

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMA OIL AND GAS ENTERPRISE  
NAY PYI TAW

INVITATION FOR OPEN TENDER

10" ERW API 5L Grade X – 42 MS 3LPE Coated Steel Line Pipe (20 Miles)

( 32,200 ) MTR

IFB NO. 029( 2018 – 2019 )CAP

DATE – 1 October 2018

THE REPUBLIC OF THE UNION OF MYANMAR

MYANMA OIL AND GAS ENTERPRISE

NO. 44, COMPLEX , NAY PYI TAW

MYANMAR.

IFB NO . : 029(2018-2019)CAP

DATE : 1-10-2018

FAX : 067 – 411125 / 411178

INVITATION FOR OPEN TENDER

1. Bids are invited by the Myanmar Oil and Gas Enterprise, No. 44, Complex, Nay Pyi Taw, Myanmar for the supply of **10” ERW API 5L Grade X – 42 MS 3LPE Coated Steel Line Pipe (20 Miles) (32,200) MTR** which particulars are attached to this Invitation. Documents related to these Bids are also attached.

2. The interested Bidders should submit the **Technical Specifications with Original Bid Bond and Commercial Quotation in each separate sealed envelopes** on which to be addressed to the Managing Director, Myanmar Oil and Gas Enterprise and should reach in Tender Box of the Myanmar Oil and Gas Enterprise not later than **14:00 hours on 29 October 2018**.

Managing Director

Myanmar Oil and Gas Enterprise

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## SECTION I INSTRUCTIONS TO BIDDERS

### A. INTRODUCTION

These instructions are issued for guidance for the Bids.

#### 1. BIDDERS

This Invitation for Bids is open to all suppliers from any country.

#### 2. COST OF BIDDING

The Bidder shall bear all costs associated with the preparation and submission of its bid, and the Myanma Oil and Gas Enterprise (hereinafter referred to as M.O.G.E) will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

### B. THE BIDDING DOCUMENTS

#### 3. 3-1 CONTENT OF BIDDING DOCUMENTS

The goods required , bidding procedures and contract terms are prescribed in the Bidding Documents. In addition to the Invitation for Bids, the Bidding Documents include:

- (a) Instructions to Bidders;
- (b) General Conditions of Contract;
- (c) Special Conditions of Contract;
- (d) Schedule of Requirements and Technical Specification;
- (e) Bid Form and Price Schedules;
- (f) Bid Security Form;
- (g) Contract Form ; and
- (h) Performance Security Form.

#### 3-2 SPECIAL NOTIFICATION

- (a) **The Bidder is expected to examine all instructions, forms, terms and specifications in the Bidding Documents. Failure to furnish all informations required by the Bidding Documents or submission of a bid not substantially responsive to the Bidding Documents in every respect will be at the Bidder's risk and may result in the rejection of his bid.**
- (b) **The bidder shall take the responsibility for all pipes for complying with all of the provisions in this specification and codes and standards mentioned in it. Any material that does not comply with this specification may be rejected.**
- (c) **Especially, the successful bidder shall be observed and to execute the HIC Test as well as the Chemical Properties Test accordingly to clause 3 – 2 (e). Daily inspection shall be carried out at pipe mills by MOGE Inspection Team and Third Party Inspection Team while pipe is producing. Since be finding any test failure resulted by Inspection Teams, Contract termination with the confiscation of Performance Bank Guarantee shall make and all charges for test failure and on expense of all Parties Inspection Teams of MOGE and Third Party shall be borne by the bidder. Simultaneously, it shall make the award to the next lowest evaluated bidder.**

- (d) If at any time during pipe production, the penalty charges, determine by MOGE Tender Committee due to fail of Manufacturing process, quality control process and manufactured products inspected by MOGE inspection team and Third Party inspection team will be borne by the bidder.
- (e) Steel mill shall have experience of manufacturing of sour service steel and shall have world class laboratories itself to perform HIC test according to NACE TM 0284 in solution A.

- HIC test shall be carried out before production of pipes in a medium complying with NACE TM 0284, solution (A).

The test for resistance to HIC shall meet the following acceptance criteria, with each ratio being the maximum permissible average for three sections per test specimen when tested in solution (A). The test results shall be given out to MOGE's inspectors within production period.

(a) Crack Sensitivity ratio (CSR)  $\leq 2\%$

(b) Crack Length ratio (CLR)  $\leq 15\%$

(c) Crack Thickness ratio (CTR)  $\leq 5\%$

- All pipes shall be manufactured from steel which shall have a chemical composition ensuring proper ductility, strength, toughness and weldability under all conventional welding process and techniques.

The supplies shall provide heat analysis and carry out product analysis for all specified chemical elements. Those chemical compositions shall be included in mill certificates.

Heat and product analysis shall meet the following requirements.

<u>Element</u>	<u>Max Wt %</u>
1. Carbon	0.1
2. Manganese	1.25
3. Silicon	0.40
4. Phosphorus	0.02
5. Sulphur	0.002
6. Copper	0.25
7. Niobium	0.04
8. Molybdenum	0.1
9. Chromium	0.2
10. Vanadium	0.04
11. Titanium	0.04

Total % of Nb + V + Ti + Cu + Mo + Cr  $\leq 0.5$

CE<sub>pcm</sub> = C + Si/30 + Mn/20 + Cu/20 + Ni/60 + Cr/20 + Mo/15 + V/10 + 5B  $\leq 0.19$

- (f) The proposal shall have prepared and submitted in accordance with the requirements set forth in this document. The proposal shall be completed with documents mentioned in No. 16 of Section IV above as a minimum.
- (g) Any proposal which does not comply with the above mentioned technical specification and lack of any of the required documents shall be considered as technical failure and will be rejected.

#### 4. CLARIFICATION OF BIDDING DOCUMENTS

A prospective Bidder requiring any clarification of the Bidding Documents may notify to the M.O.G.E in writing or by fax at the M.O.G.E's mailing address indicated in the Invitation for Bids. The M.O.G.E will respond in writing to any request for clarification of the Bidding Documents which it receives not later than (15) days prior to the deadline for the submission of bids prescribed by the M.O.G.E. Written copies of the M.O.G.E's response will be sent to all prospective Bidders who have received the Bidding Documents.

#### 5. AMENDMENT OF BIDDING DOCUMENTS

- 5-1.1 At any time prior to the deadline for submission of bids, the M.O.G.E may, for any reason, whether at his own initiative or in response to a clarification requested by a prospective Bidder, modify the Bidding Documents by amendment.
- 5-2 The amendment will be notified in writing or fax to all prospective Bidders who have received the Bidding Documents and will be binding on them.
- 5-3 In order to afford prospective Bidders reasonable time in which to take the amendment into account in preparing their bids, the M.O.G.E may, at his discretion, extend the deadline for the submission of bids.

#### C. PREPARATION OF BIDS

#### 6. LANGUAGE OF BID

The Bid prepared by the Bidder and all correspondence and documents relating to the bid exchanged by the Bidder and the M.O.G.E, shall be written in the English Language, provided that any printed literature furnished by the Bidder may be written in another language so long as accompanied by an English translation of its pertinent passages in which case, for purposes of interpretation of the bid, the English translation shall govern.

#### 7. DOCUMENTS COMPRISING THE BID

The bid prepared by the Bidder shall comprise the following components:

- (a) A Bid form and a Price Schedule completed in accordance with Clauses 8, 9 and 10;
- (b) Documentary evidence established in accordance with Clause 11 that the Bidder is qualified to perform the contract if its bid is accepted;
- (c) Documentary evidence established in accordance with Clause 12 that the goods to be supplied and ancillary services to be rendered by the Bidder are conform to the Bidding Documents ; and
- (d) Bid Security furnished in accordance with Clause 13.



## 8. **BID FORM**

The Bidder shall complete an original of the Bid Form and the appropriate Price Schedule furnished in the Bidding Documents, indicating for the goods to be supplied, a brief description of the goods, their country of origin, quantity and prices.

## 9. **BID PRICES**

- 9-1 The Bidder shall indicate on the appropriate Price Schedule attached to these documents the unit prices and total Bid Prices of the goods it proposes to supply under the Contract.
- 9-2 Prices indicated on the Price Schedule shall be the price of goods quoted **(C I F) Port of MOGE Jetty**, Yangon in Myanmar.
- 9-3 The Bidder's separation of price components in accordance with Sub- Clause 9-2 above will be solely for the purpose of facilitating the comparison of bids by the M.O.G.E and will not in any way limit the M.O.G.E 's right to contract on any of the terms offered .
- 9-4 Fixed Price. Prices quoted by the Bidder shall be fixed during the Bidder's performance of the Contract and not subject to variation on any account. A bid submitted with an adjustable price quotation will be treated as non-responsive and rejected, pursuant to Clause 22.

## 10. **BID CURRENCY**

Prices shall be quoted in US Dollars currency.

## 11. **DOCUMENTS ESTABLISHING BIDDER'S QUALIFICATIONS**

- 11-1 Pursuant to Clause 7, the Bidder shall furnish, as part of bid, documents establishing the Bidder's qualifications to perform the Contract if its bid is accepted.
- 11-2 The documentary evidence of the Bidder's qualifications to perform the Contract if its bid is accepted, shall establish to the M.O.G.E 's satisfaction:
- (a) that, in the case of a Bidder offering to supply goods under the Contract which the Bidder did not manufacture or otherwise produce, the Bidder has been duly authorized by the goods' manufacturer or producer to supply the goods to or in Myanmar;
  - (b) that, the Bidder has the financial, technical and production capability necessary to perform the Contract .

