

Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects

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CHAPTER 1. GENERAL PROVISIONS

Article 1 (Purpose)

The purpose of these Detailed Rules is to stipulate matters entrusted by the Regulations for Procurement and Contract in Grant Aid Projects (hereinafter referred to as "the Regulations") and matters necessary for their implementation.

Article 2 (Scope of Application)

Regarding the method and procedure for administrative tasks necessary for purchasing, services, and construction works, such as procurement of goods funded by the Korea International Cooperation Agency (hereinafter referred to as "KOICA") for developing countries (hereinafter referred to as "Countries"), these Detailed Rules shall apply except as otherwise expressly provided for in related laws and regulations and/or other provisions. <Amended on Jun. 3, 2009, Feb. 18, 2016>

Article 3 (Definition)

The definitions of terms used in these Detailed Rules are as follows:

1. The term "Estimated price" means a price calculated pursuant to Article 17 before determining an Expected Maximum Price to contract for the procurement of goods, construction works, or services, etc.; <Amended on Feb. 18, 2016, Jul. 20, 2017>
2. The term "Expected Maximum Price" means a value prepared and provided as a criterion for determining a successful tenderer or contract price before commencing a tendering process or concluding a contract; and which is formulated pursuant to the provisions of Article 19;
3. The term "Procurement partners" means registered companies with qualifications required by KOICA to facilitate procurement work and invite excellent companies to

tender.

CHAPTER 2. REGISTERING AND OPERATING PROCUREMENT PARTNERS

Article 4 (Registering Procurement Partners)

The registration and qualification requirements for procurement partners to participate in tendering under Article 5 (6) of the Regulations shall be as follows: <Amended on Jul. 20, 2017>

1. A person who has registered qualification for participating in tendering pursuant to Article 12 of the Enforcement Decree of the Act on Contracts to Which the State is a Party; <Amended on Jul. 20, 2017>
2. A person who falls under Article 3 and 6 of the Regulations on Special Cases Concerning the Enforcement Decree of the Act on Contracts to Which the State is a Party in Special Procurement. <Amended on Nob. 3, 2011, Feb. 18, 2016, Jul. 20, 2017>

[The Title Amended on Jul. 20, 2017]

Article 5 (Documents for Registration)

Anyone who wishes to register as a procurement partner to participate in the tendering shall submit documents pursuant to Article 15 of the Enforcement Decree of the Act on Contracts to Which the State is a Party. <Amended on Apr. 2, 2008, Nob. 3, 2011, Jul. 20,

2017>

[Wholly Amended on Jul. 20, 2017]

Article 6 (Notice of Registration, such as Lists of Qualified Persons and Certified Suppliers)

(1) The head of the procurement department may give notice of registration at any time in parallel with the public notice of a tender.

(2) The details of the notice of registration for procurement partners pursuant to Article 5 (6) of the Regulations shall be as follows:

1. Purpose of procurement relating to Grant Aid Projects;
2. Field of work and items of procurement;
3. Eligibility for registration and required documents to be submitted;
4. Other matters related to registration such as registration place, date, and time;
5. Other matters determined by KOICA. <Newly Inserted on Jul. 20, 2017>

(3) Pursuant to Article 10 of the Regulations on Special Cases Concerning the Enforcement Decree of the Act on Contracts to Which the State is a Party in Special Procurement, qualification standard for participating in tendering shall be notified in KOICA's e-Procurement System and Korea On-line E-Procurement System at the beginning of each fiscal year. The qualification may be screened at any time by receiving an application from a person who wishes to participate in the general competitive tendering and a list of qualified persons shall be prepared and retained; and a person who intends to participate in the bidding may peruse it. <Newly Inserted on Jul. 20, 2017>

(4) Pursuant to Article 6 of the Regulations on Special Cases Concerning the Enforcement Decree of the Act on Contracts to Which the State is a Party in Special Procurement, a list of certified suppliers may be prepared and managed. <Newly Inserted on Jul. 20, 2017>

(5) The head of the procurement department may separately establish and manage detailed standards to prepare the list under Paragraphs (3) and (4). <Newly Inserted on Jul. 20, 2017>

[The Title Amended on Jul. 20, 2017]

Article 7 (Confirming Registration)

(1) The head of the procurement department shall review and confirm registration pursuant to Articles 4, 5, and 6 upon receipt of registration application documents. The head of the procurement department may conduct a fact-finding survey on field visits to verify submitted documents. <Amended on Nob. 3, 2011, Jul. 20, 2017>

(2) The head of the procurement department may request the registration applicant for supplementation if part or all of the registration application or evidence does not meet the requirements. If there is no reply from the applicant after 20 days from the day requesting for supplementation, the applicant shall be deemed to have no intention to register. <Amended on Nob. 3, 2011>

Article 8 Deleted. <Jul. 20, 2017>

Article 9 Deleted. <Jul. 20, 2017>

CHAPTER 3. EXAMINATION AND CALCULATION OF PRICE

Article 10 (Preparing Specifications)

(1) The head of the business department shall review the details of items, detailed specifications, quantity, drawings design documents, and dispatching and training of installation technician before preparing specifications when requesting a price examination and procurement of goods. <Amended on Feb. 18, 2016>

(2) The head of the business department may request an expert or specialized company to prepare the specifications if it is impracticable due to technical issues.

(3) For selecting procurement commodities, if special reasons exist such as compatibility with local commodities, easy post-management, and requests from the Countries and overseas diplomatic office, the name of the manufacturer and product model may be designated. However, the head of the business department shall agree upon the supply and technical support for the model with the manufacturer or technical support company before public notice of a tender based upon the established rules for a contract by the Ministry of Economy and Finance. This should be announced at the time of public notice of a tender. After determining the successful tenderer, a copy of the agreement shall be provided to the successful tenderer for receiving an agreement of product supply and technical support from the manufacturer. <Amended on Feb. 18, 2016>

Article 11 (Selecting Procurement Commodities)

For selecting procurement commodities, commodities that fall under any of the following subparagraphs shall be preferentially selected. However, this shall not apply if special reasons exist: <Amended on Jul. 20, 2017>

1. Products that have obtained quality certification (such as KS, Q, ISO, CE, UL) from domestic and foreign accredited organizations;
2. Excellent products that are guaranteed by domestic and foreign professional manufacturers;
3. Technology development products of small and medium-sized enterprises pursuant to Article 2 of the Act on Facilitation of Purchase of Small and Medium Enterprise-Manufactured. <Newly Inserted on Jul. 20, 2017>

Article 12 (Examining Price)

- (1) The head of the business department shall examine the price of commodities through experts and price examination agencies. However, if validity such as the necessity to supplement the examination is recognized, it may be requested to the head of the procurement department.
- (2) The head of the business department shall notify the head of the procurement department of necessary matters related to the procurement of project commodities when requesting a price examination pursuant to the proviso of Paragraph (1).

[The Title Amended on Jul. 20, 2017]

Article 13 Deleted. <Jul. 20, 2017>

Article 14 (Requesting Procurement)

- (1) The head of the business department shall prepare the specifications in detail pursuant to Article 10 (1) and request a procurement considering the manufacturing and transport period; and work period necessary for tendering and contracts. <Amended on Feb. 28, 2018>

(2) A request for procurement shall include the following items:

1. Country name, project name (in Korean and English), and project target area;
2. Details of the project plan (such as purpose and content of the project, yearly budget, and execution plan);
3. Whether to conclude a business execution agreement with the Country;
4. Total allocated budget, execution budget limit, and whether to increase the amount of procurement;
5. Items and detailed specifications, quantity, and purpose of use (for educational or research);
6. Number of dispatched installation technicians and dispatch period; and local conditions necessary for equipment installation (such as voltage, power status, and installation area);
7. Shipping deadline, Consignee and Notify Party, final destination and place of delivery (whether local inland transportation costs are borne);
8. Conditions of carriage (aircraft or ship) and sub-insurance conditions for cargo insurance;
9. In the case of construction, matters subparagraphs 1 through 8 and other necessary matters such as specifications, design documents, BOQ, commencement and completion deadlines; <Amended on Feb. 18, 2016>
10. In the case of technical services, matters subparagraphs 1 through 8 and other necessary matters such as a request for proposal (details including qualifications of manpower and MAN·MONTH), commencement and completion period of a task, and

estimated price and calculation basis by details;

11. If the business department directly examine a price, it refers to the details of the price examination;

12. Information of experts who participated in the project formation stage, such as preliminary investigation and implementation consultations. <Newly Inserted on Feb. 18, 2016>

Article 15 (Establishing Procurement Execution Plan)

(1) The head of the procurement department shall establish a procurement execution plan regarding the method and public notice of tendering by receiving a procurement request pursuant to Article 14 (2).

(2) When establishing the procurement execution plan in Paragraph (1), the following matters shall be included:

1. Necessary matters in each subparagraph of Article 14 (2);
2. Method and procedure of public notice of a tender (such as contents and timing for tendering presentation session, the text of the notice); and method of signing a contract.

Article 16 (Amending the Details of the Procurement Request)

(1) The head of the procurement department may review the request for procurement pursuant to Article 14 (1) and amend the details of the request in consultation with the relevant business department if any of the following grounds exist: <Amended on Feb. 18, 2016>

1. Procurement Expected Maximum Price exceeds the budget;

2. If the quantity and specification of equipment are unclear;
 3. If a new product of the same type replaces a discontinued or scheduled to be discontinued item;
 4. When requesting facility construction, if the design documents and BOQ are unclear;
 5. When requesting technical services, if the project details and requirements for the technical manpower are unclear;
 6. In other cases where it is necessary to amend the details of the procedure request.
- (2) The head of the procurement department may request the head of the business department to supplement the purpose of the project, market situation of the supplier, publicity, effectiveness, and domestic and international legal systems.
- <Newly Inserted on Feb. 18, 2016>

Article 17 (Standard for Calculating Estimated Price)

The standard for calculating the estimated price pursuant to Article 10 of the Regulations shall be as follows:

1. If the contract is for a construction project, the price for the portion for which materials are to be supplied by the Government shall be excluded from the estimated price;
2. If the contract is a unit-price contract, the estimated price shall be calculated by multiplying the estimated unit price of the goods involved by the estimated quantity of goods to be procured;
3. If the contract is executed to meet demands made individually for procurement or made in installments, the amount calculated by either of the following subparagraphs

shall be chosen as the estimated price:

- (a) The amount determined by adjusting the total amount of similar contracts made during one fiscal year, or 12 months, immediately before the fiscal year in which the relevant contract is to be executed by estimating changes in the quantity and amount during the immediately following 12 months;
 - (b) The total amount of contracts to be executed during the same fiscal year or immediately following 12 months;
4. If the subject matter to be procured involves optional items, the estimated price shall be determined based upon the maximum amount of the subject matter, including such optional items;
5. In the case of contracts related to construction such as technical services and design, supervision, and construction management, the amount is based upon the Services Expense Calculation Standard. <Amended on Jun. 3, 2009, Feb. 18, 2016>

Article 18 (Preparing and Displaying Expected Maximum Price Statements)

- (1) The head of the procurement department shall determine an Expected Maximum Price considering relevant specifications, design documents, etc. for a transaction to be made through competitive tenders or by a negotiated contract. He/she shall seal the venue tightly to prevent the Expected Maximum Price from being divulged, and keep the price in a place where tenders are to be opened or the price for the contract is to be negotiated. <Amended on Jul. 20, 2017>
- (2) Where determining the Expected Maximum Price, the head of the procurement department shall prepare an Expected Maximum Price Statement (Form 6) before

tendering or price negotiation, based upon the Expected Maximum Price calculation statement. <Amended on Jul. 20, 2017>

(3) In cases of a tendering for goods, services, construction, or rental loans pursuant to Article 41 (1), the head of the procurement department shall prepare the Base Amount (Form 6-2) and multiple preliminary prices (Form 6-3) considering the following. However, preparing multiple preliminary prices shall apply to all competitive tendering (including a negotiated contract pursuant to Article 30 (2) of the Enforcement Decree of the Act on Contracts to Which the State is a Party): <Newly Inserted on Jul. 20, 2017>

1. The head of the procurement department shall prepare a Base Amount to determine the Expected Maximum Price pursuant to Article 19. The prepared Base Amount (or when the head of the department adjusts the Base Amount, this means such adjusted amount) shall be disclosed through a e-Procurement System up to five days before reckoned from the day before the tendering commencement date. However, if the notification period is within seven days, if there is an urgent notice pursuant to the relevant regulations, or in other unavoidable circumstances, the Base Amount shall be disclosed by the day before the tendering commences. In cases of a negotiated contract, such disclosure need not be made;
2. The head of the procurement department shall prepare 15 different preliminary prices within a range $\pm 2.5\%$ of the Base Amount prepared pursuant to Paragraph (3). Regardless of the order, pursuant to Form 6-3, the head of the department shall randomly designate a number between 1 and 15, place them in an envelope of multiple preliminary price statement, seal, and store them. At this time, the difference

between the multiple preliminary prices shall be as wide as possible. However, in cases of electronic tendering, the preliminary prices shall be decrypted in a e-Procurement System, stored, and managed. The multiple preliminary prices shall not be disclosed.

Article 19 (Standards for Determining Expected Maximum Prices)

(1) An Expected Maximum Price shall be determined based on the following price standards pursuant to Article 11 (4) of the Regulations: <Amended on Jul. 20, 2017>

1. The amount based upon KOICA's Services Expense Calculation Standard;
2. The price of actual transactions (referring to the price of actual transactions not exceeding a determined price, if the price is determined under the provisions of a statute), where reasonable transactions have been made;
3. The price surveyed by requested experts and specialized companies; or the price quoted by a company who filed an application to participate in tendering; <Amended on Jul. 20, 2017>
4. Cost based on the cost of technical services and academic service research expenses of the government or association;
5. Other standards prescribed in Article 9 of the Enforcement Decree of the Act on Contracts to Which the State is a Party.

<Amended on Feb. 18, 2016, Jul. 20, 2017>

(2) Where the head of the procurement department determines an Expected Maximum Price pursuant to Paragraph (1), he/she shall take into account the quantity of contract, the prospect of execution, execution period, the current status of supply and demand,

terms and conditions of contract, and other matters.

(3) Where the head of the procurement department determines an Expected Maximum Price based upon the price of actual transactions pursuant to Paragraph (1) 2, he/she shall not separately add general administrative expenses and profits. <Newly Inserted on Feb. 18, 2016>

[The Title Amended on Jul. 20, 2017]

Article 20 (Determining Expected Maximum Prices)

(1) The Expected Maximum Price shall be determined based on the total or unit price considering the characteristics of the contract, but shall not exceed the procurement execution budget. <Amended on Jul. 20, 2017>

(2) The Expected Maximum Price shall be determined based upon the export price to which a "zero" VAT rate including commodities price, technician dispatch fee, general expenses, transportation fee, insurance fee, and profit; and the customs duty refund tax shall be assessed.

(3) For contracts for long-term continuing construction and long-term manufacture of goods, the Expected Maximum Price for the entire construction project or total manufacturing shall be determined within the maximum of the total construction cost or the total manufacturing cost.

(4) If a balance in the procurement execution budget accrues due to competitive tendering or price negotiation and the quantity of commodities increases, the unit price of tender or price negotiation of the commodities that were won in a tender may be set as the Expected Maximum Price.

Article 21 (Amending Expected Maximum Prices)

Where no tenderer or successful tenderer exists, and if a negotiated contract cannot be signed at the original Expected Maximum Price, the head of the procurement department shall amend the original Expected Maximum Price and submit to competitive tendering based upon the new procedure.

CHAPTER 4. METHODS OF TENDERING AND CONTRACTING

Article 22 (Public Notice of a Tender)

(1) The head of the procurement department shall submit a Public Notice of a Tender (Form 8) for competitive tendering pursuant to Article 12 of the Regulations.

(2) Where giving public notice of a tender in a daily newspaper, multiple tenders shall be noticed simultaneously.

(3) The public notice of a tender shall be done seven days before the deadline for submitting the tender proposal. However, where giving urgent public notice of a tender and Public Re-notification for Tenders, the notification may be made up to five days before the day before the submission deadline. <Amended on Oct. 8, 2008, Jul. 20, 2017>

(4) In the case of construction tendering, if the on-site presentation is implemented, it shall be counted from the day before the on-site presentation and notified seven days in advance. However, in the case of construction tendering that pre-examines qualification for participating, it shall be counted from the day of on-site presentation

and notified 30 days in advance. <Newly Inserted on Jul. 20, 2017>

(5) In the case of construction tendering, if the on-site presentation is not implemented, it shall be counted from the day before the deadline for submitting the tender proposal and notified before the period specified in each of the following subparagraphs: <Newly Inserted on Jul. 20, 2017>

1. If the estimated price is less than KRW one billion, it is seven days;
2. If the estimated price is between KRW one billion and KRW five billion, it is 15 days;
3. If the estimated price is at least KRW five billion, it is 40 days.

