

# Natural Resources Development Corporation Limited

RINPUNG REGIONAL OFFICE, THIMPHU



**NRDCL**  
a dhi Company

## Standard Bidding Documents for Firewood Extraction and Supply Works under Rinpung Region for the Financial Year 2024

**Name of the Bidder:** .....

**Address:** .....

Period of sale: : 01.10.2023 to 30.10.2023  
Last date & time of submission: : 30.10.2023 up to 12.00 PM  
Date & time of Bid opening: : 30.10.2023 at 2.30 PM  
Venue of Bid opening: : Conference hall, NRDCL, Thimphu.

*For further information & clarification, please contact the following details:  
02-323469 during office hours.*

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**Notice Inviting Tender**

The Natural Resources Development Corporation Limited, Rinpung Regional Office, Thimphu is pleased to invite the eligible Bhutanese contractor having valid logging license to submit your bid for various Logging Works as per the following Terms and Conditions.

**Terms and Conditions**

**1. Scope of Work**

1.1. The scope of the Work is firewood collection and supply to the customers. The technical specification and the Bill of Quantity are as attached at **FORM -I**.

**2. Clarification to the bidding document**

2.1. Further information can be obtained in writing from The Regional Manager, NRDCL, Rinpung Region not later than 15 days from the date of bid submission.

**3. Documents comprising bid**

3.1. The bid must comprise the following documents:

- a) Bid Security in full payment. Shortage of EMD shall be treated as cancelled.
- b) Copy of valid Logging License
- c) Tax clearance Certificate
- d) Bill of Quantity
- e) Any other relevant documents
- f) Authorization letters (wherever applicable)
- g) Other documents if required by Terms & Conditions.

Only one copy of Tender by each bidder shall do (Duplicate not required) and all documents must be neatly packed in Sealed Envelope with the super scribed address.

**4. Bid Price**

4.1. All prices shall be quoted in (Nu.). The quoted price shall be inclusive of taxes, duties and other levies.

**5. Bid Validity**

5.1. The bid shall be valid for 60 days from the date of submission of the bid. In exceptional circumstances, prior to the expiration of the bid validity period, the Employer may solicit the Bidder's consent to an extension of the bid validity period. The request and responses shall be made in writing. A bid valid for a shorter period shall be considered non-responsive.

**6. Bid Security**

6.1. The bid shall be accompanied by a bid security of **Nu. 100,000/- OR 2 % of total work value whichever is low** in the form of Cash Warrant/ Unconditional Bank Guarantee/



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Demand draft in the name of the **“Regional Manager, NRDCL, Rinpung Region”**, issued by a reputable Financial Institution enforceable in any Banks in Bhutan.

- 6.2. The Bid security shall be valid up to 60 days.
- 6.3. The Bid Security is to be submitted as a part of the Bid in a separate sealed envelope. Any Bid not accompanied by bid security of adequate value and validity shall be rejected by Employer as non-responsive.
- 6.4. The bid security shall be forfeited in the following cases:
- a) If the Bidder withdraws the bid after Bid opening during the period of Bid validity;
  - b) If the Bidder does not accept the correction of the Bid price;
  - c) In the case of a successful bidder, if the bidder fails to sign the Contract or furnish Performance Security within the specified time limit.

**7. Submission of Bids**

- 7.1. Before submission of tender, the tenderer must visit the entire working site to fully satisfy with the working environment, site, quality & quantity of timber for which the tender is to be offered.
- 7.2. The bid including all documents should be duly filled, signed and sealed in an envelope and addressed to and delivered at the following address to the **“Regional Manager, NRDCL, Rinpung Region”**

**8. Submission deadline**

- 8.1. The deadline for receipt of bid(s) by the Employer is 30.10.2023 up to 12.00 PM. Bids by electronic means are not acceptable.

**9. Bid Opening**

- 9.1. The bid(s) will be opened in the presence of bidders or their representatives who choose to attend at the Regional Office, NRDCL, 30.10.2023 at 2.30 PM. In case due date of the opening of the bid falls on non-working day, the opening of the bid shall be the next working day at the same time.

