

The GOVERNMENT OF THE REPUBLIC OF HONDURAS

INVITATION FOR BID

FOR

**CONSULTANCY SERVICES FOR CONSTRUCTION OF SOUTH
REGIONAL HOSPITAL IN CHOLUTECA PROJECT**

BID No. LPI-001-2012-SS

March 15 , 2012

REQUEST FOR PROPOSALS (RFP)

***Country:* The Republic of Honduras**

***Project Name:*Construction of South Regional Hospital in Choluteca
Project**

BID NO LPI-001-2012-SS

***Loan Agreement No. :* HND-4**

***Title of Consulting Services:* Construction of Choluteca Hospital Project**

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Section 1 Letter of Invitation

Invitation No.: 001

Loan Agreement No.: HND-4

Date: March 15, 2012

[Insert: Name and Address of Consultant]

Dear Mr. /Ms.:

1. The Republic of Honduras (hereinafter referred to as the “Borrower”) *has received* a loan from the Export-Import Bank of Korea (hereinafter referred to as “Korea Eximbank”) from the resources of the Economic Development Cooperation Fund (hereinafter referred to as “EDCF”) of the Republic of Korea in the amount of 33,022,000 USD toward the cost of the Construction of South Regional Hospital in Choluteca Hospital (hereinafter referred to as the “Project”), and intends to apply a portion of the proceeds of this loan for payments under the contract for which this invitation to bid is issued.
2. The terms and conditions of the contract and payments by Korea Eximbank, therefore, shall be subject in all respects to the terms and conditions of the Loan Agreement, including the Guidelines for the Employment of Consultants under the EDCF Loan (the Guidelines). Except as Korea Eximbank may specially otherwise agree, no party other than the Borrower shall derive any rights from the Loan Agreement or have any claim to the loan proceeds.
3. The Ministry of Health (MOH) of the Republic of Honduras, as the project executing agency, on behalf of the Borrower now invites proposals to provide the necessary consulting services for the Project. More details on the services are provided in the Terms of Reference (Section 5).
4. You are one of Consultants being invited to present a proposal for consulting services.

You are therefore invited to submit technical and financial proposals for the consulting services of which details are provided in the Terms of Reference. It is not permissible to transfer this invitation to any other firm.

5. A firm will be selected under the Quality-Based Selection (QBS) method and the selection procedures are described in this RFP, in accordance with the Guidelines.

6. The RFP includes the following documents:

Section 1 - Letter of Invitation

Section 2 - Information to Consultants (including Data Sheet)

Section 3 - Technical Proposal – SampleForms

Section 4 -Financial Proposal – Sample Forms

Section 5 -Terms of Reference

Section 6– Sample Forms of Contract

7. Please inform us in writing or standard electronic means at the following address, upon receipt:

The Republic of Honduras

The Ministry of Health

Bo. Jazmín, Ave. Cervantes, contiguo al Correo Nacional, Tegucigalpa, M.D.C

Telephone:22-22-85 -18

Facsimile:22-22-52-26

E-mail: tuky@me.com

(a) That you received the Letter of Invitation; and

(b) Whether you will submit a proposal alone or in association.

Yours sincerely,

[insert: signature, name, and title of the Employer's representative]

Section 2

Information to Consultants

Definitions

- (a) “Korea Eximbank” means the Export-Import Bank of Korea which has been entrusted by the Government of the Republic of Korea with the operation and management of the Economic Development Cooperation Fund (hereinafter referred to as “EDCF”).
- (b) “Employer” means the agency with which the selected Consultant signs the Contract for the Services.
- (c) “Consultant” means any firm or entity that may provide or provides the Services to the Employer under the Contract.
- (d) “Contract” means the Contract signed by the Parties (the Employer and the Consultant) and all the attached documents listed in its Clause 1, namely the General Conditions of Contract (GCC), the Special Conditions of Contract (SCC), and the Appendices.
- (e) “Data Sheet” means such part of the Information to Consultants used to reflect specific country and service conditions.
- (f) “Day” means calendar day.
- (g) “Government” means the government of the Employer’s country.
- (h) “Information to Consultants” (Section 2 of the RFP) means the document which provides short-listed Consultants with all information needed to prepare their Proposals.
- (i) “LOI” (Section 1 of the RFP) means the Letter of Invitation being sent by the Employer to the short-listed Consultants.
- (j) “Personnel” means professionals and support staff provided by the Consultant or by any Sub-Consultant and assigned to perform the Services or any part of thereof; “Foreign Personnel” means such professionals and support staff who at the time of being so provided had their official residence outside the Government’s country; and “Local Personnel” means such

professionals and support staff who at the time of being so provided had their official residence inside the Government's country.

- (k) "Project" means the project for which the Services are being provided.
- (l) "Proposal" means the Technical Proposal and the Financial Proposal.
- (m) "QBS" means Quality-Based Selection.
- (n) "RFP" means the Request for Proposals to be prepared by the Employer for the selection of a consulting firm.
- (o) "Services" means the work to be performed by the Consultant pursuant to the Contract.
- (p) "Sub-Consultant" means any firm or entity with whom the Consultant subcontracts any part of the Services.
- (q) "Terms of Reference (TOR)" means the document included in the RFP as Section 5 which explains the objectives, scope of work, activities, tasks to be performed, respective responsibilities of the Employer and the Consultant, and expected results and deliverables of the assignment.

1. Introduction

- 1.1 The Employer named in the Data Sheet will select a consulting firm/organization (the "Consultant") from short-listed Korean Consultants approved by Korea Eximbank, in accordance with using the Quality-Based Selection (QBS) method, specifically adopting the one-stage two-envelope bidding method of bid submission as further described in this section.
- 1.2 The short-listed Consultants are invited to submit a Technical Proposal and a Financial Proposal for the Services required for the Project named in the Data Sheet. The Proposal will be the basis for contract negotiations and ultimately for a signed Contract with the selected Consultant.
- 1.3 The Consultants should familiarize themselves with local conditions and take them into account in preparing their Proposals. To obtain

first-hand information on the Services and local conditions, the Consultants are encouraged to visit the Employer before submitting their Proposals and to attend a pre-proposal conference if one is specified in the Data Sheet. Attending the pre-proposal conference is optional. The Consultants should contact the Employer's representative named in the Data Sheet to arrange for their visit or to obtain additional information on the pre-proposal conference. The Consultants should ensure that these officials are advised of the visit in adequate time to allow them to make appropriate arrangements.

- 1.4 The Employer will timely provide at no cost the Consultant the inputs and facilities specified in the Data Sheet, assist the firm in obtaining licenses and permits needed to carry out the Services, and make available relevant project data and reports.
- 1.5 The Consultants shall bear all costs associated with the preparation and submission of their proposals and contract negotiations. The Employer is not bound to accept any proposal, and reserves the right to annul the selection process at any time prior to award of the Contract, without thereby incurring any liability to the Consultants.

Conflict of Interest

- 1.6 Korea Eximbank's policy requires that Consultants provide professional, objective and impartial advice and at all times hold the Employer's interests paramount, strictly avoid conflicts with other assignments or their own corporate interests and act without any consideration for future work.
- 1.6.1 Without limitation on the generality of the foregoing, Consultants and any of their affiliates, shall be considered to have a conflict of interest and shall not be recruited, under any of the circumstances set forth below:

Conflicting Activities

- (a) A firm that has been engaged by the Employer to provide goods, works or services other than consulting services for a project, and any of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, a firm

hired to provide consulting services for the preparation or implementation of a project and any of its affiliates, shall be disqualified from subsequently providing goods, works or services other than consulting services resulting from or directly related to the firm's consulting services for such preparation or implementation. For the purpose of this paragraph, services other than consulting services are defined as those leading to a measurable physical output, for example surveys, exploratory drilling, aerial photography and satellite imagery.

**Conflicting
Assignments**

- (b) A Consultant (including its Personnel and Sub-Consultants) or any of its affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant to be executed for the same or for another Employer. For example, a Consultant hired to prepare engineering design for an infrastructure project shall not be engaged to prepare an independent environmental assessment for the same project, and a Consultant assisting an Employer in the privatization of public assets shall not purchase nor advise purchasers of such assets. Similarly, a Consultant hired to prepare Terms of Reference for an assignment should not be hired for the assignment in question.

**Conflicting
Relationships**

- (c) A Consultant (including its Personnel and Sub-Consultants) that has a business or family relationship with a member of the Employer's staff who is directly or indirectly involved in any part of (i) the preparation of the Terms of Reference of the assignment, (ii) the selection process for such assignment, or (iii) supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Bank throughout the selection process and the execution of the Contract.

- 1.6.2 Consultants have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Employer, or that may reasonably be perceived as having this effect. Failure to disclose said situations may lead to the

disqualification of the Consultant or the termination of its Contract.

- 1.6.3 No agency or current employees of the Employer shall work as Consultants under their own ministries, departments or agencies. Recruiting former government employees of the Employer to work for their former ministries, departments or agencies is acceptable provided no conflict of interest exists. When the Consultant nominates any government employee as Personnel in their technical proposal, such Personnel must have written certification from their government confirming that they are on leave without pay from their official position and allowed to work full-time outside of their previous official position. Such certification shall be provided to the Employer by the Consultant as part of his technical proposal.

**Unfair
Advantage**

- 1.7 If a short-listed Consultant could derive a competitive advantage from having provided consulting services related to the assignment in question, the Employer shall make available to all short-listed Consultants together with this RFP all information that would in that respect give such Consultant any competitive advantage over competing Consultants.

**Only One
Proposal**

- 1.8 Shortlisted Consultants may only submit one proposal. If a Consultant submits or participates in more than one proposal, such proposals shall be disqualified. However, this does not limit the participation of the same Sub-Consultant, including individual experts, to more than one proposal.

**Proposal
Validity**

- 1.9 The Data Sheet indicates how long the Consultants' Proposals remain valid after the submission date. During this period, the Consultants shall maintain the availability of Professional staff nominated in their Proposals. The Employer will make its best effort to complete negotiations within this period. Should the need arise, however, the Employer may request the Consultants to extend the validity period of their proposals. Consultants who do not agree have the right to refuse to extend the validity of their Proposals.

Fraud and

- 1.10 It is Korea Eximbank's policy to require that Borrowers (including

Corruption

beneficiaries of Korea Eximbank loans), as well as Consultants under the EDCF-financed contracts, observe the highest standard of ethics during the selection and execution of such contracts. In pursuance of this policy, Korea Eximbank:

(a) defines, for the purpose of this provision, the terms set forth below as follows:

- (i) “corrupt practice” means the offering, giving, receiving, or soliciting of, directly or indirectly, any thing of value to influence the action of a public official in the selection process or in contract execution; and
- (ii) “fraudulent practice” means a misrepresentation or omission of facts in order to influence a selection process or the execution of a contract;

(b) shall reject a proposal for award if it determines that the Consultant recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question; and

(c) shall declare a Consultant ineligible, for a period determined by Korea Eximbank, to be awarded a contract financed by an EDCF loan if it at any time determines that the Consultant has engaged in corrupt or fraudulent practices in competing for, or in executing, a contract financed by an EDCF loan.

**2. Clarification
and**

**Amendment of
RFP Documents**

2.1 The Consultants may request a clarification of any of the RFP documents up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing, or by standard electronic means, to the Employer’s address indicated in the Data Sheet. The

Employer will respond in writing, or by standard electronic means, and will send written copies of the response (including an explanation of the query but without identifying the source of inquiry) to all the Consultants. Should the Employer deem it necessary to amend the RFP as a result of a

clarification, it shall do so following the procedure under para. 2.2.

- 2.2 At any time before the submission of Proposals, the Employer may amend the RFP by issuing an addendum in writing or by standard electronic means. The addendum shall be sent to the Consultants and will be binding on them. The Consultants shall acknowledge receipt of all amendments. To give the Consultants reasonable time in which to take an amendment into account in their Proposals, the Employer may, if the amendment is substantial, extend the deadline for the submission of Proposals.

**3. Requirements
for Preparation
of Proposals**

- 3.1 The Proposals (refer to para. 1.2), as well as all related correspondence exchanged by the Consultants and the Employer, shall be written in English.

- 3.2 In preparing their Proposals, the Consultants are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.

**Association
Arrangements
and Joint
Ventures**

- 3.3 While preparing the Technical Proposal, the Consultants must give particular attention to the following:

- (a) If a short-listed Consultant considers that it may enhance its expertise for the Services by associating with other Consultants in a Joint Venture or Consortium, it may associate with either (i) short-listed Consultant(s), or (ii) non-short-listed Consultant(s), if so indicated in the Data Sheet. A short-listed Consultant must first obtain the approval of the Employer if it wishes to enter into a joint venture with non-short-listed or short-listed Consultant(s).

In case of association with non-short-listed Consultant(s), the short-listed Consultant shall act as the association leader. In case of a joint venture, all partners shall be jointly and severally liable and shall indicate who will act as the leader of the joint venture. In case of assigning sub-consultancy for some of the Consulting Services, the short-listed Consultant shall be liable for the entire Consulting Services.

In the event that the Consultant constitutes a Joint Venture, the Consultant shall submit (i) a copy of the Joint Venture Agreement with its Technical Proposal, and (ii) a power of attorney (executed by all partners) that authorizes the designated lead or managing Partner of the Joint Venture to act for and on behalf of the Joint Venture and to legally bind such Joint Venture in any contractual or similar documentation. Any Joint Venture Agreement and Joint Venture power of attorney shall be attached to Form Technical-1 of Section 3 and submitted as part of the Technical Proposal of such Consultant.

A firm declared ineligible by Korea Eximbank in accordance with Section 1.9(c) of the Guidelines for the Employment of Consultants under the EDCF Loan shall be ineligible to bid for a Korea Eximbank financed contract during the period of time determined by Korea Eximbank.

