

**Solid Waste Management
Privatization Procedural Manual**

TENDERING AND CONTRACTING



Solid Waste Technical Assistance



**Ministry of
State for
Environmental Affairs**



**Egyptian
Environmental
Policy Program**

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INTRODUCTION



Chapter 4 provided information about the first steps in the privatization procurement process including establishing the Tender Committee, preparing the Request for Qualifications (RFQ), evaluating the RFQ responses, and selecting the contractors believed to be qualified to perform the desired services. This chapter will cover how to prepare the Request for Tender (RFT), how to evaluate the Tender Offers and select the Contractor, and how to execute the contract.

The Bidder's response to the RFT, when correctly prepared and returned by the Bidder, becomes the Bidder's Tender Offer. The Tender Offer, if accepted by the Governorate without modification, forms a binding agreement between the Bidder and the Governorate. Acceptance occurs when the Governorate notifies the Bidder of its intention to enter into a contract

based upon the proposed terms contained in the Tender Offer. If the Bidder refuses to sign a Contract in accordance with the terms of his Tender Offer, then the Bidder must forfeit his "Bid Bond," or in other words, pay the Governorate an amount of money specified in the RFT.

The Tender Offer must be accepted without any qualifications in order for a contract to be formed without any further action by the Bidder. An acceptance that is qualified in any way does not form a contract, but is a counter-offer and does not form an agreement unless the Bidder accepts the counter-offer.

The RFT and all of its related documents must be prepared by a team of individuals experienced in law, procurement, contracting, and solid waste management. Documents that were prepared and successfully used for other projects can serve as a beginning point in the preparation process, but they should never be used without being reviewed and modified by experienced professionals.

A typical RFT will include information covering the following subject matter:

- **Formal Invitation for Pre-Qualified Bidders.**
- **Information and Instructions.**
- **Draft Contract, General Conditions, and Appendices to the General Conditions.**
- **Standard Form of Bid Letter of Guarantee.**
- **Bidder's Price Form Schedules.**
- **Tender Offer Form Letter.**
- **Notice of Receipt of Tender Documents.**



STEP 1

PREPARE THE REQUEST FOR TENDER

Preparing the RFT is a time consuming and complex activity. However, the RFT is perhaps the most critical document in the procurement process. It is through this document that the Governorate will communicate technical information for the project and establish specific terms and conditions for the services to be provided by the Contractor. In addition to the technical requirements, the RFT should contain specific managerial, business, performance and security requirements, and other general terms and conditions of the proposed contract.

Normally, the first part of the RFT is the formal invitation—a written request to Pre-Qualified Bidders to submit a Tender Offer for the desired services in accordance with the terms and conditions of the RFT.

The invitation should inform Pre-Qualified contractors of the location where they may obtain complete sets of the Tender Documents for the deposit sum stated in the Advertisement or Invitation to Bid. An example of the formal invitation to submit a Tender Offer is provided in Appendix A of this chapter.

STEP 1A:

RFT—INFORMATION AND INSTRUCTIONS

The Information and Instructions is the foundation document of the RFT. This portion of the RFT instructs the Pre-Qualified Bidders how to prepare their Tender Offer. The information to be included in this section of the RFT is presented below in the sections in which it should appear in the RFT.

Project Background

The Project Background section gives the name of the agency seeking to enter into a contract with a private contractor and the official name of the solicitation. The basis for the ultimate agreement should be referenced and a general description of the location of information needed to prepare a Tender Offer should be stated.

The name of the agency currently responsible for each kind of waste management service should be given, as well as a general description of the desired services and the service area.

Source of Funds

In this section state the name of the government institution responsible for all payments due the Contractor in accordance with the terms of the contract.

Payment Guarantees

In this section give the legal basis for payment for services. In most cases, this is according to the Tenders and Bids Law¹.

Documents Comprising the RFT

Provide a complete list of all of the documents making up the entire RFT. The list may include the following:

- Invitation for Pre-Qualified Bidders.
- RFT-Information and Instructions.
- Draft Contract, General Conditions of Contract and Appendices.
- Standard Form of Tender Offer Security.
- Bidder's Price Form.
- Tender Offer Form Letter.
- Notice of Receipt of Tender Documents.

- Addenda to the RFT (If any will be issued during the Tender Offer preparation period).
- Document availability (Describe where all the documents are available).

Instruct the Bidder to examine all instructions, forms, terms, specifications, descriptions, and any other documents listed in the RFT. Also inform the Bidder that failing to furnish all information required by the Tender Documents, or submitting a Tender Offer that is not substantially responsive to the Tender Documents in every respect, will be at the Bidder's own risk.

The Governorate has the sole discretion to choose to reject inadequate Tender Offers.



¹ Law Number 89/1998

Clarification of Tender Documents

A potential Bidder desiring clarification of the Tender Documents should be instructed to notify the Governorate in writing or by fax at the address and fax number noted in RFT. If Bidders have any comments on the Tender Documents, they should provide them to the Governorate in the same manner. The Governorate should agree to respond in writing to any request for clarification or modification of the Tender Documents submitted before the deadline identified in the Timetable and Program. Written copies of the responses should be sent to all prospective Bidders that received the Tender Documents.

Site Visitations

Advise the Bidders to visit and examine the sites of the service area and existing waste management facilities and their surroundings and obtain all information that may be necessary for preparing the Tender Offer and entering into a contract. The cost of visiting the sites should be at the Bidders' expense. Visits to existing facilities operated by the Governorate should be pre-arranged. In many instances, it is common practice to hold a meeting with the prospective Bidders during the Tender preparation period to receive and answer questions about the work. The instructions should inform the Bidders of the time and location of this meeting and whether or not attendance is mandatory.

The Bidder is responsible for visiting the sites of the service area in order to become familiar with general, local, and site conditions that may affect cost, progress, performance, and other services.

Bidders should be cautioned that they are responsible for studying and carefully correlating the knowledge and observations of their site visits with the Tender Documents and other related data.

The Bidders should also be instructed to promptly notify the Governorate of all conflicts, errors, ambiguities, or discrepancies that the Bidder has discovered in, or between, the RFT and any other related documents and information known to the Bidder.

Timetable and Program

Provide a schedule for major events occurring during the procurement process. The schedule should include the dates for the following:

- Issuing the RFT.
- Pre-Bid or Questions Conference and Site Visits.
- Deadline for Receipt of Written Questions.
- Tender Offer Due Date.
- Notice of Award of Tender.

Submission of Technical Proposal and Financial Proposal

A completed Tender Offer will consist of one Technical Proposal and one Financial Proposal. Tell the Bidders that the Technical Proposal and the Financial Proposal must be prepared in accordance with all specific requirements of the RFT. Instruct Bidders to bind and package the Technical Proposal and the Financial Proposal separately. The Bid Guarantee will be included with the Technical Proposal.

The Bidder should be informed whether or not alternative proposals not specifically required by the RFT will be accepted. If alternative proposals are not desired, they should be returned unopened or unread.

If the Bidder submits more than one Technical Proposal or more than one Financial Proposal, and it is not obvious on the sealed envelope(s) which is the alternative proposal, in lieu of returning the alternative proposal, the entire submission should be returned to the Bidder and the Bidder disqualified.



Cost of Tender Offers

The Governorate should inform the Bidder that they will bear all costs associated with the preparation and submission of their Tender Offer. In no case will the Governorate be responsible or liable for these costs, regardless of the conduct or outcome of the Tendering process.

Tenders by Joint Ventures of other forms of Association

Provide specific instructions concerning changes in the organizational structure of the firms that have pre-qualified as a Joint Venture or proposed Joint Venture. Normally, changes should not be permitted to their joint venture arrangement without the prior written

approval of the Governorate. For Tender Offer purposes, the intent of Joint Venture participants should be demonstrated in the Tender Offer documents by including a formal commitment from each participant, confirming acceptance of the arrangements with the other participants in the Joint Venture.

When a Joint Venture exists, it will be incumbent upon the successful Bidder to incorporate such an entity into a Joint Stock Company prior to execution of the contract, in accordance with Egyptian law. The share holding and respective responsibilities of each of the participants making up the Joint Stock Company must be included in the Tender Offer as originally set forth in the Bidder's response to the RFQ, together with any agreements between the participants that may affect the Bidder's compliance with the contract or Egyptian law, or both.

A performance guarantee should be required from the Joint Stock Company, which has been incorporated from the firms participating in the joint venture. It may also be required from the Joint Stock Company parent.

Technical Proposal

Instruct Bidders to submit the Technical Proposal in accordance with the content and format described in this section of the RFT and with all other requirements of the Tender Documents. The Bidder should provide in their Tender Offer all of the required information that pertains to the specific services the Bidder is bidding on. At a minimum, instruct the Bidder to provide the following in their Technical Proposals.

Bidder's Commitments

The Technical Proposal should contain a formal letter in the format provided in the RFT and signed by the Chairman of the firm (or in the case of a Joint Venture, by the Chief Executive of each of the participating firms) confirming that the Bidder will do the following:

- Enter into a contract with the Governorate if selected.
- Provide the management, supervisory and technical staff as identified in the Tender Offer for the commitment described in the Technical Proposal.
- Provide the resources (financial or otherwise) to carry out its offered services.
- Hold the Tender Offer valid for the required number of days from the submission date as set out in the RFT.

An example of a Bidder's Commitment Letter is provided in Appendix B of this chapter.

Bidders Comprising a Joint Venture Arrangement

If the Bidder consists of a Joint Venture, they should provide a description of the Joint Venture and the roles and responsibilities of each participant. Bidders who have pre-qualified as Joint Ventures should be required to submit a letter signed by a responsible officer

from each Joint Venture Participant confirming their commitment to the Joint Venture, acceptance of the arrangements proposed and their willingness to provide a joint and several guarantee to the Governorate to underwrite the performance of the Joint Venture in respect of the contract. The Bidders in a Joint Venture should be required to name one company that will assume the leading role on behalf of the other companies in the Joint Venture and who will have authority to commit all participants.