(6) In cases of a contract negotiated under Article 25 or contract by competitive dialogue under Article 25-2 of the Regulations, the notification shall be made 40 days before, reckoned from the day before the deadline for submitting proposals. However, in any of the following cases, notification may be made up to 10 days before the submission deadline: <Newly Inserted on Jul. 20, 2017> <Amended on May 3, 2019>

1. Urgent public notice of a tender and Public Re-notification for Tenders;
2. When the estimated price is less than the publicly notified amount.

Article 23 (Content of Public Notice for a Tender)

The head of the procurement department shall notify the following matters upon public notice of a tender:

1. Subject matters of the tender;
2. Matters on qualification for participating in tendering, documents to be submitted, and how to determine successful tenderer;
3. The venue, date, and time for the tendering process or the opening of tenders;

4. The venue, date, and time of the on-site presentation session, and the requirements for qualification and obligation for attending the presentation session in cases of the tendering process for a construction project;
- 4-2. The venue, date, and time of the on-site presentation session, and the obligation for attending the presentation session in cases of signing a contract by negotiation pursuant to Article 43 of the Act on Contracts to Which the State is a Party;
5. Matters regarding the tender bond and its escheat;
6. The commencement date and expiry date of the contract;
7. The place where terms and conditions proposed for the contract are publicly notified;
8. Matters regarding the invalidation of tendering;
9. Address of the institution where additional information can be obtained;
10. Procedure and method for submitting a tender proposal;
- 10-2. The statement that tender documents shall be submitted by mail, if tenderers are required to submit tender documents by mail pursuant to Article 39 (2) of the Enforcement Decree of the Act on Contracts to Which the State is a Party and the address to which tender documents shall be dispatched;
11. The statement that a joint contract is acceptable (including restrictions on the qualification of members of the contracting consortium in the case of a joint contract pursuant to the provisions of Article 72 (3) and (4) of the Enforcement Decree of the Act on Contracts to Which the State is a Party) and the method of implementing such joint contract;
12. The statement that the tendering process is for the incidental tendering;

13. Matters regarding the tendering process for alternatives or a turnkey project in cases of large construction contracts;

13-2. Matters regarding reporting of irregularities or unethical practices related to tenders;

14. Other matters necessary for the tendering process.

[Wholly Amended on Jul. 20, 2017]

Article 24 (Tendering Using e-Procurement System)

The details of electronic tendering using a e-Procurement System shall coincide with the End-User Agreement on Electronic Procurement System and with the Instructions for Tenderers Using KOICA e-Procurement System.

Article 25 (Applications for Tendering)

(1) The head of the procurement department shall require those who wish to participate in a tendering to submit the following documents:

1. One copy of Application Form to Participate in Tendering (Form 9);
2. Tender bond;
3. Deleted; <Jul. 20, 2017>
4. One copy of other documents required by public notice of a tender or notified by appointment.

(2) Deleted. <Jul. 20, 2017>

Article 26 (Tender Bonds)

(1) The head of the procurement department shall require the tenderers to pay a tender bond of at least 5/100 of the tender amount (in cases of unit-price tendering, the amount

of the tender unit multiplied by the quantity of the tendering) in cash (including a cashier's check issued by a Postal Office or a financial institution governed by the Banking Act; hereinafter the same shall apply); or certificate of guaranty under a subparagraph of Article 37 (2) of the Enforcement Decree of the Act on Contracts to Which the State is a Party by the tender application deadline (by the day before, if it falls on a holiday).

(2) Pursuant to Article 36 of the Regulations, the case where the payment of all or part of the tender bond can be exempted may be any of the following subparagraphs. In such cases, when a ground arises for the tender bond to escheat, a document verifying the payment should be submitted when applying to participate in tendering or tender proposal to guarantee the payment of the amount of tender bond:

1. The State agency or a local government;
2. Any public institution under Act on Management of Public Institutions; <Amended on Apr. 2, 2008>
3. A corporation with basic property, at least 50/100 of which has been funded by the State or local governments (including legal entities to which such property has been vested under an Act; hereinafter the same shall apply); <Amended on May 3, 2019>
4. A cooperative, cooperative joint venture corporation, or the federation of cooperatives under the Agricultural Cooperatives Act (including the Nonghyup Agribusiness Group Inc. and its subsidiaries); a fishing village fraternity, a fisheries cooperative, or the federation of cooperatives under the Fisheries Cooperatives Act; a forestry cooperative or the federation of cooperatives under the Forestry Cooperatives Act; a small and medium enterprise cooperative or the federation of cooperatives under the Small and Medium Enterprise Cooperatives Act; <Amended on Apr. 2, 2008, Feb. 28,

2018, May 3, 2019>

5. A person who is registered pursuant to a statute, including the Framework Act on the Construction Industry, the Electrical Construction Business Act, the Information and Communications Construction Business Act, the Construction Waste Recycling Promotion Act, the Aggregate Extraction Act, and the Act on Cultural Heritage Maintenance, etc., and who meets the standards determined by the Minister of Economy and Finance; <Newly Inserted on Apr. 2, 2008, Feb. 18, 2016, May 3, 2019>
 6. A person that meets the criteria determined by the Minister of Economy and Finance, from among persons certified as competent for green technology or green business or accredited as companies specializing in green business pursuant to Article 32 (2) of the Framework Act on Low Carbon, Green Growth;
 7. A person that is not suspected to avoid executing the contract after he/she is determined as the successful tenderer in a competitive tendering process; <Amended on Feb. 18, 2016>
 8. If it falls under Article 10 of the Rules on Contracting Affairs of Public Corporations and Quasi-governmental Institutions;
- (3) Matters regarding the return and escheat of tender bonds shall apply mutatis mutandis to the provisions of Articles 67 and 68, respectively. <Amended on Apr. 2, 2008>
- (4) Notwithstanding Paragraph (2), in certain cases, the head of the procurement department shall ensure that tender bonds are paid in cash or by a certificate of guaranty corresponding to each subparagraph of Article 37 (2), as follows. The cases shall be a person who has been restricted by qualification for participating in tendering as a

Dishonest Business Operator and has not passed two years after the expiration of the period, defaulted to debts under the General Credit Information Management Regulations, disturbed the financial order, or tenders that may avoid contracts: <Newly Inserted on Feb. 18, 2016>

1. In cases of a person who defaulted to debts or disturbed the financial order pursuant to General Credit Information Management Regulations: 5/100 of the tender amount;
2. Individuals who have been sanctioned against a Dishonest Business Operator by the heads of any central government office (including heads of state agencies, local governments, and public institutions) and are registered and identified in the Korea On-line E-Procurement System and a e-Procurement System shall apply a different standard for paying the tender bond. If the end of the sanction period is within the last two years from the date of public notice of a tender, tender bonds for each of the following items shall be paid for all sanctions where the end of the sanction period is within two years from the date of public notice of a tender;
 - (a) Total sanction period is less than six months: 10/100 of the tender amount;
 - (b) Total sanction period is between six months and one year: 15/100 of the tender amount;
 - (c) Total sanction period is between one year and two years: 20/100 of the tender amount;
 - (d) Total sanction period is at least two years: 25/100 of the tender amount;
3. If the tenderer falls under both Article 26 (4) 1 and 2, the larger of the two shall be paid by tender bond;

(5) The head of the procurement department shall immediately notify the successful tenderer of the tender bond payment when a ground arises for the bonds to escheat, and ensure that the successful tenderer pays it within 15 days of the notification.

[Wholly Amended on Feb. 18, 2016, Jul. 20, 2017]

Article 27 (Tendering Presentation Session)

(1) The head of the procurement department may hold a tendering presentation session before tendering, if necessary, he/she shall take all necessary measures to ensure the tendering participants submit accurate tenders in response to the tendering.

(2) The head of the procurement department may have a business department staff member or expert attend a tendering presentation session to explain the project in detail to the tendering participants for a project that is deemed to require such.

(3) In the tendering presentation session, the following shall be included:

1. Goods: Matters necessary for the tendering, such as product name, detailed specifications, quantity, purpose and characteristics, transportation conditions, insurance coverage, local installation conditions, dispatch of installation technicians, and prerequisites for tendering; <Amended on Feb. 18, 2016, Jul. 20, 2017>
2. Services: Other matters required for technical services such as a request for proposal (project details such as qualification requirements for manpower), project commencement and deadline, and project cost payment and settlement; <Amended on Jul. 20, 2017>
3. Construction: Design documents, specifications, special conditions, other matters necessary for construction. <Amended on Jun. 3, 2009, Feb. 18, 2016>

(4) Pursuant to Article 25 (4) of the Regulations, if the head of the procurement department only allows those who participated in the presentation to participate in the contract, the participants shall be verified during the tendering presentation session. If the details of the public notice of a tender are amended pursuant to Article 29 (2), the Listening Statement of Tendering Presentation Session (Form 11) shall be filled out with the participants' signatures and the amended details, and the amendment should be notified to the head of the business department. <Amended on Jul. 20, 2017>

Article 28 (Re-tendering and Public Re-notification for Tenders)

(1) In competitive tendering, if there are no at least two valid tenderers or no successful tenderers, re-tendering shall be conducted at the same place. In such cases, re-tendering shall not be deemed a new tendering, and there is no limit on the number of tenderers or the number of tenders possible.

(2) If there is no tenderer or successful tenderer, or if the successful tenderer does not sign a contract, a public re-notification tender may be submitted.

(3) In cases of re-tendering or re-notification tendering pursuant to the provisions of Paragraph (1) or (2), the price and other conditions, other than the deadline, set at the time the initial tendering is placed shall not be amended.

[The Title Amended on Jul. 20, 2017] [Wholly Amended on Jul. 20, 2017]

Article 29 (Amended Public Notice of Tender)

(1) When necessary to rectify the notification due to an error in the details of the public notice of a tender or a violation of a statute, the head of the procurement department shall post an amended notification in which the remaining period is extended by at least

five days. <Amended on Jul. 20, 2017>

(2) Deleted. <Jul. 20, 2017>

Article 30 (Method of Tendering)

(1) The head of the procurement department shall have those who wish to participate in competitive tendering submit tender proposals.

(2) Each person shall submit one copy of a tender proposal in accordance with the provisions of Paragraph (1) shall be one copy per person.

(3) The head of the procurement department shall appoint a tendering agent from the time a person who wishes to participate in the tendering files an application up until tendering commences. When a designated tender agent is changed, the new agent may be allowed to participate in the tendering.

(4) Upon receipt of a tender proposal, the head of the procurement department shall imprint its confirmation seal on the tender proposal and keep it closed until the opening.

(5) The seal used for the tender proposal submitted pursuant to Paragraph (1) (including the signature, hereinafter in this paragraph, the same shall apply) shall be the same as the seal reported when applying to participate in tendering.

(6) When a contract is signed to manufacture or purchase goods pursuant to the provisions of Article 44 (1) of the Enforcement Decree of the Act on Contracts to Which the State is a Party, the head of the procurement department shall have tenderers submit a tender proposal along with a document indicates quality, performance, efficiency, etc. of the product (hereinafter referred to as "certificate of quality, etc.").

[The Title Amended on Jul. 20, 2017] [Wholly Amended on Jul. 20, 2017]

Article 31 Deleted. <Jul. 20, 2017>

Article 32 (Designating Persons Eligible for Tendering in Selective Competitive Tendering Process)

(1) To effectively invite tenders to a selective tendering process pursuant to Article 23, at least five persons eligible for tendering shall be designated, and at least two persons among them shall apply to participate in tendering. However, if less than five persons are eligible for designation, all such persons shall be designated. <Amended on Feb. 18, 2016>

(2) In the cases falling under Paragraph (1), the matters referred to in each subparagraph of Article 23 shall be notified to each person eligible for tendering.

Article 33 (Notice of Conducting Selective Competitive Tendering Process)

(1) If the head of the procurement department appoints a tenderer pursuant to Article 23 of the Regulations, the head of the department shall notify the participant (Form 7). to participate in the selective competitive tendering process until seven days before the on-site presentation (seven days before the deadline for submitting tender proposals if the on-site presentation is not provided). However, in urgent cases, a notification may be made up to five days before the deadline. <Amended on Feb. 18, 2016, Jul. 20, 2017>

(2) Deleted. <Jul. 20, 2017>

Article 34 (Prerequisites to Tender)

(1) The head of the procurement department shall ensure the tenderers understand the "Instructions to Tenderers" specifying the prerequisites to tender. He/she shall ensure that only those who have accepted these instructions as terms of contract shall

participate in the tendering.

(2) The instructions to tenderers in Paragraph (1) shall include qualifications for participating in tendering, the basis of invalid tenders, tender bonds, and escheat of bonds. The details of these instructions may be amended based upon the characteristics of the project and the contract.

(3) If an application to participate in tendering or the payment guarantee confirmation memorandum of tender bond is submitted pursuant to Article 25, it shall be deemed consent to the prerequisites to tender.

(4) If necessary, tendering participants may conduct an investigation equivalent to an on-site visit pursuant to Article 7. <Newly Inserted on Feb. 18, 2016>

Article 35 (Effectuation of Tendering)

(1) A competitive tendering process shall become effective when at least two persons make valid tenders. <Amended on Jul. 20, 2017>

(2) Deleted. <Jul. 20, 2017>

Article 36 (Opening Tenders and Announcing Successful Tenderer)

(1) The head of the procurement department shall open tenders with tenderers present at the place, date, and time specified in the public notice of a tender. In such cases, if any tenderer is absent from the opening, a public official not involved in tendering may be requested to attend the opening.

(2) When the head of the procurement department determines a qualified person as a successful tenderer, after verifying the submitted tender documents and comparing tender prices on the valid tender documents with the Expected Maximum Price, he/she

shall announce the successful tenderer without delay; Provided that if substantial time is required to determine the successful tenderer because the capabilities for performing the contract and the outcomes of job creation, etc. must be examined under Article 42 (1) or the tender prices of each tenderer, capabilities for performing a construction project, social responsibility, etc. shall be comprehensively examined under Article 42 (4) in order to determine the successful tenderer. The successful tenderer may be announced after undergoing such procedure.

(3) Where tender documents are submitted through a e-Procurement System, opening tenders and announcing a successful tenderer shall be conducted in accordance with the procedure and method specified in the public notice of a tender, notwithstanding Paragraphs (1) and (2).

<Amended on Jul. 20, 2017, May 3, 2019>

[The Title Amended on Jul. 20, 2017, May 3, 2019]

Article 37 (Invalidation of Tender)

(1) The head of the procurement department shall invalidate any tenders that fall under Article 44 of the Enforcement Rules of the Act on Contracts to Which the State is a Party, such as tendering by an unqualified person:

1. Tendering by a person not qualify to participate in tendering;
2. Tendering without paying the specified tender bond by the date for payment;
3. Tendering in which the tender proposal has not arrived at the specified venue by the deadline for arrival;
4. Tendering in which the same person submits at least two tender proposals (if one is

the representative of several corporations, the several corporations are deemed the same person);

5. Tendering pursuant to Article 14 (6) of the Enforcement Decree of the Act on Contracts to Which the State is a Party, for which calculation details have not been submitted with the tender proposal; the amount in the tender proposal and the amount in calculation details do not match; and other tendering with grounds for invalidation of tender determined by the Minister of Economy and Finance;

5-2. Tendering where a tender proposal is submitted without amendment to any of the following items, registered pursuant to Article 15 (1) of the Enforcement Rules of the Act on Contracts to Which the State is a Party:

- a. Business or corporate name;
- b. Name of the representative (if several representatives, all of them).

