

**PRP3 - Phase 1 (B)**

**UDA/RNIP/PRP3/PHASE 1(LOT 2)/PACKAGE/ C12**



**DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**  
**MINISTRY OF HIGHWAYS, PORTS & SHIPPING**  
**ROAD DEVELOPMENT AUTHORITY**

**CHINA DEVELOPMENT BANK FUNDED IMPROVEMENT  
AND REHABILITATION OF  
PRIORITY ROAD PROJECT 3 (PRP3), PHASE-1 (LOT 2)**

**CIVIL WORK CONTRACT NO: RDA/RNIP/PRP3/PHASE-1 (LOT 2)/PACKAGE C12**

<b>Contract No.</b>	<b>Description</b>
RDA/RNIP/PRP3/Phase1 (Lot 2)/Package C12	Ayagama - Egaloya Road (0.00 - 23.00 km)

**CONTRACTOR**  
**CHINA NATIONAL AERO - TECHNOLOGY INTERNATIONAL  
ENGINEERING CORPORATION (CATIC - ENG)**

**VOLUME 1**

**Contract Agreement**

**Letter of Acceptance**

**Letter of Tender**

**Appendix to Tender**

**JANUARY 2014**

u. f

## VOLUME 1

- (a) The Contract Agreement
- (b) The Letter of Acceptance
- (c) The Letter of Tender
- (d) Appendix to Tender

## VOLUME 2

- (e) The Particular Conditions
- (f) The General Conditions of Contract

## VOLUME 3

- (g) Technical Specification - Special Provisions and Appendix to Special Provisions
- (h) The Standard Specifications

## VOLUME 4

- (i) The Drawings

## VOLUME 5

- (j) Scope of Work
- (k) The Preamble to the Bill of Quantities
- (l) The Priced Bill of Quantities and Schedules

W. A

# VOLUME 1

## CONTENTS

- (a) The Contract Agreement.....
- (b) Letter of Acceptance.....
- (c) The Letter of Tender.....
- (d) The Appendix to Tender.....

**CONTRACT AGREEMENT**

U. A

## Contract Agreement

THIS AGREEMENT made on the 21<sup>st</sup> day of January 2014, between the Road Development Authority, 1<sup>st</sup> Floor, Sethsiripaya, Battaramulla, Sri Lanka (hereinafter referred to as "the Employer") represented by the Director General, Road Development Authority, 1<sup>st</sup> Floor, Sethsiripaya, Battaramulla, Sri Lanka, of the one part, and China National Aero-Technology International Engineering Corporation, No. 18, Beicheng Eastern Road, Chaoyang District, Beijing, P.R. China - Sri Lankan Office: 7/7, N.79, Hyde Park Corner, Colombo 02 (hereinafter referred to as "the Contractor"), of the other part:

WHEREAS the Employer desires that the Works, known as **Improvement & Rehabilitation of Contract Package No. RDA/RNIP/PRP3/Phase-1(Lot 2)/Package C12** should be executed by the Contractor, and has accepted a Tender by the Contractor for the execution and completion of these Works and the remedying of any defects therein,

Contract Component No.	Description	Amount (Rs.)
RDA/RNIP/PRP3/Phase1 (Lot 2)/Package C12	Ayagama - Egaloya Road (0.00 - 23.00 km)	4,015,085,648.98

The Employer and the Contractor agree as follows:

1. In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Contract Documents referred to.
2. The following documents, listed in the order of priority, shall be deemed to form and be read and construed as part of this Agreement.
  - a) The Contract Agreement
  - b) The Letter of Acceptance
  - c) The Letter of Tender
  - d) Appendix to Tender
  - e) The Particular Conditions
  - f) The General Conditions of Contract
  - g) Technical Specification – Special Provisions and Appendix to Special Provisions
  - h) The Standard Specification
  - i) The Drawings
  - j) The Preamble to the Bill of Quantities
  - k) The Priced Bill of Quantities and Schedules
3. In consideration of the payments to be made by the Employer to the Contractor as indicated in this Agreement, the Contractor hereby covenants with the Employer to execute the Works and to remedy defects therein in conformity in all respects with the provisions of the Contract.

U, f

4. The Employer hereby covenants to pay the Contractor in consideration of the execution and completion of the Works and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the Contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with the laws of Sri Lanka on the day, month and year indicated above.

