

Instructions to Bidders (Construction Works)

1. Purpose

- 1.1 These Instructions to Bidders (the "ITB") set out the procedures that govern the participation of Bidders in Open Competitive Bidding (OCB) (collectively, the "Biddings") for construction Works invited by the Employer (KOICA).

2. Definitions

- 2.1 Unless otherwise provided herein, the terms used in the ITB shall have the meanings given to them in the Procurement Regulations (KOICA Regulations) and the General Conditions of Contract (GCC).

3. Registration of Bidders

- 3.1. Any entity wishing to participate in the Bidding must complete the registration form and submit it in person, by mail, or electronically. The submission of the Bid pursuant to Article 14 hereto may be deemed to constitute such registration.

4. Eligible Bidders

- 4.1. Any entity intending to participate in a Bidding must satisfy the eligibility requirements set out in the relevant Bid Data Sheet (BDS).
- 4.2. The Employer may limit participation in the Bidding to those who meet all of the following requirements:
- (a) The Bidder shall meet any one of the following criteria:
 - (i) A legal entity established under the laws and regulations of the country where the Project is implemented (the "Project Country"); or
 - (ii) An entity satisfying the criteria who established by Employer, taking into account the laws, systems, and practices related to foreign cooperation projects in the Project Country.
 - (b) The Bidder shall meet all of the following requirements:
 - (i) Not have been restricted from participation in bidding, declared ineligible for contract, or sanctioned by any international organization or foreign government;
 - (ii) Not be currently under a suspension or restriction period as an "Improper Business Entity" (or Fraudulent Business Entity) pursuant to Article 27 of the Act on Contracts to Which the State is a Party, Article 31 of the Act on Contracts to Which a Local Government is a Party, or Article 39 of the Act on the Management of Public Institutions; and
 - (iii) Not have been convicted of any bribery-related crime under domestic or foreign laws.
 - (c) In deciding the eligibility requirements for the Bidders, the Employer may, if necessary and depending on the type and size of the Contract, refer to the same or similar Contracts previously executed by such Bidder, the performance history, availability of technical personnel, performance capacity, and managerial and financial status thereunder.

5. Application for Participation

- 5.1 Any entity intending to participate in a Bidding must submit the following documents to the Employer by no later than the submission deadline specified in the BDS.
 - (a) a duly completed Application to Participate;
 - (b) one set of documents evidencing the Bidder's eligibility to participate in the Bidding;
 - (c) documents evidencing the authenticity of the Bidder's signature (e.g., Power of Attorney, notarized specimen signature); and
 - (d) any other documents specified in the BDS or required by a separate notice.
- 5.2 Each document provided under paragraph (1) above must be provided in its original form or if a copy is provided, the copy must be certified to be a true and accurate copy of the original document.
- 5.3 The documents submitted under paragraph (1) above cannot be amended except to correct minor clerical errors or oversights.
- 5.4 If a representative is designated for submitting the documents, such representative may act on behalf of the Bidder.

6. Bidding Documents / Bid-Securing Declaration

- 6.1 All prospective Bidders shall have access to the following documents (collectively, the "Bidding Documents"):
 - (a) the Instructions to Bidders (ITB);
 - (b) the Bid Data Sheet (BDS);
 - (c) the Application to Participate form;
 - (d) the Letter of Bid (Form of Bid);
 - (e) Bill of Quantities, drawings, and Technical Specifications (Employer's Requirements);
 - (f) General Conditions of Contract (GCC);
 - (g) Special Conditions of Contract (SCC);
 - (h) Contract Forms;
 - (i) Bid Security form (or Bid-Securing Declaration); and
 - (j) any other documents relevant to the Bidding.

7. Clarification of Bidding Documents

- 7.1 Prior to submitting a Bid, any prospective Bidder shall be deemed to have examined all laws and regulations applicable to the Bidding and each of the Bidding Documents specified in Article 6(1) above.
- 7.2 Any prospective Bidder may request the Employer to clarify any mistakes or errors in the Bidding Documents that it may have discovered during its review thereof prior to the Deadline for Submission of Bids, within a period specified in the BDS.

8. Joint Venture (JV)

- 8.1 Joint Ventures (JVs) may be permitted if specified in the BDS. Unless otherwise stated, the scope of Works to be rendered by the JV's Lead Partner shall be at least 50% of the whole of the Works.
- 8.2 If JVs are permitted, the JV must submit an executed Joint Venture Agreement.
- 8.3 The BDS shall specify the detailed requirements for JVs.
- 8.4 A party shall not participate in more than one Bid in the same Bidding process, either individually or as a member of a JV.
- 8.5 The relevant Joint Venture Agreement must be executed by all JV members and submitted to the Employer

by the Deadline for Submission of Bids.

8.6 The composition of the JV must be the same as that stated in the Application to Participate.

8.7 All members of the JV shall meet the eligibility requirements (e.g., no debarment). The qualification criteria (e.g., financial status, experience) shall be assessed based on the criteria set forth in the BDS.

8.8 If any person participates in a Bidding in violation of this Article, the Bid submitted by such person shall be rejected.

