

Invitation to Quote (ITQ) - Shopping For Goods

Project Title: **Heat Supply Improvement Project**

Date: **July 25, 2018**

Source of Funding: **IDA-D2400**

Contract Ref: **IDA-HSIP-S-FM-2017-2-2**

To: **All Eligible Suppliers**

Dear Supplier,

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

Item No	Description of Goods	Quantity
1	Accounting and Reporting Software - 1C Accounting (including installation and adaptation)*	1
2	Software user key's	2

**Information on technical specifications is attached.*

2. You must quote for all the items combined under this Invitation. Price quotations will be evaluated for all the items together and contract awarded to the firm offering the **lowest evaluated total cost of all the items.**

3. Your price quotation in the form attached may be submitted by hand, mail, facsimile or electronically at the following address:

Open Joint Stock Company Bishkekteploset
Room # 6, 4th-Floor, 2/1 Zhukeev-Pudovkin Str.,
720031 Bishkek, Kyrgyz Republic
Tel: +(996) 312 56 88 22, +(996) 312 56 11 01
Fax: +(996) 312 59 14 56
Email: piu@teploseti.kg;
Website: www.teploseti.kg

4. The deadline for receipt of your quotation by the Purchaser at the address indicated above is by **15-30 local time on August 8, 2018**

5. Your quotation in duplicate and **in Russian language**, should be accompanied by adequate technical documentation and catalogue(s) and other printed material or pertinent information for each item quoted in Russian language, including names and addresses of firms providing service facilities **in Bishkek, Kyrgyz Republic**.

6. Your quotation(s) should be submitted as per the following instructions and in accordance with the attached Contract. The attached Terms and Conditions of Supply is an integral part of the Contract.

(i) **PRICES:** The prices should be quoted in Kyrgyz Som for the Total Cost at final destination OJSC Bishkekteploset, Bishkek, Kyrgyz Republic, **which includes all taxes, VAT, customs, duties, installation and adaptation costs, as well as inland transportation and insurance, loading and unloading.**

(ii) **EVALUATION OF QUOTATIONS:** Offers determined to be substantially responsive to the technical specifications will be evaluated by comparison of the total price at final destination as per para. 2 above.

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

(a) where there is a discrepancy between amounts in figures and in words, the amount in words will govern;

(b) where is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted will govern;

(c) if a Supplier refuses to accept the correction, his quotation will be rejected.

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

(iv) **VALIDITY OF THE OFFER:** Your quotation(s) should be valid for a period of ninety (90) days from the deadline for receipt of quotation(s) indicated in Paragraph 4 of this Invitation to Quote.

7. Further information can be obtained from:

Open Joint Stock Company Bishkekteploset
Room # 6, 4th-Floor, 2/1 Zhukeev-Pudovkin Str.,
720031 Bishkek, Kyrgyz Republic
Tel: +(996) 312 56 88 22, +(996) 312 56 11 01
Fax: +(996) 312 59 14 56
Email: piu@teploseti.kg;
Website: www.teploseti.kg

8. Inspections and Audits

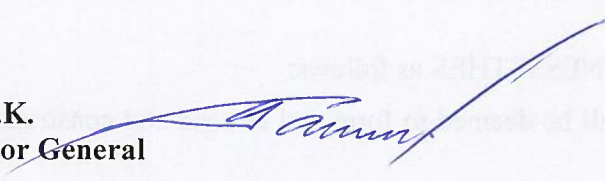
8.1 The Supplier shall carry out all instructions of the Purchaser which comply with the applicable laws where the destination is located.

8.2 The Supplier shall permit, and shall cause its Subcontractors and consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Supplier's offices and all accounts and records relating to the performance of the Contract and the submission of the bid, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank. The Supplier's and its Subcontractors and consultants' attention is drawn to Clause 5 Fraud and Corruption of the Form of Contract, which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank's prevailing sanctions procedures).

9. Please confirm by fax/e-mail the receipt of this invitation and whether or not you will submit the price quotation(s).

Sincerely,

Raimbekov U.K.
Deputy Director General



FORM OF CONTRACT

THIS AGREEMENT number IDA-HSIP-S-FM-2017-2-2 made on August ____, 2018, between OJSC Bishkekteploset (hereinafter called “the Purchaser”) on the one part and _____ (hereinafter called “the Supplier”) on the other part.

