterms

(a) Unless inconsistent with any provision of the Contract, the meaning of any trade term and the rights and obligations of parties thereunder shall be as prescribed by Incoterms **specified in the SCC**.

(b) The terms EXW, CIP, FCA, CFR and other similar terms, when used, shall be governed by the rules prescribed in the current edition of Incoterms specified in the **SCC** and published by the International Chamber of Commerce in Paris, France.

### 4.3 Entire Agreement

The Contract constitutes the entire agreement between the Purchaser and the Supplier and supersedes all communications, negotiations and agreements (whether written or oral) of the parties with respect thereto made prior to the date of Contract.

### 4.4 Amendment

No amendment or other variation of the Contract shall be valid unless it is in writing, is dated, expressly refers to the Contract, and is signed by a duly authorized representative of each party thereto.

#### 4.5 Nonwaiver

- (a) Subject to GCC Sub-Clause 4.5(b) below, no relaxation, forbearance, delay, or indulgence by either party in enforcing any of the terms and conditions of the Contract or the granting of time by either party to the other shall prejudice, affect, or restrict the rights of that party under the Contract, neither shall any waiver by either party of any breach of Contract operate as waiver of any subsequent or continuing breach of Contract.
- (b) Any waiver of a party's rights, powers, or remedies under the Contract must be in writing, dated, and signed by an authorized representative of the party granting such waiver, and must specify the right and the extent to which it is being waived.

#### 4.6 Severability

If any provision or condition of the Contract is prohibited or rendered invalid or unenforceable, such prohibition, invalidity or unenforceability shall not affect the validity or enforceability of any other provisions and conditions of the Contract.

### 5. Language

- 5.1 The Contract as well as all correspondence and documents relating to the Contract exchanged by the Supplier and the Purchaser, shall be written in the language specified in the SCC. Supporting documents and printed literature that are part of the Contract may be in another language provided they are accompanied by an accurate translation of the relevant passages in the language specified, in which case, for purposes of interpretation of the Contract, this translation shall govern.
- 5.2 The Supplier shall bear all costs of translation to the governing language and all risks of the accuracy of such translation, for documents provided by the Supplier.

### 6. Joint Venture, Consortium or Association

- 6.1 If the Supplier is a joint venture, consortium, or association, all of the parties shall be jointly and severally liable to the Purchaser for the fulfillment of the provisions of the Contract and shall designate one party to act as a leader with authority to bind the joint venture, consortium, or association. The composition or the constitution of the joint venture, consortium, or association shall not be altered without the prior consent of the Purchaser.



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- 7. Eligibility**
- 7.1 The Supplier and its Subcontractors shall have the nationality of an eligible country. A Supplier or Subcontractor shall be deemed to have the nationality of a country if it is a citizen or constituted, incorporated, or registered, and operates in conformity with the provisions of the laws of that country.
- 7.2 All Goods and Related Services to be supplied under the Contract and financed by the Bank shall have their origin in Eligible Countries. For the purpose of this Clause, origin means the country where the goods have been grown, mined, cultivated, produced, manufactured, or processed; or through manufacture, processing, or assembly, another commercially recognized article results that differs substantially in its basic characteristics from its components.
- 8. Notices**
- 8.1 Any notice given by one party to the other pursuant to the Contract shall be in writing to the address specified in the **SCC**. The term “in writing” means communicated in written form with proof of receipt.
- 8.2 A notice shall be effective when delivered or on the notice’s effective date, whichever is later.
- 9. Governing Law**
- 9.1 The Contract shall be governed by and interpreted in accordance with the laws of the Purchaser’s Country, unless otherwise specified in the **SCC**.
- 9.2 Throughout the execution of the Contract, the Supplier shall comply with the import of goods and services prohibitions in the Purchaser’s Country when
- (a) as a matter of law or official regulations, the Borrower’s country prohibits commercial relations with that country; or
- 9.2 (b) by an act of compliance with a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations, the Borrower’s Country prohibits any import of goods from that country or any payments to any country, person, or entity in that country.
- 10. Settlement of Disputes**
- 10.1 The Purchaser and the Supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the Contract.
- 10.2 If, after twenty-eight (28) 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. 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. Arbitration proceedings shall be conducted in accordance with the rules of procedure specified in the **SCC**.

10.3 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.

**11. Inspections and Audit by the Bank**

11.1 The Supplier shall keep, and shall make all reasonable efforts to cause its Subcontractors to keep, accurate and systematic accounts and records in respect of the Goods in such form and details as will clearly identify relevant time changes and costs.

11.2 Pursuant to paragraph 2.2 e. of Appendix B to the General Conditions the Supplier shall permit and shall cause its agents (where declared or not), subcontractors, subconsultants, service providers, suppliers, and personnel, to permit, the Bank and/or persons appointed by the Bank to inspect the site and/or the accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have such accounts, records and other documents audited by auditors appointed by the Bank. The Supplier's and its Subcontractors' and subconsultants' attention is drawn to Sub-Clause 3.1 (Fraud and Corruption) which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank's prevailing sanctions procedures).

**12. Scope of Supply**

12.1 The Goods and Related Services to be supplied shall be as specified in the Schedule of Requirements.

**13. Delivery and Documents**

13.1 Subject to GCC Sub-Clause 33.1, the Delivery of the Goods and Completion of the Related Services shall be in accordance with the Delivery and Completion Schedule specified in the Schedule of Requirements. The details of shipping and other documents to be furnished by the Supplier are specified in the **SCC**.

