

**Schedule No 1 - Clarifications for queries raised by the Bidders - IFB No: MTDI/GOSL/IS/ICB/2016/15 - Volume 01 & Volume 03 (as at 01.06.2016)**

Q#	Volume	Page Number	Item	Content detail	Questions	Response/Clarifications
1	I	51	BDS for TIB 24.1	Copies of Technical Bid and Financial Bid		Bidders are requested to submit Copies of Technical Bids and Financial bids (in CDs) along with the Bids. Softcopy of the Financial bid should be submitted in the envelope containing the financial bids
2	I	48	ITB 20.5 (a) (i)		For goods supplied from outside Sri Lanka the tender requests to quote on Incoterms CIP (named place of destination - as per Volume 2: Section IV-Schedule of Requirement).Please note that if the Incoterm CIP shall be used for goods supplied from outside Sri Lanka, then it can only be applied to CIP Bandaranaike International Airport (IATA Code:CMB).The Bidder kindly requests to confirm that (foreign) goods supplied from outside Sri Lanka shall be quoted on Incoterms CIP Bandaranaike International Airport (IATA Code: CMB).Apart from that, we understand that the Employer (Customer) is responsible for customs clearance and taxes in the Employer's country.	CIP (Named place of destination) means project sites details of which are given in volume 02. Customs duty is paid by the employer, however clearance of goods at the port should be handled by the contractor
3	I		Section 4.1 - eligible bidders		In volume 1, Section 4.1 "Eligible Bidders", there is a mention of Joint Venture (JV) as "any combination of such entities with the intent to enter into an agreement supported by a letter of intent or under an existing agreement in the form of a joint venture, consortium or association ". The section 3.2 "Qualification of bidder" has only used Joint Venture as common term. We assume: a) Joint Venture in Section 3.2 can also include a consortium or association b) This Joint venture can also be an un-incorporated business similar to that of a partnership, where the operations are jointly controlled by constituting parties. a. A contractual agreement (MoU etc.) between two parties (co-primes) determines the level of control and activities/responsibilities of each party. b. Each of the parties uses its own resources to deliver their corresponding activities c. One of the parties is designated the lead, but the parties undertake/sign the bid-bond d. The two co-primes in this Joint venture, may have different sub-contractors with contractual agreements with them  Please confirm on this assumption.	(a) Yes (b) Particulars of JV shall be legal entities incorporated and legally enforceable original JV Agreement is required to be given to the employer, if not submitted with the bid, at the time of signing the contract.
4	III				Question on Eligible Bidders; If a company is bidding as the prime, would it still be considered a "joint venture" for purposes of meeting the eligibility requirements if it had a prime sub relationship with its partners. I.e. if it were the only party signing with GOSL, and had back to back relationships with its subs in subcontracts, could it consider its subs capabilities with respect to eligibility requirements. In this example, the lead is still jointly and severally liable and GOSL can bring claim against it if due to its subs work.	Please refer BDS for ITB 7.1
5	III	14	Cl.6	Corrupt practices: please refer to the original text	Please note that we are in complete agreement with this clause and we are also equally intolerant toward any act of corruption. IBM on its part has a robust code of conduct process and does not encourage corruption under any circumstances. Having said that, we would kindly urge you to amend clause 6 (b) & (c ) respectively. Please note that while declaring us ineligible is acceptable to us we would urge you to remove the reference to being declared ineligible for an indefinite period. Similarly, as far as auditing our records are concerned, we will be willing to cooperate with any reasonable information request and provide access to records pertaining to the project envisaged under the RFP with the exception of any information associated with our costs, proprietary data and confidential information of our customers and internal audit reports.	No change in the requirements stated in the bidding document

6	III	23	CL 13.2	CL.13.2 (advance security payments) and 13.3 (performance security)	CL.13.2 (b): As per this clause the security shall be reduced in proportion to the value of the IT products and services executed till the time the full amount of the advance payment becomes reduced. We presume that any reduction of this amount will be over and above the payment that will be received by the Service Provider for the services rendered and/or the IT products delivered. Cl. 13.3 (e): request deletion of this clause. To start with the reasons for indemnity are not clear as per this clause. Additionally, indemnity as an option should only be available to third parties who are not party to the contract. Given that both of us are parties to the Contract we need to refer any dispute to the dispute resolution mechanism. Hence request deletion of this clause on indemnity.	No change in the requirements stated in the bidding document