## 12. **DOCUMENTS ESTABLISHING GOOD'S CONFORMITY TO BIDDING DOCUMENTS**

- 12-1 Pursuant to Clause 7, the Bidder shall furnish, as part of its bid, documents establishing the conformity to the Bidding Documents of all goods and services which the Bidder proposed to supply and render under the Contract.
- 12-2 The documentary evidence of the goods and services conformity to the Bidding Documents may be in the form of literature, drawings and data, and shall furnish:
- (a) A detailed description of the goods' essential technical and performance characteristics;
  - (b) a list giving full particulars, including available sources and current prices of all spare parts, special tools, etc., necessary for the proper and continuing functioning of the goods for a periods of five years, following commencement of the goods used by the M.O.G.E; and

- (c) a clause – by - clause commentary on the M.O.G.E's Technical Specifications demonstrating the goods substantial responsiveness to those specifications or a statement of deviations and exceptions to the provisions of the Technical Specifications

12-3 For purposes of the commentary to be furnished pursuant to Sub-Clause 12-2(c) above, the Bidder shall note that standards for workmanship, material and equipment, and references to brand names or catalogue numbers designated by the M.O.G.E in his Technical Specifications are intended to be descriptive only and not restrictive. The Bidder may substitute alternative standards, brand names and/or catalogue numbers in its bid, provided that it demonstrates to the M.O.G.E 's satisfaction that the substitutions are substantially equivalent or superior to those designated in the Technical Specifications.

### 13. BID SECURITY

13-1 Pursuant to Clause 7, the Bidder shall furnish, as part of its bid, bid security in the amount of **USD 23,000.00 ( US Dollars : Twenty Three Thousand Only )** which must be valid **Six (6) Months** from your submission date.

13-2 The bid security is required to protect the M.O.G.E against the risk of Bidder's conduct which would warrant the security's forfeiture, pursuant to Sub-Clause 13-7

13-3 The bid security shall be denominated in the currency of the bid and shall be in one of the following forms: **(Not Applicable)**

- (a) The duplicate of a Bank Guarantee issued by a correspondent Bank of the Myanma Foreign Trade Bank, in favour of the Managing Director, Myanma Oil and Gas Enterprise valid for (30) days beyond the validity of the bid. The Original of the Bank Guarantee should be advised through the Myanma Foreign Trade Bank, Yangon, Myanmar; or **(Not Applicable)**
- (b) The duplicate of a clean Irrevocable Letter of Credit issued by a correspondent Bank of the Myanma Foreign Trade Bank , in favour of the Managing Director , Myanma Oil and Gas Enterprise valid for (30) days beyond the validity of the bid. The original of the letter of credit is to be advised through the Myanma Foreign Trade Bank, Yangon, Myanmar. **(Not Applicable)**

**NOTE: Bids not accompanied by Bid Security ( ORIGINAL ) issued by any Bank shall not be considered.**

13-4 Any bid not secured in accordance with Sub-Clause 13-1 will be rejected by the M.O.G.E as non-responsive, pursuant to Clause 22.

13-5 Unsuccessful Bidder's bid security will be discharged / returned as promptly as possible but not later than (30) days after the expiration of the period of the bid validity prescribed by the M.O.G.E pursuant to Clause 14.

13-6 The successful Bidder's bid security will be discharged upon the Bidder's executing the Contract, pursuant to Clause 31 and furnishing the performance security pursuant to Clause 32.

- 13-7 The bid security may be forfeited:
- (a) if a Bidder withdraws its bid during the period of bid validity specified by the Bidder on the Bid Form; or
  - (b) in the case of a successful Bidder, if the Bidder fails:
    - (i) to sign the Contract in accordance with Clause 31 ; or
    - (ii) to furnish performance security in accordance with Clause 32.

#### **14 PERIOD OF VALIDITY OF BIDS**

- 14-1 **Bids shall remain valid for (120) days** after the date of bid opening prescribed by the M.O.G.E pursuant to Clause 17. A bid valid for a shorter period may be rejected by the M.O.G.E as non-responsive.
- 14-2 In exceptional circumstances, the M.O.G.E. may solicit the Bidder's consent to an extension of the period of validity. The request and responses thereto shall be made in writing or by fax. The bid security provided under Clause 13 shall also be suitably extended. A Bidder may refuse the request without forfeiting its bid security. A Bidder granting the request will not be required nor permitted to modify its bid.

#### **15. FORMAT AND SIGNING OF BID**

- 15-1 The Bidder shall prepare one (1) original of the bid, clearly marking "Original Bid" as appropriate. In the event of any discrepancy between them, the original shall govern.
- 15-2 The original of the bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the Contract. The letter of authorization shall be indicated by written power – of – attorney accompanying the bid. All pages of the bid, except for un-amended printed literature, shall be initialed by the person or persons signing the bid.
- 15-3 The bid shall contain no interlineations, erasures or overwriting except as necessary to correct errors made by the Bidder, in which case such corrections shall be initialed by the person or persons signing the bid .

#### **D. SUBMISSION OF BIDS**

#### **16. SEALING AND MARKING OF BIDS**

- 16-1 The Bidders have to submit the Technical Specifications and Commercial Quotation in each separate sealed envelopes on which to be addressed to
- (a) The Managing Director,  
Myanma Oil and Gas Enterprise,  
No. 44 , Complex ,  
Nay Pyi Taw , Myanmar.
  - (b) and shall bear the Invitation for Bids IFB number, and the word "DO NOT OPEN BEFORE **“29 October 2018”**".
- 16-2 In addition to the information shown in 16-1 (a) and (b), the inner envelope shall indicate the name and address of the Bidder to enable the bid to be returned unopened in case it is declared " late " .
- 16-3 If the envelope is not sealed and marked as required by Sub-Clause 16-1 the M.O.G.E. will assume no responsibility for the bid's misplacement or premature opening.

**17. DEADLINE FOR SUBMISSION OF BIDS**

17-1 Technical Specifications and Commercial Quotation in each separate sealed envelopes must be delivered into the TENDER BOX located at the address specified under Sub-Clause 16-1 not later than **14:00 hours on 29 October 2018**.

17-2 The M.O.G.E. may, at his discretion, extend this deadline for the submission of the bids by amending the Bidding Documents in accordance with Clause 5, in which case all rights and obligations of the M.O.G.E. and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

**18 LATE BIDS**

Any bid received by the M.O.G.E. after the deadline for submission of bids prescribed by the M.O.G.E. pursuant to Clause 17, will be rejected and/or returned unopened to the Bidder.

**19 MODIFICATION AND WITHDRAWAL OF BIDS**

19-1 The Bidder may modify or withdraw its bid after the bid's submission, provided that written notice of the modification or withdrawal is received by the M.O.G.E. prior to the deadline prescribed for submission of bids.

19-2 The Bidder's modification or withdrawal notice shall be prepared, sealed, marked and dispatched in accordance with the provisions of Clause 16. A withdrawal notice may also be sent by fax but followed by a signed confirmation copy.

19-3 No bid may be modified subsequent to the deadline for submission of bids. No bid may be withdrawn in the interval between the deadline for submission of bids and the expiration of the period of bid validity specified by the Bidder on the Bid Form. Withdrawal of a bid during this interval may result in the Bidder's forfeiture of its bid security, pursuant to Clause 13-7.

**E. BID OPENING AND EVALUATION**

**20** The MOGE will open bids after the closing date of **29 October 2018**.

**21 CLARIFICATION OF BIDS**

To assist in the examination, evaluation and comparison of bids the M.O.G.E. may, at his discretion, ask the Bidder for a clarification of its bid. The request for clarification and the response shall be in writing and no change in the price or substance of the bid shall be sought, offered or permitted.

**22 PRELIMINARY EXAMINATION**

22-1 The M.O.G.E. will examine the bids to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the bids are generally in order.

22-2 Arithmetical errors will be rectified on the following basis. If there is discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the supplier does not accept the correction of the errors, its bid will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.

- 22-3 Prior to the detailed evaluation, pursuant to Clause 24, the M.O.G.E. will determine the substantial responsiveness of each bid to the Bidding Documents. For purposes of these Clauses, a substantially responsive bid is one which conforms to all the terms and conditions of the Bidding Documents without material deviations. The M.O.G.E.'s determination of a bid's responsiveness is to be based on the contents of the bid itself without recourse to extrinsic evidence.
- 22-4 A bid determined as not substantially responsive will be rejected by the M.O.G.E. and may subsequently be made responsive by the Bidder by correction of the non-conformity.
- 22-5 The M.O.G.E. may waive any minor informality or non-conformity or irregularity in a bid which does not constitute a material deviation, provided such waiver does not prejudice or effect the relative ranking or any Bidder.

### 23 CURRENCY FOR EVALUATION AND COMPARISON

The evaluation and comparison of bids will be made by use of Central Bank of Myanmar's exchange rate. **(Not Applicable)**

### 24 EVALUATION AND COMPARISON OF BIDS.

- 24.1 The M.O.G.E. will evaluate and compare the bids previously determined to be substantially responsive, pursuant to Clause 22. The comparison of bids will be: -
- (a) CIF prices shall include ex-factory cost, **third party inspection fees**, packing cost, inland freight, forwarding fee, documentation charges, export taxes and duties and all other export expenses up to the point of the supplier loading and delivery on board the vessel and sea freight charges from port of loading to **MOGE Jetty, Yangon.**
  - (b) CIF price shall include above (a) and insurance exclusive of any import taxes.
- 24-2 The M.O.G.E.'s evaluation of a bid will take into account, in addition to the bid price and the price of incidental services, the following factors, in the manner and to the extent indicated in Sub-Clause 24-3 and in the Technical Specifications.
- (a) Delivery schedule offered in the bid;
  - (b) The cost of components, spare parts and services;
  - (c) The availability of spare parts and after - sales services for the equipment offered in the bid;
  - (d) The projected operating and maintenance costs during the life of the equipments;
  - (e) The performance and productivity of the equipment offered; and
  - (f) The quality and adaptability of the equipment offered.
- 24-3 Pursuant to Sub-Clause 24-2 the following evaluation methods will be as follows: - **(Not Applicable)**
- (a) The goods covered under this invitation are required to be shipped six (6) to eight (8) months after signing of the Contract and establishment of the Letter of Credit. No credit will be given to earlier deliveries and bids offering delivery beyond eight (8) months of signing the Contract and establishment of the Letter of Credit will be treated as unresponsive. Within this acceptable range of six (6) to eight (8) months, an adjustment of two (2) percent per month of total CIF price will be added to bids offered delivery later than eight (8) months for evaluation. **(Not Applicable)**

(b) Cost of spare parts

Schedule of requirement, section V, lists the items and quantities of major assemblies, components and selected items of spare parts, likely to be required during the initial two (2) years period of operation of the equipment. The total cost of three items and quantities at the unit prices quoted in each bid will be added to the bid price. **(Not Applicable)**

(c) Spare parts and after sales services facilities in Myanmar

The cost to the M.O.G.E of establishing the minimum service facilities and parts inventories, as outlined elsewhere in the bid invitation, if quoted separately, shall be added to the bid price. **(Not Applicable)**

**25. CONTACTING THE MYANMA OIL AND GAS ENTERPRISE**

25-1 Subject to Clause 21, no Bidder shall contact the M.O.G.E. on any other matter relating to its bid, from the time of the bid opening to the time the Contract is awarded.