WHEREAS the Purchaser has invited quotation for:

Item No	Description of Goods	Quantity
1	Accounting and Reporting Software - 1C Accounting (including installation and adaptation)	1
2	Software user key's	2

to be supplied by Supplier, viz. Contract IDA-HSIP-S-FM-2017-2-2 (hereinafter called “Contract”) and has accepted the Bid by the Supplier for the supply of goods under Contract at the sum of _____ (_____) hereinafter called “the Contract Price”.

NOW THIS AGREEMENT WITNESSETHES as follows:

1. The following documents shall be deemed to form and be read and construed as part of this agreement, viz:
 - a) Invitation to Quote; Term and Conditions of Supply, Technical Specification;
 - b) Addendum (if applicable);
2. Taking into account payments to be made by the Purchaser to the Supplier as hereinafter mentioned, the Supplier hereby concludes an Agreement with the Purchaser to execute and complete the supply of Contract and remedy any defects therein in conformity with the provisions of Contract.
3. The Purchaser hereby covenants to pay in consideration of the goods supply and acceptance of Contract and remedying of defects therein, the Contract Price in accordance with Payment Conditions prescribed by Contract.
4. **Termination**
 - 4.1 Termination for Default
 - (a) The Purchaser, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the Supplier, may terminate the Contract in whole or in part:
 - (i) if the Supplier fails to deliver any or all of the Goods within the period specified in the Contract, or within any extension thereof granted.
 - (ii) if the Supplier fails to perform any other obligation under the Contract; or

(iii) if the Supplier, in the judgment of the Purchaser has engaged in fraud and corruption, as defined in Clause 5 below, in competing for or in executing the Contract.

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

4.2 Termination for Insolvency.

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

4.3 Termination for Convenience.

(a) The Purchaser, by notice sent to the Supplier, may terminate the Contract, in whole or in part, at any time for its convenience. The notice of termination shall specify that termination is for the Purchaser's convenience, the extent to which performance of the Supplier under the Contract is terminated, and the date upon which such termination becomes effective.

(b) The Goods that are complete and ready for shipment within twenty-eight (28) days after the Supplier's receipt of notice of termination shall be accepted by the Purchaser at the Contract terms and prices. For the remaining Goods, the Purchaser may elect:

(i) to have any portion completed and delivered at the Contract terms and prices; and/or

(ii) to cancel the remainder and pay to the Supplier an agreed amount for partially completed Goods and Related Services and for materials and parts previously procured by the Supplier

Fraud and Corruption

5. If the Purchaser determines that the Supplier and/or any of its personnel, or its agents, or its Subcontractors, consultants, service providers, suppliers and/or their employees has engaged in corrupt, fraudulent, collusive, coercive or obstructive practices (as defined in the prevailing Bank's sanctions procedures), in competing for or in executing the Contract, then the Purchaser may, after giving 14 days notice to the Supplier, terminate the Supplier's employment under the Contract and cancel the contract, and the provisions of Clause 4 shall apply as if such expulsion had been made under Sub-Clause 4.1.

6. Inspections and Audits

6.1 The Supplier shall carry out all instructions of the Purchaser which comply with the applicable laws where the destination is located

6.2 The Supplier shall permit, and shall cause its Subcontractors and consultants to permit, the Bank and/or persons appointed by the Bank to inspect the Supplier's offices and all accounts and records relating to the performance of the Contract and the submission of the bid, and to have such accounts and records audited by auditors appointed by the Bank if requested by the Bank. The Supplier's and its Subcontractors and consultants' attention is drawn to Clause 5 Fraud and Corruption, which provides, inter alia, that acts intended to materially impede the exercise of the Bank's inspection and audit rights constitute a prohibited practice subject to contract termination (as well as to a determination of ineligibility pursuant to the Bank's prevailing sanctions procedures).

Signature and seal of the Purchaser:
FOR AND ON BEHALF OF

Signature and seal of the Supplier:
FOR AND ON BEHALF OF

Name of Authorized Representative

Name of Authorized Representative

FORM OF QUOTATION

_____ (Date)

To: **PIU OJSC Bishkekteploset, Heat Supply Improvement Project,
Room # 6, 4th-Floor, 2/1 Zhukeev-Pudovkin Str.,
720031 Bishkek, Kyrgyz Republic**

We offer to execute the **IDA-HSIP-S-FM-2017-2-2** for supply of Accounting and Reporting Software - 1C Accounting (including installation, adaptation, 2 user keys) in accordance with the Conditions of Contract accompanying this Quotation for the Contract Price of _____ (amount in words and numbers) (_____) (name of currency) _____.