- (b) Regarding this article 3.3, if necessary, the Consultant shall refer to the article 17 of the State Procurement Law of the Republic of Honduras through the consultation with the Employer.
- (c) Alternative professional staff shall not be proposed, and only one curriculum vitae (CV) may be submitted for each position.

Language 3.4 Proposals to be submitted by the Consultants and all other correspondence to be exchanged between by the Employer and the Consultants before signing the Consulting Contract shall be in English. It is desirable that the Consultants' Personnel have a working knowledge of the Employer's national language (SPANISH).

Technical Proposal Format and Content 3.5 The Technical Proposal shall provide the information indicated in the following paragraphs from (a) to (g) using the attached Sample Forms (Section 3). Paragraph (c) indicates the recommended description of the approach, methodology and work plan of the Technical Proposal.

- (a) A brief description of the Consultants' organization and an outline of

recent experience of the Consultants, and in the case of joint venture, for each partner, on the Services of a similar nature are required in Form Technical-2 of Section 3. For each Service, the outline should indicate the names of Sub-Consultants/Professional staff who participated, duration of the services, contract amount, and Consultant's involvement. Information should be provided only for those services for which the Consultant was legally contracted by the Employer as a corporation or as one of the major firms within a joint venture. Assignments completed by individual Professional staff working privately or through other consulting firms cannot be claimed as the experience of the Consultant, or that of the Consultant's associates, but can be claimed by the Professional staff themselves in their CVs. The Consultants should be prepared to substantiate the claimed experience if so requested by the Employer.

- (b) Comments and suggestions on the Terms of Reference including workable suggestions that could improve the quality/effectiveness of the Services; and on the requirements for counterpart staff and facilities including: administrative support, office space, local transportation, equipment, data, etc. to be provided by the Employer (Form Technical-3 of Section 3).
- (c) A description of the approach, methodology and work plan for performing the Services covering the following subjects: technical approach and methodology, work plan, and organization and staffing schedule. Guidance on the content of this section of the Technical Proposal is provided under Form Technical-4 of Section 3. The work plan should be consistent with the Work Schedule (Form Technical-8 of Section 3) which will show in the form of a bar chart the timing proposed for each activity.
- (d) The list of the proposed Professional staff team by area of expertise, the position that would be assigned to each staff team member, and their tasks (Form Technical-5 of Section 3). Consultants must be aware that all of the listed Professional staff shall actually be assigned to the Services upon award of Contract in accordance with their proposed positions and tasks. Appendix (B or C, Key Personnel and Sub-Consultants) of the Contract for Consulting Services shall be in consistence with para. 3.5, though some minor changes may be

allowed through mutual discussions and agreement between the Employer and the first-ranked Consultant during contract negotiations.

- (e) Estimates of the staff input (staff-months of foreign and local professionals) needed to carry out the Services (Form Technical-7 of Section 3). The staff-months input should be indicated separately for home office and field activities, and foreign and local Professional staff.
- (f) CVs of the Professional staff signed by the staff themselves or the authorized representative of the Professional Staff (Form Technical-6 of Section 3).
- (g) A detailed description of the proposed methodology and staffing for training, if the Data Sheet specifies training as a specific component of the Services.

3.6 The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information may be declared non-responsive.

3.7 Financial Proposal

Format

3.7.1 The Financial Proposal shall be prepared using the attached Sample Forms (Section 4). It shall list all costs associated with the Services, including (a) remuneration for staff (foreign and local, in the field and at the Consultants' home office), and (b) other out-of-pocket expenses. If appropriate, these costs should be broken down by activity and, if appropriate, into foreign and local expenditures. All activities and items described in the Technical Proposal must be priced separately; activities and items described in the Technical Proposal but not priced, shall be assumed to be included in the prices of other activities or items.

Bid Price and Currency

3.7.2 The prices quoted in the Financial Proposal shall be in US Dollars (US\$) and the Contract Price shall be made and paid in Korean Won, unless specified otherwise in the Data Sheet. The conversion shall be made at the average of the telegraphic transfer selling rates of Korean Won against US Dollar as quoted and publicly displayed by Korea Eximbank, during the one month period from the sixteenth (16th) day

of two calendar months prior to the month when the first procurement contract for the consulting service is signed respectively, to the fifteenth (15th) day of one calendar month prior thereto.

Taxes

- 3.7.3 all duties and taxes levied in connection with the importation, sales or delivery of goods and services procured for the implementation of the Project shall be either exempted or borne by the Borrower.

4. Preparation, Submission, Receipt, and Opening of Proposals

- 4.1 The original Proposals (Technical Proposal and Financial Proposal) shall contain no overwriting or interlineations, except as necessary to correct errors made by the Consultants themselves. The person who signed the Proposals must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in the format of Technical-1 of Section 3, and Financial-1 of Section 4.
- 4.2 An authorized representative of the Consultants shall initial all pages of the original Technical and Financial Proposals. The authorization shall be sent in the form of a written power of attorney accompanying the Proposal or in any other form demonstrating that the representative has been duly authorized to sign. All documents regarding the authorized representative of the Consultant (including the power of attorney) should be notarized by Korean notary's office and should be confirmed by Honduran Embassy in Korea (Consular official). The signed Technical and Financial Proposals shall be marked "ORIGINAL."
- 4.3 The Technical Proposal shall be marked "ORIGINAL" or "COPY" as appropriate. The Technical Proposal shall be sent to the address referred to in para.4.5 and in the number of copies indicated in the Data Sheet. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original prevails.
- 4.4 The original and all copies of the Technical Proposal shall be placed in a sealed envelope (which must be in a close envelope sealed and

signed by the representative of the Consultant) clearly marked “TECHNICAL PROPOSAL.” Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked “FINANCIAL PROPOSAL, with a warning “**Do Not Open With the Technical Proposal.**” The envelopes containing the Technical and Financial Proposals shall be placed in an outer envelope and sealed by the representative of the Consultant. This outer envelope shall bear the submission address, and be clearly marked “**Do Not Open, Except in Presence of the Official Appointed, Before April 06, 2012, until 12:00 p.m.**” The Employer shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This aforementioned circumstance may be a case for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.

- 4.5 The Proposals must be sent to the address indicated in the Data Sheet and received by the Employer no later than **April 06, 2012, until 12:00 p.m.** (this time and the date are also indicated in the Data Sheet), or any extension to this date in accordance with para. 2.2. Any Proposal received by the Employer after the deadline for submission shall be returned unopened.
- 4.6 The Employer shall open the Technical Proposals immediately after the deadline for their submission. The envelopes with the Financial Proposal shall remain sealed and securely stored.

5. Proposal Evaluation

- 5.1 From the time the Proposals are opened to the time the Contract is awarded, the Consultants should not contact the Employer on any matter related to their Technical and/or Financial Proposals. Any effort by a Consultant to influence the Employer in the examination, evaluation, ranking of Proposals, and recommendation for award of the Contract may result in the rejection of the Consultant’s Proposal.

Evaluators of Technical Proposals shall have no access to the

Financial Proposals until the technical evaluation is concluded and Korea Eximbank issues its approval.

- | | | |
|------------------------------------------|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Evaluation of Technical Proposals | 5.2 | The evaluation committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified in the Data Sheet. |
| Rejection of Proposal | 5.3 | Each responsive Proposal will be given a technical score. A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference, or if it fails to achieve the minimum technical score indicated in the Data Sheet. |
| Financial Proposals | 5.4 | Following the ranking of Technical Proposals, the first-ranked Consultant is invited to negotiate its financial terms and the Contract in accordance with the instructions given under paragraph. 6. |
| 6. Contract Negotiations | 6.1 | After the evaluation of the Technical Proposals has been completed with the approval of Korea Eximbank, the Employer shall invite the first-ranked Consultant to enter into negotiations on the conditions (including technical and financial terms) of the Contract at the date and address to be determined and informed by the Employer. The invited Consultant will, as a pre-requisite for attendance at the negotiations, confirm availability of all Professional staff. Failure in satisfying such requirements may result in the Employer proceeding to negotiate with the next-ranked Consultant. Representatives conducting negotiations on behalf of the Consultant must have written authority to negotiate and conclude a Contract. |
| Technical Negotiations | 6.2 | Negotiations will include a discussion of the Technical Proposal, the proposed technical approach and methodology, work plan, and organization and staffing, and any suggestions made by the Consultant to improve the Terms of Reference. |

The Employer and the Consultants will finalize the Terms of Reference, staffing schedule, work schedule, logistics, and reporting.

These documents will then be incorporated in the Contract as “Description of Services”. Special attention will be paid to clearly defining the inputs and facilities required from the Employer to ensure satisfactory implementation of the assignment. The Employer shall prepare minutes of negotiations which will be signed by the Employer and the Consultant.

**Financial
Negotiations**

6.3 The financial negotiations will include a detailed review of all the Consultant’s proposed costs including a review of all documentation provided by the Consultant in support of proposed costs. In particular, the Consultants shall provide full details of the remuneration of all nominated Professional staff, as described in the Appendix attached to Section 4 – Financial Proposal – Sample Forms of this RFP.

6.4 If the two Parties are unable to reach an agreement on the Contract within a reasonable time (in 1 week or its equivalent and this period can be extended by mutual agreement), the Employer shall terminate the negotiations with the first-ranked Consultant, with the concurrence of Korea Eximbank, and invite the Consultant who ranked second in the evaluation to enter into negotiations. This procedure will be followed until the Employer reaches an agreement with a Consultant.

**Conclusion
of the
Negotiations**

6.5 Negotiations will conclude with a finalization (of the draft Contract. To complete negotiations the Employer and the Consultant will initial the agreed Contract.

**7. Award of
Contract**

7.1 After completing negotiations the Employer shall award the Contract to the selected Consultant and enter into the execution of the Contract.

**Commencement
of Services**

7.2 The Consultant is expected to commence the Services on the date and at the location specified in the Data Sheet.

**8. Informing
Unsuccessful**

8.1 Promptly after the completion of negotiations with the selected Consultant, the Employer shall notify the other Consultants on the

Consultants

list that they have been unsuccessful. The Financial Proposals of the unsuccessful Consultants shall be returned unopened.

9. Debriefing

9.1 In the notification referred to in paragraph. 8, the Employer shall inform the short-listed Consultants that any Consultants, who wishes to ascertain the grounds on which its Proposal was not selected, shall request an explanation from the Employer. The Employer shall promptly provide the explanation as to why such Proposals were not selected, either in writing and/or in a debriefing meeting, at the discretion of the Consultant. The requesting Consultant should bear all the costs of attending such a debriefing meeting.

10. Confidentiality

10.1 The process of Proposal evaluation shall be confidential until the announcement of the Award of Contract. Confidentiality enables the Employer and Korea Eximbank to avoid either the reality or perception of improper interference. The undue use by any Consultant of confidential information related to the process may result in the rejection of its Proposal and may be subject to the provisions of Korea Eximbank's antifraud and corruption policy.

**Information to Consultants
Data Sheet
Informacion de Consultores
Hoja de Datos**

Paragraph Reference Parrafo de referencia	Amendments of, and Supplements to, Clauses in the Information to Consultants.
1.1	Name of the Employer: The Ministry of Health of the Republic of Honduras
1.2	Name of the Project: Construction of South Regional Hospital in Choluteca
1.3	A pre-proposal conference will be held: Yes ____ No <input checked="" type="checkbox"/> The Employer's representative is:: The Ministry of Health

	<p>Address: Bo. El Centro, Ave. Cervantes, Edificio Amato, Frente al Museo del Hombre</p> <p>Telephone: 22-22-15-02/22-22-4785</p> <p>Facsimile: 22-38-37-39</p> <p>E-mail: pronassa_sesal@yahoo.com</p>
1.4	<p>The Employer will provide the following inputs and facilities: According to Clause 8 in Section 5</p>
1.9	<p>Proposals must remain valid for <u>90 days after the bid submission date, i.e., until: 1706 2012</u></p>
2.1	<p>Clarifications may be requested not later than <u>15</u> days before the submission date.</p> <p>The address for requesting clarifications is: Bo. El Centro, Ave. Cervantes, Edificio Amato, Frente al Museo del Hombre</p> <p>Facsimile: 22-38-37-39</p> <p>E-mail: pronassa_sesal@yahoo.com</p>
3.3(a)	<p>Short-listed Consultants may associate with other short-listed Consultants: Yes _____ No <u>✓</u></p> <p>Short-listed Consultants may associate with other non-short-listed Consultants: Yes <u>✓</u> No _____</p> <p>Short-listed Consultants should associate with Consultants who can provide the consulting services for hospital management and/or medical equipment.</p> <p>The Consultants should have at least three (3) experiences, which have been successfully completed, are in the field of hospital management and/or medical equipment in and outside of consultant's country during the last five (5) years from the last date of bid submission.</p> <p>Role and Responsibility, Scope of work for each partner and Share of the bid (proposed price) shall be stated in the Association Agreement.</p> <p>A Consultant, and all parties constituting the association, shall have the nationality of the Republic of Korea or juridical person incorporated and</p>

	<p>registered therein</p> <p>All the Goods and Related Services to be supplied under the Consulting Services shall be procured from the Eligible Source Countries indicated as follows;</p> <ol style="list-style-type: none"> 1) Foreign Currency Portion shall be procured from the Republic of Korea. 2) Local Currency Portion shall be procured from the Republic of Honduras within USD424,000
3.5 (g)	Training as a specific component of the Services: Yes No <u>✓</u>
3.7.2	The prices quoted in the Financial Proposal shall be in US Dollars (US\$) and the Contract Price shall be made and paid in Korean Won.
4.3	<p>The Consultants must submit the 1-original plus 3-copies and soft copy of the Technical Proposal and Financial Proposal separately.</p> <p>In the case of soft copy, it will be CD and shall apply WINDOWS as opening system and they are Microsoft Word, as word processing and they are Microsoft Excel, as spread sheet. If there are and discrepancy between the data in soft copy and that in document, then the data in document will prevail.</p> <p>All information included in the hard copy except the printed literature(catalogue, brochure, annual report, etc) or evidence documents issued by other authority or Employer's country must be in the soft copy in the same order and sequence.</p>
4.5	<p>The Proposal submission address is: Bo. El Centro, Ave. Cervantes, Edificio Amato, Frente al Museo del Hombre</p> <p>Telephone: 22-22-15-02/22-22-47-85</p> <p>Facsimile: 22-38-37-39</p> <p>E-mail: pronassa_sesal@yahoo.com</p> <p>Proposals must be submitted no later than the following date and time:</p> <p>April 6, until 12:00 p.m</p>
5.2	Criteria, sub-criteria, and point system for the evaluation of the Technical Proposals are indicated in the Evaluation Sheets listed in below and Detail of Evaluation, sub Criteria" attached hereinafter.