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**14. Supplier's Responsibilities**

- 14.1 The Supplier shall supply all the Goods and Related Services included in the Scope of Supply in accordance with GCC Clause 12, and the Delivery and Completion Schedule, as per GCC Clause 13.
- 14.2 The Supplier, including its Subcontractors, shall not employ or engage forced labor or persons subject to trafficking, as described in GCC Sub-Clauses 14.3 and 14.4.
- 14.3 Forced labor consists of any work or service, not voluntarily performed, that is exacted from an individual under threat of force or penalty, and includes any kind of involuntary or compulsory labor, such as indentured labor, bonded labor or similar labor-contracting arrangements.
- 14.4 Trafficking in persons is defined as the recruitment, transportation, transfer, harbouring or receipt of persons by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, abuse of power, or of a position of vulnerability, or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purposes of exploitation.
- 14.5 The Supplier, including its Subcontractors, shall not employ or engage a child under the age of 14 unless the national law specifies a higher age (the minimum age).
- 14.6 The Supplier, including its Subcontractors, shall not employ or engage a child between the minimum age and the age of 18 in a manner that is likely to be hazardous, or to interfere with, the child's education, or to be harmful to the child's health or physical, mental, spiritual, moral, or social development.
- 14.7 Work considered hazardous for children is work that, by its nature or the circumstances in which it is carried out, is likely to jeopardize the health, safety, or morals of children. Such work activities prohibited for children include work:
- (a) with exposure to physical, psychological or sexual abuse;
  - (b) underground, underwater, working at heights or in confined spaces;
  - (c) with dangerous machinery, equipment or tools, or involving handling or transport of heavy loads;
  - (d) in unhealthy environments exposing children to hazardous substances, agents, or processes, or to temperatures, noise or vibration damaging to health; or
  - (e) under difficult conditions such as work for long hours, during the night or in confinement on the premises of the employer.

14.8 The Supplier shall comply, and shall require its Subcontractors if any to comply, with all applicable health and safety regulations, laws, guidelines, and any other requirement stated in the Technical Specifications.

14.9 The Supplier shall comply with additional obligations as **specified in the SCC.**

#### **15. Contract Price**

15.1 Prices charged by the Supplier for the Goods supplied and the Related 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.**

#### **16. Terms of Payment**

16.1 The Contract Price, including any Advance Payments, if applicable, shall be paid as specified in the **SCC.**

16.2 The Supplier's request for payment shall be made to the Purchaser in writing, accompanied by invoices describing, as appropriate, the Goods delivered and Related Services performed, and by the documents submitted pursuant to GCC Clause 13 and upon fulfillment of all 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 request for payment by the Supplier, and after the Purchaser has accepted it.

16.4 The currencies in which payments shall be made to the Supplier under this Contract shall be those in which the Bid price is expressed.

16.5 In the event that the Purchaser fails to pay the Supplier any payment by its due date or within the period set forth in the **SCC**, the Purchaser shall pay to the Supplier interest on the amount of such delayed payment at the rate shown in the **SCC**, for the period of delay until payment has been made in full, whether before or after judgment or arbitration award.

#### **17. Taxes and Duties**

17.1 For goods manufactured outside the Purchaser's Country, the Supplier shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the Purchaser's Country.

17.2 For goods Manufactured within the Purchaser's Country, the Supplier shall be entirely responsible for all taxes, duties, license fees, etc., incurred until delivery of the contracted Goods to the Purchaser.

17.3 If any tax exemptions, reductions, allowances or privileges may be available to the Supplier in the Purchaser's Country, the

Purchaser shall use its best efforts to enable the Supplier to benefit from any such tax savings to the maximum allowable extent.

**18. Performance Security**

- 18.1 If required as specified in the SCC, the Supplier shall, within twenty-eight (28) days of the notification of contract award, provide a performance security for the performance of the Contract in the amount specified in the **SCC**.
- 18.2 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.
- 18.3 As specified in the SCC, the Performance Security, if required, shall be denominated in the currency(ies) of the Contract, or in a freely convertible currency acceptable to the Purchaser; and shall be in one of the format stipulated by the Purchaser in the SCC, or in another format acceptable to the Purchaser.
- 18.4 The Performance Security shall be discharged by the Purchaser and returned to the Supplier not later than twenty-eight (28) 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**.

**19. Copyright**

- 19.1 The copyright in all drawings, documents, and other materials containing data and information furnished to the Purchaser by the Supplier herein shall remain vested in the Supplier, or, if they are furnished to the Purchaser directly or through the Supplier by any third party, including suppliers of materials, the copyright in such materials shall remain vested in such third party.

**20. Confidential Information**

- 20.1 The Purchaser and the Supplier shall keep confidential and shall not, without the written consent of the other party hereto, divulge to any third party any documents, data, or other information furnished directly or indirectly by the other party hereto in connection with the Contract, whether such information has been furnished prior to, during or following completion or termination of the Contract. Notwithstanding the above, the Supplier may furnish to its Subcontractor such documents, data, and other information it receives from the Purchaser to the extent required for the Subcontractor to perform its work under the Contract, in which event the Supplier shall obtain from such Subcontractor an undertaking of confidentiality similar to that imposed on the Supplier under GCC Clause 20.
- 20.2 The Purchaser shall not use such documents, data, and other information received from the Supplier for any purposes unrelated to the contract. Similarly, the Supplier shall not use such documents, data, and other information received from the

Purchaser for any purpose other than the performance of the Contract.

20.3 The obligation of a party under GCC Sub-Clauses 20.1 and 20.2 above, however, shall not apply to information that:

- (a) the Purchaser or Supplier need to share with the Bank or other institutions participating in the financing of the Contract;
- (b) now or hereafter enters the public domain through no fault of that party;
- (c) can be proven to have been possessed by that party at the time of disclosure and which was not previously obtained, directly or indirectly, from the other party; or
- (d) otherwise lawfully becomes available to that party from a third party that has no obligation of confidentiality.