7	III	25	CL 15.4 & 15.5	Request you to kindly refer to the original clause	Cl. 15.4: Please note that we are in principle agreement with this clause. However, we will not be able to agree on transfer of any Intellectual Property on the Deliverables to the customer. Intellectual Property has a very wide ambit. Please note in the final Deliverable it will be difficult to differentiate as to what will belong to the Customer and to the Service provider. Having said that we are cognizant of your rights and based on that would like to propose the following clause: “The parties agree that the project materials as specifically agreed to in the SOW shall be considered works made for hire to the extent permissible under U.S. copyright law. If any such project materials are not considered works made for hire owned by operation of law, the Service Provider will assign the ownership of copyrights in such works to Client” Cl. 15.5: Kindly clarify the purpose of sharing source code in an escrow. Please note that IBM as a policy will not be able to share any of its Source Code.	Cl 15.4 - No change in the requirements stated in the bidding documents. Please refer particular conditions for GCC 15.4 Cl 15.5 Please refer particular conditions for GCC 15.5
8	III	25	Cl 16	Software services & licence agreement	Please note that all software including third party software will be applicable as per the relevant software service agreement. Request deletion of this clause.	No change in the requirements stated in the bidding document
9	III	46	Cl. 28.1	Completion of time guarantee	Please note that for a project of this complexity it will not be possible to provide any kind of guarantee on the time of completion. Additionally, there are dependencies on the customer and other third parties (if any). Having said that, we are certainly amenable to agreeing to an LD for any delay to the extent specifically agreed to in the SOW. Hence, request removal of this clause.	No change in the requirements stated in the bidding document
10	III	51	Cl 31	Intellectual property rights warranty	Request deletion of this clause as we are fine to discuss indemnity ( as specified in Cl. 32) for breach of any Intellectual Property .	No change in the requirements stated in the bidding documents
11	III	46	Cl 28.1	Completion of time guarantee	Please note that for a project of this complexity it will not be possible to provide any kind of guarantee on the time of completion. Additionally, there are dependencies on the customer and other third parties (if any). Having said that, we are certainly amenable to agreeing to an LD for any delay to the extent specifically agreed to in the SOW. Hence, request removal of this clause.	No change in the requirements stated in the bidding documents
12	III	51	Cl 31	Intellectual property rights warranty	Request deletion of this clause as we are fine to discuss indemnity ( as specified in Cl. 32) for breach of any Intellectual Property .	No change in the requirements stated in the bidding documents
13	III	53	Cl 33	Limitation of liability: please refer to the original clause	IBM's entire liability for all claims related to the Agreement will not exceed the amount of any actual direct damages incurred by Client up to the amounts paid (if recurring charges, up to 12 months' charges) for the product or service that is the subject of the claim, regardless of the basis of the claim. This limit applies collectively to IBM, its subsidiaries, contractors, and suppliers as well.	No change in the requirements stated in the bidding documents
14	III	91	Cl 52.2(b)	Arbitration	We would kindly request you to consider a neutral venue for Arbitration. We would like to propose SIAC rules of Arbitration with seat of arbitration being Singapore.	No change in the requirements stated in the bidding documents

15	I	67	3.2.4.1	Experience under information Technology contract in the role of Prime Contractor or Prime System integrator for at least the last five (05) years prior to the Bid submission deadline and with activity in at least six (6) months in each year.	Prime contractor/system integrator shall have experience under information Technology for Critical Government Applications, due to the sensitivity of the program.	No change in the requirement stated in the Bidding document
16	I	20	19.5	A Preliminary Project Plan is required, the details of which are described in Volume 2- Section VI (Schedule of Requirements)	If the Plan is already part of the schedule of requirements, what should be provided by the bidder?	Refer 1.1.51 (Volume 03 of 03 of the bidding document)
17	I	26	23.7	The Bid Security of a JV shall be in the name of the JV that submits the Bid. If the JV has not been legally constituted at the time of Bidding the Security shall be in the names of all future partners as named in the letter of intent referred to in ITB 4.1	Can the bid security be in the name of the Prime contractor defined in consortium agreement?	No change in the requirements stated in the Bidding document.
18	I	64	3.2	Qualifications of the Bidder	Partnership model is used in BDS - ITB 24.2 and Section III 3.1.8. This partnership model is not defined in the Qualification of the Bidder table. Please clarify.	No change in the requirements stated in the Bidding document.
19	I	67	3.2.4.2	(1) Specific experience during the last five (05) years bidder must have successfully completed at least one (01) contract of similar nature, with a value of LKR 5,000 Million or equivalent. The similarity shall be based on the physical size, complexity, methods/technology and other characteristics as described in the Bidding Document. The Bidder shall have completed national scale, biometric based, digital identity issuance solution involving personalization of smart cards	Specific experience shall be for: "The Bidder shall have completed national scale, biometric based, digital identity issuance solution involving personalization of any Government documents (such as ID Card Passport, Driving License)	Lead Bidder must meet the requirement. No change in the requirements stated in the Bidding document.
20	I	67	3.2.4.2	Lead Bidder must meet requirements for one or more characteristics	In case of a Joint Venture, at least one of the members (lead or not lead) of the joint venture shall meet the requirement.	Lead Bidder must meet the requirement for one or more characteristics .