25-2 Any effort by a Bidder to influence the M.O.G.E in the M.O.G.E.'s bid evaluation, bid comparison or contract awarded decisions may result in the rejection of the Bidder's bid.

**F. AWARD OF CONTRACT****26 POST - QUALIFICATION**

26-1 In the absence of prequalification, the M.O.G.E. will determine to his satisfaction whether the Bidder selected as having submitted the lowest evaluated responsive bid is qualified to satisfactorily perform the Contract.

26-2 The determination will take into account the Bidder's financial, technical and production capabilities, It will be based upon an examination of the documentary evidence of the Bidder's qualifications submitted by the Bidder , pursuant to Clause 11, as well as such other information as the M.O.G.E. deems necessary and appropriate.

26-3 An affirmative determination will be a prerequisite for award of the Contract to the Bidder. A negative determination will result in rejection of the Bidder's bid, in which event, the M.O.G.E. will proceed to the next lowest evaluated bid to make a similar determination of that Bidder's capabilities to perform satisfactorily.

**27 AWARD CRITERIA**

Subject to Clause 29, the M.O.G.E. will award the Contract to the successful Bidder whose bid has been determined to be substantially responsive and has been determined as the lowest evaluated bid, provided further that the Bidder is determined to be qualified to perform the Contract satisfactorily.

**28 MYANMA OIL AND GAS ENTERPRISE'S RIGHT TO VARY QUANTITY AT THE TIME OF AWARD**

The M.O.G.E. reserves the right at the time of award of Contract to increase or decrease by up to one third of the quantity of goods and services specified in the Schedule of Requirements without any change in price or other terms and conditions.

**29 MYANMA OIL AND GAS ENTERPRISE'S RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS.**

The M.O.G.E. reserves the right to accept or reject any bid, and to annul the bidding process and reject all bids at any time prior to award of Contract, without thereby incurring any liability to the affected Bidder or Bidders or any obligation to inform the affected Bidder or Bidders of the grounds for the M.O.G.E.'s action.

**30 NOTIFICATION OF AWARD**

30-1 Prior to the expiration of the period of bid validity the M.O.G.E. will notify the successful Bidder by fax to be confirmed in writing by registered letter, that its bid has been accepted.

30-2 The notification of award will constitute the formation of the Contract.

30-3 No notification will be made regarding bids not accepted.

**31 SIGNING OF CONTRACT**

31-1 At the same time as the M.O.G.E. notifies the successful Bidder that its bid has been accepted, the M.O.G.E. will send the Bidder the Contract Form provided in the Bidding Documents, incorporating all agreements between the parties.

31-2 Within thirty (30) days of receipt of the Contract Form, the successful Bidder shall sign and date the Contract and return it to the M.O.G.E.

**32 PERFORMANCE SECURITY**

32-1 Within ten (10) days of the receipt of notification of award from the M.O.G.E. the successful Bidder shall furnish the Performance Security in accordance with the Conditions of Contract, in the Performance Security Form provided in the Bidding Documents.

32-2 Failure of the successful Bidder to comply with the requirement of Clause 31 or Clause 32 shall constitute sufficient grounds for the annulment of the award and forfeiture of the bid security, in which event the M.O.G.E. may make the award to the next lowest evaluated bidder or call for new bids.

**33 TENDER INFORMATIONS**

(a) CIF **port of MOGE Jetty**, Yangon Unit and Total Prices in United State Dollars Currency must be quoted.

(b) Stamp duty for executing of the Contract shall be borne by SUPPLIER in accordance with Internal Revenue Department.

(c) One Bid Security shall be accepted only for One Offer (One Option).

(d) The supplier needs to provide Technical Proposal with the complement of terms and conditions such as specifications, catalogue, manufacture's Name, Brand Name, Country of Origin, Model No, Diagram, Testimonial Certificates, Price Validity, Delivery, Port of Shipment, Payment Terms and etc ., and Commercial Proposal with Total CIF **port of MOGE Jetty**, Yangon value demonstrated by break down price only.

- (f) The representative of suppliers shall be invited to attend the Tender Opening Meeting. In the Tender Opening meeting, we shall announce only the list of the suppliers submitting both the Commercial Proposal and the Technical Proposal completely. Please notice that the illegible and incomplete Offer will not be considered. The Technically acceptable suppliers shall be again invited to the Tender meeting of the MOGE and we shall open the Commercial Proposals and slide show the prices.
- (g) Due to the Price Negotiation Meeting will not be held for the Bid, only one supplier who submitted lowest **CIF port of MOGE, Jetty, Yangon** price with technically acceptable shall be chosen to award so that the price should be reasonable and lowest.

#### 34 **REQUIRED DOCUMENT FOR BIDDING**

The following documents shall be contained in the bidding as a minimum:

- (A) Company Registration and Profile Copy.
- (B) Track Record.
- (C) Financial Statement. (Latest Audit Report)
- (D) Document Copies for Tax and Duty Paid.



SECTION II. GENERAL CONDITIONS OF CONTRACTTABLE OF CLAUSES

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**Section II. GENERAL CONDITIONS OF CONTRACT**

**1. DEFINITIONS**

In this Contract, the following terms shall be interpreted as indicated :

- (a) "The Contract" means the agreement entered into between the Purchaser and the Supplier, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein;
- (b) "The Contract Price" means the price payable to the Supplier under the Contract for the full and proper performance of its contractual obligations;
- (c) "The Goods" means all of the equipment, machinery, and / or other materials which the Supplier is required to supply to the Purchaser under the Contract;
- (d) "Services" means services/ancillary to the supply of the goods, such as transportation and insurance, and any other incidental services, such as installation, commissioning, provision of technical assistance, training and other such obligations of the supplier covered under the Contract;
- (e) "The Purchaser " means the Myanma Oil and Gas Enterprise, as the Organization purchasing the Goods;
- (f) " The Supplier" means the individual or firm supplying the Goods under this Contract;
- (g) "MYANMAR" means The Republic of The Union of Myanmar "

**2. APPLICATION**

**These General Conditions shall apply to the extent that they are not superseded by provisions in other parts of the Contract.**

**3. STANDARDS**

**The Goods supplied under this Contract shall conform to the standards mentioned in the Technical Specifications, and, when no applicable standard is mentioned, to the authoritative standard appropriate to the Good's country of origin and such standards shall be the latest issued by the concerned institution,**

**4. USE OF CONTRACT DOCUMENT AND INFORMATION**

- 4-1 The Supplier shall not , without the Purchaser's prior written consent, disclose the Contract, or any provision , thereof, or any specification, plan, drawing, pattern, sample or information furnished by or on behalf of the Purchaser in connection therewith, to any person other than a person employed by the Supplier in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only so far as may be necessary for purpose of such performance.
- 4-2 The Supplier shall not, without the Purchaser's prior written consent, make use of any document or information enumerate in Sub-Clause 4-1 except for purpose of performing the Contract.
- 4-3 Any document, other than the Contract itself, enumerated in Sub-Clause 4-1 shall remain the property of the Purchaser and shall be returned ( in all copies ) to the Purchaser on completion of the Supplier's performance under the Contract if so required by the Purchaser.

5. PATENT RIGHTS

The Supplier shall indemnify the Purchaser against all third-party claims of infringement of patent, trademark or industrial design rights arising from use of the Goods or any part thereof in Myanmar.

6. PERFORMANCE SECURITY

6-1 Within ten (10) days after the Supplier's receipt of notification of award of the Contract, the Supplier shall furnish performance security to the Purchaser in the amount specified in the Special Conditions of Contract.

6-2 The proceeds of the performance security shall be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its obligations under the Contract.

6-3 The Performance Security shall be denominated in the currency of the Contract and shall be in one of the following forms :

(a) The duplicate of a Bank Guarantee issued by a correspondent Bank of the Myanma Foreign Trade Bank, in favour of the Managing Director, Myanma Oil and Gas Enterprise, valid up to thirty (30) days following the date of completion of the Supplier's performance obligations. The original of the Bank Guarantee should be advised through the Myanma Foreign Trade Bank, Yangon, Myanmar; or

(b) The duplicate of a Clean Irrevocable Letter of Credit issued by a correspondent Bank of the Myanma Foreign Trade Bank, in favour of the Managing Director , Myanma Oil and Gas Enterprise, valid up to thirty (30) days following the date of completion of the Supplier's performance obligations. The Original of the Letter of Credit is to be advised through the Myanma Foreign Trade Bank, Yangon, Myanmar .

6-4 The performance security will be discharged by the Purchaser and returned to the Supplier not later than thirty (30) days following the date of completion of the Supplier's performance obligations, including any warranty obligations under the Contract.

7. INSPECTION AND TESTS

7-1 The Purchaser or his representative shall have the right to inspect and / or to test the Goods to confirm their conformity to the Contract. The Special Conditions of Contract and / or the Technical Specifications shall specify what inspections and tests the Purchaser requires and where they are to be conducted. The Purchaser shall notify the Supplier in writing of the identity of any representatives retained for these purposes.

7-2 The inspections and tests may be conducted on the premises of the Supplier or its subcontractor(s), at point of delivery and / or at the Good's final destination. Where conducted on the premises of the Supplier or its subcontractor(s), all reasonable facilities and assistance – including access to drawings and production data - shall be furnished to the inspectors at no charge to the Purchaser.