6. Tendering where tender proposals are not submitted pursuant to the relevant regulations when submitting using an electronic procurement system or a e-Procurement System designated and notified by the head of the relevant central office pursuant to Article 39 (1) of the Enforcement Decree of the Act on Contracts to Which the State is a Party;

6-2. Where a request for proposal is explained (hereinafter in this subparagraph, referred to as "explanation of a request for proposal") pursuant to Article 43 (5) of the Enforcement Decree of the Act on Contracts to Which the State is a Party; and it is stated in the public notice of a tender that only those who have participated in the explanation of a request for proposal shall participate in the contract, tendering

by those who absent from the explanation but who participated in the tendering;

7. Tendering pursuant to the provisions of Article 44 (1) of the Enforcement Decree of the Act on Contracts to Which the State is a Party; tendering without submitting a certificate of quality, etc. to be submitted with the tender proposal pursuant to the provisions of Article 42 (6) of the Enforcement Rules of the Act on Contracts to Which the State is a Party;

8. Tendering contrary to the way of a joint contract pursuant to Article 72 (3) or (4) of the Enforcement Decree of the Act on Contracts to Which the State is a Party;

9. Tendering jointly participated in by the person who designed the original draft or the person who supervised the original draft, in the case of alternative tendering pursuant to Article 79 of the Enforcement Decree of the Act on Contracts to Which the State is a Party;

9-2. In the case of tenders for a technical proposal of working plans under Subparagraph 2 of Article 98 of the Enforcement Decree of the Act on Contracts to Which the State is a Party or technical proposal tendering for a basic plan under Subparagraph 3 of the same Article, tendering jointly participated in by the person who designed the original draft or the person who supervised the original draft;

10. Tendering that violates instructions to tenderers other than subparagraphs 1 through 9-2.

(2) Notwithstanding Paragraph (1), if a member, other than the representative of the tenderers constituting the contracting consortium, falls under any of the subparagraphs of Paragraph (1), the tendering shall be invalidated only for that member.

(3) In the event of a tender invalidation pursuant to Paragraph (1), the head of the procurement department shall specify the ground for invalidation and inform the tenderers participating in the opening of a tender except in unavoidable circumstances, such as where it takes a long time to verify the invalidity. However, if a tender proposal is to be submitted using a designated e-Procurement System, the grounds for invalidation shall be specified to tenderers by the procedure and method indicated in the public notice of a tender.

[Wholly Amended on Jul. 20, 2017]

Article 38 (Contract Subject to Limited Competitive Tendering and such Limitations)

(1) Where a participant's qualifications can be restricted, it shall be based on Article 21 of the Enforcement Decree of the Act on Contracts to Which the State is a Party as follows:

1. In the case of a contract for a construction project in the amount prescribed by the Ordinance of the Ministry of Economy and Finance, the capabilities for construction and records of performance of projects of the same type as the relevant project;
2. In the case of a contract for a construction project which requires special technology or construction methods, the status of technology held necessary for the execution of the construction relevant project, or records of performance of construction projects of the same type as the relevant project;
3. In the case of a contract for manufacturing goods which requires a special technology or construction method, the status of equipment and technology held necessary for manufacturing the relevant goods, or records of the manufacture of goods of the same type as the relevant goods;

4. Whether the quality of goods has been certified, where goods certified for their quality specified in any of the following items are to be purchased, because special performance or quality is required;
 - (a) Goods certified under Article 15 of the Industrial Standardization Act or excellent collective standard products under Article 25 of the same Act; <Amended on May 3, 2019>
 - (b) Goods certified as eligible for the Environment Mark under Article 17 of the Environmental Technology and Industry Support Act;
 - (c) Recycled products that conform to the standards under Article 33 of the Act on the Promotion of Saving and Recycling of Resources, the quality of which has been certified under Article 17 (1) 3 of the Enforcement Decree of the Industrial Technology Innovation Promotion Act;
5. In the case of a service contract that requires special technology, the status of technology held necessary for providing such services, or records of performance of the services of the same type as the relevant services;
6. In the case of a contract whose estimated value is less than the amount prescribed by the Ordinance of the Ministry of Economy and Finance, the location of the head office in the transcript of incorporation register (in the case of a self-employed individual, referring to the location of the place of business mentioned in the business registration certificate or documents related to permission, approval, license, registration, reporting, etc. under the relevant statutes; hereinafter the same shall apply);

7. Where a contract for a construction project is subject to limitations under Article 22 of the Enforcement Decree of the Act on Contracts to Which the State is a Party, the criteria for such limitations; <Amended on Feb. 28, 2018>
8. Where it is intended to manufacture and purchase goods designated and publicly announced by the Minister of SMEs and Startups pursuant to Article 6 of the Enforcement Decree of the Act on Facilitation of Purchase of Small and Medium Enterprise-Manufactured Products and Support for Development of their Markets, small and medium enterprises defined under Article 2 of the Framework Act on Small and Medium Enterprises; <Amended on Feb. 28, 2018>
- 8-2. Where it is intended to sign a goods manufacturing or purchasing contract or a service contract following the limited competitive tendering procedure stipulated in Article 7-2 (2) 1 of the Act on Facilitation of Purchase of Small and Medium Enterprise-Manufactured Products and Support for Development of Their Markets, small or micro-enterprises that have participated in the joint venture business referred to in the same subparagraph; <Amended on May 3, 2019>
9. Where the head of the procurement department finds it particularly necessary for preventing the poor performance of a contract, the financial position of each participant in the competition; <Amended on Feb. 28, 2018>
10. Where manufacturing and purchasing goods or services less than the amount publicly notified or services (excluding engineering projects defined under subparagraph 3 of Article 2 of the Engineering Industry Promotion Act and construction technology

services defined under subparagraph 3 of Article 2 of the Construction Technology Promotion Act), any of the following persons; <Amended on May 3, 2019>

- (a) Where manufacturing and purchasing goods or services for which the estimated price is less than 100 million won, small enterprises defined in Article 2 (2) of the Framework Act on Small and Medium Enterprises, micro-enterprises defined in Article 2 of the Act on the Protection of and Support for Micro Enterprises, venture businesses defined in Article 2 (1) of the Act on Special Measures for the Promotion of Venture Businesses, or founders defined in Subparagraph 2 of Article 2 of the Support for Small and Medium Enterprise Establishment Act;
 - (b) Where manufacturing and purchasing goods or services for which the estimated price is at least 100 million won, small and medium enterprises defined in Article 2 of the Framework Act on Small and Medium Enterprises;
11. Where intended to purchase goods produced by a person in a particular area, whether the person falls under any of the following:
- (a) A person that has his/her business relocated to a special region designated for the support of local small and medium enterprises under Article 62-23 of the Small and Medium Enterprises Promotion Act (applicable only during the period designated under paragraph (2) of the same Article);
 - (b) A person that has his/her business relocated to an agro-industrial complex under the Agricultural and Fishing Villages Improvement Act.
- (2) When the head of the procurement department intends to place limitations on the

qualifications of participants in a competition pursuant to Paragraph (1), he/she shall clearly state such limitations and the criteria for limitations in the relevant public notice of a tender. <Amended on Feb. 28, 2018>

(3) When the head of a contracting officer of a central government agency deems it necessary for placing limitations on the qualification of participants in a competitive tendering process for a construction project pursuant to paragraph (1) 6, a notice of the matters specified in each subparagraph of Article 36 may be issued in lieu of the public notice of a tender under paragraph (2) to persons qualified to participate in the relevant tendering process, as prescribed by Ordinance of the Ministry of Economy and Finance

(4) Where restricting the qualifications of persons participating in limited competitive tendering based upon the performance of and capability for construction, manufacturing, or services pursuant to Paragraph (1) 1 through 3, and 5, the required performance and construction capability shall be in accordance with the following standards. However, in the case of manufacturing or service contracts whose estimated price is less than the publicly announced amount, the qualifications of participants shall not be restricted by the performance: <Newly Inserted on Feb. 28, 2018>

1. In the case of construction, manufacturing, or services, the following performance shall apply. However, the performance specified in (a), below, shall apply first, unless there is a problem in achieving the purpose of the contract;

(a) When based on the scale or quantity of the performance of construction, manufacturing, or services (in the case of manufacturing or service, it is limited to

contracts whose estimated price is not less than the publicly notified amount), within one time the scale or quantity of the contract subject-matter;

- (b) When based on the amount of performance such as construction, manufacturing, or services (in the case of manufacturing or services, it is limited to contracts whose estimated price is at least the publicly notified amount), within one time the estimated price (when applying construction capability under other laws and regulations such as Framework Act on the Construction Industry, it refers to the estimated amount when government-supplied material costs are included; hereinafter in this paragraph, the same shall apply);

2. In the case of construction capability, within two times the estimated price.

[Wholly Amended on Jul. 20, 2017]

Article 39 (Technical Evaluations)

(1) The head of the business department shall consult with the procurement department for details of technical evaluation if evaluation is required for tendering due to the characteristics of the project. <Amended on Feb. 18, 2016>

(2) In the case of tendering pursuant to Paragraph (1), the head of the procurement department shall provide public notice of a tender or tendering presentation for notification on matters related to the method and procedure for tendering, preparing a technical proposal, standards and procedures for technical evaluation, and decisions on successful tenderers. <Amended on Feb. 18, 2016>

(3) Deleted. <Jul. 20, 2017>

(4) No technical proposal shall be replaced or amended; and if not submitted within the

specified period, the tendering shall be deemed abandoned.

(5) The head of the procurement department should fairly evaluate the tendering participants' technical proposals and notify the findings to the head of the business department. <Amended on Feb. 18, 2016>

(6) When tenders for specifications are implemented pursuant to tendering in a two-step competition, etc. under Article 18 of the Regulations, the cases of technical evaluation pursuant to Paragraphs (1) or (5) and Article 40 shall apply mutatis mutandis.

(7) Details such as technical evaluation procedures shall coincide with the Technical Evaluation Standard.

Article 40 (Determining the Successful Tenderer in Tendering in Two-Step Competitions, etc.)

(1) In the case of tendering pursuant to Article 18 (1) of the Regulations, tenders for specifications or technology are prioritized. If at least two persons are eligible for the tendering, price tendering shall be implemented. In such cases, when at least two persons are eligible, a person who bids at the lowest price below the Expected Maximum Price shall be determined as a successful tenderer. However, if only one person is qualified, the tendering shall be re-notified. <Amended on 2008.12.11.>

(2) Deleted. <Jul. 20, 2017>

(3) Deleted. <Feb. 18, 2011>

(4) If at least two persons are eligible for tenders for specifications or technology pursuant to Paragraph (1), the person with standard or technical superiority shall be determined as the successful tenderer. However, if the technical evaluation score is also tied, the successful tenderer shall be decided by drawing lots. <Amended on Feb. 18, 2011, Jul.

20, 2017>

(5) Deleted. <Jul. 20, 2017>

(6) When a tender under Article 18 (3) of the Regulations is implemented as a valid tender in which at least two persons participated pursuant to Article 35 (1), the result of opening tenders, even if only one person has been confirmed as eligible for a standard or technical tendering, a price tendering may be opened.

(7) When deciding a successful tenderer based upon technical evaluation, if it is impossible to determine a successful tenderer below the Expected Maximum Price, the price may be re-tendered or negotiated.

(8) Deleted. <Feb. 18, 2011>

Article 41 (Determining Successful Tenderer in Competitive Tendering)

(1) In a competitive tendering process pursuant to Article 22 of the Regulations, a successful tenderer shall be determined by examining the capabilities of each tenderer to perform the relevant contract and the outcomes of job creation determined by the Minister of Economy and Finance, starting from the tenderer whose tendering price is the lowest and not exceeding the Expected Maximum Price. <Amended on Jun. 3, 2009, Feb. 18, 2016, May 3, 2019>

(2) The examination of contract execution capability pursuant to Paragraph (1) shall be pursuant to the Criteria of Product Purchase Qualification Examination and Criteria of Contractor Selection Qualification Examination. If the tenderer is deemed eligible following screening, the tenderer is deemed a successful tenderer.

<Amended on Jun. 3, 2009>

(3) Notwithstanding Paragraph (1), where tendering pursuant to Article 40, a person who bids at the lowest price below the Expected Maximum Price shall be determined as a successful tenderer.

(4) In a tendering process for any of the following construction or service projects, a comprehensive examination shall be conducted on the tender prices of each tenderer, capabilities for performing a construction project (referring to capabilities for performing a service project in cases of a tendering process for a service project; in the proviso to Article 40 (2) and hereafter, the same shall apply), social responsibility, etc., and determine a person whose total points are the highest as the successful tenderer, notwithstanding paragraph (1). <Amended on May 3, 2019>

1. A construction project, the estimated price of which is at least KRW 30 billion;
2. A cultural heritage maintenance pursuant to subparagraph 1 of Article 2 of the Act on Cultural Heritage Maintenance, Etc., prescribed by the Administrator of the Cultural Heritage Administration.
3. Services regarding construction project management pursuant to Article 39 (2) of the Construction Technology Promotion Act, the estimated price of which is at least 2 billion won;
4. Services regarding basic plan for construction works pursuant to Article 69 of the Enforcement Decree of the Construction Technology Promotion Act or services regarding a basic design pursuant to Article 71 of the same Enforcement Decree, the estimated price of which is at least 1.5 billion won;
5. Services regarding working design pursuant to Article 73 of the Enforcement Decree

of the Construction Technology Promotion Act, the estimated price of which is at least 2.5 billion won.

(5) In order to examine capabilities for performing a contract pursuant to Paragraph (1), detailed criteria for examination shall be established in accordance with the criteria determined by the Minister of Economy and Finance for examination to determine qualification, taking into comprehensive consideration each tenderer's records of performance, technical capacity, financial position, level of conscientious performance of past contracts, the reasonableness of prices for procuring materials and human resources, plan for managing subcontracts; plan for fulfilling the working conditions of outsourced workers; level of compliance with contractual order; level of quality of past construction works; tender price, etc. The person found qualified through the examination shall be determined as a successful tenderer. <Amended on May 3, 2019>

(6) Where the head of the procurement department intends to conduct the comprehensive examination pursuant to Paragraph (4), he/she shall determine detailed criteria for examination in accordance with the standards determined by the Minister of Economy and Finance (or the examination standard after consultation with the Minister of Economy and Finance) taking into comprehensive consideration the outcomes of the performance of contracts; plan for arranging manpower; efforts to fulfill social responsibilities and tender price of each tenderer; etc. The head of the procurement department shall make the criteria available so that persons intending to participate in tendering shall inspect the criteria before submitting a tender. <Amended on May 3, 2019>

(7) In other cases, the head of the procurement department may apply the standards of the Public Procurement Service if necessary.

[Wholly Amended on Jul. 20, 2017]

Article 41-2 (Determining Successful Tenderer Where Identical Price, etc.)

(1) If an identical price that could be determined as the successful tender price has been tendered by at least two (referring to the top two persons with the identical total points as the highest score, in cases of tendering for a construction or services project pursuant to Article 42 (4)) persons in any of the following cases, the head of the procurement department shall determine the successful tenderer by any of the following methods:

1. Where a general competitive tendering process is conducted pursuant to the desired quantity under Article 17 of the Enforcement Decree of the National Contract Act: The tenderer that has tendered the greatest quantity shall be determined as the successful tenderer, but the successful tenderer shall be determined by drawing lots if the tendered quantity also is identical;
2. Where the successful tenderer is determined pursuant to Article 41 (1): The person that obtains the highest points in the examination of the capabilities for performing the contract, the outcomes of job creation, etc., shall be determined as the successful tenderer. But if the findings of the examination of the capabilities for performing the contract, the outcomes of job creation, etc. are identical, the successful tenderer shall be determined by drawing lots;
3. Where the successful tenderer is determined pursuant to Article 41 (3): The person whose specifications or technology is superior shall be determined as the successful

tenderer. But if the findings of an evaluation of specifications or technology are identical, the successful tenderer shall be determined by drawing lots;

4. Where the successful tenderer is determined pursuant to Article 41 (4): The person whose total point of capabilities for performing a construction project and social responsibility is the highest shall be determined as the successful tenderer. If the total points are identical, the successful tenderer shall be determined pursuant to the standard determined by the Minister of Economy and Finance, based on the scale, characteristic, etc. of the construction or services.

(2) If a tenderer is absent from the place where lots are drawn or a tenderer does not draw a lot in cases of Paragraph (1), a public official that is not involved in tendering may be authorized to draw a lot on behalf of such tenderer.

[Newly Inserted on May 3, 2019]

Article 42 (International Tendering)

The method and procedure for tendering pursuant to Article 17 of the Regulations shall coincide with International Procurement Standards. If necessary, the Regulations for Procurement and Contract in Grant Aid Projects and the detailed implementation of the Regulations; the relevant procurement regulations of the Public Procurement Service, international organizations, and recipient countries may apply mutatis mutandis.

<Amended on Apr. 2, 2010, Feb. 18, 2016, Jul. 20, 2017>

[The Title Amended on Jul. 20, 2017]

Article 43 Deleted. <Jul. 20, 2017>

Article 44 (Long-term Continuing Contracts)

(1) For contracts that require several years to perform due to the nature of the contract or where a long-term contract of several years is deemed effective, the head of the procurement department may sign a long-term continuing contract within the range of the total required budget based on the total amount or unit price.

