

**Request for Quotations**  
**MOLDOVA HIGHER EDUCATION PROJECT**

**No. MD-MHEP-OE-03**

**PROCUREMENT OF OFFICE EQUIPMENT-3**

## **Request for Quotations (RFQ) - Procurement for Goods**

Date: April 1, 2022

**Institution:** Ministry of Education and Research of the Republic of Moldova

**Project Title:** Moldova Higher Education Project

**Project ID No.** P167790

**Title:** Procurement of office equipment (Laptops, External HDD, Headphones and 1C Server)

**Ref. No.:** No. MD-MHEP-OE-03

**Source of financing:** Financing Agreement between Republic of Moldova and International Development Association (Credit No.: 6542-MD)

**To:** **All interested companies**

Dear Supplier,

1. You are invited to submit your price quotation(s) for the supply of the following items:

No.	Item / Name	Quantity
Lot 1	<b>1. Laptop 14"-15"</b>	6
	<b>2. External HDD Min 1 TB</b>	6
	<b>3. Headphones</b>	6
Lot 2	<b>1. PC (Server 1C)</b>	1

*Information on technical specifications and required quantities are attached.*

2. You may quote **for any or more Lots** under this Invitation. Price quotations will be evaluated lot by lot and contract awarded to the firm offering **the lowest evaluated total cost of each lot**. Bidders are required to submit quote for the entire quantity within each lot(s) with item(s) included. **Incomplete or partial Quotes/Lots will not be considered. Alternative quotations/options are not allowed.**
3. Your price quotation in the form attached shall be submitted in electronic version, **singed electronically** in line with the provisions of Law no. 91 dated May 29, 2014 on electronic signature or submitted scanned signed version.  
Your price quotation shall be submitted by e-mail to the following email: [zaporojan.heip@gmail.com](mailto:zaporojan.heip@gmail.com) copy to [mhep@mec.gov.md](mailto:mhep@mec.gov.md).
4. The deadline for receipt of your quotation (s) by the Purchaser at the electronic address indicated above is: **April 15, 2022, 11:00 (local time).** *Late quotations will be rejected.*
5. Your quotation in *English*, should be accompanied by general information about the bidder (***copy of registration certificate***) and adequate technical documentation and catalogue(s) and other printed material or pertinent information for each item quoted, including names and addresses of firms providing service facilities in the *Republic of Moldova*.
6. Your quotation(s) shall be submitted as per the following instructions and in accordance with the attached Contract. *The attached Terms and Conditions of Supply form an integral part of the Contract.*
- (i) **PRICES:** The prices shall be quoted for delivery **DDP Chisinau** (***including installation costs at the named place of destination as per Annex 1***), per INCOTERMS, 2010. ***Prices can be quoted in any Bank member country currency, but no more than three currencies.*** The price should not

include custom duties, excise-duty, custom procedures tax and Value Added Tax (VAT) in Moldova due to the fact that the procured goods and services under this contract are subject to Value Added Tax at zero rate (Government Decisions No. 246 as of April 08, 2010 modified by Government Decision No. HG149/2022 as of 09.03.2022).

- (ii) **EVALUATION OF QUOTATIONS:** Quotation determined to be substantially responsive to the technical specifications will be evaluated by comparing their prices converting to Moldavian Lei based on the selling exchange rate offered by the National Bank of Moldova (as published by the bank on <http://www.bnm.md>) on the date specified in Paragraph 6 of this invitation to quote.

In evaluating the quotations, the Purchaser will determine for each offer the evaluated price by adjusting the price quotation by making any correction for any arithmetical errors as follows:

- (a) Where there is a discrepancy between amounts in figures and in words, the amount in words will govern;*
- (b) Where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;*
- (c) If a Supplier refuses to accept the correction, his quotation will be rejected.*

- (iii) **AWARD OF CONTRACT:** The award will be made to the bidder offering the lowest evaluated substantially responsive quotation that meets the required technical and financial capabilities. The successful bidder will sign a Contract as per attached form of contract and terms and conditions of supply.

