

**FINANCIERA DEL DESARROLLO TERRITORIAL FINDETER S.A.**

**PRIVATE CALL NO.FCO-I-005-2018**

**TERMS OF REFERENCE TO CONTRACT THE TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUITY, ENVIRONMENTAL AND LEGAL AUDITING FOR THE PROJECT DENOMINATED:  
“THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE  
IMMERSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE  
MUNICIPALITY OF IBAGUÉ”, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE  
GENDER EQUITY AND SOCIAL INCLUSION PROGRAM**

**CONTRACTING MANAGEMENT**

**NOVEMBER 2018**

## Table of Contents

### CHAPTER I SPECIFIC PROVISIONS

1. SUBCHAPTER I SPECIFIC ASPECTS OF THE CONTRACT SUBJECT OF AUDITING
  - 1.1. OBJECT
    - 1.1.1. SCOPE
  - 1.2. LOCATION
  - 1.3. BUDGET
  - 1.4. TAXES
  - 1.5. CONTRACT EXECUTION TERM
2. SUBCHAPTER II SPECIFIC ASPECTS OF THE CONTRACT SUBJECT OF AUDITING
  - 2.1 DESCRIPTION OF THE CONTRACT OBJECT
3. SUBCHAPTER III SCHEDULE

### CHAPTER II GENERAL PROVISIONS

1. SUBCHAPTER I GENERAL
  - 1.1 DEFINITIONS
  - 1.2 ABBREVIATIONS
  - 1.3 APPLICABLE LEGAL REGIME
  - 1.4 GUIDING PRINCIPLES
  - 1.5 CALL FOR CITIZEN OMBUDSMEN
  - 1.6 ANTI-CORRUPTION
  - 1.7 CORRESPONDENCE
  - 1.8 PUBLICATION OF THE PROCESS
  - 1.9 SENDING OF THE TERMS OF REFERENCE AND PROCESS DOCUMENTS
  - 1.10 REMARKS ABOUT THE TERMS OF REFERENCE AND THE DOCUMENTS OF THE PROCESS
  - 1.11 ADDENDA
  - 1.12 PRESENTATION OF THE PROPOSALS
  - 1.13 FORM OF PRESENTATION OF THE PROPOSALS
    - 1.13.1 Envelope No. 1: Technical proposals
    - 1.13.2 Envelope No. 2: Economic Proposal
  - 1.14 REGLAS PARA LA PRESENTACIÓN DE PROPUESTAS
  - 1.15 DOCUMENTS STORED IN THE ENTITY
  - 1.16 PROHIBITION ON THE SUBMISSION OF ALTERNATIVE OR CONDITIONAL PROPOSALS
  - 1.17 TERM FOR RETURN OF PROPOSALS
  - 1.18 DEADLINE FOR SUBMISSION OF PROPOSALS
  - 1.19 DOCUMENTS ISSUED ABROAD
    - 1.19.1 LEGALIZATION
    - 1.19.2 APOSTILLE
  - 1.20 PROCEDURE FOR THE VERIFICATION OF CONTRACTS AND/OR PROJECTS GRANTED IN A FOREIGN CURRENCY
  - 1.21 DISQUALIFICATIONS AND INCOMPATIBILITIES
  - 1.22 CONFLICT OF INTEREST
  - 1.23 DUTY OF DILIGENCE AND INFORMATION ABOUT THE CONTRACT
  - 1.24 VERIFICATION AUTHORITY
  - 1.25 SUSPENSION AND/OR CANCELLATION OF THE PRIVATE CALL
  - 1.26 CLOSING OF THE PROPOSAL RECEIPT STAGE
  - 1.27 VERIFICATION OF LEGAL, TECHNICAL AND FINANCIAL ENABLING REQUIREMENTS
    - 1.27.1 RECTIFICATION RULES
    - 1.27.2 ENABLING REQUIREMENTS VERIFICATION REPORT
  - 1.28 OBSERVATIONS TO THE ENABLING REQUIREMENTS VERIFICATION REPORT
  - 1.29 RESPONSE TO COMMENTS SUBMITTED TO THE VERIFICATION REPORT ON ENABLING REQUIREMENTS
  - 1.30 OPENING OF ENVELOPE NO. 2-ECONOMIC PROPOSAL
  - 1.31 METHODOLOGY AND EVALUATION OF THE ENABLED PROPOSALS
  - 1.32 DURING THE EVALUATION PROCESS
  - 1.33 TIE-BREAK CRITERIA
  - 1.34 MODIFICATION OR REPEAL OF THE SELECTION ACT
  - 1.35 CAUSES OF REJECTION
  - 1.36 GROUNDS FOR DECLARING THE PRIVATE CALL VOID
  - 1.37 CONTRACT SUBSCRIPTION
  - 1.38 LEGALIZATION OF THE CONTRACT
  - 1.39 WARRANTY APPROVAL
  - 1.40 CONSEQUENCE OF THE NON-SUBSCRIPTION OF THE CONTRACT AND/OR FULFILMENT OF THE EXECUTION REQUIREMENTS OF THE SAME

- 1.41 SPECIFIC MINIMUM STAFF EXPERIENCE REQUIRED
- 1.42 PERSONNEL TIME COMMITMENT
- 1.43 RISK MATRIX
- 1.44 GUARANTEES
- 1.45 SUPERVISION OF THE AUDITING CONTRACT
- 1.46 SPECIAL LICENSES AND PERMITS
- 1.47 SPECIAL CLAUSES
- 1.48 RISK MANAGEMENT CLAUSE
- 2. SUBCHAPTER II VERIFICATION OF LEGAL, TECHNICAL AND FINANCIAL ENABLING REQUIREMENTS
  - 2.1 BID DOCUMENTS
    - 2.1.1 EXISTENCE AND LEGAL REPRESENTATION
    - 2.1.2 DOCUMENT OF INCORPORATION OF THE PLURAL BIDDER (IF APPLICABLE):
      - 2.1.2.1 GENERAL PROVISIONS FOR PLURAL BIDDERS
    - 2.1.3 CITIZENSHIP CARD OR ITS EQUIVALENT
    - 2.1.4 CERTIFICATE OF FISCAL RESPONSIBILITY OF THE COMPTROLLER GENERAL OF THE REPUBLIC
    - 2.1.5 CERTIFICATE OF HISTORY FROM THE OFFICE OF THE ATTORNEY GENERAL OF THE NATION
    - 2.1.6 CERTIFICATION OF JUDICIAL RECORDS
    - 2.1.7 AUTHORIZATION FOR THE TEMPORARY EXERCISE OF THE PROFESSION IN COLOMBIA
    - 2.1.8 BID BOND
    - 2.1.9 UNIQUE TAX REGISTER OR ITS EQUIVALENT
    - 2.1.10 CERTIFICATION OF FULFILMENT OF OBLIGATIONS WITH THE GENERAL SYSTEMS OF INTEGRAL SOCIAL SECURITY AND EMPLOYEE WITHHOLDINGS CONTRIBUTIONS
    - 2.1.11 REQUIREMENT TO BE A CERTIFIED PROFESSIONAL CIVIL ENGINEER OR SANITATION ENGINEER- NATURAL PERSON
    - 2.1.12 BID CERTIFICATION
    - 2.1.13 CERTIFICATION OF THE STATUTORY AUDITOR
    - 2.1.14 PREVENTION OF LAUNDERING OF ASSETS AND FINANCING OF TERRORISM
- 3. SUBCHAPTER III VERIFICATION OF LEGAL, TECHNICAL AND FINANCIAL ENABLING REQUIREMENTS
  - 3.1. ENABLING REQUIREMENTS
    - 3.1.1. LEGAL ENABLING REQUIREMENTS
    - 3.1.2. FINANCIAL ENABLING REQUIREMENTS
      - 3.1.2.1. NATIONAL BIDDERS
      - 3.1.2.2. FOREIGN BIDDERS
    - 3.1.3. TECHNICAL ENABLING REQUIREMENTS
      - 3.1.3.1. SPECIFIC BIDDER EXPERIENCE (ENABLING)
        - 3.1.3.1.1 RULES FOR THE ACCREDITATION OF THE SPECIFIC EXPERIENCE OF THE BIDDER
- 4. SUBCHAPTER IV EVALUATION AND RATING OF THE PROPOSALS
  - 4.1. CRITERIA FOR THE EVALUATION AND RATING OF THE PROPOSALS
    - 4.1.1. EVALUATION AND RATING OF THE ECONOMIC PROPOSAL

**Annexes:**

Annex 1: Personnel required  
 Annex 2: Risk matrix  
 Annex 3: Contract minutes  
 Annex 4 Social Management and Gender Equity plan

**Forms:**

Form 1: Letter of presentation of the proposal.  
 Form 2: Payment certificate employee withholding contributions and general system of integral social security.  
 Form 3: Specific experience of the bidder to enable the proposal.  
 Form 4: Economic proposal.  
 Form 5: Detailed economic proposal estimate and multiplier factor.  
 Form 6: Sworn statement corresponding to the identification of the real beneficiary  
 Form 7: Sworn declaration of the non-existence of a conflict of interest  
 Form 8: Sworn statement form on penalty clauses, collection penalty clauses, fines, penalties or declarations of non-compliance and/or resolution or early termination due to imposed contractor defaults  
 Form 9: Sworn declaration form of the non-existence of imposition of penalty clauses, collection penalty clauses, fines, penalties or declarations of default and/or resolution or early termination due to the breach of contracts  
 Form 10: Declaration form registration in the unique register of bidders of the single business register of the chamber of commerce  
 Form 11: Letter of commitment on the incorporation of gender equity and social inclusion in the development of the project  
 Form 12: Promise of technical assistance contract

## BACKGROUND AND GENERAL DESCRIPTION OF THE PROCESS

In order to support and promote the development of Colombia, the Foreign and Commonwealth Office (FCO) through the British Embassy in Colombia and FINDETER, signed a memorandum of understanding (hereinafter the "MoU"), on the 23rd of November 2017, for the execution of the Prosperity Fund, for an amount of twelve million eight hundred thousand pounds (£12,800,000). The following objectives are sought through this agreement:

- Improving the infrastructure of cities in Colombia to: a) Help meet the UN's Sustainable Development Goals, in specific objective 11 *"Make cities inclusive, safe, resilient and sustainable"* b) Support inclusive economic growth, poverty reduction and gender equity, taking into account the following problems: (i) Urban planning, (ii) Gender equity, (iii) Mobility and transportation (iv) Access to public services and (v) Adaptation to climate change and risk mitigation.
- To generate tools for the development of strategies for the administration and promotion of rail transport in Colombia, and to create a new alternative of transport of people and freight. This must be accessible, economic, responsible with respect to gender issues and effective. Operational, environmental and economic efficiencies must be taken into account through the identification and financial development opportunities and regulatory instruments used for their implementation.
- To improve the effectiveness, efficiency, cost reduction and systematization of the contracting processes of the different programs in the regions of Colombia. The objective is to promote and improve the conditions of fairness and fair competition for foreign investment through the growth of transparency, responsibility and reduction of the potential for corruption in contracting processes.

The Project on which the auditing is required has as its object **"THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ", INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM "**,

Since it is necessary for the execution of the project, to have the constant monitoring and supervision thereof, which is why this document is prepared to contract **THE TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUITY, ENVIRONMENTAL AND LEGAL AUDITING FOR THE PROJECT DENOMINATED: "THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ", INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM**

The resources of the component to achieve the UN's sustainable development goals were defined for ten (10) cities, selected by means of a study contracted by the British Embassy in Colombia and developed by the firm Ernst & Young, within which the municipality of Ibagué is located.

By email of May 7, 2018 and June 8th, 2018, the *"Convenience Analysis"* document was delivered to FINDETER by the Municipality of Ibagué, as well as the plans and cartography that will serve as input for the Contract activities, in order that within the technical assistance provided by Findeter, the pre-contractual process of the project called: **THE CONTRACTING OF THE TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUITY, ENVIRONMENTAL AND LEGAL AUDITING FOR THE PROJECT DENOMINATED: "THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ", INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM** will be started.

The technical information that supports the Private Call corresponds to documentation prepared by the Municipality of Ibagué and by IBAL S.A. E.S.P.; which includes, amongst others, the identification and characterization of the service to be contracted, the activities to be developed, description of the need and information of the existing infrastructure.

## CHAPTER I SPECIFIC PROVISIONS

### SUBCHAPTER I OF THE PRIVATE CALL

#### 1.1. OBJECT

The purpose of this Private Call is to contract the **TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUITY, ENVIRONMENTAL AND LEGAL AUDITING** for the execution in two (2) phases subject to the condition of the **“THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ”, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM**” with activities, budgets and products defined.

#### 1.2. SCOPE

In order to comply with the Memorandum of Understanding signed between FINDETER and the Foreign and Commonwealth Office (FCO) and in accordance with the requirements thereof, the private call will be held in order to select the contractor to execute the **STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ”, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM**, for which, the support of an audit is required in two (2) stages, subject to conditions, with the defined activities, budgets and products, in such a way that the auditor can guarantee the fulfillment of the objectives of the contract subject to monitoring.

The phases of the auditing contract of supervision are described as follows:

Phase 1: Feasibility studies auditing.

Phase 2: Detailed designs auditing

##### 1.2.1. PHASE 1. FEASIBILITY STUDIES AUDITING

It consists of the execution of the technical, administrative, financial, accounting, environmental, social and gender equality and legal auditing, to PHASE 1 of the CONTRACT SUBJECT OF MONITORING whose purpose is **“THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ”, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM**”.

In order to guarantee the proper execution of this Phase, the auditor must know in its entirety, the contract subject of monitoring as well as all the documents that are part of it, in order that it has the full capacity to identify the activities, requirements and products that are the object of the contract on which it should exercise control and monitoring.

##### 1.2.1.1. PHASE 2. DETAILED DESIGNS AUDITING

It consists of the execution of the technical, administrative, financial, accounting, environmental, social and gender equality and legal auditing, to PHASE 2 of the CONTRACT SUBJECT OF MONITORING whose purpose is **“THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ”, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM “**

The activities of the Auditor for the adjustments of the studies and designs consist in the review and approval of all the products, where it will be obligatory for the auditor to ensure that the project execution contractor performs all the adjustments and corrections that are required so that the products are delivered in a timely manner, being fully aware of the mechanisms established by the contract to ensure effective compliance by the project executor, and to guarantee that these will be developed in accordance with the Terms of Reference, within the terms established by the Contracting Party and within the schedules and work plans prepared by the contractor and approved by the supervisor. These activities include the verification, control, demand, prevention, as well as obligations to absolve, collaborate and request methodologies, calculations and test protocols.

The Auditor must ensure that THE CONTRACTOR complies with the established design requirements and the current provisions for the area of water and basic sanitation, especially the Technical Regulation of the Drinking Water and Basic Sanitation Sector (RAS) in its current version, issued by the Ministry of Economic Development of the Republic of Colombia, today the Ministry of Housing, City and Territory (MVCT) and the Manuals of Good Engineering Practices corresponding to the Sector of Drinking Water and Basic Sanitation.

The activity of the Auditor in the creation of the studies and designs implies, by its very nature, an impartial and neutral position to be able to develop its functions, and as a result in the interpretation of the control, in the taking of decisions, in the inspection of the parameters, methodology and other elements contemplated by the design, the Auditor must meet the objectives of its functions indicated below:

**To Verify**, the true situation and level of compliance with the contract, through the realization of permanent visits, meetings, quality control, corrective application, problem solving, decision making and answering of doubts.

**To Control**, through the functions of inspection, assessment, corroboration and evaluation, and determine if the execution of the project is in accordance with the provisions of the contract and if the execution of the contract is being carried out in accordance with the established technical, legal, administrative and legal and specifications within the period defined for its execution. The control activities should be carried out specifically in relation to:

1. The technical, social and gender equality aspects and scope of the contracted object
2. Administrative activities under the responsibility of the contractor
3. Legal activities
4. Financial and budgetary activities
5. All contractual stipulations and operational plans
6. Protect the interests of the Entity and safeguard its responsibility
7. Permanently monitor the correct execution of the contracted Object.
8. The deadlines, terms and other contractual conditions, guaranteeing the efficient and timely investment of the contractually established resources

**To Demand**: it is obligatory to inform and demand the adequate and timely compliance of the contractual clauses, under the threat of requesting and/or undertaking the initiation of the respective penalty, compensatory and indemnifying procedures conducive to said goal.

**To Prevent**, seek the timely and adequate correction of errors that arise within the legal parameters achieving the effective execution of the contract, always within the law and the contractual commitments that govern it.



**To Absolve**, by virtue of the principle of mediation, to absolve and respond to all doubts that may arise regarding the execution of the contract.

**To Collaborate**, by forming a team that together must solve all the problems or difficulties that arise at a technical, legal, administrative and financial level, for the proper development of their work, and this must be integrated into the team without this meaning any type of variation in the responsibilities of the parties.

**To Request**, in a timely manner, that the contractor corrects or remedies, promptly, those failures that do not affect the validity of the contract. Request that sanctions be imposed on the contractor for contractual breaches, or issue its opinion regarding the feasibility of extending, adding or modifying the contract, amongst other issues.

#### **Main functions of the Auditing.**

The main functions of the Auditing to be contracted for the monitoring and control of the Project called: **“THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ”, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM**”, that must be developed in the execution of the different stages of the contract, are as follows:

1. Present the organizational chart of the Audit Department, which must contain at least one management office, a group of technical specialists, a management and support group.
2. Have complete and detailed knowledge of the terms of reference, proposal, contract, execution schedule, proposed work methodologies and any other document that is part of the contract subject of monitoring.
3. Supervise, verify and approve the collection of secondary, primary information and reports that the contractor performs.
4. Verify that the definitive designs and specifications comply with everything established in the legislation in force.
5. Ensure that the designs are made in accordance with the provisions of the Terms of Reference, the Technical Annex of the contract and the particular specifications.
6. Verify that possible areas of flood or drainage problems are identified.
7. Verify that the reports and plans presented by the designer contractor contain the necessary information that allows a correct interpretation during the construction stage.
8. Ensure that the limits of the project are established, defining the best alternative for the selection of the most optimal solution and that which is the most convenient for the Project.
9. Verify that, according to the information presented by the designer contractor, the experience of the professionals who elaborate Studies and Designs complies with the requirements established in the Terms of Reference and other supporting documents of the contract.
10. Inspect the works of the designs in order to identify possible non-conformities that may affect the scope of the project object.
11. Order that the design works and all the products subject to monitored contract that are detected as being defective be re-engineered and inspect them.
12. Review and verify the reports produced by the Quality Management systems of the design companies, in order to find points of potential error in the preparation of the adjustments.
13. If the designs are products of a contracting, the Auditor is responsible for applying the penalties that may arise and that are stipulated in the bid specifications and contract specifications.
14. Carry out periodic technical and administrative follow-up meetings, usually fortnightly, with the participation of the supervisor and the specialist directors of both the designer and the auditor. Minutes/documents will be drawn up from these meetings, duly approved by the parties, where the topics discussed and the agreements and commitments established are recorded.
15. Review the technical and administrative documents or those of any other nature, prepared by the designer contractor and submitted by the latter to the Auditor and to the Contracting Party. Prepare written documents with comments arising from reviews of technical and administrative documents or those of any other type that have been submitted by the contractor.