(2) The cases where a long-term continuing contract shall be signed pursuant to Paragraph (1) are as follows:

1. Technical service contract;
2. Equipment maintenance contract or commodities transport and insurance service contract;
3. Manufacturing and purchasing goods in which price stability of commodities to be continuously supported; installation, operation, and follow-up management of supportive equipment are important;
4. Manufacturing goods for which several years are required to fulfill the goods supply contract; and the details of support based upon the design documents or standard are verified;
5. A construction contract requiring several years to implement; and for which the details of the project are verified based upon the design document;
6. Other long-term continuing contracts that are determined necessary.

(3) A contract for a long-term continuing construction project shall be signed for the first phase of the construction project for the pertinent year within the limit of the budget for the pertinent year, in which the amount of the entire construction project determined by a successful tender shall be additionally stated. In such cases, parties to the contract

shall agree on the additional condition that contracts for the second and subsequent phases shall be made for an amount not exceeding the amount calculated by subtracting the amount of the contract executed, from the amount of the entire construction project additionally stated in the contract (referring to the adjusted amount of the entire construction project, where the contract price is adjusted). <Amended on Jul. 20, 2017>

(4) The contract price for the first phase and the second and subsequent phases shall be determined based upon the agreed unit price for the entire construction project or total production, etc. <Newly Inserted on Jul. 20, 2017>

Article 45 Deleted. <Jul. 20, 2017>

Article 46 (Joint Contract)

In the case of a joint contract, the head of the procurement department shall have the contracting party submit contract-related documents, specifying each part of which the party is in charge. The provisions of the contract through the contracting consortium shall be pursuant to the Management Standards for Contract through the contracting consortium.

Article 47 (Signing Contracts following Negotiation)

Where signing a contract following negotiation, the grounds, criteria, and procedures for determining a successful tenderer shall be accurately established and implemented. The details shall be pursuant to the Standards for Signing a Contract by Negotiation.

CHAPTER 5. SIGNING AND PERFORMING CONTRACTS

Article 48 (Preparing and Signing Contracts)

(1) When signing a contract, the head of the procurement department shall prepare a contract clearly stating the following items. However, in cases falling under Article 49 of the Enforcement Decree of the Act on Contracts to Which the State is a Party, the contract need not be prepared:

1. Purpose of the contract;
2. Contract amount;
3. Implementation period;
4. Contract bond;
5. Risk burden;
6. Penalty for delay;
7. Other necessary matters.

(2) When a contract is drafted pursuant to Paragraph (1), the contract shall be finalized by the head of the procurement department and the counterparty shall write his/her/its name, imprint seal, or sign the contract.

(3) Where signing a contract with a foreigner, if other special grounds exist, the signature of the head of the procurement department may be in lieu thereof.

(4) When the head of the procurement department determines the counterparty, he/she shall sign a contract based upon each standard contract within 10 days of the date of the successful tender or contract notification.

(5) The head of the procurement department may sign a contract by specifying the special contract terms necessary for the contract in addition to the general contract terms

described in the standard contract.

(6) The head of the procurement department may sign a contract in a different form when deemed impracticable to use the form pursuant to the provisions of Paragraph (4).

(7) If the head of the procurement department waives the payment of all or part of the contract bond, the ground and the amount of the exemption shall be specified in the contract, and the Payment Guarantee Confirmation Memorandum of Contract Bond shall be submitted and attached.

[The Title Amended on Jul. 20, 2017] [Wholly Amended on Jul. 20, 2017]

Article 49 Deleted. <Jul. 20, 2017>

Article 50 (Contract Bonds)

(1) The head of the procurement department shall have each contractor pay at least the amount falling under any of the following subparagraphs in cash: or by a certificate of guaranty pursuant to Article 26 (1): <Amended on Feb. 18, 2016>

1. Manufacturing and purchase of goods and others: 10/100; <Amended on Jul. 20, 2017>

2. Services: 10/100 (however, in the case of services for architectural design, construction technical, engineering, and software, if an execution guarantee is required for a service contract obligating the guarantee agency to indemnify the liability because the contractor fails to fulfill any of the contractual obligations without justifiable grounds, 15/100); <Amended on Jul. 20, 2017, Feb. 28, 2018>

3. Construction: 15/100. <Amended on Jul. 20, 2017>

(2) Pursuant to Article 36 of the Regulations, the payment of all or part of the contract

bond shall be exempted in any of the following circumstances. In such cases, the Payment Guarantee Confirmation Memorandum of Contract Bond (Form 14) shall be submitted when a ground arises for the contract bond to escheat: <Amended on Jun. 3, 2009, Feb. 18, 2016>

1. When a contract is signed with a person falling under Article 26 (2) 1 or 4 and 6; <Amended on Oct. 8, 2008, Jul. 20, 2017>
2. Where signing a contract with a contract amount of up to KRW 50 million; <Amended on Jul. 20, 2017>
3. Where the collection of contract bonds is not appropriate considering the customs effecting the contract that are generally recognized as fair and reasonable.
4. When purchasing parts of foreign-funded facilities, machinery, and equipment that have already been introduced, and it is impracticable to purchase the parts unless the supplier is involved. <Newly Inserted on Jul. 20, 2017>

(3) If the counterparty requests that the contract bond paid in securities or cash pursuant to Article 192 of the Enforcement Decree of the Financial Investment Services and Capital Markets Act is in lieu of a certificate of guaranty stipulated in Article 37 (2) 1 to 5 of the Enforcement Decree of the Act on Contracts to Which the State is a Party for special grounds, it may be in lieu of at least the same value equivalent. <Newly Inserted on Jul. 20, 2017>

(4) The provisions of Articles 67 and 68 shall apply mutatis mutandis to the return and escheat of contract bonds. <Amended on Feb. 18, 2016, Jul. 20, 2017>

Article 51 (Coverage of Cargo Insurance)

The head of the procurement department shall cover the supporting goods with cargo insurance against accidents such as unexpected damage to the goods.

Article 52 (Conditions of Transport)

(1) The head of the procurement department may separate the supply of goods and logistics (transport, insurance, and storage) in the manufacturing and purchase of goods.

<Amended on Jul. 20, 2017>

(2) When signing a contract for transporting commodities, the head of the procurement department shall determine any of the following transport methods in consideration of the characteristics of the commodities, the conditions of the recipient country, and the request from the diplomatic office of the country: <Amended on Jul. 20, 2017>

1. Marine transportation (including domestic inland transportation);

(a) Container ship: F.C.L (FULL CONTAINER LOAD) or L.C.L (LESS CONTAINER LOAD)

- When shipping a small number of commodities;

(b) BULK: Used for shipment of commodities that are impracticable to package;

(c) CAR CARRIER;

(d) Other special ships (such as RORO): When loading heavy equipment;

2. Air transportation;

3. Multimodal transportation (when at least two means of transportation are used in parallel on land, sea, and/or air - including local inland transportation);

4. Other transportation. (Such as diplomatic bag, D.H.L).

Article 53 Deleted. <Jul. 20, 2017>

Article 54 (Omitting Written Contracts)

(1) Where possible to omit a contract pursuant to Article 49 of the Enforcement Decree of the Act on Contracts to Which the State is a Party shall be as follows: <Amended on Jul. 20, 2017>

1. Where signing a contract with a contract amount not exceeding KRW 30 million; <Amended on Jul. 20, 2017>
2. Where signing a contract with the state or a local government; <Amended on Jul. 20, 2017>
3. Deleted. <Jul. 20, 2017>

(2) Where omitting a contract, documents that can evidence establishment of the contract, such as invoices, memorandums, agreements, and acceptance, shall be submitted by the counterparty and retained.

Article 55 (Indicating Donation Text and Shipping Mark)

- (1) The heads of the procurement and business department shall have the contractor of supplying goods affix a donation phrase on commodities and a shipping mark and mark "warning", "danger", or "safety" on the packaging box. <Amended on Feb. 18, 2016>
- (2) The donation phrase and shipping mark shall be as prescribed in Form 16.

Article 56 (Inspections)

- (1) Pursuant to Article 35 of the Regulations and Article 14 of the Act on Contracts to Which the State is a Party, the head of the procurement department and the business department shall thoroughly inspect the commodities before shipment. <Amended on Feb. 18, 2016, Jul. 20, 2017>
- (2) The head of the procurement department may entrust the inspection work to a

professional inspection company or an external expert pursuant to Article 35 (4) of the Regulations to facilitate multiple product inspection tasks and security expertise. In such cases, the head of the department shall manage and supervise the inspection work after signing a contract for inspection services.

(3) The heads of the procurement and business department shall inspect the contracted commodities during product inspection in accordance with the instructions for inspection on the conformity of quantity and standard, performance, product condition, painting condition, appearance condition, marking condition, the robustness of the packaging, and attachment of instruction manual. The findings shall be reported pursuant to the Inspection Result Report (Form 15). <Amended on Feb. 18, 2016>

(4) Products shall be inspected in accordance with the supplier's inspection request. However, the supplier shall sufficiently discuss the inspection schedule based upon the following matters, with the inspection and transport company in advance to facilitating inspection and shipment:

1. Marine transportation: seven days before the date of shipment;
2. Air transportation: five days before the date of shipment.

(5) A person who inspects pursuant to Article 14 of the Act on Contracts to Which the State is a Party shall prepare an inspection statement. However, if Article 56 of the Enforcement Decree of the same Act applies, the inspection statement may be omitted. If Article 56-2 applies, the inspection need not be conducted. <Newly Inserted on Jul. 20, 2017>

Article 57 (Shipment)

(1) The heads of the procurement and business department shall require the counterparty of the product manufacturing and purchase contract to perform one-lot shipment only for commodities that have passed the inspection. However, if applicable, grounds such as urgency, partial shipments may be allowed. <Amended on Feb. 18, 2016>

(2) When the head of the procurement department designates and manages a logistics company pursuant to Article 7 of the Regulations, he/she shall sign a logistics service contract and manage and supervise the service (transportation, insurance, and storage).

Article 58 (Quality Guarantee)

The head of the procurement department shall have the contractor for supplying goods submit a quality certificate of guaranty for quality assurance for commodities together with the product inspection findings when invoiced for the product for one year from the date of delivery. However, the quality guarantee period of the product used for construction shall be one or two years from the date of delivery depending on the characteristics of the product. <Amended on Jun. 3, 2009, Feb. 18, 2016>

Article 59 (Amending Contracts)

(1) The head of the procurement department may amend the terms of the contract by mutual consultation with the counterparty such as the product supplier if necessary to adjust the quantity, amount, standard, and shipping deadline of the contracted commodities after signing the contract.

(2) In the cases falling under Paragraph (1), if the contract amount must be amended pursuant to Article 27 of the Regulations, the calculated statement shall be followed. Any items un-listed in the calculation details shall be determined in consultation with the

contractor.

Article 60 (Measures such as Loss and Damage)

In the event of loss or damage of equipment, the head of the procurement department shall have the product supplier or logistics company promptly notify the background of the accident, and re-send it within the shortest time before claiming insurance.

Article 61 (Extending the Execution Period)

The head of the procurement department may extend the contract execution period in case of force majeure event such as natural disasters, civil wars, wars, and ship schedule changes. However, in cases of delay in fulfilling contractual obligations due to reasons attributable to the counterparty, a penalty for delay pursuant to Article 30 of the Regulations shall be collected.

Article 62 (Payment)

(1) Manufacturing and purchase of goods contracts shall be paid within five days from the date the counterparty submits related documents such as an invoice for payment after completing the following actions. However, if partial shipment is permitted, relevant documents shall be received and paid in installments for each divided shipment:

<Amended on Jul. 20, 2017>

1. In cases of contracts with F.C.A price terms, after completing an inspection pursuant to Article 56;
2. In cases of contracts with price terms other than Subparagraph 1, after completing shipment pursuant to Article 57.

(2) Local commodities procurement expenses shall be remitted in foreign exchange such

as USD converted at the telegraphic transfer selling rate on the day.

(3) Notwithstanding the provisions of Paragraph (1), for a contract for manufacturing and purchase of goods, including the dispatch of experts for local installation and training, part of the contract amount shall be paid upon completing shipment, and the balance shall be settled and paid after receiving a completion report on local installation and training (including a copy of the passport for entry and exit).

(4) Logistics expenses (such as transportation, insurance, and storage) using a logistics company shall be paid as execution amount after checking all related documents such as invoices and shipping documents.

(5) The head of the procurement department shall have the counterparty submit an invoice when requesting payment, and attach the following evidence:

1. Payment for manufacturing and purchase;

(a) F.C.A of F.O.B price: Six copies of the commercial invoice; six copies of packing list; one copy of the certificate of guaranty; two copies of inspection findings report (including photos); three copies of a goods supply statement (if submitting this statement is covered by the terms of the contract, submit the name and standard of product, usage, and photo for each product, and a basic plan in Korean and English in manual format both in hard copy and in soft copy);

(b) C.I.F price: Documents specified in (a), six copies of B/L or Air Waybill; and three copies of the insurance policy;

2. Services for logistics: Cargo receipt; six copies of B/L or Air Waybill; freight calculation details, insurance policy, tax invoice;

3. Services for goods inspection: inspection findings report (including photos) and tax bill;

4. For contracts for post-payment such as national health insurance, the counterparty shall attach the following documents when requesting payment for the counterparty' s apportionment; <Newly Inserted on Jul. 20, 2017>

a. Confirmation of payment of national health insurance (including confirmation of payment of insurance from subcontractors);

b. Documents certifying that the apportionment of the national health insurance included in the progress payment for the previous installment was paid to the subcontractor;

c. Other matters shall be as prescribed by the Tendering and Contract Execution Standards of the Government.

(6) In the event of a delay of at least one month from the original plan due to unavoidable circumstances such as a change in the ship (or air) schedule after the delivery is completed, the price, excluding the freight costs, shall be paid only upon the receipt of goods.

(7) Construction contracts are paid pursuant the contract. <Amended on Jun. 3, 2009, Feb. 18, 2016>

(8) The services contract may be paid in installments at the request of the service provider. <Amended on Feb. 18, 2016, Jul. 20, 2017>

(9) Pursuant Article 13 of the Rules on Contracting Affairs of Public Corporations and Quasi-governmental Institutions, if the counterparty falls under any of the following and

is deemed inevitable, it may be paid before the inspection: <Newly Inserted on Jul. 20, 2017>

- (a) When the counterparty is a state, local government, or other public enterprise or quasi-governmental organization;
- (b) If the counterparty is a subsidiary;
- (c) When the counterparty is a subsidiary company;
- (d) Where unavoidable circumstances are deemed to exist, such as international customs.

Article 63 (Advanced Payment)

The counterparty may request payment of the advanced payment pursuant to Form 14-2, and the payment and settlement of the advance payment shall be pursuant to the Advanced Payment Standards. <Amended on Jul. 20, 2017>

Article 64 (Penalty for Delays)

(1) Where paying a penalty for delay pursuant to Article 30 of the Regulations, the head of the procurement department shall require the counterparty to pay in cash the amount calculated by multiplying the contract price (referring to an annual contract price in cases of a contract for a long-term continuing construction project; for the long-term continuing manufacture of goods; or long-term continuing services; hereinafter in this Article, the same shall apply) by the rate prescribed by Paragraph (2) and the number of delayed days. In such cases, if the performance of a contract is found to have been delayed due to a cause not attributable to the counterparty, such as a reason under the main text of Article 61, the number of relevant days shall not be included in the number

of delayed days.