	<p>(i) Consultant's general experience and record</p> <p>a) The number of years in similar business in the Consultant's country of origin ----- 9</p> <p>b) The number of similar projects successfully completed in the Consultant's country of origin ----- 7</p> <p>c) The number of similar projects successfully completed outside of the Consultant's country of origin ----- 3</p> <p>d) The number of projects successfully completed in Latin America----- 1</p> <p>* Total points for criterion (i):20</p> <p>(ii)Methodology and Approach</p> <p>a) Understanding of the Objectives ----- 3</p> <p>b) Methodology -----15</p> <p>c) Innovativeness ----- 5</p> <p>d) Work Plan -----12</p> <p>e) Organization and Staffing ----- 5</p> <p>* Total points for criterion (ii): 40</p> <p>(iii) Key staff for the Assignment</p> <p>a) Project Manager ----- 20</p> <p>- General Qualifications -----12</p> <p>- Suiability for the Project ----- 7</p> <p>- Familiarity with the conditions of the country ----- 1</p> <p>b) Key Staffs ----- 20</p> <p>- General Qualifications ----- 12</p> <p>- Suiability for the Project -----7</p> <p>- Familiarity with the conditions of the country ----- 1</p> <p>* Total points for criterion (iii): 40</p> <p>Total 100</p> <p>If more than one Consultant achieves the same highest total point, the Employer then has the right to recommend to Korea Eximbank a Consultant that ranks first in the total points of criterion (iii).</p>
5.3	The minimum technical score required to pass is: <u>70</u>

7.2	The Consultant is expected to commence the Services in accordance with the GCC 2.3
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Section 3

Technical Proposal – Sample Forms

Refer to Paragraph 3.5 of Section 2 of the RFP for Sample Forms required and number of pages recommended.

Technical– 1	Technical Proposal Submission Form
Technica– 2	Consultant’s Organization and Experience A. Consultant’s Organization B. Consultant’s Experience
Technical - 3	Comments or Suggestion on the Terms of Reference and on Counterpart Staff and Facilities to be Provided by the Employer A. On the Terms of Reference B. On the Counterpart Staff and Facilities
Technical– 4	Description of the Approach, Methodology and Work Plan for Performing the Services
Technical - 5	Composition of the Team and Task(s) of each Team Member
Technical - 6	Curriculum Vitae (CV) for Proposed Professional Staff
Technical - 7	Time Schedule for Professional Staff
Technical - 8	Work Schedule

Form Technical-1: Technical Proposal Submission Form

TO:**TELEPHONE NO.****E-mail:**

Dear Sirs,

We, the undersigned, offer to submit our Proposal for providing the Consulting Services for the Construction of South Regional Hospital in Choluteca in accordance with your Request for Proposals dated *[insert Date]*. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

We are submitting our Proposal in association with: *[Insert a list with full name and address of each associated Consultant]*¹

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in Paragraph Reference 1.9 of the Data Sheet, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the Services related to the Project not later than the date to be determined by the Employer.

We understand that you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature *[in full and initials]*: _____

Name and Title of Signatory: _____

¹*[Delete in case no association is foreseen]*

Name of Firm: _____

Address: _____

Form Technical-2: Consultant's Organization and Experience

A – Consultant's Organization

[Provide here a brief (not more than three pages) description of the background and organization of your firm/entity and each associate if any, for performing the Services.]

B – Consultant's Experience

[Using the format below, provide information on each consulting service for which your firm, and each associate for the Services, was legally contracted either individually or a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under this Project. Each page shall contain information on a single contract. Use not more than 20 pages.]

Name of consulting services:	Approximate value of the contract (in current US\$) ¹ :
Country: Location within country:	Duration of the consulting services (months):
Name of the Employer:	Total number of man-months of the services:
Address:	Approximate value of the services provided by your firm under the contract (in current US\$):
Start date (month/year) Completion date (month/year):	Number of man-months provided by associated Consultants:
Name of associated Consultants, if any:	Name of senior professional staff of your firm involved and functions performed (indicate most significant profiles such as Project Manager, Project Coordinate, Team Leader):
Narrative description of Project:	
Description of actual services provided by your staff within the consulting services:	

Firm's Name : _____

¹For contracts signed in currencies other than US Dollars, apply the telegraphic transfer selling rate notified by any reputable bank of Korea on the date of Contract signing. (insert currency) 1 = USD_____

Form Technical-3: Comments and Suggestions on the Terms of Reference and Counterpart Staff and Facilities to be Provided by the Employer

A – On the Terms of Reference

[Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the Services (such as deleting some activity you consider unnecessary, or adding another, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.]

B – On Counterpart Staff and Facilities

[Comment here on counterpart staff and facilities to be provided by the Employer according to Paragraph Reference 1.4 of the Data Sheet.]

Form Technical-4: Description of Approach, Methodology and Work Plan for Performing the Services

[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical Proposal (a maximum of 50 pages, inclusive of charts and diagrams) divided into the following four chapters:

- a) Technical Approach and Methodology,*
- b) Work Plan, and*
- c) Organization and Staffing,*

a) Technical Approach and Methodology. In this section, you should explain your understanding of the objectives of the Services, approach to the Services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to deal with them. You should explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) Work Plan. In this chapter, you should propose the major activities of the Services, their content and duration, phasing and interrelations, target schedules (including interim approvals by the Employer), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here. The work plan should be consistent with the Work Schedule in Form Technical-8.

c) Organization and Staffing. In this chapter, you should propose the structure and composition of your team. You should list the main professional positions of the Services, the key expert responsible, and proposed technical and support staff including CV (Curriculum Vitae).]

[illegible]

Form Technical-6: Curriculum Vitae (CV) for Proposed Professional Staff

1. Proposed Position*[only one candidate shall be nominated for each position]:* _____

2. Name of Firm*[insert name of firm proposing the staff]:* _____

3. Name of Staff*[insert full name]:* _____

4. Date of Birth: _____ **Nationality:** _____

5. Education*[Summarize college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment]:* _____

6. Qualified Certificates *[List any Qualified Certificates held.]:* _____

7. Countries of Work Experience*[List countries where staff has worked in the last ten years]:* _____

8. Languages*[For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]:*

9. Employment Record*[Starting with the present position, list in reverse order every employment held by staff members since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.]*

From [Year]: _____ To [Year]: _____

Employer: _____

Position held: _____

10. Detailed Tasks Assigned*[List all tasks to be performed under this assignment]*

11. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned

[Among the Services in which the staff has been involved, indicate the following information for those Services that best illustrate staff capability to handle the tasks listed under point 10.]

Name of Service or Project: _____

Year: _____

Location: _____

Employer: _____

Main project features: _____

Position held: _____

Activities performed: _____

12. Certification

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe myself, my qualifications and my experience. I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged.

Date: _____

*[Signature of staff member or authorized representative of the firm]*¹ Day/Month/Year

Full name of authorized representative: _____

¹This CV can be signed by a senior representative of the Consultant provided that if the Consultant's proposal is ranked first, a copy of the CV signed by the staff member and/or specialist shall be submitted to the Employer prior to the commencement of contract negotiations.

Form Technical-7: Time Schedule for Professional Staff¹

No.	Name	Staff input (in the form of a bar chart) ²													Total man-month input		
		1	2	3	4	5	6	7	8	9	10	11	12	n	Home	Field ³	Total
Foreign																	
1		[Home]														/	
		[Field]													/		
2														/			
														/			
n														/			
														/			
										Subtotal					/		
Local																	
1		[Home]													/		
		[Field]												/			
													/				
													/				
n													/				
													/				
										Subtotal					/		
										Total					/		

¹For Professional Staff the input should be indicated individually; for Support Staff it should be indicated by category (e.g., draftsmen, clerical person, etc.).

²Months are counted from the start of the assignment. For each expert indicate separately the input for home and field work.

³Field work means work carried out at a place other than the Consultant's home office.

Full-time input should be indicated by ██████; Part-time input should be indicated by =====

Form Technical-8: Work Schedule

No.	Activity (Work) ¹	Months from the Start of the Services ²												
		1	2	3	4	5	6	7	8	9	10	11	12	n
1														
2														
3														
4														
5														
n														

¹ Indicate all main activities of the Services, including delivery of reports (e.g., inception, interim progress reports, and final reports), and other benchmarks such as approvals by the Employer. For phased assignments indicate activities, delivery of reports, and benchmarks separately for each phase.

² Duration of activities shall be indicated in the form of a bar chart.

Section 4

Financial Proposal – Sample Forms

Sample Forms for the Financial Proposal shall be used for the preparation of the Financial Proposal according to the instructions under para. 3.7 of Section 2.

Financial-1	Financial Proposal Submission Form
Financial-2	Summary of Costs
Financial-3	Breakdown of Remuneration (Time-Based)
Financial-3	Breakdown of Remuneration (Lump-Sum)
Financial-4	Breakdown of Out-of-Pocket Expenses (Time-Based)
Financial-4	Breakdown of Out-of-Pocket Expenses (Lump-Sum)
Appendix	Financial Negotiations – Breakdown of Remuneration Rates

Form Financial-1: Financial Proposal Submission Form

TO:**TELEPHONE NO.****E-mail:**

Dear Sirs,

We, the undersigned, offer to submit our Proposal for providing the Services for the Construction of South Regional Hospital in Choluteca in accordance with your Request for Proposals dated *[insert Date]*. Our attached Financial Proposal is for the sum of *[insert amount(s) in words and figures¹]*. This amount is exclusive of the local taxes, which shall be exempted or borne by the Employer (The exemption shall not include corporate and income taxes).

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to the expiration of the validity period of the Proposal, i.e., before the date indicated in Paragraph Reference 1.9 of the Data Sheet.

We understand that you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature *[in full and initials]*: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

¹Amounts must be consistent with the ones indicated under Total Cost of Financial Proposal in Form Financial-2.

Form Financial-2: Summary of Costs

Item	Costs (in U.S. Dollars ¹)			Remarks
	Foreign Currency Portion	Local Currency Portion	Sub Total	
Remuneration				
Out-of-Pocket Expenses				
Total²				

¹ If specified otherwise in para 3.7.2 of Section 2, apply currency other than U.S. Dollars.

² Indicate the total costs, net of local taxes, to be paid by the Employer.

Form Financial-3: Breakdown of Remuneration¹ (Lump-Sum)

(This Form Financial-3 shall only be used when the Lump-Sum Form of Contract has been included in the RFP. Information to be provided in this Form shall only be used to establish payments to the Consultant for possible additional services requested by the Employer.)

Name ²	Position ³	Staff-month Rate ⁴ (in U.S. Dollars ⁵)
Foreign Staff		
		[Home]
		[Field]
Local Staff		
		[Home]
		[Field]

¹Form Financial-3 shall be filled in for the same Professional and Support Personnel listed in Form Technical-7.

²Professional Personnel should be indicated individually; Support Personnel should be indicated per category (e.g.: draftsman, administrative personnel).

³Positions for the Professional Personnel shall coincide with the ones indicated in Form Technical-5.

⁴Indicate separately staff-month rate for home and field work.

⁵If specified otherwise in para 3.7.2 of Section 2, apply currency other than U.S. Dollars.

Form Financial-4: Breakdown of Out-of-Pocket Expenses (Lump-Sum)

(This Form Financial-4 shall only be used when the Lump-Sum Form of Contract has been included in the RFP. Information to be provided in this Form shall only be used to establish payments to the Consultant for possible additional services requested by the Employer.)

(

No.	Description ¹	Unit Unidad	Unit Cost (in U.S. Dollars ²)
1	Per diem allowances	Day	
2	International flights ³	Trip	
3	Miscellaneous travel expenses	Trip	
4	Communication costs between [Insert place] and [Insert place]		
5	Drafting, reproduction of reports		
6	Equipment, instruments, materials, supplies, etc.		
7	Shipment of personal effects	Trip	
8	Use of computers, software		
9	Laboratory tests		
10	Subcontracts		
11	Local transportation costs		
12	Office, administrative assistance		
13	Training of the Employer's personnel ⁴		
n			

¹The description list is provided for guidance. Delete items that are not applicable or add other items, if necessary.

²If specified otherwise in para 3.7.2 of Section 2, apply currency other than U.S. Dollars.

³Indicate route of each flight, and if the trip is one- or two-ways.

⁴Indicate only if the training is a major component of the Consulting Services, defined as such in the TOR.

Appendix: Financial Negotiations - Breakdown of Remuneration Rates

1. Review of Remuneration Rates

- 1.1 The remuneration rates for staff are made up of salary, social costs, overheads, fee that is profit, and any premium or allowance paid for assignments away from headquarters. To assist the firm in preparing financial negotiations, a Sample Form giving a breakdown of rates is attached (no financial information should be included in the Technical Proposal). Agreed breakdown sheets shall form part of the negotiated contract.