**10. Evaluation of Bid**

- 10.1. Bids determined to be substantially responsive to the technical specifications and commercial conditions will be evaluated by comparison of their quoted prices. In evaluating the bids, the Employer will determine for each bids the evaluated price by adjusting the priced bid by making any correction for any arithmetical errors as follows:
- i. where there is a discrepancy between amounts in figures and in words, the amount in words will govern;
  - ii. where there is discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted shall govern unless in



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the opinion of the Employer there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted shall govern, and the unit rate shall be corrected.

- 10.2. To assist in the evaluation, comparison of the Bids, the Employer may, at its discretion, ask any Bidder for a clarification of its Bid. Any clarification submitted by a Bidder that is not in response to a request by the Employer shall not be considered.
- 11. Employer's Right to Accept Any Bid, and Reject any or All Bids**
- 11.1. The Employer is not bound to accept the lowest bid and reserves the right to accept or reject any or all the bids without assigning any reason whatsoever.
- 12. Award of Contract**
- 12.1. The Employer shall award the Contract to the Bidder whose offer has been determined to be the lowest evaluated Bid. The Employer shall issue Notification of Award to the successful Bidder. Until a formal Contract is prepared and executed, the Notification of Award shall constitute a binding Contract.
- 13. Performance Security**
- 13.1. The contractor shall be required to furnish performance security of 10% of the quoted price in the form of cash warrant, demand draft or unconditional Bank Guarantee in the name the **"Regional Manager, NRDCL, Rinpung Region"** issued by a reputable financial institution enforceable in any Banks in Bhutan, which shall be furnished upon issuance of notification of the award.
- 13.2. Performance Security shall be valid till the handing-taking over of the works after completion.
- 14. Variation**
- 14.1. **Introducing a Change**
- 14.1.1. Employer shall have the right to propose, and subsequently require, that the Production In-Charge(s), Site In-Charge(s) or Regional Manager order the Contractor from time to time during the performance of the Contract to make any change, modification, addition/alteration or deletion to, in or from the Works in the form, quantity or quality of the Works or any part thereof (hereinafter called "Change"), provided that such Change falls within the general scope of the Works and does not constitute unrelated work and that it is technically practicable, taking into account both the state of advancement of the Works and the technical compatibility of the Change envisaged with the nature of the Works as specified in the Contract. Such changes shall include but not limited to the following:
- a. increase or decrease in the quantity of any work included in the Contract;
  - b. omission or substitution of any work;
  - c. change the drawings, designs specifications, character or quality or kind of any work;
  - d. change the levels, lines, positions and dimensions of any part of the Works;
  - e. execution of additional work of any kind necessary for the completion of the Works;
  - f. change in any specified sequence, method or timing of construction of any part of the Works.



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- 14.1.2. No such changes shall in any way vitiate or invalidate the Contract. The Contractor shall be bound to carry out the works in accordance with such instructions as may be given to him in writing by the Project Manager. However, the value, if any, of all such Change shall be taken into account in ascertaining the amount of the Contract Price.
- 14.1.3. The Contractor may from time to time during its performance of the Contract propose to Employer (with a copy to the Production In-Charge(s), Site In-Charge(s) or Regional Manager) any Change that the Contractor considers necessary or desirable to improve the quality, efficiency or safety of the Works. NRDCL may at its discretion approve or reject any Change proposed by the Contractor.
- 14.1.4. Notwithstanding **Error! Reference source not found.** and 14.1.3, no change made necessary because of any default of the Contractor in the performance of its obligations under the Contract shall be deemed to be a Change, and such change shall not result in any adjustment of the Contract Price or the Time for Completion.
- 14.1.5. The Contractor shall be under obligation to agree for the Changes as may be required during the execution of the Contract as per directions of Production In-Charge(s), Site In-Charge(s) or the Regional Manager and execute such changes at the same rates included in the Contract, provided the total effect of such changes does not exceed the limit of plus/minus twenty percent (+-20%) of the Contract Price. Such ceiling will however be applicable only for items of work/supply for which rates are provided in the Contract. Notwithstanding the aforesaid provision, the quantities for individual items, if specified in the Contract, can vary to any extent. No claim for revision of rates for any individual item in the Bill of Quantities shall be admissible irrespective of the extent to which the ordered quantity may get revised (+) or (-) during the actual execution of the Works. For change beyond twenty percent (20%) of the Contract Price, the adjustment in the rates for Bill of Quantity items shall be made as per the variation slab hereunder:

Variation in value of work	Increase in payment for minus variation	Decrease in payment for plus variation
Up to 20%	Nil	Nil
Above 20% & up to 35%	6.00%	3.00%
Above 35% & up to 60%	8.00%	4.00%
Above 60% & up to 100%	10.00%	5.00%
Above 100%	-	5.00%

- 14.1.6. While working out the value of work for the purpose of variation, the extra items for which new rates have been paid and payment towards price adjustment; and the adjustment towards statutory variations shall not be considered.



