

SAMPLE DOCUMENT
SHOPPING FOR WORKS

June 2013

SHOPPING FOR WORKS
REQUEST FOR QUOTATION (RFQW)

-- Note --

- (i) *Shopping is a simplified procedure, used for simple civil works of low value. When considering Shopping, ADB should be satisfied that there are a sufficient number of local contractors (a minimum of three) that can meet the requirements of the procurement and ensure a satisfactory level of price competition. The threshold for Shopping is currently set at \$100,000.*

- (ii) *Alternate texts for some paragraphs are provided. The Employer may select one option and delete the non-applicable option.*

Project Title: _____

Source of Funding:

Contract Ref: _____

Date of Issue of Request: _____

To: _____

Sir/Madam:

1. The _____ (Employer) hereby requests you to submit a quotation for the following works:

.....
.....

(Brief description of works)

If you, however, have been associated with the firm that prepared the design, specifications, or engaged in the preparation of the Project or firm that will provide supervision of the Works, you shall be disqualified.

To assist in the preparation of your price quotation, the necessary specifications, bill of quantities and drawings, form for submitting the quotation and a draft contract form are enclosed. You are advised to visit the site of the works at your own expense, and obtain necessary information for preparing your quotation.

2. You shall submit one original of the Price Quotation with the Form of Quotation, and clearly marked "Original". In addition, you shall also submit one copy marked as "COPY".

3. Your quotation in the attached format should be signed, sealed in an envelope and addressed to and delivered at the following address:

(Employer's Address)

[Option: Your price quotation in the form attached may be submitted by facsimile or electronically at the following address:

(Employer's Address)

_____]

4. You must have experience as a prime contractor in the construction of at least one work of the nature and complexity equivalent to the works included in this Request for Quotation over the last three years as evidenced by a client's certificate of completion, and provide evidence of availability of financial resources to successfully complete the works in the amount of _____ [Employer to indicate here the required amount, which could be the estimated value of the contract for which quotation is being invited, and could be in the form of a credit line]. Otherwise, you will not be considered further.

5. You shall submit only one quotation. Your quotation must be typed or written in indelible ink and shall be signed by you or your authorized representative. Without a signature in your Form of Quotation, your quotation will not be considered further.

6. In evaluating the quotations, the Employer will adjust for any arithmetical errors as follows:

- (a) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
- (b) where is a discrepancy between the total price in the Priced Activity Schedule (or Bill of Quantities) or the quoted amount indicated in the Form of Quotation, the total price in the Priced Activity Schedule (or Bill of Quantities) shall govern;
- (c) where is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern; and
- (d) if you refuse to accept the correction, your quotation will be rejected.

7. Your quotation shall be valid for a period of thirty (30) days from _____ (deadline for submission of the quotation).

8. Your quotation in duplicate and written in _____ language shall be for the whole works and based on the Priced Activity Schedule *[for a unit price contract, replace with ... based on the "unit and total price indicated in the filled-in Bill of Quantities"]*. Currency of quoted prices and payment shall be _____ (specify Currency of the Employer's country). The quotation shall include all duties, local taxes and other levies payable by the contractor in accordance with the local laws. In case of any discrepancy between the original and duplicate, the original shall prevail.

9. The Employer will award the contract to the Contractor whose quotation has been determined to be substantially responsive to this Request for Quotation and who has offered the lowest evaluated price quotation. A quotation is not substantially responsive if it contains material deviations or reservations to the terms, conditions, and specifications in this Request for Quotation, and it will not be considered further. The Employer will evaluate and compare only the quotations determined to be substantially responsive.

10. If you withdraw your quotation during the validity period and/or refuse to accept the award of a contract when and if awarded, then you will be excluded from the list of contractors for the project for two years.

11. The contract will be governed by the terms and conditions of the attached Form of Contract.

12. Your quotation including Form of Quotation and filled-in Section 2 “Priced Activity Schedule (or alternatively Bill of Quantities)” should be submitted by _____ (date and time). [The quotations shall be opened in public in the presence of contractors’ representatives who choose to attend, on _____ (same date as for quotation submission) at _____ the following address.]