- 1.2 The Employer is charged with the custody of government funds and is expected to exercise prudence in the expenditure of these funds. The Employer is, therefore, concerned with the reasonableness of the firm's Financial Proposal, and, during negotiations, it expects to be able to review audited financial statements backing up the firm's remuneration rates, certified by an independent auditor. The firm shall be prepared to disclose such audited financial statements for the last three years, to substantiate its rates, and accept that its proposed rates and other financial matters are subject to scrutiny. Rate details are discussed below.

(i) **Salary**

This is the gross regular cash salary paid to the individual in the firm's home office. It shall not contain any premium for work away from headquarters or bonus (except where these are included by law or government regulations).

(i) **Bonus**

Bonuses are normally paid out of profits. Because the Employer does not wish to make double payments for the same item, staff bonuses shall not normally be included in the rates. Where the Consultant's accounting system is such that the percentages of social costs and overheads are based on total revenue, including bonuses, those percentages shall be adjusted downward accordingly. Where national policy requires that 13 months' pay be given for 12 months' work, the profit element need not be adjusted downward. Any discussions on bonuses shall be supported by audited documentation, which shall be treated as confidential.

(iii) **Social Costs**

Social costs are the costs to the firm of staff's non-monetary benefits. These items include, inter alia, social security including pension, medical and life insurance

costs, and the cost of a staff member being sick or on vacation. In this regard, the cost of leave for public holidays is not an acceptable social cost nor is the cost of leave taken during an assignment if no additional staff replacement has been provided. Additional leave taken at the end of an assignment in accordance with the firm's leave policy is acceptable as a social cost.

(iv) Cost of Leave

The principles of calculating the cost of total days leave per annum as a percentage of basic salary shall normally be as follows:

$$\text{Leave cost as percentage of salary}^1 = \frac{\text{total days leave} \times 100}{[365 - w - ph - v - s]}$$

It is important to note that leave can be considered a social cost only if the Employer is not charged for the leave taken.

(v) Overheads

Overhead expenses are the firm's business costs that are not directly related to the execution of the assignment and shall not be reimbursed as separate items under the contract. Typical items are home office costs (partner's time, nonbillable time, time of senior staff monitoring the project, rent, support staff, research, staff training, marketing, etc.), the cost of staff not currently employed on revenue-earning projects, taxes on business activities and business promotion costs. During negotiations, audited financial statements, certified as correct by an independent auditor and supporting the last three years' overheads, shall be available for discussion, together with detailed lists of items making up the overheads and the percentage by which each relates to basic salary. The Employer does not accept an add-on margin for social charges, overhead expenses, etc., for staff who are not permanent employees of the firm. In such case, the firm shall be entitled only to administrative costs and fee on the monthly payments charged for subcontracted staff.

(vi) Fee or Profit

The fee or profit shall be based on the sum of the salary, social costs, and overhead. If any bonuses paid on a regular basis are listed, a corresponding reduction in the profit element shall be expected. Fee or profit shall not be allowed on travel or other reimbursable expenses, unless in the latter case an unusually large amount of procurement of equipment is required. The firm shall note that payments shall be made against an agreed estimated payment schedule

¹ Where w = weekends, ph = public holidays, v = vacation, and s = sick leave.

as described in the draft form of the contract.

(vii) Away from Headquarters Allowance or Premium

Some Consultants pay allowances to staff working away from headquarters. Such allowances are calculated as a percentage of salary and shall not draw overheads or profit. Sometimes, by law, such allowances may draw social costs. In this case, the amount of this social cost shall still be shown under social costs, with the net allowance shown separately. For concerned staff, this allowance, where paid, shall cover home education, etc.; these and similar items shall not be considered as reimbursable costs.

(viii) Subsistence Allowances

Subsistence allowances are not included in the rates, but are paid separately. No additional subsistence is payable for dependents; the subsistence rate shall be the same for married and single team members.

UNDP standard rates for the particular country may be used as reference to determine substance allowances.

2. Out-of-pocket Expenses

- 2.1 The financial negotiations shall further focus on out-of-pocket expenses. These costs may include, but are not restricted to, cost of surveys, equipment, office rent, supplies, international and local travel, computer rental, mobilization and demobilization, insurance, and printing. These costs may be either unit rates or reimbursable on the presentation of invoices.

3. Bank Guarantee

- 3.1 Payments to the firm, including payment of any advance based on cash flow projections covered by a bank guarantee, shall be made according to an agreed estimated schedule ensuring the firm regular payments in Korean Won, as long as the services proceed as planned.

Sample Form

Consulting Firm:
Assignment:

County:
Date:

Consultant's Representations Regarding Costs and Charges

We hereby confirm that:

- (a) the basic salaries indicated in the attached table are taken from the firm's payroll records and reflect the current salaries of the staff members listed which have not been raised other than within the normal annual salary increase policy as applied to all the firm's staff;
- (b) the attached slips are true copies of the latest salary slips of the staff members listed;
- (c) the away from headquarters allowances indicated below are those that the Consultants have agreed to pay for this assignment to the staff members listed;
- (d) the factors listed in the attached table for social charges and overhead are based on the firm's average cost experiences for the latest three years as represented by the firm's financial statements; and
- (e) said factors for overhead and social charges do not include any bonuses or other means of profit-sharing.

[Name of Consulting Firm]

Signature of Authorized Representative

Date

Name: _____

Title: _____

Consultant's Representations Regarding Costs and Charges
(Expressed in US Dollars¹)

Personnel		1	2	3	4	5	6	7	8
Name	Position	Basic Salary per Working Month/Day/Year	Social Charges ²	Overhead ²	Subtotal	Fee ³	Away from Headquarters Allowance	Proposed Fixed Rate per Working Month/Day/Hour	Proposed Fixed Rate per Working Month/Day/Hour ¹
Home Office									
Field									

¹ If specified otherwise in para 3.7.2 of Section 2, apply currency other than U.S. Dollars.

² Expressed as percentage of 1

³ Expressed as percentage of 4

Section 5

Terms of Reference

1. Introduction

1.1 Background and Objectives of the Project

The Government of Honduras established a national strategy (Country's Vision 2010-2038, National Health Plan 2010-2014) to overcome the country's various challenges. In medical sector of the national strategy, the Honduran Government made a plan to improve the hospital network through the construction of regional medical centers throughout the nation, to develop a sustainable program for the maintenance of the infrastructure of hospitals, and to invest in the medical equipment in hospital. The project is building of one of those regional hospitals to achieve the national strategy in medical sector.

The Choluteca Hospital is the only regional general hospital covering the south region, but has been decrepit and lacks basic capacity for medical services as a general hospital. In the south region in Honduras which this hospital is located, the current level of medical services does not meet the national average standard. The relevant indicators in health sector in this region are relatively weaker than those of national level such as infant mortality ratio, average life expectancy, the network of healthcare centers, etc.

By construction of a new regional hospital, the Choluteca Hospital will be possible to meet increasing medical and health demands in the south region in Honduras. The project will increase the health care coverage of the people, strengthen the hospital networks in Honduras, and improve the working and environmental conditions of the staff and the patients.

To implement this project, the Honduran Government has requested the government of the Republic of Korea to offer financial support for the Rebuilding of the construction of Choluteca Hospital under the Economic Development Cooperation Fund (the "EDCF").

1.2 The Description of Project

The Project Site is as follows:

- The project site in Choluteca is located in Choluteca City.
- The site is Anillo Periferico, entre la interseccion a Guasaule y San Marcos de Colona 2.5 km.
- The area of the Site: about 11,300 m²

The scope of the Project includes the following major components:

- a) Construction of a new regional hospital (approximate construction area 11,300 square meters with 200 hospital beds)
- b) Procurement and installment of medical equipment and furniture
- c) Procurement of seven (7) mobile hospital units
- d) Training and Education
- e) Support of Operation and Maintenance (Post-Project Management)
- f) Consulting Service

Work Scope of the Project by EDCF financing

Component Componente	Description Descripcion
1. Construction of new regional hospital	<ul style="list-style-type: none"> - Construction of a new regional hospital with 200 hospital beds in Choluteca (Construction area: Gross building floor area is about 11,300 square meters) - Medical services will include internal medicine, general surgery, obstetrics, gynecology, urology, otolaryngology, ophthalmology, pediatrics, neonatology, radiology, dentistry, laboratory, etc. - Including Building works, Mechanical & Electrical works, basic furniture for hospital operation, etc.
2. Procurement and installment of medical equipment and furniture	<ul style="list-style-type: none"> - Procurement and installment of medical equipment - Procurement and installment of medical furniture (such as medical sink, Cabinet, locker, racks, etc.) <p>*Consumption goods and medicine to be used during the operation of hospital are not included. (These should be provided by Honduran Government)</p>
3. Procurement of seven (7) mobile hospital units	<ul style="list-style-type: none"> - Procurement and supply of 7 mobile hospital units <ol style="list-style-type: none"> ①One (1) unit of Health Screening Center (Medical Examination Support Vehicle) ②One (1) unit of Ophthalmology & ENT Center (Ophthalmology & Otorhinolaryngology Support Vehicle) ③One (1) unit of Medical Imaging (Radiology)

Component Componente	Description Descripcion
	<p>Center (Digital Mobile Radiology Support Vehicle)</p> <p>④ Three (3) units of Surgical Operation Center (Surgical Operation Support Vehicle)</p> <p>⑤ One (1) unit of Dental Care Center (Dental Examination & Treatment Support Vehicle)</p>
4. Training and Education	<ul style="list-style-type: none"> - Invitational training courses in Korea for medical staff (doctors, nurses and medical engineers) <p>*Overseas training courses shall be provided. The detailed contents shall be determined in Procurement Contract</p>
5. Support of Operation and Maintenance (Post-Project Management)	<ul style="list-style-type: none"> - Regular checkups for the status of operation and maintenance for the new hospital and reports (with recommendation if necessary) to the Honduran Government by Korean experts for 3 years after the project completion (e.g. Semiannual basis in the first year and quarterly basis in the second and third year after the project completion) <p>*The detailed contents shall be determined in Procurement Contract</p>
6. Consulting Service	<ul style="list-style-type: none"> - Manage and supervise the entire project - Prepare the Master Plan for construction and management of the new hospital and mobile hospital units - Prepare the detailed design for construction of the hospital - Prepare the specifications for medical equipment and mobile hospital units - Preparation of bidding documents - Proposals evaluation and contract support - Equipment inspection and construction supervision - Program management of Training and Education - Preparation of reports including Progress Report and Project Completion Report, etc.

Note: The detailed Project work scope can be changed during the implementation of the Project with a prior approval of the Bank based on mutual consultation between the Honduran Government and the Bank.

1.3 Time frame and inputs

The overall implementation period for the construction of Choluteca Hospital in Honduran Government is 33(thirty-three) months from the signing the Contract for Consulting Services. The construction period for the hospital will be contracted for 24 months.

As described above, the consultant will provide overall consulting service which includes design, bidding support (including the preparation of bidding documents with the technical requirements), supervision, planning of hospital management system, inspection of medical equipment and mobile hospital, assistance in training & education, preparation of the project completion report, and etc.

The implementation period and time frame for the construction of Choluteca Hospital can be adjusted and modified under consultation with the Employer and the Korea Eximbank.

The Consultant should review the whole schedule of the Project considering the schematic design of the Project, his experiences of work related to Hospital projects, relevant know-how, etc.

After the prior consultation with the Employer and the Korea Eximbank, if it seems appropriate to revise the time frame which is presented in the RFP for the Project, the Consultant should reflect the revised schedule to the bidding document for Procurement Contractor.

Phases	Periods
Design and Preparation of Bidding Document	6 months
Supporting Bidding Process	3 months
Construction Period	24months
The Total Period of the Project	33 months

2. Scope of Work for the Consultants

The general objectives of the assignment are to ensure that the Choluteca Project is provided with highest possible quality through good design and supervision of the project with the application of the advanced hospital management system.

Specific scopes of work for the consultants are therefore as follows:

- a) To survey the existing hospital to understand the overall medical operation system.

- b) To survey the Environmental Impact for this project to the site. To carry out physical site survey and conceptual design according to the master plan prepared by the Employer.
- c) To make an operating plan for managing the hospital and decide where the clinical departments should be located.
- d) To make scheme design of the Hospital and associated facilities, and prepare working drawings, bills of quantities and Tender documents.
- e) To confirm a scheme list for medical equipment and mobile hospital units and prepare the specification for the Bidding.
- f) To make a plan for using medical equipments and mobile hospital units effectively.
- g) To assist bidding process, evaluation of bid and signing of Contract.
- h) To carry out project management and supervision during the implementation of the construction.
- i) To provide consulting service of applying the advanced hospital management system.
- j) To prepare monthly and quarterly report including the Project Completion Report.
- k) To review the training and education program prepared by Supplier.

3. Scope of the Services

3.1 Scope of the Services

The scope of works for the Consultant has been divided into three (3) phases:

- a) Design Phase: Conducting survey, preparation of detailed design, making the list and specification of medical equipment and mobile hospital units, tender document.
- b) Bidding Phase: Supporting the bidding and contracting process
- c) Supervision Phase: Carrying out project management, supervising the construction of hospital, inspection of the medical equipment including the mobile hospital units, and reviewing the training and education program, and preparing the necessary documents including the project completion reports.

3.2 Detail Scope of the Services

The consultants are required to provide high quality services covering the disciplines of surveying, architecture, advanced hospital management system, list and specifications of medical equipment and mobile hospital units, civil and structural engineering, electrical, waste and mechanical engineering, quantity surveying in carrying out designing and supervision of the construction of Choluteca Hospital in Honduran Government and its associated external works.