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**15. Extension of time for Completion**

15.1. The time for completion shall be extended, if the Contractor is delayed or impeded in the performance of any of its obligations under the Contract for reasons not attributable to the Contractor. The extension shall be for such period as shall be fair and reasonable in all the circumstances and as shall fairly reflect the delay or impediment sustained by the Contractor.

**16. Force Majeure**

16.1. "Force Majeure" shall mean any unavoidable event beyond the reasonable control of Employer or of the Contractor, as the case may be, and which has impeded the progress of work unreasonably and shall include, without limitation to the following:

- a) War, hostilities or warlike operations whether a state of war be declared or not, invasion, act of foreign enemy and civil war;
- b) Rebellion, terrorism, revolution, sabotage by persons other than the Contractor's personnel, insurrection, mutiny, usurpation of civil or military government, conspiracy, riot, civil commotion and terrorist acts;
- c) Riot, commotion, disorder, strike or lockout by persons other than the Contractor's personnel;
- d) Munitions of war, explosive materials, ionizing radiation or contamination by radio-activity, except as may be attributable to the Contractor's use of such munitions, explosives, radiation or radio-activity;
- e) Confiscation, nationalization, mobilization, commandeering or requisition by or under the order of any government or de jure or de facto authority or ruler or any other act or failure to act of any government authority;
- f) Embargo, import restriction, port congestion, , industrial dispute, shipwreck, shortage or restriction of power supply, epidemics/pandemic, quarantine and plague;
- g) Natural catastrophes such as earthquake, hurricane, typhoon, volcanic activity, fire, landslide or flood;
- h) The physical conditions or artificial obstructions on the Site.

16.2. In the event that the Contractor is delayed in performing any of their respective obligations under the Contract, and such delay is caused by force majeure, such delay may be and the period of such delay may be added to the time of performance of the obligation delayed.

**17. Liquidated Damage**

17.1. If the Contractor fails to complete the work within the period specified in the Contract, the Employer shall deduct liquidated damages at the rate of 0.3% per day for each day of delay to a maximum of 10% of the Contract price.

**18. Payment Terms**

18.1. At the time of release of payment, tax shall be deducted at source (TDS) from the gross amount of bills as per the Income Tax Act of the Bhutan. The Employer shall furnish



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necessary TDS Certificate to the Bidders, issued by the Department of Revenue & Customs, RGoB.

**19. Defect liability Period**

19.1. The defects liability period shall be a period of minimum 6 months.

**20. Vendor Performance Management System**

20.1. The performance of the Contractor shall be assessed as per the Vendor Performance Management System (VPMS) available in the Employer's website or relevant website for the purpose of assessing the performance of the Contractor.

20.2. The bidders are required to sign the VPMS Acceptance Form attached as **Annexure- I** along with the bid. In case the bidder does not agree to sign the VPMS Acceptance Form, the bidder shall be liable for rejection.

**21. Termination**

21.1. The Employer or the Contractor by giving thirty (30) days written notice of default to the other party, may terminate the Contract in whole or in part if the other party causes a fundamental breach of Contract. The terms and conditions of the termination shall be governed by clause no. 14 "Termination" under General Conditions of Contract of the DHI Group Standard Bidding Document for Works.

**22. Suspension**

22.1. Production In-Charge(s), Site In-Charge(s) or Regional Manager at any time may, by notice to the Contractor, order the Contractor to suspend performance of any or all of its obligations under the Contract. The Contractor shall thereupon suspend performance of such obligation until ordered in writing to resume such performance by the Production In-Charge(s), Site In-Charge(s) or Regional Manager. During the period of suspension, the Contractor shall not remove from the site any equipment, material or any part of the works or any Contractor's Equipment, without the prior written consent of Employer.

**23. Governing Law**

23.1. The Contract shall be governed by and interpreted in accordance with the Laws of Bhutan.

**24. Dispute Resolution**

24.1. All disputes arising in connection with the present Contract shall be resolved through arbitration in accordance with the rules and procedures of the Alternate Dispute Resolution Act 2013.