We propose to complete the delivery of Goods described in the Contract within a period of _____ calendar days from the Date of Signing of the Contract.

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

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

Authorized Signature: _____

Name and Title of Signatory _____

Name of Supplier: _____

Address: _____

Phone Number _____

Fax Number, if any _____

TERMS AND CONDITIONS OF SUPPLY

Project Name: Heat Supply Improvement Project (HSIP)
Purchaser: Project Implementation Unit, OJSC Bishkekteploset
Consignee: Project Implementation Unit, OJSC Bishkekteploset
Package No.: IDA-HSIP-S-FM-2017-2-2

1. Prices and Schedules for Supply

Item No	Description of Goods	Quantity	Unit Price	Total Price at final destination (includes all taxes, VAT, customs, duties, inland transportation and insurance)	Delivery Date
1	Accounting and Reporting Software - 1C Accounting (including installation and adaptation)	1			
2	Software user key's	2			
Total cost including taxes					

{Note: In case of discrepancy between unit price and total derived from unit price, the unit price shall prevail}

2. Fixed Price: The prices indicated above are firm and fixed and not subject to any adjustment during contract performance.
3. The Purchaser reserves the right at the time of contract finalization to increase or decrease by up to 15% the quantity of goods and services originally specified without any change in unit prices as well as other terms and conditions.
4. Delivery Schedule: The delivery should be completed as per above schedule but not exceeding 120 (one hundred and twenty) calendar days from contract signature.
5. Insurance: The Goods supplied under the Contract shall be fully insured in a freely convertible currency against loss of damage incidental to manufacture or acquisition, transportation, storage and delivery. The insurance shall be in an amount equal to 110 percent of the total value of the Goods from «Warehouse» to «Warehouse» on «All risks» basis, including «War Risks». The Supplier shall arrange and pay for cargo insurance, naming the Purchaser as the beneficiary.
6. Applicable Law: The Contract shall be interpreted in accordance with the laws of the Purchaser's country.
7. Resolution of Disputes: The Purchaser and the Supplier shall make every effort to resolve amicably by direct informal negotiation any disagreement or dispute between them under or in connection with the Contract. In the case of a dispute between the Purchaser and the Supplier, the dispute shall be settled in accordance with the legislation of the Kyrgyz Republic.

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

- (i) copies of the Supplier's invoice showing goods' description, quantity, unit price, and total amount;
- (ii) manufacturer's or supplier's warranty certificate;

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

9. Payment for your invoice will be made as follows: payment will be made 100% against an invoice for the equivalent amount within 28 (twenty-eight) calendar days after the date of the Acceptance Certificate for the respective delivery issued by the Purchaser.

10. Warranty: Goods offered should be covered by manufacturer's warranty for at least 12 months from the date of delivery to the Purchaser. Please specify warranty period and terms in detail.

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

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

13. Force-Majeure: The supplier shall not be liable for penalties or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force-Majeure.

For purposes of this clause, "Force-Majeure" means an events beyond the control of the Supplier and not involving the Supplier's fault or negligence and not foreseeable. Such events may include, but not restricted to, act of Purchaser in its sovereign capacity, wars or revolutions, fires, floods, epidemics, quarantine restrictions, and freight embargoes.

If a Force-Majeure situation arises, the Supplier shall promptly notify the purchaser in writing of such condition and the cause thereof. Unless otherwise directed by the Purchaser in writing, the Supplier shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall seek all reasonable alternative means for performance not prevented by Force-Majeure event.

14. Required Technical Specifications

- Please see below Attachment 1 for the detailed Technical Specifications
- Supplier shall confirm compliance with technical specifications
{In case of deviations supplier to list all such deviations}.

15. Failure to Perform: The Purchaser may cancel the Agreement if the Supplier fails to deliver the Goods, in accordance with the above terms and conditions, in spite of a 21-day notice given by the Purchaser, without incurring any liability to the Supplier.

NAME OF SUPPLIER _____

Authorized Signature _____

Place:

Date:

TECHNICAL SPECIFICATIONS

**TERMS OF REFERENCE FOR THE ACCOUNTING AND REPORTING SOFTWARE
1C ACCOUNTING**

Project Implementation Unit (PIU) of OJSC Bishkekteploset (BTS) requires adaptation and installation of Accounting and Reporting Software that is capable of accounting in a multicurrency regime for activities as part of the Heat Supply Improvement Project (P157079) implemented under the Financing Agreement to be concluded between the Ministry of Finance on behalf of the Government of the Kyrgyz Republic (the “Recipient”) and the International Development Association (the “World Bank”).