3.2.1 Design Phase

1) Field Investigation

The consultants shall visit the existing hospital, survey the detailed demands of the new hospital from all the parties concerned and have to define the roles and functions of the new hospital.

2) Site Surveys / Appraisal

It is hereby expected that the consultants shall visit the project sites and ensure that accurate site plans with spot levels should be available or prepared.

The consultants shall also prepare layout of the site taking into account the topography and surrounding environment as well as the need to harmonize existing sound structures with the proposed ones; to ensure proper zoning of the site and proper layout of roads, service lines, pedestrian walkways and installation.

The consultants shall make a plan to minimize the environmental impact during the implementation of the Project.

3) Hospital Management

The consultants shall establish the functions, roles of the hospital and prepare the plan of the hospital management for organization and manpower plan to design the hospital.

4) Planning for Medical Equipment and Mobile Hospital Units

The consultants shall prepare the plan of medical equipment and mobile hospital units with consideration of the hospital management and the Honduran medical condition and environment.

To make full use of medical equipment and mobile hospital units, the consultants shall make a plan to train the staff.

5) Conceptual Designs

The Consultants shall prepare outline proposals and present them to the Employer for discussions and approval.

6) Scheme Design

The Consultants shall prepare the scheme proposals for approval.

7) Detailed Design

After approval of the conceptual and basic designs by the Employer, the consultants shall finalize the detailed design, specifications, confidential Bills of Quantities and relevant tender documents, and present to the Employer for approval.

8) Preparation of Bidding Documents

The Consultants shall prepare bidding documents for goods and works bidding among under the provisions of the Loan Agreement & Guidelines for Procurement under the EDCF Loan.

- (a) Prepare detailed technical specifications for all equipment, goods, materials and works.
- (b) Prepare detailed requirements of general and legal aspects.
- (c) Prepare Bidding documents including all forms, samples, price schedule, etc.
- (d) Submission of copies of the draft bidding documents to the Employer.
- (e) Prepare the final bidding documents after the approval by the Employer and Korea Eximbank.

3.2.2 Bidding Phase

Upon issuing the Bidding, the Consultants shall assist the Employer to clarify queries from prospective bidders during the Bidding period.

Upon receiving the bid proposals from bidders, the Consultants shall support the Employer in the evaluation for the bid and preparation of the evaluation report. Also the Consultants shall support the Employer in approval and subsequently award of the Contract to the successful bidder.

- a) Prepare answers for the clarification and query issued by prospective bidders
- b) Study all of the proposal documents submitted by all of the bidders in response to the Employer's bid invitations.
- c) Ascertain the bidders' compliance to various clauses and sub-clauses of relevant bidding documents.
- d) Ascertain the bidders' capability to turn-key complete all works stated in relevant bidding documents.
- e) Ascertain the working capabilities, performance, reliability in the field, etc. of the offered equipment of the bidders'.
- f) Determine the exactness of the BOQ offered by the bidders.
- g) Prepare comparative statements of all received technical bid proposals.
- h) Submit the reports on evaluation of technical proposals to the Employer.
- i) Check the financial responsibility of all the "technically responsible" bidders.
- j) Prepare lists of "financially responsive" bidders.
- k) Identify the "Lowest Evaluated Bidder".
- l) Submit the reports on evaluation to the Employer
- m) Assist the signing of the Contract

3.2.3 Supervision Phase

1) Supervision

The Consultants shall be regularly and continuously on the site to monitor and supervise the process and quality of works, installation of all the equipment and materials to ensure quality, workload, progress, resource allocation and compliance with approved procedures and related regulations during the implementation of the project.

- a) Supervise the works and installation of all the equipments in a satisfactory and safe manner in accordance with the specifications and contract requirements;
- b) Measurement and verification of work quantities and certification of Contractor's invoices including works and installation of equipments for approval and release of payments;
- c) Prepare, process and issue variation orders;
- d) Assist in testing and commissioning of works and equipments

The Consultants shall prepare the following reports which shall be in a format agreed with the Employer and which shall be submitted in the number of copies in accordance with para. 6.2 of TOR

- a) The monthly report recording progress during the month on a quantitative and cost basis with appropriate graphical presentations comparing progress with Implementation Plan and giving reasons for any discrepancies with proposed remedial measures;
 - (a) Cumulative expenditure record and estimated cost at completion of each BOQ item, Variation Order and claim for the construction and equipment contracts and the consulting services contract;
 - (b) Record of Variation Orders issued and being prepared; and
 - (c) Claims received, under consideration and settled.
- b) Quarterly summary reports on instrumentation monitoring or similar construction performance system;
- c) Inspection Report for the Medical Equipment
- d) Provide any special reports as requested by the Employer.

2) Inspecting the medical equipment

The Consultants shall review the factory inspection reports prepared by manufacture for the major medical equipments and inspect all the medical equipments supplied and installed by the Contractor at the site in compliance with the approved specifications and inspection procedure.

3) Preparation of Project Completion Report

The Consultants shall prepare the PCR for the project within 20 days of issue of the Taking-Over Certificate.

4. Period of Services

- 4.1 The Project will be implemented over 33 months, beginning in **October 2012**. The Schedule of this Project is attached as Attachment - 1. Consultancy Activity Plan.
- 4.2 The usage man-months with the periods specified in above may be discrete; but such usage shall be mutually agreed upon by both parties either before starting or during the service itself.
- 4.3 The Phase 2 of the contract shall start from the date mentioned in the “letter of invitation” to be sent by employer. Such date will be around the date of opening of the bidding documents
- 4.4 The Phase 3 of the contract shall start from the date of commencement of the implementation works of the project. Such date will be notified in writing to the consultant by employer.
- 4.5 There shall be one (1) week period for allowing winding-up operation and preparation of final reports by the consultant.
- 4.6 The employer shall not be liable to modify the periods on account of delay due to negligence and/or failure on the part of Consultant in execution of any duties and other liabilities under this contract. The Consultant has a right to request the extension of the contract period and the increase in contract amount upon required manpower and expenses, if any delay occurs due to the Employer’s negligence and/or failure on the part of the Employer’s responsibility mentioned para. 7 of ToR.

5. Requirements of Consultant’s Quality and Staff Requirement

- 5.1. The consultants shall have certificate of business registration, professional quality, and quality in finance and adequately qualified professional staff.
- 5.2. The consultants must have work permit in the field of the design and/or supervision for the construction and experiences in the field of consulting services for design and/or

supervision for the construction, and have at least two (2) successfully completed experiences in or outside of consultant's country.

5.3. Project manager shall be fluent in English language for day to day communication. And he or she must have an overseas experience as a project manager in the Consulting contracts and at least one (1) experience as a project manager in the Consulting contract for the General Hospital Project in or outside of its origin. The certificate for the professional quality shall be attached in the proposal.

5.4. Key staffs shall be fluent in English language for day to day communication.

- a) Project Manager must have at least five (5) years experience as in the proposed position in domestic or overseas.
- b) Engineer for architecture must have at least five (5) years experience as in the proposed position in domestic or overseas.
- c) Engineer for mechanical, electrical, civil landscape, fire fighting and etc. must have at least five (5) years experience as in the proposed position in domestic or overseas.
- d) Specialist for hospital management must have at least five (5) years experience as in the proposed position in domestic or overseas.
- e) Specialist for medical equipment must have at least five (5) years experience as in the proposed position in domestic or overseas.
- f) Senior Supervisor must have at least five (5) years experience as in the proposed position in domestic or overseas.
- g) Supervisor must have at least five (5) years experience as in the proposed position in domestic or overseas.

The experience of Key Staffs can be certified by a signature of the representative of the firm.

5.5 Consultants for hospital management and medical equipment shall submit a notarised copy of Certificate of Business Registration and a notarised copy of decision on establishment of the company. Consultants for hospital management and medical equipment shall furnish not only their validating financial statement audited in the last three (3) years, but also a certificate of project experiences.

In order to perform the tasks described above, Consultant will provide the required professional quality and furnish details.

5.6 Requirement of Manpower

The Estimated professional staff's man-month as below is for indication only. The consultant shall propose their own man day requirement of this project accordingly.

5.6.1 Staff:

Unit: man-month

	Plan	Bidding	Construction
Project Manager	3 MM	1 MM	
Engineers for Architecture	6 MM	3 MM	
Engineers for Mechanical, Electrical and Civil Landscape, Fire Fighting and Etc.	3 MM	1 MM	
Senior Supervisor*		1 MM	8 MM
Supervisors*			6 MM
Specialist for Hospital management	3 MM		2 MM
Specialist for Medical Equipment	2 MM	1 MM	2 MM

* At least 1(one) Korean Supervisor shall take charge of the performance of such Services during the supervision period in or outside of Employer's country.

5.6.2 Man-day Schedule for this project is attached as Attachment-2.

6.Quantity of Deliverables

6.1 As part of the Consulting services, the Consultant has to submit multiple copies of various periodic and one-time deliverables.

6.2 The numbers of those deliverables shall at least be as follows;

- | | | |
|------------------------------------------------------------------------------------------------------------------------------|---|-------------------|
| a) Schematic design and modeling | : | Five(5) |
| b) Detailed designs, presentations, specification for construction and medical equipment, workmanship and Bill of Quantities | : | Five (5) |
| c) Tender Documents | : | Ten (10) |
| d) Evaluation Report | : | Five (5) |
| e) The Report of the Hospital management for Organization and manpower plan, etc. | : | Five (5) |
| e) Inspection Report for Medical Equipment | : | Five (5) |
| f) Progress reports | : | Five (5) for each |
| g) Project Completion Reports | : | Ten (10) |

6.3 In addition to the above, the consultant upon request from the Employer shall provide reports and documents on other items, provided that the subjects of those reports are covered by the scope of works of the consultant.

7. Responsibilities of the Employer

The Employer will be fully responsible for the control and supervision of the Consultancy services and the administration of the contract to ensure timely payment for the services provided by the consultants as per Guidelines for the Employment of Consultants under the EDCF Loan, and to provide any other assistance to the consultants to enable him to carry out the assignment smoothly.

The Employer will approve the design documents, Tender documents, implementation schedule, and other documents submitted by consultants within the agreed schedule between the employer and consultants at the time of signing the contract for the Consulting Services.

The Employer will assist the consultant in obtaining from the Republic of Honduras the necessary visas, permits, and similar clearances required for the performance of the services.

8. Organizational Arrangements

The Employer's major organizations will be as follows:

a) PEA(Project Executing Agency): The Ministry of Health (MOH) through National Health Service Program ("PRONASSA") will be the PEA. The PEA(to be confirmed)will be in charge of the planning, implementation, management, supervision, coordination of the Project, maintaining the Project's financial and physical records, and preparing and submitting the various reports required by EDCF Loan. The Project will have full support of the Honduras Government during the implementation period. The PEA has the full authority to decide and approve the major subjects such as bidding procedure, selecting contractor and so on. The PEA shall establish a Project Management Unit (the "PMU").

b) PMU(Project Management Unit): PMU will be organized within the PEA, and carry out the following responsibilities under the supervision of the PEA.

- (i) Planning & Organizing
- (ii) Making basic medical plan & medical equipment list
- (iii) Review and approval of architectural design

-
- (iv) Preparation of bidding documents and award of the contractor
 - (v) Day-to-day management and supervision of the Project
 - (vi) Management of financial resources

Attachment1: Consultancy Activity Plan

Activity / Month	Design						Bidding			Construction																								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	
Contract Sign	●																																	
Site survey	■																																	
Schematic design / Develop	■	■																																
Medical equipment plan /	■	■																																
Mobile hospital units plan	■	■																																
Detailed design			■	■	■	■																												
Spec./BOQ/Tender document					■	■																												
Bidding Progress							■	■																										
Bid Evaluation								■	■																									
Contracting /																																		
Approval for the Contract																																		
Supervisions supervision																																		
Site Mobilization											■	■																						
Foundation Structure												■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Equipment* installation																		■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■
Commissioning																																		■

* Equipment: Sanitary and plumbing work/ Electrical work/ Air-conditioning ventilation work/ finishing and other internal service work/ External roads, Lighting, Drainage & Service, etc.

* The above Project schedule is tentative and for reference only.

Attachment 2: Man-Day Schedule for Consultancy Activity

Activity/month	Design						Bidding			Construction																								
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	
Project Manager																																		
Engineers for Architecture																																		
Engineers for mechanical, electricity, etc.																																		
Senior Supervisor																																		
Supervisor																																		
Specialist for Hospital Management																																		
Specialist for Medical equipment																																		
Local Engineer																																		
Local																																		

Solid black line: Work stationed permanently / Grey dashed line: Work stationed partially

Section 6-B
Sample Form of Contract for Consulting Services
(Lump-Sum)

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**Contract for Consulting Services
Lump-Sum**

between

[Name of the Employer]

And

[Name of the Consultant]

Dated: _____

I. Form of Contract Lump-Sum

[Texts in brackets [] are optional; all notes should be deleted in the final text.]

This CONTRACT for the Consulting Services(hereinafter referred to as the “Contract”) was made and entered into this [date]th day of [month], [year], between, on the one hand, The Ministry of Health of The Republic of Honduraswith its registered principal office at[address of the Employer], (hereinafter referred to as the “Employer”) and, on the other hand, [name of the Consultant] of [name of the Consultant’s country], with its registered principal office at[address of the Consultant] (hereinafter referred to as the “Consultant”). The Employer and the Consultant shall hereinafter be referred to individually as a “Party” and collectively as the “Parties.”