[Option: Omit the text in parenthesis when quotations submission is permitted by facsimile or by electronic means.]

13. The bidder whose quotation has been accepted will be notified of the award of contract through the Letter of Acceptance issued by the Employer within ____ days from the date of submission of quotation.

14. The Employer intends to apply funds from the Asian Development Bank (ADB) for eligible payments under the Contract resulting from this RFQ.

15. Under ADB’s Anticorruption Policy bidders shall observe the highest standard of ethics during the procurement and execution of such contracts. ADB will reject a proposal for award, and will impose sanctions on parties involved, if it determines that the bidder recommended for award or any other party, has engaged in corrupt, fraudulent, collusive, or coercive practices in competing for, or in executing, the Contract. At the time of submission of your quotation, you should not be in ADB’s sanctions list.

16. Please Confirm by fax/e-mail the receipt of this request and whether or not you will submit the price quotation(s).

Sincerely,

(Employer)

SECTION 1 - SPECIFICATIONS

SECTION 2 - PRICED ACTIVITY SCHEDULE / (OR BILL OF QUANTITIES)

SECTION 3 - DRAWINGS

FORM OF QUOTATION

_____ (Date)

To: _____ (Employer's Name)
_____ (Employer's Address)

We offer to execute the _____ (name and number of Contract) in accordance with the Conditions of Contract (in the Form of Contract) accompanying this Quotation for the Contract Price of _____ (amount in words and numbers) (_____) (name of currency) _____. We propose to complete the Works described in the Contract within a period of _____ months from the Date of Signing of the Contract.

This Quotation and your written acceptance will constitute a binding Contract between us. We understand that you are not bound to accept the lowest or any Quotation you receive.

We hereby confirm that this Quotation complies with the Validity of the Offer required by the proposal documents.

We have not been associated with the firm that prepared the design and specifications of the contract that is subject of this request for quotation.

We are not in the ADB sanctions list.

Authorized Signature: _____
Name and Title of Signatory _____

Name of Contractor: _____
Address : _____

Phone Number : _____

Fax Number, if any _____
Email address (optional) _____

[Filled-in "SECTION 2 – PRICED ACTIVITY SCHEDULE (OR BILL OF QUANTITIES together with unit prices and total calculations)" should be attached to Form of Quotation.]

ACTIVITY SCHEDULE

Sample Activity Schedule

Item no.	Description	Unit	Amount
A. Foundation Works			
1			
1.1			
1.2			
B. Concrete Works			
2.			
2.1			
2.2			
C. Roofing			
3.			
3.1			
3.2			
D. Electrical Works			
4.			
4.1			
4.2			
E. Final Finishes			
5.			
5.1			
5.2			
F. Other Works			
6.			
6.1			
6.2			
Etc.			
	TOTAL		

BILL OF QUANTITIES

	Works Item	Unit	Quantity	Unit Price	Amount	Remark

FORM OF CONTRACT

Name of Country:

Project Name:

Name of Contract: _____

Contract Number _____

This Contract is made this _____ day of _____ 201_ between _____ on the one part (hereinafter called the Employer) and _____ (hereinafter called the Contractor) on the other part.

Whereas the Employer has called for quotations for (name and identification number of the contract) and the Contractor has submitted a quotation for the above work and the Employer has accepted the Contractor's Quotation dated _____ for the execution and completion of such works and the remedying of any defects therein.

