



Ministry of
Health and
Population,
Nepal

**SECTOR PROGRAMME HEALTH &
FAMILY PLANNING**

TENDER DOCUMENTS FOR
THE PROVISION OF MAINTENANCE SERVICES

Tender Documents

MINISTRY OF HEALTH AND POPULATION
DEPARTMENT OF HEALTH SERVICES
MANAGEMENT DIVISION
TEKU, PACHALI,
KATHMANDU, NEPAL

Tender Notice No.: XXX
DATE

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PART I: TENDER NOTICE

Tender Notice No.: XXX
GOVERNMENT OF NEPAL
MINISTRY OF HEALTH AND POPULATION
DEPARTMENT OF HEALTH SERVICES
MANAGEMENT DIVISION
TEKU, PACHALI, KATHMANDU

Notice Inviting Sealed Bids for the Maintenance Services

(First published on DATE)

1. The Government of Nepal has received a Financial Contribution from the Federal Republic of Germany through KfW Entwicklungsbank (KfW), Germany to support the Nepal Health Sector Programme. Within the framework of the financial cooperation KfW supports the Ministry of Health and Population of Nepal in the implementation of the Sector Programme Health and Family Planning. The overall objective of the programme is to strengthen health service delivery in Nepal. The programme is split into two components: component 1: Basic health and family planning and component 2: Contracting out of maintenance services.
2. Component 2 concentrates on the contracting out of maintenance services for selected medical equipment and cold chain equipment to private companies and on capacity building at the Department of Health Services / Management Division (DoHS / MD) of the Ministry of Health and Population (MoHP) to administer and monitor such contracts. It aims at improving the availability of functional medical equipment in selected public health facilities.
3. It is intended that part of this contribution will be applied for eligible payments under the contract for outsourcing of maintenance services for selected medical equipment in Public Hospitals and Primary Health Centres (PHC) in 24 districts of mid and far western regions of Nepal, for which this Invitation for tender is issued. The cost of outsourcing of maintenance services will be shared between German Government and the Ministry of Health and Population in the proportion of 80% and 20% respectively.
4. The Ministry of Health and Population, Department of Health Services, Management Division (hereinafter called the Purchaser) now invites sealed bids from pre-qualified Bidders for medical equipment maintenance and related incidental services. Interested pre-qualified Bidders may obtain further

information in respect of the Tender Documents from the office of the Purchaser.

5. A complete set of Bidding Documents in English may be purchased by pre-qualified bidders on the submission of a written application to the address below and upon payment of a non-refundable fee of include price for each set. Payment shall be in the form of cash deposit certificate in Revenue Title no. include Bank details. The documents will be available from, **2010** and until 12.00 Hours (local time) of, **2010**.
6. Bidders have the option to form consortia among the short-listed companies. Such consortia (joint ventures) will be limited to two companies only. In case of a consortium the Bidders have to define clearly the responsibility of the consortium partners and state the leader of the consortium.
7. Bids must be delivered to the address below at or before 12.00 hours (local time) on, **2010**. All bids must be accompanied by a Bid Security not less than 2.5% of bid price in accordance with clause 13 of ITB. Late Bids will be rejected. Bids will be opened in the presence of the bidders' representatives, who choose to attend in person at the address below at 14:00 hours (local time) on, **2010**.
8. A pre-bid conference will be held at MD on, **2010**, at 14.00 hours with a view to provide an opportunity to the Bidders to interact in person with the Purchaser so that the price schedule and other information are correctly filled in and also to ensure that the submitted bids become responsive. All prospective Bidders are invited and strongly encouraged to attend this pre-bid conference.
9. The prospective Bidder shall bear all costs associated with the preparation and submission of this pre-qualification, and the Buyer will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the pre-qualification process.
10. The address referred to above is as follows:

Include contacts

PART II: INVITATION LETTER

GOVERNMENT OF NEPAL
MINISTRY OF HEALTH AND POPULATION
DEPARTMENT OF HEALTH SERVICES
MANAGEMENT DIVISION (MD)
TEKU, KATHMANDU, NEPAL

Date: , 2010

Bid Notice No. xxx

To,

.....

.....

Sub: Invitation for sealed Bids for Maintenance Services

Dear Sirs / Madam,

The Government of Nepal has received a Financial Contribution from the Federal Republic of Germany through KfW Entwicklungsbank (KfW), Germany for the implementation of the Sector Programme Health and Family Planning. Component 2 of the programme concentrates on the contracting out of maintenance services for selected medical equipment to private companies. It aims at improving the availability of functional medical equipment in selected public health facilities.

It is intended that part of this contribution will be applied for eligible payments under the contract for outsourcing of maintenance services for selected medical equipment in Public Hospitals and Primary Health Centres (PHC) in 24 districts of mid and far western regions of Nepal, for which this Invitation for tender is issued. The cost of outsourcing of maintenance services will be shared between German Government and the Ministry of Health and Population in the proportion of 80% and 20% respectively.

The tender process and contract award is governed by GoN Public Procurement Act and Regulations, as well as KfW's guidelines for the procurement of Service Contracts

August 2010

under Financial Cooperation with Developing Countries (available at: http://www.kfw-entwicklungsbank.de/EN_Home/Service/Online_Library/Guidlines.jsp).

The Management Division invites sealed bids for the provision of maintenance services from pre-qualified bidders within 45 days,, **2010**, from the first day of publication of notice in national daily "The Rising Nepal".

All bidders must follow all instructions, terms and conditions given in the Bid Documents.

The bidders are requested to take care in fulfilling the requirements of the Bid Documents and submission of the same, since substantial deviation may cause rejection of bids.

Director
Management Division/DoHS

PART III: INSTRUCTION TO BIDDERS

1. BACKGROUND

- 1.1 The Health Sector is a priority area of the German-Nepal Development Cooperation. The Health Sector Maintenance Programme is one of the main activities to support the Ministry of Health and Population (MoHP) in improving the physical asset management through outsourcing of maintenance services. It is intended that under equipment maintenance contract public health facilities in 24 districts of mid-western and far-western regions, will be covered. The respective Financial Agreement between the Ministry of Finance (MoF) and KfW was signed on 9th July 2008. The Separate Agreement with the MoH and MoF was also signed on 9th July 2008.
- 1.2 The objective of the Health Sector Maintenance Programme is to establish the required technical and management structures of an efficient physical assets management and maintenance system, thus contributing to an improved delivery of health services to the population. The programme purpose is to strengthen the capacity of maintenance services in public health facilities in the country.

2. SOURCE OF FUNDING

- 2.1 The Government of Nepal has received a Financial Contribution from the Federal Republic of Germany through KfW Entwicklungsbank (KfW) in Frankfurt, Germany to support the Nepal Health Sector through the Sector Programme – Health and family Planning. It is intended that part of this contribution will be applied for eligible payments for outsourcing of maintenance services for public health facilities. The cost of outsourcing of maintenance services will be shared between German Government and the Ministry of Health and Population in the proportion of 80% and 20% respectively.

3. ELIGIBLE BIDDERS

- 3.1 This Invitation for Bids is open to all short-listed companies as follows:

Number	Bidder
1	
2	
3	
4	
5	

4. SCOPE OF SERVICES

- 4.1 The maintenance services through a Maintenance Contractor (MC) will cover planned preventive maintenance (PPM), corrective maintenance (CM), operational end-user training and technician training for selected medical equipment in all listed public health facilities in 24 districts of mid-western and far-western regions (see Schedule A). In addition to these services, the MC will be responsible for the procurement of spare parts, as required.

5. COST OF BIDDING

- 5.1 The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Management Division will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process

6. CONTENT OF TENDER DOCUMENTS

- 6.1 The Goods and Services required, bidding procedures and Contract terms are prescribed in the Tender Documents. The Tender Documents include:

- Part I: Tender Notice
- Part II: Invitation Letter
- Part III: Instructions to Bidders
- Part IV: Conditions of the Contract
- Part V: Medical Equipment Maintenance Services Agreement
- Part VI: Sample Forms
 - Form 1: Certificate as to Corporate Principle
 - Form 2: Submission of Bids
 - Form 3: Tender Summary Sheet
 - Form 4: Bid Bond
 - Form 5: Performance Bond
 - Form 6: Advance Payment Bond
 - Form 7: Declaration of Undertaking
 - Form 8: Personnel strength Assessment Form
 - Form 9: Contract Form
- Part VII: Schedules
 - Schedule A: Facilities covered under the contract
 - Schedule B: Schedule of Price for Category 1 Facilities
 - Schedule C: Schedule of Price for Category 2 Facilities
 - Schedule D: Mobilisation Phase
 - Schedule E: Schedule for proposed fees and equipment

- 6.2 All Bidders are required to submit these documents, duly filled in printed form. The Bidders MUST not change the presentation and format of these documents in either form. In addition Bidders are encouraged to submit their bid in a form of an electronic copy.
- 6.3 In case of any discrepancies between the original document and the copy, the original printed document shall prevail.
- 6.4 The Bidder is expected to examine all instructions, forms, terms, and specifications in the Tender Documents. Failure to furnish all information required by the Tender Documents or submission of a bid not substantially responsive to the Tender Documents in every respect will be at the Bidder's risk and may result in rejection of its Bid.
- 6.5 The detailed scope of service for the MC is described under Medical Equipment Maintenance Services Agreement (See Part V) which will be an integral part of the Contract.