- (iv) **VALIDITY OF THE OFFER:** Your quotation(s) shall be valid for a period of forty-five (45) days from the deadline for receipt of quotation(s) indicated in Paragraph 3 of this Request for Quotations.

Further information can be obtained during office hours from 09:00 to 16:00 hours (Chisinau time) from:

Ministry of Education and Research of the Republic of Moldova, MHEP  
Stefan cel Mare 180, 13th floor, room no. 1313,  
mun. Chisinau, Republic of Moldova MD-2004  
Tel/fax: 022 23-25-02; Cell: +37369265292  
E-mail: [mhep@mec.gov.md](mailto:mhep@mec.gov.md) copy to [zaporojan.heip@gmail.com](mailto:zaporojan.heip@gmail.com)

7. The Bidder is expected to examine all instructions, forms, terms, and specifications in the Invitation to Quote. Failure to furnish all information or documentation required by the Request for Quotations may result in the rejection of the quote.
8. A prospective bidder requiring any clarification of the Request for Quotation shall contact the Purchaser in writing at the Purchaser's address specified in the Paragraph 5. The Purchaser will respond in writing to any request for clarification, provided that such request is received no later ***than two (2) calendar days prior to the deadline for receiving of quotes.***
9. At any time prior to the deadline for receiving of quotes, the Purchaser may amend the Request for Quotations by issuing addendum. Any addendum issued shall be part of the Request for Quotations and shall be communicated in writing to all who received the Invitation to quote directly from the Purchaser.

10. The bidder shall bear all costs associated with the preparation and submission of its quote, and the Purchaser shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
11. At the time the Contract is awarded, the Purchaser reserves the right to increase or decrease the quantity of services, provided this does not exceed fifteen (15) percentage per item, and without any change in the unit prices or other terms and conditions of the quote and the Invitation to Quote.
12. The Purchaser reserves the right to accept or reject any quote, and to annul the bidding process and reject all quotes at any time prior to contract award, without thereby incurring any liability to bidders.
13. Procurement will be performed in accordance with:
  - i. the World Bank Procurement Regulations for Investment Project Financing Borrowers – Procurement in Investment Project Financing of Goods, Works, Non-Consulting and Consulting Services, issued on July 1, 2016, revised on November 1, 2016 and August 1, 2018; and
  - ii. the latest Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits.
14. **Inspections and Audits**
  - 14.1 The Supplier shall carry out all instructions of the Purchaser which comply with the applicable laws where the destination is located.
  - 14.2 The Supplier shall permit, and shall cause its Subcontractors and consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Supplier's offices and all accounts and records relating to the performance of the Contract and the submission of the bid, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank. The Supplier's and its Subcontractors and consultants' attention is drawn to **Annex 2 Fraud and Corruption of the Form of Contract**, which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank's prevailing sanctions procedures).

*Please confirm by e-mail the receipt of this invitation and whether you will submit the price quotation(s).*

Sincerely,



**Sergiu Harea**  
**Project Coordinator**

## **FORM OF CONTRACT**

THIS AGREEMENT number no. MD-MHEP-OE-03 made on \_\_\_\_\_, 2022, between:

- 1) Ministry of Education and Research of the Republic of Moldova (“the Client”), represented by Minister Anatolie TOPALĂ, having its principal place of business at 1, Piata Marii Adunari Nationale, MD-2033, Chisinau, Republic of Moldova (hereinafter called “the Purchaser”) on the one part and
- 2) \_\_\_\_\_ (hereinafter called “the Supplier”) on the other part.

WHEREAS the Purchaser has invited quotation for Procurement of office equipment for MHEP project (description of goods) to be supplied by Supplier, viz. Contract no. MD-MHEP-OE-03, (hereinafter called “Contract”) and has accepted the Quotation by the Supplier for the supply of goods under Contract at the sum of \_\_\_\_\_ (\_\_\_\_\_) hereinafter called “the Contract Price”.