Now this Contract witnesses as follows:

1. The Contractor hereby covenants to execute the works fully described in the Activity Schedule (or Bill of Quantities) included in the Contractor's Quotation which constitute an integral part of this Contract (as Annex 1) in a professional and workmanship like manner in accordance with the following Conditions of Contract:

- (a) Remedy all defects within 30 days of notification by the Engineer in charge during the period of execution of the contract and thereafter defects notified within the defect liability period;
- (b) The Employer reserves the right to terminate the contract due to unsatisfactory performance 21 days after giving a written notice. If the Contract is frustrated by the outbreak of war or by any other event entirely outside the control of either the Employer or the Contractor, the Engineer in charge shall certify that the contract has been frustrated. In such an event, both the Employer and Contractor will have a right to terminate the contract by giving 21 days notice to the other party without any financial repercussions on either side. Payments after termination or frustration shall consider the value of work completed and materials delivered by the Contractor, and the advance payment made by Employer;
- (c) All material and construction equipment on site, temporary works, and Works shall be deemed to be the property of the Employer if the contract is terminated due to fault of the Contractor;
- (d) The Contractor will in all cases abide by the directions of the Engineer in charge.
- (e) The Contractor shall submit to the Engineer in charge, a program within 7 days after signing the contract describing general methods and schedule to complete the works;
- (f) Contract completion period _____ (months) after signing of the contract.
- (g) No part of the works shall be subcontracted without prior approval of the Employer.
- (h) New items of work performed as ordered by the Engineer in charge will be paid at the mutually agreed rate and in case of any disagreement between the Contractor and the Engineer in charge the latter will fix the unit rates that will be binding on the Contractor;

- (i) The Law governing the contract shall be applicable laws of _____ (Employer's country);
- (j) The Contractor shall be responsible for the safety of all the activities on the Site.
- (k) During execution of works the Engineer in charge, _____, (name) will carry out inspection of works at site to verify that works are executed by the Contractor in accordance with the specifications and required quality as per specifications. Engineer in charge will reject works not performed to the required specifications and the Contractor shall take immediate actions to rectify all defects in accordance with subparagraph (a) above;
- (l) Either party may terminate the Contract by giving a 21 days notice to the other for unforeseen events such as wars and acts of Gods such as earthquake, floods fires etc. In such case the payments will be made to the date of termination of contract;
- (m) The Contractor is responsible for all taxes, duties, levies, etc. in accordance with the laws of the _____ (country); and
- (n) The disputes between the Employer and the Contractor arising between them under or in connection with the Contract shall be resolved amicably. In the event the dispute remains unresolved either party may refer the dispute to _____ (name the authority in the country such as Engineering Institute, Legal Institute, etc.) in accordance with the law governing the contract.

2. In consideration thereof the Employer covenants to pay the Contractor the contract price of _____ (in words and figures) in the following manner and installments:

- (i) An advance payment of 15 percent of the Contract sum will be paid upon the Contractor bringing at the work site the following items and Engineer in charge certifying it: (1) at least one half of all materials to be incorporated in the works or all materials to be consumed within three months whichever is less, and (2) all equipment required for the construction.
- (ii) All four subsequent installment payments will be made at the rate of 20 percent of the contract amount. Each installment payment will be due for payment within 21 days of submission of invoice when the value of the work actually performed, calculated on the basis of unit prices and quantities, reaches 20 percent of the contract amount.
- (iii) The final payment of remaining 5 percent of the contract amount shall be made upon completion of the works certified by the Engineer in Charge.

Payments shall be made to the Contractor within 21 days of the date of the payment request submitted by the contractor has been certified by the Engineer in Charge.

3. The defect liability period will be _____ (months) after taking over of completed works by the Employer.

In witness whereof the parties thereto have caused this Contract to be executed the day and year first before written.

Signature and seal of the Employer:
FOR AND BEHALF OF

Signature and seal of the Contractor:
FOR AND BEHALF OF

Name of Authorized Representative

Name of Authorized Representative

FORM of LETTER OF ACCEPTANCE

Date: _____

To: _____ [*Name and address of the Contractor*]

Dear Sir or Madam,

This is to notify you that your Quotation dated _____ for execution of the [*name and number of the Contract*] for the Contract price of _____ [*amount in words and figures*], as corrected and modified in accordance with the Request for Quotation has been accepted by us.

You are also requested to sign the attached contract form and commence construction of the Works not later than _____, and ensure the completion of the Works within the construction period specified in the contract.

For and on behalf of the Employer:

Authorized Signature: _____

Name of Signatory : _____

Title : _____