7. CLARIFICATION OF DOCUMENTS

- 7.1 Any Bidder requiring any clarification of the Tender Document may notify the Purchaser in writing at the mailing address as indicated in the Notice. The Purchaser will respond in writing to any request for clarification received no later than 15 days prior to the deadline for submission of the tender. Written copies of the Purchaser's response (including an explanation of the query but without identifying the source of inquiry) will be sent to all pre-qualified Bidders which have received the Tender Document.
- 7.2 A pre-bid conference will be held at place on 2010, at 14.00 hours with a view to provide an opportunity to the Bidders to interact in person with the Purchaser so that the price schedule and other information are correctly filled in and also to ensure that the submitted bids become responsive. All prospective Bidders are invited to this pre-bid conference.

8. AMENDMENT OF TENDER DOCUMENTS

- 8.1 At any time prior to the deadline for submission of Bids, the Purchaser may, for any reason, whether at his own initiative or in response to a clarification requested by a prospective Bidder, modify the Tender Documents by amendment.
- 8.2 The amendment will be notified in writing or fax to all Bidders, which have received the Tender Documents and will be binding for them.
- 8.3 In order to afford prospective Bidders reasonable time in which to take the amendment into account in preparing their bids, the Purchaser may, at his discretion, extend the deadline for the submission of bids.

9. LANGUAGE OF BIDS, UNITS OF MEASUREMENT

- 9.1 The bid prepared by the Bidder and all correspondence and documents relating to the bid, exchanged by the Bidder and the Purchaser, shall be written in the English language. Supporting documents and printed literature furnished by the Bidder may be written in another language, provided that they are accompanied by accurate translation of its pertinent passages. For purposes of interpretation of the bid, the English translation shall govern in such case.
- 9.2 The units of measurement of the international metric system should apply and be used in the bids.

10. DOCUMENTS COMPRISING THE BID

10.1 The bid prepared by the Bidder shall comprise the following components:

a) Administrative Requirements:

- Part VI: Form 1: Certificate as to Corporate Principle
Form 2: Submission of Bids
Form 3: Tender Summary Sheet
Form 4: Bid Bond
Form 7: Declaration of Undertaking
Form 8: Personnel strength Assessment Form

b) Technical Requirements:

- i. The Bidder shall provide information related to response time by equipment and hospital categories as per Schedule B.
- ii. The Bidder shall provide comprehensive documentation related to the maintenance staff presently employed as well as the name, qualification and experience of the proposed project manager. Information related to the project manager and other key personnel shall be provided based on Form 8, Part VI. The Bidder shall provide the project organisation chart and the total number of personnel needed to execute the project.

c) Financial Documentation shall cover the following price information separately based on the scope of services and list of equipment:

- i. Annual maintenance cost for each item for Category 1 hospitals by facility based on information in Schedule B.
- ii. Costing per visit for maintenance services for Category 2 hospitals by facility based on Information in Schedule C.
- iii. The Bidder shall provide the costing for the mobilisation phase based on Schedule D.
- iv. Hourly rate for technicians and engineers applicable for special service requests as well as applicable allowance for technicians and engineers as per Schedule E. Schedule E also requests a quotation for voltage stabiliser.

d) The fees quoted by the Bidder shall be fixed during the Bidder's Performance of the Contract and not subject to variation on any account for at least 36 months.

11. BID FORM

11.1 The Bidder must complete and sign the Bid Form, as per Tender Summary Sheet (see Form 3) furnished in the Tender Documents.

12. CURRENCIES OF FEES

12.1 The Fees have to be quoted in Nepali Rupees (NPR).

13. PERIOD OF BID VALIDITY

13.1 Bid must be valid for the period of at least three (3) months from the date of submission of Bid (....., 2010). Bid validity for a shorter period shall be rejected by the Purchaser as non-responsive.

13.2 In exceptional circumstances, the Purchaser may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing or by fax. The Bid Security provided under Clause 13 of the Instructions to Bidders shall also be suitably extended. A Bidder may refuse the request without forfeiting his Bid Security. A Bidder granting the request will not be required nor permitted to modify his Bid.

14. BID SECURITY

14.1 Pursuant to Clause 10 of the Instructions to Bidders, the Bidder shall furnish, as part of his bid, a Bid Security in the amount of 2.5% of the total bid price.

14.2 The Bid Security shall be furnished in the form of a bid security established as per Standard Form of Bid Security provided in the Tender Documents and be valid for 30 days beyond the validity of the bid (..... 2011).

14.3 Any bid not secured in accordance with paragraph 14.1 and 14.2 will be rejected by the Purchaser, pursuant to Clause 23 of the Instructions to Bidders.

14.4 Unsuccessful Bidder's Bid Security will be discharged / returned as promptly as possible, but not later than 30 days after the expiration of the period of bid validity prescribed by the Purchaser, pursuant to Clause 16 of the Instructions to Bidders.

14.5 The successful Bidder's Bid Security will be discharged upon the Bidder executing the Contract, pursuant to Clause 28, Part III of the Instructions to Bidders, and furnishing the performance security, pursuant to Clause 30 of the Instructions to Bidders.

14.6 The Bid Security may be forfeited:

- (a) If a Bidder withdraws his bid during the period of bid validity specified by the Bidder in the Bid Form; or

- (b) in the case of a successful Bidder, if the Bidder fails:
 - i. to sign the Contract in accordance with Clause 28 of the Instructions to Bidders; or
 - ii. to furnish performance security in accordance with Clause 30 of the Instructions to Bidders.

14.7 The currency of the Bid Security must be in Nepali Rupees (NPR).

15. SEALING AND MARKING OF BIDS

15.1 The Bidder shall seal the original and one (1) copy of the bid in separate envelopes, duly marking the envelopes as "ORIGINAL" and "COPY." The envelopes shall then be sealed in an outer envelope.

15.2 The inner and outer envelopes shall:

- (a) be addressed to the Purchaser at the address given in the Invitation for Bid; and
- (b) bear the Project Name – indicated in the **Invitation for Bid**, the Bid number **xxx**, and a statement: "DO NOT OPEN BEFORE," to be completed with the time and the date specified in the **Invitation for Bid**.

15.3 The inner envelopes shall also indicate the name and address of the Bidder to enable the bid to be returned unopened in case it is declared "late."

15.4 If the outer envelope is not sealed and marked as required by ITB Clause 15.2, the Purchaser will assume no responsibility for the bid's misplacement or premature opening.

16. SUBMISSION OF DOCUMENT

16.1 All Tender Documents must be delivered in sealed envelopes, to the address and date/time specified in the Invitation for Bid.

16.2 The envelope shall be clearly marked with the wording as specified in the Invitation for Tender and with the Bidder's address.

16.3 Late submissions will be rejected.

17. DEADLINE FOR SUBMISSION OF BIDS

- 17.1 Bids must be received by the Purchaser at the Address and time specified in the Invitation for Bid.
- 17.2 The Purchaser may, at his discretion, extend this deadline for the submission of bids by amending the Tender Documents in which case all rights and obligations of the Purchaser and Bidders previously subjected to the deadline will thereafter be subject to the deadline as extended.

18. LATE BIDS

- 18.1 Any Bid received by the Purchaser after the deadline for submission of bids prescribed by the Purchaser, will be rejected and returned unopened to the Bidder.