16. Hold specific technical meetings, whenever required, to elucidate and reconcile technical discrepancies arising from the review of the documents prepared by the designer contractor.
17. Conduct inspection visits to the sites under design, during the development of the field works.
18. Endorse and/or request clarifications or explanations from the contractor, about the recommendations or actions of the Designer Contractor.
19. The Auditor is responsible for conceptualizing and carrying out support to the contracting party when situations that may result in the possible application of penalty clauses, specific conditions, clauses of constraint, or any other sanction clause are evidences, provided that it is stipulated in the contract, in the terms of reference and in the contracting specifications.
20. Review and final approval of technical, legal, financial, social management and gender equity and administrative documents that are prepared in compliance with the object of the consulting contract subject to auditing.
21. Verify and approve or object to the studies and deliverables product of the contract until the optimum results are obtained for the effective fulfilment of the contract subject to auditing.
22. Maintain the custody and ensure the correct storage of the information of the contract subject to supervision based on the records, including all the minutes and document that may be generated during the execution of the same. In addition, deliver the respective copies in physical and digital media to the contractor.
23. Approve financial models
24. Approve the reports and products of the different stages of the legal and financial structuring according to the products to be delivered established in the legal and financial annex of the contract subject of monitoring.
25. Carry out the review and approval of the social management and gender equity plan that the contractor delivers.
26. Ensure compliance with the contract subject of monitoring.
27. Regularly schedule, and whenever it is deemed appropriate, meetings with the participation of the contractor and Findeter and other stakeholders that may be required, in order to analyse the technical, administrative and legal, financial, social and other aspects related to the contract, preparing the respective meeting documents.
28. Assist and support Findeter in all meetings requested by it and those established in the framework of the contract subject of monitoring.
29. Perform the auditing of the personnel assigned to the project by the contractor through a methodology proposed by the auditor and control and approve the payments that are periodically made to the contractor.
30. Record in the minutes any agreement or pact that is necessary and convenient for the normal development of the contract subject of monitoring, which must have the approval of Findeter before they are put into practice. The foregoing, considering that any agreement, pact or commitment that has the power to modify the contract subject of monitoring must be subject to approval by the contracting party through the subscription of the respective additional contract document before any activities not foreseen in the initial scope of the contract are carried out.
31. Send a copy to Findeter of all communications or orders addressed to the contractor. Findeter may modify the determinations it deems appropriate.
32. Evaluate and present, with its corresponding justification before Findeter, any request for modification, extension or addition that affects the development of the contract subject of monitoring, for its review and approval or non-approval.
33. Require and order the contractor to intensify activities that are not being developed in accordance with the provisions of the contract, the approved schedule, the proposed methodology or when the needs of Findeter so require, in order to comply with the respective contractual goals.
34. Order the suspension of activities not contemplated in the development of the contract or failure to comply with the purpose thereof, with the prior authorization of Findeter.
35. Inform and resolve the concerns of the officials that Findeter designates as supervisors to support the supervision, and resolve their concerns, through conferences and/or work tables, about the products of the contract subject of monitoring and that are endorsed by the auditing.
36. Make known to Findeter, at least one (1) month in advance, the request or need to extend the contract and likewise clearly demonstrate the expected date for the expiration of the same. In each of these cases, the Auditor will be responsible for timely requesting the procedure, after justification of the facts, leaving the final determination to Findeter's judgment.

The tasks of the Auditing must be framed within the Quality Management System of FINDETER, for the development of Studies, Designs, Auditing and Consulting for the engineering projects and also within the Manual of Supervision and Auditing of Findeter.

Likewise, an Auditing is required to exercise the control and surveillance of the actions that the contractor will execute, in order to achieve compliance with the obligations acquired in the contract and its constituent elements (Terms of Reference, the proposal of the contractor, Technical Annex and other supporting documents that are part of the contract).

The auditing that is contracted as a product of this previous study and its corresponding selection process, will perform the **Technical, Administrative, Financial, Accounting, Social and Gender Equity, Environmental and Legal Auditing** of the execution of the contract.

In addition, the **AUDITOR** must present each of the reports to which it is obliged in the development of the contract and those stipulated in the Supervision and Auditing Manual that will be delivered to it at the moment of signing the contract.

The purpose of the contracting the Auditing is to ensure maximum compliance with the contractual object, therefore it is timely and convenient to have the services of a natural and/or legal person acting as auditor and guaranteeing compliance with the objectives of the contract and the project, and that assumes the obligations of monitoring the execution of the contract with the social, administrative, fiscal and disciplinary responsibility that covers it thanks to its capacity of auditor of the resources.

The contracting is convenient for the CONTRACTING PARTY since at present it does not have human resources with specialized knowledge in these actions that can be dedicated exclusively to the work of monitoring and control of the resources that are executed in the framework of the contract subject of monitoring to which the monitoring of the auditing that is intended to be contracted will be directed. For the foregoing, it is essential for the CONTRACTING PARTY to advance a contracting process for auditing for this purpose.

### 1.3. PLACE OF LOCATION OF THE PROJECT - PLACE OF EXECUTION OF THE CONTRACT

The project is located in the city of Ibagué, capital of the Department of Tolima, located 210 kilometres west of Bogotá (Colombian capital), on a sloping terrace, which is part of one of the buttresses of the Cordillera Central.



Figure 1. Location of the Municipality of Ibagué – Tolima (source Google Maps).

The zone of influence of the project corresponds to the south eastern zone of the city of Ibagué, where the collectors and other networks of the sewer system that are part of the Mirolindo – Picalaña Water Sanitation Plan (see Figure 2) are found.

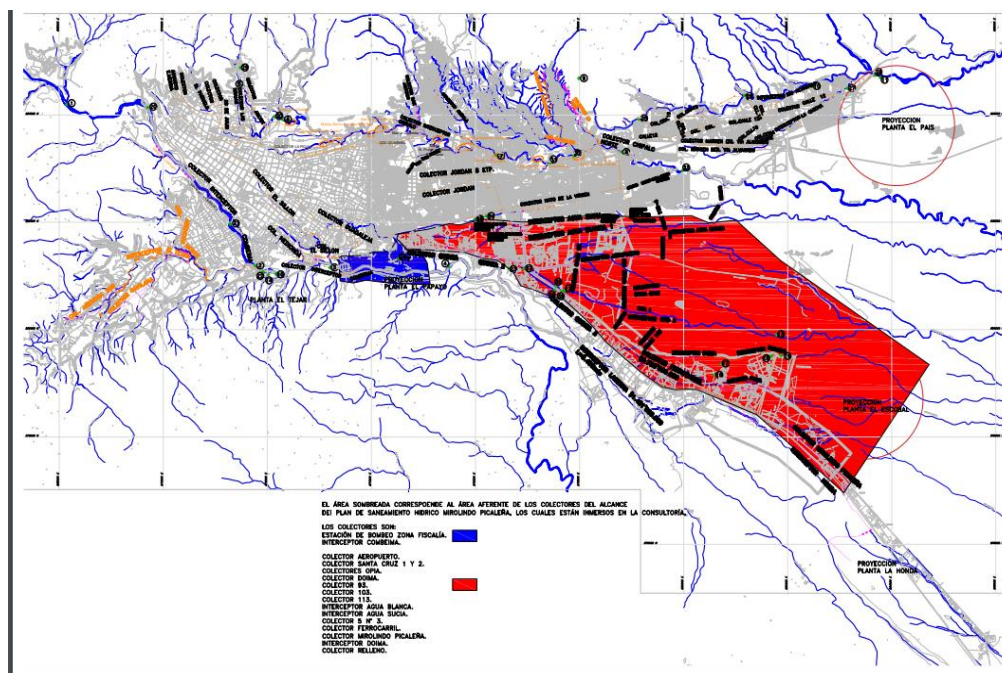


Figure 2. Location Southeast Zone Municipality of Ibagué – Tolima (Source Google Maps).

#### 1.4. ESTIMATED BUDGET

The estimated budget for this integrated auditing of the conditional execution of the contract by phases is for the sum of **FOUR HUNDRED AND THIRTEEN MILLION SIX HUNDRED AND TWENTY THOUSAND FIVE HUNDRED AND FIFTY PESOS (\$413,620,550)** including transportation costs, expenses, taxes, fees and other contributions.

Budget that Corresponds to the sum of the estimated value for each Phase, Establishing for each one the following:

PHASE	TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN AUDITING	
	NUMBERS	LETTERS
PHASE 1: Feasibility Study auditing	\$ 113,602,840.00	ONE HUNDRED AND THIRTEEN MILLION SIX HUNDRED AND TWO THOUSAND, EIGHT HUNDRED AND FORTY PESOS
PHASE 2: Detailed designs auditing	\$ 190,468,580.00	ONE HUNDRED AND NINETY MILLION FOUR HUNDRED AND SIXTY-EIGHT THOUSAND FIVE HUNDRED AND EIGHTY PESOS

PHASE	<b>TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN AUDITING</b>	
	NUMBERS	LETTERS
<b>TOTAL ESTIMATED BUDGET FOR THE AUDITING OF THE TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN (PHASE 1 + PHASE 1I)</b>	<b>\$ 304,071,420.00</b>	<b>THREE HUNDRED AND FOUR MILLION SEVENTY-ONE THOUSAND, FOUR HUNDRED AND TWENTY PESOS</b>

PHASE	<b>LEGAL AND FINANCIAL STRUCTURING COMPONENT AUDITING</b>	
	NUMBERS	LETTERS
<b>PHASE 1: Feasibility Study auditing</b>	<b>\$ 36,087,400.00</b>	<b>THIRTY-SIX MILLION EIGHTY-SEVEN THOUSAND, FOUR HUNDRED PESOS</b>
<b>PHASE 2: Detailed designs auditing</b>	<b>\$ 73,461,730.00</b>	<b>SEVENTY-THREE MILLION FOUR HUNDRED AND SIXTY-ONE THOUSAND, SEVEN HUNDRED AND THIRTY-PESOS</b>
<b>TOTAL ESTIMATED BUDGET FOR THE LEGAL AND FINANCIAL STRUCTURING COMPONENT OF (PHASE 1 + PHASE 1I)</b>	<b>\$ 109,549,130.00</b>	<b>ONE HUNDRED AND NINE MILLION FIVE HUNDRED AND FORTY-NINE THOUSAND, ONE HUNDRED AND THIRTY PESOS</b>

PHASE	<b>ESTIMATED BUDGET AUDITING</b>	
	NUMBERS	LETTERS
<b>PHASE 1: Feasibility Study auditing</b>	<b>\$ 149,690,240.00</b>	<b>ONE HUNDRED AND FORTY-NINE MILLION SIX HUNDRED AND NINETY THOUSAND, TWO HUNDRED AND FORTY PESOS</b>
<b>PHASE 2: Detailed designs auditing</b>	<b>\$ 263,930,310.00</b>	<b>TWO HUNDRED AND SIXTY-THREE MILLION, NINE HUNDRED AND THIRTY THOUSAND, THREE HUNDRED AND TEN PESOS</b>
<b>TOTAL ESTIMATED BUDGET FOR THE LEGAL AND FINANCIAL STRUCTURING COMPONENT OF (PHASE 1 + PHASE 1I)</b>	<b>\$ 413,620,550.00</b>	<b>FOUR HUNDRED AND THIRTEEN MILLION SIX HUNDRED AND TWENTY THOUSAND, FIVE HUNDRED AND FIFTY PESOS</b>

The value of the estimated budget for the auditing contract includes the salaries of the staff used for the execution of the work, including the multiplier factor, administrative expenses, direct costs (main office lease, furniture, stationery, plotting of plans, public services, copies, photographs, aerial displacement, terrestrial displacement, lodging, laboratory tests, topography equipment, special equipment, in addition to other direct costs) and other taxes that are caused by the entering into, execution and liquidation of the contract, as well as the administrative expenses generated during the execution of the same. The multiplier factor only applies to salaries, including Sunday and public holiday overtime, and items that have effects on social benefits, such as localization bonuses.



Each Phase shall have an estimated, specific and differentiated budget, in consideration of the provisions of these Terms of Reference. The economic proposal, once the arithmetic corrections have been made, may not be lower than the minimum value or above the maximum value of the estimated budget for the Private Call, and the proposal for each phase may not be less than the minimum value or greater than the maximum value of the budget established for the respective phase or project.

- 1.4.1. The Estimated Budget for the development of Phase 1 for the execution of the Auditing of the technical component and structuring of the social management and gender equality plan of **ONE HUNDRED AND THIRTEEN MILLION SIX HUNDRED AND TWO THOUSAND, EIGHT HUNDRED AND FORTY PESOS (\$ 113,602,840.00)** including transport costs, expenses, taxes, fees and other contributions that may apply.
- 1.4.2. The Estimated Budget for the development of Phase 1 for the execution of the Auditing of the component of legal and financial structuring of **THIRTY-SIX MILLION EIGHTY-SEVEN THOUSAND, FOUR HUNDRED PESOS (\$36,087,400.00)** including transport costs, expenses, taxes, fees and other contributions that may apply.
- 1.4.3. The Estimated Budget for the development of Phase 2 for the execution of the Auditing of the technical component and structuring of the social management and gender equality plan of **ONE HUNDRED AND NINETY MILLION FOUR HUNDRED AND SIXTY-EIGHT THOUSAND FIVE HUNDRED AND EIGHTY PESOS (\$190,468,580.00)** including transport costs, expenses, taxes, fees and other contributions that may apply.
- 1.4.4. The Estimated Budget for the development of Phase 2 for the execution of the Auditing of the component of legal and financial structuring of **SEVENTY-THREE MILLION FOUR HUNDRED AND SIXTY-ONE THOUSAND, SEVEN HUNDRED AND THIRTY-PESOS (\$73,461,730.00)** including transport costs, expenses, taxes, fees and other contributions that may apply.

The values corresponding to the minimum value and the maximum value of the value of each Phase and the total value of the estimated budget are summarized below:

Auditing of the technical component and social management and gender equity plan		
PHASE	MINIMUM AMOUNT FOR THE PHASE	MAXIMUM AMOUNT FOR THE PHASE
PHASE 1: Auditing of the Feasibility Study	\$ 102,242,556.00	\$ 113,602,840.00
PHASE 2: Auditing of the Detailed Designs	\$ 171,421,722.00	\$ 190,468,580.00
<b>TOTAL ESTIMATED BUDGET (Phase 1 + Phase 2)</b>	<b>\$ 273,664,278.00</b>	<b>\$ 304,071,420.00</b>

Auditing of the legal and financial structuring component		
PHASE	MINIMUM AMOUNT FOR THE PHASE	MAXIMUM AMOUNT FOR THE PHASE
PHASE 1: Auditing of the Feasibility Study	\$ 32,478,660.00	\$ 36,087,400.00
PHASE 2: Auditing of the Detailed Designs	\$ 66,115,557.00	\$ 73,461,730.00
<b>TOTAL ESTIMATED BUDGET (Phase 1 + Phase 2)</b>	<b>\$ 98,594,217.00</b>	<b>\$ 109,549,130.00</b>

Estimated Budget for the Auditing		
PHASE	MINIMUM AMOUNT FOR THE PHASE	MAXIMUM AMOUNT FOR THE PHASE
PHASE 1: Auditing of the Feasibility Study	\$ 134.721.216,00	\$ 149.690.240,00

PHASE 2: Auditing of the Detailed Designs	\$ 237.537.279,00	\$ 263.930.310,00
<b>TOTAL ESTIMATED BUDGET (Phase 1 + Phase 2)</b>	<b>\$ 372.258.495,00</b>	<b>\$ 413.620.550,00</b>

## 1.5. BUDGET AVAILABILITY

The resources to execute the contract are supported by the Memorandum of Understanding signed between FINDETER and the British Embassy in Colombia, supported by the CDP number CDP18PROSPE-0005 of THE 4<sup>th</sup> of December 2018.

## 1.6. TAXES

The resources provided within the framework of the Memorandum of Understanding (MOU) signed on the 23rd of November 2017 between the Government of the United Kingdom of Great Britain and Northern Ireland represented by the Foreign and Commonwealth Office (FCO) and Findeter, are exempt from taxation by virtue of Decree 540 of 2004, regulated by article 96 of Law 788 of 2002, establishing the general conditions and requirements for access to the tax benefit.

Article 1 reiterates that the benefit applies to all the "(...) *Funds or resources in money originating from aid or donations destined for programs of common utility in Colombia, coming from entities or governments of countries with which intergovernmental agreements or agreements with the Colombian Government exist (...)*".

Notwithstanding the above, the bidder shall consider in its proposal all costs corresponding to taxes, fees, contributions or levies which may be caused by the subscription, execution and settlement of the contract, which apply to it.

In addition, the bidder must take into account the costs of the insurance policies or bank guarantee, included in the WARRANTIES paragraph of these terms of reference and all other taxes generated by the entering into this agreement.

It is the sole responsibility of the BIDDER to carry out the inquiries, calculations and estimates that it considers necessary to prepare its economic proposal and therefore, they should consult with the different collecting entities which Tax applies to them if they are a successful bidder, all this framed in the fact that FINDETER S.A., is the CONTRACTING PARTY and it performs the contracting under the private law Legal Regime.

## 1.7. CONTRACT EXECUTION TERM

The general term of the contract is **TEN (10) MONTHS**, which corresponds to the sum of the individual periods of each of the phases. The deadlines shall be counted considering the start and termination documents of each one of the phases. Also, the general term of the contract will begin to be counted from the signing of the initiation document of Phase 1.

Deadlines have been determined according to the time required for each activity. The distribution of time periods described must be considered independently at when preparing the economic proposal.

During the time established between the completion of the Phase 1 term for each of the components and the subscription of the initiation document of Phase 2 for each of the components, the CONTRACTING PARTY shall not recognise any amount in addition to that established and effectively executed for each Phase in the present study.

THE AUDITING CONTRACTOR must subscribe an initiation document for each Phase. The documents of the AUDITING CONTRACT must be signed simultaneously with the initiation documents of the contract subject of monitoring.

The terms for each phase are presented below:

Phase description	Execution time	Total term
<b>Phase 1:</b> Feasibility studies auditing.	Three (3) months	<b>Ten (10) months</b>
<b>Phase 2:</b> Detailed designs auditing	Seven (7) months *	

\* The execution time of Phase 2 is distributed as follows for each component:

COMPONENT	EXECUTION TIME
Technical Component and Social Management and Gender Equity Plan	Five (5) months
Legal and Financial Structuring Component	Seven (7) months



## SUBCHAPTER II SPECIFIC ASPECTS OF THE AUDITING CONTRACT

### 2.1. DESCRIPTION OF THE CONTRACT OBJECT

FINDETER S.A., is interested in contracting the **TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUITY, ENVIRONMENTAL AND LEGAL AUDITING** for the execution in two (2) phases subject to the condition of **“THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ”, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM**” with activities, budgets and defined products.

The project includes execution in two (2) phases, conditions, budgets and defined products.

Phase 1: Feasibility studies auditing.

Phase 2: Detailed designs auditing

### 2.2. PHASE 1. AUDITING OF THE FEASIBILITY STUDIES

It consists of the performance of the technical, administrative, financial, accounting, environmental, social and gender equity and legal auditing, to PHASE 1 of the CONTRACT SUBJECT OF MONITORING whose purpose is the **“THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ”, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM**”

In order to guarantee the proper execution of this Phase, the auditor must fully know the contract subject of monitoring as well as all the documents that are part of it, so that it has full capacity to identify the activities, requirements and products that are the object of the contract subject of monitoring on which it should exercise control and surveillance.

#### 2.2.1. SUBSCRIPTION OF THE INITIATION DOCUMENT OF PHASE 1

Within FIVE (5) days after the subscription of the contract, prior to the subscription of the Phase 1 Initiation Document, the following requirements must be complied with:

For the start of STAGE 1 the AUDITING CONTRACTOR and the CONTRACTING PARTY must subscribe the corresponding initiation document, which must contain, in addition to other items, the following:

1. Place and date of subscription of the document.
2. Name and complete identification of the participants.
3. Term.
4. Planned completion date of Phase 1.
5. Value of Phase 1.
6. Information of the AUDITING CONTRACTOR and SUPERVISOR.

Its signing will proceed once the compliance, among others, of the following requirements is verified:

**a. Approval of the AUDITING CONTRACTOR staff for PHASE 1.** The CONTRACTING PARTY, through the delegated Supervisor, will verify and approve compliance with the profiles required for the professionals defined in the bid for the

execution of Phases 1 and 2. It will also verify the contracts of work and / or contracts for the provision of services signed between the staff and the AUDITING contractor or one of the members of the plural bidder. The AUDITING CONTRACTOR shall deliver to the Supervisor delegated by the CONTRACTING PARTY, prior to the subscription of the certificate of initiation of the Phase I, the supporting documents that accredit the quality and experience of the professional personnel required for Phases 1 and 2. **The auditing contractor must have a female quota of at least 30% of the team executing the project.**

**b. Approval of the methodology and programming of activities of the PHASE 1.** THE CONTRACTING PARTY through the delegated Supervisor will approve the methodology and programming of activities, in which sequences will be established, duration (start date and end date), those responsible, the physical resources and method of monitoring the programming. Under no circumstances may the proposed program exceed the period stipulated for Phase 1. Programming will be monitored weekly.

**c. Approval of guarantees.** The CONTRACTING PARTY, through the delegated Supervisor, will review that the protections corresponding to the guarantees of PHASE 1, correspond to the requirements of the Contract and the Terms of Reference for its presentation and approval by the Contracting Party.