21	I	61	Evaluation criteria 3.1.5		For such advanced technical projects, the technical quality of the bid is critical to ensure a successful and timely rollout. Therefore, it is normally seen that the international practice is to evaluate such bids using an 80% weight for technical and 20% for price components. Kindly consider changing the evaluation weightage accordingly in line with international practice to ensure the success of the project.	This has been already noted and will be re considered by the Technical Committee and circulate the decision/changes if any

22	I	4	Invitation for bids, pt(f)		Pls clarify that in the case the successful bidder is a Joint Venture Consortium formed by Sri Lanka company(ies) with foreign company(ies), does the JV still need to be required to be registered in Sri Lanka? Would there be any difference in the answer should the lead member of the JV be the Sri Lanka company or foreign company? If in such case local registration is still required, then shall the bidder register the JV in Sri Lanka or each foreign company under the JV register an office in Sri Lanka is also required?	Please refer BDS for ITB 4.2 successful bidder (single entity or JV) shall have registered business presence in Sri Lanka
23	1	13	ITB 7.3	If a Bidder intends to Sub contract major items of Products and Services, it shall include in th Bid details of the name and nationality of the proposed Sub-Contractor, including vendors for each of those items and shall be responsible for ensuring that any Sub Contractor porposed complies with the requirements of ITB 3	Please define what is meant by major items in this tender	No Comments
24	I	13	Section I ITB 7.3		Please define what is meant by major items in this tender	No Comments
25	I	51		Bid data sheet ITB 24.2	In case the bidder is a JV, understand the Power of Attorney shall be signed by all the parties of the JV, which country shall be considered as the "bidder's home country" please?	Please refer ITB 4.2
26	I	9.46	4.1/ITB 4.1		Please clarify what is required to be submitted at time of bid submission - Letter of Intention of formation of JV or the agreement to form the JV? As requirements on the same topic seems to vary in 2 clauses.	Please refer ITB 4.1 and BDS for 4.1
27	I	46	Section I, 4.1 (pg9)and ITB 4.1		Please clarify what is required to be submitted at time of bid submission - Letter of Intention of formation of JV or the agreement to form the JV? As requirements on the same topic seems to vary in 2 clauses.	BDS 4.1 is for ITB 4.1 Please refer both clauses
28	I	60 & 61	3.1.5 financial evaluation and ranking of bids		We understand from "X" as stated in tender document that the price weight stated in tender is 80% and technical is only 20%. In our view, for such a complex and time challenging tender like HTM that also has very challenging SLA, warranties and penalties, it should rather be reverse with technical score be 80% & price weight be 20% in order to get best technical and quality offers. We therefore request that X be modified from 80% to 20%.	This has been already noted and will be re considered by the Technical Committee and circulate the decisions/changes if any
29	I	92	3.1		Kindly note that "Volume 2 - Section VI-Annex V" which is stated in this requirement is not found in Volume 2. Please provide correct reference.	Bill of material (BoM) is given in Vol 2. The words "Section Vi- Annex V" are deleted
30	I	92	3.2		The reference"section Vi) provided in this requirement points to complete volument 2 of 117 pages. Kindly provide correct reference of the technical response of the checklist	Item No. 4 - "The Scope of Services" is the requirement for which bidders compliance should be stated
31	III	21/22	14.1, pg 23 and volume I - 20.5 (a) pg21,22		Please note that Pt 14.1 (Vol 3) states that "the contractor is entirely responsible for all taxes, stamp duties, license fees and other such levies, payable in the Employer's country". We will like to to clarify the alignment of clause 14.1 (vol 3) and clause 20.5a(vol 1): (1) CIP price quote should exclude all taxes imposed in the Employer's country: (2) Any withholding taxes would be in addition to the price quoted, and will be borne by the employer; (3) will their be nation building building tax will be in addition to price quoted? If yes, will it be borne by the employer?	No change in the conditions stated in the bidding document. For applicble tax please check with the relevant tax authorities

32	III	37	22.6.1		If Employer is to bear the responsibility of custom clearance due to CIP INCO team, please clarify: (1) How would Bidder price be at per card basis? (2) Custom Clearance of e.g Machine etc to be used in Personalisation will be in whose name? will it be in the name of employer/contract? (3) or above machine imported into Sri Lanka in name of Employer, who will bear the ownership of those machine etc?	Please refer INCO terms and bidding document
33	III	105	Appendix 7		It is requested that payment term be modified to 80% of each bath of one million DTC cards (Project component5)	No
					(1) CIP price quote should exclude all taxes imposed in the Employer's country;	Please refer with Tax Authorities
					(2) Any withholding taxes would be in addition to the price quoted, and will be borne by the employer;	
					(3) will their be nation building tax will be in addition to price quoted? If yes, will it be borne by the employer?	