(2) Penalties for delay shall be calculated by multiplying the number of days of delay by the rate corresponding to any of the following items: <Amended on Feb. 28, 2018>

1. Construction: 0.5/1000

2. Manufacturing and purchase of goods (including the case of tendering process for a turnkey project for goods and/or services in the software business; hereinafter in this subparagraph, the same shall apply): 0.75/1000, however, if design and manufacturing are implemented collectively after the contract and approval by KOICA is required for the design, it shall be 0.5/1000;

3. Repair, processing, rental of goods, and/or services (in the case of a tendering process for a turnkey project goods and/or services in the software business, the services are excluded) and others: 1.25/1000;

4. Manufacturing and purchase of food and beverage: 1.5/1000

5. Transportation, storage, and grain processing: 2.5/1000

(3) When permitting partial shipment, if a portion already completed or supplied has been accepted through an inspection (including portions managed and used without accepting them; hereafter the same shall apply in this Article), the penalty for delay shall be calculated based on the amount calculated by subtracting the amount for such portion from the contract price. In such cases, the acceptance of a portion completed or supplied shall be limited to the acceptance of the completed portion of a construction project, goods, or services, which is divisible in nature thereof. <Amended on Jul. 20, 2017>

(4) The head of the business department shall immediately notify the head of the

procurement department of the details after checking by the counterparty in the event of a penalty for delay. <Amended on Feb. 18, 2016>

(5) In the case of procurement under the conditions of F.O.B or F.C.A, if the delay in shipment is due to reasons attributable to the supplier of the goods, the supplier of the goods shall be deemed liable. <Amended on Jul. 20, 2017>

(6) When the counterparty delays executing its contractual obligations, it may collect a penalty for delay by multiplying the rate in Paragraph (2) by the number of days delayed or deduct it when payment is made. <Newly Inserted on Feb. 18, 2016>

(7) In the cases falling under Paragraph (1), if a portion already completed or supplied has been accepted through an inspection, the penalty for delay shall be calculated based on the amount calculated by subtracting such portion from the contract price. In such cases, the acceptance of a portion completed or supplied shall be limited to the acceptance of a completed portion of a construction project, goods, or services, divisible in nature thereof. <Newly Inserted on Feb. 18, 2016>

(8) Where the penalty for the delay to be paid under Paragraphs (1), (2), (3), and (7) exceeds 30/100 of the contract price (where a portion already completed or supplied has been accepted through an inspection pursuant to paragraph (2), referring to the amount calculated by subtracting the amount for such portion from the contract price), it shall be 30/100. <Newly Inserted on May 3, 2019>

[Wholly Amended on Jul. 20, 2017]

Article 65 (Warranty Bond)

(1) In the case of manufacturing and purchase of goods and construction contracts, the

head of the business department shall have the counterparty pay warranty bond pursuant to Article 31 of the Regulations in cash or certificate of guaranty under Article 26 (1). However, if defect repair is not necessary due to the characteristics of the construction and is determined by the Ordinance of the Ministry of Economy and Finance, a warranty bond need not be paid.

(2) The head of the business department shall require a contractor to pay the warranty bond under Paragraph (1) until before the price for the relevant construction project is paid after the final inspection of the construction project and shall keep the warranty bond during the warranty period for defects under Article 60.

(3) In cases of a long-term continuing project, the warranty bond under Paragraphs (1) or (2) shall be paid for each annual contract: However, in cases of a construction project in which it is impracticable to identify the defects liability for each annual contract, the contractor shall be required to pay the warranty bond after the final inspection on the entire construction project is completed.

(4) Article 26 (3) of the Regulations shall apply mutatis mutandis to the escheat of warranty bond. However, if there is no or insufficient budget for repairing the defect, the warranty bond may be used directly for repairing

(5) Where part or all of a warranty bond can be exempted pursuant to Article 36 of the Regulations, Article 26 (2) 1 to 4 shall apply. In such cases, the head of the procurement department shall have the counterparty submit the Payment Guarantee Memorandum of Warranty Bond (Form 14) that guarantees that the amount shall be immediately paid in cash when a ground arises for the warranty bond to escheat. <Amended on Oct. 8,

2008.>

(6) The amount of warranty bond shall be calculated by multiplying the contract amount by the defect repair guarantee rate corresponding to any of the following items.

1. Railroad, dam, tunnel, steel bridge installation, power generation facilities, bridges, water and sewage structures, and other important structures and landscaping work:
5/100
2. Construction of airports, ports, cableway installations, breakwaters, erosion protection, and reclamation: 4/100
3. Construction of irrigation waterways, roads (including pavement work), reclamation, water, and sewage pipes, rivers, and general buildings: 3/100
4. Construction other than under 1 through 3: 2/100
5. Manufacturing and purchase of goods: 3/100
6. Services requiring defect repair: 3/100

(7) The warranty period under Article 31 (1) of the Regulations shall be as follows:

1. When signing a construction contract, the warranty period shall be determined pursuant to Article 70 of the Enforcement Decree of the Act on Contracts to Which. However, in the case of composite construction where defect liability is indivisible among each type of construction except (g), the warranty period shall be determined based on the type of the main construction;
 - (a) Construction works pursuant to Framework Act on the Construction Industry (excluding construction under Subparagraph (2)): Period pursuant to Article 30 and

Table 4 of the Enforcement Decree of the Framework Act on the Construction Industry;

- (b) Railroad works on gravel roads among construction works under the Framework Act on the Construction Industry (limited to track work): One year;
- (c) Housing construction works under the Housing Act: Period under Article 59 (1), Table 6 and 7 of the Enforcement Decree of the Housing Act;
- (d) Electrical construction under the Electrical Construction Business Act: Period under Article 11-2 and Table 3-2 of the Enforcement Decree of the Electrical Construction Business Act;
- (e) Information and communications construction under the Information and Communications Construction Business Act: Period under Article 37 of the Enforcement Decree of the Information and Communications Construction Business Act;
- (f) Firefighting facility construction under the Firefighting System Installation Business Act: Period under Article 6 of the Enforcement Decree of the Firefighting System Installation Business Act;
- (g) Cultural heritage repair works under Act on Cultural Heritage Maintenance, Etc.: Period pursuant to Article 19 and Table 9 of the Enforcement Decree of the Act on Cultural Heritage Maintenance, Etc.;
- (h) Underground water development and facility construction under the Groundwater Act or other construction under related laws: One year

- (i) However, where defect repair is not necessary and the warranty period is not determined due to the characteristics of the construction, the relevant construction type in Article 72 (2) of the Enforcement Rules of the Act on Contracts to Which the State is a Party shall be executed;

2. Deleted; <Jul. 20, 2017>

3. Manufacturing and purchase of goods: One year (however, two years if necessary due to the characteristics of the business); <Amended on Aug. 2, 2011>

4. Technical service; <Newly Inserted on Feb. 18, 2016>

- (a) Services for generals and information and communications: One year (However, for maintenance, operation consignment, consulting, computerized supervision: None)

- (b) Other services for Academic research, cleaning/security/facility management, waste treatment, and transportation: None

- (c) Construction project management: Two years

- (d) Services for design: Two years

- (e) Where expressly provided for in particular relevant law, the period prescribed by the law.

(8) The head of the business department shall escheat a warranty bond if the counterparty fails to comply with a notice of defect repair. <Amended on Feb. 18, 2016>

(9) Notwithstanding Paragraph (1), for goods with a warranty period of one year, the warranty bond may be provided in lieu of Payment Guarantee Memorandum of Warranty Bond. However, this shall not apply regarding individuals who have been sanctioned as Dishonest Business Operator by the head of the relevant central government office

(including heads of state agencies, local governments, and public institutions) and are registered and identified as Dishonest Business Operator in the Korea Online E-Procurement System and a e-Procurement System; and whose sanction period ends within the two years preceding the date of signing the contract.

[Wholly Amended on Jul. 20, 2017]

Article 65-2 (Indemnity Insurance and Mutual Aid Association)

(1) Pursuant to Article 31-2 of the Regulations, it is mandatory to purchase indemnity insurance and join a mutual aid association. When preparing the Expected Maximum Price, the insurance premiums shall be appropriated in the budget for the following:

1. Design services of architects and construction technical services contractors;
2. Construction project management;
3. Engineering business;
4. Construction over KRW 420 billion.

(2) Insurance and mutual aid association subscription amount shall be the amount excluding VAT (contract to which VAT payment is applied), the indemnity insurance premium, or mutual aid association fee from the contract amount.

(3) If the contract amount increases or decreases, the insurance or mutual aid association subscription amount shall be increased or decreased by such increased or decreased net contract amount. However, this shall not apply where the contract amount is increased or decreased, and the net contract amount increase or decrease is within 10/100 of the original insurance or mutual aid association subscription amount.

(4) The subscription period for the insurance and mutual aid association for Paragraph

(1) 1 and the timing for submitting the certificate are as follows:

1. Subscription period: The period from the commencement date to the completion date of construction;
2. When to submit the certificate: Before the service is completed.

(5) The subscription period for insurance and the mutual aid association for Paragraph

(1) 2 and the timing for submitting the certificate are as follows:

1. Subscription period: From the date of commencement to the day one year after construction is complete or between the commencement date and one year after the completion date;
2. When to submit the certificate: When signing the service contract.

(6) The subscription period for the insurance and mutual aid association for Paragraph

(1) 3 and the timing for submitting the certificate are as follows:

1. Subscription period: Select one of the following depending on the project;
 - (a) Between the commencement date of execution, production, installation, or construction of the facility and one year after the completion date;
 - (b) From the date of commencement to the day one year after the date of completion;
2. When submit the certificate: Select one of the following subscription periods depending on the project;
 - (a) Before completing the engineering project;
 - (b) When signing a contract for the engineering project.

(7) The subscription period for the insurance and mutual aid association for Paragraph (1)

4 and the timing for submitting the certificate are as follows:

1. Subscription period: From the commencement of the construction to the acquisition

of the recipient institution;

2. When to submit the certificate: When submitting the report on the commencement of construction.

[This Article Newly Inserted on Feb. 18, 2016]

Article 66 (Warranty Periods)

The warranty period of various deposits is as follows:

1. Tender bonds;

- (a) Commencement date of guarantee period: Before the deadline for submitting tender proposals;
- (b) Expiration date of guarantee period: 30 days after the deadline for submitting a tender proposal (however, in the case of a tender for a large construction contract pursuant to the provisions of Article 78 of Enforcement Decree of the Act on Contracts to Which the State is a Party, it shall be 90 days after the deadline for submitting a tender proposal);

2. Contract bonds;

- (a) The commencement date of guarantee period: Start date of the contract period;
- (b) The expiration date of guarantee period: After the contract period (however, where submitting the certificate of guaranty pursuant to Article 26 (1) of the Detailed Enforcement Rules of the same Act, if the wording "Where the main contract is extended, it shall remain valid until the actual contract completion date (completion date of completion inspection or delivery completion date) regardless of the period of the certificate of guarantee" is not specified in the special matters

(special terms and conditions), it shall be 60 days after the end of the contract period);

3. Warranty bonds;

(a) The commencement date of guarantee period: The earlier of the date of receipt of the subject-matter or the completion date of the completion inspection;

(b) The expiration date of guarantee period: After the end of the warranty period.

[Wholly Amended on Feb. 28, 2018]

Article 67 (Returning Bonds)

The head of the procurement department shall immediately return a bond when the purpose of the bond paid by a counterparty has been fulfilled and the bond is requested to be returned. The timing for achieving the purpose of the bond shall be as follows:

<Amended on Jul. 20, 2017>

1. Tender bonds: The date of signing contract;

2. Contract bonds:

(a) Purchase and manufacturing of goods: The date of receipt of the goods or the date of receipt of the installation completion report;

(b) Construction: The date of receipt of the completion inspection report;

(c) Technical services: Date of receipt of service completion report;

3. Warranty bonds: Dates determined pursuant to Article 66.

Article 68 (Escheat of Bonds)

(1) The head of the procurement department shall claim the bond when the purpose of

the bond is not fulfilled. If all or part of the bond is exempted, the amount corresponding to the bond amount shall be released in cash to the claimant. <Amended on Jul. 20, 2017>

(2) In cases of a contract bond, the contract shall be canceled or terminated and the ground shall be notified. <Amended on Jul. 20, 2017>

Article 69 (Performing Integrity Agreement)

(1) The specific provisions to be included in an integrity agreement under Article 33 (1) of the Regulations (hereinafter referred to as "integrity agreement") shall be as follows:

1. Matters regarding prohibition on demanding, promising, offering and receiving money, goods and entertainment (including providing fraudulent employment to relatives); <Amended on Feb. 28, 2018>
2. Matters regarding prohibition on interfering with fair competition, such as prior consultation on the tender price or collusion for success of a specific person's tender;
3. Matters regarding prohibition on requesting or receiving specific information related to tendering or contract through mediation or solicitation that interferes with fair work implementation.

(2) KOICA shall require each tenderer to sign and submit an integrity agreement pursuant to Article 33 of the Regulations when the tenderer submits a written tender.

(3) The head of the procurement department shall familiarize the tendering participants with the "Special terms and conditions of integrity agreement" for implementing the integrity agreement under Article 33 in addition to Paragraph (1) and (2) of the

Regulations. Including this as a contract condition, an " Integrity agreement Implementation Memorandum" shall be submitted at the time of contract.

[Wholly Amended on Jul. 20, 2017]

CHAPTER 6. RESTRICTIONS ON PARTICIPATING IN TENDERING, ETC.

Article 70 (Supervision)

(1) When KOICA signed a contract for construction, manufacturing, and/or services if deemed necessary to properly fulfill the contract, KOICA shall directly supervise the contract, design documents, and other related documents, or delegate the work to its employees. However, in cases of the following contracts, a specialized agency may be separately designated to perform necessary supervision: <Amended on May 3, 2019>

1. Pursuant to Article 39 (2) of the Construction Technology Promotion Act; Article 12 of the Electric Technology Management Act; Article 38 of the Act on Cultural Heritage Maintenance, Etc.; or other relevant laws and regulations, construction contracts that are subject to management or supervision of construction projects;

2. Manufacturing or other subcontracts that require specialized knowledge or technology, or which cannot be supervised due to other unavoidable circumstances.

(2) The person who has performed supervision or inspection shall write an opinion on the supervision statement or inspection statement when supervision or an inspection

reveals it is inappropriate to executed the contract due to the terms of the original contract and submit it to the head of the procurement department or the business department.

[Wholly Amended on Jul. 20, 2017]

Article 71 (Warning Measures)

(1) If a counterparty falls under any of the following subparagraphs, KOICA shall issue a warning: <Amended on Apr. 2, 2008, Jul. 20, 2017, Sep. 14, 2018>

1. Where delivery, installation, services, and/or construction are not completed by the contractual deadline due to a serious breach by the counterparty;
2. Where failing at least three as discovered during examination or inspection (however, in cases of evaluation and research services, this shall apply when the final calculation report fails at least twice);
3. When notifying of a clear breach of contract discovered during an audit by an external auditor, evaluation, or evaluation by a related organization;
4. Where hiring, outsourcing, or subcontracting external personnel to fulfill the contract; or a civil complaint occurs and is attributable to the counterparty;
5. Deleted. <Amended on May 3, 2019>
6. Where incurring tangible or intangible loss to KOICA by failing to faithfully fulfill other terms and conditions of the contract.

(2) The head of the business department shall promptly notify the head of the

procurement department if applicable matters falling under the subparagraphs of Paragraph (1) occur.

(3) In the event of a ground for the warning, the head of the procurement department shall clarify the each of the following matters, determine the disposal matters, and notify it without delay.

1. Company name, address, and name (in the case of a corporation, the name of the representative);

2. Details of warning measures;

3. Specific grounds for taking the warning action;

(4) Where issuing warnings, KOICA may reduce a sanction considering the motive, content, frequency, degree of cooperation with the investigation, and if voluntary reporting occurred. <Amended on May 3, 2019>

(5) In the case of giving warnings, the head of the procurement department shall pre-notify the counterparty of the ground and the deadline for submitting other opinions (either in writing or verbally; if no opinion is submitted within the specified deadline, the counterparty shall be deemed to have no opinion). When the warning is finalized, it shall be notified in writing.

(6) Deleted. <Amended on May 3, 2019>

(7) No warning measures shall preclude the application of Article 34 of the Regulations (Cancelling and Terminating Contracts) and Article 72 of the detailed Enforcement Rules of the same Regulations (Restrictions on Qualifications for Participating in Tendering).

<Amended on May 3, 2019>

[Wholly Amended on Jul. 20, 2017] [The Title Amended on Jul. 20, 2017]

Article 72 (Restrictions on Qualification for Participating in Tendering)

(1) For those determined as impairing fair competition or the proper implementation of contracts under Article 37 of the Regulations and Article 15 of the Rules on Contracting Affairs of Public Corporations and Quasi-governmental Institutions, KOICA may restrict qualification for participating in tendering for up to two years pursuant to Article 27 and Form 17 of the Act on Contracts to Which the State is a Party.

(2) KOICA shall not sign any negotiated contract with a person whose qualifications for participating in tendering have been restricted pursuant to Paragraph (1). However, this shall not apply in unavoidable circumstances, such as the absence of suitable constructors or manufacturers other than those whose qualifications for participating in tendering have been restricted pursuant to Paragraph (1).