Signed, Sealed and Delivered

by the said:

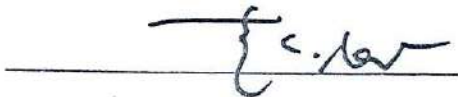


NAME: WEN ZHONGLIN

On behalf of Contractor



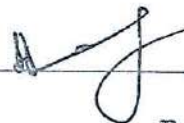
IN THE PRESENCE OF:



NAME: ZHAO HAI LONG

Address: No. 6, Cambridge st  
colombo 07

by the said



NAME: R.W.R. Pemasiri  
R.W.R. PEMASIRI  
Actg. Chairman  
Road Development Authority

Chairman, Road Development Authority

O. RATHNAWEERA

Working Director &  
Board Member

Road Development Authority

NAME: \_\_\_\_\_

Board Member, Road Development Authority

On behalf of Employer

IN THE PRESENCE OF:



NAME: \_\_\_\_\_

Address: \_\_\_\_\_



**LETTER OF ACCEPTANCE**

6  
+

මාර්ග සංවර්ධන අධිකාරිය  
 வீதி அபிவிருத்தி அதிகாரசபை  
 Road Development Authority

"සෙත්සිරිපාය", බත්තරමුල්ල, ශ්‍රී ලංකාව.  
 "செத்சிற்பாய", பத்தரமுல்லை, இலங்கை.  
 "Sethsiripaya", Battaramulla, Sri Lanka.

මගේ අංකය  
 எனது இல  
 My No. }  
 ඔබේ අංකය  
 உமது இல  
 Your No. }  
 දිනය  
 திகதி  
 Date }

20<sup>th</sup> January 2014.

China National Aero-Technology International Engineering Corporation  
 No. 18, Beicheng Eastern Road,  
 Chaoyang District,  
 Beijing,  
 P.R. China

Dear Sirs,

**China Development Bank Funded Priority Roads Project 3 - Phase 1**  
**Contract No. RDA/RNIP/PRP3/Phase-1 (Lot 2)/Package C12**  
**Letter of Acceptance**

1. This is to notify that your Tender dated 21<sup>st</sup> November 2013 for execution of the works in the following components under the Priority Roads Project 3 - Phase 1 (Lot 2) as detailed below for the Accepted Contract Amount of SL Rupees 4,015,085,648.98 (SL Rupees Four Thousand Fifteen Million Eighty Five Thousand Six Hundred Forty Eight and Cents Ninety Eight only) equivalent to US Dollars 30,636,762.94 (US Dollars Thirty Million Six Hundred Thirty Six Thousand Seven Hundred Sixty Two and Cents Ninety Four only) excluding VAT is hereby accepted by the Road Development Authority.

Contract Component No.	Description	Amount (Rs.)
RDA/RNIP/PRP3/Phase1 (Lot 2)/Package C12	Ayagama - Egaloya Road (0.00 - 23.00 km)	4,015,085,648.98

2. Pending the signing of a formal Contract Agreement, your offer referred to above together with this Letter of Acceptance shall form a binding contract between us only upon the Loan Agreement for funding this project has been executed by the Government of Sri Lanka and the Bank extending the Loan which event the RDA would inform in writing.
3. You are requested to furnish the Performance Security within 28 days of the Loan Agreement between the Government of Sri Lanka (GOSL) and the Bank extending the Loan becoming effective.
4. You are requested to submit a Power of Attorney effective till the expiry of the Defects Notification Period.
5. The contract/component reference number allocated is as given hereinabove and shall be quoted in all future correspondence on this Contract.

**Telephones :-**

Chairman 2862767, Director General 2862795, Working Director 2865779, General Numbers ++94-11-2871821-30  
 Additional Director Generals { Projects 2862485, AO&M 2864804, AD 2882194, P&P 2887463 }  
 Directorates { Administration 2865245, Engineering Services 2864803, Finance 2864799, Highway Designs 2874024,  
 Internal Audit 2865764, Lands 2889350, Legal 2885491, Mechanical 2872273, MM&C 2864804, Planning 2882995  
 Procurement 2787077, Rural Bridges 2623896, R&D 2632649, Training 2869342, Works 2864388 }

6. RDA will be represented by the Director General, Road Development Authority in matters connected with the Contract. Your correspondence to the Employer should be addressed to Road Development Authority, 1<sup>st</sup> Floor, Sethsiripaya, Battaramulla, Sri Lanka.
7. The Engineer for the purpose of the contract will be notified in due course.