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Bill of Quantities (BoQ)

**FORM-I:** Extraction and supply of firewood from various FMUs and Ad-hoc working areas under Thimphu, Haa and Paro Dzongkhags for the year 2024.

Sl. No.	Sources of collection	Area of supply	Craning charge/ manual collection/ rolling till road head (A)	Cross-cutting & Splitting (B)	Transportation of firewood including loading and unloading (C)	Total (A+B+C)
1	Gidakom FMU/ Thimphu Ad-hoc area	Thimphu area	Nu. 280/m <sup>3</sup>			
2	Zonglela FMU, Paro	Paro area (Via Chelela road)				
3	Selela/Haa East & Bitekha/Lonchu FMU, Haa	Haa area				
4	Selela/Haa East & Bitekha/Lonchu FMU, Haa	Paro area				
5	Selela/Haa East & Bitekha/Lonchu FMU, Haa	Thimphu area				

Scaled and signed



*[Signature]*  
Regional Manager  
Rinpung Region  
NRDCL, Paro

*[Signature]*  
Manager  
Production & Marketing Unit  
NRDCL, Rinpung : Thimphu



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*Annexure - I*

**Vendor Performance Management System (VPMS) Acceptance Form**

To  
The Regional Manager  
NRDCL, Rinpung Region  
**Thimphu.**

Dear Sir/Madam,

With reference to our Bid dated .....for firewood collection and supply work against NIT No. **NRDCL/RNPG/Log-10/2023/1352** dated **September 27, 2023**, we hereby conform that we have read the provisions in clause 20 regarding the VPMS and we hereby agree to abide by the provisions in the VPMS or do affirm as follows:

1. If our bid is accepted, we agree to be assessed as per the VPMS methodology adopted by Employer.
2. We accept the rating of VPMS depending on our performance and any action hereof.
3. We shall be liable for any breach of this undertaking and non- compliance to the provisions of VPMS.

**Sealed and signed**



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**“INTEGRITY PACT”**

In line with the clause 5.2.2-14 of the procurement rules of the RGOB, the “ Integrity pact” as approved by the Anti-Corruption Commission vide No. ACC/PD-14/2009/673 dated. May 19, 2009 & DHI/CEO/DLC/2009/2289 dated. May 25, 2008 shall be considered and treated as part of agreement between the successful Bidder/Tenderer and NRDCL/Regional Manager, Rinpung Region to be signed on each page.

**1. General**

Whereas (*Mr. Kinley Tenzin, Regional Manager*) representing the (*Natural Resources Development Corporation Limited, Rinpung Regional Office*), Royal Government of Bhutan, hereinafter referred to as the **Employer** on one part, and (*Mr./Mrs./Miss.....*) representing the (*M/s.....*) as the other part hereby execute this agreement as follows:

This agreement should be a part of the tender document, which shall be signed and submitted along with the tender document. The head of the employing agency/or his authorized representative should be the signing authority. The bidder himself/herself or his/her authorized representative must sign the Integrity Pact (IP). If the winning bidder had not signed during the submission of the bid, the tender shall be cancelled.

**2. Objectives**

Now, therefore, the employer and the Bidder agree to enter into this pre-contract agreement, hereinafter referred to as Integrity Pact, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/unprejudiced dealings prior to, during and subsequent to the currency of the contract to be enter into, with a view to:

- 2.1 Enabling the Employer to obtain the desired contract at a reasonable and competitive price in conformity to the defined specifications of the works, goods and services, and
- 2.2 Enabling Bidders to abstain from bribing or any corrupt practice in order to secure the contract by providing assurance to them that their competitors will also refrain from bribing and other corrupt practices and the employer will commit to prevent corruption, in any form by their officials by following transparent procedures.

**3. Commitments of the Employer:**

**The Employer Commits itself to the followings:-**

- a. The Employer hereby undertakes that no official of the Employer, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the Bidder, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the



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- bidding process, bid evaluation, contracting or implementation process related to the contract.
- b. The Employer further confirms that its officials has not favoured any prospective bidder in any form that could afford an undue advantage to that particular bidder during the tendering stage, and will further treat all bidders alike.
  - c. All the officials of the Employer shall report to the head of the employing agency or an appropriate Government office any attempted or completed violation of clauses 3.1 and 3.2.
  - d. Following report on violation of clauses 3.1 and 3.2 by official(s), through any source, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings be initiated by the Employer and such a person shall be debarred from further dealings related to the contract process. In such case while an enquiry is being conducted by the Employer the proceedings under the contract would be stalled.

