

INVESTITOR  
SA„Apă-Canal Leova”

### PROCES-VERBAL DE RECEPȚIE FINALĂ

Nr. 01 din 17 aprilie 2016

Obiectul ”Extinderea rețelilor de apeduct în Leova” este executat în cadrul contractului nr. 109 din ”17” septembrie 2012.

Lucrările au fost executate în baza autorizației nr. 29 din 21.09.2012 valabilă pînă la 21.09.2013, de către Primăria orașului Leova; autorizația nr.10 din 05.07.2013 eliberată de primăria Leova cu valabilitatea pînă la 36 luni și autorizația nr.05 din 06.08.2013 eliberată de Primăria com.Sarata Nouă cu valabilitatea pînă 12 luni

1. Comisia de recepție finală și-a desfășurat activitatea în intervalul 25 martie 2016, fiind formată din:

Gărgăun Vitali - primarul or.Leova

Membrii comisiei:

Gorgos Tatiana – primarul com.Sarata Nouă

Antoni Victor - administrator SA”Apă-Canal Leova”

Hohlov Lioreta – șefa sectorului apă și rețele ingineresti SA”Apă-Canal Leova”

Tomșa Iurii – arhitect-șef raionul Leova

Condrea Ilie – responsabil tehnic

(numele, prenumele)

2. Au mai participat la recepție:

Lîsîi Alexandru – prim vice director ”SOLDI”SRL

Păscăluță Dinu – șeful secției excepționale Leova

Mogîldea Gheorghe - șeful inspecției ecologice Leova

Lupu Svetlana - medic-șef centrul de sănătate publică

Vodă Gheorghe – proiectant

Lică Ion - UAP

(numele, prenumele)

(calitatea)

3. Comisia de recepție finală, în urma examinării și analizei lucrărilor efectuate și a documentelor cuprinse în Cartea tehnică a construcției, a constatat următoarele:

1) lucrările pe specialități au fost executate și recepționate conform listei-anexă nr. 1;

2) lucrările au fost complet terminate la data de 05.02.2015;

3) observațiile comisiei de recepție finală sînt prezentate în lista-anexă nr. 2;

4) Cartea tehnică a construcției și fișa sintetică a obiectului au fost (nu au fost) completate;

5) instrucțiunile de exploatare și urmărire a comportării în timp a obiectului (nu) sînt în posesia utilizatorului;

6) construcția s-a comportat (nu s-a comportat) corespunzător în perioada de la terminarea ei la data de 05.02.2015 pînă în prezent, respectiv pe o durată de 12 luni, constatările comisiei fiind enumerate în anexele atașate;

7) valoarea obiectului este de 993494,49 euro, conform listei-anexă nr. 1.

4. În baza constatărilor făcute, comisia de recepție finală propune: se acceptă recepția finală a obiectului ”Extinderea rețelilor de apeduct în Leova”.

5. Comisia de recepție finală motivează propunerea făcută prin:

finalizarea lucrărilor conform proiectului de execuție și contractului

încheiat la 17 septembrie 2012 cu nr.109

6. Comisia de recepție finală recomandă următoarele:

se acceptă recepția finală a obiectului: "Extinderea și reabilitarea sistemului de alimentare cu apă în Leova"

6<sup>1</sup>. Descrierea obiectului recomandat spre recepție:

Obiectul cu numărul cadastral \_\_\_\_\_, adresa poștală or.Leova, destinația extinderea și reabilitarea sistemului de alimentare cu apă în or.Leova, compus din următoarele construcții conform anexei, suprafața la sol \_\_\_\_\_, suprafața totală, \_\_\_\_\_, numărul de etaje \_\_\_\_\_, conform certificatului despre rezultatele inspectării bunului imobil, anexat la prezentul proces-verbal.

7. Prezentul proces-verbal, conținând 2 file și 2 anexe numerotate, cu un total de 4 file, a fost încheiat astăzi 17 aprilie 2016 în 6 exemplare.



Comisia de recepție finală:

Președinte: Gărgăun Vitali

Membr:

Gorgos Tatiana

Antoniu Victor

Hoblov Lioreta

Donța Ruxi

Condrea Ihe

Specialiști:

primarul or.Leova

primarul com.Sarata Nouă

administrator SA "Apă-Canal Leova"

sefa SARI SA "Apă-Canal Leova"

arhitect-șef raionul Leova

responsabil tehnic

(numele, prenumele, semnătura)



8. Concluzia Inspecției de Stat în Construcții:

Lucrarea

de reconstrucție a rețelelor de alimentare cu apă în or. Leova se propune spre recepție



10 2016

Șef IIC Sub J. Neburu

4  
din 31/10.18.



**Anexa nr.1**  
**la procesul – verbal de recepție finală**  
**nr.01 din 17 aprilie 2016**

**"Extinderea și reabilitarea sistemului de alimentare cu apă în or.Leova"**

1. Articole generale	- 4200 euro
2. Lucrări de proiectare	- 13899,17 euro
3. Reabilitarea rețelilor de apeduct or.Leova	- 395644,14 euro
4. Conectări la rețeaua de apeduct or.Leova	- 417405,07 euro
5. Reabilitarea rețelilor de apeduct s.Sarata Nouă	- 147985,48 euro
6. Conectări la rețelile de apeduct s.Sarata Nouă	- 14360,63 euro
7. <b>Total:</b>	<b>- 993494,49 euro</b>

Administrator SA"Apă-Canal Leova"

Prim vice director SRL"SOLDI"

Responsabil tehnic



## CONTRACT AGREEMENT

THIS CONTRACT AGREEMENT is made on the 17.09.2012.