34	III	29	18.1		Does the project manager need to be physically presence in Sri Lanka?	Yes
35	III	37	22.6.1		If Employer is to bear the responsibility of custom clearance due to CIP INCO term, please clarify;	Customer duty is paid by the Employer. However clearance of goods should be handled by the contractor
					(1) How would Bidder price be at per card basis?	
					(2) Custom Clearance of e.g. Machine etc to be used in Personalisation will be in whose name? will it be in the name of employer/contractor?	
					(3) or above machine Imported into Sri Lanka in name of Employer, who will bear the ownership of those machine etc?	
36	III	105	Appendix 7 (e)		It is requested that payment term be modified to 80% of each batch of one million DTC cards (Project component 5)	No change in the requirements stated in the bidding documents
37	I	15	10.1	10.1 A prospective Bidder requiring any clarification of the Bidding document shall contact the Employer in writing at the Employer's address indicated in the BDS or raise his enquiries during the pre-data? Bid meeting if provided for in accordance with ITB 10.4. The Employer will respond to any request for clarification, provided that such request is received no later than fourteen (14) days prior to the deadline for submission of Bids.	What is the deadline for the submission of clarifications to the ministry? It is stated as 14 days prior to the bid closing date. Would it be possible to define any specific date?	Stick to the time lines specified in the bid document, it is 14 days prior to the bid closing
38	I	26	Section I - ITB 23.7	The Bid Security of a JV shall be in the name of the JV that submits the bid. If the JV has not been legally constituted at the time of Bidding , the Bid Security shall be in the names of all future partners as named in the letter of intent referred to in ITB 4.1	Can the Bid Security be in the name of only the Prime Bidder instead of JV partners?	No. if it is a JV, Bid Security shall be in the names of partners of the JV as stipulated in the Bidding document.

39	III	45	Section VII 28.3	Unless otherwise specified in the PC, liquidated damages payable under GC Sub Clause 28.2 shall apply only to the failure to achieve Operation Acceptance of the IT products and /or Services as speciifed in the implementation Schedule and/or Agreed and finalized Project Plan. This Sub Clause 28.3 shall not limit, however, anyother rights or remedies the Employer may have under the Contract for other delays	As per Volume III - Particular Conditions 28.3 (p.89) liquidated damages for completion time guarantee shall be assessed only with respect to achieving Operational Acceptance of the integrated System. Please clarify what "other delays" that the Contractor will still be liable, if any	All the other dealys which may not be directly related to Operational Acceptance, attributable to the Contractor in the performance of contract.
40	III	109	Appendix 10 4.4	Subject to paragraph 4.3 above, the contractor's aggregate liability to pay liquidated damages for failure to attain the functional guarantees shall not exceed	Please clarify what is the maximum liabilities for failure to attain the functional guarantees	No Comments
41	III	90	3 Section VIII 38.1	Insurance cover referred to herein, should also cover "All Risks" basis including War Risks and Strikes	Could this term be negotiated?	No
42	III	90	Section VIII 38.2	Installtion "All risks" insurance referred to herein, should also cover "War Risks" and "Terrorists Cover". The Contractor shall obtain Liability Insurance covering the entire duration of the Contract	Could this term be negotiated?	No
43	III	90	Section VIII 38.3	Third Party liability insurance, with a minimum coverage of Rs.2,000,000 per event with unlimited number of events	Could this term be negotiated?	No
44	III	72	Section VII 46	Termination for employer's convenience	Could this term be negotiated?	No
45	I	66	3.2.3.2	Minimum Average Annual Turnover of LKR 5,000 Million within last 3 years for the Prime Bidder and LKR 1,250 Million for the JV Partner	This requirement restricts most of the local companies participating in the tender as a JV or a Cobsortium Partner. It conflits with the National Policy of the Government to promote local ICT industry. We believer that imposing such high eligibility criteria will deprive the opportunity for local ICT companies to actively participate in National Projects. Therefore, we request you to amend this criteria to enable more local participation	No change in the requirements stated in the Bidding document
46	I	66	3.2.3.3	Financial Resources such as liquid assets, unencumbered real assets, lines of credit and other financial means to meet the Cash-flow requirement of LKR 3,500 Million for the Prime Bidder and LKR 875 Million for the JV Partner	This requirement restricts most of the local companies participating in the tender as a JV or a Cobsortium Partner. It conflits with the National Policy of the Government to promote local ICT industry. We believer that imposing such high eligibility criteria will deprive the opportunity for local ICT companies to actively participate in National Projects. Therefore, we request you to amend this criteria to enable more local participation	No change in the requirements stated in the Bidding document

47	I	26	Section I - ITB 23.7	The Bid Security of a JV shall be in the name of the JV that submits the Bid. If the JV has not been legally constituted at the time of Bidding, the Bid Security shall be in the names of all future partners as named in the letter of intent referred to in ITB 4.1	In the event that the JV is not legally constituted at the time of bidding, can the Bid Security be in the name of only the Prime Bidder or any one of the JV partners	Please refer ITB 23.7 Bid Security shall be in the names of all future partners as named in the letter of intent to form a JV.