7-3 Should any inspected or tested Goods fail to conform to the Specifications, the Purchaser may reject them and the Supplier shall either replace the rejected Goods or make all alterations necessary to meet specification requirements free of cost to the Purchaser.

- 7-4 The Purchaser's right to inspect , test and, where necessary , reject the Goods after the Goods arrival in Myanmar shall in no way be limited or waived by reason of the Goods having previously been inspected, tested and passed by the Purchaser or his representative prior to the Good's shipment from the country of origin.
- 7-5 Nothing in Clause 7 shall in any way release the Supplier from any warranty or other obligations under this Contract.
- 7-6 Steel mill shall have experience of manufacturing of sour service steel and shall have world class laboratories itself to perform HIC test according to NACE TM 0284 in solution A.

- HIC test shall be carried out before production of pipes in a medium complying with NACE TM 0284, solution (A).

The test for resistance to HIC shall meet the following acceptance criteria, with each ratio being the maximum permissible average for three sections per test specimen when tested in solution (A). The test results shall be given out to MOGE's inspectors within production period.

(a) Crack Sensitivity ratio (CSR)  $\leq$  2%

(b) Crack Length ratio (CLR)  $\leq$  15%

(c) Crack Thickness ratio (CTR)  $\leq$  5%

- All pipes shall be manufactured from steel which shall have a chemical composition ensuring proper ductility, strength, toughness and weldability under all conventional welding process and techniques.

The supplies shall provide heat analysis and carry out product analysis for all specified chemical elements. Those chemical compositions shall be included in mill certificates.

Heat and product analysis shall meet the following requirements.

<u>Element</u>	<u>Max Wt %</u>
1. Carbon	0.1
2. Manganese	1.25
3. Silicon	0.40
4. Phosphorus	0.02
5. Sulphur	0.002
6. Copper	0.25
7. Niobium	0.04
8. Molybdenum	0.1
9. Chromium	0.2
10. Vanadium	0.04
11. Titanium	0.04

Total % of Nb + V + Ti + Cu + Mo + Cr  $\leq$  0.5

CEpcm=C + Si/30 + Mn/20 + Cu/20 + Ni/60 + Cr/20 + Mo/15 + V/10 + 5B  $\leq$  0.19

**8. PACKING**

- 8-1 The supplier shall provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination as indicated in the Contract. The packing shall be sufficient to withstand, without limitation, rough handling during transit and exposure to extreme temperatures, salt and precipitation during transit and open storage. Packing case size and weights shall take into consideration, where appropriate, the remoteness of the Goods' final destination and the absence of heavy handling facilities at all points in transit.
- 8-2 The packing marking and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract and, subject to Clause 17, in any subsequent instructions ordered by the purchaser.

**9. DELIVERY AND DOCUMENTS**

- 9-1 Delivery of the Goods shall be made by the Supplier in accordance with the terms specified by the Purchaser in his Schedule of Requirements and the Special Conditions of Contract, and the Goods shall remain at the risk of the Supplier until delivery has been completed.
- 9-2 Delivery shall be deemed to have been made :
- (a) in the case of C I F Contract, when a clean bill of lading, together with all such documentation as shall be specified in the Special Conditions of Contract have been furnished to the Purchaser.
  - (b) In all other types of Contracts , when evidence that delivery of the Goods has taken place in accordance with the terms of the Contract, together with the invoice(s) and all such other documentation as shall be specified in the Special Conditions of Contract have been furnished to the Purchaser.
- 9-3 For purpose of the Contract , "C I F" and other trade terms used to describe the obligations of the parties shall have the meanings assigned to them by the current edition of the International Rules for the Interpretation of the Trade Terms published latest by the International Chamber of Commerce, Paris, and commonly referred to as INCOTERMS, 2010 (edition)

**10. INSURANCE**

- 10-1 The Goods supplied under the Contract shall be fully insured in the currency of Contract against loss or damage incidental to manufacture or acquisition, transportation, storage and delivery in the manner specified in the Special Conditions of Contract. The Supplier shall also arrange insurance for his personnel to render the services under the Contract for life and accidents during the terms of the services and travelers in and outside Myanmar.
- 10-2 Where delivery of the Goods is required by the Purchaser on a CIF basis, the Supplier shall arrange and pay for marine insurance, naming the Purchaser as the beneficiary.

## 11. TRANSPORTATION

- 11-1 Where the Supplier is required under the Contract to deliver the Goods C I F , or to a specified destination within the country, transport of the Goods to the port of discharge or such other point in the country of destination as shall be specified in the Contract shall be arranged and paid for by the Supplier, and the cost thereof shall be included in the Contract Price.
- 11-2 Where the Supplier is required to effect deliver under any other terms, for example , by post or to another address in the source country, the Supplier shall be required to meet all transport and storage expenses until delivery , as specified in Clause 9.
- 11-3 In all of the above cases, transportation of the Goods after delivery shall be the responsibility of the Purchaser.
- 11-4 Where the Supplier is required under the Contract to delivery the Goods C I F, no further restriction shall be placed on the choice of the ocean carrier.

## 12. INCIDENTAL SERVICES

- 12-1 As specified in the special conditions of Contract, the supplier may be required to provide any or all of the following services:
- (a) Performance of supervision of on-site assembly and/or start-up of the supplied Goods;
  - (b) Furnishing of tools required for assembly and/or maintenance of the supplied Goods;
  - (c) Furnishing of a detailed operations and maintenance manual for each appropriate unit of the supplied Goods;
  - (d) Performance or supervision or maintenance and/or repair of the supplied Goods, for a period of time agreed by the parties, provided that this service shall not relieve the Supplier of any warrantly obligations under this Contract; and
  - (e) Conduct of training of the Purchaser's personnel, at the Supplier's plant and/or on-site, in assembly, start-up, operation, maintenance and/or repair of the supplied Goods.
- 12-2 Prices charged by the Supplier for the preceding incidental services must be included in the Contract price for the Goods.

## 13. SPARE PARTS

As specified in the special conditions of Contract, the Supplier may be required to provide any or all of the following materials and notifications pertaining to spare parts manufactured or distributed by the Supplier: **(Not Applicable)**

- (a) Such spare parts as the Purchaser may elect to purchase from the Supplier, provided that this election shall not relieve the Supplier of any warrantly obligations under the Contract; and **(Not Applicable)**

- (b) In the event of termination of production of the spare parts: **(Not Applicable)**
  - (i) advance notification to the Purchaser of the pending termination, in sufficient time to permit the Purchaser to procure needed requirements; and **(Not Applicable)**
  - (ii) following such termination, furnish at no cost to the Purchaser, the blueprints, drawings and specifications of the spare parts, if and when requested. **(Not Applicable)**

#### 14. WARRANTY

- 14-1 The Supplier warrants that the Goods supplied under the Contract are new, unused, of the most recent or current models and incorporate all recent improvements in design and materials unless provided otherwise in the Contract. The Supplier further warrants that the Goods supplied under this Contract shall have no defect arising from design, materials or workmanship or from any act or omission of the Supplier, that may develop under normal use of the supplied Goods in the conditions obtaining in the country of final destination.
- 14-2 This warranty shall remain valid for twelve (12) months after the Goods, or any portion thereof as the case may be, have been delivered (and commissioned) to the final destination indicated in the Contract, or for eighteen (18) months after the date of Bill of Lading of last shipment from the port of loading in the source country, whichever period concludes earlier, unless specified otherwise in the Special Conditions of Contract.
- 14-3 The Purchaser shall promptly notify the Supplier in writing of any claims arising under this warranty.
- 14-4 Upon receipt of such notice, the Supplier shall, with all reasonable speed, repair or replace the defective Goods or parts thereof, without costs to the Purchaser other than, where applicable, the cost of inland delivery of the repaired or replaced Goods or parts from the port of entry to the final destination.
- 14-5 If the Supplier, having been notified, fails to remedy the defect(s) within a reasonable period, the Purchaser may proceed to take such remedial action as may be necessary, at the Supplier's risk and expense and without prejudice to any other rights which the Purchaser may have against the Supplier under the Contract.

#### 15. PAYMENT

- 15-1 Payment shall be made by 100% Telegraphic Transfer Remittance upon receipt of confirmation report from MOGE side representative.
- 15-2 Payment can be Accepted by Settlement with currency US Dollar.
- 15-3 No Interest will be charged for Delayed Payment Due to Unfavorable Circumstances at Buyer's Side

- 15-4 Total amount (US\$ 23,000.00 ) ( US Dollars: Twenty Three Thousand Only ) must be submitted as Bid Security (Bid Bond) which must be valid **Six (6) Months** from your submission date.
- 15-5 Bids not Accompanied By Bid Security (Bid Bond) ( **ORIGINAL** ) issued by any Bank shall not be considered.
- 15-6 Partial payment allowed.

## 16. PRICES

Prices charged by the Supplier for Goods delivered and services performed under the Contract shall not, with the exception of any price adjustments authorized by the Special Conditions of Contract, vary from the prices quoted by the Supplier in its bid.

## 17. CHANGE ORDERS

- 17-1 The Purchaser may at any time, by a written order given to the Supplier pursuant to Clause 30, make changes within the general scope of the Contract in any one or more of the following :
- (a) drawings, designs or specifications, where Goods to be furnished under the Contract are to be specifically manufactured for the Purchaser ;
  - (b) the method of shipment or packing;
  - (c) the place of delivery; or
  - (d) the Services to be provided by the Supplier.
- 17-2 If any such change causes an increase or decrease in the cost of, or the time required for, the Supplier's performance of any part of the work under the Contract, whether changed or not changed by the order, an equitable adjustment shall be made in the Contract Price or delivery schedule, or both, and the Contract shall accordingly be amended. Any claims by the Supplier for adjustment under this clause must be asserted within thirty (30) days from the date of Supplier's receipt of the Purchaser's change order.

## 18. CONTRACT AMENDMENTS

Subject to Clause 17, no variation in or modification of the terms of the Contract shall be made except by written amendment signed by the parties.