The Contract price should not include custom duties, excise-duty, custom procedures tax and Value Added Tax (VAT) in Moldova due to the fact that the procured goods and services under this contract are subject to Value Added Tax at zero rate (Government Decisions No. 246 as of April 08, 2010 modified by Government Decision No. HG149/2022 as of 09.03.2022).

NOW THIS AGREEMENT WITNESSETHES as follows:

1. The following documents shall be deemed to form and be read and construed as part of this agreement, viz:
  - a) Form of Quotation; Terms and Conditions of Supply, Technical Specifications;
  - b) Addendum (if applicable);
2. Considering payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby concludes an Agreement with the Purchaser to execute and complete the supply of Contract and remedy any defects therein in conformity with the provisions of Contract.
3. The Purchaser hereby covenants to pay in consideration of the goods supply and acceptance of Contract and remedying of defects therein, the Contract Price in accordance with Payment Conditions prescribed by Contract.
4. This Agreement is concluded for a period of **45 calendar days** from the Date of signing of the Contract that is \_\_\_\_\_, 2022.

### **5. Termination**

#### **5.1 Termination for Default**

- (a) The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate the Contract in whole or in part:
  - (i) if the Supplier fails to deliver any or all the Goods within the period specified in the Contract, or within any extension thereof granted.
  - (ii) if the Supplier fails to perform any other obligation under the Contract; or
  - (iii) if the Supplier, in the judgment of the Purchaser has engaged in fraud and corruption, as defined in **Annex 2** below, in competing for or in executing the Contract.

- (b) In the event the Purchaser terminates the Contract in whole or in part, the Purchaser may procure, upon such terms and in such manner as it deems appropriate, Goods or Related Services like those undelivered or not performed and the Supplier shall be liable to the Purchaser for any additional costs for such similar Goods or Related Services. However, the Supplier shall continue performance of the Contract to the extent not terminated.

## 5.2 Termination for Insolvency

- (a) The Purchaser may at any time terminate the Contract by giving notice to the Supplier if the Supplier becomes bankrupt or otherwise insolvent. In such event, termination will be without compensation to the Supplier, if such termination will not prejudice or affect any right of action or remedy that has accrued or will accrue thereafter to the Purchaser.

## 5.3 Termination for Convenience

- (a) The Purchaser, by notice sent to the Supplier, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser's convenience, the extent to which performance of the Supplier under the Contract is terminated, and the date upon which such termination becomes effective.
- (b) The Goods that are complete and ready for shipment within twenty-eight (28) days after the Supplier's receipt of notice of termination shall be accepted by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may elect:
  - (i) to have any portion completed and delivered at the Contract terms and prices; and/or
  - (ii) to cancel the remainder and pay to the Supplier an agreed amount for partially delivered Goods and completed Related Services and for materials and parts previously procured by the Supplier.

## 6. Inspections and Audits

- 7.1 The Supplier shall carry out all instructions of the Purchaser which comply with the applicable laws where the destination is located.
- 7.2 The Supplier shall permit, and shall cause its Subcontractors and consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Supplier's offices and all accounts and records relating to the performance of the Contract and the submission of the bid, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank. The Supplier's and its Subcontractors and consultants' attention is drawn to **Clause 6. Fraud and Corruption**, which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank's prevailing sanctions procedures).

