

Work Requirement and Special Conditions of Contract

Work Requirement

- गर्नुपर्ने निर्माण कार्यको बारेमा बोलपत्रदातालाई जानकारी दिन्छ
- Specification, Drawings, Personnel and Equipment Requirements.

Scope of Works

- The Scope of Work (SOW) brief description of the work to be performed,
 - Project Overview
Project Name, Location, Client,
Objective: Construct/renovate, quality standards, and project timeline.
 - Pre Construction, Construction and Post Construction Phase
- Contain milestones, reports, deliverables, and end products that are expected to be provided by the performing party.

Specification

- A set of precise and clear specifications is a prerequisite for Bidders to respond realistically and competitively to the requirements of the Employer.
- प्रतिस्पर्धा सिमित हुन नहुने (ब्राण्ड, ट्रेडमार्क, प्याटेन्ट तोक्न नहुने)
- standardizing General Specifications for repetitive Works
- amend and/or supplement provision of General Specifications to meet requirement of particular Work - Particular Specifications
- Measurement - in metric system, How ?

Drawings

- Construction drawings, even if not fully developed, must show sufficient details to enable bidders to understand the type and complexity of the work involved and the price the Bill of Quantities.
- simplified map showing the location of the Site in relation to the local geography, indicating major roads, posts, airports, and railroads, is helpful.

Personnel

No.	Position	Total Work Experience [years]	Experience In Similar Works [years]
1	A	.....	.....
2	B	.....	.....
3	C	.....	.....

Equipment

No.		Equipment Type and Characteristics	Minimum Number Required
1	X	.....	.....
2	Y	.....	.....
3	Z	.....	.....

Bill of Quantities

- Objectives are:
 - ✓ To provide sufficient information on the quantities of Works
 - ✓ to provide a priced Bill of Quantities for use in the periodic valuation of Works executed.
- In order to attain these objectives,
 - Itemization of Works
 - Detailed Descriptions
 - Use of Standardized Measurements

Bill of Quantities

- The Bill of Quantities is divided generally into following sections:
 - ✓ Preamble;
 - ✓ Work Items (grouped into parts);
 - ✓ Day works Schedule;
 - ✓ Provisional Sums; and
 - ✓ Summary.

Bill of Quantities (BOQ)

- **Preamble**

- ✓ indicate the inclusiveness of the unit prices,
- ✓ state the methods of measurement during preparation of BOQ and during execution.
- ✓ Unit of Measurement

- **Work Items**

- ✓ Grouping of Items
 - parts of the Works which by nature, location, access, timing, or any other special characteristics may give rise to different methods of construction, or phasing of the Works, or considerations of cost.
- ✓ General items common to all parts of the works may be grouped as a separate section in the Bill of Quantities.

Bill of Quantities

- **Day work Schedule**

- ✓ if the probability of unforeseen work, outside BOQ items, is high,
- ✓ Under written order of project manager,
- ✓ Nominal quantities for labour, materials, and Equipment for which basic day work rates are quoted by Bidder,
- ✓ Rate entered by Bidder should include profit, overheads, supervision, and other charges.

Bill of Quantities

- **Provisional Sums**

- ✓ Provisional Sums - shall be used as per direction and discretion of Project Manager in accordance with Conditions of Contract.

- **Summary**

- ✓ The Summary should contain a tabulation of the separate parts of the Bill of Quantities carried forward, with provisional sums for Day work, for physical (quantity) contingencies, and for price contingencies (upward price adjustment) where applicable.

General Conditions of Contract (GCC)

- This Section includes the general clauses to be applied in all contracts.
- Information on Matters governing the performance of the Contractor
- Payments under the Contract
- Matters affecting the risks, rights, and obligations of the parties
- To be read in conjunction with the Special Conditions of Contract and other documents as listed in Bidding document,
- To be written in simple language and Standard clauses with no change,

General Conditions of Contract (GCC)...