48	I	26	Section I - ITB 23.7	The Bid Security of a JV shall be in the name of the JV that submits the bid. If the JV has not been legally constituted at the time of Bidding , the Bid Security shall be in the names of all future partners as named in the letter of intent referred to in ITB 4.1	What if the JV is not constituted?	Please refer ITB 23.7. Bid Security shall be in the name of all future partners as named in the letter of Intent to form a JV
49	I	62	3.18	Domestic preference	Service is excluded from the domestic preference clause. Is this a mandatory requirement? What is the margin of preference?	Details of applicability of Domestic Preference are given in the Bidding document Vol I - Section II- 3.1.8. Ref. 3.1.8 (f) for margin of preference
50	I	62		Domestic preference	If the bidder is a foreign company and wants to use a local product, that benefit is not available. Please elaborate.	Details of applicability of Domestic Preference are given in the Bidding document Volume I - Section III - 3.1.8 Refer clauses
51	I	61			Observed in the evaluation matrix, price weightage is 80%. Weightage should actually be more on the technical rather than only the price.	That has been already noted and will be re-considered by the technical committee and circulate the decisions/changes if any.
52	I	92			Vol 1 - Page 92- The references, Annexure 05 and the Technical response checklist is not available.	Bill of Material (BoM) is given in Vol 2. The words "Section VI -Annex V" are deleted
53	I	15	10.2	The Bidder, May on notifying the Employer in writing within the time stated in the BDS, visit and examine the site/s where the IT Products and Services are to be installed and its surroundings and obtain for itself on its own responsibility all information that may be necessary for preparing the Bid and entering into a Contract for the provision of IT Products and Services. The costs of visiting site(s) shall be at the Bidder's own expense	Provide more information about the site visits mention in the Bidding document	Volume I - ITB 10.2. Site visits can be arranged if requested by bidders
54	I	52			Bid opening time is given as 2.00 p.m. and the closing time is given as 3.00 p.m. To be corrected	This is an oversight error. Will be corrected. Opening of Technical Bids shall take place immediately after deadline for submission of bids
55	I	61			Reiterated the price factor point. In most other tenders, technical factor would give 70%. This tender it is 20% as the price weightage is 80%. Please re-consider	That has been already noted and will be re-considered by the technical committee and circulate the decisions/changes if any.

56	I	77		Bidding Form 2.1 Bidder information Sheet. All bidders whether they be individual firms, each partner of a Joint Venture and a named, Sub Contractor (s) for highly specialized components of the Products and /or Services, which are Bidding, must complete the information in this form. All Bidders that complete this sheet should also complete the further Qualification Forms provided in this section.	Please kindly specify which highly specialized components of the Products and /or Services are concerned	No Comments
57	III	85	13.3(d)	SECTION VIII: PARTICULAR CONDITIONS 13.3(D) The Performance Security will not be reduced until satisfactory completion of the contract and warranty period	This condition is not consistent with the text of the template provided in SECTION IX CONTRACT FORMS - 2.1 Performance Security Form (Bank Guarantee). In this form, it is specified that: " On the date of your issuing, to the Contractor, the Operation Acceptance Certificate for the IT Products and/or Services, the value of this guarantee will be reduced to any sum (s) not exceeding (amount (s) 2 in figures and words)". Please kindly clarify if the Performance Security must be issued for 10% of the contract amount excluding recurrent part for all the contract duration including the warranty/SLA period, or if the Performance Security will be effectively partially reduced on the date of your issuing of the Operational Acceptance Certificate?	No change in the conditions stipulated in the particular conditions. Sample template of Performance Security Form shall be amended
58					Can a qualified foreign bidder enter into contract directly with ICTA and establish an office in Sri Lanka with adequate staff and resources prior to commencement of works for implementation, providing support for project management, maintaining warranty, providing technical support and maintenance of the system for a minimum period of five years? There will be a separate contract between the qualified foreign bidder and its office in Sri Lanka to carry out these tasks.	No Comments
59					What is the applicable taxes for foreign/overseas bidder?	It is the responsibility of the bidder to check with relevant tax authorities
60					Is it possible to use LC (Letter of Credit) for payment	Possible
61	I	49	point 21.1 b		Stated that all local expenditure must use local currency. Is there any possibility to use foreign currency (USD) for this purpose?	No change in the conditions stated in the Bidding document