**Signature of the Purchaser:**  
FOR AND ON BEHALF OF

**Signature of the Supplier:**  
FOR AND ON BEHALF OF

---

Name of Authorized Representative

---

Name of Authorized Representative

## FORM OF QUOTATION

\_\_\_\_\_(Date)

To: Ministry of Education and Research of the Republic of Moldova, MHEP project

1, Piata Marii Adunari Nationale, MD-2033, Chisinau, Republic of Moldova, Tel/fax: 022 23-25-02

We offer to execute Procurement of office equipment for MHEP project Contract - MD-MHEP-OE-03 in accordance with the Conditions of Contract accompanying this Quotation for the Contract Price of \_\_\_\_\_(amount in words and numbers) (\_\_\_\_\_) (name of currency)\_\_\_\_\_. We propose to complete *the delivery and installation of Goods* described in the Contract by \_\_\_\_\_, **2022. The amount is exclusive the custom duties, excise-duty, custom procedures tax and Value Added Tax (VAT) in Moldova. We propose to complete the delivery equipment<sup>1</sup> described in the Contract within a period of \_\_\_\_\_working days from the Date of Signing of the Contract.**

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

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

Authorized Signature:\_\_\_\_\_

Name and Title of Signatory\_\_\_\_\_

\_\_\_\_\_

Name of Supplier:\_\_\_\_\_

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

\_\_\_\_\_

Phone Number \_\_\_\_\_

Fax Number, if any \_\_\_\_\_

\_\_\_\_\_  
*The supplier will install equipment and connect to the electrical power network will be tested by the supplier and transfer to the Purchaser with execution and testing documentation*

## Terms and Conditions of Supply

**Project Name:** Moldova Higher Education Project

**Purchaser:** Ministry of Education and Research of the Republic of Moldova

### 1. Prices and Schedules for Supply

Lot No.	Item, Description of Goods	Qty	Unit Price, currency	Total Price at final destination <u>including installation</u>	Delivery Date
1.	1. <b>Laptop 14"-15"</b>	6			During 45 days after contract signature
	2. <b>External HDD Min 1 TB</b>	6			
	3. <b>Headphones</b>	6			
2.	1. <b>PC (Server 1C)</b>	1			During 45 days after contract signature

We are confirming that the prices do not include the custom duties, excise-duty, custom procedures tax and Value Added Tax (VAT) in Moldova.

**Note: In case of discrepancy between unit price and Total derived from unit price, unit price shall prevail. If a Supplier refuses to accept the correction, its quotation will be rejected.**

2. **Fixed Price:** The prices indicated above are firm and fixed and not subject to any adjustment during contract performance. The Supplier shall confirm that the prices do not include the custom duties, excise-duty, custom procedures tax and Value Added Tax (VAT) in Moldova.
3. The Purchaser reserves the right at the time of contract finalization to increase or decrease by up to 15% the quantity of goods and services originally specified without any change in unit prices as well as other terms and conditions.
4. **Delivery Schedule:** The delivery and installation shall be completed as per above schedule, i.e., by \_\_\_\_\_, **2022.**
5. **Insurance:** The Goods supplied under the Contract shall be fully insured in a freely convertible currency against loss of damage incidental to manufacture or acquisition, transportation, storage and delivery. The insurance shall be in an amount equal to 110 percent of the total value of the Goods from «Warehouse» to «Warehouse» on «All risks» basis, including «War Risks». The Supplier shall arrange and pay for cargo insurance, naming the Purchaser as the beneficiary.
6. **Applicable Law:** The Contract shall be interpreted in accordance with the laws of the Republic of Moldova.
7. **Resolution of Disputes:** The Purchaser and the Supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute between them under or in connection with the Contract. In the case of a dispute between the Purchaser and the Supplier, the dispute shall be settled in accordance with the country procedures.



8. Delivery and Documents: Upon shipment, the Supplier shall notify the Purchaser and the Insurance Company by email the full details of shipment, including purchase order number, description of goods, quantity, the vessel, the Shipping and Forwarding Receipt from freight Company showing full details, port of loading, date of shipment, port of discharge, etc. The Supplier shall send the following documents to the Purchaser, with a copy to the Insurance Company:

- (i) copies of the Supplier's invoice showing goods' description, quantity, unit price, and total amount;
- (ii) duplicate air/ truck transport document and/ or duplicate of railway transport document, and/or duplicate FCR (Forwarders Certificate of Receipt) in copy marked «freight prepaid»;
- (iii) copies of the packing list identifying contents of each package;
- (iv) manufacturer's or supplier's warranty certificate;
- (v) copy of the certificate of origin (upon request).