WITNESSETH:

WHEREAS, the Employer has requested the Consultant to provide certain consulting services as defined in this Contract (hereinafter referred to as the “Services”);

WHEREAS, the Consultant, having represented to the Employer that it has the required professional skills, and personal and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;

WHEREAS, the Republic of Honduras (hereinafter referred to as the “Borrower”) has received (or in appropriate cases, “has applied for”) a loan from the Export-Import Bank of Korea (hereinafter referred to as “Korea Eximbank”) from the resources of the Economic Development Cooperation Fund (hereinafter referred to as the "EDCF") of the Republic of Korea in the amount of [•] [*loan amount*] toward the cost of the Construction of South Regional Hospital in Choluteca(hereinafter referred to as the “Project”), and intends to apply a portion of the proceeds of this loan to payments under the Contract; and

WHEREAS, the terms and conditions of the Contract and payments by Korea Eximbank, therefore, shall be subject in all respects to the terms and conditions of the Loan Agreement, including the Guidelines for the Employment of Consultants under the EDCF Loan. Except as Korea Eximbank may specially otherwise agree, no party other than the Borrower shall derive any rights from the Loan Agreement or have any claim to the loan proceeds;

NOW, THEREFORE, the Parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to constitute an integral part of this Contract:
 - (a) The General Conditions of Contract;
 - (b) The Special Conditions of Contract; and
 - (c) The following Appendices:
 - Appendix A:Description of Services
 - Appendix B:Reporting Requirements
 - Appendix C:Key Personnel and Sub-Consultants
 - Appendix D:Summary of Costs
 - Appendix E:Breakdown of Remuneration and Out-of-Pocket Expenses
 - Appendix F:Services and Facilities Provided by the Employer
 - Appendix G:Sample Form of Advanced Payment Guarantee
2. The mutual rights and obligations of the Employer and the Consultant shall be as set forth in the Contract, in particular:
 - (a) The Consultant shall carry out the Services in accordance with the provisions in the Contract; and
 - (b) The Employer shall make payments to the Consultant in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto, each acting through its duly authorized representative, have caused this Contract to be signed in their respective names, as of the day and year first above written.

For and on behalf of [name of the Employer] of [*name of the Employer's country*]

[*Authorized Representative*]

For and on behalf of [name of the Consultant] [*name of the Consultant's country*]

[*Authorized Representative*]

II. General Conditions of Contract

1. General provisions

1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this Contract have the following meanings:

- (a) “Applicable Law” means the laws and any other instruments having the force of law in the Government’s country, or in such other country as may be specified in the Special Conditions of Contract, as they may be issued and in force from time to time.
- (b) “Korea Eximbank” means the Export-Import Bank of Korea which has been entrusted by the Government of the Republic of Korea with the operation and management of the Economic Development Cooperation Fund.
- (c) “Consultant” means any private or public entity that will provide the Services to the Employer under the Contract.
- (d) “Contract” means the Contract signed by the Parties and all the attached documents listed in its Clause 1, that is these General Conditions of Contract, the Special Conditions of Contract, and the Appendices.
- (e) “Contract Price” means the price to be paid for the performance of the Services, in accordance with Clause 6.
- (f) “day” means calendar day.
- (g) “Effective Date” means the date on which this Contract comes into force and effect pursuant to Clause GCC 2.1.
- (h) “Foreign Currency” means any currency other than the currency of the Employer’s country.
- (i) “GCC” means these General Conditions of Contract.
- (j) “Government” means the Government of the Employer’s country.

- (k) “Party” means the Employer or the Consultant, as the case may be, and “Parties” means both of them.
- (l) “Personnel” means qualified persons hired by the Consultant or by any Sub-Consultants and assigned to the performance of the Services or any part thereof.
- (m) “SCC” means the Special Conditions of Contract by which the GCC may be amended or supplemented.
- (n) “Services” means the work to be performed by the Consultant pursuant to this Contract, as described in Appendix A hereto.
- (o) “Sub-Consultants” means any qualified person or entity to whom/which the Consultant subcontracts any part of the Services subject to the approval by the Employer and for whom/which the Consultant is fully responsible.
- (p) “Third Party” means any qualified person or entity other than the Government, the Employer, the Consultant or a Sub-Consultant.
- (q) “In Writing” means communicated in written form with proof of receipt.

1.2 Relationship between the Parties

Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent between the Employer and the Consultant. The Consultant, subject to this Contract, has complete charge of Personnel and Sub-Consultants, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.

1.3 Law Governing Contract

This Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable Law.

1.4 Language

This Contract has been executed in the English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this Contract. Furthermore, all reports and correspondence required during the implementation of the Services shall be in English.

1.5 Headings

The headings shall not limit, alter or affect the meaning of this Contract.

1.6 Notices

1.6.1 Any notice, request or consent required or permitted to be given or made pursuant to this Contract shall be in writing. Any such notice, request or consent shall be deemed to have been given or made when delivered by in person, mail or cable to the authorized representative of the Party to which it is required to be given or made at such Party's address, or at such other address as either Party may specify in the SCC.

1.6.2 A Party may change its address for notice hereunder by giving the other Party in writing of such change to the address in the SCC.

1.7 Location

The Services shall be performed at such locations as are specified in Appendix A hereto and, where the location of a particular task is not so specified, at such locations, whether in the Employer's country or elsewhere, as the Employer may approve.

1.8 Authority of Member in Charge

In case the Consultant consists of a joint venture of more than one entity, the Members hereby authorize the entity specified in the SCC to act on their behalf in exercising all the Consultant's rights and obligations towards the Employer under this Contract, including without limitation the receiving of instructions and payments from the Employer.

1.9 Authorized Representatives

Any action required or permitted to be taken, and any document required or permitted to be executed under this Contract by the Employer or the Consultant may be taken or executed by the officials, as specified in the SCC.

1.10 Taxes and Duties

All taxes, duties and levies imposed on the Services in the Government of the Employer provided by the Consultant for the implementation of the Services shall be

either exempted or borne by the Employer, as specified in the SCC.

1.11 Fraud and Corruption

It is Korea Eximbank's policy to require that Borrowers (including beneficiaries of Korea Eximbank loans), as well as Consultants under the EDCF-financed contracts, observe the highest standard of ethics during the selection and execution of such contracts. In pursuance of this policy, Korea Eximbank:

(a) defines, for the purpose of this provision, the terms set forth below as follows:

(i) "corrupt practice" means the offering, giving, receiving, or soliciting of, directly or indirectly, any thing of value to influence the action of a public official in the selection process or in contract execution; and

(ii) "fraudulent practice" means a misrepresentation or omission of facts in order to influence a selection process or the execution of a contract;

(b) will cancel the portion of the loan allocated to a contract if it determines at any time that representatives of the Employer or of a beneficiary of the loan were engaged in corrupt or fraudulent practices in competing for the contract in question or the execution of that contract, without the Employer having taken timely and appropriate action satisfactory to Korea Eximbank to remedy the situation; and

(c) shall declare a Consultant ineligible, for a period determined by Korea Eximbank, to be awarded a contract financed by an EDCF loan if it at any time determines that the Consultant has engaged in corrupt or fraudulent practices in competing for, or in executing, a contract financed by an EDCF loan.

2. Commencement, Completion, Modification and Termination of the Contract

2.1 Effectiveness of the Contract

This Contract shall come into force and effect on the date the Contract is signed by the Parties or such later date as may be stated in the SCC. The date the Contract comes into force and effect is defined as the Effective Date.

2.2 Commencement of Services

This Consultant shall begin carrying out the Services not later than the number of days after the Effective Date specified in the SCC.

2.3 Expiration of Contract

Unless terminated earlier pursuant to Clause GCC 2.7 hereof, this Contract shall expire at the end of such time period after the number of days from the Effective Date as specified in the SCC.

2.4 Entire Agreement

This Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.

2.5 Modifications or Variations

- (a) Any modification or variation of the terms and conditions of this Contract, including any modification or variation of the scope of the Services, may only be made by a written agreement between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.
- (b) In cases of substantial modifications or variations, the prior written consent of Korea Eximbank is required.

2.6 Force Majeure

2.6.1 Definition

- (a) For the purpose of this Contract, “Force Majeure” means an event which is beyond the reasonable control of a Party, is not foreseeable, and which makes a Party’s performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the

power of the Party invoking Force Majeure to prevent), confiscation or any other action by Government agencies.

(b) Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party's Sub-Consultant or agents or employees, nor (ii) any event which a diligent Party could reasonably have been expected both to take into account at the time of the conclusion of this Contract, and avoid or overcome in carrying out its obligations hereunder.

(c) Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

2.6.2 No Breach of Contract

The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event.

2.6.3 Extension of Time

Any period within which a Party shall, pursuant to this Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

2.6.4 Payments

During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant shall be entitled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Service after the end of such period.

2.7 Termination

2.7.1 By the Employer

The Employer may terminate this Contract in case of the occurrence of any of the events specified in paragraph (a) through (h) of this clause GCC 2.7.1. In such an occurrence, the Employer shall give a not less than thirty (30) days' prior written notice of termination to the Consultant, and sixty (60) days' in case of the event referred to in (h).

- (a) If the Consultant fails to remedy a failure in the performance of its obligations under the Contract, within thirty (30) days after being notified or within such further period as the Employer may have subsequently approved in writing.
- (b) If the Consultant becomes insolvent or bankrupt or enters into any agreements with their creditors for relief of debt or takes advantage of any law for the benefit of debtors or goes into liquidation or receivership whether compulsory or voluntary.
- (c) If the Consultant, in the judgment of the Employer, has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.
- (d) If the Consultant submits to the Employer a false statement which had material effect on the rights, obligations or interests of the Employer.
- (e) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GCC 8 hereof.
- (f) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
- (g) If the Loan Agreement has been terminated or Korea Eximbank has suspended disbursements under the Loan Agreement.
- (h) If the Employer, in its sole discretion and for any reason whatsoever, decides to terminate this Contract.

2.7.2 By the Consultant

The Consultant may terminate this Contract, by not less than thirty (30) days' prior notice to the Employer, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause GCC 2.7.2.

- (a) If the Employer fails to pay any money due to the Consultant pursuant to this Contract and not subject to dispute pursuant to Clause GCC 8 hereof within forty-five (45) days after receiving a written notice from the Consultant that such payment is overdue.
- (b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days.
- (c) If the Employer fails to comply with any final decision reached as a result of arbitration pursuant to Clause GCC 8 hereof.
- (d) If the Employer is in material breach of its obligations pursuant to this Contract and has not remedied the same within forty-five (45) days (or such longer period as the Consultant may have subsequently approved in writing) following the receipt by the Employer of the Consultant's notice specifying such breach.

2.7.3 Payment upon Termination

Upon termination of this Contract pursuant to Clauses GCC 2.7.1 or 2.7.2 hereof, the Employer shall make the following payments to the Consultant:

- (a) payment pursuant to Clause GCC 6 for Services satisfactorily performed prior to the effective date of termination;
- (b) except in the case of termination pursuant to paragraphs (a) through (e), of Clause GCC 2.7.1 hereof, reimbursement of any reasonable cost incidental to the prompt and orderly termination of this Contract including the cost of the return travel of the Personnel and their eligible dependents; and
- (c) in the event that the Consultant is found to be in breach of Korea Eximbank's Fraud and Corruption requirement, there shall be no payment or reimbursement in respect of any fraudulent, corrupt, collusive or coercive practices performed by the Consultant.

2.7.4 Disputes about Events of Termination

If either Party disputes whether an event specified in paragraphs (a) through (f) of Clause GCC 2.7.1 or in Clause 2.7.2 hereof has occurred, such Party may, within forty-five (45) days after receipt of notice of termination from the other party, refer the matter to Clause GCC 8 hereof, and this Contract shall not be terminated on account of such event except in accordance with the terms of any resulting arbitral award.

3. Obligations of the Consultant

3.1 General

3.1.1 Standard of Performance

The Consultant shall perform the Services and carry out their obligations hereunder with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to this Contract or to the Services, as faithful advisers to the Employer, and shall at all times support and safeguard the Employer's legitimate interests in any dealings with Sub-Consultants or Third Parties.

3.1.2 Law Governing Services

The Consultant shall perform the Services in accordance with the Applicable Law and shall take all practical steps to ensure that any Sub-Consultants, as well as the Personnel of the Consultant and any Sub-Consultants, comply with the Applicable Law.

3.2 Conflict of interests

The Consultant shall hold the Employer's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.

3.2.1 Consultant Not to Benefit from Commissions Discounts, etc.

The payments to the Consultant pursuant to Clause GCC 6 shall constitute the Consultant's only payment in connection with this Contract or the Services, and the Consultant shall not accept for their own benefit any trade commission, discount, or similar payment in connection with activities pursuant to this Contract or to the Services or in the discharge of their obligations under the Contract, and the Consultant shall use their best efforts to ensure that its Personnel, any Sub-Consultants, and agents of either of them similarly shall not receive any such additional payment.

3.2.2 Consultant and Affiliates Not to be Otherwise Interested in Project

The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, as well as any Sub-Consultant shall be disqualified from providing goods, works or services (other than consulting services) resulting from or directly related to the Consultant's Services for the preparation or implementation of the Project.

3.2.3 Prohibition of Conflicting Activities

The Consultant shall not engage, and shall cause their Personnel as well as their Sub-Consultants and their Personnel not to engage, either directly or indirectly, in any business or professional activities that would represent a conflict with the activities assigned to them under this Contract.

3.3 Confidentiality

Except with the prior written consent of the Employer, the Consultant and its Personnel shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and its Personnel make public the recommendations formulated in the course of, or as a result of, the Services.

3.4 Insurance to be Taken out by the Consultant

The Consultant (a) shall take out and maintain, and shall cause any Sub-Consultants to take out and maintain, at their (or the Sub-Consultants', as the case may be) own cost but on terms and conditions approved by the Employer, insurance against the risks, and for the coverage, as shall be specified in the SCC; and (b) at the Employer's

request, shall provide evidence to the Employer showing that such insurance has been taken out and maintained and that the current premiums have been paid. The Employer undertakes no responsibility in respect of any life, health, accident, travel and other insurance which may be necessary or desirable for the Personnel of or Sub-Consultants and specialists associated with the Consultant for the purposes of the Services, nor for any members of any family of any such person.