## 19. ASSIGNMENT

The Supplier shall not assign, in whole or in part, its obligations to perform under the Contract, except with the Purchaser's prior written consent.

## 20. SUBCONTRACTS

The Supplier shall notify the Purchaser in writing of all subcontracts awarded under the Contract if not already specified in its bid. Such notification, in its original bid or later, shall not relieve the Supplier from any liability or obligation under the Contract.



**21. DELAYS IN THE SUPPLIER'S PERFORMANCE**

- 21-1 Delivery of the Goods and performance of services shall be made by the Supplier in accordance with the time schedule specified by the Purchaser in his Schedule of Requirements.
- 21-2 An unexcused delay by the Supplier in the performance of its delivery obligations shall render the Supplier liable to any or all of the following sanctions: forfeiture of its performance security, imposition of liquidated damages, and / or termination of the Contract for default.
- 21-3 If at any time during performance of the Contract, the Supplier or its subcontractor(s) should encounter conditions impeding timely delivery of the Goods and performance of Services, the Supplier shall promptly notify the Purchaser in writing of the fact of the delay, its likely duration and its cause(s). As soon as practicable after receipt of the Supplier's notice, the Purchaser evaluate the situation and may at his discretion extend the Supplier's time for performance, in which case the extension shall be ratified by the parties by amendment of the Contract.

**22. LIQUIDATED DAMAGES**

Subject to Clause 21 , if the Supplier fails to deliver any or all of the Goods or perform the Services within the time period(s) specified in the Contract , the Purchaser shall , without prejudice to his other remedies under the Contract, deduct from the Contract Price , as liquidated damages, a sum equivalent to one-half percent ( 1/2 % ) of the delivered price of delayed Goods or unperformed services for each week of delay until actual delivery performance, up to a maximum deduction of four percent ( 4 % ) of the delayed Goods or Services Contract Price.

**23. TERMINATION FOR DEFAULT**

- 23-1 The Purchaser may, without prejudice to any other remedy for breach of contract, by written notice of default sent to the Supplier, terminate the Contract in whole or in part :
- (a) if the Supplier fails to deliver any or all of the Goods within the time period(s) specified in the Contract, or any extension thereof granted by the Purchaser pursuant to Clause 18. or
  - (b) if the Supplier fails to perform any other obligation(s) under the Contract.
  - (c) if the Supplier, in either of the above circumstances, does not remedy its failure within a period of thirty (30) days (or such longer period as the Purchaser may authorize in writing) after receipt of the default notice from the Purchaser .
- 23-2 In the event the Purchaser terminates the Contract in whole or in parts, pursuant to Sub-Clause23-1, the Purchase may procure, upon such terms and in such manner as it deems appropriate, Goods similar to those undelivered, and the Supplier shall be liable to the Purchaser for any excess costs for such similarly Goods. However, the Supplier shall continue performance of the Contract to the extent not terminated.

**24. FORCE MAJEURE**

- 24-1 Notwithstanding the provisions Clause 21, 22, 23, the Supplier shall not be liable for forfeit of its performance security, liquidated damages or termination for default, if and to the extent that, its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.
- 24-2 For purpose of this clause, "Force Majeure" means an event beyond the control of the Supplier and not involving the Supplier's fault or negligence and not foreseeable. Such events may include, but are not restricted to, acts of the Purchaser either in his sovereign or contractual capacity, wars or revolutions, fires, flood, earthquake, epidemics, quarantine restrictions and freight embargoes.
- 24-3 If a Force Majeure situation arises, the Supplier shall promptly notify the Purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by the Force Majeure event.

**25. TERMINATION FOR INSOLVENCY**

The Purchaser may at any time terminate the Contract by giving written notice to the Supplier, without compensation to the Supplier, if the Supplier becomes bankrupt or otherwise insolvent, provided that such termination will not prejudice or affect any right of action or remedy which has accrued or will accrue thereafter to the Purchaser.

**26. TERMINATION FOR CONVENIENCE**

- 26-1 The Purchaser may by written notice sent to the Supplier, terminate the Contract, in whole or in part, at any time for his convenience. The notice of termination shall specify that termination is for the Purchaser's convenience, the extent to which performance of work under the Contract is terminated, and the date upon which such termination becomes effective.
- 26-2 The purchaser may terminate by notice letter, if the supplier fails to supply stores upto 120 days starting from delivery due date. In addition, Performance Bank Guarantee shall be forfeited and put the supplier in Black List.
- 26-2 The Goods that are complete and ready for shipment within thirty (30) days after Supplier's receipt of notice of termination shall be purchased by the Purchaser at the Contract terms and prices. For the remaining Goods, he Purchaser may elect:
- (a) to have any portion completed and delivered at the Contract terms and prices; and / or
  - (b) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and for materials and parts previously procured by the Supplier.

**27. RESOLUTION OF DISPUTES**

- 27-1 The Purchaser and the Supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute arising between them under or in connection with the Contract.

27-2 If, after thirty (30) days from the commencement of such informal negotiations, the Purchaser and the Supplier have been unable to resolve amicably a Contract dispute, either party may require that the dispute be referred for resolution to the formal mechanism specified in the Special Conditions of Contract.

28. **GOVERNING LANGUAGE**

The Contract shall be written in English Language. Subject to Clause 29, that language version of the Contract shall govern its interpretation. All correspondence and other documents pertaining to the Contract which are exchanged by the parties shall be written in that same language.

29. **APPLICABLE LAW**

The Contract shall be read, construed and interpreted in accordance with the laws of Myanmar.

30. **NOTICES**

30-1 Any notice given by one party to the other pursuant to the Contract shall be sent in writing or by fax and confirmed in writing to the address specified for that purpose in the Special Conditions of Contract.

30-2 A notice shall be effective when delivered or on the notice's effective date, whichever is later.

31. **TAXES AND DUTIES**

31-1 The Supplier shall be entirely responsible for all taxes, stamp duties, license fees and other such levies imposed outside Myanmar.

31-2 The Purchaser shall bear all taxes, duties etc. levied by the Government of Myanmar or any other agency in Myanmar.

32. **RECOVERY OF SUMS DUE**

Whenever under this Contract any sum of money shall be recoverable from or payable by the Supplier to the Purchaser, the same may be deducted from the Bank Guarantee and / or from any sum then due or which at any time thereafter any become due to the Supplier under this Contract with the Purchaser. In the event of the Bank Guarantee being reduced by reason of any such deduction as aforesaid, the Supplier shall within fourteen (14) days from the date of his being called upon to do so by the Purchaser, replenish the Bank Guarantee to the original sum.

SECTION III . SPECIAL CONDITIONS OF CONTRACTTABLE OF CLAUSES

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**SECTION III SPECIAL CONDITIONS OF CONTRACT**

1. The following Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions of Contract. The corresponding clause number of the General Conditions is indicated in parentheses.

2. **DEFINITIONS (CLAUSE 1)**

(a) The Purchaser is Myanmar Oil and Gas Enterprise ( M.O.G.E. ). The M.O.G.E.'s address for the purpose of notices referred to in Clause 30-1 of General Conditions of Contract is :

**Fax No. : 067- 411125 , 411178**  
**No. and Street : No. 44 , Complex , Nay Pyi Taw**  
**P . O . Box :**  
**City : Nay Pyi Taw**  
**Country : Myanmar**

(b) The Supplier is

**Fax No. :**  
**No. and Street :**  
**P . O . Box :**  
**City :**  
**Country :**  
**Bank Name & :**  
**Address**  
**Account Number:**

3. **PERFORMANCE SECURITY ( CLAUSE 6)**

The Performance Security shall be in the amount of ten (10) percent of the Contract price.

4. **INSPECTION AND TESTS (CLAUSE 7)**

The following inspection procedures and tests are required by the Purchaser :

(i) Standard mill's inspection procedures and tests prior to shipment(s) shall be acceptable. Two (2) copies of above inspection and tests certificate shall be sent along with the shipping documents.

5. **DELIVERY AND DOCUMENTS (CLAUSE 9)**

(a) Upon shipments, the Supplier notify the Purchaser and the Insurance Company by fax the full details of the shipment including contract number, description of Goods, quantity, the vessel, the Bill of Lading number and date, port of loading, date of shipment, port of discharge, etc. The Supplier shall mail the following documents to the Purchaser :

(i) Fifteen (15) copies of the Supplier's Invoice showing each individual items of Goods description, quantity, unit price, total amount.  
(ii) Five (5) copies of non-negotiable bill of lading;  
(iii) Ten (10) copies of packing list identifying contents of each package;

- (iv) Insurance certificate, where delivery is on a C.I. F basis;
- (v) Manufacturer's / Supplier's guaranty certificate ;
- (vi) Inspection certificate, issued by the nominated inspection agency or the Supplier's factory inspection report; and
- (vii) Certificate of origin.

The above documents shall be received by the Purchaser at least one week before arrival of Goods at the port and, if not received, the Supplier will be responsible for any consequent expenses.

- (b) (i) The Goods shall be delivered **CIF** Port of **MOGE Jetty**, Yangon, Myanmar, or the Supplier shall effect delivery of the Goods for shipment as per terms and conditions prescribed in Schedule of Requirement attached to this Contract.
- (ii) The Supplier shall inform the Purchaser by fax the date of shipment, the name of vessel and the approximate date of arrival in Yangon, ten (10) days in advance of shipment to facilitate clearance on arrival.
- (iii) For the purpose of determining the delivery period mentioned in the Annex or Annexes of the Contract the date of shipped Ocean Bill of Lading shall considered as the date of delivery.
- (iv) The Purchaser may at any time suspend or terminate, in whole or in part, delivery of supplies or performance of service to be supplied by the Supplier hereunder whenever the Purchaser shall determine that such action is in the best interest of the Purchaser. Such right of suspension or termination shall not be construed as denying the Supplier actual, reasonable, and necessary expenses resulting from such suspension of termination. In case of disagreement as to the amount of such expenses, the issue shall be settled between the parties.
- (v) All equipment shall be delivered assembled (to the maximum extent possible), and ready for operation. Trial runs of assembled equipment will be made prior to acceptance. All equipment shall be furnished, fully lubrication and greased, however fuel will be provided to the equipment by the Purchaser at the delivery site.