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

9. Payment for your invoice will be made as follows: payment will be made 100% during 28 calendar days upon acceptance of your invoice(s) including functional tests for delivered and installed goods.

If the Quotation was submitted in currency another than MDL, the payment for invoices for entities registered in Moldova will be made in Moldovan Leu, equivalent by converting respective foreign currency (if the proposal is expressed in foreign currency) amount using official exchange rate of foreign currency/Moldovan Leu on the day of payment, as furnished by the National Bank of Moldova, upon signing by the Parties of the Delivery-Receipt protocol.

10. Warranty:

Goods offered shall be covered by manufacturer's warranty for at least 24 months of warranty for workstations and multifunctional devices, and at least 24 months of manufacturer's or seller's warranty for equipment. **Please specify warranty period and terms in detail.**

11. Packaging and Marking Instructions: The Supplier shall provide standard packing of the Goods as required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract.

12. Defects: All defects will be corrected by the Supplier without any cost to the Purchaser within 30 day from the date of notice by Purchaser. Name and address of service facility which the defects are to be corrected by the supplier within the warranty period:

Address \_\_\_\_\_

13. Force-Majeure: The supplier shall not be liable for penalties 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.

For purposes 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 not

restricted to, act of Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

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 Force-Majeure event.

#### 14. Required Technical Specifications

##### i. General Description

1. All goods and materials to be incorporated in the goods must be new, unused and of the most recent and current models, incorporating all recent improvements in design and materials, unless otherwise provided for in these specifications.
2. The Equipment supplied should be suitable to work under Moldavian conditions. The room temperature varies from +15 C to +30 C and humidity varies from 5 to 95 percent. The Power supply is at 220 Volts, 50 Hz.

Specific details and technical standards

#### **Lot 1:**

<b>Item 1 – Laptop (International Brand Name): 6 pieces</b>		
No.	Name	Required Technical Specification and Standard (minimum requirements)
1	Display	14’’-15’’
2	CPU	CPU Benchmark score at least <b>7000</b> according to CPU Benchmark Rating, Generation 2020 or later
3	MEMORY	At least 16GB RAM DDR4
4	STORAGE	At least SSD 500 GB
6	NETWORK	Ethernet wake on LAN or LAN adapter USB
7	VIDEO	Integrated Graphics
8	I/O PORTS	Ports: min 2 x USB 3.0, microphone, headphone, monitor (HDMI),
9	KEYBOARD	Latin and Cyrillic characters
10	SOUND	Yes
11	INSTALLED SOFTWARE	Pre-installed latest version of Microsoft Windows Pro licensed operating system (Romanian&Russian&English) Pre-installed licensed Microsoft Home&Business office tools
12	Bag	Backpack Color – black/grey
13	DOC-STATION	Min. 2 USB 3.0 Min. 1 USB Type-c 1 port for charging 1 port RJ -45 Min 1 HDMI Port
14	KEYBOARD AND MOUSE	KEYBOARD : Bluetooth Full Size Keyboard with Latin and Cyrillic characters Illumination: LED Numeric keypad included

		Membrane keyboard type Batteries included MOUSE: Mouse connection : Bluetooth / USB Quiet clicking Functionality: switch between two devices (computers); Cross-computer control Energy saver Batteries included
15	MONITOR	At least 27" LED. Screen coverage: Anti-Glare Minimum resolution: 1920 x 1080 px Minimum refresh rate: 75 Hz HDMI port included Connector audio 3.5 mm included
16	SERVICES	Installation and configuration of the equipment including connectivity to network and with the Laser All-in-One Units.
17	WARRANTY	Manufacturer warranty 36 months
18	Year production	Generation 2020 or later