**d. Verification of the Detailed Economic Proposal Estimation and Multiplier Factor Form.** The Contract Supervisor delegated by the Contracting Party will review and validate the Detailed Economic Proposed Estimation and Multiplier Factor Form and the consistency of the economic proposal of Phase 1 and Phase 2 with the conditions established in the documents of the private call.

**e.** Sign the letter of commitment on the incorporation of the gender equity and social inclusion approach in the development of the project. This format will be presented by the Contracting Party prior to the signing of the initiation document.

**Note:** THE AUDITING CONTRACTOR must have all the necessary and sufficient physical and human resources to guarantee compliance with its obligations for the identification PHASE, without limiting itself to the Minimum Personnel described in the Terms of Reference, and without this generating a greater value for the CONTRACTING PARTY.

## **2.2.2. TERMINATION DOCUMENT OF PHASE 1 OF THE AUDITING CONTRACT**

Once the term for the execution of Phase 1 has elapsed, THE AUDITOR will sign the Termination Document of Phase 1 of the CONTRACT SUBJECT OF MONITORING, which will be duly signed by THE CONTRACTOR, THE AUDITOR AND THE CONTRACTING PARTY, recording the status of the products of Phase 1 presented by the CONTRACTOR for the purpose of verifying compliance with the final report of Phase 1 of the contract subject of monitoring.

THE AUDITING CONTRACTOR must issue an initial opinion on the VERIFICATION OF THE COMPLIANCE OF THE REQUIREMENTS AND MINIMUM CONTENT OF the Phase 1 REPORT within the TEN (10) BUSINESS DAYS, following the delivery of the same by the CONTRACTOR.

In case THE AUDITOR finds that adjustments or precisions must be made on the report, in order to obtain compliance with the requirements and contents thereof, it must be requested in writing to the CONSULTING CONTRACTOR within the same term. In any case, it is understood that the process of preparing the report product of PHASE 1 was subject to verification, follow-up and support by THE AUDITOR, throughout the development of this phase.

The adjustments or precisions required by the report must be made by the CONSULTING CONTRACTOR, within TEN (10) WORKING DAYS, following the date of the communication of the auditor in which such situation is indicated.

Once the adjustments have been received, the Auditor will have FIVE (5) BUSINESS DAYS for its review. In the event that the observations made by the Auditor persist in its initial review report, the CONTRACTOR may be subject to being notified of an alleged breach.

Once THE AUDITOR finds that the report product of PHASE 1, presented by CONSULTING CONTRACTOR, is in compliance with its obligations and the requirements and contents specified in the scope of PHASE 1, THE AUDITOR will prepare the respective report in which it states its acceptance of the same and will reflect its opinion thereof, according to the paragraph corresponding to THE AUDITOR'S OPINION.

It is the obligation of the auditing contractor to support and supervise the development of the activities carried out to obtain the products of Phase 1, so it is understood in any case, that the process of preparing the report product of Phase 1 was subject to the verification, ongoing monitoring and support by the AUDITING CONTRACTOR, both in the field and in the office, throughout the development of this Phase.

Even after signing the certificate of completion of Phase 1, both the CONTRACTOR and the AUDITING CONTRACTOR, are obliged to respond to concerns, observations or requirements that arise in relation to the execution of this Phase from the CONTRACTING PARTY through the supervisor.

### **2.2.3. OPINION OF THE AUDITOR**

Based on the analysis of the Phase 1 product structured by THE CONTRACTOR, THE AUDITOR must issue an opinion, within FIVE (5) business days counted from the moment in which the products of PHASE 1 are found to be in conformity, presented by THE CONTRACTOR, and based on the result obtained, one of the following alternatives must be suggested:

The opinion of the auditor can be given in two senses:

#### **2.2.3.1. FAVOURABLE OPINION**

THE AUDITOR should issue a favourable opinion if as a result of the analysis of the Phase 1 report structured by THE PROJECT EXECUTION CONTRACTOR and the verifications carried out in compliance with its obligations, it considers that the project is feasible from a technical, social and gender equity, environmental, economic, legal and financial standpoint.

In any case, the beginning of PHASE 2 of the PROJECT EXECUTION CONTRACT and of the AUDITING, will only be understood to have been formalized with the subscription of the corresponding initiation document for that Phase, by THE CONTRACTING PARTY, AUDITOR and THE PROJECT EXECUTION CONTRACTOR, so that the parties understand that the favourable opinion of THE AUDITOR does not oblige the execution of the next phase of the CONTRACT SUBJECT OF MONITORING AND AUDITING CONTRACT and of THE AUDITING PROCESS, and as such the decision to continue towards Phase 2 is contingent on the pronouncement by the TECHNICAL COMMITTEE; on the occurrence, or non-occurrence, of one or more of the specific conditions agreed in the contract.

The termination of the contract in this phase will not give rise to any claim by the CONTRACTOR OF THE STUDIES, as well as by the AUDITING CONTRACTOR.

#### **2.2.3.2. DIAGNOSTIC OPINION OF THE IMPOSSIBILITY OF EXECUTION:**

The auditor should give their opinion on the elements established by THE CONTRACTOR in its Final Report of Phase 1, which impede the implementation of the project in Phase 2, valuing at least the occurrence of the following aspects, which are in turn constituted in specific conditions of the contract:

- a. **NON-VIABILITY opinion:** This occurs when in the final report of Phase 1. *Feasibility Study*, the Contractor, with the approval of THE AUDITOR, indicates that no viable alternative was obtained from a technical, social, environmental and legal standpoint, that is economically and financially favourable.
- b. **Community opposed:** This occurs when it is concluded that there is a community opposition to the implementation of the project, even if said circumstance has not been evidenced in the product report of Phase 1. Such opposition from the community must be sufficiently supported to make it impossible to complete or partially implement the project, so that a viable solution cannot be adopted.
- c. **Population relocation:** This occurs when in confrontation with the conditions of execution or modification of the project, it is noticed that the execution requires the relocation of population.
- d. **Obtaining licenses or permissions:** Occurs when it is not possible to obtain all of the permits or licenses, if required, for the execution of the feasibility study and detailed designs, according to the needs identified in Phase 1.

**Note 1:** If one or more of the specific conditions described above are met then the rights and obligations of the CONTRACT SUBJECT OF MONITORING AND THE AUDITING CONTRACT will be extinguished under the terms of article 1536 of the Civil Code and therefore the aforementioned contract shall enter the liquidation stage, without any economic recognition other than the value of Phase 1 of the CONTRACT SUBJECT OF MONITORING AND AUDITING CONTRACT in favour of the executing contractor.

Once the Phase 1 has been completed and accepted, the beginning of Phase 2 will be subject to a resolute condition depending on the analysis made by the TECHNICAL COMMITTEE, as described in this chapter.

#### **2.2.4. PRIOR TO THE PRONOUNCEMENT OF THE TECHNICAL COMMITTEE:**

Having received the opinion of THE AUDITOR, THE CONTRACTING PARTY, through the Supervisor, has FIVE (5) BUSINESS DAYS to refer to the Territorial Entity and the British Embassy the results obtained in Phase 1 for its review. The CONTRACTING PARTY shall accompany said communication with the following documents:

- a) Report and supporting documents of Phase 1 of the CONTRACT SUBJECT OF MONITORING presented by CONTRACTOR.
- b) Phase 1 Termination Document of the CONTRACT SUBJECT OF MONITORING
- c) The auditor's opinion of the preceding paragraph.

THE BRITISH EMBASSY and the CONTRACTING PARTY through the supervision, shall have FIFTEEN (15) BUSINESS DAYS, counted from the receipt of the aforementioned documents, to revise the information product of Phase 1, and to issue their opinion.

In this same period, the TERRITORIAL ENTITY must present its observations about the referred product.

In the event that, in accordance with this opinion and the observations submitted by the Territorial Entity, there are observations or adjustments that are required for the products of Phase 1, THE CONTRACTOR and THE AUDITOR shall have a maximum period of TEN (10) BUSINESS DAYS to adjust and revise the products observed jointly, and to submit to the CONTRACTING PARTY the final version of the document. If the previous period expires and observations persist, the procedure may be initiated to declare THE CONTRACTOR and/or THE AUDITOR non-compliant.

Within FIVE (5) BUSINESS DAYS following the receipt of the adjusted products, the CONTRACTING PARTY and THE EMBASSY shall review that they have been adjusted and determine the applicability of the TECHNICAL COMMITTEE for its opinion.

## **2.2.5. TECHNICAL COMMITTEE STATEMENT**

After the fulfilment of the activities envisaged in the preceding paragraph, the technical committee will be held, where the feasibility of executing Phase 2 will be defined or it will be defined if any or several of the specific conditions already referred to, verifying the appropriate elements and considered necessary to give viability or not to the implementation of Phase 2.

Once the product of Phase 1 has been accepted by the TECHNICAL COMMITTEE, the Final Receipt Document shall be signed.

## **2.2.6. DECISION OF THE CONTRACTING PARTY ABOUT THE DECISION OF THE TECHNICAL COMMITTEE:**

The CONTRACTING PARTY shall have FIVE (5) BUSINESS DAYS to analyse the final report of Phase 1 presented by the CONTRACTOR, the OPINION OF THE AUDITOR, and the DECISION OF THE TECHNICAL COMMITTEE.

If one or more of the specific conditions described above are met then the rights and obligations of the CONTRACT SUBJECT OF MONITORING AND AUDITING CONTRACT will be extinguished under the terms of article 1536 of the Civil Code and therefore the aforementioned contract shall enter the liquidation stage, without any economic recognition other than the value of Phase 1 of CONTRACT SUBJECT OF MONITORING AND AUDITING CONTRACT in favour of the executing contractor.

## **2.2.7 CONSEQUENCES OF THE PRONOUNCEMENT OF THE CONTRACTING PARTY ABOUT THE OCCURRENCE OR NON-OCCURRENCE OF THE SPECIFIC CONDITIONS**

### **2.2.7.1. DECISION OF THE OCCURRENCE OF ONE OR VARIOUS SPECIFIC CONDITIONS**

If from the analyses carried out by the CONTRACTING PARTY, it is concluded that one or various of the specific conditions have occurred, the CONTRACT SUBJECT OF MONITORING AND AUDITING CONTRACT shall be understood as being resolved and the CONTRACTING PARTY will send to the CONTRACTOR AND AUDITING CONTRACTOR the corresponding Settlement Document, according to the provisions of the contract.

### **2.2.7.2. DECISION OF THE NON-OCCURRENCE OF THE SPECIFIC CONDITIONS**

If from the analyses carried out by the CONTRACTING PARTY, it is concluded that none of the specific conditions have occurred, the CONTRACTING PARTY will inform said situation to the CONTRACTOR AND AUDITING CONTRACTOR and they will advance to the subscription of the Initiation Document, according to the provisions of the contract.

## **2.2.8. SPECIFIC OBLIGATIONS OF THE PROJECT EXECUTION CONTRACTOR IN THE PHASE**

### **2.2.8.1. PHASE 1. AUDITING OF THE FEASIBILITY STUDY**

1. To sign the initiation document of Phase 1 of THE AUDITING CONTRACT and to update the guarantees as appropriate for the approval of the CONTRACTING PARTY.
2. Verify that the personnel proposed for this Phase by the CONTRACTOR are linked to it through a work and/or service provision contract, as well as being affiliated and up-to-date with payments to the Social Security System.
3. Verify and approve the personnel proposed by the CONTRACTOR for this Phase, in accordance with the proposal presented and approved in the pre-contractual process and in accordance with the Terms of Reference and verify that the same personnel remain until the end of the Phase and comply with the established time commitments.

4. Verify the existence and approval of the guarantees required from the contractor where the insured value and validity thereof can be verified and that they have been granted for this Phase according to the CONTRACT SUBJECT OF MONITORING.
5. Send for the approval of the CONTRACTING PARTY the guarantees of the AUDITING CONTRACT for this Phase.
6. Approve the methodology and programming of activities for Phase 1 of the CONTRACT SUBJECT OF MONITORING presented by the CONTRACTOR, requesting the pertinent adjustments, follow up in real time; require the CONTRACTOR to explain any deviations from the schedule that are generated; promote with the CONTRACTOR the response measures to overcome the causes of deviations from the schedule; if the causes of the deviations are not overcome, generate timely alerts to THE CONTRACTING PARTY and to the delegated Supervisor reflecting all traceability and management of THE AUDITOR.
7. Review all the technical, legal, environmental and economic documentation required for the execution of the project, in order to propose or accept the recommendations of the CONTRACTOR.
8. Support and follow-up with the CONTRACTOR in the verification of the project execution conditions.
9. Verify that the permits, authorizations and licenses necessary for the development of the CONTRACT SUBJECT OF MONITORING exist.
10. Evaluate and approve the needs of professional staff and the time commitments proposed by CONTRACTOR, in the event of a change in the scope of the contract, in order to give continuity to the contract in Phase 2.
11. Verify and approve the personnel proposed by the CONTRACTOR, according to the proposal presented and the Terms of Reference and verify that the same personnel remain working until the termination of the contract and comply with the established time commitments.
12. Analyse and approve any change of personnel that the CONTRACTOR proposes, verifying that the worker or new professional has equal or superior conditions to those offered by the CONTRACTOR.
13. Maintain the personnel offered in their proposal for Phase 1, which was approved by the Contract Supervisor prior to the signing of the initiation document of the AUDITING CONTRACT.
14. Carry out constant and permanent support, as well as the follow-up to the schedule proposed by CONTRACTOR for this Phase.
15. Support the process of dissemination of the project with the community and inform the CONTRACTING PARTY and the delegated Supervisor in a timely manner of the problems encountered.
16. Approve the laboratories where tests will be carried out according to the needs of the project, which must be certified.
17. Verify calibration of the surveying equipment and other equipment used in the CONTRACT SUBJECT OF MONITORING .
18. Evaluate the results presented by the CONTRACTOR according to the needs stated in Phase 1, verifying compliance with current regulations according to the type of project to be executed.



19. Convene the CONTRACTOR, Territorial Entity and the Embassy, Supervisor of the consulting and auditing contract, to the monitoring committees that are held during the execution of the CONTRACT SUBJECT OF MONITORING.
20. Perform real-time monitoring of compliance with the obligations and objectives of the CONTRACT SUBJECT OF MONITORING, in such a way that early warnings are generated on the aspects that may hinder, delay or affect its execution.
21. The AUDITING CONTRACTOR will have DAYS (10) CALENDAR DAYS, counted from the date of delivery of the reports and/or products by the CONTRACTOR, to review and issue its opinion and in case of having any observations they must send them within the same term to the CONTRACTOR, who will have DAYS (10) CALENDAR DAYS to make the corresponding adjustments.
22. Verify compliance with applicable regulations in environmental matters for the project or in the acts or pronouncements issued by the competent environmental authority.
23. Promote with the CONTRACTOR special response plans, with effective actions to solve and overcome situations that hinder the execution of this Phase or that represent management risks and perform permanent verifications on compliance with said plans.
24. Carry out, during the entire execution of the AUDITING CONTRACT, the recommendations and observations it deems appropriate on the analysed information and identify possible inaccuracies, gaps, and in general any condition that according to its experience, knowledge, proposed methodologies and commonly accepted best practices, may affect the development of the CONTRACT, with a view to correcting these aspects in a timely manner.
25. Review and make the pertinent observations and recommendations and approve all the documents and deliverables object of the contract subject of monitoring
26. Verify the compliance of THE CONTRACTOR, with the obligation of identification and management of permits and licenses necessary for the execution of the project in its work stage, as well as the cost thereof, which depend on the nature thereof. This includes permits for dumping, occupation of river beds, easements and the legal provisions for plots and environmental permits, among others.
27. Submit weekly reports (the first business day of the week) and monthly reports (within the first five (5) calendar days of the following month) to the delegated supervisor where the most relevant aspects of the activities developed in each time period are evidenced, according to the established format.
28. Comply with the provision of the personnel offered, which must be approved by the delegated supervisor as a requisite for signing the initiation document, which must be affiliated to the Social Security System.
29. Provide and maintain the professional, technical and administrative staff, that is suitable and qualified in accordance with the requirements of the Terms of Reference, as well as the facilities, laboratory equipment and control, offered in the proposal and approved by the CONTRACTING PARTY.
30. Present to the CONTRACTING PARTY the technical modifications of procedures that are convenient to solving problems that may affect the development of the contract.
31. Require that the CONTRACTOR performs all the laboratory tests and other tests that apply in accordance with the regulations of the project and those that are requested by THE AUDITOR and/or CONTRACTING PARTY to verify the quality of the designs.



32. Permanently verify by means of the necessary tools the compliance by the CONTRACTOR with the applicable technical regulations.
33. Review, study, conceptualize and approve the manuals prepared by the CONTRACTOR
34. Guarantee the process of settlement of the CONTRACT and the AUDITING CONTRACT until reaching the effective settlement of the contracts.
35. Prepare and subscribe in a timely manner the termination document of Phase 1 of the Contract.
36. Subscribe the Delivery and Receipt to Satisfaction Document of PHASE 1 of the CONTRACT.
37. Demand and obtain from the CONTRACTOR the documents proving that all obligations have been met according to the nature of the contract.
38. Prepare, approve and sign as auditor all the documents generated during the development of the CONTRACT SUBJECT OF MONITORING, such as: suspension documents, suspension extension documents, resumption minutes, and others that apply.
39. Report in writing to the CONTRACTING PARTY in a timely, specific and sustained manner, the recommendations that AUDITOR makes regarding actions of a legal, technical and administrative nature that the CONTRACTING PARTY must perform before the CONTRACTOR of the CONTRACT SUBJECT OF MONITORING.
40. Project, present, approve and subscribe in its capacity as AUDITOR, the settlement document of the CONTRACT SUBJECT OF MONITORING and the AUDITING CONTRACT, attaching the required documentation, in accordance with the guidelines and deadlines established by the CONTRACTING PARTY. Attend the requirements of the Contracting Party and the delegated supervisor until the signing of the settlement document by the CONTRACTOR.
41. Present the reports, files, documents and technical opinions, amongst others that are requested, related to the project subject to the supervision, that ensure the fulfilment of its functions and the policy and regulations of the sector of Potable Water and Basic Sanitation.
42. Sign the Contract Settlement Document in the event the termination condition of Phase 1 of the CONTRACT occurs.
43. Inform the CONTRACTING PARTY and the delegated Supervisor, in a timely manner, facts that constitute a risk to the project, reporting on the progress, financial status of the CONTRACT SUBJECT OF MONITORING, results, statistics and technical opinions about the results that allow corrective actions to be taken and to improve project conditions or specifications
44. Monitor the physical, human, financial and logistic resources, among others (personnel, equipment, implements and other services necessary for the normal development of the contract).
45. Certify compliance with the requirements for the payments foreseen in the contract subject of monitoring.
46. Address claims, suggestions and other requests raised by the contractor, resolving those that are within its competence and transferring to Findeter immediately those that are not, enclosing its opinion in this regard

47. The others that by law, the Terms of Reference and the minutes of the AUDITING CONTRACT, correspond to it or are necessary for its full compliance.

#### **2.2.7. DURATION OF THE AUDITING OF PHASE 1**

For the implementation of Phase 1, the execution time will be THREE (03) MONTHS, counted from the subscription of the Initiation Document.

#### **2.2.8. VALUE AND PAYMENT OF THE AUDITING OF PHASE 1**

The value of the budget estimated for Phase 1 of the contract, includes salaries of the personnel used to carry out the work, affected by the multiplying factor, administrative expenses, direct costs (lease main office, furniture, stationery, plotting of plans, public services, copies, photographs, air travel, land travel, lodging, laboratory tests, surveying equipment, special equipment, among other costs), and other taxes that are caused by its execution, execution and settlement, as well as administrative expenses generated during the execution of the same.

The multiplier factor applies only to salaries, including Sundays and public holidays pay, and items that have effects on social benefits.

In the multiplier factor methodology, a detailed description is made of the various components of the multiplier factor and guidelines are given for its quantification, the CONTRACTING PARTY has estimated a minimum multiplier factor of **213%** which is applied to the costs of the staff required for the implementation of the technical component and structuring of the social management and gender equity plan and **235%** which is applied to the costs of the personnel required for the execution of the Auditing in the Legal and Financial component included in Phase 1 of the contract.

In any case the estimated budget for the AUDITING OF THE FEASIBILITY STUDY Phase, corresponds to a value that is determined according to the need for personnel, time and activities for the implementation of the Phase, which ensures the execution of all products of this Phase.