9. Criteria for Prequalification

10. Bid Security / Bid-Securing Declaration

10.1 The Bidder must submit by the Deadline for Submission of Bids a Bid Security amounting to at least the percentage (2.5%) of the Bid Price specified in the BDS, in the form of a bank guarantee issued by a financial institution, or if allowed, a Bid-Securing Declaration.

10.2 If the successful Bidder fails to sign the Contract Agreement or furnish the required performance security within the prescribed period, the Bid Security shall be forfeited (or the Bid-Securing Declaration executed).

10.3 The Bid Securities of unsuccessful Bidders shall be returned as soon as the successful Bidder is selected. The Bid Security of the successful Bidder shall be returned immediately following the signing of the Contract and submission of the Performance Security.

10.4 The Bid Security must remain valid for a period of at least ninety (90) days after the Deadline for Submission of Bids.

11. Exemptions from Bid Security

11.1 The following applicants (each an "**Exempted Applicant**") shall be exempt from providing a Bid Security under Article 10:

- (a) governmental agencies or local governments of the Republic of Korea;
- (b) public institutions of the Republic of Korea;
- (c) foreign entities in which the government holds a 50% or greater equity stake; or
- (d) a prospective Bidder deemed appropriate for exemption based on its past performance records.

11.2 An exempted applicant must submit a Bid-Securing Declaration accepting that it will be suspended from being eligible to participate in KOICA's bidding for a specified period of time in case of default.

12. Participation in the Bidding

12.1 Any person wishing to participate in a Bidding must:

- (i) have submitted the Application on or before the Deadline specified in the BDS; and
- (ii) have completed the partner registration in the BDS.

12.2 When participating, the Bidder must possess identification and the same seal/signature used in the Application.

12.3 A person who has been sanctioned for Fraud and Corruption (unfair trade practices) cannot be designated as a representative.

12.4 In the case of a Joint Venture (JV), the Lead Partner of the JV shall act as the representative.

12.5 The Employer may reject a Bid if instructions are not followed.

13. Preparation of Bids

- 13.1 The Bid must be prepared in accordance with the Bidding Documents. The Bid Price must be stated as a lump sum or as a unit price and total price (based on Bill of Quantities).
- 13.2 For Unit Price Contracts, the Bidder shall submit a Bid stating the total Bid Price and include a priced Bill of Quantities with unit rates filled in on the Bill of Quantities provided by the Employer.
- 13.3 The Bid must be signed by the legally authorized representative of the Bidder. If the Bidder is a corporation, the Bid shall be signed by the Representative Director or a person holding a valid Power of Attorney. This signature and seal must correspond to those used in the Application.
- 13.4 Any deletions or corrections to the Bid must be initialed by the person who signed the Bid.

14. Submission of Bids

- 14.1 The Bid shall be submitted in a sealed envelope.
- 14.2 A Bidder shall submit its Bid no later than the date and time instructed by the Employer (Deadline for Submission of Bids).
- 14.3 Submission by post is effective only if it arrives on or before the Deadline for Submission of Bid. The Employer is not responsible for lost or delayed Bids.
- 14.4 The envelope must be marked with the Bidding name, date/time, Bidder's name, etc.
- 14.5 The Employer shall record receipt and keep the envelope unopened until Bid Opening.
- 14.6 A Bidder may modify, substitute, or withdraw its Bid prior to the Deadline for Submission of Bids. No Bid may be modified, substituted, or withdrawn after the Deadline.

15. Submission of Priced Bill of Quantities

- 15.1 For Unit Price Contracts, the Bid must include a Priced Bill of Quantities.
- 15.2 For Lump Sum Contracts, the successful Bidder must submit a Priced Bill of Quantities before commencement of Works (or as specified in the Contract).
- 15.3 Each page of the Priced Bill of Quantities must bear the seal or initial of the Bidder.

16. Deadline for Submission

- 16.1 All documents comprising the Bid (including those evidencing eligibility) must be submitted on or prior to the Deadline for Submission of Bids specified in the BDS.

17. Fair Competition

- 17.1 Bidders must not engage in Fraud and Corruption, including Collusive Practices regarding the Bid Price.
- 17.2 If a Bidder violates paragraph (1), the Employer may reject the Bid in accordance with Article 20 and take appropriate action (e.g., requesting an investigation or imposing sanctions).

18. Long-Term Contracts

19. Competitive Bidding

- 19.1 Competitive Bidding requires two or more substantially responsive Bids to be valid.

20. Rejection of Bids

- 20.1 Bids that fall under any of the following criteria shall be rejected as non-responsive:
- (a) Bids submitted by ineligible Bidders;

- (b) Bids submitted by persons without the valid power of representation;
- (c) Bids missing mandatory documents listed in the BDS;
- (d) Multiple Bids submitted by the same person (violation of the One Bid per Bidder rule);
- (e) Bids where material information (e.g., Bid Price) is omitted or unclear, or where corrections are not initialed;
- (f) Bids involved in Collusive Practices (or Fraud and Corruption);
- (g) Bids without the Bidder's signature/seal or with a discordant signature/seal;
- (h) Bids for which a withdrawal has been accepted at the Bid Opening due to significant errors;
- (i) For Unit Price contracts, Bids missing the Letter of Bid or Priced Bill of Quantities, containing price inconsistencies, or containing material reservations;
- (j) Bids submitted without the prescribed Bid Security (or Bid-Securing Declaration); or
- (k) Bids otherwise failing to comply with the requirements of Article 13 (e.g., failure to use the prescribed form).