**Item 2 – external HDD: 6 pieces**

No.	Item	Required Technical Specification and Standard (minimum requirements)
1	TYPE	external
2	MEMORY	Min 1 TB
3	INTERFACE	Min USB 3.0, USB Type C
4	WARRANTY	Manufacturer warranty 24 months

**Item 3 - headphones: 6 pieces**

No.	Item	Required Technical Specification and Standard (minimum requirements)
1	TYPE	In ear
2	VACUUM	No
3	JACK PLUG	3.5 mm
4	CONNECTION CABLE	Min. 1.2 m
6	MICROPHONE	Yes
7	WARRANTY	24 months

**Lot 2:**

**Item 1 – PC (1C): 1 piece**

No.	Item	Required Technical Specification and Standard (minimum requirements)
2	CPU	CPU Benchmark score at least <b>7000</b> according to CPU Benchmark Rating, Generation 2020 or later
3	MEMORY	At least 16GB RAM DDR4

4	STORAGE	At least SSD 256 GB
6	NETWORK	Ethernet wake on LAN
7	VIDEO	Integrated Graphics
8	I/O PORTS	Ports: min 2 x USB 3.0, monitor (HDMI),
9	KEYBOARD	Latin and Cyrillic characters
11	INSTALLED SOFTWARE	Pre-installed latest version of Microsoft Windows Pro licensed operating system (Romanian&Russian&English)
13	WARRANTY	36 months
15	KEYBOARD AND MOUSE	<b>KEYBOARD:</b> Bluetooth Full Size Keyboard with Latin and Cyrillic characters Numeric keypad included Membrane keyboard type Batteries included <b>MOUSE:</b> Mouse connection: USB (Bluetooth) Batteries included Energy saver and power button On/Off
16	MONITOR	At least 27" LED. Screen coverage: Anti-Glare Minimum resolution: 1920 x 1080 px Minimum refresh rate: 75 Hz HDMI port included Connector audio 3.5 mm included
17	SERVICES	Installation and configuration of the equipment including connectivity to network and with the Laser All-in-One Units.
18	Year production	Generation 2020 or later

### Installation Services

Installation of the equipment at the address: Chisinau, Stefan cel Mare 180, 13th floor, shall be performed by a technician(s) who will unpack and assemble the equipment, make all necessary utility connections, install the software, and test the performance of the installed devices.

Installation of conditioning equipment and technical maintenance of existing ones at the address: Chisinau, Stefan cel Mare 180, 13th floor, shall be performed by a technician(s) who will unpack and assemble the equipment, make all necessary utility connections, and test the performance of the installed devices.

#### ii. Performance Parameters

Supplier confirms compliance with above specifications { **In case of deviations supplier to list all such deviations** }.

NAME OF SUPPLIER\_\_\_\_\_

Authorized Signature\_\_\_\_\_

Place:

Date:

## Price Quotation

\_\_\_\_\_ (Date)

**To:** Ministry of Education and Research of the Republic of Moldova**Project Name:** Moldova Higher Education ProjectPrices and Schedules for Supply:

Lot	Item, Type of equipment	Description	Q-ty	Unit Price, <i><u>including</u></i> <i><u>installation,</u></i> currency	Total Price, currency
1.	1. <b>Laptop 14"-15"</b>		6		
	2. <b>External HDD Min 1 TB</b>		6		
	3. <b>Headphones</b>		6		
2.	1. <b>PC (Server 1C)</b>		1		

Authorized Signature: \_\_\_\_\_

Name and Title of Signatory \_\_\_\_\_

Name of Supplier: \_\_\_\_\_

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

Phone Number \_\_\_\_\_

Fax Number, if any \_\_\_\_\_

# Fraud and Corruption

**(Annex 2 shall not be modified)**

## 1. Purpose

1.1 The Bank's Anti-Corruption Guidelines and this annex apply with respect to procurement under Bank Investment Project Financing operations.