Contents of general conditions of contract (GCC)

1. General

Definitions, Interpretation, Language and law, Project manager's decisions, Delegation, Communications, Subcontracting, Other contractors, Personnel and equipment, Employer's and contractor's risks, Employer's risks, Contractor's risks, Insurance, Site investigation reports, Contractor to construct the works, The works to be completed within completion date, Approval by the project manager, Safety, Discoveries, Possession of the site, Access to the site, Instructions, inspections and audits, Dispute settlements, Appointment of the adjudicator/ DRC members, Procedures for disputes

General Conditions of Contract (GCC)...

Contents of general conditions of contract (GCC)...

2. Time control

Program, Extension of the intended completion date, Accelerations, Delays ordered by the project manager, Management meetings, Early warnings

3. Quality control

Identifying defects, Tests, Correction of defects, Uncorrected defects

4. Cost control

Contract price, Change in the contract price, Variations, Cash flow forecasts, Payment certificates, Payments, Compensation events, Tax, Currency, Price adjustment, Retention, Liquidated damages, Bonus, Advance payment, Securities, Dayworks, Cost of repairs

General Conditions of Contract (GCC)...

Contents of general conditions of contract (GCC)...

5. Finishing the contract

Completion, Taking over, Final account, Operating and maintenance manuals, Termination, Fraud and corruptions, Blacklisting, Instructions, Inspections and audits, Payment upon termination, Property, Release from performance

General Condition of Contracts मा रहेका केही महत्वपूर्ण प्रावधान

- Priority of Contract Documents GCC 2.3,
 - (a) Contract Agreement,
 - (b) Letter of Acceptance,
 - (c) Letters of Technical Bid and Price Bid,
 - (d) Special Conditions of Contract,
 - (e) General Conditions of Contract,
 - (f) Specifications,
 - (g) Drawings,
 - (h) Bill of Quantities (or Schedules of Prices for lump sum contracts), and
 - (i) Any other document **listed in the SCC** as forming part of the Contract.

General Condition of Contracts मा रहेका केही महत्वपूर्ण प्रावधान

- Communication GCC 12.1,
 - Communications between parties that are referred to in the Conditions shall be effective only when in writing. A notice shall be effective only when it is delivered.
- Payment Certificates GCC 48.2
 - Approve within 30 days of submission, Payment GCC 49.1 after 30 days of certificates

General Condition of Contracts मा रहेका केही महत्वपूर्ण प्रावधान

- Compensation Event GCC 50, for EOT GCC 35
 - Employer does not give access to Site
 - Employer modifies the Schedule of Other Contractors effects the contractor
 - Project Manager orders a delay or does not issue Drawings, Specifications, or instructions required for execution of the Works on time.
 - Instructs Contractor to carry out additional tests, found to have no Defects.
 - The Project Manager unreasonably does not approve a subcontract to be let.
 - Ground conditions are substantially more adverse
 - gives an instruction for dealing with an unforeseen condition, caused by the Employer, or additional work required for safety or other reasons.
 - Other contractors, public authorities, utilities, or the Employer does not work within the dates, cause delay or extra cost to Contractor.
 - The advance payment is delayed.
 - The effects on the Contractor of any of the Employer's Risks.
 - The Project Manager unreasonably delays issuing a Certificate of Completion.

General Condition of Contracts मा रहेका केही महत्वपूर्ण प्रावधान

- Taking Over GCC 69 ,
 - issue the Taking-Over Certificate to the Contractor if physical progress of works is at least ninety (90) percent in accordance with the Contract except for any minor outstanding work and defects (as listed in the Taking-Over Certificate) which will not substantially affect the use of the Works or Section for their intended purpose
 - Approve or reject within 30 days of contractors application, if no action is taken, the Taking-Over Certificate shall be deemed to have been issued on the last day of that period.

Special Conditions of Contract (SCC)

- Special Conditions of Contract shall supplement the GCC. Whenever there is a conflict, the provisions in SCC shall prevail over those in the GCC.
- Whenever there is a conflict, the provisions of SCC shall prevail over those in the GCC.
- Special Conditions of Contract provides contract specific information in relation to Clauses in CoC,
- If provisions in CoC are not relevant to the Contract, those should be marked “NA” (Not applicable).
- If provisions in CoC are not sufficient to describe the contract specific information, those clauses may be modified or some new provisions may be added, as needed.
- Special Conditions of Contract to be filled by the Employer before issuance of Bidding documents.