20.4 The above provisions of GCC Clause 20 shall not in any way modify any undertaking of confidentiality given by either of the parties hereto prior to the date of the Contract in respect of the Supply or any part thereof.

20.5 The provisions of GCC Clause 20 shall survive completion or termination, for whatever reason, of the Contract.

**21. Subcontracting** 21.1 The Supplier shall notify the Purchaser in writing of all subcontracts awarded under the Contract if not already specified in the Bid. Such notification, in the original Bid or later shall not relieve the Supplier from any of its obligations, duties, responsibilities, or liability under the Contract.

21.2 Subcontracts shall comply with the provisions of GCC Clauses 3 and 7.

**22. Specifications and Standards**

22.1 Technical Specifications and Drawings

- (a) The Goods and Related Services supplied under this Contract shall conform to the technical specifications and standards mentioned in Section VI, Schedule of Requirements and, when no applicable standard is mentioned, the standard shall be equivalent or superior to the official standards whose application is appropriate to the Goods' country of origin.
- (b) The Supplier shall be entitled to disclaim responsibility for any design, data, drawing, specification or other document, or any modification thereof provided or designed by or on behalf of the Purchaser, by giving a notice of such disclaimer to the Purchaser.

- (c) Wherever references are made in the Contract to codes and standards in accordance with which it shall be executed, the edition or the revised version of such codes and standards shall be those specified in the Schedule of Requirements. During Contract execution, any changes in any such codes and standards shall be applied only after approval by the Purchaser and shall be treated in accordance with GCC Clause 33.

### **23. Packing and Documents**

- 23.1 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. During transit, the packing shall be sufficient to withstand, without limitation, rough handling and exposure to extreme temperatures, salt and precipitation, 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.
- 23.2 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, and in any other instructions ordered by the Purchaser.

### **24. Insurance**

- 24.1 Unless otherwise specified in the **SCC**, the Goods supplied under the Contract shall be fully insured—in a freely convertible currency from an eligible country—against loss or damage incidental to manufacture or acquisition, transportation, storage, and delivery, in accordance with the applicable Incoterms or in the manner specified in the **SCC**.

### **25. Transportation and Incidental Services**

- 25.1 Unless otherwise specified in the **SCC**, responsibility for arranging transportation of the Goods shall be in accordance with the specified Incoterms.
- 25.2 The Supplier may be required to provide any or all of the following services, including additional services, if any, specified in SCC:
  - (a) performance or supervision of on-site assembly and/or start-up of the supplied Goods;
  - (b) furnishing of tools required for assembly and/or maintenance of the supplied Goods;
  - (c) furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;

- (d) performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not relieve the Supplier of any warranty obligations under this Contract; and
- (e) training of the Purchaser's personnel, at the Supplier's plant and/or on-site, in assembly, start-up, operation, maintenance, and/or repair of the supplied Goods.

25.3 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

## **26. Inspections and Tests**

26.1 The Supplier shall at its own expense and at no cost to the Purchaser carry out all such tests and/or inspections of the Goods and Related Services as are specified in the **SCC**.

26.2 The inspections and tests may be conducted on the premises of the Supplier or its Subcontractor, at point of delivery, and/or at the Goods' final destination, or in another place in the Purchaser's Country as specified in the **SCC**. Subject to GCC Sub-Clause 26.3, if conducted on the premises of the Supplier or its Subcontractor, all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Purchaser.

26.3 The Purchaser or its designated representative shall be entitled to attend the tests and/or inspections referred to in GCC Sub-Clause 26.2, provided that the Purchaser bear all of its own costs and expenses incurred in connection with such attendance including, but not limited to, all traveling and board and lodging expenses.

26.4 Whenever the Supplier is ready to carry out any such test and inspection, it shall give a reasonable advance notice, including the place and time, to the Purchaser. The Supplier shall obtain from any relevant third party or manufacturer any necessary permission or consent to enable the Purchaser or its designated representative to attend the test and/or inspection.

26.5 The Purchaser may require the Supplier to carry out any test and/or inspection not required by the Contract but deemed necessary to verify that the characteristics and performance of the Goods comply with the technical specifications codes and standards under the Contract, provided that the Supplier's reasonable costs and expenses incurred in the carrying out of such test and/or inspection shall be added to the Contract Price. Further, if such test and/or inspection impedes the progress of manufacturing and/or the Supplier's performance of its other



obligations under the Contract, due allowance will be made in respect of the Delivery Dates and Completion Dates and the other obligations so affected.

26.6 The Supplier shall provide the Purchaser with a report of the results of any such test and/or inspection.

26.7 The Purchaser may reject any Goods or any part thereof that fail to pass any test and/or inspection or do not conform to the specifications. The Supplier shall either rectify or replace such rejected Goods or parts thereof or make alterations necessary to meet the specifications at no cost to the Purchaser, and shall repeat the test and/or inspection, at no cost to the Purchaser, upon giving a notice pursuant to GCC Sub-Clause 26.4.

26.8 The Supplier agrees that neither the execution of a test and/or inspection of the Goods or any part thereof, nor the attendance by the Purchaser or its representative, nor the issue of any report pursuant to GCC Sub-Clause 26.6, shall release the Supplier from any warranties or other obligations under the Contract.

## **27. Liquidated Damages**

27.1 Except as provided under GCC Clause 32, if the Supplier fails to deliver any or all of the Goods by the Date(s) of delivery or perform the Related Services within the period specified in the Contract, the Purchaser may without prejudice to all 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 those SCC. Once the maximum is reached, the Purchaser may terminate the Contract pursuant to GCC Clause 35.

## **28. Warranty**

28.1 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.

28.2 Subject to GCC Sub-Clause 22.1(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.

28.3 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.

- 28.4 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.
- 28.5 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.
- 28.6 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.