Please acknowledge receipt of this letter and advise the date of receipt.

Yours faithfully,

  
R.W.R. Pemasiri  
Chairman  
Road Development Authority

cc:

The Auditor General  
Secretary, Ministry of Highway, Ports & Shipping  
Director General, ERD  
Director General, RDA  
Commissioner General, Inland Revenue Department  
Chief of Sri Lanka Resident Mission, China Development Bank

RWRP/rmg.

*Handwritten initials*

**LETTER OF TENDER**



## LETTER OF TENDER

NAME OF CONTRACT : Rehabilitation & Improvement of the following components under Priority Roads Project -3

CONTRACT PACKAGE NO : RDA/RNIP/PRP3/Phase I-LOT 2/Package C12  
(As detailed below)

<u>Component Reference No.</u>	<u>Description</u>	<u>Length(kms)</u>	<u>Amount(SLR)</u>
C12	Ayagama-Egaloya	23.00	4,015,085,648.98.

TO : Director General, Road Development Authority,  
1<sup>st</sup> Floor, Sethsiripaya, Battaramulla, Sri Lanka.

We have examined the Condition of Contract, Specification, Drawings, Bill of Quantities, the other Schedules and the attached Appendices for the execution of the above-named works. We offer to execute and complete the works and remedy any defects therein conformity with this Tender which includes all these documents, for the sum of SL Rupees 4,015,085,648.98 (SL Rupees Four Billion Fifteen Million Eighty Five Thousand Six Hundred Forty Eight And Ninety Eight Cents) or such other sum as may be determined in accordance with the Condition of Contract.

We acknowledge that the Appendices Form a part of this Letter of Tender.

If this offer is accepted, we will provide the specified Performance Security, commence the works as soon as is reasonably practicable after the Commencement Date, and complete the works in accordance with the above named documents within the Time for Completion.

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

Signature \_\_\_\_\_ In the capacity of Vice President Duly authorized to \_\_\_\_\_ for and behalf of China National Aero Technology International Engineering Corporation (CATIC-ENG).

Address: No. 18, Beichen Dong Street, Chaoyang District, Beijing, China.  
Sri Lanka Office: 7/7, N.79, Hyde Park Corner, Colombo 02

Date: 21.11.2013

W J.

**APPENDIX TO TENDER**

u j

APPENDIX TO TENDER (PRP3/C12)

<u>Item</u>	<u>Sub- Clause</u>	<u>Data</u>
Employer's name and address.....	1.1.2.2 & 1.3	Name : Road Development Authority Address : 1 <sup>st</sup> Floor, "Sethsiripaya", Battaramulla.
Contractor's name and address.....	1.1.2.3 & 1.3	China National Aero-Technology International Engineering Corporation (CATIC - ENG) No. 18, Beicheng Eastern Road, Chaoyang District, Beijing, P.R. China. Sri Lankan Office: 7/7, N.79, Hyde Park Corner, Colombo 02.
Engineer's name and address.....	1.1.2.4 & 1.3	To be notified in due course.
Time for Completion of the Works.	1.1.3.3	30 months
Defects Notification Period.....	1.1.3.7	365 days
Electronic transmission systems.....	1.3	Facsimile followed by confirmed delivery of the Original Copy of the Facsimile
Governing Law.....	1.4	The law in force is that of the Democratic Socialist Republic of Sri Lanka
Ruling Language.....	1.4	English
Language for communications.....	1.4	English
Time for access to the Site.....	2.1	07 days after the commencement date
Engineer's Duties and Authority....	3.1(b) (ii)	Employer's approval is required for the issue of: 1. Any single Variation resulting in an increase in excess of 0.1% of the Accepted Contract Amount; 2. Any Variation issued after the aggregate of such Variations has reached 2% of the Accepted Contract Amount.
Amount of Performance Security...	4.2	5% of the Accepted Contract Amount, in the currencies and proportions in which the Contract Price is payable.  The Performance Security shall be an on-demand unconditional Bank Guarantee in the form and from a bank acceptable to the Employer. If the Performance Security is issued by a foreign bank situated outside Sri Lanka,

112 J



it shall be endorsed by a bank in Sri Lanka acceptable to the Employer to make it enforceable in Sri Lanka. This endorsement is unnecessary if the entity that issues the guarantee is an Export Credit Agency of any foreign government or a reputed International Financier acceptable to the Central Bank of Sri Lanka.