Note 1: If, in developing the feasibility study for the project, there is a change in the scope of this Phase or under the conditions established for the creation and delivery of each product, the contracting party through the Supervisor shall have the power to request an adjustment of the time commitments and other conditions required to be executed both for the CONTRACT SUBJECT OF MONITORING and the AUDITING, based on the conditions established within the economic offer of the CONTRACTOR AND AUDITING CONTRACTOR, as the case may be, attaching the appropriate technical and/or legal support for such changes.

Note 2: The value of the estimated budget does not include VAT tax as in accordance with Article 96 of law 788 of 2002 regulated by decree 540 of 2004, the funds or resources in money originated in aid or donations destined for programs of common utility in Colombia, from entities or governments of countries with which there are intergovernmental agreements or agreements with the Colombian Government, will be exempt from taxes, charges, or national contributions, which could affect the import and expense or investment; contracts that must be entered into for the accomplishment of the works or projects of common utility, as well as the acquisition of goods and/or services and the transactions that are made directly with the money from the resources of the aid or donation, for the same purpose, are also exempt from the payment of taxes, fees or national contributions.

For the purposes of the exemption, the requirements and budgets established in Decree 540 of 2004 shall be complied with.

The method for determining the value of PHASE 1 is by FIXED GLOBAL PRICE WITHOUT ADJUSTMENT FORMULA. As a result, the prices in paragraph 5.3 includes all the expenses, whether direct and indirect, arising from the entering into, execution and settlement of the contract. Therefore, the agreed value includes, amongst others, the costs of administration, salaries, social benefits and workers' compensations, salary increases and performance bonuses; transportation, housing and food and drink of the minimum working team of the AUDITING CONTRACTOR; displacement, transport and all kinds

of necessary equipment; Fees and contracts in activities related to the implementation of PHASE 1; software use licenses; all taxes arising from the entering into, execution and settlement of the contract; applicable deductions; the remuneration for the AUDITING CONTRACTOR, unforeseen expenses and in general, all costs incurred by THE AUDITING CONTRACTOR for the full implementation of the contract. The CONTRACTING PARTY shall not recognise, therefore, any readjustment made by the AUDITING CONTRACTOR in relation to the costs, expenses or additional activities required for the execution of these phases and which were foreseeable at the time of the presentation of the offer.

For the execution of Phase 1 of the contract, the following items are established from the structuring and presentation of the economic proposal:

- Professional profile – General and specific experience.
- Professionals required for the development of the activity.
- Resources and inputs required for the development of the activity
- Time commitment and duration of staff activities
- Wages
- Multiplier Factor

Therefore, the agreed value includes, amongst others, the costs of administration, displacement, transport, storage of materials, tools and all kinds of necessary equipment, as well as their supervision, which means, all the costs THE AUDITING CONTRACTOR must incur for the full implementation of Phase 1 execution. The CONTRACTING PARTY shall not recognise, therefore, any readjustment made by THE AUDITING CONTRACTOR in relation to the costs, expenses or activities that it deems necessary for the execution of the contract and which were foreseeable at the time of the presentation of the offer.

THE AUDITING CONTRACTOR is obliged to execute all the activities and services that are necessary for the execution of Phase 1, according to the needs and deliverables established in the documents of the Private Call.

The CONTRACTING PARTY will pay THE AUDITING CONTRACTOR the value of Phase 1 as follows:

- a. A payment equivalent to thirty percent (30%) of the value contracted for Phase 1, once THE AUDITOR delivers, approved by the SUPERVISOR, in the established time, the report containing the requested items in subparagraph: 1.1. DIAGNOSIS OF THE SYSTEM (corresponds to paragraph 1.1. of the Technical Annex) and the report of legal and financial due diligence corresponding to paragraph 2.2 of the Legal and Financial Annex.
- b. A payment equivalent to forty percent (40%) of the value contracted for Phase 1, once THE AUDITOR delivers, approved by the SUPERVISOR, in the established time, the report containing the requested items in subparagraph(1.2). FEASIBILITY STUDIES (corresponds to paragraph 1.2 of the Technical Annex) and the Evaluation of project implementation alternatives corresponding to paragraph 2.3 of the Legal and Financial Annex.
- c. A payment equivalent to twenty percent (20%) of the value contracted for Phase 1, once THE AUDITOR delivers, approved by the SUPERVISOR, in the established time, the reports containing the requested items in subparagraph 1.3 FORMULATION, ANALYSIS, COMPARISON SELECTION OF VIABLE ALTERNATIVES OF PROJECTS (corresponds to paragraph 1.3 of the Technical Annex).
- d. A payment equivalent to ten percent (10%) of the value contracted for Phase 1, once the delivery and final receipt document of Phase 1 have been signed.

For Phase 1 payments, THE AUDITOR must verify that the PROJECT EXECUTION CONTRACTOR is up to date in the payment of payroll contributions relating to the Integral Social security system as appropriate, of all personnel directly linked to the execution of Phase 1, including independent staff providing their services for the implementation of Phase 1. In the same way, it shall present documents showing that they have complied with their obligations for the payment of salaries of

all personnel directly linked to the execution of the Phase, as well as of the independent personnel and suppliers who provide their services and/or supplies for the execution of the same.

For each of these payments, a ten percent (10%) guarantee withholding will be made, which will be returned to THE AUDITING CONTRACTOR once the Contract Liquidation Document is signed by all parties.

### **2.3. PHASE 2. AUDITING OF THE DETAILED DESIGNS.**

It consists of carrying out the technical, administrative, financial, accounting, social and gender equity, environmental and legal auditing to Phase 2 of the CONTRACT SUBJECT OF MONITORING whose purpose is the “THE STUDIES OF THE ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE IMMERSSED SEWAGE NETWORKS IN THE MIROLINDO PICALÉÑA WATER SANITATION PLAN OF THE MUNICIPALITY OF IBAGUÉ”, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUITY AND SOCIAL INCLUSION PROGRAM.

#### **2.3.1. SIGNING OF THE INITIATION DOCUMENT OF PHASE 2.**

For the initiation of Phase 2 the CONSULTING CONTRACTOR, the AUDITOR and the CONTRACTING PARTY, through whom they designate for the purpose, must sign the corresponding document, which must contain, among other aspects, the following:

1. Place and date of subscription of the document.
2. Name and complete identification of the participants.
3. Term.
4. Planned completion date of Phase 2.
5. Value.
6. Information of the AUDITOR CONTRACTOR and SUPERVISOR.

Its subscription will proceed once compliance, in addition to others, of the following requirements is verified:

- a. Approval of the AUDITING CONTRACTOR personnel for PHASE 2.** THE CONTRACTING PARTY, through the Supervisor, will approve the methodology and programming of activities, in which sequences, duration (start date and end date), persons responsible, physical resources and the method of monitoring and supervision of the programming will be established. Under no circumstances may the proposed schedule exceed the stipulated period for Phase 2. The programming will be monitored weekly.
- b. Approval of guarantees.** Submit for approval of the CONTRACTING PARTY the guarantees required for the execution of Phase 2. The CONTRACTING PARTY will review that the protections corresponding to the guarantees of PHASE 2, correspond to the requirements defined in the documents of the private call, for the purposes of their submission and approval.
- c. Affiliation to the integral social security system.** Supporting documents of the affiliation and payment of social security in force for all personnel proposed for Phase 2.

**Note:** The AUDITING CONTRACTOR shall have all necessary and sufficient physical and human resources to ensure compliance with its obligations for PHASE 2, but not limited to the minimum staff described in the terms of reference, and without this generating a greater value for the CONTRACTING PARTY.

#### **2.3.2. TERMINATION DOCUMENT OF PHASE 2.**

Once the contractually agreed deadline for the execution of Phase 2 has elapsed, which will be counted from the signing of the initiation document of PHASE 2, THE AUDITOR shall demand from the CONTRACTOR the delivery of the report

containing the products of the PHASE 2 - DETAILED DESIGNS and the Termination Document of Phase 2 will be subscribed.

THE AUDITING CONTRACTOR must issue an initial opinion on the VERIFICATION OF THE COMPLIANCE OF THE REQUIREMENTS AND MINIMUM CONTENT OF THE REPORT of Phase 2 within the TEN (10) BUSINESS DAYS, following the delivery thereof by the CONSULTING CONTRACTOR.

In the event that THE AUDITOR finds that adjustments or precisions must be made on the products, in order to obtain compliance with the requirements and contents of the same, they must be requested in writing to the CONTRACTOR within the same term. It is understood in any case, that the process of creation of the products that must be delivered by the CONTRACTOR in PHASE 2 was subject to verification, follow-up and supporting by the AUDITOR.

The adjustments or precisions required by the products must be made by the CONTRACTOR, within TEN (10) BUSINESS DAYS, following the communication from the Auditor in which said situation is indicated.

Once the adjustments have been received, the Auditor will have FIVE (5) BUSINESS DAYS for review. In the event that the observations made by the Auditor persist in its initial review report, the CONTRACTOR may be subject to charges for alleged breach.

Once THE AUDITOR finds that the report product of PHASE 2, presented by the CONTRACTOR, is in compliance with its obligations and the requirements and contents specified in the scope of PHASE 2, THE AUDITOR will prepare the respective report in which it states the acceptance thereof.

It is the obligation of the auditing contractor, to support and supervise the development of the activities carried out to obtain the products of Phase 1, so it is understood in all cases, that the process of preparing the report product of Phase 1 was subject to verification, ongoing monitoring and support by the AUDITING CONTRACTOR, both in the field and in the office, throughout the development of this Phase.

Even after signing the termination document of Phase 1, both the CONTRACTOR and the AUDITING CONTRACTOR, are obliged to respond to concerns, observations or requirements that arise in relation to the execution of this Phase by the CONTRACTING PARTY through the supervision.

### **2.3.3. PRONOUNCEMENT ON THE PRODUCT APPROVAL**

Having received the opinion of the auditor on the TERMINATION DOCUMENT OF PHASE 2. THE CONTRACTING PARTY, through the Supervisor, has FIVE (5) BUSINESS DAYS to refer to the Territorial Entity and the British Embassy, the results obtained in Phase 2 for review. The CONTRACTING PARTY shall accompany such communication with the following documents:

- Report and supporting documents of Phase 2 of the CONTRACT SUBJECT OF MONITORING presented by the CONTRACTOR.
- Phase 2 Termination Document of the PROJECT EXECUTION CONTRACT.

THE BRITISH EMBASSY and the CONTRACTING PARTY through the supervision, shall have FIFTEEN (15) BUSINESS DAYS, counted from the receipt of the aforementioned documents, to revise the information product of Phase 2, and to issue their opinion.

In this same period, the TERRITORIAL ENTITY must present its observations about the referred product.

In the event that, in accordance with this opinion and the observations submitted by the Territorial Entity, there are observations or adjustments that are required for the products of Phase 2, THE PROJECT EXECUTION CONTRACTOR

and THE AUDITOR shall have a maximum period of TEN (10) BUSINESS DAYS to adjust and revise the products observed jointly, and to submit to the contractors the final version of the document. If the previous period expires and observations persist, the procedure may be initiated to declare THE PROJECT EXECUTION CONTRACTOR non-compliant.

Within FIVE (5) BUSINESS DAYS following the receipt of the adjusted products, THE CONTRACTING PARTY and THE EMBASSY shall review that they have been adjusted and determine the applicability of the Technical Committee for its opinion.

#### **2.3.4. TECHNICAL COMMITTEE STATEMENT**

After the fulfilment of the activities envisaged in the preceding paragraph, the technical committee will be held, where the acceptance or not of the products of the Phase 2 will be defined, verifying the corresponding elements and those considered necessary to accept the Phase 2 products.

Once the product of Phase 2 has been accepted by the TECHNICAL COMMITTEE, the Final Receipt Document shall be signed, and the contract liquidation procedure will begin.

#### **2.3.5. SPECIFIC OBLIGATIONS OF THE AUDITING CONTRACTOR IN PHASE 2**

1. To sign the initiation document of Phase 2 of THE AUDITING CONTRACT and to update the guarantees as appropriate for the approval of the CONTRACTING PARTY.
2. Verify that the personnel proposed for this Phase by the CONTRACTOR are linked to it through a work and/or service provision contract, as well as being affiliated and up-to-date with payments to the Social Security System.
3. Verify the existence, insured value and validity of the guarantees granted for this Phase according to the CONTRACT SUBJECT OF MONITORING.
4. Send for the approval of the CONTRACTING PARTY the guarantees of the AUDITING CONTRACT for this Phase.
5. Analyse any change of personnel that the CONTRACTOR proposes, verifying that the worker or new professional has the conditions established in the Terms of Reference.
6. Approve the methodology and programming of activities for Phase 2 of the CONTRACT SUBJECT OF MONITORING presented by the CONTRACTOR, requesting the pertinent adjustments, follow up in real time; require the CONTRACTOR to explain any deviations from the schedule that are generated; promote with the CONTRACTOR the response measures to overcome the causes of deviations from the schedule; if the causes of the deviations are not overcome, generate timely alerts to THE CONTRACTING PARTY and to the delegated Supervisor reflecting all traceability and management of THE AUDITOR.
7. Review all the technical, legal, environmental and economic documentation required for the execution of the project, in order to propose or accept the recommendations of the CONTRACTOR.
8. Support and follow-up with the CONTRACTOR in the verification of the project execution conditions.
9. Verify that the permits, authorizations and licenses necessary for the development of the CONTRACT SUBJECT OF MONITORING exist.
10. Verify the new topographical proposal that CONTRACTOR makes based on the references given and order the correction when differences are found.



11. Verify the progress in the management and obtaining of permits, licenses and procedures by the Territorial Entity necessary to ensure the execution of the project, if required
12. Verify and approve the personnel proposed by the CONTRACTOR, according to the proposal presented and the Terms of Reference and verify that the same personnel remain working until the termination of the contract and comply with the established time commitments.
13. Analyse and approve any change of personnel that the CONTRACTOR proposes, verifying that the worker or new professional has equal or superior conditions to those offered by the CONTRACTOR.
14. Maintain the personnel offered in their proposal for Phase 2, which was approved by the Contract Supervisor prior to the signing of the initiation document of the AUDITING CONTRACT.
15. Carry out constant and permanent support, as well as the follow-up to the schedule proposed by the CONTRACTOR for this Phase.
16. Support the process of dissemination of the project with the community and inform the CONTRACTING PARTY and the delegated Supervisor in a timely manner of the problems encountered.
17. Approve the laboratories where tests will be carried out according to the needs of the project, which must be certified.
18. Verify calibration of the surveying equipment and other equipment used in the CONTRACT SUBJECT OF MONITORING.
19. Evaluate the results presented by the CONTRACTOR according to the needs stated in PHASE 2, verifying compliance with current regulations according to the type of project to be executed.
20. Convene the CONTRACTOR, Territorial Entity and the Embassy, Supervisor of the consulting and auditing contract, to the monitoring committees that are held during the execution of the CONTRACT SUBJECT OF MONITORING.
21. Perform real-time monitoring of compliance with the obligations and objectives of the CONTRACT SUBJECT OF MONITORING, in such a way that early warnings are generated on the aspects that may hinder, delay or affect its execution.
22. The AUDITING CONTRACTOR will have DAYS (10) CALENDAR DAYS, counted from the date of delivery of the reports and/or products by the CONTRACTOR, to review and issue its opinion and in case of having any observations they must send them within the same term to the CONTRACTOR, who will have DAYS (10) CALENDAR DAYS to make the corresponding adjustments.
23. Verify that the CONTRACTOR rectifies that the designs object of this Phase, are prepared taking into account the compliance with the applicable environmental regulations for the project or in the acts or pronouncements issued by the competent environmental authority.
24. Review and approve the plans, designs and final studies product of the CONTRACT SUBJECT OF MONITORING.
25. Promote with the CONTRACTOR special response plans, with effective actions to solve and overcome situations that hinder the execution of this Phase or that represent management risks and perform permanent verifications on compliance with said plans.



- 26.** Carry out, during the entire execution of the AUDITING CONTRACT, the recommendations and observations it deems appropriate on the analysed information and identify possible inaccuracies, gaps, and in general any condition that according to its experience, knowledge, proposed methodologies and commonly accepted best practices, may affect the development of the CONTRACT SUBJECT OF MONITORING, with a view to correcting these aspects in a timely manner.
- 27.** Review, make the pertinent observations and recommendations and approve all the documents and deliverables object of the CONTRACT SUBJECT OF MONITORING.
- 28.** Verify the compliance of the CONTRACTOR, with the obligation of identification and management of permits and licenses necessary for the execution of the project in its work stage, as well as the cost thereof, which depend on the nature thereof. This includes permits for dumping, occupation of river beds, easements and the legal provisions for plots and environmental permits, among others.
- 29.** Submit weekly reports (the first business day of the week) and monthly reports (within the first five (5) calendar days of the following month) to the delegated supervisor where the most relevant aspects of the activities developed in each time period are evidenced, according to the established format.
- 30.** Comply with the provision of the personnel offered, which must be approved by the delegated supervisor as a requisite for signing the initiation document, which must be affiliated to the Social Security System.
- 31.** Provide and maintain the professional, technical and administrative staff, that is suitable and qualified in accordance with the requirements of the Terms of Reference, as well as the facilities, laboratory equipment and control, offered in the proposal and approved by the CONTRACTING PARTY.
- 32.** Present to the CONTRACTING PARTY the technical modifications of procedures that are convenient to solving problems that may affect the development of the contract.
- 33.** Verify that the CONTRACTOR delivers all the STUDIES AND DESIGNS subject to the CONTRACT SUBJECT OF MONITORING, in accordance with current regulations.
- 34.** Require that the CONTRACTOR performs all the laboratory tests and other tests that apply in accordance with the regulations of the project and those that are requested by THE AUDITOR and/or CONTRACTING PARTY to verify the quality of the designs.
- 35.** Review, study, conceptualize and approve the manuals prepared by the CONTRACTOR.
- 36.** Guarantee the process of settlement of the CONTRACT SUBJECT OF MONITORING and the AUDITING CONTRACT until reaching the effective settlement of the contracts.
- 37.** THE AUDITOR must carry out, follow-up, review and receive to satisfaction the Detailed Engineering Studies and Designs and their respective deliverables, object of the CONTRACT SUBJECT OF MONITORING, defined in the respective previous studies and terms of reference of the CONTRACT SUBJECT OF MONITORING.
- 38.** Prepare and subscribe in a timely manner the termination document of Phase 2 of the Contract.
- 39.** Subscribe the Delivery and Receipt to Satisfaction Document of Phase 2 of the CONTRACT SUBJECT OF MONITORING.
- 40.** Demand and obtain from the CONTRACTOR the documents proving that all obligations have been met according to the nature of the contract.

41. Project, approve and sign as auditor all the documents generated during the development of Phase 2 of the CONTRACT SUBJECT OF MONITORING, such as: suspension documents, suspension extension documents, resumption minutes, and others that apply.
42. Report in writing to the CONTRACTING PARTY in a timely, specific and sustained manner, the recommendations that AUDITOR makes regarding actions of a legal, technical and administrative nature that the CONTRACTING PARTY must perform before the CONTRACTOR of the CONTRACT SUBJECT OF MONITORING.
43. Project, present, approve and subscribe in its capacity as AUDITOR, the settlement document of the CONTRACT SUBJECT OF MONITORING and the AUDITING CONTRACT, attaching the required documentation, in accordance with the guidelines and deadlines established by the CONTRACTING PARTY. Attend the requirements of the Contracting Party and the delegated supervisor until the signing of the settlement document by the CONTRACTOR.
44. Present the reports, files, documents and technical opinions, amongst others that are requested, related to the project subject to the supervision, that ensure the fulfilment of its functions and the policy and regulations of the sector of Potable Water and Basic Sanitation.
45. Guarantee the process of settlement of the CONTRACT SUBJECT OF MONITORING and the AUDITING CONTRACT.
46. Inform the CONTRACTING PARTY and the delegated Supervisor, in a timely manner, facts that constitute a risk to the project, reporting on the progress, financial status of the CONTRACT SUBJECT OF MONITORING, results, statistics and technical opinions about the results that allow corrective actions to be taken and to improve project conditions or specifications.
47. Track the physical, human, financial and logistic resources, in addition to others (personnel, equipment, implements and other services necessary for the normal development of the CONTRACT SUBJECT OF MONITORING).
48. Certify compliance with the requirements for the payments foreseen in the CONTRACT SUBJECT OF MONITORING
49. Address claims, suggestions and other requests raised by the contractor, resolving those that are within its competence and transferring to Findeter immediately those that are not, enclosing its opinion in this regard
50. The others that by law, the Terms of Reference and the minutes of the AUDITING CONTRACT, correspond to it or are necessary for its full compliance.