## **29. Patent Indemnity**

- 29.1 The Supplier shall, subject to the Purchaser's compliance with GCC Sub-Clause 29.2, indemnify and hold harmless the Purchaser and its employees and officers from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which the Purchaser may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright, or other intellectual property right registered or otherwise existing at the date of the Contract by reason of:
- (a) the installation of the Goods by the Supplier or the use of the Goods in the country where the Site is located; and
  - (b) the sale in any country of the products produced by the Goods.

Such indemnity shall not cover any use of the Goods or any part thereof other than for the purpose indicated by or to be reasonably inferred from the Contract, neither any infringement resulting from the use of the Goods or any part thereof, or any products produced thereby in association or combination with any other equipment, plant, or materials not supplied by the Supplier, pursuant to the Contract.

- 29.2 If any proceedings are brought or any claim is made against the Purchaser arising out of the matters referred to in GCC Sub-Clause 29.1, the Purchaser shall promptly give the Supplier a notice thereof, and the Supplier may at its own expense and in the

Purchaser's name conduct such proceedings or claim and any negotiations for the settlement of any such proceedings or claim.

- 29.3 If the Supplier fails to notify the Purchaser within twenty-eight (28) days after receipt of such notice that it intends to conduct any such proceedings or claim, then the Purchaser shall be free to conduct the same on its own behalf.
- 29.4 The Purchaser shall, at the Supplier's request, afford all available assistance to the Supplier in conducting such proceedings or claim, and shall be reimbursed by the Supplier for all reasonable expenses incurred in so doing.
- 29.5 The Purchaser shall indemnify and hold harmless the Supplier and its employees, officers, and Subcontractors from and against any and all suits, actions or administrative proceedings, claims, demands, losses, damages, costs, and expenses of any nature, including attorney's fees and expenses, which the Supplier may suffer as a result of any infringement or alleged infringement of any patent, utility model, registered design, trademark, copyright, or other intellectual property right registered or otherwise existing at the date of the Contract arising out of or in connection with any design, data, drawing, specification, or other documents or materials provided or designed by or on behalf of the Purchaser.

**30. Limitation of Liability**

- 30.1 Except in cases of criminal negligence or willful misconduct,
- (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, or to any obligation of the supplier to indemnify the Purchaser with respect to patent infringement

**31. Change in Laws and Regulations**

- 31.1 Unless otherwise specified in the Contract, if after the date of 28 days prior to date of Bid submission, any law, regulation, ordinance, order or bylaw having the force of law is enacted, promulgated, abrogated, or changed in the place of the Purchaser's Country where the Site is located (which shall be deemed to include any change in interpretation or application by the competent authorities) that subsequently affects the Delivery

Date and/or the Contract Price, then such Delivery Date and/or Contract Price shall be correspondingly increased or decreased, to the extent that the Supplier has thereby been affected in the performance of any of its obligations under the Contract. Notwithstanding the foregoing, such additional or reduced cost shall not be separately paid or credited if the same has already been accounted for in the price adjustment provisions where applicable, in accordance with GCC Clause 15.

- 32. Force Majeure**
- 32.1 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.
- 32.2 For purposes of this Clause, “Force Majeure” means an event or situation beyond the control of the Supplier that is not foreseeable, is unavoidable, and its origin is not due to negligence or lack of care on the part of the Supplier. Such events may include, but not be limited to, acts of the Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.
- 32.3 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.
- 33. Change Orders and Contract Amendments**
- 33.1 The Purchaser may at any time order the Supplier through notice in accordance GCC Clause 8, to make changes within the general scope of the Contract in any one or more of the following:
- (a) drawings, designs, or 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
  - (d) the Related Services to be provided by the Supplier.
- 33.2 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 in the Delivery/Completion Schedule, or both, and the Contract shall accordingly be amended. Any claims by the Supplier for adjustment under this

Clause must be asserted within twenty-eight (28) days from the date of the Supplier's receipt of the Purchaser's change order.

- 33.3 Prices to be charged by the Supplier for any Related Services that might be needed but which were not included in the Contract 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.
- 33.4 **Value Engineering:** The Supplier may prepare, at its own cost, a value engineering proposal at any time during the performance of the contract. The value engineering proposal shall, at a minimum, include the following;

- (a) the proposed change(s), and a description of the difference to the existing contract requirements;
- (b) a full cost/benefit analysis of the proposed change(s) including a description and estimate of costs (including life cycle costs) the Purchaser may incur in implementing the value engineering proposal; and
- (c) a description of any effect(s) of the change on performance/functionality.

The Purchaser may accept the value engineering proposal if the proposal demonstrates benefits that:

- (a) accelerates the delivery period; or
- (b) reduces the Contract Price or the life cycle costs to the Purchaser; or
- (c) improves the quality, efficiency or sustainability of the Goods; or
- (d) yields any other benefits to the Purchaser,

without compromising the necessary functions of the Facilities.

If the value engineering proposal is approved by the Purchaser and results in:

- (a) a reduction of the Contract Price; the amount to be paid to the Supplier shall be the percentage specified **in the PCC** of the reduction in the Contract Price; or
- (b) an increase in the Contract Price; but results in a reduction in life cycle costs due to any benefit described in (a) to (d) above, the amount to be paid to the Supplier shall be the full increase in the Contract Price.

33.5 Subject to the above, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

#### **34. Extensions of Time**

34.1 If at any time during performance of the Contract, the Supplier or its subcontractors should encounter conditions impeding timely delivery of the Goods or completion of Related Services pursuant to GCC Clause 13, the Supplier shall promptly notify the Purchaser in writing of the delay, its likely duration, and its cause. 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, in which case the extension shall be ratified by the parties by amendment of the Contract.