19. MODIFICATION AND WITHDRAWAL OF BIDS

- 19.1 The Bidder may modify or withdraw his Bid after the Bid's submission, provided that written notice of the modification or withdrawal is received by the Purchaser prior to the deadline prescribed for submission of Bids.
- 19.2 The Bidder's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of Clause 15 of the Instructions to Bidders. A withdrawal notice may also be sent by fax but followed by a signed confirmation copy, post marked not later than the deadline for submission of Bids.
- 19.3 No Bid may be modified subsequent to the deadline for submission of Bids.
- 19.4 No Bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Bid Form. Withdrawal of a bid during this interval may result in the Bidder's forfeiture of its bid security, pursuant to the ITB Clause 14.6.

BID OPENING AND EVALUATION

20. OPENING OF BIDS BY PURCHASER

- 20.1 The Purchaser will open bids, in the presence of Bidder's representatives who choose to attend as witnesses, at the time, on the date, and at the place specified in the ITB. The Bidder's representatives who are present shall sign a register, evidencing their attendance.
- 20.2 The Bidders names, that the bid was sealed, that the bid arrived in time, total bid price, bid modifications or withdrawals, discounts and the presence or absence of the adequate Bid Security will be announced at the opening. All other details of the bids are confidential.
- 20.3 The Purchaser will prepare a record of the Bid opening.

21. CLARIFICATION OF BIDS

- 21.1 To assist in the examination, evaluation and comparison of bids the Purchaser may, at his discretion, ask the Bidder for a clarification of his bid. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

22. PRELIMINARY EXAMINATION

- 22.1 The Purchaser will examine the bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order.
- 22.2 Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying/adding the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Bidder does not accept the correction of the errors, his bid will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.
- 22.3 The Purchaser may waive any minor informality or non-conformity or irregularity in a bid which does not constitute a material deviation, provided such a waiver does not prejudice or affect the relative ranking of any Bidder.
- 22.4 Prior to the detailed evaluation, pursuant to ITB Clause 23, the Purchaser will determine the substantial responsiveness of each Bid to the Tender Documents. For purposes of these Clauses, a substantially responsive bid is one which conforms to all the terms and conditions of the Tender Documents without material deviations and offers all equipment items. Deviations from or objections or reservations to critical provisions such as those concerning Bid Security (Clause 13) will be deemed to be a material deviation. The Purchaser's determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence.
- 22.5 A bid determined as not substantially responsive will be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the nonconformity.

23. EVALUATION AND COMPARISON OF BIDS

- 23.1 The evaluation of the tender will be performed in two stages, as described below:
- a) Administrative Evaluation:
 - (i) All documents are checked against the required list of documents for completeness. Only complete documents will be evaluated further.

b) Weighting and Scoring:

- (i) The evaluation is done through separate price and technical evaluations. The total points allocated for the technical & administrative, and financial evaluation is shown in the Table below;

Marking on Technical and Financial Components and Relative Weightage

	Sub-components		Marks Assigned
	Financial Sub Component		
Price Component Overall Weightage xx%	(a)*	Total cost of maintenance for Category 1 hospitals	x
	(b)*	Total cost of maintenance for Category 2 hospitals	x
	(c)*	Mobilisation fee over the initial 3 months	x
	Total marks assigned for price component		100
	Technical Sub Component		
Technical and Administrative Component Overall Weightage xx %	(d)*	Company resources (experience and qualification of proposed personnel (CV)	x
	(e)*	Acceptance of response and repair time	x
	Total marks assigned for technical component		100
Total Weightage 100%			

Explanation on markings;

a* , b* and c*) Score for financial components (total price of the bill of quantity for three years service contract) will be as follows:

The lowest priced financial offer of the bidder for the category 1 facilities will get 50 marks in financial evaluation.

The marking against financial evaluation of the other bidders will be as follows;

The financial marks of bidder (A) = $\frac{50 \times \text{lowest financial offer}}{\text{financial offer of bidder (A)}}$
For category 1 facilities

Similarly,

The lowest priced financial offer of the bidder for the category 2 facilities will get 35 marks in financial evaluation.

The marking against financial evaluation of the other bidders will be as follows;

The financial marks of bidder (A) = $\frac{35 \times \text{lowest financial offer}}{\text{financial offer of bidder (A)}}$
For category 2 facilities

And,

The lowest priced financial offer of the bidder as mobilisation fee will get 15 marks in financial evaluation.

The marking against financial evaluation of the other bidders will be as follows;

The financial marks of bidder (A) = $\frac{15 \times \text{lowest financial offer}}{\text{financial offer of bidder (A)}}$
Against mobilisation cost

- d*) Company resources personnel will be evaluated as follows: Acceptable CV related to relevant qualification and experience of the Project Manager and at least 8 technicians/engineers = 75 points, acceptable CV related to relevant qualification and experience of the Project Manager and at least 6 technicians/engineers = 60 points, acceptable CV related to relevant qualification and experience of the Project Manager and at least 4 technician/engineers = 40 points; Less than 4 or no indicative CV = 0 point.
- e*) Proposed response and repair time as per Schedule B reduced by at least 25% = 25 points; proposed response and repair time accepted = 20 points; proposed response and repair time increased by 25% = 10 points; no indication or proposed response and repair time increased by more than 25% = 0 point.

23.2 The marks obtained by the bidders against 3 categories of financial scores will be added for individual bidder. Thus obtained total sum will be multiplied by 0.70, as per the weightage of financial score. In the same way the marks obtained by the bidders against 2 categories of technical scores will be added for individual bidder. Thus obtained total sum will be multiplied by 0.30, as per the weightage of technical score. The financial and technical scores of individual bidder will then be added to get the final overall score.

23.3 Bid with the highest score will be proposed for contract award.

24. CONTACTING THE PURCHASER

24.1 No Bidder shall contact the Purchaser on any matter relating to his bid, from the time of the bid opening until the Contract has been awarded.

24.2 Any effort by a Bidder to influence the Purchaser in the Purchaser's bid evaluation, bid comparison or contract award decisions will result in the rejection of the bid.

25. AWARD OF CONTRACT CRITERIA

- 25.1 Subject to Clause 23, the Purchaser will award the Contract to the successful Bidder who, pursuant to the provision in the General Terms and Conditions, and whose bid has been determined to be substantially responsive and has been determined as the highest evaluated bid (highest points), provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.
- 25.2 Award of the Contract will be subject to approval by the respective Purchaser and no objection by KfW, Federal Republic of Germany.

26. PURCHASER'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS

- 26.1 The Purchaser reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to contract award, without thereby incurring any liability to the affected Bidder or Bidders.

27. NOTIFICATION OF AWARD

- 27.1 Prior to the expiration of the period of bid validity, the Purchaser will notify the successful Bidder in writing, by registered letter or fax, that his bid has been accepted.
- 27.2 The notification of award will constitute the formation of the Contract.
- 27.3 Upon the successful Bidder's furnishing of performance security pursuant to Clause 30 the Purchaser will promptly notify each unsuccessful Bidder and will discharge its bid security, pursuant to Clause 14.

28. SIGNING OF THE CONTRACT

- 28.1 At the same time as the Purchaser notifies the successful Bidder that his bid has been accepted the Purchaser will send the Bidder the Contract Form provided in the Tender Documents, incorporating all agreements between the parties.
- 28.2 Within 15 days of receipt of the Contract Form, the successful Bidder shall sign and date the Contract and return it to the Purchaser.
- 28.3 The parties to the awarding procedure emphasize the importance of free, fair and competitive awarding procedure that precludes abuse. In this respect the Bidder has not offered or granted any inadmissible advantages either directly or indirectly to public servants or other persons in connection with its bid, nor shall it offer or grant any such incentives or

rewards in the present awarding procedure or, in the case of any award, during the subsequent execution of the agreement. The Bidder shall inform its employees of their respective duties and their commitment to observe this self-imposed obligation and to abide by the law of the country of Nepal.

29. CONTRACT CURRENCY

29.1 The contract currency for payment will be in Nepali Rupees (NRP).

30. PERFORMANCE SECURITY

30.1 Within 15 days of the receipt of the notification of award from the Purchaser, the successful Bidder shall furnish the performance security in accordance with the Conditions of the Contract, in the Performance Security Form provided in the Tender Documents.

30.2 Failure of the successful Bidder to comply with the requirements of the Instructions to Bidders shall constitute sufficient grounds for the annulment of the award in which event the Purchaser may award to the next most advantageous evaluated Bidder or call for new bids.