#### 2.3.6. PHASE 2 DURATION

For the implementation of Phase 2, the execution time will be **SEVEN (07) MONTHS**, counted from the subscription of the Initiation document.

The execution time for Phase 2 is distributed as follows for each component:

Component	Execution time
Technical Component and Social Management and Gender Equity Plan	Five (5) months
Legal and Financial Structuring Component	Seven (7) months

### 2.3.7. PHASE 2 VALUE AND PAYMENT METHOD

The value of the estimated budget for Phase 2 of the contract, includes salaries of personnel required for the performance of the work, affected by the multiplier factor, administrative expenses (main office lease, furniture, stationery, plotting of plans, public services, copies, photographs, air displacement, land displacement, lodging, laboratory tests, topography equipment, special equipment, among other costs), and other taxes that are caused by entering into the execution and liquidation thereof.

The multiplier factor applies only to salaries, including Sundays and public holidays pay, and items that have effects on social benefits.

In the multiplier factor methodology, a detailed description is made of the various components of the multiplier factor and guidelines are given for its quantification, the CONTRACTING PARTY has estimated a minimum multiplier factor of **217%** which is applied to the costs of the staff required for the implementation of the technical component and structuring of the social management and gender equity plan and **223%** which is applied to the costs of the personnel required for the execution of the Legal and Financial component included in Phase 2 of the contract.

In any case, the estimated budget for the AUDITING OF THE DETAILED DESIGNS Phase corresponds to a value, which in accordance with the development of the project in its Feasibility Studies Phase and in accordance with the requirements established by the AUDITING CONTRACTOR and endorsed by the Supervisor, corresponds to the value that is determined according to the need for personnel, time commitments and activities for the execution of the Phase, which ensures the execution of all the products of this Phase.

Note 1: If, in the development of the Feasibility study for the project, a modification occurs in the scope of said phase or in the conditions established for the preparation and delivery of each product, the contracting party through the supervisor will have the power to request an adjustment of the time commitments and the other conditions that are required to execute both the CONTRACT SUBJECT OF MONITORING and the AUDITING, based on the conditions established within the economic offer of the CONTRACTOR or AUDITOR CONTRACTOR, as the case may be, attaching the appropriate legal and/or technical supporting documents for said modification.

NOTE 2: The value of the estimated budget does not include VAT (Sales Tax) as in accordance with Article 96 of law 788 of 2002 regulated by decree 540 of 2004, the funds or resources in money originated in aid or donations destined for programs of common utility in Colombia, from entities or governments of countries with which there are intergovernmental agreements or agreements with the Colombian Government, will be exempt from taxes, charges, or national contributions, which could affect the import and expense or investment; contracts that must be entered into for the accomplishment of the works or projects of common utility, as well as the acquisition of goods and/or services and the transactions that are made directly with the money from the resources of the aid or donation, for the same purpose, are also exempt from the payment of taxes, fees or national contributions.

For the purposes of the exemption, the requirements and budgets established in Decree 540 of 2004 shall be complied with.

The value of this phase of detailed designs for auditing, has been established according to the time commitments indicated in the minimum required personnel section, which correspond to the minimum number required for the supervision of the creation of the products established in the documents of the call.

The method for determining the value of Phase 2 is by **FIXED GLOBAL PRICE WITHOUT ADJUSTMENT FORMULA** and shall correspond to an effective value of Phase 2, resulting from the multiplication and summation of the time commitments, durations and salaries established by THE AUDITING CONTRACTOR at the time of submission of the economic proposal and considered necessary to develop the activities determined in Phase 1 and to be implemented in Phase 2; affected by the multiplier factor established with the presentation of the economic proposal, plus the necessary direct and indirect costs.

Therefore, the agreed value for Phase 2 includes, amongst others, the costs of administration, salaries, social benefits and workers' compensations, salary increases and performance bonuses; transportation, housing and food and drink of the minimum working team of the AUDITING CONTRACTOR; displacement, transport and all kinds of necessary equipment; Fees and contracts in activities related to the implementation of PHASE 2; all taxes arising from the entering into, execution and settlement of the contract; applicable deductions; the remuneration for the AUDITING CONTRACTOR or, unforeseen expenses and in general, all costs incurred by THE AUDITING CONTRACTOR for the full implementation of the contract. The CONTRACTING PARTY shall not recognise, therefore, any readjustment made by the AUDITING CONTRACTOR in relation to the costs, expenses or additional activities required for the execution of these phases and which were foreseeable at the time of the presentation of the offer.

In any case, for Phase 2, the value corresponds to an estimated value for the same, which in accordance with the development of the project in its Phase 1 and according to the requirements established by THE AUDITING CONTRACTOR and approved by THE AUDITOR in said Phase, the need for personnel, commitments and activities for the implementation of Phase 2 of the AUDITING CONTRACT are determined, to ensure the execution of all products of this Phase, previously approved by the supervision of the CONTRACTING PARTY.

For the execution of Phase 2 of the contract, the following items are established from the structuring and presentation of the economic proposal:

- Professional profile – General and specific experience.
- Professionals required for the development of the activity.
- Resources and inputs required for the development of the activity
- Time commitment and duration of staff activities
- Wages
- Multiplier Factor

Therefore, the agreed value is understood to include, among others, administrative expenses such as travel, transportation, storage of materials, tools and all kinds of necessary equipment, as well as their monitoring, that is, all costs that must be incurred by the AUDITING CONTRACTOR for the complete fulfilment of the execution of Phase 2. The CONTRACTING PARTY shall not recognise, therefore, any readjustment made by the AUDITING CONTRACTOR in relation to the costs, expenses or additional activities required for the execution of these phases and which were foreseeable at the time of the presentation of the offer.

THE AUDITING CONTRACTOR is obliged to execute all the activities and services that are necessary for the execution of Phase 2, according to the needs and deliverables established in the documents of the private call.

The CONTRACTING PARTY will pay THE AUDITING CONTRACTOR the value of Phase 2, as follows:

- a. A payment equivalent to forty percent (40%) of the value contracted for Phase 2, once the approval opinion is delivered and issued by the AUDITOR and approved by the SUPERVISOR in the established term, of the reports containing the requested items in the subparagraphs: 2. DETAILED DESIGN (corresponds to paragraph 2 of the Technical Annex) with the by-products 2.1 DESIGN CRITERIA (corresponds to paragraph 2.1 of the Technical Annex), 2.2. DEFINITION AND LOCALIZATION OF EACH OF THE COMPONENTS OF THE PROJECT TO BE DESIGNED (corresponds to paragraph 2.2. of the Technical Annex), 2.4. TOPOGRAPHY (corresponding to paragraph 2.4 of the Technical Annex), 2.6. HYDRAULIC DESIGN (corresponds to paragraph 2.6 of the Technical Annex), 2.7 GEOLOGY (corresponds to paragraph 2.7 of the Technical Annex), Development of the Transaction Scheme according to the chosen alternative (corresponds to paragraph 2.4 subparagraph A of the Legal and Financial Annex) and the financial model (corresponds to paragraph 2.4 subparagraph B of the Legal and Financial Annex).

- b. A payment equivalent to thirty percent (30%) of the value contracted for Phase 2, once the approval opinion is delivered and issued by the AUDITOR and approved by the SUPERVISOR in the established term, of the reports containing the requested items in the subparagraphs: 2. DETAILED DESIGN (corresponds to paragraph 2 of the Technical Annex) with the by-products 2.3. SELECTION OF ALTERNATIVES (corresponds to paragraph 2.3 of the Technical Annex), 2.5. GEOMETRIC DESIGN AND INTERFERENCE ANALYSIS (corresponds to paragraph 2.5 of the Technical Annex), 2.8. STRUCTURAL DESIGN (corresponds to paragraph 2.8 of the Technical Annex), 2.9. DESIGN OF COMPLEMENTARY WORKS (corresponds to paragraph 2.9 of the Technical Annex), 2.10. PROPERTY MANAGEMENT (corresponds to paragraph 2.10 of the Technical Annex), 2.11. DEFINITION OF TECHNICAL SPECIFICATIONS OF CONSTRUCTION (corresponds to paragraph 2.11 of the Technical Annex), 2.12. DETERMINATION OF THE BUDGET AND WORK SCHEDULES (corresponds to paragraph 2.12 of the Technical Annex), 2.13. OTHER STUDIES AND DESIGNS (corresponds to paragraph 2.13 of the Technical Annex), 2.14. RESULTS (corresponds to paragraph 2.14 of the Technical Annex), risk analysis (corresponds to paragraph 2.4 subparagraph C of the Legal and Financial Annex), document for legal feasibility of the project (corresponds to paragraph 2.4 subparagraph D of the legal and Financial Annex) and the report of additional items (corresponds to paragraph 2.4 (E) of the Legal and Financial Annex) if they apply and the selected option is a PPP or concession.
- c. A payment equivalent to twenty percent (20%) of the value contracted for Phase 2, once the delivery and final receipt documents of Phase 2 are signed.
- d. A payment equivalent to ten percent (10%) of the value contracted for Phase 2, once support is carried out in the structuring of the bidding processes for both the works and auditing of the project (corresponds to paragraph 2.5 of the Legal and Financial Annex).

For Phase 2 payments, THE AUDITING CONTRACTOR shall certify that it is up to date in the payment of payroll contributions relating to the Integral Social Security System as appropriate, of all personnel directly linked to the execution of the Phase, including independent staff providing their services for the implementation of the Phase. In the same way, it shall present documents showing that they have complied with their obligations for the payment of salaries of all personnel directly linked to the execution of the Phase, as well as of the independent personnel and suppliers who provide their services and/or supplies for the execution of the same.

For each of these payments, a ten percent (10%) guarantee withholding will be made, which will be returned to THE AUDITING CONTRACTOR once the following requirements have been fulfilled:

- a. Satisfactory receipt of the products of Phase 2 by THE SUPERVISOR.
- b. Approval of the corresponding guarantees indicated in the paragraph of GUARANTEES of this document.
- c. Contract Liquidation Document is signed.

## 2.4. PROJECT SITE KNOWLEDGE:

It is the responsibility of the bidder to know the conditions of the site of execution of the project and activities to be executed. Consequently, it shall be at the risk of the bidders, to inspect and examine the places where the work, activities and works will be performed, the surrounding sites and areas, and information about the nature of the terrain, the formations, characteristics and accessibility of the site.

With the presentation of the proposal, the bidder declares that it fully knows all the conditions of the site of execution of the project, the activities to be executed and the legal, technical, environmental, economic and social circumstances for the development of the project, especially those that may affect the auditor, the execution of the activities and/or the project and influence the calculation of the value of the proposal. Therefore, ignorance of these aspects will not serve as a valid excuse for subsequent claims.

## 2.5. SPECIFIC EXPERIENCE OF THE MINIMUM STAFF REQUIRED

For the development of the contract, the selected bidder must have the personnel required to ensure the execution of the contract, which at least is that defined related in the Annex 1, which is mandatory for the project. Their resumes and professional training supporting documents and experience must be submitted by the selected bidder within FIVE (5) BUSINESS DAYS following the Remission of the Selection Act, for verification of compliance by the auditor, who will validate that they meet the minimum or higher requirements thereof, as a prerequisite for the signing of the Contract Initiation Document. **It is important to remember that to ensure the promotion of gender equity, at least 30% of the staff must be female.**

With the presentation of the proposal the bidder guarantees that it has the personnel, the minimum profiles and time assignments required for the execution of the contract and will maintain them during the execution of the same.

Therefore, for the preparation of its economic offer it must consider the totality of the minimum personnel, in addition to that which the bidder considers necessary for the correct execution of the contract and must budget for it in its economic proposal. Therefore, no later claims will be accepted alleging that sufficient staff or resources had not been contemplated for the implementation of the contract within the proposed value, and the CONTRACTING PARTY will not recognize any amounts for said concept.

The contracting entity reserves the right to request the replacement of professionals, if it verifies that the proposed professionals do not have the necessary time availability to fulfil what is requested for the development of the object of this selection process due to them being engaged in other water management projects.

For the purposes of verifying the proposed professionals, the selected bidder must submit to the auditor, to certify the professional training and experience, the following supporting documents:

- a. In order to accredit the professional qualification, in the case of professions that according to law have a professional card, a simple copy of said card should be provided, which is accompanied by the certificate of validity as applicable legally. Other professions will be accredited by providing a photocopy of the diploma or degree certificate.
- b. Certifications that prove the experience of the proposed professional.

### 2.5.1. RULES FOR THE ACCREDITATION OF THE SPECIFIC EXPERIENCE OF THE PROPOSED STAFF

Without prejudice to the verification of the personnel only being performed to the selected bidder by the supervisor, the minimum academic training and experience of the staff proposed up to the closing date shall be taken into account, so that the proposed personnel must have had the academic training and required experience accredited by the closing date. For verification purposes, the selected bidder must provide the supervisor of the contract the certificates of experience and/or other supporting documents that allow the execution of the contract or project to be evidenced, in accordance with the following options:

**OPTION A:** Certificate issued by the contracting entity (understood as that entity of public or private law that contracted the project or work) where the position and/or functions and/or products delivered or developed are evidenced, as well as the date of execution of the activities and/or products.

**OPTION B:** Certificate of experience issued by the contracting entity (whether the services of the professional were contracted by an individual or legal person) where the position and/or functions and/or products delivered and/or developed are evidenced, as well as the date of execution of the activities and/or products.

**OPTION C:** In the event of not having the certification defined in the previous points, a copy of the contract and the liquidation document and/or the termination of the labour contract, or the provision of services, or the corresponding document, must be attached, where the execution of the same is certified and the position and/or functions and/or activities



and/or products delivered or developed are evidenced, which must be subscribed as appropriate by the auditor and/or supervisor and/or representative of the contracting entity and the Contractor.

If the documentation described in any of the aforementioned alternatives was granted abroad, it must be apostilled or legalized, as appropriate, by the **Selected bidder**, as required by these Terms of reference. Without prejudice to the foregoing, if it is not possible to provide said formalities, a simple copy of such documents may be provided, accompanied by an affidavit rendered before a Notary Public; in the case of rendering an affidavit in a foreign country, the apostille or legalization procedure must be performed, as appropriate, fully complying with the requirements of these Terms of Reference.

The certifications of experience are considered to be issued under oath, however, the entity reserves the right to verify the information provided by the bidder and to request the clarifications or documentation it deems necessary.

Certifications signed by the proposed staff themselves, i.e. self-certification, will not be considered to be valid to verify or evaluate the professional experience.

Where the documents of the accreditation options do not contain the information that allows their verification, the bidder may annex a copy of the supporting documents of the case (provided that they are issued by the contracting entity), allowing the execution of the contract or project to be demonstrated or to take the missing information.

The professional experience of the minimum staff will be computed from the termination and approval of the academic curriculum of higher education in accordance with the provisions of article 229 of Decree Law 019 of 2012, and to accredit it the bidder must present the certification of completion and approval of the academic curriculum of higher education duly signed by the educational institution. Notwithstanding the previous, if the bidder does not have the aforementioned certification, it may provide the degree and/or degree certificate, from which the entity will take the information to calculate for the professional experience.

As a good contracting practice, in this process the requirements and equivalence provisions of general professional experience will be taken into account, which will be accepted only for those profiles of the Terms of Reference of this private call, in which it was expressly established that it proceeded according to the parameters indicated herein.

## **2.6. STAFF TIME COMMITMENT**

When the selected bidder has one or more contracts with the Financiera de Desarrollo Territorial S.A. FINDETER, it shall be verified prior to the signing of the Contract Initiation Document for the present selection process that the proposed personnel do not exceed 100% of the accumulated dedication, in which case the contracting entity may request the replacement of the staff that exceed this time dedication.

## **2.7. ANALYSIS OF FORESEEABLE RISKS OF THE FUTURE CONTRACT - RISK MATRIX**

The matrix of contractual risks is an integral part of these Terms of Reference and therefore of the contract that is subscribed. This is the result of an exercise in the identification, valuation and distribution of these risks.

If the stakeholders estimate that there are contractual risks not foreseen in the contractual risk matrix proposed by the contractor, it must be announced at the stage of submission of observations, so that they can be evaluated, and if relevant they are incorporated into the corresponding matrix. It will not be possible then to allege economic imbalance of the contract due to factors that could be foreseen in the pre-contractual stage based on the knowledge of the selection process, the documents and studies of the project, as well as of its context, and that have not been announced by THE AUDITOR CONTRACTOR at that stage. The contracting party reserves the right to accept or not the observations that are made about the distribution of foreseeable risks under the responsibility of the contractor. The level of probability of occurrence of risks and the impact of the contract depends on the effectiveness or not of the actions carried out by the contractor to eliminate or mitigate, as the case may be, the risks that arise during the execution of the contract.



It is the responsibility of the bidders, for the preparation and presentation of their proposal to know, evaluate, accept and include the contractual risks contained in the definitive matrix, which is understood to be declared with the presentation of the proposal.

Consistent with the above, based on due diligence and on the principle of pre-contractual good faith in article 863 of the commerce code, which the bidder must have when making its proposal, it is understood that all the risks of the contract were considered at the time of the preparation of their proposal.

The classification, estimation and distribution of the foreseeable risks of the contract subject to this call shall be subject to the criteria defined in this subparagraph, without prejudice to the scope of the obligations of each party, in accordance with the relevant legal provisions, the nature of the contract and the content of the rules of participation, considering, predominantly, that in general, the contractor is responsible for the execution of the contract in accordance with the technical documentation provided by FINDETER, and the payment of the agreed value is the responsibility of this entity. The entity and the bidder, with the presentation of its proposal, understand as a foreseeable contractual risk that which meets the following characteristics:

Its provision is subject to terms of rationality, considering the experience of the contractor in projects similar to those that constitute the object of the contract.

Its concretion carries an equity damage for one or both parts of the contractual relationship.

It is an event that it is prior to, concomitant with, or that occurs after the entering into of the contract. In the event of it being prior to or concomitant with, neither party should know it, and it cannot be said to be obligatory knowledge for any of them due to reasons such as their technical or professional expertise, their corporate or personal experience or their previous specific inquiries.

Its concretion or knowledge must be presented during the execution of the contractual relationship or after its termination, provided that, in the latter case, some of the obligations emanating therefrom are pending compliance.

The damage resulting from the concretion of the risk must be assumed by the party to which it was assigned, in such a way that, if it directly affects its equity, it must bear it entirely, and if, on the contrary, it affects the equity of the other party, it must reinstate the lost equity up to the proven amount of the damage.

### **1. Classification**

The CONTRACTING PARTY has grouped the foreseeable contractual risks in various general categories that could affect the achievement, in the agreed terms, as follows:

### **2. Estimation**

The foreseeable risks will be estimated as unlikely, probable or very probable, according to the greater or lesser probability of their occurrence.

### **3. Assignment**

It is the result of the classification and estimation of foreseeable risks in order for them to be managed efficiently and to establish which of the parties will bear the negative consequences of their concretion.

## **2.8. SUPERVISION OF THE AUDITING CONTRACT**

The supervision of the contract will be executed by the person that is designated for it by FINDETER, who will permanently carry out the technical, administrative, financial, accounting and legal follow-up of the auditing contract also verifying the correct execution of the contracted object.

The supervisor of the contract is entitled to request reports, clarifications and explanations on the development of the contract execution and will be responsible for keeping the CONTRACTING PARTY informed of the facts or circumstances that may constitute acts of corruption typified as punishable conduct or that may put or put at risk the fulfilment of the contract, or when a presumed breach occurs.

In no case does the supervisor have the right to modify the content and scope of the contract signed between THE AUDITOR and THE CONTRACTING PARTY, nor to exempt any of them from their obligations and responsibilities.

## 2.9. GUARANTEES

- **CONTRACTING PARTY: FINANCIERA DEL DESARROLLO TERRITORIAL S.A. – FINDETER TAXPAYER ID NIT: 800.096.329-1**

In order to support the fulfilment of each and every one of the obligations that arise under the responsibility of THE AUDITING CONTRACT with the contracting entity, by reason of the entering into, and the execution of, the contract, the prior study and anticipation of the possible risks in the execution of the same, the contractor must constitute a guarantee by means of an insurance policy or bank guarantee on demand and without exception, issued by an insurance company or a bank institution or establishment; legally constituted in Colombia, as appropriate.