62	I	49	point 23.1		Can the bidder issue the bid security in foreign currency (USD) equivalent to LKR 70 million?	Possible
63	I	49	point 38.4	Sub Contractor' qualification shall not be taken into account in assessing the Bidder's overall qualifications	Sub-Contractor' qualifications shall not be taken into account in assessing the bidder's overall qualifications. In case of consortium could the qualification of one of the partners be considered as qualification of the consortium? As in consortium each partner is specialized in certain aspect of the project, and only he would do the work for the aspect	No change in the conditions stated in the Bidding document
64	I	66	3.2.3.2/3.2	3.2.3.2 Average annual turnover 3.2.3.3 Financial resources	In a Joint Venture, the leader must meet 100% of the requirement, we can understand these requirement. However for the partners the requirement of 25% is high, please advise if we could renegotiate this requirement	No change in the conditions stated in the Bidding document

65	I				Can a qualified foreign bidder enter into contract directly with ICTA and establish an office in Sri Lanka with adequate staff and resources prior to commencement of works for implementation, providing support for project management, maintaining warranty, providing technical support and maintenance of the system for a minimum period of five years? There will be a separate contract between the qualified foreign bidder and its office in Sri Lanka to carry out these tasks.	No Comments
66		77		Bidding Form 2.1 Bidder Information Sheet. All Bidders whether they be individual firms, each partner of a Joint Venture, and a named, Sub-Contractor(s) for highly specialized components of the Products and/or Services, which are Bidding, must complete the information in this form. All Bidders that complete this sheet should also complete the further Qualification Forms provided in this section.	Please kindly specify which highly specialized components of the Products and/or Services are concerned.	No Comments
67	III	85		SECTION VIII: PARTICULAR CONDITIONS 13.3(d) The Performance Security will not be reduced until satisfactory completion of the contract and warranty period.	This condition is not consistent with the text of the template provided in SECTION IX: CONTRACT FORMS - 2.1 Performance Security Form (Bank Guarantee). In this form, it is specified that: <i>"On the date of your issuing, to the Contractor, the Operational Acceptance Certificate for the IT Products and/or Services, the value of this guarantee will be reduced to any sum(s) not exceeding [amount(s)]<sup>2</sup> in figures and words[.]"</i>  Please kindly clarify if the Performance Security must be issued for 10% of the contract amount excluding recurrent part for all the contract duration including the warranty/SLA period, or if the Performance security will be effectively partially reduced on the date of your issuing of the Operational Acceptance Certificate ?	No change in the conditions stipulated in the particular conditions. Sample template of performance security form shall be amended.
68	III	98		5.1 Bid Security (Bank Guarantee) [...] This guarantee will expire: (a) if the Bidder is the successful Bidder, upon our receipt of copies of the Contract signed by the Bidder and the performance security issued to you upon the instruction of the Bidder; and (b) if the Bidder is not the successful Bidder, upon the earlier of (i) our receipt of a copy your notification to the Bidder of the name of the successful Bidder; or (ii) twenty-eight days after the expiration of the Bidder's Bid.	Common practices show that local banks generally require to stipulate a date of validity otherwise they refuse to issue the bank guarantee.  Please kindly amend this paragraph of the Bid Security by adding the bold text below: <i>"[...]; or (ii) twenty-eight days after the expiration of the Bidder's Bid, i.e. on the dd/mm/yyyy, whether the original is returned to us or not. "</i>	Please refer ITB 23.2

69	III	98		<p>5.1 Bid Security (Bank Guarantee) [...]</p> <p>Consequently, any demand for payment under this guarantee must be received by us at the office on or before that date.</p>	<p>Mean of transmission of the claim for payment must be unambiguous to avoid fraud.</p> <p>Please kindly amend this paragraph of the Bid Security by adding the bold text below:  <i>"Consequently, any demand for payment under this guarantee must be received <b>by registered mail with acknowledge of receipt</b> by us at the office on or before that date."</i></p>	No change in the requirements stated in the bidding documents
70	III	98		<p>5.1 Bid Security (Bank Guarantee) [...]</p> <p>This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.</p>	<p>The last version of URDG is 758. Common practices show that local banks generally require the latest updated version otherwise they refuse to issue the bank guarantee.</p> <p>Please kindly modify the text to mention version No. 758 instead of version No. 458.</p>	Banks will usually do the inclusion of ICC Publication Number at the time of issuing Guarantees.