PART IV: CONDITIONS OF THE CONTRACT

1. DEFINITIONS

1.1 In this Contract, the following terms shall be interpreted as indicated:

- (a) "The Contract" means the agreement entered into between the Purchaser and the Maintenance Contractor, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein;
- (b) "The MC" means the Maintenance Contractor individual or firms providing Services under this Contract;
- (c) "The Contract Fees" means the fee payable to the MC under the Contract for the full and proper performance of his contractual obligations;
- (d) "Services" means Services including incidental services to be provided under the Contract and defined in Part V;
- (e) "The Purchaser" means the Ministry of Health and Population (MoHP), Department of Health services (DoHS) purchasing the Services;
- (f) "Effective Date" means the date of execution of this Agreement based on the Notification of Award by the Purchaser, furnishing of the Performance Security by the MC, the signing of Contract and Advance Payment against Advanced Payment Security;
- (g) "KfW" means KfW Entwicklungsbank, Frankfurt, Federal Republic of Germany;
- (h) "Day" means calendar day;
- (i) "The Consultant" means the consultant nominated for this project by the Purchaser and KfW;
- (j) "MD" means Management Division which will have the responsibility to manage the MC;

2. APPLICATION

2.1 These General and Special Conditions shall apply to the extent that provisions in other parts of the Contract do not supersede them.

3. PERFORMANCE SECURITY

- 3.1 Within 15 days after the MC's receipt of Notification of Award, the MC shall furnish Performance Security to the Purchaser for an amount of 10% of the total contract amount and in the prescribed form shown in of the tender documents.
- 3.2 The Performance Security shall cover a minimum time of three (3) years from the signing of the contract until the scheduled time of contract expiry.
- 3.3 The Performance Security will be discharged by the Purchaser and returned to the MC not later than 60 days following the date of completion of the MCs performance obligations under the contract.
- 3.4 The proceeds of the Performance Security shall be payable to KfW in favour of the Purchaser as compensation for any loss resulting from the MCs failure to complete his obligations under the Contract.
- 3.5 The Performance Security shall be denominated in the currency of bid. It shall be a guarantee, issued by a bank located in Nepal or outside of Nepal and counter guaranteed by a bank in Nepal, and in the Form (Performance Security) provided in the Tender Documents.

4. PAYMENT

- 4.1 Advance payment:
 - (a) An Advance Payment: of 20% of the contract amount will be paid within thirty (30) calendar days after signing of the Contract against a written request and a bank guarantee for the equivalent amount in the form prescribed in the Tender Documents;
 - (b) The proceeds of the Advance Payment Security shall be payable to KfW in favour of the Purchaser.
 - (c) The Advance Payment Security shall be denominated in the currency of the Contract. It shall be a guarantee, issued by a bank located in Nepal and in the form (Advance Payment Security) provided in the Tender Documents.
 - (d) The Advance Payment will be deducted starting from the second service invoice. From the net amount of each invoice twenty (20) percent will be deducted up to the total amount of the Advance Payment Security.
 - (e) The Advance Payment Security shall cover a minimum time of eighteen (18) months from the signing of the contract.
 - (f) The Advance Payment Security will be discharged by the Purchaser and returned to the MC after the total amount of Advance Payment has been recovered from the invoices issued by the MC.

4.2 Payments for maintenance services (instalments):

- (a) The agreed Mobilisation Fee will be paid after the Mobilisation phase has been successfully concluded against invoice by the MC. As part of the invoice the MC will provide a progress report related to the Mobilisation Phase.
- (b) Service fees for corrective and preventive maintenance under this contract shall be paid on a quarterly basis based on the quoted price for maintenance services for category 1 and 2 Health Facilities. Together with the invoice the MC will have to provide documentation related to conducted maintenance services, training activities and indicators linked to response, equipment down time and other indicators agreed during the mobilisation phase.
- (c) Spare parts exceeding the cost of NPR xxx as described in Clause 4.3 will be paid on a quarterly basis together with the service invoice, against submission of an original invoice from the source. In case the spare part invoice is in a currency different from the contract currency the MC will convert this currency in NPR based on the date of the original invoice and convert to NPR based on the selling exchange rate, established by the xxx Bank of the Purchaser's country.
- (d) The MC will provide a quotation for repair of equipment not on the asset list. A decision will be made by the Management Division to repair such equipment before it is added to the maintenance schedule.

4.3 Payments for spare parts:

- (a) Spare parts costing below NPR xxx are included in the fixed fees. Payment for spare parts exceeding NPR xxx will be paid according to Clause 4.2 c.
- (b) Not included under spare parts Clause 4.3 (a) are consumables. Specific spare parts such as vacuumed packed articles (e.g. examination and operating light bulbs x-ray tubes) and ultrasound probes will be paid in full. The Bidder has to further specify spare parts not to be included under the arrangement as part of the Bid submission.**

4.4 Payments for Sub-Service Providers (Clause 8):

- (a) Fees for Sub-services providers are covered in the fixed fee. The sub-service providers will contract directly with the MC.

4.5 The Contractor's request(s) for payment shall be made to the Purchaser in writing, accompanied by an invoice describing, as appropriate, the Services performed and the fulfilment of other obligations stipulated in the contract;

4.6 Payments shall be made by the Purchaser within thirty (30) days of submission of a complete invoice.

5. FEES AND PENALTIES

- 5.1 Fees charged by the MC for Services performed under the Contract shall not vary from the Fees established. Any new equipment added on to the contract will be billed according to the fees established in the bill of quantities for Category 1 hospitals after warranty period has expired. Similarly, any equipment decommissioned from category 1 hospitals will be taken out from the bill of quantity.
- 5.2 Penalties will apply to the response time and completion time as indicated in SCHEDULE B. If the MC fails, without reasons, to meet the time as shown in SCHEDULE B a daily penalty of NPR xxx will apply for each pending work request. The total penalty shall not exceed 10% of the value of the total contract value.

6. CONTRACT AMENDMENTS

- 6.1 No variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

7. ASSIGNMENT

- 7.1 The MC shall not assign, in whole or in part, his obligations to perform under the Contract, except with the Purchaser's prior written consent under Clause A 8.

8. SUB-SERVICE PROVIDERS

- 8.1 The MC shall notify the Purchaser in writing of all Sub-service contracts to be awarded to Sub-service providers.
- 8.2 Such notification shall not relieve the MC from any liability or obligation under the Contract.
- 8.3 Sub-service providers must comply with the provisions of the Contract.

9. TERMINATION FOR DEFAULT

- 9.1 The Purchaser may, without prejudice to any other remedy for breach of the Contract, by written notice of default sent to the MC, terminate the Contract in whole or in part:
- (a) If the MC fails to meet equipment up times of 90% (equipment is operational for 90% throughout the year) in category 1 hospitals. This criteria will be applicable from the period after the mobilisation phase.
 - (b) If the MC fails to perform the service obligation(s) such as preventive and corrective maintenance, user training and staff availability required under the Contract.
- 9.2 In the event the Purchaser terminates the Contract in whole or in part, pursuant to Clause 9.1 the Purchaser may procure, upon such terms and in such manner as it deems appropriate, maintenance services similar to those undelivered.

10. FORCE MAJEURE

- 10.1 Notwithstanding the provisions of Clauses 11 and 12 the MC shall not be liable forfeiture of his performance security, liquidated damages or termination for default, if and to the extent that, his delay in performance or other failure to perform his obligations under the Contract is the result of an event of Force Majeure.
- 10.2 For purposes of this Clause, "Force Majeure" means an event beyond the control of the MC and not involving the MC's fault for negligence and not foreseeable. Such events may include, but are not restricted to, acts of the Purchaser either in his sovereign or contractual capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions and freight embargoes.
- 10.3 If a Force Majeure situation arises, the MC shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the MC shall continue to perform his 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.

11. TERMINATION FOR INSOLVENCY

- 11.1 The Purchaser may at any time terminate the Contract by giving written notice to the MC, without compensation to the MC, if the MC becomes bankrupt or otherwise insolvent, provided that such termination will not

prejudice or effect any right of action or remedy which has accrued or will accrue thereafter to the Purchaser.

12. RESOLUTION OF DISPUTES

12.1 A Dispute Resolution Committee shall be formed during the Mobilisation Phase and:

- (a) Except for disputes or differences on revision of fees and unless otherwise agreed by the parties, any matter, dispute or claim between any of the parties arising out of or relating to this Contract shall first be referred to the Dispute Resolution Board by written notice to the other Party before referring it to arbitration according to the Nepal Arbitration Act, 2055 (1995). The Dispute Resolution Board shall consist of:
 - (i) Director General of the Department of Health Services or his representative as the Chairperson of the Dispute Resolution Board
 - (ii) One (1) representatives from the MD Division
 - (iii) One (1) representatives from the MC
- (b) The Dispute Resolution Board shall endeavour to achieve an amicable settlement of relevant matter, dispute or claims or an agreement on the relevant matter dispute or claim by the relevant Parties. The Dispute Resolution Board shall determine its own procedures and meet at such time as it is deemed necessary. As and when necessary, the Dispute Resolution Board may appoint an independent expert to advice in respect of relevant matters to assist in the resolution of any dispute brought before the Committee.