BETWEEN

(1) **SOCIETATEA PE ACTIUNI "APA-CANAL Leova"** and having its principal place of business at 25, Str. Independentei, Leova, MD-6301, Republic of Moldova (hereinafter called "**the Employer**"),

and

(2) **SOLDI SRL**, a corporation incorporated under the laws of Republic of Moldova and having its principal place of business at 6/1 Varnita street, Chisinau, Republic of Moldova. (hereinafter called "**the Contractor**").

WHEREAS the Employer invited tenders for the execution of the Works, described as Extension **and rehabilitation of water supply system in Leova** and has accepted a Tender by the Contractor for the execution and completion of these Works and the remedying of any defects therein, and the Employer agrees to pay the Contractor the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigne to them in the Contract documents referred to.

2. The following documents shall be deemed to form and be read and construed as part of this Agreement. This Agreement shall prevail over all other Contract documents.

- (a) the Contract Agreement;
- (b) the Letter of Acceptance
- (c) the Letter of Tender
- (d) the Appendix to tender
- (e) the Particular Conditions
- (f) the General Conditions
- (g) the Specifications
- (h) the Drawings;
- (i) the Clarifications to Tender no. 1 (dated 09.08.2012)
- (j) the priced Bill of Quantities,
- (k) the Contractor's Technical Proposal
- (l) the completed Schedules
- (m) any other documents forming part of the Contract Agreement

3. In consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.

4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

Total Contract price (Accepted Contract Amount)



**832,770.00** (eight hundred thirty two thousand seven hundred seventy) **Euro** (excl. Customs duties, VAT and other taxes)

consisting of:

- 33,33 % from EBRD funds,
- 33,33 % from EIB funds,
- 33,33% from EU funds

or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the contract. VAT shall not be paid.

Agreement to be executed in accordance with the laws of Republic of Moldova on the day, month and year indicated above.

Signed by: Victor Antonu  
Administrator

For and on behalf of the Employer in the presence of Economist

Witness:

Name: Mrs. Raisa Carcea

Date: 17.09.2012

Signed by:

for and on behalf the Contractor in the presence of

Witness:

Name:

Address:

Date:

17.09.2012



*Victor Antonu*



# Letter of Bid

Date: 2012 August 06

Tenfer No.: LE-WSS-01

To: **Societatea pe Actiuni "Apa-Canal Leova", Leova city, R. Moldova**

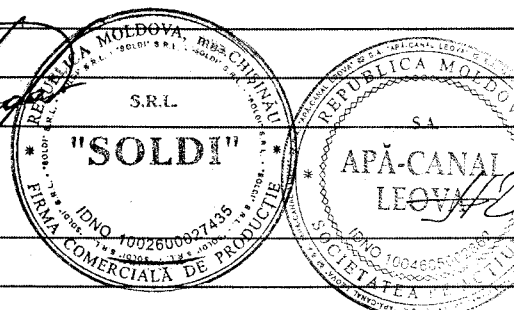
We, **F.C.P. "SOLDI" S.R.L** the undersigned, declare that:

- (a) We have examined and have no reservations to the Tender Documents, including Addenda issued in accordance with Instruction to Tenderers (ITT) Paragraph 8;
- (b) We offer to execute and design in conformity with the Tender Documents the following Works: **Extension and rehabilitation of water supply system in Leova;**
- (c) The total price of our Bid, excluding any discounts offered in item (d) below is: **832 770 EURO (eight hundred thirty two thousand seven hundred seventy EURO):**
- (d) The discounts offered and the methodology for their application are: none;
- (e) We acknowledge that the Appendix forms part of this Letter of Tender.
- (f) If our Tender is accepted, we commit to obtain a performance security in accordance with the Tender Document;
- (g) Our firm, including any subcontractors or suppliers for any part of the Contract, have nationalities from eligible countries;
- (h) We, including any subcontractors or suppliers for any part of the contract, do not have any conflict of interest in accordance with ITT 4.3;
- (i) We are not participating, as a Tenderer or as a subcontractor, in more than one Tender in this Tendering process in accordance with ITT 4.3, other than alternative offers submitted in accordance with ITT 13;
- (j) Our firm, its affiliates or subsidiaries and the Subcontractors or Suppliers or affiliates of the Subcontractors or Suppliers, for any part of the contract, have not been declared ineligible by the Bank, under the Employer's country laws or official regulations or by an act of compliance with a decision of the United Nations Security Council;
- (k) We are not a government owned entity.
- (l) Our bid shall be valid for a period of 90 days from the date fixed for the bid submission deadline in accordance with the Bidding Documents, and it shall remain binding upon us and may be accepted at any time before the expiration of that period;
- (m) We have paid, or will pay the following commissions, gratuities, or fees with respect to the bidding process or execution of the Contract

Name of Recipient	Address	Reason	Amount
_____	_____	_____	_____
_____	_____	_____	_____