This insurance policy or bank guarantee will be issued for the coverage of the following risks that affect the execution of the contract, with the following types of insurance, cover and term:

Insurance	Cover	Term
Compliance	30% of the <b>total value</b> of the contract	In force for the contract execution time and six (6) months more
Of wages, social benefits and workers' compensation	10% of the total value of the contract	In force for the contract execution time and three (3) years more.
Non-contractual Civil liability	5% of the total value of the contract	In force for the contract execution time and four (4) months more
Quality of Service	30% of the value Total contract	Valid for the contract execution time and (3) three years more

The policy issued by the insurance company must contain, by express condition, that for the purposes of this contract, no clause or provision of proportional compensation shall apply that is tied to the fulfilment of the insured obligation. Thus, the insurer will indemnify at all times according to the value insured in the policy, regardless of the proportions fulfilled of the contract.

The approval of the guarantees by **FINDETER S.A.**, is a prerequisite for the commencement of each Phase, which is why no phase can begin execution without the respective approval of this prerequisite.

For their approval, the guarantees must be accompanied by the respective annexes and supports of the same, as well as the payment support of the corresponding premium. A No expiration certificate will not be accepted due to non-payment.

### A. TO CONSTITUTE THE INSURANCE POLICIES, THE CONTRACTOR SHOULD:

In the case of insurance policies, THE CONTRACTOR shall constitute the guarantees **in a format in favour of PUBLIC ENTITIES WITH PRIVATE CONTRACTING REGIME**. This policy must be issued by an insurance company legally incorporated in Colombia, whose parent company is approved by the Financial Superintendence.

THE CONTRACTOR must pay the total amount of the premiums that are caused by the issuance of the policies, as well as those that are subsequently caused due to modifications, renewals, extensions or any other annex that is issued based on

the policies. Therefore, THE CONTRACTOR agrees to deliver the policies with their respective proof of payment within 2 days after the issuance of the policies.

THE CONTRACTOR accepts that the CONTRACTING PARTY has an insurable interest in the guarantees referred to in this contract and based on this, if THE CONTRACTOR does not deliver the documents within the stipulated time, with the subscription of this contract, it authorizes THE CONTRACTING PARTY to request, update, modify and make the payment of the guarantees in the contractually established terms, being able to deduct the costs and expenses derived from said management of the balances in favour of THE CONTRACTOR, which are caused by the progress or settlement proceedings of the contract in mention. The foregoing does not exonerate THE CONTRACTOR from fulfilling their duties on the entering into of this contract, and the contractual and legal proceedings are advanced to obtain said fulfilment or indemnification on its part.

**FIRST PARAGRAPH:** The approval of the guarantees by the CONTRACTING PARTY is a prerequisite for the beginning of the execution of each of the phases or stages envisaged for the contract execution, which is why no contract in which the existence of guarantees is defined may start execution without their respective approval.

In the event of any observation by the CONTRACTING PARTY to these requirements, THE CONTRACTOR shall respond within two (2) business days.

**SECOND PARAGRAPH:** The validity of the policy begins with the subscription of the contract. THE CONTRACTOR must maintain, during the validity of the contract, the adequacy of the granted guarantees. Consequently, in the event of the extension of the contract, or if its value is increased, THE CONTRACTOR must certify the corresponding adjustment of the guarantees, once the modification of the contract is subscribed. In the same way, THE CONTRACTOR must replace the guarantees when its value is affected by reason of the occurrence of the covered incidents.

In the case of cover, the validity of which must be extended after the expiration of the period of execution of the contract or on receipt to the satisfaction of the obligations thereof, the protected value must also be replenished when the occurrence of the insured risks is verified. The payment of all premiums and other expenses generated by the constitution, the maintenance and immediate restoration of the amount of the guarantees, shall be the sole responsibility of THE CONTRACTOR. The guarantees approved will be a prerequisite and necessary for the payment of the outstanding invoices and the last payment of the contract.

**THIRD PARAGRAPH:** If the object of the contract is divided into stages or phases, the start and end dates for each of them shall be understood as those that are incorporated in the initiation documents and in the delivery and receipt to the satisfaction documents of each stage or phase.

**IN ORDER TO CONSTITUTE THE BANK GUARANTEE ON DEMAND AND WITHOUT EXCEPTION, THE AUDITING CONTRACTOR SHALL:**

In the case of bank guarantees on demand and without exception, they must be contained in a private document in which the Bank entity or establishment expressly assumes, autonomously, and irrevocably, in the favour of the CONTRACTING PARTY the commitment to honour the obligations of THE AUDITING CONTRACTOR, in the case of their non-fulfilment.

And, therefore, to pay directly to the CONTRACTING PARTY, on demand and without exception, up to the guaranteed amount, a sum of money equivalent to the value of the prejudice suffered as a result of the failure to comply with the obligations assumed by the AUDITING CONTRACTOR and it will be made effective by means of a non-compliance document and will be informed to the bank or institution.

The AUDITING CONTRACTOR must certify the constitution of the guarantee, by means of the delivery of the document containing the same, signed by the legal representative of the bank or by its proxy, in which it shall be certified: i) the name of the CONTRACTING PARTY beneficiary of the guarantee; ii) the guaranteed risks; (iii) how to make the guarantee

enforceable; iv) the value of the guarantee; and v) the validity of the guarantee in accordance with the coverages, amounts and requirements defined in this paragraph.

## **2.10. LICENSES, PERMITS AND APPLICABLE AUTHORIZATIONS**

It will be the responsibility of the Auditor to guarantee that the contractor of the contract moves ahead with the management of the licenses and / or permits necessary for the development of the project in any of the two phases. The costs corresponding to licensing procedures, and / or permits, necessary for the execution of the project will be assumed by the CONTRACTOR.

However, in the event that during the execution of the contract the processing of licenses, and / or permits is required, it will be the responsibility of the contractor to advance the management of the same necessary for the development of the execution of the activities.

Said procedures are those inherent and necessary for the correct execution of the activities and their identification, costing (assuming the cost of the same) and management thereof. will be the responsibility of the contractor. The foregoing, without prejudice to the contractual obligations of the Territorial Entity in the matter of permits, licenses and authorizations acquired under the subscribed Inter-administrative agreement, and as such the costs caused by the issuance of the licenses and / or permits that depend directly of the Municipality will be assumed by it. The costs caused by obtaining the properties and the imposition of easements will be assumed by the Municipality.

## **2.11. SPECIAL CLAUSES TO BE TAKEN INTO ACCOUNT**

Taking into account that the resource assigned to be executed in the contract, corresponds to the resources required according to the project presented by the Municipality of Ibagué and IBAL S.A. ESP; in the event that during the execution of the contract a change in the scope of the project or a variation in the activities to be executed is presented that requires additional resources, which means that it surpassed the value of the contract, this situation must be notified to the Auditor and the Supervisor of the contract by Findeter so that they proceed in accordance with the procedures established for these cases in the agreements signed between the Territorial entity, FINDETER and The Government of The United Kingdom of Great Britain and Northern Ireland represented by the Foreign and Commonwealth Office (FCO). In the case of approval, they must proceed in accordance with the provisions for these events and their consequent modification.

THE AUDITING CONTRACTOR will not be able to execute items or activities not foreseen in the contract, without them having previously been approved by THE AUDITOR and by the CONTRACTING PARTY, and without the respective additional contract having been signed as appropriate. Any activity carried out without the prior entering into of an additional contractual document shall be assumed at the risk of THE AUDITING AND STUDYCONTRACTOR, and as such the CONTRACTING PARTY will not recognise values for said item. It is the responsibility of THE AUDITING CONTRACTOR to be informed about the procedures established for that purpose.

In case of adjusting the scope and generating new activities that were not covered in the initial budget, the new amounts will be the subject of agreement between the parties. For this purpose, the auditor will perform an analysis of the budget presented by THE CONTRACTOR in order to verify that it is in line with the conditions and prices of the market, and once verified by THE AUDITOR, its approval shall be processed by the CONTRACTING PARTY.

## **2.12. RISK MANAGEMENT CLAUSE**

### **RISK MANAGEMENT.**

The AUDITING CONTRACTOR, prior to the conclusion of the contract, has made its own calculations and estimates, on which it has dimensioned its offer. Such estimates and calculations must have considered the context in which the contract will be executed, as well as all the phenomena that may affect the execution of the contract.

In the execution of the contract, the AUDITING CONTRACTOR is obliged to perform all the activities and good practices defined by the state-of-the-art level in the field of the contractual purpose, in order to perform the management of the risks that may affect the execution of the contract. Said management should at least consider the following activities:

- a. Identification of the risks
- b. Quantitative and qualitative analysis through which the probability and consequence of the occurrence of the identified risks is evaluated, as well as the prioritization of each.
- c. Creation of the respective response plan for the identified risk, which will determine the actions that will be implemented in order to improve the opportunities and reduce the threats that arise in the identified risks.
- d. Implementation of the applicable monitoring and control activities based on the prioritization of risks, which will determine whether there are changes in the prioritization of risks, if new risks have emerged compared to those initially identified, as well as if the actions defined in the risk-response plan demonstrate the expected effectiveness.

In order to perform the described risk management, the Auditor must submit to the contract SUPERVISOR, for the approval and prior subscription of the Initiation Document of each Phase, a document containing at a minimum the following information:

- a. A Risk Management Plan that should include the methodology to be used, the roles and responsibilities of the work team in relation to risk management, the categorization used to prioritize risks, the periodicity with which the risk management activities will be performed during the execution of the contract, the scales of probability and consequence and the risk matrix with which the qualitative and quantitative analyses of the risks will be carried out, as well as the risk management policy from which the Contractor determines the risk tolerance that gives rise to the activation of risk management actions.
- b. A Risk Register that should include identified risks, possible responses, risk causes, and risk ratings in accordance with the categorization defined in the Risk Management Plan.
- c. A Risk-Response Plan that should include the actions envisaged to mitigate the risks included in the Risk Register.

## **2.13. SETTLEMENT OF THE CONTRACT**

The contract signed by this contracting process shall be settled within six (06) Following months termination or accordance with What is agreed in the contract (where applicable).

### SUBCHAPTER III SCHEDULE

Activity	Date, time and place as appropriate
Opening and referral of invitations to participate, of the terms of reference, prior study, annexes, technical documents and other documents associated with the process.	December 4, 2018
Reception of observations to the terms of reference and annexes	Up to January 3, 2019
Sending of the report responding to observations of the terms of reference and annexes or evidence of non-submission of observations	Up to January 14, 2019
Closing- deadline for submission of offers Envelopes No. 1 and 2 and Opening of Envelope No. 1	January 23, 2019 Time: 10:00 a.m. Place: Findeter Correspondence Calle 103 No. 19 - 20, Bogotá D.C.
Referral of the Application document for Changes	Up to January 30, 2019
Opportunity for changes	Up to February 5, 2019 Place: Correspondence Findeter Bogotá, Calle 103 No.19 – 20
Sending of the enabling requirements verification report	Up to February 11, 2019
Deadline for submitting observations to the enabling requirements verification report	Up to February 14, 2019
Sending of the definitive report on enabling requirements	Up to February 19, 2019
Opening of Envelope No. 2-Economic proposal of the enabled proposals.	February 20, 2019 Time: 10:00 a.m. Place: Findeter Calle 103 N° 19 – 20 Bogotá D.C.
Sending of the Economic Evaluation Report	Up to February 25, 2019
Deadline for submitting observations to the Economic Evaluation Report	Up to February 27, 2019
Determination of the method and economic weighting of the enabled proposals	Second business day following the expiration date of the deadline for submitting observations to the economic evaluation report.
Sending of the Final Evaluation Report and Assignment of Scores (eligibility order)	Up to March 4, 2019
Sending of the Selection Document of the Contractor or declaration of void process as appropriate.	Up to March 7, 2019

For all the purposes of this selection process, the official time will be Colombian legal time, which will be consulted via the Internet on the website [http://www.sic.gov.co/hora\\_legal](http://www.sic.gov.co/hora_legal)



## CHAPTER II GENERAL PROVISIONS

### SUBCHAPTER I GENERAL INFORMATION

#### 1.1. DEFINITIONS

**Terms of reference:** Document containing the general and specific provisions of this procurement process.

**Project Execution Contractor:** It will be the natural or legal person who is selected in the Private Call process that has as its objective to contract the conditional execution by phases of the project to which the auditor selected will perform the auditing.

**Auditor:** will be the natural or legal person who is selected in the present selection process to perform the auditing work.

**Plural Bidder- Consortium:** When two or more persons jointly present the same proposal for the awarding, entering into and execution of a contract, responding jointly for each and every one of the obligations arising from the proposal and the contract. Consequently, the actions, facts and omissions that are presented in the development of the proposal and the contract, will affect all the members that make up said consortium.

**Plural Bidder- Temporary Union:** When two or more persons jointly present the same proposal for the awarding, entering into and execution of a contract, responding jointly for the full compliance of the proposal and the object contracted, but the penalties for the non-compliance of the obligations derived from the proposal and the contract are imposed according to the participation in the execution of each of the members of the temporary union.

**Offer or proposal:** It is the legal Business Project that one person formulates to another, which must contain the essential elements of the business and be communicated to the recipient. It is understood to be communicated when any suitable means is used to make it known to the recipient. The proposal will be irrevocable. Consequently, once it has been communicated, the bidder cannot retract it, otherwise they will have to indemnify the addressee for the damages caused by its revocation, in accordance with the provisions of articles 845 and 846 of the Commercial Code.

**The Contracting Party:** For all purposes, the Contracting Party is the FINANCIERA DEL DESARROLLO TERRITORIAL – FINDETER S.A.

**Annexes:** These are the provisions that complement the relevant parts of the respective chapters.

**Contract Liquidation Document:** A document that shall constitute the contractual and balance-sheet closure of the contract, which will record the physical and budgetary execution of the CONTRACT, the functionality of the project and the other relevant aspects of the CONTRACT, as well as the adjustments, revisions and recognitions to which there is place and the agreements, transactions and conciliations reached by the parties to put an end to the possible divergences presented, as well as the manifestations of disagreement of the Contractor and to be able to declare it free from obligations. It may be signed by the parties or by the CONTRACTING PARTY.

**Forms:** These are the suggested tools that allow the bidders to facilitate the preparation of their proposals and to present the information required in the Terms of Reference in a uniform manner. The information required in the forms is obligatory, it must correspond to that requested.

**Form 1-** Proposal Letter of Introduction: It contains the presentation of the general conditions of the proposal and must be submitted with the duly signed proposal.

**Form 2-** Certificate of Payment of Employee withholding Contributions and the General System of Integral Social security: It is intended to certify that the bidder has made the corresponding payments of the employment withholdings contributions and the general system of integral social security as appropriate and must be duly signed. It must be presented with the proposal.

**Forms 3 and 3a-** Specific experience and additional specific bidder experience: It defines the necessary information that allows the specific (enabling) and additional experience of the bidder that is directly related to the contractual object of the selection process to be verified. It should be presented with the proposal.

**Form 4-** Economic proposal: It defines the total value of the offer and all the necessary information of the economic proposal and must be presented in envelope No.2 for evaluation and qualification purposes. It must be presented with the proposal.

**Form 5-** Detailed economic proposal estimate and multiplier factor: It contains the detailed analysis of the different components that make up the factor that affects the direct costs required for the execution of the consulting contract. The selected bidder must present the duly completed Form in physical and Excel forms for the verification of compliance by the supervisor, who will validate that they meet the minimum requirements established in the Terms of Reference as a prerequisite for the signing of the Contract Initiation Act. These formats are considered only as a tool for the supervision of the consulting contract.

**Form 6-** Real beneficiary: Is the sworn statement of the identification and information of the real beneficiary of the contract, i.e. the natural or legal person(s) beneficiary(ies) of the contract. This is understood as the person or group of people with legal capacity, who can be bound and make decisions on the presentation of the proposal, subscription, execution, termination and liquidation of the contract, as well as on the management of the economic resources related to the contract and in particular on the distribution of the economic benefits derived from the same. Likewise, the parent companies and their subordinates constitute the same real beneficiary, whether they constitute or not a business group and they must submit their offer duly signed. It must be presented with the proposal.

**Form 7-** Sworn declaration of the non-existence of a conflict of interest. It is the sworn statement of the bidder, of the legal person and/or of the members of the consortium or of the temporary Union, that they do not have any grounds of conflict of interest preventing them from presenting their proposal or to enter into the contract established in the Terms of Reference. It must be presented with the proposal.

**Form 8-** Sworn statement form on penalty clauses, collection penalty clauses, fines, penalties or declarations of non-compliance and/or resolution or early termination due to imposed contractor defaults: It is the sworn statement of the bidder, which must be submitted by the natural person or legal representative of a legal entity that is presented individually by each of the members of the consortium or the temporary Union, on the penalty clauses, collection penalty clauses, fines, penalties or declarations of default and/or resolution or early termination due to breaches by the contractor, which have been imposed or declared in the contracts in which they have been the contractor. In the event of not being subject to any of the above, they must provide a duly subscribed Form 9.

**Form 9-** Sworn declaration form of the non-existence of imposition of penalty clauses, collection penalty clauses, fines, penalties or declarations of default and/or resolution or early termination due to the breach of contracts: In the event that the natural person or legal representative of a legal entity who is presented individually or any of the members of the consortium or the temporary union have not been subject as a contractor to penalty clauses, collection penalty clauses,

finances, penalties or declarations of breach and/or resolution or early termination for breaches of the contractor, imposed or declared in the contracts in which they have been the contractor, they must present the respective sworn statement.

**Form 10-** Declaration form registration in the unique register of bidders of the single business register of the chamber of commerce: It is the sworn statement of the bidder, which must be presented by the natural person or legal representative of a legal entity that is presented individually and each of the members of the consortium or the temporary Union, about the registration or not in the register.

**Form 11-** Letter of commitment on the incorporation of gender equality and social inclusion in the development of the project – It is a Form provided by FINDETER, in which the consulting firm is committed to promoting gender equality in the execution of the contract.

**Form 12-** Promise of technical assistance contract – When the specific experience of the bidder is accredited through an international network of contract firms, this form must be provided, through which it is guaranteed by the company as appropriate, the provision of technical advice necessary to the contractor to ensure that it has the technical support in the relevant field and thus ensures the successful execution of the activities carried out by the contractor, depending on the specific task that the Technical assistant is obliged to develop.

## 1.2. LEGAL NATURE OF FINDETER

The Financiera de Desarrollo Territorial S.A. – FINDETER, whose creation was authorized by Law 57 of 1989, and its legal status was amended by Decree 4167 of 2011, incorporated as a national mixed economy corporation not assimilated to Industrial and Commercial Companies of the State, irrespective of the participation of public capital in its assets, organized as a credit institution, linked to the Ministry of Finance and Public Credit and supervised by the Financial Superintendence of Colombia.

## 1.3. APPLICABLE LEGAL REGIME

The contracting process for this private call is subject to the Colombian legislation and jurisdiction and is governed by the private procurement scheme contained in the Civil code, the Commercial Code and other rules applicable to the matter. Therefore, the terms of reference and in general the documents that are defined in the process shall be subject to the aforementioned standards.

By express request of the Government of the United Kingdom of Great Britain and Northern Ireland represented by the Foreign and Commonwealth Office (FCO), the selection process will be advanced through the modality of a Private Call, in accordance with the paragraph c) of section 13.2. Private call of Findeter's Third Party Procurement Policy (CON-ST-DA-001 V.3).

## 1.4. WHO CAN PARTICIPATE IN THIS PRIVATE CALL

The British companies that are in the Commercial Framework developed by the Prosperity Fund of the Government of the United Kingdom of Great Britain and Northern Ireland represented by the Foreign and Commonwealth Office (FCO) and applied by the British Embassy in Colombia for the implementation of the resources of the Bilateral Prosperity Fund in Colombia may submit a bid in this private call.

An exception to the above allows the participation of a Colombian company belonging to an international network of firms, or the branch of a British company as appropriate, provided that the proposal is presented with an express authorization from the British company in this regard.

When plural bidders are constituted with Colombian companies or natural persons, the leader of the figure of association must belong to the Commercial Framework, and its share of participation must be at least 30%.