34.2 Except in case of Force Majeure, as provided under GCC Clause 32, a delay by the Supplier in the performance of its Delivery and Completion obligations shall render the Supplier liable to the imposition of liquidated damages pursuant to GCC Clause 26, unless an extension of time is agreed upon, pursuant to GCC Sub-Clause 34.1.

#### **35. Termination**

35.1 Termination for Default

- (a) The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate the Contract in whole or in part:
  - (i) if the Supplier fails to deliver any or all of the Goods within the period specified in the Contract, or within any extension thereof granted by the Purchaser pursuant to GCC Clause 34;
  - (ii) if the Supplier fails to perform any other obligation under the Contract; or
  - (iii) if the Supplier, in the judgment of the Purchaser has engaged in Fraud and Corruption, as defined in paragraph 2.2 a of the Appendix to the GCC, in competing for or in executing the Contract.
- (b) In the event the Purchaser terminates the Contract in whole or in part, pursuant to GCC Clause 35.1(a), the Purchaser may procure, upon such terms and in such manner as it deems appropriate, Goods or Related Services similar to those undelivered or not performed, and the Supplier shall be liable to the Purchaser for any additional costs for such similar Goods or Related Services. However, the Supplier shall continue performance of the Contract to the extent not terminated.

### 35.2 Termination for Insolvency.

- (a) The Purchaser may at any time terminate the Contract by giving notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In such 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

### 35.3 Termination for Convenience.

- (a) The Purchaser, by 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.
- (b) The Goods that are complete and ready for shipment within twenty-eight (28) 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:
  - (i) to have any portion completed and delivered at the Contract terms and prices; and/or
  - (ii) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and Related Services and for materials and parts previously procured by the Supplier.

## **36. Assignment**

36.1 Neither the Purchaser nor the Supplier shall assign, in whole or in part, their obligations under this Contract, except with prior written consent of the other party.

## **37. Export Restriction**

37.1 Notwithstanding any obligation under the Contract to complete all export formalities, any export restrictions attributable to the Purchaser, to the country of the Purchaser, or to the use of the products/goods, systems or services to be supplied, which arise from trade regulations from a country supplying those products/goods, systems or services, and which substantially impede the Supplier from meeting its obligations under the Contract, shall release the Supplier from the obligation to provide deliveries or services, always provided, however, that the Supplier can demonstrate to the satisfaction of the Purchaser and of the Bank that it has completed all formalities in a timely manner, including applying for permits, authorizations and

licenses necessary for the export of the products/goods, systems or services under the terms of the Contract. Termination of the Contract on this basis shall be for the Purchaser's convenience pursuant to Sub-Clause 35.3.



## Annex-1: ADDENDUM NO.1- TO THE SCHEDULE OF REQUIREMENTS

### Amendment to the technical parameters and requirements

- Oxygen producing principle must be PSA technology, with complete and advanced air distribution technology, and relevant certification documents issued by the relevant authority should be provided. Total oxygen capacity:  $\geq 30\text{m}^3/\text{h}$ . Purity of oxygen is  $93\% \pm 3\% \text{v/v}$ .
- Oxygen plant must be oil-free design.
- The cooling mode of oxygen plant is air-cooled.
- Noise of oxygen plant conforms to the international recommended standard ( $< 85\text{dB}$ ). It has environmental protection technology to reduce noise and is necessary to provide relevant certification documents issued by the relevant authority.
- Oxygen plant must meet the requirements of design: it must be the highest safety and reliability, and can switch with medical backup oxygen source in emergency situations such as power outage, and provide design scheme.
- It should have the central intelligent control system with Touch panel which can operate the equipment. PLC programme control. It can show the oxygen concentration, pressure. The cumulative flow. Instant flow and the date and work condition. The control system must have the report and certificate issued by the relevant authorization organization.
- Oxygen plant must have good durability. Molecular sieve bed must be made of stainless steel or special aluminum alloy to ensure no rust. Molecular sieve can run continuously for 100,000 hours without regeneration or replacement.
- Oxygen plant must have the functions of power-off, automatic reverse, overload and overload protection and alarm. The alarm sound intensity meets the international standards.
- Oxygen plant must have the function of on-line analysis and monitoring of oxygen purity. Its service life must reach 10 years. Its measuring accuracy should be  $\leq \pm 2\% \text{F.S}$ , measuring range should be 10-99.9%  $\text{O}_2$  and DPI should be 0.01%. It has the function of data remote transmission.
- Oxygen plant adopt the flow meter with the function of real-time flow and cumulative flow display. Oxygen must pass through the flow meter without pressure loss, and has the function of data transmission.
- The precision of gas treatment in oxygen plant must reach 0.01  $\mu\text{m}$ , and the filtering system must have the function of automatic display.

- Oxygen capacity and oxygen purity should meet the requirements of specifications after 30 minutes of start-up.
- PSA oxygen plant must have qualified EMC test report issued by the relevant statutory testing institution.
- Oxygen equipment has the function of automatic recovery of low-concentration oxygen when the purity of oxygen is not up to standard, it will automatically reflux to ensure that oxygen is qualified. Relevant certification documents issued by the state authority should be provided.
- Equip the materials of pipes between the parts with high quality, which should be copper or stainless-steel pipes and valves.
- Configuration list and specification and technical requirements of oxygen generation system equipment
- Listing of Consumable Materials (Oxygen generator) showing the quantity and replacement period
- List of Spare and vulnerable parts that MUST be supplied with the system and the Tool List that MUST also be supplied with the system

## Annex-2: SCHEDULE OF REQUIREMENTS AND TECHNICAL SPECIFICATIONS

*Summary of Technical Specifications. The Goods and Related Services shall comply with following Technical Specifications and Standards:*