- 12.2 If, after thirty (30) days, the parties have failed to resolve their dispute, such disputes or difference shall be settled in accordance with the Arbitration Act, 2055 (1999). The arbitral tribunal shall consist of 3 Arbitrators one each to be appointed by the Purchaser and the MC. The third Arbitrator shall be chosen by the two Arbitrators so appointed by the Parties and shall act as presiding Arbitrator. In case of failure of the two Arbitrators appointed by the two Parties to reach upon a consensus within a period of 30 days from the appointment of the Arbitrators appointed subsequently, the Presiding Arbitrator shall be appointed in accordance with the provision of the Arbitration Act 2055 (1999).
- 12.3 The Venue of the Arbitration shall be Kathmandu, the arbitration communication and proceedings shall be in English. The major decision of Arbitrators shall be final and binding upon parties. The cost and expenses of Arbitration proceedings will be paid as determined by the arbitral tribunal.
- 12.4 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 MC any monies due to the MC.

13. INSURANCE

- 13.1 The MC shall obtain a workman's compensation insurance, public liability insurance and insurance covering liability for damage to properties and injuries to persons arising from negligence or default of the MCs and any other relevant policies commonly taken for the provision of Said Services. The insurance policies shall cover adequate compensation as per the prevailing laws of Nepal.

The MC must provide comprehensive automobile liability insurance covering all vehicles used for transport to or from customer sites. The MC must also provide all risk property insurance to cover all equipment on PM's site or in transit using company vehicles.

- 13.2 The MC shall promptly notify the Purchaser of any claim which shall be reported in the form of an Incident Report with respect to any of the insured policies related to the Said Services accompanied by full details of the incident giving rise to such claim.
- 13.3 All policies of insurance shall be taken out in the name of the MC.

14. INDEMNITY AND LIABILITY

- 14.1 The MC shall indemnify in full and hold the Purchaser harmless from and against any actions, suits, claims, demands, proceedings, losses, damage, compensation, charges and expenses whatsoever to which the Purchaser shall or may be or become liable in respect of and arising from:
- (a) Any breach by the MC of its obligations hereunder;
 - (b) Any neglect act, error or omission on the part of the MC, its directors, officers, employees, Sub-service providers in the performance of the Said Services;
 - (c) The misconduct of the MC or its directors, officers, employees, Sub-service providers;
 - (d) Any loss or damage to any property or injury to any Person of whatsoever nature or kind and howsoever or whosoever sustained or caused or contributed arising out of the use or occupation of the Purchasers properties by the MC and not caused by the negligence or wilful act, default or omission of the Purchaser personnel.

15. LIMITATION OF LIABILITY

- 15.1 Except in cases of criminal negligence or wilful misconduct, and in the case of infringement pursuant to Clause 17,
- (a) The MC shall not be liable to the Purchaser, whether in contract, 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 MC to pay liquidated damages to the Purchaser and;
 - (b) The aggregate liability of the MC to the Purchaser, whether under the Contract, in tort or otherwise, shall not exceed 15% of the contract amount.

16. FACILITIES AND EQUIPMENT TO BE INCLUDED IN THE CONTRACT

- 16.1 Subject to the terms and condition of this Contract the Purchaser hereby grants to the MC the right to provide the medical equipment maintenance services (the Said Service) in the Health Care Facilities mentioned under Part VII, Schedule A and the MC accepts the Contract at its own risk, cost and expenses.
- 16.2 After signing the Contract the MC shall be granted the right to provide the Said Services for equipment defined in Part VII, Schedule B and C.

17. METHOD OF PROVIDING SERVICES

- 17.1 The MC shall perform the Said Services and its other obligations hereunder in accordance with the law of Nepal and this Contract.
- 17.2 If the MC is aware of a conflict, it shall inform the Purchaser accordingly and the parties shall discuss in good faith and agree the manner in which the MC should perform the services.
- 17.3 The MC shall determine the cost associated with the provision of the services necessary under the Contract and provides sufficient funding to meet these anticipated costs.
- 17.4 The MC shall ensure that appropriate equipment, tools and manpower are readily available to perform the activities as described in this agreement.

18. PROCEDURE DURING THE MOBILISATION PERIOD

- 18.1 As soon as possible after the Effective Date, the parties shall form a Mobilisation Committee comprising of relevant representatives from the MD of the DoHS, the Consultant and the MC. The Chairman of the Mobilisation Committee shall be appointed by the MD. The mobilisation period is envisaged to be three months unless otherwise agreed to by both parties.
- 18.2 The main function of the Mobilisation Committee shall be to ensure the smooth implementation of the provision of the Said Services by the MC upon the "Take over Date". In carrying out this function the Committee shall consider the tasks as indicated in Part VII, Schedule D.
- 18.3 As soon as possible after the Effective Date the Mobilisation Committee shall prepare its own rules, procedures and mechanism for carrying out its function and get approval by the MD/DoHS.
- 18.4 The term of the Mobilisation Committee shall be for a period of three (3) months from the Effective Date and shall automatically cease upon the Take over Date.

19. CONTRACT PERIOD

- 19.1 The contract period shall commence on the effective Date as defined under Clause 1.1.f. Subject to the terms and condition of this Contract, the Contract shall continue for a period of three (3) years expiring on the 3rd anniversary of the Effective Date ("Contract Period").

20. EXTENSION OF CONTRACT PERIOD

- 20.1 The Purchaser shall notify the MC in writing not less than nine (9) months prior to the date of expiry of Contract pursuant to Clause 22 if the Purchaser intends to extend the Contract for a further period. The Parties shall as soon as reasonably practicable after the receipt of such notification negotiate the terms and condition for such extension, to the intent that such terms and conditions are to be agreed by the parties not later than six (6) months prior to the date on which the contract period would have otherwise expired.
- 20.2 Scope of services will remain the same. However, variations in the number of facilities and number of equipment and contract value may change. Such changes shall not exceed $\pm 20\%$ of the original contract.

21. EXPIRY OF THE CONTRACT PERIOD

21.1 Upon the expiry of the Contract:

- (a) If the MC is then managing, operating, maintaining and providing the Said Services, the MC shall remove all its personnel and Sub-services providers and all rights of the MC shall revert.
- (b) All liabilities, obligation, claims, suits or proceedings whatsoever existing prior to and as at the expiry whether arising out of or in connection with:
 - (i) Any agreement entered into by the MC
 - (ii) Any act, default omission or negligence of the MC its employees or Sub-services providers.
- (c) The MC shall hand over all equipment to the respective health facilities and obtain a written confirmation that the contracted equipment has been handed over in working conditions.

21.2 The expiry of the Contract shall not affect any claim or obligation of payments pursuant to Clause 4 and 5 that the Parties may have against the other prior to the expiry of the Contract.

21.3 The MC shall make available or furnish all information records and documents related to Said Services as will enable the Purchaser to continue the management, operation and maintenance.

21.4 The Purchaser shall as soon as practicable pay to the MC (if a balance is due to the MC), in accordance with Clause 4 and 5.

22. TAKE OVER DATE

22.1 The Purchaser shall be satisfied that the MC has met all necessary conditions before allowing the MC to take over the Said Services which shall not be later than three (3) months after the effective Date or upon completion of the Mobilisation Period whichever comes first.

23. USE OF CONTRACT DOCUMENTS AND INFORMATION

- 23.1 The MC shall not, without the Purchaser's prior written consent, disclose the Contract, or any provision thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than the person employed by the MC in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.
- 23.2 The MC shall not, without the Purchaser's prior written consent, make use of any document or information except for purposes of performing the Contract.
- 23.3 Any document, other than the Contract itself, shall remain the property of the Purchaser and shall be returned (in all copies) to the Purchaser on completion of the MC's performance under the Contract if so required by the Purchaser.
- 23.4 The MC shall maintain all necessary books, accounts and records and shall establish a reporting system for the Said Service and shall permit the Purchaser to inspect the MC's accounts and records relating to the performance of the MC and have them audited by auditors appointed by the Purchaser.
- 23.5 The MC shall permit any Person designated to visit and inspect the Said Service and the activities of the MC which relate to the Said Service without charge at such times as may reasonably be requested, and all books, records, and documents relating to the Said Service shall at such times be open.