## 1.5. GUIDING PRINCIPLES

This contracting shall be governed by and subject to the principles of the Administrative and Fiscal Management Function, as enshrined in articles 209 and 267 of the Political Constitution, and to the system of Disqualifications and Incompatibilities provided for in articles 8 of the Law 80 of 1993, articles 13; 15 and 18 of law 1150 of 2007, articles 1 and 4 of law 1474 of 2011 and other concordant rules.

These principles shall be understood and applied in the sense established by law, Colombian jurisprudence and doctrine.

## 1.6. CALL FOR CITIZEN OMBUDSMEN

The citizen ombudsmen established in the law, will be able to carry out social control of this selection process and the resulting contract, and for this purpose they will be provided with all the necessary information and documentation.

## 1.7. ANTI-CORRUPTION

The BIDDER with the presentation of the proposal expresses its intention to support the action of the Colombian State and of the entity to strengthen the transparency in the contracting processes and is formally committed to not performing or facilitating acts, agreements or behaviours of corruption.

In the event special cases of corruption in State entities are witnessed, this fact must be reported to the Secretary of Transparency of the Presidency of the Republic or whoever it designates. It can also be reported to [www.findeter.gov.co](http://www.findeter.gov.co) or [Programantifraude@findeter.gov.co](mailto:Programantifraude@findeter.gov.co).

## 1.8. CORRESPONDENCE

With the exception of the proposal, which must be filed in the place indicated in the timetable, each and every one of the documents that the interested party and/or bidder generates and are related to the present selection process, may be forwarded to the email [grupo-icat@findeter.gov.co](mailto:grupo-icat@findeter.gov.co), which may not exceed 10 MB including the body of the mail in a single email or filed in Calle 103 # 19 – 20 Bogotá, likewise those documents that are required to be submitted as original documents will not be accepted in electronic mail and must be filed physically and the original documents. If it is needed to send documents larger than 10MB, several emails can be sent, but they must be sent before the deadline so that they are taken into account by the entity.

It is clearly understood that for all the purposes of this private call, the only official correspondence of the process, and as such susceptible for claims, will be that filed and/or sent by any of the established means.

Correspondence that is sent or filed in an entity, directorate or division, dependency, place and/or email different to the above is understood as not being official and is not binding and will not be attended to.

Communications must be sent to:

FINDETER  
CONTRACTING MANAGEMENT  
Subject: Number and object of the Private Call  
Phones: 6230311  
Calle 103 No. 19-20  
Bogotá D.C. – Colombia

And must contain at least the following data:

- a. Full name of the person interested in the private call

- b. Bidder data that includes at least: full name, physical address, e-mail address and landline and/or mobile phones.
- c. Identification of the annexes submitted with the communication, if any.
- d. Total number of sheets.

## **1.9. PUBLICATION OF THE PROCESS**

All the documents will be available for the consultation of all those invited to participate, in the facilities of FINDETER located in the city of Bogotá in the Calle 104 No. 18ª-52, offices of the Water Management and Basic Sanitation, where a staff member of the Contracting Management will be available, and which will be recorded in writing.

## **1.10. SENDING OF THE TERMS OF REFERENCE AND PROCESS DOCUMENTS**

The opening of the selection process will be carried out with the sending of the terms of reference and the documents of the process to those invited to participate.

## **1.11. REMARKS ABOUT THE TERMS OF REFERENCE AND THE DOCUMENTS OF THE PROCESS**

Interested parties may submit observations regarding the content of the terms of reference, the studies of the project, the risk matrix, the technical annexes and any other document related to this selection process, in written form, within the terms and dates established in the timeline of the process, via email to [Grupo-icat@findeter.gov.co](mailto:Grupo-icat@findeter.gov.co) or in writing to Calle 103 # 19 – 20 Bogotá, Findeter. Consultations will not be accepted by telephone or in person.

The CONTRACTING party shall send the replies to the observations submitted by email on the date established in the timeline of the process. The CONTRACTING party, for the purposes of its reply, may group together those observations of a similar nature.

The report replying to the presented comments will be explanatory or clarifying in nature, as a result, the Terms of Reference will only be amended by means of addenda.

## **1.12. ADDENDA**

Within the term of opening of this private call, the CONTRACTING PARTY, may amend the Terms of Reference through Addenda which will be sent via e-mail, which must be issued no later than the business day preceding the date established in the schedule for the closing of the private call.

Also, they can issue addenda to modify the schedule of the process before the selection of the contractor favoured in the private call.

It shall be the sole responsibility of the bidder to attend and take into account all the addenda issued in the present selection process for the preparation of its proposal.

## **1.13. PRESENTATION OF THE PROPOSALS**

The present process may involve natural or legal persons, whether national or foreign, plural bidders in consortium or temporary union.

Each bidder, whether a natural or legal person, whether participating individually, as a partner or constituted as a consortium or temporary union, must submit only one proposal.

The bidder may submit proposals directly or through an agent, in said event it shall annex the legally granted power in the due form in which the proxy is conferred, in a clear and express manner, providing them with ample and sufficient powers

to act, be bound by and to hold the bidder responsible in the process of the present proceedings and in the signing of the contract, together with a copy of the citizenship card or equivalent document of the latter.

The proxy may be a natural or legal person, but in all cases must have a permanent residence, for the purposes of this process, in the Republic of Colombia, and shall be entitled to represent the bidder, in order to perform on its behalf the following activities: (i) Formulate proposals for the selection process of these Terms of Reference; (ii) Respond to the requirements and clarifications requested by the contractors for this process; (iii) Receive notifications as required; (iv) Sign the contract on behalf of and in representation of the successful bidder.

The proxy must comply with the requirements of the General Code of Procedure for the Constitution of Proxies (article 74), as well as with the aspects related to the authentication. The power granted by the foreign natural or legal persons must also comply with the requirements of the General Code of Procedure for the Constitution of Proxies (article 74) and if it is granted in the country of the person's residence must comply with the requirements for authentication and legalization of documents issued by the competent authority abroad or be apostilled, as the case may be.

#### **1.14. FORM OF PRESENTATION OF THE PROPOSALS**

The bidder must present its proposal at the place, and on the date and time set in the schedule, in a written medium (physical) in two (2) closed envelopes, separated, identified with the name of the project of the private call, containing the documents that make up part of the proposal, in the following way:

##### **1.14.1. Envelope No. 1: Technical proposal:**

It must contain the supporting documents and information established in the present Terms of Reference (which will include, amongst others, documents to certify the qualifications of the legal, financial and technical bidder indicated in these Terms of Reference) and must be marked as Technical Proposal Envelope.

It must be presented in a written medium (physical), an original and two (2) copies. These documents must be properly numbered with sheets consecutively numbered in an ascending order.

##### **1.14.2. Envelope No. 2: Economic and Specific Additional Experience of the Bidder Proposal**

It shall contain: 1) the economic proposal and 2) the information of the contracts which the bidder intends to subject to rating in physical and magnetic means.

It must be presented in a written medium (physical), an original and one (1) copy. These documents must be properly numbered with sheets consecutively numbered in an ascending order.

Note: Each of the contracts that the bidder intends to be included at the Rating Stage will be accredited in the same way as those that were used in the enabling phase.

All the documents of the Proposal: Technical (Envelope No.1) and Economic and Experience (Envelope No.2) must be numbered in a consecutive ascending manner, which means without omitting or repeating numbers, from the first to last sheet. It should not be numbered with any additional character such as A, B, C. The numbering is to be performed in the upper right corner of the document according to the reading direction, in a legible way without amendments, using black and soft pencil, type HB or B, or ballpoint pen with insoluble black ink.

**All documentation must be stored in a cardboard folder, with legal size paper of 300 grams or higher, and bound with a binder made of acid-free plastic materials. In order to comply with the General File Law, the documentation should not be presented in an AZ, laminated, ringed or VeloBind folder or folders.**



**The maximum number of sheets per folder must not exceed two hundred (200) pages, if these are exceeded, the surplus documentation must be included in another folder maintaining the consecutive sheet number.**

#### **1.15. RULES FOR SUBMITTING PROPOSALS**

- i. Each bidder, whether a natural or legal person, whether participating individually, as a partner or constituted as a consortium or temporary union, must submit only one proposal.
- ii. In this process proposals may be submitted directly or through proxies, whether natural or legal persons, national or foreign, and/or plural bidders through the associative figures of consortium or temporary unions, which at the date of submission of the proposal meet with the qualifying requirements required for participation in the present contracting process.
- iii. In accordance with the provisions of law 842 of 2003 and other Concordant rules, and in order not to allow the illegal practising of the profession of Engineering, the natural person who intends to participate in this private call, either individually or as a member of a plural bidder (consortium or temporary union), must certify that they have a title as a Civil Engineer or Sanitation Engineer.
- iv. The proposal must be presented without erasures or amendments that may affect its characteristics, quantities, unit values or total values.
- v. If any clarification is made, a note explaining the same should be included.
- vi. The proposal, documents and communications delivered, sent or issued by the bidders within the respective Private Call, must be presented in the Spanish language.
- vii. Proposals sent to other units will not be accepted by e-mail, fax or any other telematic media.
- viii. Proposals submitted after the date and time, or in a place other than those set for delivery, will be considered as late, therefore they will not be accepted. Consequently, they shall not be subject to verification or evaluation.
- ix. In the case of discrepancies between the original and the copy, the content of the original proposal prevails.
- x. In case of discrepancies between the original physical economic proposal and the one presented in digital format, the original physical proposal will prevail, and in the case of discrepancies between the economic proposal and/or budget in Excel and PDF format, the content of the PDF file will prevail. The Excel format is considered to only be a work tool for evaluators.
- xi. The information required in the forms of this Private Call must be fully completed.

#### **1.16. DOCUMENTS STORED IN THE ENTITY**

When the bidder intends to certify any requirement included in the Terms of Reference with documentation that complies with the requirements and is stored in the entity, for having been included in another process within two (2) years preceding the date of submission of the proposal, it must expressly request in the proposal that they be taken in account for this selection process. To this end, it must fully identify the document (s) and indicate its specific relevance, so that the entity can verify them directly, without prejudice to the bidder providing them.

#### **1.17. PROHIBITION ON THE SUBMISSION OF ALTERNATIVE OR PARTIAL OR CONDITIONAL PROPOSALS**

No alternative, partial or conditional proposals will be accepted.

#### 1.18. TERM FOR RETURN OF PROPOSALS

The bidders may request in writing the withdrawal of their proposals before the date and time envisaged for the closing of the private call upon request by the Legal Representative. In this case they will be returned unopened and a written record of the return will be made.

Likewise, once the private call has been completed, the bidders, except for the bidder who is awarded the contract, may file a request for the return of the copies of their proposal within a maximum period of fifteen (15) calendar days following the date of the sending of the contractor selection document. If this does not occur before said period, then the proposal will be sent to general archive for its destruction.

#### 1.19. DEADLINE FOR SUBMISSION OF PROPOSALS

The deadline for submission of proposals will start from when the Terms of Reference are sent and will be in the place and up to the date and time that is established in the schedule or in the addenda that are issued for said purpose.

Proposals submitted after the day and time indicated for the closing of the process, or in a different place than that defined in the timetable will not be accepted for any reason.

#### 1.20. DOCUMENTS ISSUED ABROAD

If the document is issued in a language other than Spanish it must be accompanied by the respective official translation into the Spanish language, by an official translator, accredited by the Ministry of Foreign Affairs of Colombia, and said translation must be submitted duly legalized or apostilled as appropriate.

The requirement for the **official translation** of documents **will only be required for the selected bidder**. However, **all the documents submitted with the proposal, provided in a language other than Spanish, must be accompanied by the respective simple translation**. When the documents by which the experience is accredited are in a language other than English, the simple translation must be submitted translated into English and then said translation must be translated into Spanish.

Apostilled or legalized documents must be submitted by the selected bidder, **within ten (10) business days following the submission of the selection document**. In the event the CONTRACTING PARTY requires clarification it will be requested by e-mail, and the selected bidder will have three (3) business days to reply, sending the documentation with the requested corrections.

##### 1.20.1. LEGALIZATION

Public documents issued abroad by an official of a state not part of the Hague Convention, or private documents from said States, must be submitted duly legalized, for which it will be verified that the following chain of legalization has been performed: (i) The document has been recognized by a notary or the person that it designates, if applicable; (ii) The legalization of the documents before the competent authority in the country of origin (where the documents were issued); (iii) Presentation of the documents, previously legalized, at the consulate of Colombia located in the country in which the document was issued, so that the Colombian Consul recognizes the signature of the authority that legalized it, or in the absence thereof, that of a friendly nation; (iv) Legalize the signature of the Colombian consul before the Ministry of Foreign Affairs of Colombia.

In the case of companies, when authenticating the documents, the consuls will state that the company exists and exercises its corporate purpose according to the laws of the respective country.

#### 1.20.2. APOSTILLE.

In the case of documents of a public nature granted in a foreign country by an official of a State that is a signatory of the Convention on the Abolition of the requirement of legalization for foreign public documents, signed in the Hague on October 5, 1961, only the Apostille will be required. **The Apostille is the process by which the authenticity of the signature is endorsed and includes the title of the public official signing the document** and that is presented to the competent authority in the country of origin. If the Apostille is given in a language other than Spanish, it must be accompanied by an official translation to that language made by an official translator duly accredited by the Colombian Ministry of Foreign Affairs, which shall be duly apostilled or legalized.

**WARNING:** The Entity hereby notifies that it will strictly apply the provisions contained in the Hague Convention, which was approved by law 455 of 1998, in the sense of verifying that the procedure ascertained before the competent authority **endorses the authenticity of the signature and indicates the title of the person who signed the public document.**

#### 1.21. PROCEDURE FOR THE VERIFICATION OF CONTRACTS AND/OR PROJECTS GRANTED IN A FOREIGN CURRENCY

1. Verification of the date of termination or signing of the delivery document and final receipt of the contract.
2. Verification and identification of the foreign currency in which the contract was signed.
3. Conversion of the contract value to United States dollars, in the event it is in a different currency and its later conversion to Colombian pesos. When the contract has been signed in foreign currency, the value of the United States dollars used will be that in force on the day of the termination date or the signing of the delivery document and final receipt of the contract.
4. The value of the contract or project presented in foreign currency shall be directly established when there is official information allowing the conversion to the comparison currency.
5. The conversion to current statutory minimum wages (Colombian minimum monthly legal salaries) shall be made in accordance with the total value of the contract at the date of termination or signing of the delivery document and final receipt thereof.

For the purposes of conversion to minimum wages, in the event that the bidder submits supporting documents about the termination date and the date of signing of the delivery and/or final receipt document, the date to be used for the conversion shall be the contract termination date.

In the event that the bidder does not present documents that comply with the conditions established in the alternatives of accreditation of experience with its proposal or when it is required, where the total value of the contract can be verified, when performing the calculation of the monthly minimum salaries, this contract or project will not be taken into account to accredit this criterion of experience.

The Central Bank of Colombia shall be used for the establishment of the exchange rate: <http://www.banrep.gov.co/es/tasas-cambio-mundo>

#### 1.22. DISQUALIFICATIONS AND INCOMPATIBILITIES

Any persons that are disqualified or incompatible as indicated in the Constitution and in law, in compliance with the provisions of articles 13 and 15 of law 1150 of 2007, will not be able to participate in the present contracting process, nor to enter into contracts, by themselves or by interposed persons.

**NOTE:** If any disqualification or incompatibility occurs with respect to the CONTRACTOR, they will cede the contract, prior written consent of the CONTRACTING PARTY or if it is not possible then they will withdraw from the execution thereof.

Where the disqualification or incompatibility of one of the members of a consortium or temporary union comes into being, the latter shall cede its/her participation to a third party, prior written authorization from the CONTRACTING PARTY.

### **1.23. CONFLICT OF INTEREST**

For the purposes of these Terms of Reference, it shall be considered that either individually or as a member of a consortium or temporary union, a bidder may not submit a proposal or sign a contract, when it has a conflict of interest, according to the following definitions:

**1.23.1** They incur in any of the grounds defined in law 734 of 2002, article 11 of law 1437 of 2011 and other concordant rules.

**1.23.2** They have participated in the structuring, evaluation, approval, viability and financing of the project subject to this private call, as well as structuring the terms of reference and/or evaluating and selection of this contracting process. The conflict of interest will also be predicated on the actual beneficiaries of the same persons.

**1.23.3** They have signed a supervisory contract with Findeter during the execution period and until the liquidation of the same. This conflict will also cover the real beneficiaries of the same people.

**1.23.4** They have participated or are linked as service operators in the municipality where the contract work that this private call is being carried out for will be executed. This prohibition also governs the real beneficiaries of the same persons.

**1.23.5** They may not submit a proposal simultaneously in this Private Call and the Private Call for the auditing of this project

### **1.24. DUTY OF DUE DILIGENCE AND INFORMATION ABOUT THE CONTRACT**

**1.** The bidder will be responsible for knowing each and every one of the implications of the offer that it makes in this process, and for carrying out all the appraisals and estimates that are necessary to present their proposal on the basis of the General conditions and specific techniques and characteristics of the activity and/or work to be contracted.

**2. PROJECT SITE KNOWLEDGE:** It is the responsibility of the bidder to know the conditions of the site of execution of the project and activities to be executed. Consequently, it shall be at the risk of the bidders to inspect and examine the places where work, activities, the surrounding sites and their surroundings are projected, and to inform themselves about the nature of the terrain, the form, characteristics and site accessibility.

With the submission of the proposal, the bidder declares that it fully knows all the conditions of the project execution site, the activities to be carried out and the legal, technical, environmental, economic and social circumstances for the development of the project, especially those that may affect the execution of the activities and/or the project and influence the calculation of the value of the proposal. Therefore, ignorance of these aspects will not serve as a valid excuse for subsequent claims.

**3.** By submitting the proposal, it is considered that the bidder has carried out the complete examination of all aspects that affect it and accepts the conditions and decides to submit it.

**4.** The accuracy and reliability of the information which the bidder consults, other than that referred to by the CONTRACTING PARTY, is at its own risk, as well as its interpretation thereof.

5. It is the responsibility of the bidder to fully know the technical, social, physical, economic, geographical and environmental conditions of the site where the contract will be executed. Consequently, not having obtained all the information that may influence the determination of its offer, will not exempt it from the obligation to assume the responsibilities that correspond to it, nor will it give the right to claims, refunds, adjustments of any nature or additional recognition by the CONTRACTING PARTY, in the event that any such omissions result in subsequent surcharges for the CONTRACTOR.

6. Therefore, the proposal's preparation is at the risk of the bidder, which should take into account that the calculation of costs and expenses must be strictly based on their own technical studies and on their own estimates.

#### **1.25. VERIFICATION AUTHORITY**

The CONTRACTING PARTY reserves the right to verify integrally all the information or documentation provided by the bidder, being able to go to the sources, persons, companies, entities or to use those means that it considers necessary to achieve said verification.

#### **1.26. SUSPENSION AND/OR CANCELLATION OF THE PRIVATE CALL**

The CONTRACTING PARTY reserves the right to suspend or cancel at any time or stage of the process, the private call that is in progress, even before the signing of the contract, when there are circumstances that impede the normal progress of the same.

Likewise, when for reasons of convenience for the entity, it is not necessary to continue with the contracting process, it may be suspended or terminated at any stage, when due to technical, operational, economic, market or force majeure reasons, or on the order of an authority, an irrevocable action of third parties or coexistence issues that can justify this decision.

In this case the CONTRACTING PARTY shall issue a suspension and/or cancellation document as appropriate, that will be sent to the parties invited to participate and/or bidders as appropriate.

#### **1.27. CLOSING OF THE PROPOSAL RECEIPT STAGE**

The closing of the selection process will be in the place, date and time limit set in the schedule of the present Terms of Reference, which shall be recorded by a closing document signed by those present, and then it will be sent to the bidders.

#### **1.28. VERIFICATION OF LEGAL, TECHNICAL AND FINANCIAL ENABLING REQUIREMENTS**

The verification of the minimum legal, technical and financial enabling requirements defined in these Terms of Reference will not result in scoring, but they will enable or disqualify the proposal.

##### **1.28.1. RECTIFICATION RULES**

The supplier has the burden of presenting his offer in full, that is, answering all aspects of the terms of reference and attaching all supporting documents or proof of the conditions that it intends to enforce in the Private Call.

The bidder has the responsibility of presenting its proposal in an integral way, that is, answering all the aspects of the Terms of Reference and attaching all supporting documents or proof of the conditions they intend to present in the private call.

Requests for corrections shall be made in the **"Application Document for Rectification"** that the entity will forward to the bidders via e-mail on the date established in the schedule, in order that the bidders clarify, provide information or documents aimed at rectifying the proposal, provided that they can be subject to rectification.