Item No	Name of Goods or Related Service	Technical Specifications and Standards
01	Oxygen Plant Supply, installation and commissioning in South West State	<p><b>PSA oxygen generation plants, Technical Specification</b></p> <p><b>Key requirements</b></p> <p><b><u>Technical Guidance</u></b></p> <p>The Pressure Swing Adsorption (PSA) plants shall be compliant with the Technical Specifications published on the WHO website (8 June 2020). These specifications can be found at the following site: <a href="https://apps.who.int/iris/handle/10665/332313">https://apps.who.int/iris/handle/10665/332313</a>.</p> <ol style="list-style-type: none"> <li>1. Total oxygen demand: 26 m<sup>3</sup>/hr</li> <li>2. Elevation Mogadishu: ~10 m asl.</li> <li>3. Booster compressor and cylinder-filling ramp required (facility piping not an option at this time). <ul style="list-style-type: none"> <li>• Booster compressor capacity to align with plant production capacity.</li> </ul> </li> <li>4. The cylinder-filling ramp shall include hoses, regulators, valves, indicators, alarms, and controls as per international standards.</li> </ol>

		<p>5. Cylinder requirements:</p> <ul style="list-style-type: none"> <li>• 260 cylinders, capacity ~40 L, bullnose connection</li> <li>• Minimum Oxygen purity should be 98%.</li> <li>• 45-cylinder accessory sets (compatible for bullnose connection, complete with pressure regulator and gauge(s), as well as flowmeter).</li> <li>• Trolleys for intrahospital distribution of cylinders - MANDATORY</li> </ul> <p>6. Power Generator – sized for operations of PSA O2 generator and booster compressor, with ability to run continuously 24/7.</p> <p>7. Skid-mount or containerized options to be proposed, with explicit timelines for both options. See explanation under heading “For all sites”</p> <p>8. Given context, it is critical that all units are completely turn-key. If timelines and/or costs for containerized solutions are unfavorable,</p> <p>9. The offer shall include details of dimensions of unit(s) on offer, including footprint and recommended layout.</p> <p>10. <b>If</b> the control panel is a 3rd party operating system, the vendor shall pre-arrange to ensure that client will have access to requisite software and firmware updates for five (5) years from date of commissioning.</p> <p>11. Warranty, minimum two (2) years (see details in “technical requirements” below)</p> <p>12. The proposed plant will require a Service Agreement. Proposal to include details of a service level agreement for 24 months (2 years) beyond the warranty period and preferably with option to extend. Details under “Service Agreement” section.</p> <ul style="list-style-type: none"> <li>• Detailed costing for any unplanned in-country trip that could arise. Any costs of travel (if any) for purposes of maintenance should be included in the supplier’s bid.</li> </ul> <p><b><u>Technical Requirements:</u></b></p> <p>The technical proposal for the project should be comprehensive and include, but not be limited to, the following;</p> <ol style="list-style-type: none"> <li>1. Configuration of PSA plants (either skid-mounted or containerized) that satisfy the minimum oxygen demand estimated per facility.</li> <li>2. Configuration should include one booster compressor aligning with plant output to fill cylinders per facility.</li> </ol>
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		<ol style="list-style-type: none"> <li>3. Configuration should include all components to be functional (e.g. connectors, tubing, filters, electrical panels, alarms).</li> <li>4. Training of Technicians: On-site installation as well as user and maintenance training.</li> <li>5. The model and product code of the components should be explicit and clearly identified in the company's product catalogue.</li> <li>6. The certificates of analysis, technical tests, and other documentation that demonstrate the safety and effectiveness of the components should include;       <ul style="list-style-type: none"> <li>• Free Sales Certificate (FSC) and Certificate of Exportation when applicable.</li> <li>• ISO 7396-1: Medical gas pipeline systems – Part 1: Pipeline systems for compressed medical gases and vacuum.</li> <li>• ISO 8573-1: Compressed air – Part 1: Contaminants and Purity Classes.</li> <li>• ISO 8573-2: Compressed air – contaminant measurement – Part 2: Oil aerosol content.</li> <li>• ISO 8573-4: Compressed air – contaminant measurement – Part 4: particle content.</li> <li>• ISO 5011: Inlet air cleaning equipment for internal combustion engines and compressors – performance testing.</li> <li>• ISO 21969: High pressure flexible connections for use with medical gas systems.</li> <li>• All pressurized vessels shall be:           <ul style="list-style-type: none"> <li>- Designed according to PED or ASME VIII, or equivalent</li> <li>- Certified PED or ASME III, or equivalent</li> <li>- Cleaned according to ISO 15001, ASTM G93, or equivalent.</li> </ul> </li> </ul> </li> <li>7. User and service manual should be available, and the vendor commits to provide said material in hard and soft copies, if awarded the contract.</li> <li>8. Lifespan of the equipment must be a minimum of 10 years, guaranteed by a signed letter from the manufacturer.</li> <li>9. Warranty of minimum 24 months (2 years) starting from the date of commissioning, confirmed by a signed letter from the manufacturer. Activities within the warranty period should include the following:       <ul style="list-style-type: none"> <li>• defined training (as per “for all sites” section above) for local PSA operators.</li> </ul> </li> </ol>
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		<ul style="list-style-type: none"> <li>• carrying out of preventative maintenance tasks with all requisite parts every 6 months or 4,000 hours (whichever comes first).</li> <li>• spares required for operations while under warranty.</li> <li>• remote support capability should be included in the proposal.</li> <li>• defined terms and conditions for what corrective actions would not be covered under warranty.</li> </ul> <p>10. Manufacturer must indicate the following aspects to match infrastructure capabilities within the facilities in Somalia;</p> <ul style="list-style-type: none"> <li>• Acceptable mains capacity</li> <li>• Appropriate connection/adaptors</li> <li>• Compatibility with back-up power supply</li> </ul> <p>11. Breakdown on Plant: The maximum period allowed for breakdown of plant is 24 Hours</p> <p>12. Product labels and graphic symbols of the primary and secondary packaging should meet the essential requirements described by the Global Harmonization Task Force (GHTF) document: “Principles of Labelling for Medical Devices and IVD Medical Devices” (<a href="http://www.imdrf.org/docs/imdrf/final/technical/imdrf-tech-190321-pl-md-ivd.pdf">http://www.imdrf.org/docs/imdrf/final/technical/imdrf-tech-190321-pl-md-ivd.pdf</a>), including, but not limited to,</p> <ul style="list-style-type: none"> <li>• Name and/or trademark and address of the manufacturer,</li> <li>• Product name,</li> <li>• Product reference,</li> <li>• Type of product and main characteristics,</li> <li>• Performance testing information against the mentioned standards</li> <li>• Lot number prefixed by the word “LOT” (or equivalent harmonized symbol)</li> <li>• Expiry date by year and month, prefixed by the word “EXP” (or equivalent harmonized symbol)</li> <li>• Information for specific storage conditions (temperature, pressure, light, humidity, etc.), as appropriate and if applicable</li> <li>• Information for handling, if applicable</li> <li>• If the packaging is not transparent, it must bear a diagram (preferably actual size) showing the essential parts of the product and indicating the position of the product in the packaging.</li> <li>• Gross weight</li> <li>• Cubic measurement</li> <li>• All indicated in English.</li> </ul>
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		<p><b><u>Commissioning Requirements:</u></b> The company should provide the following:</p> <ol style="list-style-type: none"> <li>1. Estimated delivery of shipment from factory and location of manufacturing.</li> <li>2. Pre-shipment inspection report</li> <li>3. Verification of the oxygen purity and pressure level when the plant is installed and before transferring operations to owner.</li> <li>4. Verification of the electrical system and alarms when the plant is installed and before transferring operations to owner.</li> <li>5. Verification of the automatic switch to secondary supply when there is a failure, if applicable.</li> <li>6. Conformity of installation shall be verified by a certified third party. If not possible, and agreed on by both parties, the vendor will perform calibration and inspections, and provide ultimate certificate of quality before transfer of operations to owner.</li> </ol> <p><b><u>Service Agreement Requirements:</u></b></p> <ol style="list-style-type: none"> <li>1. The supplier will propose an extended service level agreement for 24 months (2 years) beyond the warranty period, preferably, with option to extend.</li> <li>2. The supplier will furnish start and end dates for the extended service agreement</li> <li>3. The supplier will provide training content and schedule to teach the local staff that will operate the plant at the facility.</li> <li>4. The supplier will provide defined schedules for periodic Preventative Maintenance activities.</li> <li>5. The supplier will provide a disaggregated list of spare parts coinciding with maintenance schedule. The following shall be clearly defined: <ul style="list-style-type: none"> <li>• part numbers, descriptions, and unit cost as well as indicating brand/model specifics (e.g. for circuit breaker, printed circuit board, sieve beds, compressor components, valves, wheels, motor capacitor, analyser, inlet and outlet filters, etc.) by the manufacturer.</li> <li>• Remote support capabilities.</li> <li>• Estimated times for response, including lead times for reception of any necessary spare parts.</li> <li>• Location of stockpiles and warehouses to access in case of distribution of spare parts.</li> </ul> </li> <li>6. The supplier should define terms and conditions for what is considered curative and corrective maintenance</li> <li>7. The supplier should detail the costing for any unplanned in-country trip that could arise.</li> </ol>
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		<ul style="list-style-type: none"> <li>• defined schedule for periodic Preventative Maintenance activities</li> <li>• disaggregated list of spare parts coinciding with maintenance schedule clearly defined, including part numbers, descriptions, and unit cost as well as indicating brand/model specifics (e.g. for circuit breaker, printed circuit board, sieve beds, compressor components, valves, wheels, motor capacitor, analyser, inlet and outlet filters, etc.) by the manufacturer.</li> </ul> <p><b><u>Place of Performance</u></b>  Manufacturing will be completed at the company's/contractors' sites. The location of the plants shall be at;</p> <ol style="list-style-type: none"> <li>1. South West State- Baidoa (Qty 01)</li> <li>2. Jubaland State- Kismayo (Qty 01)</li> </ol> <p>In the proposal, please submit the estimated timelines for i) delivery, ii) shipping, iii) installation, and iv) commissioning. Additionally, please provide a tentative schedule for project management including Kick-off and launching of the assignment and weekly reporting.</p> <p><b><u>Training</u></b>  The provider shall provide specialized training of at least 4 technicians provided by the client. This training shall include how to operate and trouble-shoot the plant.</p>
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Annex-3: COMPLETED PRICE SCHEDULE