Technical Proposal Summary

The Bidder should be instructed to provide a summary no more than three to five pages long of the major aspects of the Bidder's Technical Proposal.

Draft Work Plan

Instruct the Bidder to provide a Draft Work Plan consisting of a narrative description of how each of the services the Bidder proposes to provide, including all of the activities making up the services that the Bidder proposes to provide, will be undertaken and completed. The terms "services" and related "activities" as used may include some or all of the following:

- Residential Solid Waste Collection.
- Commercial Solid Waste Collection.
- Waste Transfer Facility Construction and Operation.



- Composting Facility Construction and Operation.
- Recycling Facility Construction and Operation.
- Street Sweeping and Washing.
- Public Facility and Structure Cleaning.
- Sanitary Landfill Construction and Operation.
- Landfill and Open Dump Closure.
- Industrial Waste Collection and Disposal.
- Medical Waste Collection, Treatment, and Disposal.
- Public Awareness and Communications.

The narrative should be written in comprehensive and descriptive detail and include all of the information required by the Technical Specifications and the requirements contained in the RFT. The Draft Work Plan should contain, at a minimum, the following information in addition to the information indicated in the Technical Specifications, organized in a format consistent with the following:

- The Bidder's understanding of the scope of each service and activity comprising the service desired for those services the Bidder intends to provide, including the objectives, duties and responsibilities related to these services.
- A comprehensive description of how the Bidder proposes to carry out the services and activities to meet the contract requirements for each of the defined services.
- A description of procedures and methods to be used for administrative systems.
- Procedures and methods for assuming operating responsibility for each of the services and activities making up the service. The information provided should include the Bidder's understanding of how the services and activities are presently provided.

- Performance indicators and measures of performance to be used by the Bidder for internal quality assurance and quality control related to performance of the services and related activities.

Personnel

Personnel administration and management information should be requested, including at a minimum, the following:

- A graphic chart depicting the organizational structure of the Bidder's proposed staff for this project including management, supervisory, and technical personnel.
- Information defining each of the positions identified in the organizational chart including duties, responsibilities, authorities, whether temporary or permanent, etc.
- Comprehensive curriculum vitae of the proposed resident general manager (or equivalent position) and for all personnel reporting directly to this position (second level positions) proposed for the project. In no event shall curricula vitae be provided for less than the five most senior resident management positions defined in the proposed organizational structure.



- Signed letters of commitment and agreement to accept the assignment from the proposed resident general manager (or equivalent position) and all personnel reporting directly to this position (second level positions) or for not less than the five most senior resident management positions.
- A table summarizing the total estimated number of employees for each employment category including laborers such that the total of all the categories reported will represent the total estimated employees to be hired to fulfill the requirements of the contract.

Facilities and Equipment Section

This section of the Bidder's Technical Proposal should include a comprehensive description of the facilities and equipment the Bidder intends to use in the performance of the services. The information provided shall include at a minimum, the following data and all other information required in the Technical Specifications:

- A description and total number of each type of equipment to be used in the performance of the services for each service. The description shall include the kind and model, and general specifications of all machinery and vehicles.
- A description of the facilities that will be used in the performance of the services including size and location of office and maintenance facilities, transfer stations, recycling facilities, composting facilities, etc.
- A summary of all other equipment to be provided, including size and number of waste containers, litter collection boxes, etc.

Summary of Technical Proposal Strengths and Innovative Approaches

In this section, the Bidder should be required to provide a summary description of the strengths of their Technical Proposal and any innovative approaches that the Bidder brings to the Project. Bidders can use this section to describe why they should be selected for the project over other Bidders.

Modification of the Draft Contract

This section of the Technical Proposal should include a copy of all Addenda issued during the Tender Offer preparation period. The Bidder should be instructed to submit its Tender Offer based on the draft contract provided only as amended by official Addenda issued during the Tender Offer preparation period. The Bidder may submit questions, requests for clarifications and comments on the Draft Contract included in the RFT in accordance with the schedule and procedures set out in the RFT.

Financial Proposal

The Bidder's Financial Proposal should include a fully completed Bidder's Price Form Schedule(s) and the fully completed and executed Performance Bond.

Bidder's Price Form

The Bidder's Price Form Schedules must be completed by each Bidder and included separately in the Financial Proposal section of its Tender Offer. The Bidder's Price Form Schedules should be prepared by the Governorate and included within the RFT. This form should be completed in full and without any qualifications or changes. Failure to adhere to this requirement should automatically disqualify the Bidder. An example of a Bidder's Price Form is provided in Appendix C.

Compensation

A complete explanation of how compensation for the work will be determined must be provided. This explanation will establish the basis for the payment for the specified services after adjustment for population growth, inflation, and quantity variations in accordance with the procedures stated in the General Conditions to the Draft Contract.

Financial Proposal Currencies

The Bidder should be informed regarding the currency in which to quote its price. This would normally be in Egyptian Pounds.

Bid Letter of Guarantee

The Bidder should be required to furnish, as part of its Technical Proposal, a Bid Letter of Guarantee in a specified amount, generally based upon the estimated size of the contract. The Bid Letter of Guarantee can, at the Bidder's option, be in the form of a bank guarantee from a reputable bank, located in Egypt, and selected by the Bidder. The format of the guarantee should be similar to the example found in Appendix D.

Any Tender Offer not accompanied by an acceptable Bid Letter of Guarantee should be rejected as being non-responsive. The Bid Letter of Guarantee of a Joint Venture should be required to be in the name of all of the participants in the Joint Venture submitting the Tender Offer.

The successful Bidder must provide within a specified period of time from the day following notification of the acceptance of his Tender Offer by registered letter, a new Bid Letter of Guarantee in an amount equal to 5 percent of the annual value of the contract. The new Bid Letter of Guarantee is considered a guarantee for the execution of the contract and would be refunded after complete execution of the contract.

If the successful Bidder does not provide the new Bid Letter of Guarantee during the time limit, the administrative authority, after notifying the successful Bidder by a confirmed registered letter, has the right to cancel the contract award and execute it with the Bidder following in rank. In this case, the temporary deposit would not be refunded.

The Bid Letter of Guarantee of the unsuccessful Bidders should be returned not later than 30 days after the expiration of the Tender Offer validity period. The total Bid Letter of Guarantee of the successful Bidder should be returned when the Bidder has signed the contract pursuant to the RFT and has furnished the required Contract Performance Letter of Guarantee as set out in the contract.

The Bid Letter of Guarantee may, in the sole discretion of the Governorate, be forfeited under the following conditions:



- If the Bidder withdraws its Tender Offer during the period of Tender Offer validity as set out in the RFT.
- In the case of the successful Bidder, if the Bidder fails within the specified time limit to: sign the contract in accordance with the requirements of the RFT; provide the required additional Bid Letter of Guarantee as set out in the RFT; or provide the required Contract Performance Letter of Guarantee as required by the terms of the contract.

Format and Signing of the Tender Offer

The instructions should include directions regarding how many copies should be submitted and indicate the language requirements as well. The original and all copies of the Tender Offer, each consisting of the Technical Proposal and Financial Proposal listed in RFT, should be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the contract. The latter authorization should be indicated by written power of attorney accompanying the Tender Offer and submitted as an attachment to the Tender Offer.

Each page of the Tender Offer, except for un-amended printed literature, should be initialed by the person or persons signing the Tender Offer. Any interlineations, erasures or overwriting would be valid only if they are initialed by the signatory(ies) to the Tender Offer. The Tender Offer should also contain an acknowledgment of receipt of all Addenda evidenced by including a copy of each Addendum in the Technical Proposal.

Sealing and Marking of the Tender Offers

The Bidder should be instructed to seal the originals of the Technical Proposal and Financial Proposal in separate

envelopes duly marking the envelopes as "Technical Proposal – Original" and "Financial Proposal – Original" as appropriate in both Arabic and English. These two envelopes should then be sealed in an outer envelope marked "Original Tender Documents – [Insert the Project Description]."

The inner and outer envelopes containing the originals referred to in RFT should be addressed to the name of the procuring entity at the address specified in RFT and include the statement "DO NOT OPEN BEFORE [Insert the Tender Offer Due Date]"

Deadline for Submission of Tender Offers

The instructions should clearly state that the Tender Offers must be received no later than a stated time and date at a specified location.

It is normal practice that the Governorate may, in its sole discretion, extend this deadline for submission of Tender Offers by amending the RFT, in which case all rights and obligations of the Governorate and Bidders will thereafter be subject to the extended deadline.

Period of Validity of the Tender Offer

Tender Offers shall remain valid for a specified number of days from the closing date for the receipt of Tender Offers as established by the Governorate and stated in the instructions to Bidders. The Governorate may solicit the Bidder's consent to an extension of the Tender Offer validity period. The request and responses thereto shall be written originals or by faxes. If a Bidder agrees to prolong the period of validity, the Bid Letter of Guarantee shall also be suitably extended. A Bidder may refuse the request without forfeiting its Bid Letter of Guarantee. A Bidder granting the request will not be required or permitted to modify its Tender Offer, except as provided in the RFT.

Modification and Withdrawal of Tender Offers

If a Bidder submits a Tender Offer prior to the submission date, they normally are allowed to modify or withdraw the Tender Offer after submission, provided that written notice of the modification or withdrawal is received by the Governorate prior to the deadline prescribed for Tender Offer submission.

A Bidder wishing to withdraw its Tender Offer should notify the Governorate in writing prior to the deadline prescribed for Tender Offer submission. A withdrawal notice may also be sent by fax, but it must be followed by a signed confirmation copy, postmarked not later than the deadline for submission of Tender Offers.

The Bidder's modifications should be prepared, sealed, marked and dispatched as follows:

- The Bidder shall provide an original of any modifications to its Tender Offer, clearly identified as such, in two inner envelopes marked, if appropriate, "Tender Offer Modifications – Technical Proposal – Original" and "Tender Offer Modifications – Financial Proposal – Original" and the inner envelopes shall be sealed in an outer envelope which shall be duly marked, "Tender Offer Modifications".
- Be addressed to the Governorate at the address specified in RFT.
- Bear the statement "DO NOT OPEN BEFORE [Enter Date]."