24. PATENT RIGHTS

- 24.1 The MC shall indemnify the Purchaser against all third party claims of infringement of patent, trademark or industrial design rights arising from use of Goods and Services or any part thereof in the Purchaser's country.

25. GOVERNING LANGUAGE

- 25.1 The Contract shall be written in English, as specified by the Purchaser in the Instructions to Bidders. All correspondence and other documents pertaining to the Contract, which are exchanged by the parties, shall be written in that same language.

26. STANDARDS

- 26.1 Standards under this Contract shall conform to the standards using manufacturer's recommendation as guidelines. In the absence of which, other relevant publications such as European Standards, Medical Equipment Management in Hospitals by the American Society for Hospital Engineering, ECRI or other relevant publications may be referred to.

27. APPLICABLE LAW

- 27.1 The Contract shall be interpreted in accordance with the laws valid in Nepal.

28. NOTICES

- 28.1 Any notice given by one party to the other pursuant to the Contract shall be sent in writing or by fax and confirmed in writing to the address specified for that purpose in the Special Conditions of the Contract.

- 28.2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

- 28.3 For the purposes of all notices, the following shall be the addresses of the Purchaser and MC;

PURCHASER:

Contact Person:

Address:

Tel No: / Fax No:

MC:

Contact person:

Company Name:

Address:

Tel No: / Fax: No:

29. TAXES AND DUTIES

- 29.1 The MC shall be entirely responsible for all taxes, stamp duties, license fees, and other such levies imposed outside the Purchaser's country. The costs of such taxes, etc. are included in the purchase prices.

- 29.2 The MC shall be responsible for any taxes, duties, etc., incurring in the Purchaser's country.

30. CONFLICTS OF INTERESTS

- 30.1 Any bribe, commission, gift or advantage given, promised or offered by or behalf of the MC or its partner, agent or servant, or any one on its behalf to any person in relation to the obtaining or to the execution of this or any other contract with the Purchaser shall, in addition to any criminal liability which it may incur, subject the MC to the cancellation of this and all other contracts and also to payment of any loss or damage resulting from any such cancellation. The Purchaser shall then be entitled to deduct the amount so payable from any money otherwise due to the MC under this or any other contact.

PART V: MEDICAL EQUIPMENT MAINTENANCE SERVICES AGREEMENT

31. GUIDELINES AND DEFINITIONS

31.1 The following definitions are applicable for the Service Contract:

- (a) "Medical equipment" are devices that are intended to be used for diagnostic, therapeutic or monitoring care provided to a patient by a health facility which includes devices such as monitoring equipment, life supporting equipment, imaging equipment, laboratory equipment, mechanical equipment, as well as other equipment supporting the care of the patient, whether or not it is in the immediate vicinity of a patient. In addition, these categories includes other devices, such as fridges, that support the care of a patient, but are generally not specifically manufactured for use in health care services.
- (b) "Inspection" is interaction with medical equipment designed to detect unsuspected equipment problems, or to perform preventive maintenance.
- (c) "Maintenance" is interaction with medical equipment designed to identify and correct suspected equipment problems, or to perform activities designed to prevent the future occurrence of problems (preventive maintenance). Maintenance may be initiated on either an unscheduled basis (corrective maintenance or repair) or on a scheduled bases (planned preventive maintenance).
- (d) "PLAMAHS" (Planning and Management of Assets in the Health Services) is a computer based asset management system to list all equipment used in patient-care activities, regardless of ownership and to document maintenance services and status.
- (e) "Sub-Service Providers" are sub-contractors of the MC providing specialised maintenance services whose cost are covered under the MC contract sum.
- (f) OEM refers to Original Equipment Manufacturer. If parts furnished are not OEM then MC must be able to furnish certification by manufacturer that they meet or exceed OEM specifications and manufactured under current ISO standards.

32. SCOPE OF SERVICE OF THE MC

32.1 Planned Preventive Maintenance (PPM) Services:

- (a) The MC shall identify and determine appropriate PPM frequency for medical equipment and prepare and submit PPM schedules for these equipments using manufacturer's recommendation as guide. In the absence of which, other relevant publications such as Medical Equipment Management in Hospitals by the American Society for Hospital Engineering, ECRI or other relevant publications may be referred to. The final schedule of equipment to be included in the PPM schedule must be approved by the MD and added in PLAMAHS.
- (b) The MC has to submit its proposed general PPM schedules annually at the beginning of the year and specific schedules on monthly basis to the Management Division (MD).
- (c) As part of PPM services, equipment performance tests and calibration shall be carried out. Electrical safety checks shall be done on a required basis. It is the duty of the health facility to provide all necessary supplies needed for these performance tests and calibrations (i.e. x-ray film, laboratory reagents, etc.)
- (d) All test and calibration results must be recorded in appropriate job cards and updated in the PLAMAHS system.

32.2 Corrective Maintenance (CM) Services:

- (a) To provide prompt onsite response to repair requests and optimise downtime of faulty or malfunctioning equipment. Personnel responding to service repair or emergency requests should be sufficiently competent to resolve the problem or at least identify or isolate the problem.
- (b) In case of "emergency repair calls" the MC should provide onsite response within an agreed time frame. The response time may differ between the equipment categories and covers equipment specified in the equipment listed in Part VII, Schedule B.
- (c) The MC shall provide written procedures that:
 - (i) Describe the general activities that the employee or service engineer should perform when repairing a device, including guidelines to be used in the selection of replacement parts.
 - (ii) Describe the documentation used to record all information that the MC considers relevant about a repair.
 - (iii) Describe for equipment users how to obtain equipment repair services. These repair request procedures should be ready available to health care providers and the MD

32.3 Spare parts:

- (a) Spare parts used must be OEM or meet or exceed OEM specifications.

32.4 Calibration and testing:

- (a) Upon taking over the services, the MC shall have all required test and calibration instruments.

- (b) The MC shall ensure that relevant medical equipment is calibrated as part of the Service Contract and is labelled accordingly. The equipment shall be calibrated by competent personnel. The MC shall develop and implement a system to ensure quality control.
- (c) The MC shall develop and implement a procedure for assigning inspection intervals for essential equipment included in the programme. The procedure should document the goals of the equipment inspection and demonstrate how the intervals selected are consistent with those goals. The results of inspection shall be documented.

32.5 External service contracts (Sub-service providers):

- (a) For highly specialised medical equipment, the MC may sub-contract maintenance service via long term or single services contract to Sub-Services Providers. The costs of such contracts must be borne by the MC.
- (b) The MC is required to prepare and submit a list of equipment that would be sub-contracted for maintenance to the MD for approval. Such services may include preventive maintenances, repairs and spare parts.

32.6 User and technician training:

- (a) The MC shall collaborate with the PAM Unit and the health facilities to identify and prepare annual training programmes for technician and user and carry out these training programmes. User training (hands-on) shall be conducted during PPM.
- (b) The MC shall also conduct regularly internal staff training (end-users and technician) to ensure that they have acquired sufficient skills and knowledge to provide the services.
- (c) The MC shall develop written documentation that:
 - (i) Describes the training received by each service technician and health care representative;
 - (ii) Includes a method for evaluating the training needs of each person performing maintenance activities;
 - (iii) Identified training as an essential tool has been conducted and received;
 - (iv) Training focused on identified weaknesses or deficiencies;
- (d) The MC should consider all of the following when providing training to its personnel and personnel of the Sub-service provider:
 - (i) The need of personnel to learn the procedures used for inspection of equipment;
 - (ii) The safety training required by government or other regulatory bodies;
- (e) The selection of specific training activities will be discussed and agreed with the PAM Unit.

32.7 Managing PLAMAHS:

- (a) The MC will utilise the asset management system "Planning and Management of Assets in the Health Services" (PLAMAHS) and ensure that inventory of assets and maintenance records of the project facilities are regularly updated. The PLAMAHS system shall keep accurate records of all maintenance works carried out and the MC shall complete updating inventory of assets and records within 6 months after taking over of the services.
- (b) All listed and new equipment used in patient-care activities shall be listed in the PLAMAHS.
- (c) The PLAMAHS Data System shall provide the following information for each piece of equipment:
 - (i) a unique identification number (DoHS Sticker Number)
 - (ii) the equipment descriptor according to DoHS database of standard equipment nomenclature
 - (iii) the equipment manufacturer/make
 - (iv) the equipment model/type
 - (v) the equipment serial number
 - (vi) the room and department location of the equipment
 - (vii) the year of commissioning
 - (viii) the status of the equipment
 - (ix) the equipment history
 - (x) The inventory's accuracy shall be maintained by the MC so that all equipment included in the programme can be tracked after it's commissioning by the DoHS.
- (d) The inventory accuracy shall be audited by verifying at least the existing, identification number, manufacturer and description of a statistically significant sample of the equipment each year. Audit procedures should verify the accuracy of all information recorded in the PLAMAHS system. The system must be maintained permanently by at least one overall responsible data collector/coordinator. The documents printed out should give all the management information the MD needs to make decisions.