#### 6. **INSURANCE (CLAUSE 10)**

The marine insurance shall be in an amount equal to One hundred and ten (110) percent of the CIF Value of the goods from "warehouse to warehouse" on "All Risks" basis including War Risks and Strike clauses.

#### 7. **PACKING AND MARKING**

##### (a) **Packing**

Contents of each shipping package shall be on itemized on detailed packing list showing description, quantity, nett and gross weight, extreme outside dimensions (length, width and weight) of each piece or container.

Three (3) copies of the detailed packing list shall be enclosed in each package to be shipped. All packing lists shall be in the English Language.



8. **PERFORMANCE BANK GUARANTEE**

- 8-1 Within TEN (10) days of receipt of this Contract the Supplier shall be required to deposit for the satisfactory fulfillment of this Contract, a Banker's Guarantee for due performance of all the conditions contained in the Contract duly advised through the Myanma Foreign Trade Bank, Yangon for a sum of ( ) being ten percent (10 %) of the value of the Contract drawn in favour of the Purchaser and valid for the time required to fulfill the Contract, the transport of Goods to Yangon and twelve (12) months from the day the Contracted Goods have arrived at Yangon port and accepted by the Purchaser ( hereinafter to be called the Performance Guarantee ).
- 8-2 Final Acceptance in these conditions means the Notification of Acceptance of Goods, informing ,the quantity, storage, if any , for necessary replacement , and / or any damage incurred during the transit for necessary action and / or , any defect found after reasonable physical checking on arrival, Final Acceptance mentioned in these conditions will be given sixty (60) days after arrival at the Purchaser's premises.
- 8-3 The Supplier guarantee for a period of twelve (12) months from the date of Final Acceptance that the Goods supplied by him, are new and of first quality workmanship and materials , shall have no defects in material or manufacture, are in conformity with the requirements of this Specification of Contract and shall be in all respects suited for the purposes intended. The guarantee provided by the Supplier will be relied on an strictly enforced by the Purchaser.
- 8-4 the Guarantee shall also cover corrected or replaced Goods, or if only parts of such Goods are corrected or replaced to such corrected or replaced parts until twelve (12) months from the date of Final Acceptance thereof.
- 8-5 The Purchaser shall enjoy all the warranty and benefit which the Supplier is enjoying as the original purchase of respective parts of the equipment not manufactured by the Supplier.
- 8-6 Notice of any such defect , non-conformance , inadequacy of design or non-performance will be given by the Purchaser to the Supplier as soon as possible, and in any event not later than twelve (12) months from the date of final acceptance.
- 8-7 Should any defect, non-conformance, inadequacy of design or non-performance become apparent within the specified period mentioned in Sub-clause 9-6, the Supplier at its own expense with all possible speed take such measure as approved or directed by the Purchaser to correct or replace , including dismantling , testing and reinstalling as required , the defective, non-conforming , inadequate or nonperforming Goods or parts thereof.
- 8-8 However the total period during which the Supplier shall be responsible and liable for replacement and / or correction due to latent and hidden and internal defects shall be twelve (12) months after the date of final acceptance.
- 8-9 If , after due notice the Supplier should refuse or fail or persistently neglect to undertake the correction or replacement measure specified above, the Purchaser may proceed at his own expense to take such measures and deduct from any payment or money due to the Supplier or claim out of the Performance Bond, an amount equal to actual expenses so incurred .



## 9. PAYMENT TERMS

- 9-1 Payment shall be made by 100% Telegraphic Transfer Remittance upon receipt of confirmation report from MOGE side representative.
- 9-2 Payment can be Accepted by Settlement with currency US Dollar.
- 9-3 No Interest will be charged for Delayed Payment Due to Unfavorable Circumstances at Buyer's Side
- 9-4 Total amount (US\$ 23,000.00 ) ( US Dollars: Twenty Three Thousand Only ) must be submitted as Bid Security (Bid Bond) which must be valid Six (6) Months from your submission date.
- 9-5 Bids not Accompanied By Bid Security (Bid Bond) ( ORIGINAL ) issued by any Bank shall not be considered.
- 9-6 Partial payment allowed.

## 10. CONTRACT PRICE AND CURRENCY (CLAUSE 16)

The Contract Prices shall be \_\_\_\_\_ ( ----- ) and all payment due under this Contract shall be made in US DOLLAR currencies.

## 11. RESOLUTION OF DISPUTES (CLAUSE 27)

- 11-1 The dispute resolution mechanism to be applied pursuant to Clause 27 of the General Conditions shall be as follows:
  - (a) In the event of any dispute arising between the parties to this Contract, in regard to their rights and obligations hereunder, which cannot be settled amicably within thirty (30) days, such dispute shall be settled in the The Republic of The Union of Myanmar, by arbitration, through two arbitrators, one of whom shall be appointed by the Purchaser and the other by the Supplier. Should the arbitrators fail to reach an agreement, then the dispute shall be referred to an Umpire nominated by the arbitrators. The decision of the arbitrators or the Umpire as the case shall be final and binding upon both parties. The arbitration proceedings shall in all respects conform to the provisions contained in the Arbitration Act, 1944 ( Myanmar Act No. IV of 1944 ) or any then subsisting statutory modification thereof. The venue of arbitration shall be Yangon, Myanmar.
  - (b) Arbitration fees shall be borne by the losing party.

## SECTION - IV

**Technical Specification for 10" ERWAPI 5L Grade X-42 3LPE coated Steel Line Pipes**

ITEM NO.	DESCRIPTION	UNIT	QTTY
I.	10" ERW API 5L Grade X-42 MS 3 Layer PE Coated Line Pipe (PSL 2)	MTR	16100

**Reference Standards**

1. API 5L Specifications for Line Pipe (Latest Edition)
2. International Standard ISO 3183, 2<sup>nd</sup> Edition, Steel Pipe for Pipeline Transportation Systems
3. NACE TM 0284: Latest
4. Hardness Testing on Parent metal, HAZ and weld Zone ASTM E92
5. Tensile Testing ASTM A370

**NOTE: Unless otherwise specified in this document, please follow API 5L latest edition.**

**1. PIPE****(a) Pipe Size**

- |    |                    |                    |
|----|--------------------|--------------------|
| 1. | Nominal Dia        | 10 in              |
| 2. | Outside Dia        | 10.75 in           |
| 3. | Wall Thickness     | 0.438 in           |
| 4. | Linear Weight      | 48.28 lb/ft        |
| 5. | Mill test pressure | 2910 psi (min 10s) |

**(b) General Requirement**

The pipes shall be furnished with plain ends beveled to an angle of 30 degrees +5-0 degree with a root face 1/16"  $\pm$  1/32" and shall be supplied with metallic bevel protectors and water proof cloth attached on both ends of each pipe.

**(c) Usage**

The Pipes shall be used in natural gas transmission pipeline for Intermediate Sour (NACE) Services.

**(d) Special Requirement**

The Steel mill shall have the experience of manufacturing of Sour Service Steel and shall have world class laboratories itself to perform HIC test according to NACE TM 0284 in solution A or B.

HIC test certificates from the previous projects endorsed or certified by the official laboratories or Third Party Inspector (Bureau Veritas is recommended) must be submitted by the pipe manufacturer together with technical tender documents. Failure to submit this certificate will lead to the rejection.

**2. Material**

- (a) All pipes manufactured to this specification shall be made by either the basic oxygen or the electric arc furnace process, fully killed and fine grained (Grain size 9 or finer as in ASTM E 112).
- (b) Pipe steel grade shall be thermo-mechanical rolled or thermo-mechanical formed with L290 MS OR X-42 MS.

## (c) Chemical Composition

All pipes shall be manufactured from steel which shall have a chemical composition ensuring proper ductility, strength, toughness and weld ability under all conventional welding process and techniques.

The supplier shall provide heat analysis and carry out product analysis for all specified chemical elements. Those chemical Compositions shall be included in mill certificates.

Heat and Product analysis shall meet the following requirements.

<u>Element</u>	<u>max wt %</u>
1. Carbon	0.1
2. Manganese	1.25
3. Silicon	0.4
4. Phosphorus	0.02
5. Sulphur	0.002
6. Copper	0.25
7. Niobium	0.04
8. Molybdenum	0.1
9. Chromium	0.2
10. Vanadium	0.04
11. Titanium	0.04

Total % of Nb+V+Ti+Cu+Mo+ Cr  $\leq$  0.5

CE<sub>pcm</sub> = C + Si/30 + Mn/20 + Cu/20 + Ni/60 + Cr/20 + Mo/15+ V/10 + 5B  $\leq$  **0.19**

## (d) Mechanical Properties

## (i) Tensile Strength

The finished pipes shall meet the requirements stated in table below for tensile properties.

Steel Grade	Yield Strength (psi)	Tensile Strength (psi)	Ratio (maximum)	Elongation	Minimum Tensile Strength of Weld Seam of HFW pipe (psi)
X-42 MS	42100-71800	60200-95000	0.93	As per API 5L	60200

## (ii) Hardness Test

Hardness testing on the parent metal HAZ and Welds shall be performed by using Vicker's test method in accordance with ASTM E 92 and shall be  $\leq$  250 HV 10.