**Price Schedule: Goods Manufactured Outside the Purchaser's Country, to be Imported**

(Group C Bids, goods to be imported)							Date: <b>08/09/2021</b> RFB No: <b>SO-MOF-235309-GO-RFB</b>	
Currencies in accordance with ITB 15							Alternative No: <b>IDA-D6300</b> Page N° 54 of 122	
1	2	3	4	5	6	7	8	9
Line Item 52*	Description of Goods	Country of Origin	Delivery Date as defined by Incoterms	Quantity and physical unit	Unit price FCA, Incoterms and Advalorem in accordance with ITB 14.80(X)	CFR Price per line item (Col. 5x6)	Price per line item for inland transportation and other services required in the Purchaser's Country to convey the Goods to their final destination specified in BIDS	Total Price per Line item (Col. 7+8)
	<b>Oxygen Plant 60 M3</b>	<b>TURKEY</b>	<b>12 WEEKS</b>	<b>2 UNIT</b>	<b>800,000 USD</b>	<b>400,000 USD</b>	<b>25,000 USD</b>	<b>425,000 USD</b>
1	<i>Delivery, Installation and Commissioning of two oxygen plants for Southwest, Jubaland</i> <b>Oxygen Plant 60 M3</b>	<i>[insert country of origin of the Good]</i> <b>TURKEY</b>	<b>12 WEEKS</b>	<b>2 UNIT</b>		<i>[insert total CFR price per line item]</i> <b>400,000 USD</b>	<i>[insert the corresponding price per line item]</i> <b>25,000 USD</b>	<i>[insert total price of the line item]</i> <b>425,000 USD</b>
							<b>Total Price</b>	<b>850,000 USD</b>