The notice of withdrawal shall be addressed to the Governorate at the address in RFT, and bear the contract name of the project and the words "Withdrawal Notice."

Tender Offer Withdrawal notices received after the Tender Offer submission deadline should be ignored, and the submitted Tender Offer deemed to be a validly submitted Tender Offer.

No Tender Offer may be withdrawn in the interval between the Tender Offer submission deadline and the expiration of the Tender Offer validity period. Withdrawal of a Tender Offer during this interval should result in the Bidder's forfeiture of its Bid Letter of Guarantee.

Bidder's Compensation and Taxes

The Bidder should be informed that the prices set out in the Bidder's Price Form shall include all taxes, duties, levies and charges of any kind whatsoever. If new taxes are imposed, or if existing tax rates increase or decrease during the life of the contract, then an equitable adjustment shall be made to fully take into account such change, including both upward and downward adjustments to the payments to the Contractor.

Opening of Tender Offers

Advise the Bidders that the Governorate will open all Technical Proposals in the presence of any Bidders' representatives who choose to attend the opening. This opening will occur as soon after the official closing time given in the RFT as practicable, but in any event, on the same day as the official closing date. Bidders' representatives should be required to sign a register as proof of their attendance. Only the names of the Bidders should be announced at the opening of the Technical Proposals.

Inform the Bidders that the Governorate will evaluate the Technical Proposals and notify Bidders as to whether they have qualified for further consideration based on the Technical Proposals. The Bidders will also be notified of the time and place of the opening of the Financial Proposals of those Bidders who have qualified. Financial Proposals will be opened in the presence of Bidders who elect to attend. Bidders shall sign a register of proof of their attendance.

Right to Accept or Reject.

The Bidders should be informed that the Governorate reserves the right to accept or reject any Tender Offer, and to annul the Tender process and reject all Tender Offers at any time prior to award of the contract without thereby incurring any liability to the affected Bidder or Bidders or any obligation to inform the affected Bidder or Bidders of the grounds for the Governorate's actions.

Evaluation of Tender Offers

In order to insure that the process is completely fair and transparent, the Bidders should be informed within the RFT of the way in which the Tender Offers will be evaluated. Typically, the evaluation process will comprise a number of steps, with each step successfully completed before moving onto the next. An example evaluation system is presented in Figure 5.1.

FIGURE 5.1: EXAMPLE TENDER OFFER EVALUATION PROCESS

- **Step 1:** Each Technical Proposal will be examined first to confirm or otherwise determine whether there has been full compliance with the RFT and the Bidder's pre-qualification submission.
- **Step 2:** The Technical Proposal shall then be examined in detail to determine whether the Bidder has demonstrated sufficient capability to undertake performance of the services and activities. A total of 100 points will be assigned to this category. Bidders must achieve a total of at least 75 points AND the minimum number of points specified for each of the four key areas of technical evaluation listed below. Only those Bidders achieving both the overall score of 75 points and the minimum required for each element will be included in Step 3. The minimum number of points required for this element is 10. Distribution of points for technical evaluation will be as follows:
 - (a) 15 points for the quality and level of detail of the Technical Proposal. The minimum number of points required for this element is 10.
 - (b) 15 points for the numbers, qualifications, and competence of the key personnel proposed for the assignment distributed as follows:
 - (1) qualifications and experience of the proposed resident general manager (20%).
 - (2) qualifications and experience of other key personnel for the assignment including experience in the required areas of expertise (40%).
 - (3) consistency of the staffing plan with the work plan including the type and numbers of personnel compared to the services to be provided (40%).
 - (c) 20 points for the quality of the proposed equipment and facilities. The minimum points required for this element is 15.
 - (d) 50 points for the quality of the proposed Draft Work Plan in meeting the requirements of the Scope of Services. The minimum number of points required for this element is 35.
- **Step 3:** The Financial Proposal of each Bidder that has achieved the minimum number of points specified for each of the four key areas of technical evaluation as required in Step 2 above will then be publicly opened in accordance with the time schedules and procedures indicated in this RFT. The Financial Proposals of Bidders that have not achieved the minimum points required in Step 2 will be returned unopened.
- **Step 4:** The contract will be awarded to the Bidder with the lowest reasonable cost. The lowest bid will be determined by comparing the Total Annual Price of each Tender Offer's Bidding Schedule contained in the Financial Proposals.

Successful Bidder

The instructions should state that the successful Bidder(s) will be required to enter into a contract subject to the requirements of Egyptian law. The contract will require the Contractor to comply with all requirements of Egyptian law and local regulations, including, without limiting the generality of the foregoing, all environmental requirements. The Draft Contract should be included in the RFT and provides the basis on which Bidders shall prepare their proposals. Under the contract, the Contractor will be required to provide the Services described throughout the contract and its appendices. Bidders should be instructed to base their Tender Offers on the terms and conditions as they appear in the Draft Contract.

Notification of Award

Prior to the expiration of the period of Tender Offer validity, the Governorate should notify the successful Bidder in writing by registered letter that its Tender Offer has been accepted. The notification of award will constitute the formation of contract.

Performance Letter of Guarantee

Prior to the execution of the contract, the successful Bidder shall provide the Contract Performance Letter of Guarantee in the amounts set out in the Draft Contract in a form acceptable to the Governorate. Failure of the successful Bidder to provide the Performance Letter of Guarantee will constitute sufficient grounds for the forfeiture of the Bid Letter of Guarantee, in which event the Governorate may, in its sole discretion, enter into negotiations or a contract with another Bidder or call for new Tender Offers. An example Performance Letter of Guarantee is provided in Appendix E.

STEP 1B:

RFT—DRAFT CONTRACT, GENERAL CONDITIONS AND APPENDICES TO THE CONDITIONS

The Draft Contract, General Conditions, and Appendixes are all part of the RFT and ultimately will form the basis for the contract between the Governorate and the successful Bidder. Consequently, it is extremely important to prepare these documents carefully to ensure that the long-term contract relationship is properly formulated and that the responsibilities and risks are appropriately assigned between the parties.

When the Governorate and a Contractor agree to enter into a service contract, they each agree to assume a certain amount of risk. The Governorate may want to take all of the risk in order to reduce their costs, or they may expect the Contractor to assume the entire risk, for which the Contractor will expect to be financially compensated. Usually each of the parties involved assumes

responsibility for certain portions of the risk.

Generally, risks should be assigned to the party who has the most control over the risk. Where the risk is not quantifiable, it is common practice for the beneficiary of the service (the government in this case) to assume the risk. Such risks or uncertainties could include inflation, population growth, currency devaluations, civil unrest, etc. Most such risks should remain with the government, since to attempt to transfer these risks to the contractor could result in much higher costs to the government or, even worse, not being able to find any contractor willing to submit a Tender Offer for the work.

The basic elements of a valid contract are as follows:

- The parties have the legal authority to enter into a contract.
- They legally consent to enter into the agreement.
- There is a lawful purpose for the agreement.
- There is an exchange of something valuable between the parties.

Problems can develop when the risk allocation process is not thought out and defined in advance and if the agreement does not clearly state which party is actually responsible for which risk element. The Government should not try to allocate all the risk to the contractor and propose a contract that is grossly one sided. Many good contractors will refuse to submit a Tender Offer if the proposed contract is one sided and unfair.



The Draft Contract

The Draft Contract form is a document that establishes the basic elements of the agreement between the parties and defines the documents making up the entire agreement. A typical Draft Contract, at a minimum, should include the following subject matter:

- Names of the Parties to the agreement.
- The effective date of the agreement.
- Statements of responsibility, intent, and conformance with applicable laws.
- Representations of the Parties.
- Documents constituting the agreement.
- Compensation and Terms of Payment.
- Relevant Dates.
- Official signatures and certifications.

General Conditions

The Contract General Conditions contain most of the terms and conditions of the contract related to administrative, financial, and legal requirements of the contract and are normally incorporated into the agreement as an appendix to the contract. Assistance should be obtained from procurement and legal professionals when preparing the Contract and General Conditions to the Contract. The General Conditions also contain most of the requirements relating to the assignment of risk.

An Example Table of Contents for a General Conditions section of the contract documents for a solid waste management contract is provided in Appendix F.

Appendices to the General Conditions

Appendices to the General Conditions are used to declare specific information necessary to completely define the requirements of the work and to provide any information affecting the performance

of the service. Typical topics covered include the following:

- Technical Specifications.
- Bidders Technical Proposal.
- Facilities And Equipment.
- Contract Performance Letter Of Guarantee.
- Supplemental Information.

Technical Specifications

The Technical Specifications should provide a comprehensive description of the services desired and define the specific requirements related to the provision of those services. The technical specifications should provide all of the following information generally organized as follows.

General Description of Services

This section of the Technical Specifications is where general information about the overall nature of the work is described. It is the place where the broad description of the services is provided to acquaint the reader with what is covered by this particular Appendix. Typical information includes a description of the required services, the extent of the service area or general scope, identification of any existing facilities, and any other information that could be relevant to the services to be provided by the successful Bidder.

Service Specifications

Service Specifications describe the work to be done. Example Service Specifications are presented in Figure 5.2.



FIGURE 5.2: EXAMPLE SERVICE SPECIFICATIONS

"Building To Building (BTB) Waste Collection Service. The Contractor shall collect all MSW placed in Rollout Carts purchased and placed by the Contractor at each residential, institutional, commercial and mixed-use building, school, place of worship in the BTB Service Sectors as illustrated on the Services Maps. In addition, BTB Waste Collection Service shall include collection and disposal of Bulky Wastes that are placed within one meter of the Rollout Cart."

"The Contractor shall divert a minimum of 20 percent (weight basis) of the MSW collected from disposal using recycling and/or composting methods to meet this requirement."