32.8 Technical Advice to PAM Unit:

- (a) The MC will provide regular technical advice based on PLAMAHS to the facilities and to the PAM Unit on inventory count status, operational and maintenance status of equipment as well as highlighting any repeat and/or prolong equipment failure.

32.9 Write-off rights:

- (a) In case the cost of maintenance and repair exceeds the value of the equipment/item, the Contractor has still to carry out the repair i.e. he does not have the right to write off the equipment without previous written consent and approval from the Purchaser.

33. ORGANISATION OF CONTRACT EXECUTION

- 33.1 The DoHS will be the Programme Executing Agency (PEA). The Head of the PAM Unit will be responsible for carrying out the programme.
- 33.2 The PAM Unit will actively participate in the implementation of the overall yearly work plan.
- 33.3 The PAM Unit will evaluate the performance of the MC and according to contractual arrangement verify payments to the MC.
- 33.4 Sufficient highly skilled engineers and technicians in the field of biomedical engineering must be availed by the MC to perform scheduled inspections, testing and calibration, and trainings for all equipment in the inventory of the PLAMAHS Data System.
- 33.5 Sufficient office and work space must be made available by the MC to perform all work assigned to the MC.
- 33.6 The PAM Unit shall receive quarterly reports of indicators that allow the organization to determine compliance with the equipment management programme. The MC shall follow the developed indicators that reflect the performance of scheduled inspections and corrective maintenance services carried out.

34. OFFICE OPERATION OF THE MC

- 34.1 The MC provides services during normal working hours - the hours, during which the maintenance services with respect to the system will be rendered on regular working days (Sunday through Friday) between 08.00 and 17.00 hours, public holidays excluded.
- 34.2 The MC provides 24 hours on call services a day for emergency repair at health facilities (Category 1 Hospital only) and will follow the response time (time taken for the MC to return call or be onsite after receiving a request) as indicated in Part VII, Schedule B)

PART VI: SAMPLE FORMS

Form No. 1: Certificate as to Corporate Principal

I, certify that I amSecretary (or other authorised official) of the corporation, organized under the laws of and that.....who signed the above bid is authorized to bind the corporation by authority of its governing body.

(Secretary/Authorised Official)

Form No. 2: Submission of Bid

From:.....

(Full name and address of the Bidder)

.....

.....

To: The Director,
 Management Division,
 Department of Health Services,
 Teku, Pachali, Kathmandu.

Subject: Bid in Response to Bid Notice No. **GoN-KfW/ 2009-2010/ Manitenance-1**

Dear Sir,

We hereby offer to maintenance services as listed in the schedules.

Our quotations are shown in the attached schedules. We will provide the services at the firm prices quoted and in full compliance with the terms and conditions of the attached bid documents.

A Bid Bond amounting _____, valid until _____ is also attached.

Our bid offer remains valid until _____.

Yours Faithfully,

(Signature of the Bidder)
(including title and capacity
in which tender is made)

Date: _____

Form No. 3: Tender Summary Sheet

(to be submitted with the Bid)

PROJECT: GoN-KfW/ 2009-2010/ Manitenance-1

TENDERER:(name)

.....(address)

STATEMENT OF COST:

(to be read out during tender opening)

Total price for three years maintenance for category 1 health facilities NPR

Total price for three years maintenance for category 2 health facilities NPR

Cost for mobilisation phase including equipment NPR

TOTAL BID PRICE	NPR
------------------------	------------

I/we acknowledge the wording and accept the legal implications of the Purchaser's Tender Document.

.....

Place and date

.....

Bidders stamp and signature

Form No. 4: Bid Bond

To:
The Director,
Management Division,
Department of Health Services,
Teku, Pachali, Kathmandu

We, the undersigned (Guarantor), in order to enable (bidder) to bid for (project, object of contract), hereby irrevocably and independently guarantee to pay to you an amount up to a total of waiving all objections and defences.

We shall effect payments under this guarantee on your first written demand, which must be accompanied by your confirmation that you have accepted the above-mentioned bid and that the firm is no longer prepared to abide by this bid.

This guarantee shall expire no later than

By this date we must have received any claims for payment by letter or encoded telecommunication.

It is understood that you will return this guarantee to us on expiry or after payment of the total amount to be claimed hereunder.

This guarantee is governed by the laws of

Place, Date

Guarantor

Form No. 5: Security for Performance, in the Form of Performance Bond

To The Director,
Management Division,
Department of Health Services,
TEKU, PACHALI, KATHMANDU.

On you concluded with ("Contractor") a contract for (project, object of contract) at a price of

In accordance with the provisions of the contract the Contractor is obligated to provide a performance bond for 10 % of the contract price.

We, the undersigned (Guarantor), waiving all objections and defences under the aforementioned contract, hereby irrevocably and independently guarantee to pay on your first written demand an amount up to a total of (in words:) against your written declaration that the Contractor has failed to duly perform the aforementioned contract.

In the event of any claim under this guarantee, payment shall be effected to the Retention Account No. S.A. 131605 of the Department of Health Services in Nepal Rastra Bank, Thapathali, KATHMANDU.

This guarantee shall expire no later than

By this date we must have received any claims for payment by letter or encoded telecommunication.

It is understood that you will return this guarantee to us on expiry or after payment of the total amount to be claimed hereunder.

This guarantee is governed by the laws of

Place, Date

Guarantor

Form No. 6: Security for Advance Payment, as Advance Payment Bond

To The Director,
Management Division,
Department of Health Services,
TEKU, PACHALI, KATHMANDU.

On you concluded with ("Contractor") a contract for (project, object of contract) at a price of

In accordance with the provisions of the contract the Contractor receives an advance payment in the amount of, which represents 20 % of the order value.

We, the undersigned (Guarantor), waiving all objections and defences under the aforementioned contract, hereby irrevocably and independently guarantee to pay on your first written demand any amount advanced to the Contractor up to a total of (in words:) against your written declaration that the Contractor has failed to duly perform the aforementioned contract.

This guarantee shall come into force and effect as soon as the advance payment has been credited to the account of the Contractor.

In the event of any claim under this guarantee, payment shall be effected to the Retention Account No. S.A. 131605 of the Department of Health Services in Nepal Rastra Bank, Thapathali, KATHMANDU.

This guarantee shall expire no later than

By this date we must have received any claims for payment by letter or encoded telecommunication.

It is understood that you will return this guarantee to us on expiry or after payment of the total amount to be claimed hereunder.

This guarantee is governed by the laws of

Place, date

Guarantor

Form No. 7: Declaration of Undertaking

Declaration of Undertaking

We underscore the importance of a free, fair and competitive procurement process that precludes fraudulent use. In this respect we have neither offered nor granted, directly or indirectly, any inadmissible advantages to any public servants or other persons in connection with our bid, nor will we offer or grant any such incentives or conditions in the present procurement process or, in the event that we are awarded the contract, in the subsequent execution of the contract.

We also underscore the importance of adhering to minimum social standards ("Core Labour Standards") in the implementation of the project. We undertake to comply with the Core Labour Standards ratified by Nepal.

We will inform our staff about their respective obligations and about their obligation to fulfill this declaration of undertaking and to obey the laws of Nepal.

.....
Place, date

.....
Bidder

Form No. 8: Personnel strength assessment form

All Bidders shall furnish resume of their key personnel whose role and function are directly and indirectly relevant to the project for each position below. The number of position below does not reflect the number of engineers/technician required for the service contract but shall demonstrate that the Bidder has already qualified manpower available. The bidder shall propose a brief introduction as well as a structure of a project team in implementing this project with the personnel listed below.