Name of Bidder *Star Healthcare Solutions* Signature of Bidder *[signature of person signing]* ..... Date: **08/09/2021**





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## Annex-4: CODE OF CONDUCT – SOMALIA CRISIS RECOVERY PROJECT

### CODE OF CONDUCT

By this Code of Conduct, the Contracting Authority applies ethics to procurement. We expect our contractors to act socially and environmentally responsible and actively work for the implementation of the standards and principles in this Code of Conduct. The Code of Conduct is applicable for all our contractors who supply goods, services and works to our operations and projects.

#### General Conditions

The Code of Conduct defines the ethical requirements and standards for our contractors, whom we expect to sign and respect the Code of Conduct, and work actively towards the implementation hereof. By signing the Code of Conduct contractors agree to place ethics central to their activities. International and national laws shall be complied with, and where the provisions of law and the Contracting Authority's standards address the same subject, the highest standard shall apply. It is the responsibility of the contractor to assure that their contractors and subcontractors comply with the ethical requirements and standards set forth in this Code of Conduct.

The Contracting Authority acknowledge that implementing ethical standards and ensuring ethical behavior in our supply chain is a continuous process and a long-term commitment for which we also have a responsibility. In order to achieve high ethical standards for procurement we are willing to engage in dialogue and collaboration with our contractors. In addition, we expect our contractors to be open and willing to engage in dialogue with us to implement ethical standards for their businesses. Unwillingness to co-operate or serious violations of the Code of Conduct will lead to termination of contracts. Sexual Exploitation and Abuse of Contractors, their staff, sub-contractors and any other personnel engaged by the contractor, must not:

- (a) Sexually exploit or sexually abuse any individual.
- (b) Engage in any sexual activity with a child or children regardless of the age of majority or age of consent locally. Mistaken belief in the age of a child is not a defense.
- (c) Act in ways that may place a person at risk of abuse, including not giving due consideration to assessing and reducing potential risks to persons as a result of implementing activities. Behaviors and actions that are prohibited include, but are not limited to, using inappropriate language or behavior when dealing with a community, vulnerable groups, women and children, bullying and harassing a person verbally or physically and physical punishment.
- (d) Exchange money, employment, goods or services for sex, including sexual favors or other forms of humiliating, degrading or exploitative behavior. This includes the buying of or profiting from sexual services as well as exchange of assistance that is due to right holders for sexual favors.

- (e) Exploit the vulnerability of any target group in the context of development, humanitarian and advocacy work, especially women and children, or allow any person/s to be put into compromising situations.
- (f) Never abuse a position to withhold development or humanitarian assistance, or give preferential treatment; in order to solicit sexual favors, gifts, payments of any kind, or advantage.
- (g) Engage in sexual relationships with members of crisis-affected populations given their increased vulnerability and since such relationships are based on inherently unequal power dynamics and undermine the credibility and integrity of aid work.

**For and on behalf of:** [*Star Healthcare Solutions*]

In the capacity of: [*Managing Director*]

Name: Yahya Mohamed Mire

Signature:



Date: 26<sup>th</sup> Jan 2022

## Annex-5: TRAINING & MAINTENANCE SCHEDULE



19/01/2022

### Training Program: PSA Oxygen Plant

#### Day #1

- **Introduction** to the course: Outline, Structure, Learning objectives and outcomes
- Basic Thermodynamics: Units and dimensions, Phases, Properties of solid, liquid and gases, Pressure, Temperature, Volume, Density, Definitions and measurement, Instrumentation
- Properties of Air, basics of psychrometry, DBT, WBT

#### Day #2

- Properties of Oxygen, Different methods of oxygen production, cryogenic distillation process, membrane separation, a pressure swing adsorption process (with details of molecular sieve), Oxygen storage and Transport methods.
- Medical grade oxygen, requirements, common impurities

#### Day #3

- Process involved in gas production/storage/transportation/usage
- Compression, Expansion, Throttling, Drying/ Dehumidifying, Humidifying, Filtration, Absorption vs Adsorption, Mixing, Cooling, Heating

#### Day #4

##### **Cylinder Filling Procedures**

High Pressure Cylinder Filling Procedures for Oxygen.

Eng:Adam Bardad

Signature: 



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Makka Al-Mukarama Road, Waberi District Mogadishu – Somalia  
Tel: +252619798877 / +252613066660  
Email: info@starhealth.so / yahyamire@starhealth.so



15/01/2022

## OXYGEN PLANT MAINTENANCE SERVICE

Two-year maintenance kit for medical oxygen plant.

- \* . Oil, oil filter, air filter, separator for 3.000 hours. (4 times a year)
- \* . 1 Stage 2. Stage filters cartridge.
- \* . Filling station cylinder connection (10pcs)
- \* . Compressor air tank dryer connection hose set. (2 set)
- \* . High Pressure hose set for filling ramp.

Eng. Adam Bardad

Signature

A handwritten signature in blue ink, appearing to read 'Adam Bardad', is written over a horizontal line. To the right of the signature is a faint, circular blue stamp.

☎ 00252616540294 / 00252615996623  
📍 Somalia, Mogadishu, Bakaro Market