"The Contractor shall procure, distribute, service (Empty Contents), and maintain Industrial Waste Bins (Bins) with volume sufficient to contain the total volume of solid waste generated by each Industrial Waste Generator in the time period between servicing (Emptying)."

"The Contractor shall mechanically wash, sweep and remove all Litter and Debris along all Curb Kilometers a minimum of three times weekly from all Primary Streets. The Primary Street shall include the paved area between the normal curb lines of a street, whether actual curb lines exist or not, including Median Islands, but shall not include Traffic Islands, sidewalks, areas adjacent to the street, or parking lots."

"The Contractor shall be responsible for design of the Medical Waste Treatment Facility. The Medical Waste Treatment Facility shall be designed to treat all Medical Waste generated in the Governorate on a 7-day per week basis for a minimum of 10 years."

"The Landfill shall receive and dispose only non-hazardous Municipal Solid Waste, treated Medical Waste, and Industrial Waste generated from within the Service Area."

Minimum Technical Requirements

Minimum Technical Requirements are used to specify how tasks are accomplished. They include equipment and materials specifications, if desired. Generally speaking, it is best to minimize requirements relating to “how” work should be done, as this is best left to the contractor hired to do the work. However, in some cases, it may be important to specify how the work is to be done or what equipment is to be used. Example Minimum Technical Requirements are presented in Figure 5.3.

Performance Standards

Performance Standards establish minimum acceptable levels of performance relative to a Service Specification or a Technical Requirement. Performance Standards are provided in recognition of the fact that not all work can be done correctly 100 percent of the time. Additionally, there are normally financial penalties associated with contractor performance that does not meet the specified requirements of the contract; therefore it is essential to provide a reasonable and clear standard of performance for most all service specifications and technical requirements.

A performance standard may be a “zero tolerance” standard requiring 100 percent compliance at all times. This is an appropriate requirement when failure to comply would normally result from an intentional act violating the terms of the contract such as providing equipment that is older than what is specified. Performance Standards that are less demanding usually are associated with requirements that are more subject to human error or are significantly affected by the quality of management. Activities such as door-to-door collection of wastes would typically have a performance standard related to reliability that would be less than 100 percent. Example Performance Standards are presented in Figure 5.4.

FIGURE 5.3: EXAMPLE MINIMUM TECHNICAL REQUIREMENTS

“The Contractor shall be responsible for purchasing and distributing fully assembled and functional waste containers (hereinafter called Rollout Carts) for all Buildings designated to receive Building To Building (BTB) Collection Service. The Contractor shall supply Rollout Carts with a minimum storage capacity of 16 liters per day per Dwelling Unit. Rollout Carts shall be manufactured from recyclable and repairable linear, medium to high density polyethylene (HDPE) plastic, be equipped with two wheels to facilitate movement, and be capable of being serviced by Waste Collection Vehicles equipped with semi-automated hydraulically actuated dumping systems.”

“Composting material shall have moisture content of 40 percent to 60 percent throughout active composting. All composting materials must remain in the active composting area for a minimum of 28 days. The minimum 28-day retention time shall be measured starting on the last day that Compost Feedstock is added to an individual windrow.”

“The interior of the waste carrying area of all vehicles used for the purpose of collecting and transporting Industrial Wastes shall be washed with water and a disinfecting/deodorizing cleaning agent according to the schedule submitted as part of the Final Work Plan, and a minimum of twice weekly. All exterior surfaces of the Waste Collection Vehicle chassis and body must be washed with water and a degreasing cleaning agent a minimum of one time per week.”

“Mechanical Street Sweepers shall be operated only by personnel specifically trained safe and efficient operation of the specific item of equipment they operate. All operators shall have all required permits and licenses and be able to make minor repairs and adjustments. The Contractor shall provide documentation to the Governorate, no later than 15 days prior to commencement of Street Cleaning Services, that all Mechanical Street Sweeper operators have been provided operation and safety training and have passed a written examination and driving test.”

“The treatment technology shall be effective to fully reduce, render, or combust the Medical Waste to a non-infectious residue. The technology shall achieve at least a 6 log₁₀ reduction or greater inactivation of vegetative bacteria, mycobacteria, lipophilic/hydrophilic viruses, fungi, and parasites. The technology shall achieve at least a 4 log₁₀ reduction or greater inactivation of *Bacillus stearothermophilus* endospores or *Bacillus subtilis* endospores. The actual disinfection process should not be reliant on chemical processes.”

“For each phase of the Landfill, engineering drawings shall be prepared and presented to the Governorate’s Project Administrator for review and approval. The drawings must clearly delineate the Landfill phasing sequence, airspace requirements, volume of compacted waste, and volume utilized for daily cover.”



FIGURE 5.4: EXAMPLE PERFORMANCE STANDARDS

"The Contractor shall throughout the term of the Contract meet or exceed all the performance standards set forth in this section. Unless stated otherwise, 100 percent compliance with each Service Specification and Technical Requirement is required."

"Building-to-Building (BTB) Collection Reliability. Service Failures shall not exceed 0.01 percent of all Building Rollout Carts scheduled for service that day."

"Failure to remove materials from Consolidations Sites and Designated Facilities in conformance with the Minimum Technical Requirements shall not exceed two occurrences per month. Each daily violation of the Minimum Technical Requirements at each Designated Facility shall be defined as a separate occurrence."

"Failure to provide service according to the agreed upon schedule must not exceed 1.0 percent of all Industrial Waste Generators scheduled for service that day."

"The Contractor shall satisfactorily sweep a minimum of 90 percent of the total km scheduled for Mechanical Sweeping each day and satisfactorily sweep 100 percent of the total km scheduled for Mechanical Sweeping on at least ninety 90 percent of all days that Mechanical Sweeping is performed each month."

"All treated Medical Waste shall meet the treatment standards proposed by the Contractor, and approved by the Governorate, in Medical Waste Quality Control Plan. No exceedences or failures to meet these standards for the Treated Medical Waste Residue will be allowed."

"The Contractor shall demonstrate by calculating the airspace utilized and tonnage landfilled that the average in-place waste density is at least 700 kg/m³. The Contractor shall demonstrate that this criterion is met in at least 80 percent of the landfill volume."

Performance Monitoring

The Governorate is responsible for monitoring performance to ensure that the Contractor is providing the specified services. Because monitoring may affect the work of the Contractor, it is important to explain in the technical specification how the work will be monitored. Generally, monitoring is accomplished by observing, first hand, the work of the Contractor. However, other methods are available, such as requiring "self-reporting" by the Contractor, or receiving and monitoring complaints expressed by the customers served. In any case, it is important for both parties of the contract to clearly understand how performance is to be monitored. Example performance monitoring parameters are presented in Figure 5.5.



FIGURE 5.5: EXAMPLE PERFORMANCE MONITORING PARAMETERS

“Building-to-Building (BTB) Collection Reliability. The Governorate Project Administrator shall measure daily compliance with the standard by dividing the total number of reported BTB Service Failures by the total number of Rollout Carts scheduled for collection according to the Contractor’s Final Work Plan.”

“The Diversion Rate shall be calculated on an annual basis (each 12-month period commencing with the Start Date of Residential and Commercial Waste Collection Service). The sum of the certified scale weight tickets from the Designated Facilities for every load of MSW and Bulky Waste that is collected shall provide the basis for calculating the total tons of Residential and Commercial Waste collected. Certified weight tickets from the Designated Disposal Facility will serve as the basis for calculating total tons of MSW and Bulky Waste disposed.”

“The Governorate Project Administrator shall daily assess Contractor compliance with the standard by dividing the number of reports of leakage by the number of collection days in the month.”

“The Governorate Project Administrator shall measure daily compliance with the standard by dividing the total kilometers (km) of streets reported not swept by the total km of streets scheduled for Mechanical Sweeping that day according to the schedule specified in the Contractor’s Final Work Plan.”

“The Contractor shall monitor the Medical Waste process treatment parameters in the Governorate-approved Medical Waste Quality Control Plan, utilizing the schedule described in the plan, and shall keep an active Medical Waste Treatment Monitoring Record in which all data is recorded. The record shall be completed daily and shall document the process treatment parameters achieved. Governorate monitoring of the treatment process and review of all process data at the Treatment Facility(s) shall provide the basis for measuring compliance with the standard.”

“The Contractor shall use scalehouse records and volume and airspace calculations to demonstrate that the average in-place waste density is 700 kilograms per square meter. Monthly reports to the Governorate Project Administrator shall indicate the quantity of waste landfilled and the landfill airspace utilized. Based on the tonnage of landfilled waste, and the volume of landfill utilized, the waste compaction factor shall be calculated.”

Measurement and Payment

The RFT and resulting Tender Offer must clearly define how the work that is actually done by the contractor will be measured and paid for over the life of the contract. The General Conditions usually contain general terms and conditions related to payment, whereas the Technical Specifications should provide details about how the work actually done will be determined and how the amount of the payment due will be determined. In other words, the Technical Specifications define how to determine the amount to be paid whereas the General Conditions define when and how the payment will be made to the Contractor.

There are several methods for specifying how the amount to be paid to the Contractor will be determined. Some

of the more common methods include the following:

- **Lump Sum:** A lump sum type payment is appropriate whenever the nature and quantity of the work can be clearly defined and would not be expected to change over the life of the contract. It is generally not well suited for long-term contracts for services that would be expected to vary considerably in scope such as waste management services where population increases would considerably change the number of customers over the life of the contract.
- **Unit Price:** Unit price payment terms are appropriate in the case where the quantity of the work cannot be precisely determined and/or the amount of the work might vary considerably over the life of the contract. It is especially important

to use this type of payment method where the amount of the work done cannot be controlled or influenced by the Contractor. This method is well suited for most waste management services.