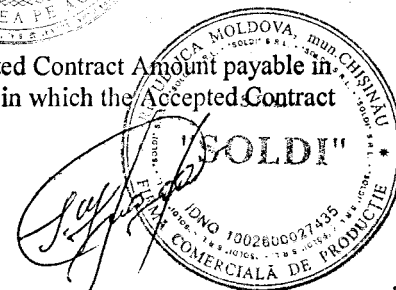
- (n) We understand that this bid, together with your written acceptance thereof included in your notification of award, shall constitute a binding contract between us, until a formal contract is prepared and executed;
- (o) We understand that you are not bound to accept the lowest evaluated bid or any other bid that you may receive; and
- (p) If awarded the contract, the person named below shall act as Contractor's Representative:

Name: Ginga Ion  
In the capacity of: Executive director  
Signed: \_\_\_\_\_  
Duly authorized to sign the Tender for and on behalf of: F.C.P. "SOLDI" S.R.L.  
Date: 06.08.2012

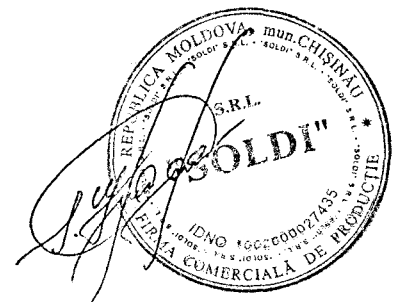


## Appendix to Tender

Conditions	Sub-Clause	Data
Employer's name and address	1.1.2.2 & 1.3	Societatea pe Actiuni "Apa-Canal Leova" 25, Independentei, Leova, MD-6301 Republic of Moldova
Contractor's name and address	1.1.2.3 & 1.3	F.C.P. "SOLDI" S.R.L. Of.14, 80 Decebal bd. Chisinau Republic of Moldova
Engineer's name and address	1.1.2.4 & 1.3	EPTISA Servicios de Ingenieria S.L. Emilio Munoz 35-37, 28037, Madrid, Spain
Bank's name	1.1.2.11	European Bank for Reconstruction and Development European Investment Bank EU's Neighbourhood Investment Facility
Borrower's name	1.1.2.12	
Time for Completion	1.1.3.3	365 days
Defects Notification Period	1.1.3.7	365 days.
Electronic transmission systems	1.3	Facsimile and e-mail transmission
Governing Law	1.4	Moldovian Law
Ruling language	1.4	English
Language for communications	1.4	Romanian
Time for access to the Site	2.1	<u>5</u> days after Commencement Date
<i>Engineer's Duties and Authority</i>	3.1(b)(ii)	Variations resulting in an increase of the Accepted Contract Amount shall require approval of the Employer.
Normal working hours	6.5	Monday to Friday from 7.30 – 18.00
Delay damages for the Works	8.7 & 14.15(b)	<u>0.1</u> % of the Contract Price per day.
Maximum amount of delay damages	8.7	10 % of the final Accepted Contract Amount.
<i>If there are Provisional Sums:</i>	13.5.(b)(ii)	
Percentage adjustment of Provisional Sums		5%
<i>If Sub-Clause 13.8 applies:</i>	13.8	<u>Not applicable</u>
Adjustments for Changes in Cost		
Total advance payment	14.2	<u>10</u> % Percentage of the Accepted Contract Amount payable in the currencies and proportions in which the Accepted Contract Amount is payable
Number and timing of instalments	14.2	One instalment



Conditions	Sub-Clause	Data
Currencies and proportions	14.2	The advance payment shall be paid in the currency or currencies and proportions in which the Accepted Contract Amount is payable to the Contractor according to Sub-clause 14.15.
Start repayment of Advance payment	14.2 (a)	<u>When payments reach 30% of the Accepted Contract Amount</u>
Repayment amortization rate of advance payment	14.2(b)	15% and full repayment of the received advance payment when 90% of the works are approved for payment
Percentage of Retention	14.3	5%
Limit of Retention Money	14.3	5% of the Accepted Contract Amount
Minimum Amount of Interim Payment Certificates	14.6	50,000 Euro
Currency/Currencies of Payment	14.15	The Contract Price shall be paid in Euro for non-resident companies and the equivalent in Moldavian Lei for companies resident in Moldova
Periods for submission of insurance:	18.1	
a. evidence of insurance.		14 days
b. relevant policies		28 days
Maximum amount of deductibles for insurance of the Employer's risks	18.2(d)	<i>Not applicable</i>
Minimum amount of third party Insurance	18.3	100,000 Euro per occurrence, with unlimited number of occurrences.
The DAB shall be:	20.2	One sole member/adjudicator
The DAB shall be comprised of	20.2	One sole Member
Appointment (if not agreed) to be made by	20.3	A person appointed by the President of FIDIC





## (E) Particular Conditions of Contract (PCC)

The following Particular Conditions of Contract shall supplement the GCC. Whenever there is a conflict, the provisions herein shall prevail over those in the GCC.

### 1. General Provisions

#### 1.1 Definitions

##### 1.1.2 Parties and Persons

- 1.1.2.11 "Bank" means the financing institution (if any) named in the Appendix To Tender
- 1.1.2.12 "Borrower" means the person (if any) named as the borrower in the Appendix To Tender
- 1.1.6.10 "Notice of Dissatisfaction" means the notice given by either Party to the other under Sub-Clause 20.4 [Obtaining Dispute Adjudication Board's Decision] indicating its dissatisfaction and intention to commence arbitration.
- 1.1.6.11 "Co-financier" means any bank or other International Financing Institution providing a part of the funds for the contract named in the Appendix to tender.

#### 1.2 Interpretation

**Add the words:**

Wherever these Conditions require the Contractor to indemnify the Employer from any matter, the Contractor shall also indemnify the Engineer from the same matter.

#### 1.5 Priority of Documents

Delete the list of documents from (a) to (i) and substitute:

- (a) the Contract Agreement;
- (b) the Memorandum of Contract Clarification/Negotiation (if any);
- (c) the Letter of Acceptance
- (d) the Letter of Tender;
- (e) the Appendix to tender;
- (f) Addenda\* to the Tender Documents (if any);
- (g) the Clarifications to the Tender Documents (if Any);
- (h) the Particular Conditions of Contract;
- (i) these General Conditions of Contract;
- (j) the Technical Specifications;
- (k) the Drawings;
- (l) the priced Bill of Quantities (after arithmetical corrections);
- (m) the Contractor's Technical Proposal;
- (n) any other documents forming part of the Contract Agreement.

\* Addenda shall have the order of precedence of the document they are modifying



**Add the following Sub-clause:**

**1.13 Compliance with Laws**

d b) Replace paragraphs a) and b) respectively as following:

- (a) The Employer shall obtain the land and zoning for the Permanent Works, will pay for all necessary approvals related to construction permits and will be responsible (through the Engineer) for the design and design checking (except the detail design for which the Contractor is responsible) and specialist site supervisors according to the Moldavian Law Nr. 721/1996. Also the Employer will pay all taxes and duties in relation to licenses and approvals in completion of the Works. The Employer shall indemnify and hold the Contractor harmless against the consequences of the failure to do so.
- (b) The Contractor must (in his name or in the Employers's name, as it is requested by the authority in charge) give all notices and pay all necessary fees in relation to the detail design he has to carry out under the Contract (including design checking according with Moldavian Law No. 721/1996), execution and completion of the Works and the remedying of any defects; the Contractor shall indemnify and hold the Employer harmless against the consequences of any failure to do so."

**1.15 Inspections and Audit by the Bank**

In this sub-clause after the word "Bank" insert "and Co-financier and Court of Account from Republic of Moldova".

**3 The Engineer**

**3.1 Engineer's Duties and Authority**

At the end of the seventh paragraph add:

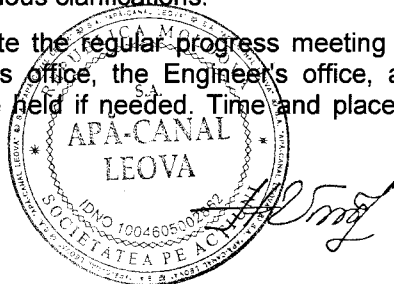
- (e) Sub- Clause 3.5: Agreeing or determining any matter which may increase the contract price
- (f) Sub- Clause 4.4: giving consent to a Subcontractor for works that should have been carried out by a different Subcontractor named in the Contract.

**3.6 Add new Sub-Clause 3.6 Management Meetings**

The Engineer or the Contractor's Representative may require the other to attend a management meeting in order to review the arrangements for future work. The Engineer and the Contractor's Representative may invite others to attend. Notice about the meeting shall be given at least 24 hours in advance. The Engineer shall record the business of management meetings, and prepare minutes of the management meetings. The Engineer shall supply copies of such minutes to those attending the meeting and to the Beneficiary and the Employer. In the record, responsibilities for any actions to be taken shall be in accordance with the Contract.

The agenda for such meetings shall cover a review of progress attained, a review of schedules and plants for future activities, the status of staffing, engineering, safety, equipment, material supply, payments, current and anticipated difficulties, interface with other Contractors, claims for extras, and other pertinent topics. The minutes of the meetings shall be prepared by Engineer, and shall be issued to the Contractor within one day after the meeting for previous clarifications.

Before the mobilisation of the Site the regular progress meeting shall be held on a monthly basis at the Contractor's office, the Engineer's office, and/or on the Site. Further irregular meetings will be held if needed. Time and place of these meetings



shall be mutually agreed taking into consideration the subject to be discussed.

#### 4 The Contractor

##### 4.1 Contractor's General Obligations

Insert the following paragraphs after the first paragraph in Sub-Clause 4.1:

"The Contractor shall carry out, and be responsible for, the design of the following Permanent Works (according to the Technical Specifications):

- Networks for rehabilitation;
- Networks for extension;
- House connections;
- New and rehabilitated wells.

The design shall be prepared by qualified design consultants. The Contractor shall submit to the Engineer for consent the name and particulars of each proposed design consultant or design Sub-contractor.

The Contractor must warrant that he, his design consultants and design Subcontractors (if any) have the necessary experience and capability to carry out the design. The Contractor undertakes that the designers shall be available to attend discussions with the Engineer at all reasonable times, until the expiry date of the relevant Defects Notification Period.

Upon receiving notice under sub-clause 8.1 (Commencement of Works), the Contractor shall scrutinise the Technical Specifications (regarding the part of the Permanent Works to be designed) and the items of reference mentioned in sub-clause 4.7 (Setting Out). Within the period stated in the Appendix to Tender, calculated from the Commencement Date, the Contractor shall give notice to the Engineer of any error, fault or other defect found in the Specifications or Drawings or these items of reference.

After receiving this notice, the Engineer shall determine whether Clause 13 (Variations and Adjustments) shall be applied, and shall give notice to the Contractor accordingly. If and to the extent that (taking into account of cost and time) an experienced contractor exercising due care would have discovered the error, fault or other defect when examining the Site and the Specifications/Drawings before submitting the Tender, the Time for Completion shall not be extended and the Contract Price shall not be adjusted.

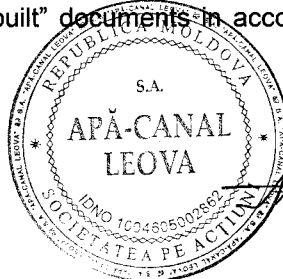
At the end of the second paragraph of this Sub-clause insert: "The Contractor's Documents shall comprise the technical documents specified in the Technical Specifications and documents required to satisfy all regulatory approvals for which the Contractor is responsible."

Substitute the last paragraph in Sub-clause 4.1 (including sub-paragraphs (a) to (d)) with the following:

For the part of the Permanent Works to be designed by the Contractor:

- (a) the Contractor shall submit to the Engineer the Contractor's Documents for this part in accordance with the procedures specified in Sub-Clause 4.26 [Contractor's Documents] hereof;
- (b) the Contractor shall be responsible for this part and it shall, when the Works are completed, be fit for such purposes for which the part is intended as are specified in the Contract. For any design error the Sub-Clause 4.32 [Design Error] shall be applied.
- (c) Prior to the commencement of the Test on Completion, the Contractor shall submit to the Engineer the "as-built" documents in accordance with the Sub-Clause 4.29 [As-Built Documents]."

##### 4.3 Contractor's Representative



Delete the first sentence of the second paragraph of this Sub-clause and substitute:

The Contractor representative shall be the person named in the tender as Project Manager.

Delete the last paragraph of this Sub-clause and substitute:

"The Contractor's Representative shall be fluent in Romanian. If the Contractor's Representative, or any of these persons, is/are not fluent in the Moldavian language, the Contractor shall have available on Site, during all working hours, a competent interpreter to ensure the proper transmission of instructions and information.

#### 4.4 Subcontractors

In sub-paragraph (b), insert after the word "Subcontractors":

"unless the value of the subcontract is less than one percent (1%) of the Accepted Contract Amount."

#### 4.21 Progress Reports

At the end of Sub-Clause add the following:

"The monthly progress report shall be prepared in Romanian/Moldavian in a number of copies established by the Engineer."

"The Contractor's Representative shall keep a daily diary in duplicate. This diary shall as a minimum record:

- the number of persons employed on site, broken down by trade and grade
- the Contractor's Equipment in use on the Site
- work achieved during that day
- incidents
- problems encountered
- weather conditions

"Both copies of the daily diary form shall be signed by the Contractors Representative and the Engineer. The Engineer shall keep one of the signed copies and the Contractor's Representative the other.

"The Contractors Representative shall prepare a weekly report in a format to be agreed with the Engineer. Copies of this report shall be faxed or otherwise transmitted weekly to the Engineer one day before the weekly site meeting or as otherwise agreed. The Contractor's Representative shall sign the original of the report and the Engineer shall retain the original.

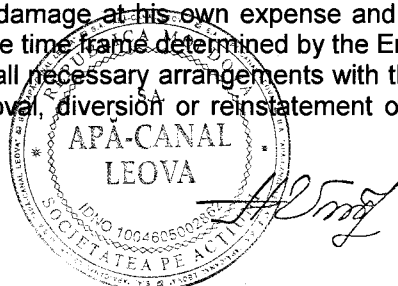
"The Contractor shall maintain and keep up to date all official records and reports required under Moldavian law."

#### 4.25 Add a new Sub Clause Existing Services

The Contractor shall acquaint himself with the position of all existing services such as sewerage, water supply, telephone, electricity, gas and the like, before any excavation or other Work likely to affect those services is commenced.

The Contractor will be liable for any damage to roads, drainage ditches, pipes, cables or services of any kind caused by him or his Sub-contractors in the execution of the Works, and must make good such damage at his own expense and to the complete satisfaction of the Engineer, within the time frame determined by the Engineer.

The Contractor is required to make all necessary arrangements with the relevant local authorities and owners for the removal, diversion or reinstatement of all services as





agreed with or instructed by the Engineer. The cost for the above work shall be deemed to be included in the offer.

#### 4.26. Add a new Sub-Clause Contractor's Documents

The Contractor's documents shall comprise the technical documents specified in the Particular Technical Specifications and Drawings of items [*Contractor's General Obligations*], shop drawings or manufacturer's drawings, documents required to satisfy all regulatory approvals, and the documents described in sub-clause 4.30 [*As-Built Documents*] and 4.31 [*Operation and Maintenance Manuals*]. The Contractor's documents shall be written both in Moldavian and English language.

The Contractor's documents must be submitted to the Engineer for review and approval according to the Technical Specifications. They shall be submitted together with a notice as described below. In addition, an electronic version of any of these documents shall be provided to the Engineer. In the following provisions of this sub-clause "review period" means the period required by the Engineer for review and approval, and (ii) "Contractor's Documents" exclude any documents which are not specified as being required to be submitted for review and approval.

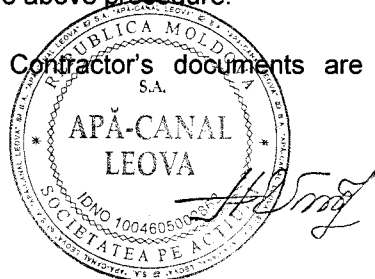
Each review period shall not exceed 21 days, calculated from the date on which the Engineer receives a Contractor's document and the Contractor's notice. This notice shall state that the Contractor's Document is considered ready, both for review and approval in accordance with this sub-clause and for use. The notice shall also state that the Contractor's Document complies with the Contract, or the extent to which it does not comply.

The Engineer may, within the review period, give notice to the Contractor that a Contractor's Document fails (to the extent stated) to comply with the Contract. If a Contractor's document so fails to comply, it shall be rectified, resubmitted, reviewed and approved in accordance with this sub-clause at the Contractor's cost.

For each part of the Works, and except to the extent that the prior approval or consent of the Engineer shall have been obtained:

- a) In the case of the Contractor's document which has been submitted for the Engineer's approval:
  - i. The Engineer shall give notice to the Contractor that the Contractor's document is approved, with or without comments, or that it fails (to the extent stated) to comply with the contract.
  - ii. Execution of such part of the Works shall not commence until the Engineer has approved the Contractor's document
  - iii. The Engineer shall be deemed to have approved the Contractor's document upon expiry of the review periods for all the Contractor's Documents, which are relevant to the execution of such part, unless the Engineer has previously notified otherwise in accordance with sub-paragraph (i).
- b) Execution of such part of the Works shall not commence prior to the expiry of the review periods for all the Contractor's documents which are relevant to its design and execution.
- c) Execution of such part of the Works shall be in accordance with the reviewed and approved Contractor's documents.
- d) If the Contractor wishes to modify any design or document which has previously been submitted for review and approval, the Contractor shall immediately give notice to the Engineer. Thereafter, the Contractor shall submit revised documents to the Engineer in accordance with the above procedure.

If the Engineer instructs that further Contractor's documents are required, the Contractor shall prepare them promptly.



Any review, approval or consent from the Engineer (under this sub-clause or otherwise), shall not relieve the Contractor from any obligation or responsibility.

#### 4.27 Add a new Sub Clause Technical Standards and Regulations

The Contractor's Documents, the execution and the completed Works shall comply with the Country's technical standards, building, construction and environmental Laws, Laws applicable to the product being produced from the Works, and other standards specified in the Particular Technical Specifications, applicable to the Works, or defined by the applicable Laws.

All these Laws shall, in respect of the Works and each Section, be those prevailing when the Works or Section are taken over by the Employer and the Beneficiary under Clause 10 [*Employer's Taking Over*]. References in the Contract to published standards shall be understood to be references to the edition applicable on the Base Date.

If changed or new applicable standards come into force in Moldova after the Base Date, the Contractor shall give notice to the Engineer and (if appropriate) submit proposals for compliance. In the event that:

- (a) the Engineer determines that compliance is required, and
- (b) the proposals for compliance constitute a variation,

then the Engineer shall initiate a Variation in accordance with Clause 13 [*Variations and Adjustments*].

The Contractor's final design shall be checked and approved according to the Moldavian Law no. 721/1996.

#### 4.28 Add a new Sub Clause As-Built Documents

The Contractor shall prepare, keep up to date and deliver to the Engineer, according to the Moldavian Low regarding Quality in Construction, Law no. 721/1996.

a complete set of "as-built" records and drawings of the Works as executed, showing the exact as built locations, size and details of the Works as executed. These records and as-built drawings shall be kept on the Site and shall be used exclusively for the purposes of this sub-clause.

In addition, the Contractor shall supply to the Engineer as-built drawings of the Works, showing all Works as executed, and submit them to the Engineer for review and approval.

Prior to the issue of any Taking-Over Certificate, the Contractor shall supply to the Engineer six copies of the relevant as-built records and drawings (in English and Romanian). The Works shall not be considered to be completed for the purposes of taking-over under Sub-Clause 10.1 [*Taking Over of the Works and Sections*] until the Engineer has received these documents.

## 6 Staff and Labour

### 6.1 Engagement of Staff and Labour

**Add to the end of Sub-clause the words :**

The Contractor shall document and communicate to all workers their working conditions and terms of employment, including their entitlement to wages, hours of work, overtime arrangements and overtime compensation, and any benefits (such as leave for illness, maternity / paternity or holiday).

### 6.2 Rates of Wages and Conditions of Labour



***Add to the end of Sub-clause the words:***

Where the Contractor is party to a collective agreement or is otherwise bound by it, the Contractor shall comply with its terms and conditions.

Deductions from wages for disciplinary measures shall not be permitted nor shall any deductions from wages not provided for by national law be permitted without the expressed permission of the worker concerned. Deductions must never lead to an employee receiving less than the applicable minimum wage.

All workers shall be provided with clearly understandable verbal and written information about the conditions in respect of wages before they enter employment and of the particulars of their wages for the pay period concerned each time that they are paid. Wages shall be paid in legal tender in full, on time and directly to the workers concerned. The Contractor shall maintain records of all payments and deductions made.

The Contractor shall inform the Contractor's Personnel about their liability to pay personal income taxes in the Country in respect of such of their salaries, wages, allowances and any benefits as are subject to tax under the Laws of the Country for the time being in force, and the Contractor shall perform such duties in regard to such deductions thereof as may be imposed on him by such Laws.

**6.4 Labour Laws**

***Add to the end of Sub-clause the words:***

The Contractor shall ensure that obligations to staff and labour under labour, health and safety and social security laws and regulations arising from the employment relationship shall not be avoided through the use of labour-only contracting arrangements.

**6.5 Working Hours**

***Add to the end of Sub-clause the words:***

Hours of work shall comply with applicable laws, collective agreements, and industry standards. Overtime shall be voluntary wherever possible, shall not be demanded on a regular basis and shall always be compensated at a premium rate.

**6.6 Facilities for Staff and Labour**

***Add to the end of Sub-clause the words:***

Where the Contractor provides living accommodation for workers, the accommodation shall be appropriate for its location and be clean, safe and, at a minimum, meet the basic needs of workers. The accommodation shall comply with national legislation and, where possible, follow international good practice as set out in the IFC / EBRD Public Guidance

The Contractor shall ensure that workers' freedom of movement to and from the accommodation is not unduly restricted.

**6.7 Health and Safety**

***Add to the end of Sub-clause the words:***



The Contractor shall provide the Employer with a written Health and Safety Policy and a project-specific Health and Safety Plan before the commencement of work. The Plan shall include details of the Contractor's OHS management system, including the Contractor's plans to manage and monitor the health and safety risks associated with all construction work under its control. The Plan shall be made available to the lenders prior to the start of Construction.

Every contractor shall plan, manage and monitor construction work carried out by him or under his control in a way which ensures that, so far as is reasonably practicable, it is carried out without risks to health and safety.

The Contractor shall ensure that a safe and healthy working environment is provided and that best occupational health and safety practice is promoted. The Contractor shall take steps to prevent accidents, injury and disease arising in the course of work by identifying and controlling risks to workers, as far as is reasonably practicable. The Contractor shall ensure that all staff, labourers and persons entitled to be on site receive the necessary supervision, information, instruction and training to do their jobs safely. Where appropriate, the Contractor shall provide appropriate equipment to minimise health and safety risks and enforce its use. The Contractor shall put in place arrangements for emergency prevention, preparedness and response.

#### 6.8 Contractor's Superintendence

**Add the words:**

The Contractor shall ensure that a grievance mechanism is available to all workers and their organisations to use without fear of intimidation or retaliation. The Contractor will ensure that employees are informed about the grievance mechanism and that this is part of the training for new employees and information is posted in relevant areas in the construction camp. The Contractor shall ensure that the grievance mechanism involves an appropriate level of management and addresses concerns promptly, using an understandable and transparent process that provides feedback to those concerned without any retribution.

### 13 Variations and Adjustments

#### 13.1 Right to Vary

Add at the end of the Sub-Clause the following provisions:

"Substantial changes can, however, only be made by means of a formal addendum to the contract. The following types of changes shall be regarded as substantial:

A. Changes with technical impact that:

- i. Modify the scope of works as defined in the Loan Agreement with the Bank;
- ii. May affect the competition by altering the conditions on which the contract has been evaluated and awarded (e.g. substantial changes in technical specifications, minimum standards for materials; etc.).

B. Changes with financial impact that lead to an increase in the total contract price, such that it is no longer covered by the original contract value (inclusive of the contingencies).

C. Changes of the contractual essence, such as changes in the Conditions of Contract, Contract Agreement, Appendix to Tender or other such parts of the Contract."

#### 13.5 Provisional Sums





Insert additional sub-paragraphs before final paragraph:

- (d) in the case of any electrical Works to be undertaken directly by the Electrical Supply Company, direct payment by the Contractor to that company. The Contractor shall then be entitled to claim disbursement under Provisional Sums.
- (e) Works to be carried out on a Dayworks basis and valued in accordance with the Dayworks Schedule.

## 14 Contract Price and Payment

### 14.1 The Contract Price

Add the following after 14.1.b

"i) The Contractor is exempted from VAT in accordance with the Legislation in force (Law 571/2003 – Law concerning the Fiscal Code of Moldova and the Orders 726/2002 and 141/2004 of the Ministry of Public Finances) for the part of the contract financed by EU, but the Contractor will not be exempted of this tax for the part of the contract financed by the co-financier.;

ii) The Contractor is exempted from import duties and import taxes levied on the import on Contract Items into the Country for the part of the contract financed by EU, but the Contractor will not be exempted from these taxes for the part of the contract financed by the co-financier;

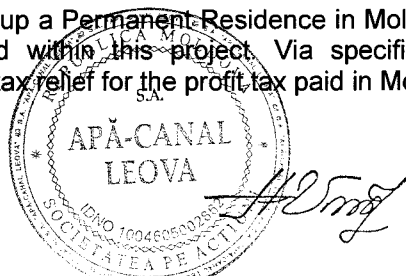
iii) The Contractor shall submit copies of the documents evidencing the quality of VAT-payer/non-payer for himself and each of his subcontractors to the Employer. The Employer shall prepare the necessary forms and other documents for VAT exemption or reimbursement, respectively in accordance with the Laws of Moldova (in particular Order 141/2004 of the Ministry of Public Finances), and other requirements of legally constituted authorities. The Employer shall be entirely responsible for obtaining the VAT exemption certificate and/or VAT reimbursement to the Contractor for the part of the Contract financed by EU.

The Contractor shall prepare the necessary tax exemption forms and other documents in accordance with the Laws of Moldova (in particular Order 141/2004 of the Ministry of Public Finances), the requirements of customs and other legally constituted authorities, and any other reasonable requirements of the Employer. The Contractor shall be entirely responsible for the presentation of documentation in order to clear the Goods through the customs authorities, and shall be deemed to have been satisfied (before submitting the Tender) as to all relevant procedures.

The taxes referred to at items 14.1.b.(i) and 14.1.b (ii) (i.e. VAT and import duties and import taxes for the part of the contract financed by the co-financier) represent reimbursable sums and will be paid by the Employer against documentary evidences of the amounts paid by the Contractor.

All imported Goods, which are not incorporated in or expended in connection with the Works, shall be exported on completion of the Contract. If not exported, or if used in connection with other contracts, the Goods will be assessed for duties (as applicable to the Goods involved) in accordance with the Laws of Moldova, and the Contractor shall pay such duties accordingly.

iv.) Due to the fact that the period of works in Moldova exceeds 6 months, in accordance with the provisions of Law 571/2003 on Fiscal Code regarding the profit tax, the Contractor is liable to set up a Permanent Residence in Moldova and to pay a profit tax for the profit achieved within this project. Via specific procedures the Contractor is entitled to receive a tax relief for the profit tax paid in Moldova



Add the following sub-paragraph after 14.1.(d):

(e) "The Final Contract Price shall not include items 14.1.b.(i) and 14.1.b (ii), but shall be deemed to include all taxes, business taxes, duties, port dues, quay dues and other charges that may be levied in accordance with laws and regulations in force on the date 28 days prior to the latest date for submission of tenders. These taxes, dues etc include those imposed both outside and inside the Employer's Country on the Contractor's equipment, plant, materials, and supplies (whether permanent or temporary) acquired for the Contract, and on services performed under the Contract. This shall be deemed to include payments or compensation, if any, levied in relation to dumping of waste, debris and hazardous waste."

#### 14.7 Payment

At the end of Sub-Clause 14.7, add:

The Contractor must be informed of the certified amount for payment in order that he can issue an Invoice.

The date of payment shall be the date on which the Contractor's account is credited.

The Contractor shall pay for the banking charges due to all the payments (Advance Payment, Interim Payment Certificate and Final Payment Certificate).

The Employer is responsible for reimbursing the Contractor with payments made by the Contractor for VAT and other duties or taxes levied in accordance with Sub-Clause 14.1.

#### 14.15 Currencies of Payment

**Replace Sub-clause:**

14.15 Sub-clause 14.15 is inapplicable. The Contract Price shall be paid in **Euro**

#### 15 Termination by Employer

**Add the following Sub-clause:**

#### 15.6 Prohibited Practices

At the end of this Sub Clause add:

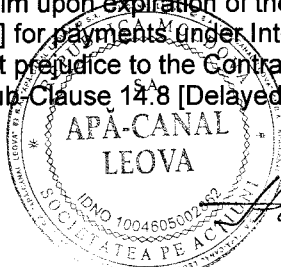
- (c) "coercive practice" means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.
- (d) "collusive practice" means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.

#### 16 Suspension and Termination by Contractor

**Add the following Sub-clauses:**

#### 16.2 Termination by Contractor

- (h) In the event the Bank suspends the loan or credit from which part or whole of the payments to the Contractor are being made, if the Contractor has not received the sums due to him upon expiration of the 14 days referred to in Sub-Clause 14.7 [Payment] for payments under Interim Payment certificates, the Contractor may, without prejudice to the Contractor's entitlement to financing charges under Sub-Clause 14.8 [Delayed Payment], take one of the



following actions, namely (i) suspend work or reduce the rate of work under Sub-Clause 16.1 above, or (ii) terminate under the Contract by giving notice to the Employer, with a copy to the Engineer, such termination to take effect 14 days after the giving of the notice, or

- (i) the Contractor does not receive the Engineer's instruction recording the agreement of both Parties on the fulfilment of the conditions for the Commencement of Works under Sub-Clause 8.1 [Commencement of Works].

**Add the following new Sub Clauses 21 through**

**21 Taxes, Customs and Import Duty**

**21.1 Taxes and duties**

The payment and repayment of taxes and duties shall be in the local currency LMD

**21.2 Value Added Tax**

VAT payable inside Moldova will be separately calculated for the portion of the Contract value supported by the Co-financiers (2/3).

For the contract value supported by the grant financing, the Employer will obtain VAT exemption certificates for the Contractor.

**21.3 Customs and Import Duty**

For the equipment to be imported the Employer will assist the Contractor in obtaining the necessary import licenses.

The Employer will support the Contractor in obtaining the tax exemptions and performing the customs formalities.

**22 Visibility**

The Contractor has to follow strictly the European Union Visibility Guidelines, available at: [http://europa.eu.int/comm/europeaid/visibility/index\\_en.htm](http://europa.eu.int/comm/europeaid/visibility/index_en.htm).