## 2. Requirements

2.1 The Bank requires that Borrowers (including beneficiaries of Bank financing); bidders (applicants/proposers), consultants, contractors and suppliers; any sub-contractors, sub-consultants, service providers or suppliers; any agents (whether declared or not); and any of their personnel, observe the highest standard of ethics during the procurement process, selection and contract execution of Bank-financed contracts, and refrain from Fraud and Corruption.

2.2 To this end, the Bank:

- a. Defines, for the purposes of this provision, the terms set forth below as follows:
  - i. "corrupt practice" is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
  - ii. "fraudulent practice" is any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain financial or other benefit or to avoid an obligation;
  - iii. "collusive practice" is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;
  - iv. "coercive practice" is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
  - v. "obstructive practice" is:
    - (a) deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a Bank investigation into allegations of a corrupt, fraudulent, coercive, or collusive practice; and/or threatening, harassing, or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
    - (b) acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for under paragraph 2.2 e. below.
- b. Rejects a proposal for award if the Bank determines that the firm or individual recommended for award, any of its personnel, or its agents, or its sub-consultants, sub-contractors, service providers, suppliers and/ or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question;
- c. In addition to the legal remedies set out in the relevant Legal Agreement, may take other appropriate actions, including declaring misprocurement, if the Bank determines at any time that representatives

of the Borrower or of a recipient of any part of the proceeds of the loan engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices during the procurement process, selection and/or execution of the contract in question, without the Borrower having taken timely and appropriate action satisfactory to the Bank to address such practices when they occur, including by failing to inform the Bank in a timely manner at the time they knew of the practices;

- d. Pursuant to the Bank's Anti- Corruption Guidelines and in accordance with the Bank's prevailing sanctions policies and procedures, may sanction a firm or individual, either indefinitely or for a stated period of time, including by publicly declaring such firm or individual ineligible (i) to be awarded or otherwise benefit from a Bank-financed contract, financially or in any other manner;<sup>2</sup> (ii) to be a nominated<sup>3</sup> sub-contractor, consultant, manufacturer or supplier, or service provider of an otherwise eligible firm being awarded a Bank-financed contract; and (iii) to receive the proceeds of any loan made by the Bank or otherwise to participate further in the preparation or implementation of any Bank-financed project;
- e. Requires that a clause be included in bidding/request for proposals documents and in contracts financed by a Bank loan, requiring (i) bidders (applicants/proposers), consultants, contractors, and suppliers, and their sub-contractors, sub-consultants, service providers, suppliers, agents personnel, permit the Bank to inspect<sup>4</sup> all accounts, records and other documents relating to the procurement process, selection and/or contract execution, and to have them audited by auditors appointed by the Bank.

---

<sup>2</sup> For the avoidance of doubt, a sanctioned party's ineligibility to be awarded a contract shall include, without limitation, (i) applying for pre-qualification, expressing interest in a consultancy, and bidding, either directly or as a nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider, in respect of such contract, and (ii) entering into an addendum or amendment introducing a material modification to any existing contract.

<sup>3</sup> A nominated sub-contractor, nominated consultant, nominated manufacturer or supplier, or nominated service provider (different names are used depending on the particular bidding document) is one which has been: (i) included by the bidder in its pre-qualification application or bid because it brings specific and critical experience and know-how that allow the bidder to meet the qualification requirements for the particular bid; or (ii) appointed by the Borrower.

<sup>4</sup> Inspections in this context usually are investigative (i.e., forensic) in nature. They involve fact-finding activities undertaken by the Bank or persons appointed by the Bank to address specific matters related to investigations/audits, such as evaluating the veracity of an allegation of possible Fraud and Corruption, through the appropriate mechanisms. Such activity includes but is not limited to: accessing and examining a firm's or individual's financial records and information, and making copies thereof as relevant; accessing and examining any other documents, data and information (whether in hard copy or electronic format) deemed relevant for the investigation/audit, and making copies thereof as relevant; interviewing staff and other relevant individuals; performing physical inspections and site visits; and obtaining third party verification of information.