- **Cost Plus a Percentage Fee:** For this type of payment structure, the Contractor would be paid for all of the costs that are incurred in performing the services plus an additional amount equal to a predetermined percentage of those costs. This type of payment structure is typically used in “management” type contracts, where the contractor assumes responsibility for the management of an existing governmental entity and therefore, does not have complete management control over costs incurred in performing the service. This method should only be used in those instances

where the Contractor does not have control over costs and where the terms of the contract assign little risk to the Contractor. Usually in this case, the percentage fee paid over and above the actual costs incurred is quite small because the Contractor assumes very little risk. This type of payment structure provides an incentive to the Contractor to increase costs, which may or may not be advantageous to the government depending on the nature of the services provided and the overall project objectives.

- **Cost Plus a Fixed Fee:** In this case, the Contractor is reimbursed for all actual and documented costs incurred plus he would be paid an additional fixed amount of money for undertaking the work. This method of payment is typically used in situations where the Contractor has significant cost control and therefore, the incentive is placed on the Contractor to reduce costs, thereby increasing his percentage of profit. With this payment structure, there is no benefit to the Contractor to increase costs. Example Measurement and Payment Terms are presented in Figure 5.6.

FIGURE 5.6: EXAMPLE MEASUREMENT AND PAYMENT TERMS

“Payment for Residential and Commercial Waste Collection Services shall be based on the Annual Total Price for this Bid Item.”

“The Industrial Waste Collection Service Contractor shall be paid on a monthly basis based on the Annual Total Price for this Bid Item.”

“The Contractor will be paid on a monthly basis based on Scalehouse records and tonnage disposed at the Engineered Landfill. The payment will be based on the proposed landfill unit cost (LE/ton) times the tons of solid waste landfilled for each month.”

Penalties

Penalties are necessary to allow for adjustments in compensation due to failure on the part of the Contractor to perform in accordance with the terms of the contract. Without specifically defined penalties, the only recourse for poor performance would be contract termination or court action, both approaches of which are costly

and time consuming. Penalties are typically set at levels high enough to encourage high quality performance by the Contractor without being unreasonable. Typically, penalties should be set at a level somewhat above the costs that would be incurred by the Contractor if the services were satisfactorily provided. Example penalties are presented in Figure 5.7.

FIGURE 5.7: EXAMPLE PENALTIES

“Building-to-Building (BTB) Waste Collection Reliability. The penalty for failure to comply with the standard shall be LE 100 for each Service Failure.”

“The penalty for each 1 ton that the Contractor falls short of meeting the 20 percent Diversion Requirement shall be 10 times the unit price per ton that the Governorate pays the Contractor for operations of the Designated Disposal Facility.”

“The penalty for failure to comply with the standard shall be LE 1,000 for each Waste Collection Vehicle not maintained according to the preventative maintenance schedule submitted in the Final Work Plan.”

“The penalty for failure to comply with either the daily or monthly standard shall be LE 1,000 for each one 1.0 km not swept on time.”

“The penalty for failing to process Medical Waste within the time constraints in accordance with these specifications shall be a monetary fine of LE 300 per incident plus LE 1,000 per partial ton.”

“The penalty for not maintaining electronic records of a detailed breakdown of incoming waste quantities by weight shall be LE 5,000 per day. The penalty for not weighing wastes will be non-payment for those wastes.”

OTHER INFORMATION SOURCES

Chapters 8 through 16 of this manual contain additional information about the specific technical requirements related to the service. These chapters should be studied and used as a basis for formulating detailed technical specifications.

FACILITIES AND EQUIPMENT

The purpose of this Appendix is to provide information relating to the facilities and equipment (if any) that will be provided to the Contractor by the Governorate. Complete descriptions should be provided and the Bidders should also be given the opportunity to see the equipment and facilities first hand.



STEP 2:

ESTABLISH THE TENDER EVALUATION COMMITTEE

As required by the Egyptian Tenders and Bids Law , the Governorate must establish a Tender Evaluation Committee (TEC) that will be responsible for evaluating all elements of the Tender Offers. Refer to Chapter 4 of this manual for specific legal details of this aspect of the tendering process.

The TEC is composed of separate decision and tender envelopes opening committees.

Given the competitive and highly technical nature of the solid waste service procurement process, it is essential that persons appointed to the TEC have the following characteristics:

- Independent from any business links to any of the Pre-qualified Bidders who are submitting proposals.
- Representative of people and organizations that will be affected by the solid waste management service, including citizens, businesses, industry, medical facilities, and the Governorate.
- Have technical and financial knowledge and skills needed to properly evaluate the Tender Offers.
- A personal commitment to serving the best interests of the Governorate, its citizens, and its businesses.
- A personal commitment to serve on the TEC for the duration of the evaluation process.

Consideration should be given to appointing persons to the TEC that have knowledge and experience in the following areas:

- Waste collection, processing, treatment, and disposal.
- Public cleaning (street sweeping and public facility cleaning).
- Egyptian law, environmental policy and regulations.
- Private sector business management and accounting.
- Representative of citizens' groups.
- Representative of business and industry associations.
- Representative of the agency soliciting the Tender Offer.

The Egyptian Tenders and Bids Law¹ directs how the TEC should be organized and managed. A time schedule for its work activities should be established in order to ensure timely review, evaluation, and recommendations.

The Tenders and Bids Law also requires that public Tender and public practice (negotiation) shall be subject to the principals of publicity, equal opportunity, and freedom of competition. All actions or resolutions taken by a TEC shall include the reasons on which the resolution or action was based.



¹ Law Number 89/1998 and its Executive Regulation

STEP 3:

RECEIVE THE TENDER OFFERS

The instructions for delivering the Tender Offers and the procedures for receiving the documents should be described in detail in the Information and Instructions section of the RFT. These procedures should be comprehensive, detailed and designed to insure fairness and security of the documents. The procedures for receipt of the Tender Offers as described in the RFT should be followed without deviation.

Canceling the Tender Offer Process

A tender may be canceled at any time prior to making a decision if it is determined to be in the best interest of the Governorate to do so. A tender may also be cancelled for other reasons including that only one tender was submitted or only one tender was left after eliminating other tenders during the evaluation process; the tenders were non responsive; or the value of the lowest tender exceeded the estimated value. Cancellation in the previously mentioned cases must be by decree issued by the Competent Authority upon a recommendation from the committee making the decision. The decree issued from the Competent Authority must include the reasons on which the decision was based.

When canceling the tender before the due date for opening the envelopes, the price of the book of conditions and specifications should be refunded to the buyers upon their request, providing that they return it to the competent authority. If the cancellation is after the due date for opening the envelopes, then the price of the book of conditions and specifications will only be refunded to the buyers who submitted an offer regarding the tender. The refund will be upon their request providing that they return the book of conditions to the competent authority. However, if the cancellation of the tender was due to the non-compliance to the terms and specifications, then the price of the book of conditions will not be refunded. In cases where it is decided to cancel the tender and re-announce for it with the same terms and conditions, then the price of the new book of conditions will not be collected from the offer submitters in the new tender who already bought the cancelled book of conditions.



DATE AND TIME THAT OFFERS WILL BE ACCEPTED

In a competitive bidding process, it is very important to rigorously follow all of the procedures and specifications set forth in the RFT documents. It is also very important to clearly state all of the requirements so that the bidding process is fair and equitable for all Bidders. Therefore, the exact latest time and place for receipt of the Tender Offers should be stated in the RFT and no exception should be made to this requirement. Any Tender Offer submitted after the deadline should be returned to the Bidder unopened.

THE PERSON TO WHOM THE OFFER IS TO BE DELIVERED

The person who is officially designated to receive the Tender Offer must be available and accessible during normal business hours at all times until the latest time and date that offers will be received. The person receiving the offer should record the exact time and date the offer is received and should provide a written receipt to the person delivering the offer. The Tender Offers should not be opened when received, but should be placed

in a secure location until the time of the official Tender Offer Opening.

TENDER OFFER OPENING

The Tender Offers should be opened publicly, or at a minimum, in the presence of representatives from all companies submitting an offer that desire to have a representative present when the offers are opened. The Technical Proposal should be opened first. The Financial Proposal should not be opened until each Technical Proposal has been evaluated to ascertain whether it meets all requirements of the RFT. At the time of opening the Technical Proposal, the name of each company submitting a Tender Offer should be publicly stated, and each submittal should be briefly reviewed to determine whether all of the required documents have been included in the submittal.

After the Technical Proposals have been completely evaluated and the submittals have been determined to meet the minimum requirements, then the Financial Proposals should be opened. This "opening" should be conducted in the presence of representatives of companies who have submitted Tender Offers and should be conducted in an open manner.

The Bidders' names, the Bid prices, the total amount of each Bid and of any alternative Bid (if alternatives have been requested or permitted), any discounts, Bid modifications and withdrawals, the presence or absence of Bid Security (if part of the Financial Proposal), and such other details as may be considered appropriate should be announced by the Governorate at the opening of the Financial Proposal.

In accordance with Egyptian Law⁴, no Bidder shall contact Governorate officials or their staff, or any other Government employee on any matter relating to its Tender Offer from the time of opening the Tender Offer to the time the contract is awarded. Any such contact by the Bidder will subject the Bidder to penalties in accordance with the Code.

Any effort by a Bidder to influence Governorate Officials, its employees, or any other Government Official in the Tender Offer evaluation, Tender Offer comparison, or contract award decision may result in rejection of the Bidder's Tender Offer and forfeiture of the Bid Letter of Guarantee.

STEP 4:

EVALUATE THE TENDER OFFERS

The evaluation process normally is comprised of a number of sub-steps, requiring that each step be successfully completed before moving on to the next. These sub-steps are:

- Determine compliance with the General Submittal Requirements.
- Evaluate the Technical Proposal.
- Evaluate the Financial Proposal.

¹ Law Number 89/1998

STEP 4A:

DETERMINE COMPLIANCE WITH GENERAL SUBMITTAL REQUIREMENTS

The RFT Documents should contain specific instructions to the Bidders requiring the Bidders to perform certain activities and provide specific information and documents. The TEC should carefully read the RFT Documents to identify the significant submittal requirements. If a Bidder does not follow the instructions contained in the RFT regarding submittal requirements, the TEC may disqualify them without further consideration.