**4. Commitments of Bidders**

The bidder commits himself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of his bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commits himself to the following:-

- a. The Bidder will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Employer, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract in exchange for any advantage in the bidding, evaluation, contracting and implementation of the Contract.
- b. The Bidder further undertakes that he has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the Employer or otherwise in procuring the contract or forbearing to do or having done any act in relation to the obtaining or execution of the Contract or any other contract with the Government for showing or forbearing to show favor or disfavor to any person in relation to the Contract or any other contract with the Government.
- c. The Bidder will not collude with other parties interested in the contract to preclude the competitive bid price, impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract.
- d. The Bidder, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose any payments he had made, is committed to or intends to make to officials of the Employer or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.

**5. Sanctions for violation.**

The breach of any aforesaid provisions or providing false information by employers, including manipulation of information by evaluators, shall face administrative charges and penal actions as per the existing relevant rules and laws.



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The breach of the pact or providing false information by the Bidder, or any one employed by him, or acting on his behalf (whether with or without the knowledge of the bidder), or the commission of any offence by the bidder, or any one employed by him, or acting of his behalf, shall be dealt with as per the provisions of the penal code of Bhutan, 2004, and the Anti-Corruption Act, 2006.

The Employer/relevant agency shall also take all or any one of the following actions wherever required:-

5.1 To immediately call off the pre-contract negotiations without giving any compensation to the Bidder. However, the proceedings with the other Bidder(s) would continue.

5.1 To immediately cancel the contract, if already awarded/signed, without giving any compensation to the Bidder.

5.2 The earnest money/Security deposit shall stand forfeited.

5.3 To cover all sums already paid by the Employer.

5.4 To encash the advance bank guarantee and performance bond/warranty bond, if furnished by the Bidder, in order to recover the payments, already made by the Employer, along with interest.

5.5 To cancel all or any other contracts with the Bidder.

5.6 To debar the bidder from entering into any bid from the Government of Bhutan as per the Department Rule.

## **6 Conflict of Interest**

6.1 A conflict of interest involves a conflict between the public duty and private interests (for favour or vengeance) of a public official in which the public official has private interest which could improperly influence the performance of their official duties and responsibilities. Conflict of interest would arise in a situation when any concerned members of both the parties are related either directly or indirectly, or has any association or had any confrontation. Thus, conflict of interest of any tender committee member must be declared in the prescribed form (attached).

6.2 The Bidder shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any committee member and if he does so, the Employer shall be entitled forthwith to rescind the contract and all other contracts with the bidder.

## **7 Examination of Books of Accounts.**

7.1 In case of any allegation of violation of any provisions of this Integrity Pact or payments of commission, The Employer authorized persons or relevant agencies shall be entitled to examine the Books of Accounts of the Bidder and the Bidder shall provide necessary information of the relevant financial documents and shall extend all possible help for the purpose of such examination.

## **8 Monitoring and Arbitration**

8.1 The respective procurement agency shall be responsible for monitoring and arbitration of IP as per the procurement rules.

## **9 Legal Actions**

9.1 The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.



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**10 Validity**

10.1 The validity of this integrity Pact shall cover the tender process and extend until the completion of the contract to the satisfaction of both the Employer and the Bidder.

10.2 Should one or several provisions of this pact turn out to be invalid; the remainder of this Pact remains valid. In this case, the parties will strive to come to an agreement to their intentions.

We, hereby declare that, we have read and understood the clauses of this agreement and shall abide by it. Further, the information provided in this agreement is true and correct to the best of our knowledge and belief.

The parties hereby sign this Integrity Pact at ..... on .....

**EMPLOYER**

**BIDDER**

  
**Regional Manager**  
**Rinpung Region**  
**NRDCL, Paro**  
(For Rinpung Region, NRDCL)

Affix Legal  
Stamp

(For M/s.....)

Witness:

Name:

Contact No:

CID No.:

  
**Manager**  
**Production & Marketing Unit**  
**NRDCL, Rinpung : Thimphu**

Witness:

Name:

Contact No.:

CID No.:

