

RFP# CCPP272 – 02, Consultancy Services for Gardabani III 272 MW Combined Cycle Power Plant Project.

S. No.	Section	Page No.	Clause No.	RFP Clause wordings	Bidder's CONSULTANTS Proposed Resolution / Query	EMPLOYERS comments / acceptance
1	Section 4 - Contract	31 / 130 of RFP	15.3	XXXXXXXXXX	<p>The Bidder is an international company and not registered in Georgia and also not resident of Georgia. This bidder intends to avail some services under your subject contract from a sub-contractor (herein referred to as a local company) who is a local Georgian Company registered & resident in Georgia. Therefore, this local company will have to pay VAT in Georgia. Since VAT is a local requirement and must be complied with, we seek your advice / clarification on how this VAT payment will be compensated by GOGC.</p> <p>We understand that the local company will raise their invoice along with VAT to the Bidder and the Bidder will raise its invoice to GOGC clearly adding the VAT component (as a separate line item in the invoice) only for the local company's invoice amount. Based on this invoice of the Bidder the VAT amount for the local company shall be either paid to the Bidder by GOGC so that the bidder can pay the VAT amount to the local company for depositing to the local authority or GOGC will pay the VAT directly to the local company and the local company with deposit to the relevant authority and provide the certificate of deposit to GOGC.</p> <p>The bidder also understands that VAT will not be considered for evaluation of price bid of the bidder. We request GOGC to clarify the above matter at the earliest.</p>	<p>Pursuant to the applicable procurement legislation, although the bidder may be a non-resident entity, in order to gain the advantage of addition of the VAT amount to the bid price, the one has to be registered as a VAT payer in Georgia before or no later than the OE contract signature date. Otherwise, GOGC will never be able to add VAT to the bid price anytime later (such amendment will be treated by the domestic State Procurement Agency as an increase of the bid price, which is strictly prohibited).</p> <p>Considering the aforesaid, as none of the currently ratified bilateral treaties in Georgia with regard to the avoidance of double taxation supports longer than 12 months period for keeping the non-resident status without a liability of registering domestic branch or permanent establishment, GOGC strongly recommends that any bidder announced as a winner by the evaluation panel, registers its domestic branch in Georgia no later than the date of OE contract signature/execution, Otherwise, upon the expiry of the grace period envisaged by respective bilateral treaty, the bidder will have to pay VAT as deducted from the bid price with no right of recovery from GOGC.</p> <p>In light of the above, as registering of respective domestic establishments in Georgia have been proved to be a successful practice as uniformly pursued in previous projects, we think that the situation described in the provided question will have no practical application, because all the parties (the client, OE company and its subcontractor) will enjoy tax treatment applicable to resident companies. In this regard, VAT paid to the subcontractor can be used by the OE company to offset any outstanding tax liabilities against Georgian state budget so that the bidder does not incur additional financial burden.</p> <p>Please, kindly consult local tax consultants in Georgia for more information on the matter.</p>

						We confirm that VAT will not be considered for evaluation of price bid of the bidder. As defined in SECTION 3. PROPOSAL – FORM of the RFP DOCUMENTATION, the BID PRICE shall include all costs and expenses required to carry out the SERVICES and all Taxes levied on the SERVICES or imposed upon the CONSULTANT in connection with or as a result of carrying out the SERVICES, <u>excluding VAT</u> . “
2	Section 4 - Contract	47 / 130 of RFP	6	Consultant’s Personnel – requirements of M.Sc. degree	Bachelor of Technology/Engineering, a four-year full-time program of engineering is considered equivalent to M.Sc. Engineering in many International assignments. Therefore, Please confirm that “BE/BTECH” degree in ENGINEERING shall be acceptable equivalent to the M. Sc degree, as required in the RFP.	Suggestion is not acceptable for the EMPLOYER.
3	Section1- Letter of invitation	3	6	PROPOSALS must be submitted in electronic form only, between, 2021 and, 2021 18:00 (local time)	Considering the Covid related restrictions, it is very difficult to prepare the complete proposal in 21 days. Therefore, it is requested to please extend the submission deadline by 3-4 weeks	See updated RFP DOCUMENTATION.
4	Section 4 - Contract	123 / 130 of RFP	1.3	Exhibit – C Payment Schedule	As per Exhibit – C Payment Schedule: <i>Under the Payments for 2nd Phase of CONSULTANCY SERVICES</i> , sum total of all the payments percentages from Payment 3 to Payment 31 is written as 80% in the RFP. While adding each of these percentages individually from Payment 3 to Payment 31 is working out as 79.988%. We request GOGC to clarify and change the respective percentages at the earliest.	See updated RFP DOCUMENTATION.

5	Section 4 - Contract	124 / 130 of RFP	2.1	Exhibit – C Payment Schedule	<p>As per Exhibit – C Payment Schedule:</p> <p><i>“Under the Payments for 3rd Phase of CONSULTANCY SERVICES</i>, The payment during 24 months of 3rd phase of Consultancy services will be released as per the milestone from Payment 1 to Payment 8”.</p> <p>With reference to this we assume that the first payment will be release at the end of the 31st month from the date of start of the Consultancy Services.</p> <p>We request GOGC to clarify this query at the earliest.</p>	<p>EMPLOYER cannot confirm, because as per RFP DOCUMENTATION “The NOTICE to CONSULTANT to commence the 3rd PHASE OF CONSULTANCY SERVICES shall be issued by EMPLOYER within 30 (thirty) days after issuance of the TAKING-OVER CERTIFICATE FOR GARDABANI III CCTPP” and latter depends on the EPC CONTRACTOR.</p>
6	Section 2 - Instructi ons	9 / 130 of RFP	3.5.1 (b)	<p>Documents confirming the experience of a COMPANY (only projects completed from the year 2010 are accepted). COMPANY shall have experience and proven records of providing Engineering and Project Management Consultant / Owner’s Engineer Services for at least 2 (two) natural gas-fired combined cycle power plants with a minimum 150 MW installed capacity.</p>	<p>We have experience as owners engineer of more than 6500 MW gas projects and have been providing such services for more than four decades; however, as not many gas projects could be added in the neighbouring country in recent years, we have only one project of 1500 MW of installed capacity which exactly matches the requirement kept in Clause 3.5.1(b).</p> <p>Further, we have experience of a project of installed capacity 101 MW which has been completed after 2010. The project has been developed by us and Project Management Consultancy was provided by the developer itself.</p> <p>In view of this, we request you to kindly relax clause 3.5.1 to allow either the experience of one project in place of two or experience of 100 MW project (PMC done by the developer).</p>	<p>Suggestion is not acceptable for the EMPLOYER. As defined in clause 3.5.1 (b) of SECTION 2. INSTRUCTIONS of the RFP DOCUMENTATION “Documents confirming the experience of a COMPANY (only projects completed from the year of 2010 are accepted). COMPANY shall have experience and proven records of providing Engineering and Project Management Consultant / Owner’s Engineer Services for at least 2 (two) natural gas-fired combined cycle power plants with minimum 150 MW installed capacity.”</p>

7	Section 2 - Instructions	8 / 130 of RFP	3.3	PROPOSALS submitted by a Consortium shall NOT be accepted.	<p>It is requested that consortium may be allowed to bring diverse resources, capabilities and experience in the assignment.</p> <p>Also, please clarify that whether the experience of subconsultant will be considered for Clause 3.5.1 (b)</p>	<p>As defined in clause 3.3 of SECTION 2. INSTRUCTIONS of the RFP DOCUMENTATION PROPOSALS submitted by a Consortium shall NOT be accepted.</p> <p>Furthermore, we confirm that only experience of a COMPANY shall be considered for Clause 3.5.1 (b) of SECTION 2. INSTRUCTIONS of the RFP DOCUMENTATION.</p>
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