Scope of work

The Supplier will be required to implement the following activities to ensure functioning of reliable accounting system capable to provide all necessary reports and analyses.

The list below includes but is not limited by the following:

1. *The installed software must proceed and generate the required reports on the Project.*
2. *Chart of accounts.*

The project chart of accounts which will comply with the Cash basis IPSAS and should allow expenditures being distinguished by categories and itemized by components as agreed with donors as well as incomes being distinguished by source of funding.

The Client will implement the chart of accounts prepared to reflect the financial operations of projects and their components

3. *Accounting documents:*

- Cash receipts;
- Cash payments;
- Payment orders;
- Payment and account sheets for salary payments to employees, consultants and other staff;
- Salary charge;
- Advance payment reports;
- Currency conversion;
- Partial accounting of amounts on settlement accounts, other than the main reporting currency, at the moment of exchange rate fluctuation;
- List of payments by source of funding;
- List of expenditures by components, sub-components, categories, sub-categories and items of expenditure;
- Accounting of the Project fixed assets, inventory etc.;

- List of all contracts divided in to Goods, Works and Services and showing contract prices; and
- Any other documents required for trouble-free operation of the accounting system and maintenance of effective control over financial resources.

4. Financial reports:

- Turnover and balance sheet (disclosure by components, sub-components, categories, organizations and by currency);
- Turnover and balance sheet on separate accounts;
- Summary of journal vouchers and accounts sheet;
- Ledger;
- Accounts inter reconciliation (shahmatka);
- Analysis of accounts;
- Subcontractor analysis;
- Trial balance;
- Consolidated statement of income and expenses (format: quarterly, annual and incremental).

5. Special reports.

The implemented software must be designed so as to allow exporting the data to Microsoft Excel tables for the automated generation of periodic reports required by the World Bank (Financial, not audited reports (IFR), on a quarterly basis, taking into account the growing data), reporting required by the Kyrgyz Republic's Ministry of Finance (*quarterly reports* in accordance with the Kyrgyz Republic Government Regulations # 573 dated September 19, 2001; *monthly reports*) as well as *reporting* to the audit of project accounts. Samples of reporting forms will be provided by PIU. The system should be a multi-user (networked) with adequate security profiling and ability to track operations (audit tracking)

6. Some Specific Reports for the Project:

- Designated Account Replenishment Application;
- Withdrawal Application Receipts;
- Direct payment;
- Annual financial statements to be audited;
- Currency rates (Currency rates history);
- Conversion of currency rate difference;
- Statement of Expenditures (SOEs)
- Table on works performed and indebtedness in a breakdown by Financing, Counteragent and Basis/Reason (for agreements/contracts);
- Quarterly interim not audited report (IFR) by sources of financing and donor sand other tables and forms of the World Bank.

7. User Interface Setting up:

- Ensure for obtaining output reports both in Russian and English;
- Development of an interface for English speaking users.

8. *Development and introduction of 1-C (latest version 8.3) functional accounting to the Project software - algorithm of receiving reports in other (national) currency.*

Donor reporting includes cumulative data for the whole period of the Project. And these cumulative data should be presented in a variety of divisions with detailed expenses for each payment document. Therefore, it is necessary to conduct a full accounting from the start of the Project not using the conciliation accounting procedures at the beginning of the next financial year.

To address this problem, the program 1C (latest version 8.3) should include an additional chart of accounts for accounting in national currency. At the same time, the program should automatically support both Charts of accounts - the basic chart of accounts to account in the **loan (grant) currency** and an additional Chart of accounts to account in **national currency**.

Reports to be included in development of functional: all reports except for specific reports for donor- quarterly unaudited interim report (IFR) by donors.

9. *Licensed Software 1C (latest version 8.3).*

The software supplier must have the license rights to install, develop and modify this product. In addition, the Supplier shall provide the user keys for the use of software product, in the amount requested by the Client

10. *Minimum qualification criteria:*

- Experience in implementing similar tasks for projects financed by International Financial Institutions (the World Bank or Other Donors);
- Availability of staff certified specialists;
- The configuration of the proposed software is adapted for development projects financed by International Financial Institutions;
- Reference letters from previous Clients (a minimum of two references).

11. *Technical maintenance.*

The Supplier provides maintenance and services on improvement of software by the Client request within 12 months from the date of software installation.

12. *Additional requirement.*

If some of the works required for successful implementation of the assignment are not specified, the Client's objective is to include them into proposal and the Supplier's objective is to fulfill them.