Special Conditions of Contract

A. General	
GCC 1.1 (q)	The Employer is <i>[Insert the Name and Address of the Employer]</i>
GCC 1.1 (v)	The Intended Completion Date for the whole of the Works shall be <i>[insert intended completion date]</i> <i>[If different dates are specified for completion of the Works by section ("sectional completion" or milestones), these dates should be listed here]</i>
GCC 1.1(bb) & 10.1	The Project Manager is..... <i>[insert name of Project Manager]</i> The Project Manager and Engineer are synonyms.
GCC 1.1 (ee)	The Site is located at..... <i>[insert location]</i> and is defined in drawings No.
GCC 1.1 (hh)	The Start Date shall be <i>[insert date]</i>
GCC 1.1 (ll)	The Works consist of <i>[insert brief summary of the works]</i>
GCC 2.2	Sectional Completions are: <i>[insert detail if applicable]</i>
GCC 2.3(i)	The following documents also form part of the Contract:..... <i>[insert if any documents]</i>
GCC 3.1	The language of the contract is ENGLISH/NEPALI The law that applies to the Contract is the law of NEPAL
GCC 11.1	The Project Manager <i>[may or may not]</i> delegate any of his duties and responsibilities.
GCC 13.1	For DP Funded: <i>[insert the following text if sub-contracting is permitted]</i> Maximum percentage of subcontracting permitted is: <i>[sub-contracting percentage should be same as in ITB 34.4]%</i> of the total contract amount Nature of Works that can be sub contracted: 1. 2. Qualification Criteria The proposed sub-contractor shall meet the following requirements: 1) Completion of 80% of the quantity of the work being sub contracted

	2) Average Annual Construction Turnover for the work being sub contracted should be at least $1.5 * V/T$ where V is the proposed value of sub contract and T is time in year. For contract duration of up to 1 year, T shall be "1". Financial Resources: The sub contract must demonstrate that it has the financial resources to meet its current contract commitment plus three months' requirements for the sub contracted work.
GCC 14.1	Schedule of other contractors:.... <i>[Insert details as appropriate]</i> .
GCC 19.1	The minimum insurance amounts and deductibles shall be: 1. The minimum cover for loss of or damage to the Works, Plant and Materials is: 115% of the Contract Amount. 2. The maximum deductible for insurance of the Works and of Plant and Materials is: <i>[insert ... (a) ... of sum insured]¹⁶</i> 3. The minimum cover for loss or damage to immovable Equipment/plants is: 100 % (i.e. Replacement Cost) 4. The maximum deductible for insurance of Equipment/plant is: 1 % of sum insured. 5. The minimum cover for loss of or damage to other property is: <i>[insert amount]¹⁷</i> with unlimited number of occurrences 6. The maximum deductible for insurance of other property is: 1 % of sum insured. 7. The minimum cover for personal injury or death insurance i. for the Contractor's employees is that specified in the Labor act of Nepal and ii. for other people is: <i>[insert amount between 0.7 to 1 million]</i> with an unlimited number of occurrences
GCC 20.1	Site Investigation Reports are:.... <i>[list documents]</i> .
GCC 23.1	The following shall be designed by the Contractor:..... <i>[insert as appropriate]</i> .
GCC 26.1	The Site Possession Date(s) shall be: <i>[insert location(s) and date(s)]</i> <i>[Note: If the Site is made available by section, the different dates should be listed here]</i>
GCC 30.1	The place of arbitration shall be: <i>[insert place]</i>
C. Time Control	
GCC 34.1	The Contractor shall submit for approval a Program for the Works within <i>[Insert days]</i> days from the date of the Letter of Acceptance.
GCC 34.3	The period between Program updates is:..... <i>[Insert days]</i> days. The amount to be withheld for late submission of an updated Program is

¹⁶ (a) Insert value in percentage [For works with value up to 250 million 0.75%, for works with value 250 million to 1 billion value calculated by linear interpolation between 0.75% and 0.5% and for works with value above 1 billion 0.25 %]. As the value of works increases, deductibles should be lower.