71	III	116		<p>2.1 Performance Security Form (Bank Guarantee) [...]</p> <p>On the date of your issuing, to the Contractor, the Operational Acceptance Certificate for the IT Products and/or Services, the value of this guarantee will be reduced to any sum(s) not exceeding [amount(s)2 in figures and words]. This remaining guarantee shall expire no later than [number and select: of months/of years (of the Warranty Period that needs to be covered by the remaining guarantee)] from the date of the Operational Acceptance Certificate for the IT Products and/or Services, and any demand for payment under it must be received by us at this office on or before that date.</p>	<p>Please kindly add the following sentence at the end of the paragraph:  <i>"Notwithstanding stated above, this guarantee will expire on dd/mm/yyyy whether the original is returned to us or not. After this date, we will be discharged of any liability under this guarantee and no claim will be receivable. "</i></p> <p>dd/mm/yyyy is the date to be reckoned as the end of warranty period + 3 (three) months margin.</p>	Request for inclusion of sentence cannot be accepted
	III	116		<p>2.1 Performance Security Form (Bank Guarantee) [...]</p> <p>On the date of your issuing, to the Contractor, the Operational Acceptance Certificate for the IT Products and/or Services, the value of this guarantee will be reduced to any sum(s) not exceeding [amount(s)2 in figures and words ].</p>	<p>Please kindly amend this paragraph of the Performance Security Form by adding the bold text below:  <i>"On the date of your issuing, to the Contractor, the Operational Acceptance Certificate for the IT Products and/or Services, <b>and upon presentation to us of a copy of such certificate,</b> the value of this guarantee will be reduced to any sum(s) not exceeding [amount(s)2 in figures and words ]. "</i></p>	Refer particular Conditions of Contract. No change in the conditions stipulated in the particular conditions. Sample template of performance security form shall be amended to reflect non- reduction of value of guarantee

	III	116	<p>2.1 Performance Security Form (Bank Guarantee)</p> <p>[...]</p> <p>We have been informed that on [date of award] you awarded Contract No. [Contract number] for [title and/or brief description of the Contract] hereinafter called "the Contract") to [complete name of Contractor] (hereinafter called "the Contractor"). Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee is required.</p>	<p>Please kindly amend this paragraph of the Performance Security Form by adding the bold text below:</p> <p><i>"We have been informed that on [date of award] you awarded Contract No. [Contract number] for [title and/or brief description of the Contract] hereinafter called "the Contract") to [complete name of Contractor] (hereinafter called "the Contractor") for a total amount of xxx . Furthermore, we understand that, according to the conditions of the Contract, a performance guarantee <b>representing xx% of the contract amount</b> is required."</i></p>	No change in the requirements stated in the bidding documents
72	III	116	<p>2.1 Performance Security Form (Bank Guarantee)</p> <p>[...]</p> <p>This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458, except that subparagraph (ii) of Sub-article 20 (a) is hereby excluded.</p>	<p>The last version of URDG is 758. Common practices show that local banks generally require the latest updated version otherwise they refuse to issue the bank guarantee.</p> <p>Please kindly modify the text to mention version No. 758 instead of version No. 458.</p>	Banks will usually do the inclusion of IIC Publication Number at the time of issuing Guarantees
73	III	117	<p>2.2 Advance Payment Security Form (Bank Guarantee)</p> <p>[...]</p> <p>Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of [amount in numbers and words, for each currency of the advance payment] is to be made to the Contractor against an advance payment guarantee.</p>	<p>Please kindly amend this paragraph of the Advance Payment Security Form by adding the bold text below:</p> <p><i>"Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of [amount in numbers and words, for each currency of the advance payment] <b>representing 15% of Contract amount</b> is to be made to the Contractor against an advance payment guarantee. "</i></p>	No change in the requirements stated in the bidding documents

74	III	117		<p>2.2 Advance Payment Security Form (Bank Guarantee) [...] For each payment after the advance payment, which you will make to the Contractor under this Contract, the maximum amount of this guarantee shall be reduced by the ninth part of such payment. At the time at which the amount guaranteed becomes nil, this guarantee shall become null and void, whether the original is returned to us or not.</p>	<p>Please kindly correct / amend this paragraph of the Advance Payment Security Form by adding the bold text below: "For each payment after the advance payment, which you will make <b>to the Contractor under this Contract, the maximum amount of this guarantee shall be reduced by the .xxx part of such Payment upon presentation to us of a copy of credit advice or similar document showing payment to Contractor.</b> At the time at which the amount guaranteed becomes nil, this guarantee shall become null and void, whether the original is returned to us or not. <b>Notwithstanding stated above, this guarantee shall become null and void, whether the original is returned to us or not :</b> <b>a) Upon presentation to us of a copy of the Operational Acceptance Certificate, or b) on dd/mm/yyyy, whichever occurs first.</b> <b>After this date, and we will be discharged of any liability under this guarantee and no claim will be receivable. "</b> dd/mm/yyyy is the date to be reckoned as the forecasted issuance date of Operational Acceptance Certificate [Effective Date of Contract+13months] + 3 months margin</p>	<p>Request for inclusion of sentences proposed cannot be accepted. However correction of errors shall be undertaken</p>