(3) Notwithstanding Paragraph (1), KOICA shall not restrict qualifications for participating in tendering if five years have elapsed since the end of the conduct under subparagraphs of Article 27 (1) of the Act on Contracts to Which the State is a Party is terminated (in cases falling under Article 27 (1) 5 and 6 of the same Act, (meaning the time when there is a request from Fair Trade Commission or the administrator of Small and Medium Business Administration). However, for conduct referred to in Article 27 (1) 2 and 7 of the same Act, the period shall be seven years from the end of such violation.

(4) For a counterparty, a successful tenderer, or a person who submits an estimate using

an electronic procurement system pursuant to Article 30 (2) of the Enforcement Decree of the Act on Contracts to Which the State is a Party; and those who fall under any of the subparagraphs of Article 27 (1) of the same Act, KOICA shall immediately limit qualifications for participating in tendering for between one month and two years. However, when an agent, manager, or other employee of a counterparty has engaged in any of the conduct falling under any subparagraph of Article 27 (1) of the same Act and a ground for restricting qualifications for participating in tendering occurs; and where the counterparty has not neglected to take due care and supervision to prevent such misconduct of the agent, manager, or other employee, KOICA shall not restrict any of the qualifications for participating in tendering.

(5) If the contracting consortium of the joint contract falls under the ground for restriction in Paragraph (1), qualification for participating in tendering is restricted only to those who gave rise to the ground for the restriction.

(6) If a person falling under any of the following subparagraphs falls under any of the subparagraphs of Article 27 (1) of the Act on Contracts to Which the State is a Party, Paragraph (2) shall also apply to the person under the category:

1. Corporation or organization: The representative of the corporation or organization (if there are multiple representatives, it is limited to the representative who is in charge of affairs related to the relevant tendering and contract);
2. Small and medium-sized cooperatives under the Small and Medium Enterprise Cooperatives Act: Members who give rise to the ground for the restriction on

qualifications for participating in tendering.

(7) KOICA shall prohibit persons whose qualification for participating in tendering has been restricted pursuant to Paragraphs (4), (5), and (6), from participating in the tendering executed by KOICA during the limited period.

(8) KOICA shall not sign a contract with a successful tenderer of competitive tendering if the qualifications for participating in tendering are restricted pursuant to Paragraph (4), (5), or (6) before signing the contract. However, if the qualifications of a successful tenderer of a long-term continuing contract are restricted after signing the contract for the first time, KOICA may sign an annual contract with the counterparty for the long-term continuing contract.

(9) Paragraphs (7) and (8) also shall apply to those who hire a person with limited qualifications for participating in tendering as a representative pursuant to Paragraph (6)
1. However, this shall not apply if several representatives exist and the representative is not involved in the tendering.

(10) Where restricting qualification for participating in tendering, KOICA shall clarify the following matters and publish it in the Korea On-line E-Procurement System and a e-Procurement System so that the heads of other central offices or contract officials shall be aware of such the restriction period commences pursuant to Subparagraph 2:

1. Company (business) name, address, name (in cases of a corporation, the name of the representative, corporate registration number), resident registration number, business registration number, license or registration number under related laws and

regulations;

2. Limited period;

3. Specific grounds to limit;

4. Where execution of a restricted disposition is suspended, the fact of the suspension or cancellation of the suspension.

(11) In cases of restrictive disposition for qualification for participating in tendering, pursuant to Article 27 (5) of the Act on Contracts to Which the State is a Party, KOICA shall disclose the following matters to the Korea On-line E-Procurement System and a e-Procurement System before the start of the restriction period.

1. Company (business) name, name (in cases of a corporation, the name of the representative, corporate registration number), and company registration number;

2. Matters falling under Paragraph (10) 2 through 4.

(12) KOICA shall prevent from participating in the tendering, persons notified of restrictions of qualification for participating in tendering pursuant to other laws and regulations, such as Act on Contracts to Which the State is a Party, Act on Contracts to Which a Local Government is a Party, or Act on Management of Public Institutions; or posted on the electronic procedure system.

(13) KOICA shall verify each tenderer's resident registration number, corporate registration number, and license or registration number under related laws and regulations, to prevent the persons with limited qualifications pursuant to Paragraphs (4), (5), and (6), and persons who have been published in the Korea On-line E-Procurement System and a e-Procurement System pursuant to Paragraph (10) from participating in the tendering

within the limited period by changing the name or representative.

(14) KOICA shall limit the qualifications for participating in tendering for those who have evaded any tax as prescribed by the Presidential Decree and two years have not passed from the date of a conviction regarding such evasion.

(15) Paragraph (2) shall apply mutatis mutandis to the conclusion of a negotiated contract with a person whose qualification for participating in tendering has been restricted pursuant to Paragraph (14).

[Wholly Amended on Jul. 20, 2017]

Article 72-2 Deleted. <Jul. 20, 2017>

Article 72-3 (Procedures for Listening Opinions and Deliberation)

(1) The head of the procurement department shall provide the person subject to the disposition or his/her agent an opportunity to state his/her opinions before limiting the person' s qualifications to participate in tendering pursuant to Article 72. If deemed necessary, the opinions of interested parties should be listened. However, this shall not apply if the person subject to the disposition or his/her agent fails to comply therewith without a justifiable ground; or if it is impossible to allow the person to state an opinion as his/her whereabouts are unknown.

(2) To listen opinions pursuant to Paragraph (1), the reason, date, and place shall be notified in writing to the person subject to the disposition or his/her agent at least seven days before the scheduled date. <Amended on Jul. 20, 2017>

(3) The person subject to the disposition or his/her agent who has been notified pursuant

to Paragraph (2) may appear at the designated date and time to state his or her opinion or submit a written opinion.

(4) Where a person fails to respond to a notification under Paragraph (2) without justifiable grounds, it shall be stated that he/she is deemed to have relinquished the opportunity to state an opinion.

(5) When a person subject to a disposition or his/her agent states an opinion pursuant to Paragraph (3), the relevant employees of the public corporation or quasi-governmental institution shall write the details and have the attending person confirm and then sign them, or write his/her name and imprint his/her seal thereon. <Newly Inserted on Jul. 20, 2017>

[This Article Newly Inserted on Aug. 2, 2011]

Article 72-4 Deleted. <Jul. 20, 2017>

Article 73 (Post-management)

The head of the business department shall manage and supervise the following matters in close cooperation with the government of the relevant countries, overseas diplomatic offices, and overseas offices so that the commodities shipped shall be promptly and correctly delivered to the final recipient:

1. Fast customs clearance and safe storage (worries about commodities deterioration in the event of long-term customs clearance and poor storage conditions due to inappropriate temperature and humidity;
2. Thorough management to prevent damage to and theft of commodities (prohibit the

opening of BOX before customs clearance or delivery of commodities, and visit when customs clearance or delivery possible);

3. Sending verification of installation completion (check and sign after inspecting all items related to equipment installation and training, such as installation period, work details, and work log);
4. Send product receipt (check and sign commodities arrival date, customs clearance date, and customs clearer, delivery date and place, and transferee and consignee);
5. Notification of post-management (detailed matters such as future supplements and recommendations, including necessary parts and inspection).

Article 74 (Standards)

The president may formulate and implement these Detailed Rules based on the matters necessary for their implementation.

ADDENDA <Dec. 24, 1997>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the governor.

Article 2 (Transitional Measures) (1) The procurement work performed before these Detailed Rules enter into force is deemed a contract concluded pursuant to these Detailed Rules.

(2) Tendering, deciding a successful tenderer, and signing a contract noticed before these Detailed Rules enter into force and to be implemented after these Detailed Rules enter into force, the former rules shall apply. Where successful tendering is conducted before

these Detailed Rules and signing a contract after these Detailed Rules enter into force the former rules shall apply.

Article 3 (Abolishing Regulations) (1) With the implementation of these Detailed Rules, the Procurement Business Handling Guidelines shall be abolished.

(2) With the implementation of these Detailed Rules, the Established Rules for Development Survey Services and Contract Work shall be abolished.

ADDENDA <Nov. 15, 2002>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the governor.

Article 2 (Transitional Measures) (1) Any procurement work performed before these Detailed Rules enter into force shall be deemed contracts concluded pursuant to these detailed rules.

ADDENDA <Jun. 3, 2005>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the governor.

ADDENDA <Aug. 1, 2006>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from August 1,

2006.

ADDENDA <Apr. 4, 2007>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the governor.

ADDENDA <Apr. 2, 2008>

Article 1 (Enforcement Date) These detailed rules shall enter into force from the date of approval by the governor.

ADDENDA <Oct. 8, 2008>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the governor.

ADDENDA <Dec. 11, 2008>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the governor.

ADDENDA <Jun. 3, 2009>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the president.

ADDENDA <Sep. 30, 2009>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the president.

ADDENDA <Apr. 2, 2010>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the president.

ADDENDA <Feb. 18, 2011>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the president.

ADDENDA <Aug. 2, 2011>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the president.

ADDENDA <Nob. 3, 2011>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from the date of approval by the president.

ADDENDA <2014.02.04.>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from February 11, 2014.

ADDENDA <Feb. 18, 2016>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from February 18, 2016.

ADDENDA <Jul. 20, 2017>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from July 20, 2017.

Article 2 (Transitional Measures)

(1) The procurement work performed before these Detailed Rules enter into force shall be deemed a contract concluded pursuant to these Detailed Rules.

(2) The amended provisions of these Detailed Rules shall apply from the case of public notice of a tender after these Detailed Rules are implemented.

Article 3 (Deferred Measures Regarding Application of Computer System and Restriction of Conflicts of Interest) The head of the procurement department shall manage the existing forms and procedures until the computer system is improved pursuant to the revision of the enforcement regulations. The former provisions of Article 72 (7) and 72-2 shall apply as before, until December 31, 2017, despite the amendment of these Detailed Enforcement Rules

ADDENDA <Feb. 28, 2018>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from February 28,

2018.

Article 2 (Transitional Measures) Procurement work performed before these Detailed Rules shall be deemed a contract concluded pursuant to these Detailed Rules.

Article 3 (Applicability to Precautionary Measures) For those regulations related to precautionary measures under Article 71 (6) of these Detailed Rules as amended in the former Detailed Rules No. 137, these Detailed Rules shall begin to apply from the first cause for precaution arising after the date of the amendment.

Article 4 (Applicability to Warnings and Restrictions on Participation in Tendering) For provisions related to warnings and restrictions on participation in tendering under Article 71 and 72 of these Detailed Rules as amended in the former Detailed Rules No. 137, these Detailed Rules shall begin to apply from the first warning or ground for the restriction occurs since July 20, 2017.

Article 5 (Applicability to Bond and Penalty for Delay Rate) The amended provisions of Articles 50 and 64 of these Detailed Rules shall begin to apply from the first public notice of a tender (except for re-notification or Public Re-notification for Tenders) or a negotiated contract after these Detailed Rules enter into force.

Article 6 (Applicability to Guarantee Periods) The amended provisions of Article 66 of these Detailed Rules shall begin to apply from first contract or modified contract signed after these Detailed Rules enter into force.

ADDENDA <Sep. 14, 2018>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from September

14, 2018.

Article 2 (Transitional Measures) The procurement work performed before these Detailed Rules enter into force shall be deemed a contract concluded pursuant to these Detailed Rules.

ADDENDA <May 3, 2019>

Article 1 (Enforcement Date) These Detailed Rules shall enter into force from May 3, 2019.

Article 2 (General Application Example) These Detailed Rules shall begin to apply from the first public notice of a tender after the effective date pursuant to ADDENDA Article 1.

Article 3 (Applicability to Imposing Penalties for Delay) The amended provisions of Article 64 (8) of these Detailed Rules shall begin to apply from where a contract period expires and the first penalty for delay occurs after the date these Detailed Rules enter into force.

Article 4 (Transitional Measures for Amending the Limitations of Limited Competitive Tendering) In the case of public notice of a tender before these Detailed Rules enter into force, the former provisions shall apply, notwithstanding the amended regulations of Article 38 (1) 10.

Article 5 (Transitional Measures on the Abolition of the Lowest Priced Tender System) Where public notice of tender is made before the effective date pursuant to Article 1 of this Addenda, the former provisions shall apply, notwithstanding the amended provisions of Article 41 (1) and 41-2.

Article 6 (Transitional Measures on Regarding Restrictions on Qualification for Participating in Tendering) Regarding administrative dispositions for violations before these Detailed Rules enter into force, the former provisions shall apply, notwithstanding the amended provisions of Form 17.

[Table 1] Deleted. <Jul. 20, 2017>

[Form 1] Deleted. <Apr. 2, 2008>

[Form 2] Deleted. <Jul. 20, 2017>

[Form 3] Deleted. <Jul. 20, 2017>

[Form 4] Deleted. <Apr. 2, 2008>

[Form 5] Deleted. <Jul. 20, 2017>

[Form 6] Expected Maximum Price Statement

<Amended on Jul. 20, 2017>

Expected Maximum Price Statement

1) Public Notice of a Tender Number: 2) Business Department: 3) Method of Contract:

4) Delivery Deadline: 5) Date of Negotiation:

Serial Number	Product Name	Specifications	Unit	Quantity	Expected Maximum Price

Pursuant to **Article 18 of the Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects**, the Expected Maximum Price shall be determined as above.

month, date, year

Korea International Cooperation Agency Chief of Procurement Officer ____

[Form 6-2] Disclosing Base Amount

<Newly Inserted on Jul. 20, 2017>

Disclosing Base Amount

1. Tendering Overview

- | | |
|--------------------------------------|--------------------|
| 1) Public Notice of a Tender Number: | 6) Product Name: |
| 2) Business Department: | 7) Specifications: |
| 3) Method of Contract: | 8) Unit: |
| 4) Date and Time of Tendering: | 9) Quantity: |
| 5) Tendering Venue: | |

2. Base Amount: KRW (₩)

Pursuant to Article 18 of the Detailed Enforcement Rules of the Regulations for
Procurement and Contract in Grant Aid Projects, the Base Amount shall be disclosed.

___ . ___ . 20__.

Korea International Cooperation Agency Chief of Procurement Officer ___

[Form 6-3] Multiple Preliminary Prices Statement

<Newly Inserted on Jul. 20, 2017>

Multiple Preliminary Prices Statement

1. Korea International Cooperation Agency

- | | |
|--------------------------------------|--------------------|
| 1) Public Notice of a Tender Number: | 5) Product Name: |
| 2) Institution in Demand: | 6) Specifications: |
| 3) Method of Contract: | 7) Unit: |
| 4) Date and Time of Tendering: | 8) Quantity: |

2. Base Amount: KRW

3. Expected Maximum Price under Multiple Preliminary Prices and a Negotiated Contract

Pursuant to Article 18 of the Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects Multiple Preliminary Prices		
Serial Number	Price	
	KRW	(₩)

	KRW	(₩)
	KRW	(₩)
	KRW	(₩)
	KRW	(₩)
	KRW	(₩)
	KRW	(₩)
	KRW	(₩)
	KRW	(₩)
	KRW	(₩)
	KRW	(₩)
In the case of a negotiated contract pursuant to Subparagraph 8 of Article 23-2 of the Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects, the Expected Maximum Price is		
	KRW	(₩)
Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects Write the Expected Maximum Price to apply the case of multiple preliminary prices pursuant to Article 18 and a negotiated contract pursuant to Subparagraph 8 of Article 23-2 of the Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects. ___ . ___ . 20__. Korea International Cooperation Agency Chief of Procurement Officer ____		

[Form 7] Notice of Participating in Competitive Tendering Process

<Amended on Jul. 20, 2017>

(Limited) Notice of Participating in Competitive Tendering Process							
Selective							
Company Participant	Name of Company or Corporate		Corporate Registration Number				
	Address		Phone Number				
	Name of Representative		Resident Registration Number				
Details of Tendering	Name of the Tendering						
	On-site Presentation	Date and Time		Tendering	Date and Time		
		Place			Place		
	Registration Deadline		<u>month</u> , <u>date</u> , <u>year</u> before (time)				
	Where to Submit Documents		(Phone Number:)				
KOICA shall select and notify you of the above tendering executed by KOICA as eligible to participate in the tendering. After completing the specified procedure, please participate in the tendering. <u>month</u>, <u>date</u>, <u>year</u> Korea International Cooperation Agency Chief of Procurement Officer ____							

To: whom

[Form 8] Public Notice of a Tender

Public Notice of a Tender

The Korea International Cooperation Agency (KOICA) is an affiliate of the Ministry of Foreign Affairs and Trade in charge of the Grant Aid Project. As part of an economic cooperation project with developing countries, KOICA announces the following tenders to select (procure) (name of services or goods) for this (name of a project).