21. Extension of the Deadline for Submission of Bids

- 21.1 The Employer may extend the Deadline for Submission of Bids specified in the BDS if clarification provided under Article 7(2) is material or for other unavoidable reasons.
- 21.2 Details of any extension must be provided to Bidders in the same manner as the initial BDS (e.g., via notice or addendum).

22. Cancellation of Bidding

- 22.1 The Employer may cancel the Bidding at any time prior to the issuance of the Notification of Award due to unavoidable circumstances.
- 22.2 No Bidder shall be entitled to claim any damages or costs in connection with such cancellation.

23. Re-bidding and Re-advertised Bidding

- 23.1 "Re-bidding" refers to a procedure in which the Employer allows the Bidders who participated in the initial Bidding to submit new Bid Prices immediately (or within a specific timeframe on the same day) without changing the original terms and conditions, in the event that no successful Bidder is selected during the Bid Opening (e.g., where all submitted Bid Prices exceed the Official Estimate or fall below the Minimum Acceptable Bid Rate).
- 23.2 "Re-advertised Bidding" refers to a procedure in which the Employer issues a new public notice to invite Bids again, in the event that no Bids are submitted, fewer than two substantially responsive Bids are received, no successful Bidder is selected, or the successful Bidder fails to sign the Contract.
- 23.3 The terms and conditions of the initial Bidding (except for the deadline or price submission timeline) shall remain unchanged.

24. Bid Opening

- 24.1 The Bid Opening shall be conducted at the place and time specified in the BDS. Bidders or their authorized representatives may attend the Bid Opening.

25. Selection of Successful Bidder

- 25.1 The successful Bidder shall be selected in accordance with the applicable Regulations of the Employer

(KOICA Regulations).

25.2 The selection of the successful Bidder shall become effective upon the Bidder's receipt of the Notification of Award. The Employer reserves the right to annul the bidding process and reject all Bids at any time prior to the Notification of Award, without incurring any liability to the Bidders.

25.3 In the event of a tie in ranking, the Bidder with the higher score in the evaluation of Performance Capabilities shall be selected. If the tie persists, the successful Bidder shall be selected by drawing lots.

26. Expenses

26.1 The Costs of Bidding shall be borne by each Bidder.

27. Language of Bid

27.1 The Bidding Documents shall be written in English. The Employer may provide the Bidding Documents in the local language.

27.2 The Contract shall be written in the same language. In case of any discrepancy, the English version shall prevail.

28. Signing of Contract

28.1 Within seven (7) days of receipt of the Notification of Award, the successful Bidder shall submit the required documents (e.g., Priced Bill of Quantities). The successful Bidder shall sign the Contract within ten (10) days.

28.2 The period of Force Majeure shall be excluded from the calculation of the time limit.

28.3 The successful Bidder shall submit all relevant documents requested.

28.4 Adjustments to the Contract Price due to price fluctuations may apply if permitted in the Bidding Documents.

29. Conclusion of Contract

29.1 The Contract shall be finally concluded upon execution of the relevant Contract documents by both the Employer and the successful Bidder.

30. Performance Security

30.1 Prior to the signing of the Contract, the successful Bidder shall submit the Performance Security.

30.2 The Performance Security shall remain valid for at least sixty (60) days after the expiration date of the Contract.

30.3 The successful Bidder may be exempted from submitting the Performance Security in any of the following cases:

- (a) Government agencies or local governments of the Republic of Korea;
- (b) Public institutions established under the laws of the Republic of Korea;
- (c) Foreign entities in which the government holds a 50% or greater equity stake; or
- (d) Cases where the collection of the Performance Security is deemed inappropriate considering fair and reasonable contractual practices.

30.4 An exempted Bidder shall submit a Performance-Securing Declaration guaranteeing payment of the Performance Security amount in the event that liability arises.

31. Confidentiality

31.1 The Bidder shall not use the Bidding Documents or information for any purposes other than participating in the Bidding.

32. Integrity Principles

32.1 The Employer may request the Bidders to submit a Pledge of Integrity, committing to act with integrity, refrain from collusion and bribery (Fraud and Corruption), and consent to sanctions.

32.2 The successful Bidder agrees to incorporate this Pledge into the Contract.

32.3 Any party found to have engaged in Fraud and Corruption shall be subject to sanctions (such as cancellation or termination of the Contract).

33. Electronic Bidding

33.1 Electronic Bidding shall be subject to separate regulations.

34. Application of Other Procurement Regulations

34.1 Unless otherwise provided in these Instructions, the Procurement Regulations shall apply.