## (iii) HIC Test

HIC test shall be carried out before production of pipes in a medium complying with NACE TM 0284, **solution A.**

The test for resistance to HIC shall meet the following acceptance criteria, with each ratio being the maximum permissible average for three sections per test specimen when tested in solution **solution A**. **The test results shall be given out to MOGE's inspectors within production period.**

- (a) Crack Sensitivity ratio (CSR)  $\leq 2\%$
- (b) Crack Length ratio (CLR)  $\leq 15\%$
- (c) Crack Thickness ratio (CTR)  $\leq 5\%$

(e) Inspection Frequencies

Sr. No.	Type of Inspection	Type of Pipe	Frequency of Inspection
1	Hardness Test	HFW	Once per test unit of not more than 50
2	Pipe Diameter and out of roundness for pipe	HFW	Once per test unit not more than 20 length of the pipes
3	H.I.C. Test		Once for each of the first three heats. Apply there after one test of each test unit of not more than 10 heats of steel

**(f) Pipe mill shall produce all the pipes for MOGE continuously.**

3. **Pipe Manufacturing Process (HFERW)**

Pipe shall be produced by using High Frequency Electric Resistance Welding process. The electric welding shall be performed by efficient power supply with a minimum welder frequency of 150 kHz and the weld seam and the entire HAZ shall be heat treated properly. The welding system shall have an integrated control in which the following data, as minimum shall be mentioned:

- (i) Time
- (ii) Welding Speed
- (iii) Current and Voltage
- (iv) Welding Temperature
- (v) Heat Treatment Temperature

The quality of the longitudinal weld shall be such as to produce weld joint efficiency of 1.0.

To be sure fitness and squareness of plate edges of the plates to be welded and to decrease the forming defects such as edge quality, only cage forming process shall be acceptable for pipe diameter larger than 6 inch.

4. **Expansion of Pipes**

Pipe shall not be cold expanded for HFERW pipes.

5. **CVN Test**

The test temperature shall be 0°C and the required minimum average absorbed energy based on full size specimens shall be 27 J for transverse specimen 41 J for longitudinal specimens. If subsize test pieces are used, the required minimum average (set of three test pieces) absorbed energy values shall be the required values for full-size test pieces times the ratio of the specified width of the subsize test piece to the specified width of the full-size test piece.

## 6. Residual Magnetism

As a minimum, four readings shall be taken approximately 90° apart around the circumference of each of the pipe. The average of 4 readings shall not exceed 30 gauss and no one reading shall exceed 35 gauss when measured with a Hall-effect gauss meter.

## 7. Welding Procedure Qualification Test (WPQT)

WPQT test shall be conducted at mill before pipe manufacturing mentioning welding current, voltage, welding speed, gap design before welding etc.

## 8. Tolerances

$$\geq 2 \frac{3}{8} < 20$$

For diameter of pipe body  $\pm 0.75\%$

Wall thickness +15 %, -12.5%

## 9. Unit Length

Pipes shall be supplied in length of 12.20 m  $\pm$  0.60 m.

No pipe shall be shorter than 11.6 m.

## 10. External Coating of Pipe

The manufactured pipes shall be coated with 3 layer polyethylene coating having total thickness of 3500 microns (3.5 mm  $\pm$  0.1mm) on pipe material and 2500 microns (2.5mm  $\pm$  0.1mm) welding seam. Cutback length shall be 75 mm for pipes smaller than 14 inch and 100 mm for the pipe larger than 14 inch in diameter. The three layers polyethylene coating consists of epoxy primer, adhesive primer and polyethylene and is intended for operating temperature up to 80°C.

The coating shall be able to withstand a maximum in service operating temperature of 65°C plus and shall conform to S Type of coating as per DIN 30670. In addition, in open storage the coating must be able to withstand a temperature of at least 80°C, without impaling its serviceability and properties specified.

The physical properties of coating materials and coating system shall comply with the requirements indicated in subsequent paragraphs.

Typical Values of Raw Epoxy Powder Properties

Property	Unit	Test Method	Typical Value
Gloss at 60° angle	%	DIN 67530	65 $\pm$ 5
Gel time	sec	DIN 55990-T8	43 $\pm$ 10
Density	g/cm <sup>2</sup>	DIN 55990-T3	1.5
Particle size	%	DIN 55990-T2	90 between 10 to 80 microns
Moisture Content	% weight		0.5 Max.
Theoretical coverage	g/cm <sup>2</sup>		90 g for 60 microns DFT (Dry Film Thickness)

Physical Properties of Adhesive

Property	Unit	Test Method	Typical Value
Density	g/cm <sup>2</sup>	DIN 53479 / ASTM D 792	0.900 – 0.950
Melting flow rate (2.16kg/190°C)	g/10 Min	DIN 53735 / ASTM D1238	1.0 minimum
Vicat Softening point	°C	DSC / ASTM D1525	100 minimum

## Physical Properties of Polyethylene Compound

Property	Unit	Test Method	Typical Value
Tensile Strength @ 25°C	N/mm <sup>2</sup>	DIN 53455 / ASTM D638	17 minimum (25 at break)
Melt Flow Rate (190°C/2.16kg)	g/10 Min	DIN 53735 / ASTM 1238	0.25 minimum
Density @ 25°C		ASTM D792	0.900 – 0.950
Hardness @25°C	Shore D	DIN 53505 / ASTM D2240	55 minimum
Water Absorption, 24hrs @25°C	%	ATM D570	0.05 maximum
Vicat Softening Point	°C	DIN 53460 / ASTM D1525	115 minimum
Elongation	%	DIN 53455	600-700
Low Temperature Brittleness	°C	ASTM D746	-70 no fracture
Carbon Black Content	%	ASTM D1603	2-2.5 minimum
Dielectric Strength	kV/mm	IEC 243	30 minimum
Fungus Bacteria		ASTM D3173 / ASTM D3180	Pass no growth

## Physical Properties of the Coating System

Property	Unit	Test Method	Typical Value
Bond Strength @ 25°C+ / -5°C 65°C+ / -5°C	Kg/cm <sup>2</sup>	DIN 30670	8.0 minimum 5.0 min
Impact Strength	Joules/mm of coating thickness	DIN 30670	7 minimum
Indentation Hardness @ 23+/-2°C @ 70+/-2°C		DIN 30670	0.2 maximum 0.3 max
Elongation at Failure	%	DIN 30670	300 minimum
Coating Resistivity	Ohm/m <sup>2</sup>	DIN 30670	10 <sup>8</sup> minimum
Cathodic Disbondment @ 65°C after 30 days @ 65°C after 48 hours	mm radius of disbondment	ASTM G42	15 maximum 7 maximum

## 11. Mill Certificates

Mill Certificates shall include the followings **as a minimum;**

- (1) Pipe number with reference to heat number.
- (2) Mechanical Test results and Chemical analysis including CE (Carbon Equivalent) with reference to pipe number.
- (3) Dimensional inspection.
- (4) NDT Test and Results.
- (5) HIC Test and Results.
- (6) Certificate number and date of issue with duly signed and authorized by the inspector.

## 12. Marking of Pipes

Stenciling shall be made at outside surface of both pipe ends as follows; Marking may be made in a sequence convenient to and shall include the following minimum information.

- Purchaser's name
- Purchase order no.
- Steel Grade ---OD x t (Outside diameter x. wall thickness)
- Heat number
- Pipe number
- Pipe length

## 13. Requirement of Third Party Inspection

Manufacturing process, quality control process and manufactured products of both steel mill and pipe mill must be inspected and certificated by reputable third party inspection team at the bidder's expense.

## 14. Right of Intender to Inspect Pipe Mill

- (i) Before manufacturing, the intender has the right to check and inspect quality control system and storage system of raw materials and manufacturing process of pipe and coating mills by 3 MOGE engineers at the expense of the bidder, together with 3<sup>rd</sup> party inspection team, and if it does not meet the MOGE requirements as per tender, MOGE will cancel this tender.
- (ii) While manufacturing, the intender also has the right to inspect daily pipe production at pipe mills by the MOGE inspection team from the **beginning** to the end of pipe production **by the expense of bidder**. The expense for MOGE's inspectors shall cover daily allowance, meal and accommodation fee.
- (iii) **The supplier should send an invitation letter for MOGE Engineers at least 5 weeks before commencement of any process in Pipe and Coating Mill.**

## 15. Requirement of Mill Test Certificates

Mill test certificates for mechanical and chemical properties, HIC test and NDT test results approved by third party must be sent along with manufactured pipes. Otherwise, those pipes will be rejected.

**16. Required Technical Document for Bidding**

The following documents shall be contained in the bidding as a minimum:

- (a) Two sets of technical proposal, one original and one copy
- (b) Company Profile (Original) of manufacturer mentioning;
  - (i) Capacity of mill showing major manufacturing equipments
  - (ii) Capability of manufacturing both pipe and coating
  - (iii) Valid API 5L Monogram (for PSL-2 pipe ordered for Sour Service, Annex H)
  - (iv) Valid Quality Management System Certificate, ISO 9001 or DNV
  - (v) Track record of pipe and coating mill for last 3 years
- (c) Manufacturing Process showing
  - (i) Pipe manufacturing process specification for HF ERW line
  - (ii) Coating process specification
  - (iii) Detailed Inspection and Test Plan and acceptance criteria, inspection frequencies and inspection method
  - (iv) Detailed QA/QC Plan
  - (v) HIC test procedure and sample report from previous project
- (d) Letter of Authorization (Original), duly stamped and signed, if the bidder is not the manufacturer.

**17. Transportation of Pipe by Sea**

- (1) The contractor shall follow API 5LW/API 5L5  
(Recommended Practice of Transportation on Barge and marine vessels).
- (2) Using of closed type container is unacceptable.
- (3) Using of top-open type container with extremely care not to damage the coating is acceptable.
- (4) Transportation by sea with other ways, the bidder has responsibility to arrive all the pipes at MOGE Jetty (Thaketa Offshore Base) by unloading in single joint without damage and it is required to meet with the delivery schedule stated below.
- (5) It is preferable to have an owned sea port to reduce the coating defects and minimize the loading time as much on possible.

**18. Notice to the Bidders**

- (1) The proposal shall be prepared and submitted in accordance with the requirements set forth in this document. The proposal shall be completed with documents mentioned in No. 16 above as a minimum.
- (2) Any proposal which does not comply with the above mentioned technical specification and lack of any of the required documents shall be considered as technical failure and will be rejected.
- (3) The supplier is fully responsible for the quality of the Goods supplied. All the Goods will be inspected by the Purchaser at MOGE Jetty. Any of the supplied Goods not comply with the tender specification will be rejected partially or the whole.