3.5 Consultant's Actions Requiring the Employer's Prior Approval

The Consultant shall not subcontract the whole of the services. The consultant shall be responsible for the act or defaults of any subcontractor, his agents, or employees as if they were the acts or defaults of the contractor. The consultant shall obtain the Employer's prior approval in writing before taking any of the following actions:

- (a) Entering into a subcontract for the performance of any part of the Services;
- (b) Appointing such members of the Personnel not listed by name in Appendix B; and
- (c) Any other action that may be specified in the SCC.

3.6 Reporting Obligations

- (a) The Consultant shall submit to the Employer the reports and documents specified in Appendix A hereto, in the form, in the numbers and with the time periods set forth in the said Appendix.
- (b) Final reports shall be delivered in CD ROM in addition to the hard copies as specified in the said Appendix.

3.7 Documents Prepared by the Consultant to be the Property of the Employer

- (a) All plans, drawings, specifications, designs, reports, other documents and software prepared by the Consultant under this Contract shall become and remain the property of the Employer, and the Consultant shall, not later than upon termination or expiration of this Contract, deliver all such documents to the Employer, together with a detailed inventory thereof. The Employer in its sole discretion may make such documents available to the public.
- (b) The Consultant may retain a copy of such documents and software, and use such software for their own use with the prior written approval of the Employer.

3.8 Accounting, Inspection and Auditing

The Consultant shall permit Korea Eximbank and/or persons appointed by Korea Eximbank to inspect its accounts and records as well as those of its Sub-Consultants relating to the performance of the Contract, and to have such accounts and records audited by auditors appointed by Korea Eximbank if required by Korea Eximbank. The Consultant's attention is drawn to Clause 1.11 which provides, inter alia, that acts intended to materially impede the exercise of Korea Eximbank's inspection and audit rights provided for under Clause 3.8 constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility under the Consultant Guidelines).

3.9 Other Obligations

In addition to the obligations in Clause GCC 3.7 of this Contract, the Consultant shall meet all the other obligations and/or responsibilities set forth in Appendix A.

4. Consultant's Personnel

4.1 Description of Personnel

The Consultant shall employ and provide such qualified and experienced Personnel and Sub-Consultants as are required to carry out the Services. The titles, agreed job descriptions, minimum qualifications, and estimated periods of engagement in carrying out the Services of the Consultant's Key Personnel are described in Appendix B. The Key Personnel and Sub-Consultants listed by title as well as by name in Appendix B are hereby approved by the Employer.

4.2 Removal and/or Replacement of Personnel

- (a) Except as the Employer may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the Consultant, such as retirement, death, medical incapacity, among others, it becomes necessary to replace any of the Key Personnel, the Consultant shall provide as a replacement a person of equivalent or better qualifications.
- (b) If the Employer finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the Consultant shall, at the Employer's written request specifying the grounds

thereof, provide as a replacement a person with qualifications and experience acceptable to the Employer.

- (c) The Consultant shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

4.3 Resident Project Engineer for Supervision

At least 1(one) Korean resident project engineer for supervision shall take charge of the performance of such Services during the supervision period.

5. Obligations of the Employer

5.1 Assistance and Exemptions

The Employer shall use its best efforts to ensure that the Government shall provide the Consultant such assistance and exemptions as specified in the SCC.

5.2 Services and Facilities

The Employer shall make available free of charge to the Consultant the Services and Facilities listed under Appendix E.

6. Payments to the Consultant

6.1 Lump-Sum Payment

The total payment due to the Consultant shall not exceed the Contract Price which is an all-inclusive fixed lump-sum covering all costs required to carry out the Services described in Appendix A. The Contract Price may only be increased above the amount stated in Clause 6.2 if the Parties have agreed to additional payments in accordance with Clause 2.6.

6.2 Currency of Payment

Though prices are quoted in US Dollars, the Contract Price shall be made and paid in Korean Won, unless specified otherwise in the SCC. The conversion shall be made at the average of the telegraphic transfer selling rates of Korean Won against US Dollar as quoted and publicly displayed by Korea Eximbank, during the one month period from the sixteenth(16th) day of two calendar months prior to the month when the first procurement contract for the consulting service is signed respectively, to the fifteenth (15th) day of one calendar month prior thereto.

6.3 Contract Price

The price payable in Korean Won is set forth in the SCC.

6.4 Payment for Additional Services

For the purpose of determining the remuneration due for additional services as may be agreed under Clause 2.5, a breakdown of the lump-sum price is provided in Appendix D.

6.5 Terms and Conditions of Payment

Payments will be made to the account of the Consultant and according to the payment schedule stated in the SCC. Unless otherwise stated in the SCC, the first payment shall be made against the provision by the Consultant of an advance payment guarantee for the same amount, and shall be valid for the period stated in the SCC. The Bank Guarantee shall be issued by a reputable bank located in Consultant's country acceptable to the Employer, in the form provided in the bidding documents or another form acceptable to the Employer and will be valid for (12) months. Any other payment shall be made after the conditions stated in the SCC for such payment have

been met, and the Consultant has submitted an invoice to the Employer specifying the amount due.

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6.6 Interest on Delayed Payments

If the Employer has delayed payments beyond thirty (30) days after the due date stated in Clause SCC 6.4, interest shall be paid to the Consultant for each day of the delay at the rate stated in the SCC.

7. Good Faith

7.1 Good Faith

The Parties undertakes to act in good faith with respect to each other's rights under this Contract and to adopt all reasonable measures to ensure the realization of the objectives of this Contract.

8. Settlement of Disputes

8.1 Amicable Settlement

The Parties agree that the avoidance or early resolution of disputes is crucial for a smooth execution of the Contract and the success of the Project. The Parties shall use their best efforts to amicably settle all disputes arising out of or in connection with this Contract or the interpretation thereof.

8.2 Dispute Resolution

Any dispute between the Parties as to matters arising pursuant to this Contract that cannot be settled amicably within thirty (30) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions specified in the SCC.

III. Special Conditions of Contract

(Clauses in brackets { } are optional; all notes should be deleted in the final text.)

Number of GCC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
{1.1(a)}	The words “in the Government’s country” are amended to read “in The Republic of Honduras ”
1.6	<p>The Addresses are:</p> <p>Employer: <u>The Ministry of Health</u> Attention: <u>Ing. Osmin Bautista Director PRONASSA</u> Telephone: <u>22-22-15-02 /22-22-4785</u> Facsimile: <u>22-38-37-39</u> E-mail: <u>pronassa_sesal@yahoo.com</u> Consultant: _____ Attention: _____ Telephone: _____ Facsimile: _____ E-mail: _____</p>
1.8	<p>{The Member in Charge is <i>[insert name of member]</i>}</p> <p><i>Note: If the Consultant consists of a joint venture/ consortium/ association of more than one entity, the name of the entity whose address is specified in Clause SCC 1.6 should be inserted here. If the Consultant consists only of one entity, this Clause SCC 1.8 should be deleted from the SCC.</i></p>
1.9	<p>The Authorized Representatives:</p> <p>For the Employer: PRONASSA, Director Ing. Osmin Bautista For the Consultant: _____</p>
1.10	<p>The Employer warrants that the Consultant, the Sub-Consultants and the Personnel shall be exempt from (or that the Employer shall pay on behalf of the Consultant, the Sub-Consultants and the Personnel, or shall reimburse the Consultant, the Sub-Consultants and the Personnel for) any indirect taxes, duties, fees, levies and other impositions imposed, under the Applicable Law, on the Consultant, the Sub-Consultants and the Personnel in respect of:</p>

	<p>(a) any payments whatsoever made to the Consultant, Sub-Consultants and the Personnel (other than nationals or permanent residents of the Government's country), in connection with the carrying out of the Services;</p> <p>(b) any equipment, materials and supplies brought into the Government's country by the Consultant or Sub-Consultants for the purpose of carrying out the Services and which, after having been brought into such territories, will be subsequently withdrawn there from by them;</p> <p>(c) any equipment imported for the purpose of carrying out the Services and paid for out of funds provided by the Employer and which is treated as property of the Employer;</p> <p>(d) any property brought into the Government's country by the Consultant, any Sub-Consultants or the Personnel (other than nationals or permanent residents of the Government's country), or the eligible dependents of such Personnel for their personal use and which will subsequently be withdrawn there from by them upon their respective departure from the Government's country, provided that:</p> <p style="padding-left: 40px;">(1) the Consultant, Sub-Consultants and Personnel, and their eligible dependents, shall follow the usual customs procedures of the Government's country in importing property into the Government's country; and</p> <p style="padding-left: 40px;">(2) if the Consultant, Sub-Consultants or Personnel, or their eligible dependents, do not withdraw but dispose of any property in the Government's country upon which customs duties and taxes have been exempted, the Consultant, Sub-Consultants or Personnel, as the case may be, (i) shall bear such customs duties and taxes in conformity with the regulations of the Government's country, or (ii) shall reimburse them to the Employer if they were paid by the Employer at the time the property in question was brought into the Government's country.</p>
2.1	The Effective Date is the date of approval of contract by Korea Eximbank and the Government of Honduras.
2.2	The date for the commencement of Services is 15 days .
2.3	The time period shall be 33 months from the Effective Date.
3.4	The risks and coverage shall be as follows:

	<p>(a) Third party motor vehicle liability insurance in respect of motor vehicles operated in the Government's country by the Consultant or its Personnel or any Sub-Consultants or their Personnel, with a minimum coverage of 2,000 US\$;</p> <p>(b) Third party liability insurance, with a minimum coverage of 2,000 US\$;</p> <p>(c) Professional liability insurance; Not Applicable.</p> <p>(d) Consultant's liability and workers' compensation insurance in respect of the Personnel of the Consultant and of any Sub-Consultants, in accordance with the relevant provisions of the Applicable Law, as well as, with respect to such Personnel, any such life, health, accident, travel or other insurance as may be appropriate; and</p> <p>(e) Insurance against the loss of damage to (i) equipment purchased in whole or in part with funds provided under this Contract, (ii) the Consultant's property used in the performance of the Services, and (iii) any documents prepared by the Consultant in the performance of the Services.</p>
{3.5(c)}	The other actions are: <i>[insert actions]</i> .
{5.1}	According to clause 8 in Section 5
6.3	<p>The amount in Korean Won is <i>[insert amount]</i></p> <ul style="list-style-type: none"> - The foreign currency portion is <i>[insert amount]</i> - The local currency portion is <i>[insert amount]</i> <p>El monto en Won Coreano es:</p>
6.5	<p>The account is: _____</p> <p>Payments shall be made to the bank account to be designated by the Consultant under the Direct Payment Procedure under the EDCF Loan according to the following schedule:</p> <p>a) <u>Advanced Payment</u></p> <p><u>[Thirty percent (30%)]</u> of the Contract Price shall be paid within thirty (30) days from the receipt of the invoice and supporting documents after the Effective Date, against the submission of a Bank Guarantee for Advance Payment for the same. The Bank Guarantee shall be issued by a reputable bank located in the Consultant's Country, in the form provided in the bidding documents or another form acceptable to the Employer and will be valid for (15) months.</p> <p>b) <u>Interim Payment / Progress Payment of Design Phase</u></p>

	<p><u>[Ten percent (10%)]</u> of the Contract Price shall be paid within thirty (30) days from the receipt of the invoice with submission and approval of the schematic design related with clause 3. Scope of Services of Section 5. Terms of Reference.</p> <p><u>[Ten percent (10%)]</u> of the Contract Price shall be paid within thirty (30) days from the receipt of the invoice with submission and approval of the production information including working drawings, schedules specification of materials and workmanship, final tender document as well as Bills of Quantities.</p> <p><u>[Ten percent (10%)]</u> of the Contract Price shall be paid within thirty (30) days from the receipt of the invoice with main contract sign.</p> <p>c) <u>Interim Payment / Quarterly Base Payment of Supervision Phase</u> <u>[Thirty five percent (35%)]</u> of the Contract Price shall be paid quarterly according to the periods of the works made by the contractor</p> <p>d) <u>Final Payment</u> <u>Five Percent (5%)</u> of the Contract Price shall be paid on submission of "Completion Certificate for the Contract". Such a certificate shall be issued by the Employer upon completion of all services and obligations stipulated in the contract.</p>
6.6	The interest rate is: 0%.
8.2	<p>Disputes shall be settled by arbitration in accordance with the following provisions:</p> <p>1. <u>Selection of Arbitrators.</u> Each dispute submitted by a Party to arbitration shall be heard by a sole arbitrator or an arbitration panel composed of three arbitrators, in accordance with the following provisions:</p> <p>(a) Where the Parties agree that the dispute concerns a technical matter, they may agree to appoint a sole arbitrator or, failing agreement on the identity of such sole arbitrator within thirty (30) days after receipt by the other Party of the proposal of a name for such an appointment by the Party who initiated the proceedings, either Party may apply to <i>[name an appropriate international professional body, e.g., the Federation Internationale des</i></p>