It is important to determine which of the requirements in the RFT should be considered as significant submittal requirements that may result in disqualification of a Bidder if not met. For example, there may be certain requirements that, while required by the RFT Documents, may not be considered so important as to result in disqualification if they are not met. It is generally undesirable to establish criteria that would require the Governorate to disqualify an otherwise competent Bidder for a minor submittal deficiency. Tender Offers which are incomplete, unbalanced, conditional, obscure, which contain additions not allowed for, alterations or significant irregularities, or which do not comply with the RFT may be rejected at the option of the Governorate.

The response provided by the Bidder to submittal requirements should be evaluated in the form of Yes/No questions. If the Bidder meets a given requirement, then the answer to the question would be a "Yes". A specific RFT section reference should be associated with each requirement so that the TEC members can easily refer to the exact language contained in the RFT.

Evaluating typical submittal requirements could involve answering questions similar to those following:

- **Did the Bidder attend the mandatory pre-bid / questions conference (if required)?**
- **Did the Bidder submit their Technical and Financial Proposals on or before the specified time?**
- **Did the Bidder submit an original and the specified number of copies of their Tender Offer in Arabic and clearly indicate which is the original?**
- **Did the Bidder submit an original and the specified number of copies of their Tender Offer in English (or other language if required) and clearly indicate which is the original?**
- **Did the Bidder properly seal the Technical and Financial Proposals in separate envelopes and properly mark the envelopes?**
- **Is the Bidder comprised of the same company, corporation, etc. that was pre-qualified?**
- **Is the Bidder submitting a Tender Offer only for those Services for which it was pre-qualified?**
- **Did the Bidder, or a duly authorized person(s), sign the original and all copies of the Tender Offer?**
- **If any modifications were submitted, did the Bidder properly prepare, seal, mark, and deliver such modifications?**
- **Is the Bid Letter of Guarantee acceptable?**

The end result of the submittal requirements review should be a list of Bidders that have met the Submittal Requirements and whose Tender Offers are eligible for Technical Proposal Evaluation. A separate list should be compiled of those Bidders who did not comply with the submittal requirements and have been disqualified from further consideration and have been notified of their disqualification.



STEP 4B:

EVALUATE THE TECHNICAL PROPOSAL

Each Technical Proposal should be examined to confirm or otherwise determine whether there has been full compliance with the RFT and the Bidder's pre-qualification submission.

The RFT will have included specific instructions regarding the information to be provided by the Bidder in the Technical Proposal section of his Tender Offer. Therefore, the first step in preparation for the evaluation should be to review the entire RFT and identify all of the stated requirements for the Technical Proposal. The Technical Proposal should then be examined to determine whether each of the submittal requirements related to the Technical Proposal have been met by the Bidder.

After it is determined that the Technical Proposal submittal requirements have been met, the Technical Proposal then should be examined in detail to determine whether the Bidder has demonstrated sufficient capability to undertake performance of the services and activities.

Evaluation criteria for the Technical Proposal should be clearly stated in the RFT. Some technical requirements may be more important than other requirements. Therefore, the Tender evaluation system should include a method for assigning different weights to the criteria based on their importance. A weight (numeric value) for each criterion based on its importance can be assigned. For example, points can be allocated unequally to the evaluation criteria for a particular service based on their relative importance. The priority of each criterion relative to each other is represented by its share of the total points. Normally, it is a good idea to include the major weighting criteria in the RFT. In that case, the evaluator will only need to apply the criteria in the evaluation process.

Other weighting criteria, such as for each service or evaluation criteria depending on its relative importance in the overall services, can be applied. For example, solid waste collection services and landfill services may be considered to be significantly more important than medical waste and industrial waste services, in which case, a given total number of points may be allocated among the services to represent each services importance relative to other services and to the overall package of services. In this case, any service can be awarded any share of the points, and more than one service could be assigned the same weight if it has been concluded that two services deserve the same priority.

The process will identify Bidders who did not demonstrate the necessary technical competence and/or institutional capacity and should be disqualified from further consideration and notified of their disqualification.

Typical Technical Proposal evaluation criteria could include consideration of the categories that follow.

PROPOSED PERSONNEL

The numbers and qualifications of key personnel proposed for the assignment should be evaluated, including the following:

- Qualifications and experience of the proposed resident general manager.
- Qualifications and experience of other key personnel for the assignment including experience in the required areas of expertise.
- Consistency of the staffing plan with the work plan including the type and numbers of personnel compared to the services to be provided.

Bidders are normally required to provide detailed information about key administrative and management personnel

in their Technical Proposal. The Governorate must be certain that the senior level personnel proposed by the Bidder have the education, training, and experience to implement and manage the proposed services.

Criteria should be established to evaluate the qualifications of the senior level personnel, i.e., the general manager and the managers that report directly to that position (e.g., financial, operations, facilities, maintenance and repair, personnel, information systems, and public relations). The senior level personnel experience should include:

- Experience managing large solid waste service contracts.
- Experience in large urban areas in developing countries.
- Experience in their particular area of responsibility.

EQUIPMENT AND FACILITIES

The TEC members must rely on their own knowledge and experience to establish criteria to evaluate the quality of the facilities and equipment being offered by the Bidder. Quality refers to whether the facility construction or equipment is durable, reliable, made of appropriate materials, and thus likely to serve the functions proposed by the Bidder.



If facilities or equipment have never before been utilized for solid waste management purposes, the quality and applicability may be inadequate.

This part of the evaluation does not consider the adequacy of the facilities and equipment being offered by the Bidder. Adequacy means whether the facilities and equipment have been properly sized and allocated for the intended work. For example, a Medical Waste treatment facility may be made of quality materials and utilize quality equipment, but it may be too large or too small for the service. In a similar way, large-capacity collection trucks that are of acceptable quality would be inappropriate for collecting solid waste from narrow streets and alleys. Or, even if the size of equipment is appropriate, there may be too many or too few proposed for use by the Bidder.

STEP 4C:

EVALUATE THE FINANCIAL PROPOSAL

The Financial Proposal of each Bidder that has met the minimum requirements specified will then be publicly opened in accordance with the time schedules and procedures indicated in this RFT. The Financial Proposals of Bidders that have not met the minimum requirements should be returned unopened to the Bidder. Once it has been determined that the Technical Proposal of a Bidder is acceptable, the Financial Proposal should be opened and evaluated.

In most privatization procurements, the RFT will include specific formats and instructions defining the financial offer requirements. These requirements are typically set forth in a "Bidding Schedule" and related Instructions and in the RFT-Information and Instructions.

Consideration of these issues is incorporated into the evaluation of the quality of Draft Work Plans.

DRAFT WORK PLAN

The technical specifications for each service should be studied in the Draft Work Plan of the Technical Proposal in order to develop a complete understanding of the overall scope, specifications, and detailed requirements for the Service. Evaluation criteria can then be formulated for each Service. These should be drawn from two of the sections of the Technical Specifications: Service Specifications and Minimum Technical Requirements. These sections contain the descriptions of what is to be done and any specific requirements related to how to do the work. The TEC should carefully consider these requirements and select those that are most important to the evaluation of the Bidder's proposal. Not all Service

Specifications and Technical Requirements need to be evaluation criteria. First, there are many Specifications and Requirements that can only be evaluated after a Contractor starts providing the Service. Second, some Specifications and Requirements may not be very important when compared to the actual performance of services (i.e., frequency of vehicle washing, or how vehicles are marked).

The end result of the Technical Proposal evaluation should be a list of Bidders that not only have met the submittal requirements, but also have clearly demonstrated that they are technically competent to perform the required services and have the institutional capacity to fulfill the contract requirements.

The evaluation of the Financial Proposal is normally a very simple and straightforward process. The RFT will normally include a form or table listing each item of work or service and a space for the Bidder to give a price for providing the described service.

One important evaluation consideration is to determine the reasonableness of the proposed price given by the Bidder. While it may seem advantageous to accept a very low bid, since this would appear to save money, this may not be the case in the long term. Too low a price could result in the Contractor defaulting on the terms of the contract, and therefore, result in a disruption of services and possible higher than reasonable costs to the Governorate in the future over the life of the contract.

The end result of the Financial Proposal Evaluation should be a ranking of Qualified Bidders based on price, with the lowest-priced Qualified Bidder ranked first, the next lowest ranked second, and so on.



The Governorate's intent should be to enter into a contract with the highest ranked Qualified Bidder for provision of the services.

STEP 5:

SELECT THE SUCCESSFUL BIDDER

The successful Bidder will be the company that has submitted all of the following:

- A Tender Offer conforming to the submittal requirements of the RFT.
- A Technical Proposal that clearly demonstrates an understanding of the work and the capability to perform the services in an acceptable manner.
- A Financial Proposal that meets all of the RFT requirements and is the lowest reasonable price given by any qualified Bidder.

It is very important that the responsive, responsible, and qualified Bidder with the lowest reasonable price who meets all of the other tendering requirements be selected as the successful Bidder. If this is not done, the entire procurement process will be questioned and companies will not participate in these types of procurement processes in the future. This will result in decreased competition and therefore, higher prices for the services.

The Tender shall be awarded to the Bidder who offered the best terms and conditions and has the lowest price, after unifying the comparison criteria between all the submitted Tenders regarding all technical and financial considerations. The Tender submitted by Egyptian entities may be considered lower in price even if it exceeds the lowest Tender submitted by a foreign entity by 15 percent or less according to Egyptian Law¹.

The Tendering and Bids Law states that the Competent Authority may, upon a recommendation from the committee making the decision, accept a Tender Offer even if only one Tender Offer was submitted in either of the following cases:

- If the need for the services does not permit the re-announcing of the Tender or if there is no benefit expected from re-announcement.
- If the sole Tender complies with the required conditions and terms and has an acceptable price.