Normal working hours.....	6.5	7.00 a.m. to - 5.00 p.m. (Monday to Saturday)
Delay damages for the Works.....	8.7 & 14.15(b)	0.05% Per Day of the Accepted Contract Amount
Maximum amount of delay damages	8.7	10% of the Final Contract Price

*If there are Provisional Sums:*

Percentage for adjustment of Provisional Sums	13.5(b)	15%
--	---------	-----

*If-Sub-Clause 13.8 applies:*

Adjustments for Changes in Cost Table(s) of adjustment data.....	13.8	for payments each Month/ [YEAR] in Rupee (currency)
---	------	--

Source of Index (ICTAD Bulletin of Construction Statistics)

<u>Input ID</u>	<u>Input Name</u>	<u>Input PC</u>
M48	ABC Road Metal	11.0%
P02	Heavy Equipment	7.1%
M30C	Bitumen 60/70	7.9%
P01	Small Equipment	6.8%
P03	Fuel	10.0%
M07	Aggregate (Metal)	8.7%
L03	Unskilled Labour	6.7%
M13	Reinforcement Steel	6.3%
M8	Sand	5.6%
M04	Cement Weighted Average	5.4%
L02	Semiskilled Labour	4.9%
L01	Skilled Labour	4.6%
M43	Precast Items	2.1%
M06	Rubble	2.9%
	<b>Total</b>	<b><u>90.00%</u></b>

The "Non adjustable elements"	13.8(c)(i)	(i) All items of work listed in Bill No. 01(A): Preliminary and General Items. (ii) All works on Provisional Items or Sums (iii) Works done by Dayworks
-------------------------------	------------	--

u

f

\* These values and dates confirm the definition of each index, but do not define Base Date indices.

Total advance payment	14.2	30% of the Accepted Contract Amount
Number and timing of instalments.	14.2	03 instalments as in Particular Conditions of contract
Currencies and proportions.....	14.2	30% in US\$ 70% in SLR
Start repayment of advance payment...	14.2(a)	See Provision in Sub Clause 14.2 of Particular Conditions of Contract.
Repayment amortization of advance Payment.....	14.2(b)	See Provision in Sub Clause 14.2 of Particular Conditions of Contract.
Percentage of retention.....	14.3	10%
Limit of Retention Money.....	14.3	5% of the Accepted Contract Amount
<i>If Sub-Clause 14.5 applies :</i>		
Plant and Materials for payment When shipped en route to the Site.....	14.5(b)(i)	Not applicable
Plant & Materials for payment when	14.5(c)(i)	<ol style="list-style-type: none"> <li>1. Cement</li> <li>2. Bitumen</li> <li>3. Reinforcement Steel</li> <li>4. Structural Steel</li> <li>5. Processed Aggregates complying with the relevant specifications.</li> <li>6. Sand</li> <li>7. Pre cast items</li> </ol>
Minimum amount of Interim Payment Certificates.....	14.6	1.5% of the Accepted Contract Amount
Currencies of payment.....	14.15	

u j

<u>Currency Unit</u>	<u>Percentage payable in the Currency</u>	<u>Rate of exchange: number of Local per unit of Foreign</u>
Local: Sri Lankan Rupees (SLR)	70%	1.000
Foreign: US Dollars (US\$)	30%	The rate of exchange shall be that stipulated for the applicable foreign currency by the Central Bank of Sri Lanka as at 21/10/2013 viz. 1 US\$ = SLR 131.0545

Periods for submission of insurance :		
(a) evidence of insurance .....	18.1	within 28 days after date of receiving the notice to commence
(b) relevant policies.....	18.1	within 28 days after date of receiving the notice to commence
Maximum amount of deductibles for Insurance of the Employer's risks....	18.2(d)	Sri Lanka Rupees 10 Million
Minimum amount of third party Insurance	18.3	Sri Lankan Rupees 10 Million
Date by which the DAB shall be		
Appointed.....	20.2	42 days after the Commencement Date
The DAB shall be .....	20.2	Three Members
Appointment (if not agreed) to be Made by .....	20.3	The President of the Institution of Engineers, Sri Lanka

u

x

6

7