Type of Designation	Responsibility	Proposed candidate
1. Designation:		
Project Director:	Managing the project and coordinating with PAM Unit	
2. Designation:		
Service engineer/technician:	Managing regional workshop and maintenance services for Far West Region	
3 Designation:		
Service engineer/technician:	Managing regional workshop and maintenance services for Mid West Region	
4. Designation:		
Service engineer/technician:	Senior maintenance/training technician/engineer	
5. Designation:		
Service engineer/technician:	Senior maintenance/training technician/engineer	
6. Designation:		
Service engineer/technician:	Senior maintenance/training technician/engineer	
7. Designation:		
Service engineer/technician:	Senior maintenance/training technician/engineer	
8. Designation:		
IT Administrator:	Managing the PLAMAHS inventory and maintenance programme	
9. Designation:		
Logistic Manager:	Managing procurement of spare parts	

Form No. 9: Contract Form

Ministry of Health and Population, Nepal

Department of Health Services
Management Division
Teku, Pachali, Kathmandu, NEPAL

and

(here after “The Maintenance Contractor”)

Your reference	Our Reference	Telephone	Location, Date
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This Agreement is made the ____ day of _____ 2007

BETWEEN

The Management Division (the “Purchaser”)

and

....., a private company incorporated under the laws of Nepal..... having its registered office at

...

(the “**Maintenance Contractor**”).

WHEREAS

The **Management Division (MD)** proposes to outsource the *Medical Equipment Maintenance Services* to improve the effectiveness, efficiency of operation and to achieve better health service to the public with focus on underserved areas.

The **Maintenance Contractor (MC)** has prepared and submitted to the Ministry of Health and Population a proposal in respect of the Said Services and the MD has accepted the bid by the MC for the performance of that said Services subject to the terms and conditions herein and based on the fee schedule calculated as a percentage of the purchase price of various categories of equipment and fixed prices for remote health facilities.

NOW THIS AGREEMENT WITNESSES AS FOLLOWS:

1. In this Agreement words and expressions shall have the same meanings as respectively assigned to them in the Conditions of Contract referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement, namely:
 - a) Bid Form, submitted by the MC
 - b) Conditions of the Contract
 - c) Medical Equipment Maintenance Services Agreement
 - d) Tender summary sheets and the offered prices according to Schedule B, C & D
 - e) Purchaser's Notification of Award
 - f) Performance Bond
3. In consideration of the payments to be made by the Purchaser to the MC as hereinafter mentioned, the MC hereby covenants with the Purchaser to provide the said Services and to remedy defects therein in conformity in all respects with the provisions of the Contract.
4. The Purchaser hereby covenants to pay the MC in consideration of the provision of the said Services and the remedying of defects therein the fees accepted or such other as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

This Agreement shall be binding upon the Parties including the Maintenance Contractor permitted legal assigns and successors in title.

IN WITNESS this Agreement has been duly executed by the Parties the day and year first above written.

For the Purchaser
Place, Date, Stamp and signature

For the Maintenance Contractor
Place, Date, Stamp and signature:

Part VII: SCHEDULES

A FACILITIES COVERED UNDER THE CONTRACT

Include here

B SCHEDULES OF PRICE FOR CATEGORY 1 FACILITIES (ZH, SRH, RH)

RESPONSE TIME FOR SERVICES FOR EQUIPMENT IN CATEGORY 1 FACILITIES:

EQUIPMENT Description	PERFORMANCE INDICATORS			
	Critical	Response Time	COVERAGE	Completion time
Electrosurgical Unit	Yes	24 hrs	Working hrs	3 days
X-ray machine	Yes	24 hrs	Working hrs	7 days
ECG machine Electrocardiogram machine with 5 electrodes)	No	48 hrs	Working hrs	7 days
ECG machine Electrocardiogram machine with 5 electrodes)	No	48 hrs	Working hrs	7 days
Lamp operating, fixed 4 lamp unit with inverter backup system	Yes	24 hrs	Working hrs	3 days
Lamp operating, fixed 8 lamp unit	Yes	24 hrs	Working hrs	3 days
Lamp operating, portable with inverter backup system	Yes	24 hrs	Working hrs	3 days
Refrigerator 21 litre cold box	No	48 hrs	Working hrs	7 days
Pump, suction, surgical, 220V, 2 bottle with pressure regulator, Neonate	Yes	24 hrs	Working hrs	7 days
Photo therapy unit for new born	Yes	24 hrs	Working hrs	7 days
Portable examination light	No	48 hrs	Working hrs	7 days
Autoclave, electrical, two drum	Yes	24 hrs	Working hrs	7 days
Combined Pulse Oxymeter/ ECG monitor	Yes	24 hrs	Working hrs	7 days

The response time is the time it takes for MC to return call or be onsite after receiving a request for repair. The MC provides 24 hours on call services a day for emergency repair at Category 1 hospitals and will follow the response time as indicated in the TABLE above. In addition, equipment from the Category 1 facilities must be repaired within 7 days of the original work order. Equipment designated as Critical must be repaired within 3 days. If the equipment is not repaired within this time frame the Purchaser has the right to seek repair elsewhere and the cost will be deducted from the next submitted invoice by the MC and a penalty will apply as under Chapter 5.2.

The following lists comprise the equipment to be maintained for Zonal Hospitals, Sub-regional and Regional Hospitals. The services to be provided are covering 6 facilities. The price to offer will be per facility and per equipment on annual basis – Annual Maintenance Cost (AMC). The MC will conduct corrective maintenance, planned preventive maintenance (for equipment indicated in the schedule) and user training. PLAMAHS update will be part of the offered price.

Spare parts up to NPR xxx are included in the price. For spare parts priced above NPR xxx the amount exceeding the NPR xxx will be reimbursed.

SUMMARY OF COST PER CATEGORY 1 FACILITY AND TOTAL PRICE FOR THREE YEARS

Facility	Total price in NPR
Total Cost for all Category 1 facilities for 3 years	

Fees for newly procured medical equipment will be the same as quoted for existing equipment in the facility of similar geographic locations. Fees for equipment not yet covered in the service contract will be determined based on purchase price and geographical location. Service of new equipment will only commence after the expiry of warranty period. Respective contract amendments will be prepared by the MD of DoHS and mutually agreed.

C SCHEDULES OF PRICE FOR CATEGORY 2 FACILITIES (DH, DHO AND PHC)

The following lists comprise the equipment to be maintained for District Hospitals, District Health Office (cold chain equipment) and selected PHC. The services to be provided are covering 50 facilities. The price to offer per facility is related to one (1) visit in which the MC will conduct corrective maintenance, planned preventive maintenance (for equipment indicated in the schedule) and user training. PLAMAHS update will be part of the offered price. The MC will conduct two (2) such visits annually and will inform the PAM Unit at the beginning of the annual year to agree upon the proposed schedules.

Spare parts up to NPR xxx are included in the price. For spare parts priced above NPR xxx the amount exceeding the NPR xxx will be reimbursed.

Response time for services does not apply for category 2 facilities.

SUMMARY OF COST PER CATEGORY 2 FACILITIES AND TOTAL PRICE FOR THREE YEARS

Type of Facility	Total price in NPR
Total price for CAT 2 facilities per semi-annual visit	
Number of visits during the contract period	6
Total Cost for all Category 2 facilities for the contract period	

D MOBILISATION PHASE

The contract parties will have to be concluded following tasks (not limited to) during the mobilisation phase and get it approved by the MD.

- (a) Approval of number and types of service personnel.
- (b) Establishing detailed project management and communication procedures between the MD, PAM Unit, Consultants, Facilities and MC.
- (c) Define the role of the different institutions (e.g. health facilities, PAM Unit, MD, Consultant and MC).
- (d) Finalisation of the documentation which shall be provided by the MC on a regular basis (e.g. list of equipment to be condemned and list of equipment for emergency procurement to ensure safe health facility operation).
- (e) Familiarisation (through comprehensive training) of the MC with the inventory system PLAMAHS and taking over the system.
- (f) The MC will ascertain and confirm the handed over PLAMAHS equipment list and the quantity of equipment per facility.
- (g) Organising and management of workshops to familiarise the facilities with the project components and introducing the MCs management personnel.

E SCHEDULE FOR PROPOSED FEES AND EQUIPMENT

The Bidder shall propose rates which may be used for services not covered under the contract. In case travel costs are applicable such cost will be based on actual cost (reimbursement).

Fee Proposal	NPR
Hourly working rate for maintenance engineer	
Hourly working rate for maintenance technicians	
Applicable daily allowances for maintenance engineer	
Applicable daily allowances for maintenance technicians	

Cost proposal for voltage stabiliser maybe provided by the MC to ensure appropriate equipment operation:

Item	NPR
Voltage stabiliser to be used for medical equipment under Nepal power supply conditions Capacity: Capacity: Capacity:	