¹ Law Number 89/1998

STEP 6:

NOTIFY THE SUCCESSFUL BIDDER OF AWARD

The Governorate must officially notify the successful Bidder in writing by registered letter that its Tender Offer has been accepted. This must be done prior to the expiration of the Tender Offer validity period specified in the RFT. The notification of award will constitute the formation of a contract between the Bidder and the Governorate, provided that the letter of acceptance does not contain conditions modifying the terms of the Bidders' Tender Offer.

ACKNOWLEDGEMENT OF AWARD

The acknowledgement of the receipt of the Notification of Award is provided by the notification of the receipt of the registered letter. Normally, a formal meeting between the successful Bidder and Governorate representatives would also be held to recognize and acknowledge the acceptance and formation of the agreement by the parties.

PROVISION OF REQUIRED DOCUMENTS

The successful Bidder must provide within 10 days, starting from the day following notification of the acceptance of his tender by registered letter, a bid Performance Bond that will extend the amount of the Bid Bond to 5 percent of the value of the contract. The Performance Bond is considered as a guarantee for the execution of the contract and must be refunded after complete execution of the contract. If the successful Bidder is located abroad, the provision of the bid Performance

Bond is extended to 20 days. The Competent Authority has the right to extend the above-mentioned periods an additional 10 days.

If the successful Bidder did not pay the final deposit during the time limit, the administrative authority, after notifying him by a confirmed registered letter, has the right to cancel the contract and execute it with the Bidder following him in rank. In this case, the temporary deposit will not be refunded.

The administrative authority will also have the right to deduct all the amounts related to any loss that occurred due to the non-execution of the contract from any amount that is due or will be due to the defaulting Bidder. If these amounts are not sufficient to cover the loss, the administrative authority has the right to make the deduction from any amounts due to the submitter with another administrative authority. In addition, the administrative authority maintains its right to take legal action against the submitter.



STEP 7:

EXECUTE THE CONTRACT

MODIFICATIONS TO THE TENDER OFFER

The Bidder's offer cannot be modified unless the Bidder agrees to do so. Therefore, the Governorate must accept the Tender Offer submitted by the Bidder or make an agreement with the Bidder to have the terms of his offer changed. The Bidder is not required to modify the terms of his Tender Offer. If the Governorate does not wish to execute the agreement without modification, the Bidder will not be required to forfeit his Bid Letter of Guarantee if he refuses to sign the modified agreement.

It is possible for the Governorate and a Bidder to negotiate changes to the contract prior to execution of the agreement provided that both parties can agree to the changes. Care must be taken to follow procedures that will not result in loss of the protections provided by the Bid Bond given by the Bidder.

INCORPORATING ADDENDA

During the bidding phase, it is normal and customary to issue "Addenda" to the RFT that modifies the terms of the request. Once the Tender Offers have been received, opened, and evaluated and a Contractor has been selected, the Addenda should be incorporated into the final agreement. Once again, it is important to remember that the

The Tender Offer submitted by the Bidder is an offer by the Contractor to enter into an agreement to perform the services in accordance with the terms and conditions set forth in the RFT. Acceptance of the Tender Offer by the Governorate creates a binding agreement between the parties. Should the Bidder refuse to adhere to the requirements of his Tender Offer and not agree to sign a binding contract to perform the services in accordance with his Tender Offer, the Bidder will be required to forfeit his Bid Letter of Guarantee as a significant penalty.

Bidder is not required to sign an agreement that is different than that set forth in the RFT. However, he must accept the terms of all Addenda properly issued during the bidding phase.

ADMINISTRATIVE REQUIREMENTS

The RFT will have established the administrative requirements for both parties to the agreement related to the activities required before execution of the agreement. For example, one of the first actions required of the successful Bidder will be to increase the value of the Bid Letter of Guarantee. Egyptian Law¹ requires that the successful Bidder must pay within 10 days, starting from the day following notification of the acceptance of his tender by registered letter, a Performance Bond that will extend the amount of the Bid Bond to 5 percent of the value of the contract.

SIGNING AUTHORITY

The Bidder should provide documentation indicating the authority of the person signing the agreement. This should be in the form of a corporate resolution, corporate seal, or other legally acceptable form of designation or recognition of the authority having been given to the person(s) signing the agreement.

CONTRACT PERFORMANCE LETTER OF GUARANTEE

The Performance Letter of Guarantee provides a "third party" guarantee that

It is critically important that the original RFT reflect exactly the services and terms of the agreement desired.

this "third party" will pay any obligations resulting from the performance of the contract of the Contractor to the Government that are not paid by the Contractor. This completed document must be provided before completion of the contract in the form given in the RFT.

CONTRACT DOCUMENTATION

Each party to the agreement should have at least one "official" copy of the agreement. This "Official" copy should be an agreement containing original signatures, seals, and other certifications as required by law to insure the legality of the agreement.



¹ Law Number 89/1998

APPENDICES

APPENDIX A: EXAMPLE INVITATION FOR PRE-QUALIFIED BIDDERS

Solid Waste Management and Cleaning Services and/or Medical Waste Management Services For [INSERT NAME OF PURCHASER]

Contract No:

Competitive sealed Tender Offers for a contract for Solid Waste Management and Cleaning Services and/or Medical Waste Management Services with the Governorate of [] must be addressed to:

[INSERT NAME AND ADDRESS OF PURCHASER]

and will be received until the hour of [INSERT TIME AND DATE] at which time Tender Offers duly delivered and submitted will be opened. Any Tender Offer received after the stated closing time will be returned unopened. The [INSERT NAME OF PURCHASER] reserves the right to accept or reject any or all Tender Offers received. A mandatory Pre-Bid Conference and Site Visit will be held at the offices of the [INSERT NAME OF PURCHASER] at [INSERT TIME AND DATE]

The work consists of providing [DESCRIBE SERVICES] Services as described in this Request for Tender (RFT). Each Tender Offer shall be accompanied by a tender security deposit (Offer Security) in the amount specified and subject to the conditions provided for in the Instructions for Bidders.

All Tender Offers shall remain valid and may not be withdrawn for a period of 180 calendar days [MINIMUM RECOMMENDED NUMBER] after the actual date that the Tender Offer is received and opened. Complete Instructions for Bidders are included in the Tender documents. The [INSERT NAME OF PURCHASER] reserves the right to extend the stated Tender Offer opening date for any period of time, if, in its opinion, there are reasonable and advantageous grounds for such an extension in accordance with procedures given in the Information for Bidders.

All correspondence regarding this Invitation should be addressed to the designated Contracting Officer at the address above.

APPENDIX B: EXAMPLE BIDDER'S COMMITMENT LETTER

(Company Name & Address)

(Date)

[Name and Address of Agency]

Reference: Request for Tender

Dear Sir or Madam:

We have examined the Tender documents for..... , and we have examined the site and technical documents and have satisfied ourselves as to all conditions under which the work must be performed.

We hereby propose to perform the work in accordance with the Tender documents including Addenda noted herein, and to make as full payment the compensation contained in our enclosed Tender Offer.

If our Tender Offer is accepted, we agree to commence the services when the Contract is signed by both parties to the Contract. If this Tender Offer is accepted we will, as required, obtain the guarantees of a bank or other sureties approved by the [Name of Agency] to be jointly and severally bound with us (the Contractor) in a sum not exceeding 100 percent of any sum that may become due to the [Name of Agency], under the terms of a bond to be approved by the [Name of Agency].

We agree to abide by this Tender Offer for the period of days from last date of permitted receipt and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Unless and until a formal agreement is prepared and executed, this Tender Offer, together with your written acceptance thereof, shall constitute a binding contract between us.

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

By:

Name:

Title:

APPENDIX C: EXAMPLE BIDDER'S PRICE FORM SCHEDULE

Instructions to Bidders:

1. Bidders must provide an annual price for each and every service listed on the Bidder Price Form Schedule for which the Bidder is submitting a Tender Offer. The Total Annual Price shall equal the sum of the Annual Prices for each Service.
2. The Bidder must also complete the Payment Adjustment Schedule for each and every item listed in the Payment Adjustment Schedule of the Bidder Price Form Schedule.
3. The number of units of a specific service requirement, when given in the Service Specifications, represents the estimated number of units of a specific service that will be required during the first full operations year. For purposes of determining the amount of Compensation to be paid the Contractor, the Total Annual Price shall be increased or decreased to account for the actual number of units of service provided by the Contractor (if more or less than given in the Service Specifications) during the year for which payment is being made.
4. The Bidder shall base their Annual Price on the population, number of anticipated customers and other factors expected to exist within the Service Area during the life of the Contract. Adjustments to Compensation will be made beginning with the fourth year and for each year thereafter throughout the life of the Contract to account for inflation.

EXAMPLE BIDDER'S PRICE FORM SCHEDULE (CONT.)

SERVICE	ANNUAL PRICE
Article 1: Residential and Commercial Collection	
"Door to Door" Collection Services	
"Building to Building" Collection Services	
"Waste Pooling Site" Collection Services	
"Large Commercial Generator" Collection Services	
Article 2: Processing and Transfer	
Article 3: Landfill Services	
Facility Design	
Construction	
Operations	
Closure	
Article 4: Street Cleaning	
Mechanical Sweeping of Primary Streets	
Manual Sweeping of Primary Streets	
Manual Sweeping of Unpaved Streets and Alleyways	
Litter Collection from Public Areas	
Litter Basket Service	
Public Structure Washing	
Supplemental Manpower Services	
Article 6: Public Awareness and Education	
TOTAL ANNUAL PRICE	

PAYMENT ADJUSTMENT FACTOR

Service requirement	Unit Payment Adjustment Factor	Units
Article 3: Landfilling Services Operations		LE/ton
Article 4: Street Cleaning		
Mechanical Sweeping of Primary Streets		Curb/km/year
Manual Sweeping of Primary Streets		Curb/km/year
Manual Sweeping of Unpaved		
Streets and Alleyways		M ² /year
Litter Collection from Public Areas		M ² /year
Litter Basket Service		Litter Basket/ year
Supplemental Manpower Services		Persons/year

APPENDIX D: EXAMPLE BID LETTER OF GUARANTEE

KNOW ALL MEN BY THESE PRESENTS, that we, the undersigned,

..... as Principal,
and as Surety, are
hereby held and firmly bound unto [Name of Agency] as OWNER in the penal sum
of: [Enter Amount] LE (For each Bid Schedule) for the payment of which, will and truly
to be made, we hereby jointly and severally bind successors, assigns and ourselves.