¹⁷ The amount depends on location, environment of construction site, surrounding property etc. and hence differs case to case. Suitable amount should be inserted depending upon site condition and surrounding environment.

	[Insert Amount]
D. Quality Control	
GCC 42.1	The Defects Liability Period is: [insert 365] days.
E. Cost Control	
GCC 49.1	[insert the prevailing interest rate]
GCC 53.1	The Contract [Insert “is” or “is not”] subject to price adjustment, and the following information regarding coefficients [Insert “does” or “does not”] apply. The coefficients and indices for a adjustment of prices in Nepalese Rupees shall be as specified in the Table of Adjustment Data submitted by bidder together with the Letter of Price Bid which is approved by the Project manager and attached as Annex-1.
GCC 53.6	Base Price of Construction Materials applicable for price adjustment shall be as per the Table of Adjustment Data submitted by Bidder together with the Letter of Price Bid which is approved by the Project manager and attached as Annex-1.
GCC 53.7	The Price Adjustment amount shall be limited to a maximum of: For GoN Funded: [Insert percent] percentage of the initial Contract Amount [normally 25 %] For DP Funded: Not Applicable
GCC 54.1	The proportion of payments retained is: For GoN Funded: 5 (five) percent For DP Funded: [Insert 5 (five) to 10 (ten) percent]
GCC 55.1	The liquidated damages for the whole of the Works are 0.05 Percent of the final Contract Price per day. The maximum amount of liquidated damages for the whole of the Works is 10 Percent of the final Contract Price.
GCC 56.1	The Bonus for the whole of the Works is 0.05 Percent per day. The maximum amount of Bonus for the whole of the Works is [Insert Amount] of the final Contract Price.
GCC 57.1	The Advance Payments shall be: [Insert amount] and shall be paid in two equal installments and to the Contractor [specify how and when the installments will be paid]
GCC 57.3	Deductions from Payment Certificates will commence in the first certificate in which the value of works executed exceeds 30% of the Contract Price. Deduction will be at the rate of [Insert percentage] ¹⁸ of the respective Monthly Interim Payment Certificate until such time as the advance payment has been repaid; provided that the advance payment shall be completely repaid prior to the end of 80% of the approved contract price.
GCC 58.1	The Performance Security amount is: [Insert required percent] [insert amount including an additional amount based on ITB 40.1 and/or ITB 35.5 if

¹⁸ [% of advance payment × 100/(80-30)]

	<i>the Employer has increased the Performance Security amount]</i>
G. Finishing the Contract	
GCC 71.1	The date by which operating and maintenance manuals are required is: [Insert date]
GCC 71.2	The date by which “as built” drawings are required is: [Insert date] The amount to be withheld for failing to produce “as built” drawings and/or Operating and maintenance manuals is: [Insert Amount]
GCC 72.3 (i)	The maximum number of days is: 200
GCC 80	The Project Manager has to obtain the specific approval of the Employer for taking any of the following actions : a. Approving subcontracting of any part of the works under General Conditions of Contract Clause 13; b. Certifying additional costs determined under General Conditions of Contract Clause 50; c. Determining start date under General Conditions of Contract Clause 1; d. Determining the extension of the intended Completion Date under General Conditions of Contract Clause 35; e. Issuing a Variation under General Conditions of Contract Clause 1 and 46, except in an emergency situation, as reasonably determined by the Project Manager; emergency situation may be defined as the situation when protective measures must be taken for the safety of life or of the works or of adjoining property. f. Adjustment of rates under General Conditions of Contract Clause 45;

Particular Conditions of Contract (PCC)

- **In case of ICB**, the PCC complement the GCC to specify data and contractual requirements linked to the special circumstances of the Country, the Employer.
- **Part A - Contract Data** of the PCC should include data to complement the GCC in a manner similar to the way in which the Bid Data Sheet (BDS) complements the Instructions to Bidders (ITB).
- **Part B - Specific Provisions of the PCC** are sample provisions which are included as reference for use by the Employer in preparing the Specific provisions.
- Project specific requirement may require the sample provisions to be retained modified or deleted and new provisions added while preparing the Specific Provisions for each specific Contract.

Any Question?