1. Public notice of a tender number:

2. Matters to be placed in the tender

- ① Name of the tendering:
- ② Details: Scope of services / Details of procured goods, etc.
 ※Refer to the appendix for details
- ③ Contract period:
- ④ Base Amount (estimated amount): ("zero" tax rate)

3. How to tender: General competitive tendering, limited competitive tendering

4. How to determine a successful tenderer: Lowest tender below Expected Maximum Price / Contract by negotiation/
Tendering in two-step competition

5. Qualification for participating in tendering: Those who have registered as KOICA's procurement partners. However, new companies shall register as procurement partners and participate in the tendering by the deadline for registration of tenders (registration of new companies is determined after reviewing related documents).

※Registration procedure guide: Access KOICA's electronic procedure system (<http://nebid.koica.go.kr>) and click "Korea International Cooperation Agency Registration Application Guide" in "Notice under Customer Center" to disclose the application form and qualifications. Registration of a new company is determined after the relevant documents are reviewed, and the review period takes four to five days. Therefore, the company that will participate in the tendering should submit the registration documents in advance.

6. Date, time, and venue of tendering

- ① Tendering presentation: month, date, year (day of the week), 00:00 / Tendering Room, Annex 1
- ② Registration deadline: month, date, year (day of the week), 00:00 / KOICA's electronic procurement system
- ③ Tendering and opening: month, date, year (day of the week), 00:00/ KOICA's electronic procurement system

7. Required documents for tendering participation

8. Matters related to tender bonds and escheat thereof: Pursuant to Article 26 of KOICA's Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects, at least 5/100 of the tender amount shall be submitted in cash or guarantee insurance policy. In the case of procurement partners with a record of fulfilling contracts with KOICA or corporations that have contributed at least 50% of their basic assets, the tender bond payment memorandum on the tender proposal is in lieu of paying a separate tender bond. If a successful tenderer does not sign the contract within the specified period without justifiable ground, the tender bond will escheat to KOICA.

10. Matters to be observed in the: All companies participating in this tender are deemed to have submitted a memorandum of integrity for the implementation of the agreement of the Korea International Cooperation Agency. The company selected as the final successful tenderer shall submit a memorandum of implementation of the integrity agreement at the time of signing the contract.

11. Other notes:

- ① Matters not stipulated in this notification are subject to regulations stipulated by related regulations such as

KOICA's Regulations for Procurement and Contract in Grant Aid Projects. Successful tenderers are required to participate in the tendering after familiarizing themselves in advance with knowing all matters related to this tendering, and the responsibility of liability from failing to understand them lies with the successful tenderer.

- ② Contact point: Procurement Team, Korea International Cooperation Agency (KOICA) (☎ 031-740-0391)

month, date, year

Korea International Cooperation Agency President

[Form 9] Application Form to Participate in Tendering

<Amended on Feb. 18, 2016, Jul. 20, 2017>

Application Form to Participate in Tendering ※ Please write only if any of the following apply.				
Applicant	Name of Company or Corporate		Corporate Registration Number	
	Address		Phone Number	
	Name of Representative		Resident Registration Number	
Tendering Overview	Public Notice of a Tender (Selective) Number	No.	Date of Tendering	. . .
	Name of the Tendering			
Tender Bond	Payment	·Bond Rate: % ·Bond Amount: KRW (₩) ·Payment Method:		
	Payment Exemption and Commitment	·Ground: ·I affirm that, after a successful tender, if the contract is not signed, a predetermined tender bond equivalent to the successful tender amount will be paid to your institution (office) in cash.		
Agent/ Seal of Use	All rights related to this tendering are delegated to the following person: Name Resident Registration Number		The seal to be used for this tendering is declared as follows: Seal of use (Seal)	

To participate in the general (limited, selective) competitive tendering of your institution (office) notified by the number above (notified by appointment), I accept both the construction instructions to tenderers and public notice of a tender set by KOICA, and hereby apply to participate in the tendering, attaching the following documents:

- Attachment: 1. One copy of documents certifying qualification for participating in tendering
 2. One copy of the seal certificate or personal signature verification
 3. Other documents determined as a public announcement

Applicant (Seal)

To whom

[Form 10] Deleted. <Jul. 20, 2017>

[Form 11] Listening Statement of Tendering Presentation Session

<Amended on Jul. 20, 2017>

Listening Statement of Tendering Presentation Session

Public Notice of a Tender Number: No. 20 -

Name:

Date and Time: __ . __ . 20__ () :

Place: KOICA Tendering Room

Approval	Person in Charge	Director	Director General	Vice President	President
		Arbitrary			

1. Amendments in Tendering and Purchasing Conditions

Number	Amendments

2. Companies Participating in the Tendering Presentation Session

No.	Company Name	Company Registration Number	Name of Representative	Participants	Phone Number	Signature
					Fax Number	
1						
2						
3						
4						
5						

Each of the above participants confirmed that the conditions for the above tendering have been amended as described above during at the time of the tendering presentation session; and each affirms that he/she fully understands the details of tendering-related matters such as instructions to tenderers, a request for proposal, and specifications are fully understood.

Korea International Cooperation Agency

[Form 12] Tender (Negotiation) Documents

<Amended on Jul. 20, 2017, Feb. 28, 2018>

Tender (Negotiation) Documents

To Korea International Cooperation Agency

Tender (Negotiation) Date and Time: :

I submit tender documents based upon the (international) construction, ((international) purchase of goods, (international) services)) tender instructions for the goods, construction, and service pursuant to the Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects with Public Notice of a Tender Number__. If this tender is accepted by your institution, I submit a tender proposal, affirming that the construction (goods, services) will be completed by the deadline for construction (delivery, services) with the above tender amount in accordance with the general terms and conditions of the contract, the special terms and conditions of the contract, design documents (product specification), and the on-site presentation of (International) construction, ((international) purchase of goods, (international) technical services)).

Product Name	Specifications	Unit	Quantity	Amount Korean or Chinese Character	Origin
				(KRW)	

Attachment: One copy of calculation details (for construction over KRW 10 billion worth)

Note) 1. The tender amount is the total price including VAT, and **is based on the amount written in Korean or Chinese characters** in KRW (₩). **However**, Arabic numerals may also be included in ().

2. Tenders written only in Arabic numerals, tenders whose tender amount is unclear, tenders without imprinted seal after any changes/corrections, and tenders different from the conditions of the notification shall be invalidated.

Memorandum of Tender Bond Payment (applies only to competitive tendering participants)

In this tendering, if a ground for escheat of tender bond to the National Treasury occurs because the contract is not signed within a prescribed period without justifiable ground after being selected as a successful tenderer. At the request of your organization, a tender bond equivalent to at least 5% of the successful tender amount pursuant to Article 38 (forfeiture of tender bond to National Treasury) of the **Enforcement Decree of the Act on Contracts to Which the State is a Party** is provided in cash to your organization without delay. I am committed to complying with your agency's decision or request for any action required due to other grounds for escheat of a bond to the National Treasury.

Confirmation of unethical behavior (applies only to competitive tendering participants)

I or my company's executives and employees (tendering agent) hereby affirm that there has been no unfair practices as stipulated in Article 76 of the Enforcement Decree of the National Contract Act and Article 19 of the **Monopoly Regulation and Fair Trade Act** in relation to this tendering. In the future, if any of the terms of this agreement become false, I shall affirm that I shall be subject to any penalties stipulated by relevant laws and regulations will be taken.

Integrity Agreement (Pledge)

Pursuant to Article 5-2 the Act on Contracts to Which the State is a Party, our agents and executives and employees who participated in this tendering shall comply with the terms and conditions of the in the following subparagraphs in the process of tendering, winning, signing a contract, or executing a contract (including after completion and delivery). If this is violated, we pledge that we shall not raise any civil or criminal objection, at the expense of canceling the tendering or successful tendering; or canceling or terminating the contract.

1. I shall not demand, promise, offer and receive money, goods, and entertainment (including providing fraudulent employment to relatives). If I provide money, goods, and entertainment (including providing fraudulent employment to relatives) to related public officials, I shall be subject to a restriction on the qualification to participate in tendering for a Dishonest Business Operator under the Enforcement Decree the Act on Contracts to Which the State is a Party.
2. In the event of an act that interferes with fair competition, such as prior consultation on the tender price or collusion for a specific person's successful tender, I shall be subject to a restriction on the qualification to participate in tendering for a Dishonest Business Operator under the Enforcement Decree the Act on Contracts to Which the State is a Party.
3. We shall not request or receive specific information related to tendering or contract through mediation or solicitation that interferes with fair work implementation.

month, date, year

Company Name:

Company Registration Number:

Name of Representative: (Seal)

Resident registration number:

Phone Number:

Tendering Agent: (Seal)

[Form 13] Statement of Tender Opening

<Amended on Jul. 20, 2017>

Statement of Tender Opening

- Public Notice of a Tender Number
- Institution
- Method of Contract
- Appointing Successful tenderer:
- Product Name and Quantity

- Date of Tender Opening

Drawing Lots	Number	Drawer			Preliminary Prices
		Company	Name	Signature	
Average					Expected Maximum Price ₩

Company Name	Number of Tenders	1st Round	2nd Round	3rd Round	4th Round	5th Round	Note
Tender Executor		Position: Name:					

[Form 14] Payment Guarantee Confirmation Memorandum of Contract Bond (Warranty Bond)

<Amended on Feb. 28, 2018>

**Payment Guarantee Confirmation Memorandum of
Contract Bond (Warranty Bond)**

1. Name of the Contract:
2. Contract Amount:
3. Contract Bond:
4. Guarantee Period:

(However, if the main contract is extended, this guarantee shall remain valid until the date the contract is actually fulfilled, despite the above guarantee period.)

To conclude the above contract, the contract bond (or warranty bond) shall be paid but the contract bond (or warranty bond) was exempted under the Regulations for Procurement and Contract in Grant Aid Projects of your agency. In cases of a ground for escheat of contract bond (or warranty bond) pursuant to the same regulations, I am obligated to pay the amount equivalent to the deposit in cash immediately.

month, date, year

Company Name:

Representative:

(Seal or Signature)

To Korea International Cooperation Agency President

Payment Guarantee Confirmation Memorandum of Warranty Bond

1. Name of the Contract:
2. Contract Amount:
3. Warranty Bond:
4. Guarantee Period:

To conclude the above contract, the warranty bond shall be paid but the warranty bond was exempted under the Regulations for Procurement and Contract in Grant Aid Projects of your agency. In cases of a ground for escheat of warranty bond pursuant to the same regulations, I am obligated to pay the amount equivalent to the deposit in cash immediately.

month, date, year

Company Name:

Representative: (Seal or Signature)

To Korea International Cooperation Agency President

[Form 14-2] Application for Advance Payment

<Newly Inserted on Jul. 20, 2017, Feb. 28, 2018>

Application for Advance Payment

1. Contract Status

Contract Number	Product Name	Contracted Quantity	Contract Amount	Delivery Deadline

2. Advance Payment Requested

Amount	Type of Payment Guarantee or Insurance	Note

3. Reasons for Application for Advance Payment

I affirm that I shall faithfully comply with the terms and conditions of the advance payment criteria in the contract terms and conditions without objection to your institution's decision on non-fulfillment of obligations, and request for advance payment as above.

Address of the Counterparty:

Business Name:

Name of Representative:

(Signature or Seal)

Attachment: One copy of memorandum

To: Korea International Cooperation Agency

Memorandum

1. When I wish to receive advance payment, I shall submit a certificate of guaranty or securities pursuant to the Government Tendering and Contract Execution Standards of the established rules for the contract.
2. The above guarantee or insurance amount shall be equal to or greater than the amount obtained by adding the advance amount and the amount equivalent to the contracted interest corresponding to the guarantee or insurance period (amount calculated **based upon the average loan interest rate in the statistical monthly report of the Bank of Korea**). The start date of guarantee or insurance shall be set before the date of advance payment, and the end date shall be at least 60 days from the end of the contract period (at least 30 days in the case of the last sentence of Article 33 (1) 2 of the same execution standard). Where extending the period of execution of a contract, pursuant to your institution's decision, I shall submit an insurance policy or certificate of guaranty with the period of the original guarantee or insurance plus the period to be extended as the coverage period.
3. If I use the full amount of the advance payment after receiving it, I shall submit a statement of the use of the advance payment to your institution with the relevant evidence attached. (If the association is a contractor, usage plan and statement of each assigned company shall be attached.)
4. I am aware that the advance payment shall not be used for purposes other than those for achieving the purpose of the contract, and I committed to using it first for the payment of wages and securing materials.
5. I shall not transfer the rights and obligations arising from the contract to a third party until the advance payment is settled in full.
6. The settlement of the down payment will be subject to the decision of your institution.
7. I shall comply with your institution's request for return (decision of the return amount, designation of the return period, and conditions for return) where returning the advance payment balance (or the entire amount) due to reasons attributable to me or the circumstances of your institution.
8. If I violate the terms of the advance payment, I shall not object even if your institution stops the payment for a certain period, and I shall comply with the decision or request of your institution for any other matters regarding the payment of the advance payment.

Attachment: One copy of the usage plan of the advance payment and relevant evidence. END.

month, date, year

Address of the Counterparty:

Business Name:

Name of Representative: (Signature or Seal)

To Korea International Cooperation Agency

Payment Guarantee Confirmation Memorandum of

Advance Payment

1. Name of the Contract:
2. Counterparty:
3. Contract Amount:
4. Amount of Advance Payment:

To receive the above advance payment, a certificate of guaranty for advance payment (or guarantee insurance) shall be paid but a certificate of guaranty for advance payment (or guarantee insurance) was exempted under the National Contract Law, the Regulations for Procurement and Contract in Grant Aid Projects, and the advance payment criteria of KOICA. In cases of the ground for returning the advance payment pursuant to the subparagraphs of Article 6 (1) of the same advance payment criteria and relevant contract regulations, I affirm that I shall immediately pay in cash the amount of the advance amount plus the amount equivalent to the contracted interest (this refers to the amount calculated based on the average loan interest rate of financial institutions at the time of the occurrence of the ground (the average loan interest rate in the statistical monthly report of the Bank of Korea)) for the guarantee or insurance period for that amount without delay.

month, date, year

Company Name:

Representative: (Signature or Seal)

To Korea International Cooperation Agency President

[Form 15] Inspection Result Report

Inspection Result Report

Number of Examination: No.

Writer:

Date of Submission:

Approval	Person in Charge	Director	Director General	Vice President	President
		Arbitrary			

Verification Request Date			Goods Supplier		TEL:			
Date of 1 st Round of Verification			Contract Date			Donor Country		
Date of 2 nd Round of Verification			Delivery Deadline			Project Name		
Date of 3 rd Round of Verification		Shipment	Scheduled Date		Transport of Goods	Company		
Date of 4 th Round of Verification			Place			Method		
Time of Verification		Final Arrival	Scheduled Date			Route		
place for Verification			Place					
Inspected Items		Details of donated goods are attached separately (such as item, detailed standard, and quantity)						
Examination Details	General	Quantity	Specifications	Condition	Mark Attached	Packing	User Manual	Miscellaneous
		No abnormality	No abnormality	Good	Good	Good	All	
	Test	Work	Performance	Sample Inspection Items	In the case of sample examination for a large amount of the same item, the examination item shall be marked with a separate inspection completion mark.			
		No abnormality	Good					
Etc.	In the case of vehicles, the body number and engine number / manufacturing number of machine equipment are recorded.							
Inspection Details	Judgment	Pass	Quasi-pass	Fail	Reason for Failing:			
	Comprehensive Opinion							
Supplier		Company Name:			Supplier	Position	Name:	(Seal)
Verification Company		Company Name:			Inspector	Position	Name:	(Seal)
Supervisory Company		Company Name:			Supervisor	Position	Name:	(Seal)

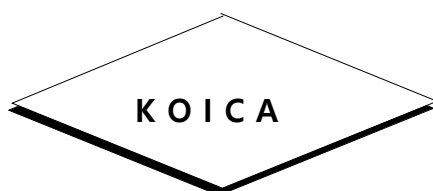
Attachment: 2 copies of the donated items (including photos of each item)

[Form 16] Donation Phrase and Shipping Mark

Donation Phrase and Shipping Mark

1. Donation Phrase (attached to items): Refer to the printed material currently in use.

2. Shipping Mark (attached to packing case)



MADE IN KOREA

DEVELOPMENT COOPERATION BY

THE GOVERNMENT OF THE REPUBLIC OF KOREA

**WE KINDLY REQUEST THE SWIFT CUSTOMS CLEARANCE OF THIS
DIPLOMATIC CARGO.**

3. Matters to be stated in REMARKS of COMMERCIAL INVOICE and PACKING LIST

TO AUTHORITIES CONCERNED

DIPLOMATIC CARGO SUPPLIED BY THE KOREAN GOVERNMENT

WE REQUEST YOU TO EXPEDITE CUSTOMS CLEARANCE OF THIS CARGO.