	<p><i>Ingenieurs-Conseil (FIDIC) of Lausanne, Switzerland]</i> for a list of not fewer than five nominees and, on receipt of such list, the Parties shall alternately strike names therefrom, and the last remaining nominee on the list shall be the sole arbitrator for the matter in dispute. If the last remaining nominee has not been determined in this manner within sixty (60) days of the date of the list, <i>[insert the name of the same professional body as above]</i> shall appoint, upon the request of either Party and from such list or otherwise, a sole arbitrator for the matter in dispute.</p> <p>(b) Where the Parties do not agree that the dispute concerns a technical matter, the Employer and the Consultant shall each appoint one arbitrator, and these two arbitrators shall jointly appoint a third arbitrator, who shall chair the arbitration panel. If the arbitrators named by the Parties do not succeed in appointing a third arbitrator within thirty (30) days after the latter of the two arbitrators named by the Parties has been appointed, the third arbitrator shall, at the request of either Party, be appointed by <i>[name an appropriate international appointing authority, e.g., the Secretary General of the Permanent Court of Arbitration, The Hague; the Secretary General of the International Centre for Settlement of Investment Disputes, Washington, D.C.; the International Chamber of Commerce, Paris; etc.]</i>.</p> <p>(c) If, in a dispute subject to Clause SCC 8.2.1(b), one Party fails to appoint its arbitrator within thirty (30) days after the other Party has appointed its arbitrator, the Party which has named an arbitrator may apply to the <i>[name the same appointing authority as in Clause SCC 8.2.1(b)]</i> to appoint a sole arbitrator for the matter in dispute, and the arbitrator appointed pursuant to such application shall be the sole arbitrator for that dispute.</p> <p>2. <u>Rules of Procedure.</u> Except as stated herein, arbitration proceedings shall be conducted in accordance with the rules of procedure for arbitration of the United Nations Commission on International Trade Law (UNCITRAL) as in force on the date of this Contract.</p>
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	<p>3. <u>Substitute Arbitrators.</u> If for any reason an arbitrator is unable to perform his function, a substitute shall be appointed in the same manner as the original arbitrator.</p> <p>4. <u>Nationality and Qualifications of Arbitrators.</u> The sole arbitrator or the third arbitrator appointed pursuant to paragraphs (a) through (c) of Clause SCC 8.2.1 hereof shall be an internationally recognized legal or technical expert with extensive experience in relation to the matter in dispute and shall not be a national of the Consultant's home country [<i>Note: If the Consultant consists of more than one entity, add: or of the home country of any of their Members or Parties</i>] or of the Government's country. For the purposes of this Clause, "home country" means any of:</p> <ul style="list-style-type: none"> (a) the country of incorporation of the Consultant [<i>Note: If the Consultant consists of more than one entity, add: or of any of their Members or Parties</i>]; or (b) the country in which the Consultant's [or any of their Members' or Parties'] principal place of business is located; or (c) the country of nationality of a majority of the Consultant's [or of any Members' or Parties'] shareholders; or (d) the country of nationality of the Sub-Consultants concerned, where the dispute involves a subcontract. <p>5. <u>Miscellaneous.</u> In any arbitration proceeding hereunder:</p> <ul style="list-style-type: none"> (a) proceedings shall, unless otherwise agreed by the Parties, be held in the UK; (b) the English language shall be the official language for all purposes; and (c) the decision of the sole arbitrator or of a majority of the arbitrators (or of the third arbitrator if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement. <p><i>Note: Korea Eximbank requires that contracts financed by it include choice of law and dispute settlement provisions. Korea Eximbank feels that international commercial</i></p>
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	<i>arbitration as provided in the above Clause has substantial advantages for both parties over other dispute settlement provisions, and it strongly recommends its borrowers to use the above Clause. Nevertheless, if the relevant provisions are clear and fair to both parties, Korea Eximbank will not object if borrowers decide to substitute another dispute settlement provision for the above Clause.</i>
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IV. APPENDICES

APPENDIX A – DESCRIPTION OF SERVICES

Note: Give detailed descriptions of the Services to be provided, various tasks, place of performance for various tasks, and deliverables to be provided by the Employer.

APPENDIX B – REPORTING REQUIREMENTS

Note: List format, frequency, and contents of reports; persons to receive them; dates of submission; etc.

APPENDIX C – KEY PERSONNEL AND SUB-CONSULTANTS

Note: List under:

- C-1 Titles [and names, of already available], detailed job descriptions and minimum qualifications of Key Personnel to be assigned to work in the Government's country as well as the Consultant's country, and estimated staff-months for each.*
- C-2 List of approved Sub-Consultants (if already available); same information with respect to their Personnel as in C-1.*
- C-3 Same information as C-1 for Key Local Personnel (of the Government's country).*

APPENDIX D – SUMMARY OF COSTS

Item	Costs (in Korean Won)			Remarks
	Foreign Currency Portion	Local Currency Portion	Sub Total	
Remuneration				
Out-of-Pocket Expenses				
Total				

***Note:** The same Summary of Costs in Section 4 of this RFP, which may be further negotiated and finalized, shall be included in this Appendix. The costs shall be stated in Korean Won.*

APPENDIX E – BREAKDOWN OF REMUNERATION AND OUT-OF-POCKET EXPENSES

***Note:** List here the elements of the costs (separately in Foreign and Local Currency portions) used to arrive at the breakdown of the lump-sum Contract Price, including monthly rates for Personnel (Key Personnel and other Personnel) and the details of the Out-of-Pocket Expenses. This appendix will exclusively be used for determining remuneration and out-of-pocket expenses for the Additional Services set forth Clause GCC 6.3 of this Contract.*

APPENDIX F – SERVICES AND FACILITIES PROVIDED BY THE EMPLOYER

***Note:** List here the services and facilities to be made available to the Consultant by the Employer.*

APPENDIX G – SAMPLE FORM OF ADVANCE PAYMENT GUARANTEE

Note: See Clause GCC 6.4.

Bank Guarantee for Advance Payment

_____ [Bank's Name, and Address of Issuing Branch or Office]

Beneficiary: _____ [Name and Address of the Employer](hereinafter referred to as the "Employer")

Date: _____

ADVANCE PAYMENT GUARANTEE No.: _____

We have been informed that _____ [name of Consulting Firm] (hereinafter called "the Consultant") has entered into Contract No. [insert reference number of the Contract] dated [insert date] with you, for the provision of the Consulting Services (hereinafter called the "Services") for the _____ [Name of the Project] (hereinafter called "the Contract").

Furthermore, we understand that, according to the conditions of the Contract, an advance payment in the sum of _____ [amount in figures](_____) ([amount in words]) is to be made against an advance payment guarantee.

At the request of the Consultant, we _____ [name of Bank] hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of _____ [amount in figures](_____) ([amount in words])¹ upon receipt by us of your first demand in writing accompanied by a written statement stating that the Consultant is in breach of their obligation under the Contract because the Consultant have used the advance payment for the purposes of other than toward providing the Services under the Contract.

It is a condition for any claim and payment under this guarantee to be made that the advance payment referred to above must have been received by the Consultant on their account number _____ at [name and address of Bank].

The maximum amount of this guarantee shall be progressively reduced by the amount of the

¹ The Guarantor shall insert an amount representing the amount of the advance payment and denominated either in the currency(ies) of the advance payment as specified in the Contract, or in a freely convertible currency acceptable to the Employer.

advance payment repaid by the Consultant as indicated in copies of certified monthly statements which shall be presented to us. This guarantee shall expire, at the latest, upon our receipt of the monthly repayment certificate indicating that the Consultant has made full repayment of the amount of the advance payment, or on the __ day of _____, 201__,¹ whichever is earlier. Consequently, any demand for payment under this guarantee must be received by us at this office on or before that date.

This guarantee is subject to the Uniform Rules for Demand Guarantees, ICC Publication No. 458.

[signature(s)]

***Note:** All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product.*

¹ Insert the expected expiration date. In the event of an extension of the time for completion of the Contract, the Employer would need to request an extension of this guarantee from the Guarantor. Such request must be in writing and must be made prior to the expiration date established in the guarantee. In preparing this guarantee, the Employer might consider adding the following text to the form, at the end of the penultimate paragraph: "The Guarantor agrees to a one-time extension of this guarantee for a period not to exceed [six months][one year], in response to the Employer's written request for such extension, such request to be presented to the Guarantor before the expiry of the guarantee."

Section 7

Anti-Corruption and Malpractice Declarationⁱ

To The Export-Import Bank of Korea (the “Bank”)

Name of the Project (the “Project”): Construction of South Regional Hospital in Choluteca

We hereby confirm the following with regard to participating in the Project stated above financed by the Economic Development Cooperation Fund (EDCF):

We undertake to fully understand and comply with the "Act on Preventing Bribery of Foreign Public Officials in International Business Transactions," and neither we nor any other party acting on our behalf with regard to the Project has engaged or will engage in corrupt or fraudulent practices.

If the Bank determines that we have engaged in corrupt or fraudulent practices with regard to the Project, we will not raise any objection to the following actions taken by the Bank:

- To reject the approval or no-objection with regard to our participation in the Project;
- To declare that we are ineligible for not more than 3 years to be awarded a contract financed by the EDCF loans, and to disclose our ineligibility at the Bank’s official website;
- To inform the law enforcement authority if any act of bribery has been verified.

We will not raise any objection to the Bank’s declaration that we are ineligible for not more than 3 years to be awarded a contract financed by the EDCF loans if we fall under the ‘Ineligibility Criteria on Malpractice’ (attached hereto) of the Article 7-6 of the ‘Regulation on EDCF Operation and Management,’ such as defective design and construction, with regard to the Project.

Year / Month / Date

Name of the Company

Name of the Company Representative

* Attachment : Ineligibility Criteria on Malpractice under Article 7-6 of ‘Regulation on EDCF Operation and Management’

ⁱ The original signed 'Anti-Corruption and Malpractice Declaration' in the bidding documents must be delivered to the Korea Eximbank, 16-1 Yeouido-dong, Yeongdeungpo-gu, Seoul 150-996, Republic of Korea, and one copy of the original signed must be delivered to *(insert the address of the project executing agency)*, at or before *(insert time and date)*.

<Attachment>

Ineligibility Criteria on Malpractice

(Article 7-6 of Regulation on EDCF Operation and Management)

1. Where the borrower raises an issue in writing on the defect of goods and services provided by the company in question, and the Bank determines it is reasonable
2. Where the company in question falls under the Article 76 (1)-1, 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 17 of the ‘Enforcement Decree of the Act on Contracts to Which the State Is a Party’

Reference: ‘Enforcement Decree of the Act on Contracts to Which the State Is a Party’
Article 76 (1)

1. A person who has, in the execution of contractual obligations, performed deficiently, crudely or unreasonably, or committed a malpractice;
2. A person who has concluded a subcontract, in violation of the provisions concerning the limitation of the subcontract (excluding the case of violating the liability for notification of the subcontract) under the Framework Act on the Construction Industry, the Electrical Construction Business Act, the Information and Communication Work Business Act, or other Acts and subordinate statutes, and a person who has concluded a subcontract without the approval of the government agency which has placed the order or has changed the conditions of the subcontract approved by the said government agency;
4. A person who has, in the contract of survey and design services or of cost accounting services, failed to appropriately calculate the amount of survey and design or cost accounting by intention or gross negligence;
- 4-2. A person who has, in a service contract for feasibility study under Article 2 of the Construction Technology Management Act, inflicted damage on the ordering agency by improperly carrying out feasibility studies such as demand forecast, etc. by either intention or gross negligence;
5. A person who has inflicted an injury on the general public by neglecting safety measures while fulfilling any contract or a person who has inflicted a serious injury, such as death, on employees, etc. by neglecting safety and health measures at a work place under the Industrial Safety and Health Act;

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6. A person who has, without any just cause, failed to conclude or perform a contract (including the performance of matters concerning an incidental tender under Article 19, matters concerning the subcontract management plan and the performance plan for outsourcing workers' working conditions submitted for the review of the contract performance capability under Article 42 (5) and matters concerning a joint contract under Articles 72 and 72-2);
 7. A person who has agreed upon the tendered price in advance by having discussed it between bidders or has committed a collusion for the purpose of successful tender by a specific person in the competitive tender;
 8. A person who has forged or altered documents concerning tender or contract (including any written public certification provided for in subparagraph 8 of Article 2 of the Digital Signature Act in case where the documents for the tender are submitted in use of the designated information processing unit) or used them unjustly, or a person who has produced the false document;
 9. A person who has executed an invalid tender by intent;
 10. A person who has, in relation to a bid, successful bid, or conclusion of a contract and execution thereof, offered a bribe to the relevant public official (including members of the International Contract Dispute Conciliation Committee under Article 29 (1) of the Act, the Committee for Examining the Adequacy of Tender Prices under Article 42 (7) of this Decree, the Committee for Evaluating Written Proposals under Article 43 (8) of this Decree, the Contract Council under Article 94 (1) of this Decree, the Central Construction Technology Deliberation Committee, the Special Construction Technology Deliberation Committee, and the Design Advisory Committee under the Construction Technology Management Act);
 11. A person who has failed to participate in the bidding (excluding any bidding for which a written bidding is submitted by means of the designated information processing unit provided for in the provisions of Article 39 (2)) three times or more during the corresponding fiscal year without justifiable reasons even after having submitted a written application for participation in the tender or a written consent to participation in the tender;
 12. A person who has interfered with participation in the tender or hinders a successful bidder from concluding the contract and executing it;
 13. A person who has interfered with the performance of duties in the course of supervision or inspection;
 14. A person who has, without any justifiable ground, failed to submit the full or part of the documents which are required for an examination of capabilities to perform the contract pursuant to Article 42 (1) or a person who has abandoned the examination after submitting the required documents before a successful bidder is finalized;

14-2. A person who has, without any justifiable ground, failed to submit the full or part of the documents which are required for an examination after he/she was chosen as a participant in the examination of the adequacy of bidding prices pursuant to Article 42 (4) or a person who has abandoned the examination after submitting the required documents before a successful bidder is determined;

15. Where a successful bidder is determined for the package deal tender under Article 87, a person who has failed to submit a written execution design within the time limit without any justifiable reasons after being selected as a person suitable for the execution design;

16. A person who has caused damage to the State in a tender or a successful bid or during the process of the conclusion or performance of the contract by deceit or other fraudulent means;