**19. Delivery Schedule**

**120 days or 4 months from MOGE contract Date**



မှတ်ချက်။ ပြည်တွင်းအခွန်ဦးစီးဌာနမှ အခွန်ကင်းရှင်းကြောင်း ထောက်ခံစာအားပူးတွဲပါ နမူနာပုံစံအတိုင်း တင်ဒါပိတ်သည့်နေ့တွင် တစ်ပါတည်း ပူးတွဲတင်ပြရမည်။



(နမူနာပုံစံ)



Internal Revenue Department Internal Revenue Department Internal Revenue Department Internal Revenue Department Internal Revenue Department  
31-376410 Fax: 31-31376411

စီမံကိန်းနှင့် တက္ကသိုလ်ရေးရာ ဝန်ကြီးဌာန  
ပြည်တွင်း အခွန်များ ဦးစီးဌာန  
အလယ်အလတ် အခွန်ထမ်းများဆိုင်ရာအခွန်ရုံး(၃)  
အမှတ် - ၅၈ / ၆၂၊ ပန်းဆိုးတန်းလမ်း၊ ရန်ကင်းမြို့၊  
အမှတ်၊ ပတခ/အလခ-၃/ ၀၀၈ / ၂၅၁၇ (၂၄၇၂)  
ရက်စွဲ ၂၀၀၇ ခုနှစ်၊ ဩဂုတ်လ ၃ ရက်

သက်ဆိုင်ရာ

အကြောင်းအရာ။ ... Co.,Ltd အပေါ် အခွန်စည်းကြပ်ပြီးစီးမှု အခြေအနေအား အကြောင်းကြားခြင်း

အထက်အကြောင်းအရာပါကိစ္စနှင့် စပ်လျဉ်း၍ အလယ်အလတ်အခွန်ထမ်းများဆိုင်ရာအခွန်ရုံး (၃) တွင် အခွန် စည်းကြပ်မှု ခံယူလျက်ရှိသော ... Co.,Ltd အား ၂၀၀၆-၂၀၀၇ ခုနှစ် အထိ အပြီးသတ် စည်းကြပ်မှု ဆောင်ရွက်ပြီးစီး၍ ကျသင့်သော အခွန်ပေးအားလည်း အပြေအကြေ ပေးဆောင်ပြီး ဖြစ်ပါကြောင်းနှင့် ၂၀၀၈-၂၀၀၉ ခုနှစ် အတွက် 'ဤ' တင်စင်ငွေခွန် ၃၀၀၀၀၀/- ကုပ်အား ရေးသွင်းထားပါကြောင်း အကြောင်းကြားပါသည်။

ဌာနမှူး (ကိုယ်စား)  
[သက်သဉ္ဇာနွယ်၊ လက်ထောက်ညွှန်ကြားရေးမှူး]



(၂၀၀၇-၀၈ တက္ကသိုလ်အတွက် တင်ဒါကိစ္စများတွင် အသုံးပြုရန်အတွက်သာ)  
မိတ္တူလို-  
- ရုံးလက်ခံ  
- မျှောစာတွဲ

SECTION V. BID FORM AND PRICE SCHEDULES

Date :  
Credit No. :  
Contract No. :

To.

Managing Director  
Myanma Oil and Gas Enterprise  
No. 44 ,Complex,  
Nay Pyi Taw, Myanmar .

Gentlemen :

Having examined the Bidding Documents including Addenda No. \_\_\_\_\_ , the receipt of which is hereby duly acknowledge, we, the undersigned , offer to supply and deliver \_\_\_\_\_ in conformity with the said Bidding Documents for the sum of \_\_\_\_\_ or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this bid.

We undertake, if our bid is accepted, to commence delivery within \_\_\_\_\_ days and to complete delivery of all the items specified in the Contract within \_\_\_\_\_ days calculated from the date of receipt of your Notification of Award / Letter of Credit / import license.

If our bid is accepted we will obtain the guarantee of a bank in a sum not exceeding five percent (5%) of the Contract Price for the due performance of the Contract.

We agree to abide by this bid for a period of \_\_\_\_\_ days from the date fixed for bid opening under Clause 18 of the Instructions to Bidders and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal contract is prepared and executed, this bid, together with your written acceptance thereof and your notification of award, shall constitute a binding Contract between us.

We understand that you are not bound to accept the lowest or any bid you may receive.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

\_\_\_\_\_  
Signature  
\_\_\_\_\_

( in the Capacity of )

Duly Authorized to sign bid for and on behalf of \_\_\_\_\_

Witness : \_\_\_\_\_

Address : \_\_\_\_\_

PRICE SCHEDULE FOR GOODS TO BE IMPORTED

Name of Bidder \_\_\_\_\_ IFB Number \_\_\_\_\_ Page \_\_\_\_\_ of \_\_\_\_\_

Item No.	Description of Articles	Qty No. of unit	CIF Unit Price	CIF Total Price	Remarks
1	2	3	4	5	6

Grand Total C I F in Figures \_\_\_\_\_

Grand Total C I F in Words \_\_\_\_\_

The prices shown above are firm for a period of ( 120 ) days from the closing date of the bid.

\_\_\_\_\_  
( Signature of Bidder )

SECTION VI BID SECURITY FORM

To.

Advising Bank :

P.O Box ,  
Yangon , Myanmar .

Beneficiary

Myanma Oil and Gas Enterprise  
No. 44,Complex,  
Nay Pyi Taw , Myanmar .

Ref: No. \_\_\_\_\_

Dated :-----

Whereas \_\_\_\_\_ ( hereinafter referred to as " the Bidder " ) has submitted its bid dated \_\_\_\_\_ for the supply of \_\_\_\_\_ ( hereinafter referred to as " the Bid " ) \_\_\_\_\_ KNOW ALL MEN by these presents that WE \_\_\_\_\_ of \_\_\_\_\_ having our registered office at \_\_\_\_\_ ( hereinafter referred to as " the Bank " ) are bound unto \_\_\_\_\_ ( hereinafter referred to as " the M.O.G.E. " ) in the sum of \_\_\_\_\_ for which payment well and truly to be made to the said M.O.G.E. , the Bank binds itself , its successors and assigns by these presents. Sealed with the Common Seal of the said Bank this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

THE CONDITIONS of this obligation are :

1. If the Bidder withdraws its Bid during the period of bid validity specified by the Bidder on the Bid Form ; or
2. If the Bidder, having been notified of the acceptance of its bid by the M.O.G.E. during the period of bid validity:
  - (a) fails or refuses to execute the Contract Form , if required ; or
  - (b) fails or refuses to furnish the Performance Security , in accordance with the instructions to Bidders;

we undertake to pay to the M.O.G.E. up to the above amount upon receipt of its first written demand , without the M.O.G.E. having to substantiate its demand, provide that in its demand the M.O.G.E. will note that the amount claimed by it is due to it owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This guarantee will remain in force up to and including (180) days from the submission date, and any demand in respect thereof should reach the Bank not later than the above date .

\_\_\_\_\_  
( Signature of the Bank )

Name of Witness : \_\_\_\_\_

Address of Witness \_\_\_\_\_

( Signature of the Bank )

**SECTION VII . CONTRACT FORM**

THIS AGREEMENT made the \_\_\_\_\_ day of \_\_\_\_\_ 2018 between The Myanma Oil and Gas Enterprise , Ministry of Energy , The Government of The Union of Myanmar ( hereinafter referred to as " the Purchaser " ) of the one part and \_\_\_\_\_ of \_\_\_\_\_ ( hereinafter referred to as " the Supplier " which term means and includes its representative , legal successors and permitted assigns ) of the other part :

WHEREAS the Purchaser is desirous that certain Goods and Ancillary Services should be provided by the Supplier , viz , \_\_\_\_\_ and has accepted a bid by the Supplier for the supply of those Goods and Services in the sum of \_\_\_\_\_ ( hereinafter referred to as " the Contract Price )

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS :

1. In this Agreement words and expressions shall have the same meaning as are respectively assigned to them in the Conditions of Contract referred to .
2. The following documents shall be deemed to form and be read and construed as part of this Agreement , viz. :
  - (a) the Bid Form and the Price Schedule submitted by the Bidder ;
  - (b) the Schedule of Requirements and Technical Specifications ;
  - (c) the General Conditions of Contract ;
  - (d) the Special Conditions of Contract ; and
  - (e) the Purchaser's Notification of Award.
3. In consideration of the payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby covenants with the Purchaser to provide the Goods and Services and to remedy defects therein in conformity in all respects with the provisions of the Contracts.
4. The Purchaser hereby covenants to pay the Supplier in consideration of the provision of the Goods and Services 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.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed the day and year first written.

Signed , Sealed and Delivered by the

said \_\_\_\_\_ ( For the M.O.G.E )

in the presence of : \_\_\_\_\_

Signed , Sealed and Delivered by the

said \_\_\_\_\_ ( For the Supplier )

in the presence of : \_\_\_\_\_

**SECTION VIII. PERFORMANCE SECURITY FORM**

To.

Advising Bank :

Myanma Foreign Trade Bank

P.O. Box ,

Yangon , Myanmar .

Beneficiary :

Myanma Oil and Gas Enterprise

No. 44, Complex,

Nay Pyi Taw , Myanmar .

Ref: No. \_\_\_\_\_

Dated : \_\_\_\_\_

Whereas \_\_\_\_\_ ( hereinafter referred to as " the Supplier " ) has undertaken , in pursuance of Contract No. \_\_\_\_\_ dated : \_\_\_\_\_ 2018 hereinafter referred to as " the Contract " .

AND WHEREAS it has been stipulated by you in the said Contract that the Supplier shall furnish you with a Bank Guarantee by a recognized bank for the sum specified therein as security for compliance with the Supplier's performance obligations in accordance with the Contract .

AND WHEREAS we have agree to give the Supplier a Guarantee :

THEREFORE WE hereby affirm that we are Guarantors and responsible to you , on behalf of the Supplier , up to a total of \_\_\_\_\_ and we undertake to pay you , upon your first written demand declaring the Supplier to be in default under the Contract and without cavil or agreement , any sum or sums within the limits of \_\_\_\_\_ as aforesaid , without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Signature and Seal of the Guarantors

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Date \_\_\_\_\_

Address \_\_\_\_\_