**[Form 17] Criteria for Limiting the Qualification of a Dishonest Business Operator to
Participate in Tendering**

<Amended on Apr. 2, 2008, Aug. 2, 2011, Jul. 20, 2017, Feb. 28, 2018, May 3, 2019>

Criteria for Limiting the Qualification of a Dishonest Business Operator
to Participate in Tendering (relating to Article 72 of the Detailed Enforcement Rules)

1. Related Grounds

- a. Article 27 of the Act on Contracts to Which the State is a Party (hereinafter referred to as "Act").
- b. Article 76 of the Enforcement Decree the Act on Contracts to Which the State is a Party (hereinafter referred to as "Decree").
- c. Enforcement Rules the Act on Contracts to Which the State is a Party (hereinafter referred to as "Rules").
- d. Article 15 of the Rules on Contracting Affairs of Public Corporations and Quasi-governmental Institutions.
- e. Article 72 of the Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects.

2. General Criteria

- a. If a ground of corresponding to a Dishonest Business Operator occurs again during the period from the disposition date to the day six months have elapsed after the end of the restriction period, KOICA may extend the limitation period within the range of 1/2 of the sanction period under Subparagraph 3 for those who have been restricted in qualification for participating in tendering considering the motive, content, and frequency of the violation.
- b. When KOICA restricts qualification for participating in tendering at the same time for multiple activities violated by a Dishonest Business Operator, the restriction period shall be in accordance with the criteria that stipulate the longest period among the restriction criteria for the violation stipulated in Subparagraph 3.
- c. When KOICA restricts qualification for participating in tendering for a Dishonest Business Operator, the limitation period may be reduced to 1/2 of the period specified in Subparagraph 3 considering the motive, content, and frequency of the violation.

3. Individual Criteria

Grounds for Restriction	Sanction Period
1. A person who has undertaken poor-quality construction or poor-quality design or supervision among those falling under Article 27 (1) 1 of the Act (a person who acts in a poor, coarse or unethical manner or has engaged	

(a) A person who won the tender by leading the collusion. (b) A person who led collusion. (c) A person who agrees with tenderers or counterparties to the contract in advance or colludes for tender acceptance of a specific person or selection of the goods to be delivered in the procedure of a competitive tender, or signing or performing a contract.	Six months
5. A person falling under Article 27 (1) 3 of the Act (a person who subcontracts in violation of the restrictions on subcontracts under the Framework Act on the Construction Industry, the Electrical Construction Business Act, the Information and Communications Construction Business Act, the Software Industry Promotion Act, and other Acts (excluding the cases of violating the duty of notifying subcontracts) and a person who subcontracts without the approval of the ordering agency or who changes the condition of subcontracts approved by the ordering agency).	One year Eight months
(a) A person who subcontracts all or most of the major parts to one person. (b) A person who subcontracts all or most of the major parts to at least two people.	Eight months
(c) A person who subcontracts to a person who does not have relevant qualifications such as license or registration.	Six months
(d) A person who subcontracts without approval from the ordering agency.	Four months
(e) A person who subcontracts in violation of the regulations prohibiting re-subcontracting.	Four months
(f) A person who has amended subcontracting conditions unfavorably to subcontractors.	
6. A person who falls under Article 27 (1) 4 of the Act (a person who inflicts losses to the State in the procedure of tendering or acceptance of tendering or the procedure of signing and performing the contract by fraud or other misconduct).	Two years
(a) Those who inflict at least KRW one billion worth of losses to the state.	One year
(b) Those who inflict less than KRW one billion worth of losses to the state.	
7. A person against whom a request is made by the Fair Trade Commission or the administrator of Small and Medium Business Administration to restrict qualifications to participate in a tendering in accordance with Article 27 (1) 5 of the Act (a person against whom a request is made by the Fair Trade Commission to restrict qualifications to participate in a tendering, due to the violation of the Monopoly Regulation and Fair Trade Act or the Fair Transactions in Subcontracting Act); or Article 27 (1) 6 of the Act (a person against whom a request is made by the Minister of SMEs and Startups to restrict qualifications to participate in a tendering under Article 27 (5) of the Act on the Promotion of Collaborative Cooperation between Large Enterprises and Small-Medium Enterprises).	Considering the standards of each

(a) A person against whom a request is made to restrict qualifications to participate in a tendering based on this restriction criteria.	subparagraph
(b) A person against whom a request is made to restrict qualifications to participate when no matters that fall under this restriction criteria.	Six months
8. A person who falls under Article 27 (1) 7 of the Act (a person who offers a bribe to the relevant public official (including the members of the Committee for Imposition of Penalty Surcharges under Article 27-3 (1); the State Contract Disputes Conciliation Committee under Article 29 (1); the Central Deliberation Committee on Construction Technology, the Special Deliberation Committee on Construction Technology and the consultative committee on technology under the Construction Technology Promotion Act; and other committees prescribed by Presidential Decree) regarding the tendering or acceptance of tendering or signing and/or performing the contract).	
(a) Those who have offered bribes of at least KRW 200 million.	Two years
(b) Those who have offered bribes of between KRW 100 million and KRW 200 million.	One year
(c) Those who have offered bribes of between KRW 10 million and KRW 100 million.	Six months
(d) Those who have offered bribes of less than KRW 10 million.	Three months
9. A person who falls under Article 76 (1) 1 (a) of the Decree (a person who forges or falsifies documents regarding tender or contract (where a tenderer submits a tender through the electronic procurement system pursuant to Article 39, including a public digital certificate under subparagraph 8 of Article 2 of the Digital Signature Act), uses such documents unlawfully or submits any false documents).	
(a) A person who has won a tender by forging or falsifying documents regarding tender (includes documents on registration of qualification for participating in tendering pursuant to Article 15 (2) of the Rules) or unlawfully using such documents; or by submitting any false documents.	One year
(b) A person who forges or falsifies documents regarding tender or contract (includes documents on registration of qualification for participating in tendering pursuant to Article 15 (2) of the Rules), uses such documents unlawfully or submits false documents.	Six months
10. A person who falls under Article 76 (1) 1 (b) of the Decree (a person who intentionally submits a tender that becomes null and void).	Six months
11. A person who falls under Article 76 (1) 1 (c) of the Decree ((a person who has not participated in the tendering (excluding tenders for which tender proposals were submitted by electronic procurement system or a e-Procurement System designated and publicly notified by the head of the competent central government agency pursuant Article 39 (1) of the Decree)	One month

at least three times during the relevant fiscal year without justifiable ground even after applying to participate in tendering or tendering participation agreement)).	
12. A person who falls under Article 76 (1) 1 d of the Decree (a person who interferes with other tenderers' participation in tendering, or interferes with the conclusion or performance of a contract by a successful tenderer).	Three months
13. A person who falls under Article 76 (1) 1 (e) of the Decree (a person who fails to submit all or some part of the documents required for examination of contract execution capability and job creation performance pursuant to Article 42 (1) of the Decree without justifiable grounds, or abandons the examination before a successful tenderer decision after submission of documents).	Three months
14. A person who falls under Article 76 (1) 1 (f) of the Decree (a person who fails to submit all or some part of the documents necessary for the examination without justifiable grounds in the comprehensive screening process for selecting a successful tenderer pursuant to Article 42 (4) of the Decree, or abandons the examination before a successful tenderer decision after submitting the documents).	Three months
15. A person who falls under Article 76 (1) 1 (g) of the Decree (where deciding a successful tenderer of turnkey project pursuant to Article 87 of the Decree, a person who fails to submit working plans by the deadline within the deadline without justifiable ground after being selected as eligible for working plans).	Three months
16. A person who falls under Article 76 (1) 2 a of the Decree ((a person who fails to enter into or perform a contract (including the implementation of matters regarding a subcontract management plan and a plan to fulfill the working conditions of outsourced workers submitted for the examination of the ability to perform the contract under Article 42 (5) and matters regarding joint contracts under Articles 72 and 72-2), or violates important conditions of the contract specified in the tender notice and written contract (limited to cases where his/her qualification to participate in a process may be restricted where he/she fails to fulfill any of the conditions specified in the tender notice and written contract) without any justifiable grounds)).	
(a) A person who has not signed or fulfilled a contract (including the fulfillment of obligations to repair defects).	Six months
(b) A person who has not constructed in accordance with the investment ratio or share of the members determined in the joint contract.	
1) Those who did not participate in construction.	Three months
2) Those who participated in the construction but did not perform construction based upon the rate of investment or share.	One month

(c) A person who violates the main terms and conditions.	Three months
(d) A person who is required to submit a performance bond for a construction project pursuant to the proviso to Article 52 (1) of the Decree, but has failed to fulfill the obligation to submit such.	One month
(e) A person who fails to comply with any of the matters regarding a subcontract management plan and a plan to fulfill the working conditions of outsourced workers submitted for the examination of the ability to perform the contract under Article 42 (5).	
1) A person who fails to comply with any of the matters related to the plan to fulfill the working conditions of outsourced workers.	Three months
2) A person who fails to comply with any of the matters related to the subcontract management plan.	One month
17. A person who falls under Article 76 (1) 2 (b) of the Decree (a person who fails to calculate the amount of research and design, or the amount of cost accounting intentionally or by gross negligence in a research and design service contract or cost accounting service contract); or Article 76 (1) 2 (c) of the Decree (a person who inflicts loss on an institution which has placed an order because he/she presented a poor feasibility study, such as in terms of demand forecasting, intentionally or by gross negligence in connection with a feasibility study service contract under Article 47 of the Construction Technology Promotion Act).	
(a) In cases of intention.	Six months
(b) In cases of gross negligence.	Three months
18. A person who falls under Article 76 (1) 2 (d) of the Decree (a person who interferes with the performance of duties to exercise supervision or conduct tests).	Three months
19. A person who falls under Article 76 (1) 2 (e) of the Decree (a person who replaces a construction project management engineer without adhering to grounds and procedures for replacing the construction project management engineer under Article 60 of the Enforcement Decree of the Construction Technology Promotion Act, a written contract, etc. when he/she enters into a construction project management service contract in the construction phase).	Eight months
20. A person who falls under Article 76 (1) 3 (a) of the Decree a person who has inflicted harm on the general public because he/she has neglected safety measures in the performance of a contract; or who has inflicted serious harm, such as, but not limited to, death, on any worker due to safety and/or health measures under the Occupational Safety and Health Act at the workplace).	
(a) A person who has inflicted life or bodily harmed the health and/or safety of the general public, other than workers at the workplace, because he/she has neglected safety measures;	One year

(b) A person who has inflicted economic loss on the general public other than workers at the workplace because he/she has neglected safety measures; (c) who caused the accident in which a worker(s) died because he/she has neglected safety and health measures under the Occupational Safety and Health Act at the workplace, where: (1) At least 10 workers died at the same time; (2) Between Six and 10 workers died at the same time; (3) Between two and six workers died at the same time.	Six months
21. A person who falls under Article 76 (1) 3 (b) of the Decree (a person who divulges information designated as prohibited from disclosure in advance and specified in a written contract because the Government deems the disclosure of information about the head or a contracting officer of each central government agency to inflict damage on the Republic of Korea without permission among the information he/she has learned in the process of performing a contract for establishment, maintenance and repair of an information system under Subparagraph 13 of Article 2 of the Electronic Government Act). (a) If he/she/it has divulged information for at least two times. (b) If he/she/it has divulged information once.	One year Six months One year Six months
22. A person who falls under Article 76 (1) 3 (c) of the Decree (a person accesses an information system, etc. without permission; installs an unapproved program through which he/she may collect information, without permission; or intentionally produces or leaves vulnerabilities in the information system, etc., which may be misused for such actions in the process of performing the relevant contract, such as the establishment, maintenance, repair, etc. of the information and communication network under Subparagraph 10 of Article 2 of the Electronic Government Act, or the information system (hereafter referred to as "information system, etc." in this item) under subparagraph 13 of the aforesaid Article).	Three months One month Two years

Note

1. In the above table, "fault penalty" refers to the demerit points in accordance with the items other than subparagraphs of Article 53 (1) of the Construction Technology Promotion Act.
2. In the above table, "percentage of defects" refers to the percentage of accumulated defects for warranty bonds as a result of defect inspection during the defects warranty period.
3. In the above table, "percentage of repair" refers to the percentage of repair costs accumulated to the contract amount during the product warranty period.

[Form 18] Confirmation of Sanctions Against a Dishonest Business Operator

<Newly Inserted on Aug. 2, 2011, Feb. 18, 2016, Jul. 20, 2017>

Confirmation of Sanctions Against an Dishonest Business Operator				
Korea International Cooperation Agency (KOICA)				
825, Daewangpangyo-ro, Sujeong-gu, Seongnam-si, Gyeonggi-do (Phone Number) Person in Charge:				
Document Number:				
Date of Sending: . . .				
To:				
CC:				
Title: Confirmation of Sanctions Against an Dishonest Business Operator				
Dishonest Business Operator	Name of Company or Corporate		Company Registration Number	
			Corporate Registration Number	
	Address			
	Name of Representative		Resident Registration Number	
	Address			
	Business Category (Detailed Items)		Number of License or Registration	
Sanctions	Grounds for Sanctions			
	The Day, Month, Year of Cancellation or Termination			
	The Day, Month, Year of Sanctions		The Day, Month, Year of Expiration	
	Sanction Period	. . . ~ . . .		

(The specific ground for the sanction and the result of processing the deposit)

(Other notes)

Korea International Cooperation Agency Chief of Procurement Officer (Seal)

[Form 19] Prior Notice of Disposition (Notification to Submit Opinion)

<Newly Inserted on Aug. 2, 2011, Jul. 20, 2017>

Prior Notice of Disposition (Notification to Submit Opinion)

Pursuant to Article 21 (1) of the Administrative Procedures Act and Article 72-3 (Procedures for Listening Opinions and Deliberation) of the Detailed Enforcement Rules of the Regulations for Procurement and Contract in Grant Aid Projects, we hereby notify the details of the disposition we intend to take. Please submit your opinion.

Proposed Disposition							
Party	Name (Company Name)						
	Address						
Facts Giving Rise to Disposition							
Details of Disposition							
Legal Basis and Provisions							
Submitting Opinion	Where to Submit	Name of Agency		Department		Person in Charge	
		Address				Phone Number	
		E-mail				FAX	
	Deadline		before <u>month</u> , <u>date</u> , <u>year</u>				

<Prerequisites for submitting opinions>

1. You may submit your opinion on the above matters verbally, via information and communications network, or in writing [Form 11]. You may also submit evidence to support your defense. However, if you wish to submit your opinion using information and communications networks, please pre-inform the agency, and check whether your opinion has been received.
 2. If you do not submit your opinion by the deadline, you shall be deemed to have no opinion on the disposition.
 3. If you wish to appear at the administrative office and state your opinion, please pre-inform the administrative office.
 4. If you have any other questions, please contact the opinion-receiving institution.
- ※ Pursuant to Article 22 (1) 3 of the Administrative Procedures Act, if the details of the disposition falls under any of the following: ① Cancellation of authorization or permission. ② Deprivation of status and qualifications. ③ Cancellation of permission for incorporating a company or an association. You can request a hearing by the deadline for submitting opinion. END.

Korea International Cooperation Agency Chief of Procurement Officer (Seal)

[Form 19-2] Opinion Submission

<Newly Inserted on Jul. 20, 2017>

Opinion Submission

※ Please complete this form after reading the notes below.

Person Submitting Opinion	Name	
	Address	Phone Number

Details	① Proposed Disposition	
	Party	Name (Company Name)
		Address (Phone Number:)
	Opinion	
	Other matters	

Pursuant to Article 27 (1) (Article 31 (3)) of the Administrative Procedures Act, I hereby submit my opinion as stated above.

month, date, year

Who Submits the Opinion

(Signature or Seal)

To Korea International Cooperation Agency

Points to note

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1. If space in the fields is insufficient, you may use a separate sheet.
 2. You can attach evidence, etc. supporting your defense.
 3. If you receive a document related to submitting the above opinion, please state the document number and date in Column ①.
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