75	III	117		<p>2.2 Advance Payment Security Form (Bank Guarantee) [...] This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.</p>	<p>The last version of URDG is 758. Common practices show that local banks generally require the latest updated version otherwise they refuse to issue the bank guarantee.  Please kindly modify the text to mention version No. 758 instead of version No. 458.</p>	<p>Banks will usually do the inclusion of ICC Publication Number at the time of issuing Guarantees</p>
76	III	104		<p>Appendix 7: Terms and Procedures for Payment Item g. Achieving successful OAT (Operational Acceptance Test) Release of the remaining balances by retaining 5% of the total contract price being the retention. Release of the retention shall be after 6 months from the Operational Acceptance subject to receipt of unconditional bank guarantee for the same.</p>	<p>Please kindly clarify why an unconditional Bank Guarantee to release the remaining balances is required since: a) the Employer will keep the retention during 6 months from the Operational Acceptance date b) the Employer will have the Performance Bank Guarantee which covers the 60 months warranty/SLA period.  If this clause remains applicable, what would be the template of such Bank Guarantee and its validity period ?</p>	<p>Retention shall be kept for one year from the date of OAT. However, retention may be released upon receipt of Advance payment Bank Guarantee as stipulated after completion of 6 months period from OAT. Advance Payment Bank Guarantee is given in the Bidding Document</p>
77	I	62		<p>3.1.8 Domestic preference</p>	<p>The hardware/software required to execute this project are generally not manufactured/assembled/developed in Sri Lanka. Therefore, domestic preference might not be very effective. Our understanding is that CIP price component of each of the IT product offered from outside Sri Lanka will be increased by applicable duty and other taxes payable by a non-exempt importer or by 20% whichever is less. There are no other preferences for domestically produced hardware/software. Is our understanding correct?</p>	<p>Details of applications of Domestic Preference is given in the Bidding document Vol1- Please refer</p>
78					<p>what is the applicable taxes for foreign / overseas bidder?</p>	<p>Bidders responsibility is to check with Tax Authorities</p>
79					<p>Is it possible to use LC (Letter of credit) for payment</p>	<p>Possible may be considered</p>
80		49	21.1(b)		<p>Stated that all local expenditure must use local currency. Is there any possibilities to use foreign currency (USD) for this purpose?</p>	<p>Not possible</p>
81		49	23.1		<p>Can the bidder issue the bid security in foreign currency (USD) equivalent to LKR 70 million?</p>	<p>Possible</p>

82		54	30.4		Sub- Contractors' qualifications shall not be taken into account in assessing the bidder's overall qualifications. In case of consortium could the qualification of one of the partners be considered as qualification of the consortium? As in consortium each partner is specialized in certain aspect of the project, and only he would do the work for the aspect.	Refer Bidding documents for qualification of bidders
83		66	3.2.3.2 & 3.2.3.3	Average annual turnover, financial resources	In a joint venture, the leader must meet 100% of the requirement, we can understand these requirement. However for the partners the requirement of 25% is high, please advise if we could renegotiate this requirement	No Changes in the requirements stated in the bidding documents
84		67	3.2.4.2	Specific experience	Lead Bidder must meet requirements for one or more characteristics. Does it means in a consortium experience from partners could complement the leader experience?	Refer Bidding document
85	I	67	3.3.4.2	(2) For the above Contracts executed during the priod stipulated in 3.3.4 2 above, a minimum experience in the following key activities: (1) Design and Implementation of information system for similar scope and size (ii) Implementation of a system handling data capuring electronic storage and management of citizen's data. (iii) Provision of operational support and maintenance of IT systems and IT infrastructure related to electronic storage and managemnt of citizen's data	In case of a Joint Venture, at least one of the member (lead or not lead) of the joint venuture shall meet the requirement and not only the Lead Bidder	Lead Bidder must meet requirements for one or more characteristics . All partners combined shall meet all the requirements specified.
86		67	3.3.4.2	Lead Bidder must meet requirements for one or more characteristics	In case of a JV or partnership, we understand that the lead bidder shall only meet requirements (1) or (2)(i) or (2) (ii) or (2) (iii), the rest of the partners shall be responsible in meeting the rest of the requirements. In this correct? Please clarify	No Change
87		67	3.3.4.2	During the last five (05) years bidders must have successfully completed at least one (01) contract similar nature, with a value of LKR 5,000 Million or equivalent	ePassport contracts with the same kind of system should be eligible to be of similar nature. Please clarify?	No Change
88		67	3.3.4.2	During the last five (05) years bidders must have successfully completed at least one (01) contract similar nature, with a value of LKR 5,000 Million or equivalent	Can the LKR 5,000 Million be reached by accumulation of contract values?	No
89					<b>Question:</b> To avoid dependencies from just one supplier in the tender process please confirm that in case a requirement demands applying a patented solution which refer to only a single or few suppliers, that those requirements can be fulfilled by offering alternative solutions even if they can't fully comply with the requirements. This would lead to the situation not blocking capable bidder's because of special picked features giving preference to only single or few suppliers. In especially this applies to the following points:	No comments