The Condition of the above obligation is such that whereas the Principal has submitted a
Tender Offer to the [Name of Agency] attached hereto and the terms of which are
specifically incorporated herein to enter into a Contract in writing, for the Solid Waste
Management and Cleaning Services for [Enter Project Title] and/or Medical Waste
Management Services (choose the correct services).

NOW THEREFORE,

(a) If said Tender Offer shall be rejected, or
(b) If said Tender Offer shall be accepted and the Principal shall execute and
deliver a Contract in the Form of Contract attached hereto (properly completed in accordance
with said Tender Offer) and shall furnish a Bond for Bidder's faithful performance of said
Contract, and for the payment of all persons performing labor or furnishing materials in
connection therewith, and shall in all other respects perform the Agreement created by the
acceptance of said Tender Offer,

Then this obligation shall be void, otherwise the same shall remain in force and effect; it
being expressly understood and agreed in that the liability of the Surety for any and all
claims hereunder shall, in no event, exceed the penal amount of this obligation as herein
stated.

The Surety, for value received, hereby stipulates and agrees that the obligations of said
Surety and its Bond shall be in no way impaired or affected by any extension of the time
within which the [Name of Agency] may accept such Bid; and said Surety does hereby
waive notice of any such extension.

IN WITNESS WHEREOF, the Principal and the Surety have hereunto set their hands and
seals, and such of them as are corporations have caused their corporate seals to be hereto
affixed and these present to be signed by their proper officers, the day and year first set
forth above.

Signed and sealed this [] day of [Month], [Year]

Principal Surety

Witness Witness

By By

Title Title

(IMPORTANT - Surety companies executing Bonds must be authorized to transact business in Egypt.)

APPENDIX E: EXAMPLE PERFORMANCE LETTER OF GUARANTEE

CONTRACT PERFORMANCE LETTER OF GUARANTEE

Bank Guarantee-Unconditional

Date:

[Name of Contract]

To: [Name of in company contact]

Dear Ladies and/or Gentlemen,

We refer to the Contract Agreement signed on [Date] between you and [name of Contractor] concerning a Solid Waste Management Contract.

By this letter we, the undersigned, [Name of bank], a Bank (or company) organized under the laws of [country of Bank] and having its registered/principal office at [Egyptian address of Bank], do hereby jointly and severally with the Contractor irrevocably guarantee any payment owed to you by the Contractor and/or the Joint Venture or the Parent Company, as the case may be, pursuant to the Contract, up to the sum of [] LE, until the date of the termination or completion of the Contract and thereafter, until eighteen (18) months after the date of **termination** or completion, or until a final and conclusive decision is rendered in any dispute, in a court of law, adjudication or arbitration between the Contractor and the Governorate, whichever is later.

We undertake to make payment under this Letter of Guarantee upon receipt by us of your first written demand signed by your duly authorized officer without cavil or argument any sum or sums within the above-named limits, without your need to prove or show grounds or reasons for your demand and without the right of the Operator to dispute or question such demand.

Our liability under this Letter of Guarantee shall be to pay to you whichever is the lesser of the sum so requested or the amount then guaranteed hereunder in respect of any demand duly made hereunder prior to expiry of this Letter of Guarantee, without being entitled to inquire whether or not this payment is lawfully demanded.

This Letter of Guarantee shall be valid from the date of issue until 18 months after the Contract Termination Period set out in the Contract.

Except for the documents herein specified, no other documents or other action shall be required, notwithstanding any applicable law or regulation.

If the Defect Liability Period is extended with respect to any part of the Facilities in accordance with the Contract, you shall notify us, and the validity of this Letter of Guarantee shall be extended with respect to the percentage of the Contract Price stipulated in the notification until expiry of such extended Defect Liability Period.

Our liability under this Letter of Guarantee shall become null and void immediately upon its expiry, whether it is returned or not, and no claim may be made hereunder after such expiry or after the aggregate of the sums paid by us to you shall equal the sums guaranteed hereunder, whichever is the earlier.

We hereby agree that any part of the Contract may be amended, renewed, extended, modified, compromised, released or discharged by mutual agreement between you and the Contractor, and this guarantee may be exchanged or surrendered without in any way impairing or affecting our liabilities hereunder without notice to us and without the necessity for any additional endorsement, consent or guarantee by us, provided, however, that the sum guaranteed shall not be increased or decreased.

Subject to the Egyptian laws and the Egyptian Courts, no action, event or condition, which by any applicable law, should operate to discharge us from liability hereunder, shall have any effect and we hereby waive any right we may have to apply such law, so that in all respects our liability hereunder shall be irrevocable and, except as stated herein, unconditional in all respects.

All notices to be given hereunder shall be given by registered (airmail) post to the addressee at the address herein set out or as otherwise advised by and between the parties hereto.

Yours truly,

Name of the Bank

[Authorized Signature]

APPENDIX F: EXAMPLE TABLE OF CONTENTS OF FOR CONTRACT GENERAL CONDITIONS

CONTRACT AND INTERPRETATION

DEFINITIONS

CONTRACT DOCUMENTS

- Appendices
- Interpretation
- Language
- Persons
- Headings
- Singular and Plural
- Entire Agreement
- Amendment
- Independent Contractor
- Joint Venture or Consortium
- Non-waiver
- Severability
- Number of Days
- References to Currency
- Rate of Interest
- Survival of Obligations
- Section References
- Notices
- Law Governing Contract
- Settlement of Disputes
- Mutual Consultation
- Arbitration
- Negotiation
- Ongoing Performance During Settlement of Disputes

SUBJECT MATTER OF THE CONTRACT

- Services and Performance
- Services
- Contractor's Failure to Provide the Services
- Performance Standards
- Facilities
- Service Area

TERM, COMMENCEMENT AND COMPLETION OF THE CONTRACT

- Term of Contract
- Commencement of Services, Effective Date, Starting Date
- Completion Transition Service
- Extension of the Contract

EXAMPLE TABLE OF CONTENTS FOR CONTRACT GENERAL CONDITIONS (CONT.)

CONTRACTOR'S RESPONSIBILITIES

- General
- Conflict of Interest
- Corrupt Practices

GOVERNORATE RESPONSIBILITIES

- Possession and Access of Facilities
- Permits, Approvals, Licenses

CONTRACT REPRESENTATIVES

- Designating Contract Representatives
- Authority of the Contract Representative
- Duties and Responsibilities

SUBCONTRACTING

- Subcontracting Limitation
- Obligations of the Subcontractor
- Retained Obligations of the Contractor

TESTING AND LABORATORY ANALYSIS

- Services
- Quality

USE AND POSSESSION OF THE FACILITIES

- Contractors Rights
- Right of Access by the Government
- Access Requirements

MEETINGS AND REPORTING

- Meetings
- Reports
- Requirements for Submission
- Form and Content
- Special Reports

SAFETY

- Requirements
- Correction of Deficiencies
- Right of Inspection
- Failure to Comply

EXAMPLE TABLE OF CONTENTS FOR CONTRACT GENERAL CONDITIONS (CONT.)

EQUIPMENT, MATERIALS AND SUPPLIES

- General
- Transfer and Supplementing of Facilities, Equipment, Materials and Supplies
- Return of Facilities, Equipment, Materials and Supplies

EMERGENCY RESPONSE PLAN

STAFFING AND EMPLOYMENT

- General
- Education and Training

INDEMNIFICATION

- Indemnification by the Contractor
- Indemnification by the Government
- Mitigation by Parties
- Limitation of Liability
- Survival of Covenant

FORCE MAJEURE

- Meaning
- Notification
- Relief From Performance
- Mitigation
- Effects
- Cause for Termination
- Rights in the Event of Termination

INSURANCE

- General
- Type and Coverage Requirements
- Named Parties
- Certificates of Coverage
- Subcontractor Requirements
- Contractor Failure to Provide
- Claims

EXPENDITURES

- Contractor's Staff Costs and Expenses
- Taxes, Duties, Levies and Other Charges
- Payment Adjustment for Tax Changes

EXAMPLE TABLE OF CONTENTS FOR CONTRACT GENERAL CONDITIONS (CONT.)

COMPENSATION TO BE PAID TO THE CONTRACTOR

- Basis of Compensation
- Compensation Adjustments
- Claim for Additional Compensation

PAYMENT

- Payment For Lump Sum Items
- Payment For Unit Price Items
- Payment of Adjustment Amounts

WITHHOLDING PAYMENT FOR PENALTIES AND LIQUIDATED DAMAGES

- Conditions for Withholding
- Continuing Rights and Obligations
- Notification

PERFORMANCE SECURITY

REPRESENTATIONS AND WARRANTIES OF THE CONTRACTOR

GUARANTEE OF PARENT AND JOINT VENTURE PARTICIPANTS

- Guarantees
- Terms of Guarantee
- Assignment
- Certification of Enforceability

REPRESENTATIONS AND WARRANTIES OF THE GOVERNMENT

- General
- Guarantee of Access

DEFECT LIABILITY

IMPROVEMENTS TO FACILITIES

ADJUSTMENTS TO CONTRACTORS COMPENSATION AS A RESULT OF CHANGE IN CONTRACT ELEMENTS

- Claims for Additional Compensation
- Additions in Service
- Changes in Applicable Law

TERMINATION

- Termination without Cause
- Termination for Cause
- Termination by the Contractor
- Right to Assignment

Solid Waste Technical Assistance