The bidders must establish within the preclusive and peremptory term that is fixed in the timetable for this purpose, the required corrections, in writing and/or in PDF file to the electronic mail [gGrupo-icat@findeter.gov.co](mailto:gGrupo-icat@findeter.gov.co), or filed in an original

duly numbered folder in the facilities of FINDETER, located in Calle 103 No.19-20 Bogota, whose opening hours to the public are from Monday to Thursday from 8:00 to 17:00 and on Fridays from 7:00 to 15:00, addressed to the Contracting Management. Those documents that must be presented in original form, will not be accepted via email, so they must be filed physical and original. **Those received late or those filed in a place other than that designated for their reception will not be taken into account.**

In the event in which the entity has not notified the absence of an enabling requirement or there is a need for clarification of any, and consequently, it was not required in the "Application Document for Rectification", or it warns of the need for clarification or explanation at any time, they may ask the bidders to provide the documents, clarifications or explanations in the term they set in the requirement.

All the requirements of the proposal that affect the allocation of scores or related to the lack of capacity shall not be subject to rectification, so they must be provided by the bidders from the moment of the submission of their proposal.

In the case of application(s) of rectification to enable the proposal, or the clarification or explanation thereof, bidders may not modify, add to or improve their proposals, under penalty of rejection.

#### **1.28.2. ENABLING REQUIREMENTS VERIFICATION REPORT**

From the verification of enabling requirements based on the initial proposal and the documents provided in the rectification stage, a report will be drawn up which shall be signed by the evaluators, stating the compliance or not of the enabling requirements of legal, technical and financial order demanded in these Terms of Reference, as well as the express indication of the requests for corrections and the corrections, and the bidders who have not corrected the enabling requirements in the term granted by the entity will be recorded.

The entity will send via email the Enabling Requirements Verification Report on the date established in the schedule of this private call and shall remain at the disposal of the participants on the days indicated in the timetable, so that within that term the bidders can present any observations that they deem pertinent.

#### **1.29 OBSERVATIONS TO THE ENABLING REQUIREMENTS VERIFICATION REPORT**

The bidders may, within the term set out in the timeline of this selection process, make comments about the enabling requirements verification report, within the terms and dates set out in the timetable, via the email: [gGrupo-icat@findeter.gov.co](mailto:gGrupo-icat@findeter.gov.co) or at Calle 103 # 19 – 20 Bogotá.

The bidders may not add to, rectify, modify or improve their proposals or add documents which are subject to rating at this stage.

#### **1.30. RESPONSE TO THE COMMENTS SUBMITTED TO THE ENABLING REQUIREMENTS VERIFICATION REPORT AND SENDING OF THE FINAL REPORT ON THE VERIFICATION OF ENABLING REQUIREMENTS**

Within the term established in the timeline the entity will send via email the definitive report of enabling requirements, which shall contain the results of the bidders whose proposals are enabled or not, and will respond to the comments received, expressly indicating whether they are accepted or rejected.

#### **1.31. OPENING OF ENVELOPE NO. 2- ECONOMIC PROPOSAL AND ADDITIONAL SPECIFIC EXPERIENCE OF THE BIDDER**

The CONTRACTING PARTY on the date and time provided for in the timeline of the process, in a public act, shall open the Envelope No. 2- Economic Proposal and Additional Experience, only for the enabled proposals. This action will be recorded in a document, accompanied by the attendance list which will be signed by those who are present.



In this hearing the total value of each of the economic proposals will be read. The economic proposals will be sent via e-mail together with the aforementioned document.

### **1.32. METHODOLOGY, EVALUATION AND RATING OF THE ENABLED PROPOSALS**

Within the term established in the schedule of the selection process, the evaluators will carry out the evaluation of the economic proposal of the enabled proposals.

For the economic verification the Report of Economic Verification and Additional Experience shall be prepared and sent via email stating the results of the economic offers of the enabled proposals. The bidders may comment on the report.

Upon expiry of the preceding term, in the dates set out in the timetable, the evaluators shall analyse the observations submitted to the economic verification report, determine the method and economic weighting of the enabled proposals and prepare and send the Definitive Report of Evaluation and Qualification and assign a score with the respective order of eligibility.

Through addendum the entity may extend the evaluation period for as long as it deems necessary.

The result of the evaluation will be presented to the Legal Representative of Findeter, indicating the order of eligibility and the respective recommendation, in accordance with the outcome of the evaluation. The Legal Representative of Findeter may perform the corresponding selection and shall sign the selection act or notify the impossibility of selecting a bidder in a document that will be sent on the date set on the timeline.

If, for the reasons set forth in these Terms of Reference, the selection of the bidder located in the first order of eligibility is not required, the bidder located in second order of eligibility may be selected and so on; if there is no second-place bidder in order of eligibility, the process will be declared void.

### **1.33. CONFIDENTIALITY DURING THE EVALUATION PROCESS**

Information relating to the analysis, clarification, evaluation and comparison of the proposals and the recommendation for selection that best suits the interest of the contracting party may not be disclosed to the bidders or to third parties until the entity makes the evaluation reports known to the bidders within the time limit established in the timetable, through the publicity mechanism established in the Terms of Reference, for the corresponding observations to be presented.

### **1.34. INDICATION OF THE LEGAL CONFIDENTIALITY OF THE SUPPLIED DOCUMENTS**

The bidders must indicate in their proposal which of the documents provided are confidential in nature due to constitutional or legal disposition, according to the Constitution or the law and notify the standard that protects said confidentiality. If the bidder does not make an express statement covered by the law, it is understood that the whole proposal is public.

### **1.35. TIE-BREAK CRITERIA**

When two or more proposals obtain the same total score in this private call, and this is the highest score of the evaluation of the proposals, it will be considered to be a tie. In this case the following tie break criteria shall apply:

A draw will be made by ballots, in a hearing that will be held on the following business day of the referral of the final evaluation and rating report, at the date, time and place established by notice. For said purposes, the legal representatives (or delegates) of the tied stakeholders will choose the ballots, and it will be awarded to the one who chooses the largest number.

If a bidder does not attend the hearing, then one of the audience will be asked to choose the ballot on their behalf.

### **1.36. MODIFICATION OR REPEAL OF THE SELECTION ACT**

The contracting party may amend or revoke the selection act, in the event that within the time period between the awarding of the contract and the signing thereof, a disqualification or incompatibility of the selected bidder is found, or if it is demonstrated that the act was obtained by illegal means.

### **1.37. CAUSES OF REJECTION**

THE CONTRACTING PARTY shall reject the proposal when one of the following events arises:

- 1.37.1.** When the proposal does not cover all the required technical requirements or conditions.
- 1.37.2.** When the bidder is a natural or legal person, either individually, as a partner or as a member of a consortium or temporary union, and submits more than one offer, the proposals submitted will be rejected.
- 1.37.3.** When the economic proposal submitted for the Private Call or the phases, after the arithmetic corrections, is less than the minimum values or higher than the maximum values established in these Terms of reference for the respective Private Call or Phase.
- 1.37.4.** When the proposal is submitted late or in a place other than that indicated in the terms of reference.
- 1.37.5.** When the proposal submitted exceeds the period of execution stipulated in the terms of reference.
- 1.37.6.** When the bidder does not present in conjunction with the technical proposal the economic offer or vice versa.
- 1.37.7.** When the bidder, whether they are a natural or legal person or any of the members of the consortium or temporary union, incurs in any grounds for disqualification, incompatibility or conflict of interest, as established by the constitution, the law and the Terms of Reference.
- 1.37.8.** When the bidder, whether a natural or legal person or any of the members of the Consortium or temporary union, incurs in any of the disqualifications to submitting a proposal of those established in these Terms of reference.
- 1.37.9.** When the proposal presents amendments, erasures or crossing outs which impede the objective selection.
- 1.37.10.** When the economic proposal is partial or totally illegible.
- 1.37.11.** When the bidder, a natural or legal person or one of the members of the consortium or temporary union or its representatives, is reported in the Bulletin of Fiscal Managers issued by the Comptroller General of the Republic.
- 1.37.12.** When the bidder, a natural or legal person or any of the members of the consortium or temporary union or its representatives, is reported as being disqualified from contracting in the Information System of Registration of Penalties and Causes of Disqualification "SIRI" of the Attorney General of the Nation.
- 1.37.13.** When the bidder, a natural or legal person or any of the members of the Consortium or temporary union or their representatives, is reported or included in any national or international list that refers to the laundering of assets and financing of terrorism.
- 1.37.14.** If, within the time limit provided to rectify the enabling requirements, the bidder does not do so, and the existing supporting documents do not meet the qualifying requirements.
- 1.37.15.** When the bidder does not meet the qualifying requirements established in the terms of reference.
- 1.37.16.** When a partial, conditional and/or alternative proposal is presented.
- 1.37.17.** When in the rectification Phase, the percentages of participation of the members of the plural bidder are modified, or it is shown that their constitution occurred after the closing of the process.
- 1.37.18.** When the bidder, a natural or legal person or any of the members of the consortium or temporary union, presents an affidavit of not having had, within three (3) years preceding the closing of the present contracting process, any imposition of penalty clauses, collection penalty clauses, fines, penalties, or declarations of non-compliance; or within the five (5) years preceding the closing of this process of contract resolution states that they have not had any early termination due to breaches of the contractor, in the contracts in which they were a contractor, and the entity evidences the opposite.
- 1.37.19.** When the constitution of the bidder occurs after the process is closed or the faculties required after closing are granted.

- 1.37.20. When the bidder in the proposal makes an offer that violates legal provisions.
- 1.37.21. When the bidder submits documents containing information or data which are not truthful, inconsistent, distorted, altered, inaccurate or intended to mislead the entity, which influence the rating of the proposal.
- 1.37.22. When the offer is not subscribed by the bidder, in the case of natural persons, and in cases of legal persons, consortia or temporary unions by the legal representative of the bidder duly authorized or by the proxy constituted for this purpose.
- 1.37.23. In the other cases established in the terms of reference and in the law.

#### **1.38. GROUNDS FOR DECLARING THE PRIVATE CALL VOID**

- 1. When proposals are not presented.
- 2. When none of the proposals are admissible in the legal, technical, financial and experience factors provided for in these Terms of Reference.
- 3. Where there are causes or reasons which impede the objective choice of the bidder.
- 4. When the Legal Representative of Findeter does not accept the recommendation of the Order of Eligibility or the selection of the evaluators' contractor and opts to declare the process void, in which case he/she must provide reasons for this decision.

In any of the preceding events, the entity will make known the decision, by means of the publicity mechanism established in the terms of reference.

#### **1.39. CONTRACT SUBSCRIPTION**

The selected bidder shall sign the contract in the premises of the contracting party within five (05) business days following the date on which the CONTRACTING PARTY summons them via email, in the premises of the CONTRACTING PARTY, located in the city of Bogotá.

#### **1.40. CONSEQUENCE OF THE NON-SIGNATURE OF THE CONTRACT AND/OR FULFILMENT OF THE EXECUTION REQUIREMENTS OF THE SAME**

If the favoured bidder does not sign the respective contract(s) or does not constitute the guarantees required in the contract by an insurance policy or bank guarantee, FINDETER S.A. may make effective the bid bond issued by an insurance policy or bank guarantee and will dispose of its value as compensation for damages, whatever the cause or causes alleged by the bidder, without prejudice to the legal actions leading to the recognition of damages caused and not covered by the value of the guarantee.

In this event, the CONTRACTING PARTY will be able to select the second bidder in the order of eligibility, as long as their proposal is equally favourable to the entity, or so on, in which case, it will require the bidder to extend the validity of the bid bond for the offer, until the perfecting of the contract.

#### **1.41. CONTRACT EXECUTION REQUIREMENTS**

The contractor shall provide the guarantees by an insurance policy or bank guarantee required for the execution of the signed contract, within three (3) business days following the signing of the CONTRACT.

In the event the CONTRACTING PARTY has any observations to make about these requirements, the successful bidder shall respond within two (2) business days.

#### **1.42. APPROVAL OF THE GUARANTEE**

The CONTRACTING PARTY will approve that guarantees submitted by the CONTRACTOR by an insurance policy or bank guarantee are in compliance with the requirements, within two (2) business days following the filing of the same.

In the event the CONTRACTING PARTY has any observations to make about these requirements, the successful bidder shall respond within two (2) business days.

#### **1.43. OFFICE IN COLOMBIA OF THE SELECTED CONTRACTOR**

Within fifteen (15) business days following the signature of the contract, and if the contractor does not have an office in Colombian territory, it shall constitute an office in the city of Bogotá and inform the CONTRACTING PARTY in writing of the address.

### **SUBCHAPTER II DOCUMENTS AND LEGAL REQUIREMENTS**

#### **2.1. DOCUMENTS AND REQUIREMENTS OF THE PROPOSALS**

The proposal must fulfil the requirements and provide the documents listed below:

##### **2.1.1. EXISTENCE AND LEGAL REPRESENTATION**

The bidder, national or foreign legal person with branch and/or domicile in Colombia, must certify its existence and legal representation, providing the certificate issued by the corresponding Chamber of Commerce, in which it will verify:

1. Date of issue of the certificate of existence and legal representation: It may not exceed thirty (30) calendar days prior to the date scheduled for the closing of the term of this process.
2. Corporate purpose: It must be related to the service to be contracted or contemplate the activities that are related to it.
3. Faculties of the legal representative: The faculties of the person exercising the legal representation must be enabled for the presentation of the offer, the signature of the contract that is derived from the present selection process in the event they are favoured with the adjudication, as well as being able to commit the company.
4. Limitations of the legal representative: In the event that from the content of the certificate issued by the Chamber of Commerce, it is found that the legal representative has restrictions to submit the proposal and/or to contract and be obligated in its name, it must certify the authorization by which the competent body empowers them to submit the proposal and to enter into the contract in the event of being selected and if it is necessary to establish the Legal representative's faculties in the statutes, they must annex a copy of the relevant part thereof.  
This authorization must have been granted prior to the closing of this selection process. The definitive absence of sufficient authorization or the non-contribution of such document within the term required by the entity, or the accreditation thereof after the closing, shall determine the lack of legal capacity to present the proposal, and therefore it will be rejected.
5. Address: That the legal person has its residence or branch domiciled and duly registered in Colombia.
6. Term of Incorporation: That the legal person is constituted One (01) year in advance of the closing of this private call.
7. The branches must certify that they are registered in Colombia One (01) year in advance of the closing of this private call.
8. Term of Duration: The term of duration is equal to the term of execution of the contract and five (5) years more.
9. The appointment of the statutory auditor, if applicable.

The foreign legal entity without a branch and / or domicile in Colombia, must accredit this requirement with the equivalent document in their country of origin. The equivalent document provided will be understood as rendered under oath, a situation that will be understood as in effect with the presentation of the proposal

In the case of consortiums or temporary unions, each of its members must comply individually with these requirements.

Failure to comply with the requirements indicated here will result in the proposal not being legally enabled; in the case of clarifications or enabling documents, these must be provided by the bidder in the terms and deadlines indicated by the entity, under penalty of rejection of the proposal.

## 2.1.2. DOCUMENT OF INCORPORATION OF THE PLURAL BIDDER (IF APPLICABLE):

The bidder must present the constitution document of the plural bidder, which will consist at least of the following:

1. Name and address of the constituents, and each of the members of the plural structure and its legal representative must provide the following:
    - a. Natural persons must attach a legible copy of both sides of their ID card.
    - b. For legal persons it shall be required to provide a copy of both sides of the ID card of the legal representative.
    - c. In case of a foreign natural person with residence in Colombia and of a foreign legal person with the establishment of shop or branch in Colombia, they must attach a copy of the alien ID or residence permit of the natural person bidder or of the Legal representative of the legal person or manager of the branch.
    - d. In case of a foreign natural person without residence in Colombia and of a foreign legal person without the establishment of a shop or branch in Colombia, it must attach a legible copy of the passport of the natural person bidder or of the legal representative of the legal person.
    - e. When the citizenship or alien card is being processed, the temporary ID document issued by the National Registrar of the Colombian Civil service will be valid.
  2. The service of the consortium or temporary union, which must be the same as the service to be contracted.
  3. The bidder may assign the name to the consortium or temporary union; however, they shall refrain from referencing or include in such nomination the name of the Financiera de Desarrollo Territorial or Findeter.
  4. The appointment of a representative who shall be entitled to act in the name and representation of the consortium or temporary Union; a substitute may also be appointed to replace him/her in cases of temporary or definitive absence.
  5. The indication of the residence of each one of the members in the case of natural persons.
  6. The indication of the residence of the figure of association
  7. Indicate whether the participation is in the name of the consortium or temporary union, and in the latter case, expressly indicate the activities, terms and extent of the participation of each one of its members in the proposal and in the execution of the contract.
  8. The clear and express manifestation in the constitution document that those who make up the consortium or temporary union will be responsible for the fulfilment of each and every one of the obligations arising from the offer and the contract, and that the members of the consortium will be jointly and severally liable with respect to penalties for non-compliance with the obligations arising from the proposal and the contract and limited in accordance with members' participation in the case of temporary union.
  9. For this private call at least one (1) of the members who accredits the specific experience indicated in the present Terms of Reference must have a share equal to or greater than thirty percent (30%). If only one (1) of the members of the plural bidder is accrediting the specific experience, their participation in it may not be less than fifty percent (50%).
  10. When plural bidders are constituted with Colombian companies or natural persons, the leader of the figure of association must belong to the Commercial Framework developed by the British Embassy, and its percentage of participation may not be less than THIRTY PERCENT (30%).
  11. In no case will the distribution percentage be greater than 100%.
- The failure to comply with the previous percentages of participation will constitute a cause of rejection of the proposal, also the rejection, when in the Phase of rectification, the percentages of participation of the members of the bidder are changed. Plural or it is credited that their constitution occurred after the closing of the process.

### 2.1.2.1. GENERAL PROVISIONS FOR PLURAL BIDDERS

Each member of the plural bidder, whether they are a natural or legal person, national or foreign, must give strict compliance to each of the following requirements:

1. The certificate of incorporation of the consortium or temporary union shall be annexed the documentation proving the existence and legal representation of each of its members and the necessary capacity, which are the certificates of existence and legal representation issued by the Chamber of Commerce, minutes of Board of Directors and proxies, and in the case of legal persons the creation document (if applicable), resolution of appointment, act of possession and photocopy of the legal representative's identification card, together with the certification of the Chief of Personnel, or who performs their functions, about the validity of the appointment of the legal representative.
2. In the event that the content of the certificate issued by the Chamber of Commerce shows that the legal representative has restrictions on presenting the proposal and/or contracting in their name, they must certify the authorization by which the competent body empowers them to submit the proposal and to enter into the contract in the event of being selected and if it is necessary to establish the legal representative's faculties in the statutes, they must annex a copy of the relevant part thereof.
3. The members of the plural bidder shall be responsible for the fulfilment of each and every one of the obligations arising from the proposal and the contract, of the pre-contractual, contractual and post-contractual phases.
4. Its members, proxies and legal representatives may not be reported or included within the restrictive lists referring to the laundering of assets and financing of terrorism.
5. Foreign legal persons participating in a consortium or temporary union may constitute a single common proxy, and in that case, the presentation of the common power of attorney granted by all members shall suffice for all purposes, provided they meet the requirements of authentication, consularization, legalization and/or apostille and translation required in the Colombian Code of Commerce, in addition to those indicated in the Terms of Reference. The power of attorney referred to in this paragraph may be granted in the same act of constitution of the consortium or temporary union.
6. The bid bond of the proposal constituted by insurance policy or bank guarantee, in the case of a plural bidder, in addition to the requirements stated in these Terms of reference, must indicate the members of the plural bidder and their percentage of participation thereof.
7. Each bidder, whether participating individually or constituted as a consortium or temporary union, must submit only one offer.
8. Once the consortium or temporary union has been constituted, its members will not be able to assign or transfer their participation in it, nor modify its members or their participation. If it is necessary to carry out any type of modification, once the contract has been signed, it will require written authorization from the contracting authority.
9. For tax purposes, consortia and temporary unions will be applied under the regime provided for in the Statute of Taxation.

### **2.1.3. CITIZENSHIP CARD OR ITS EQUIVALENT**

In the case of a natural person the bidder must make a legible copy of the citizenship card on both sides.

In the case of a legal person, the bidder must make a legible copy of the citizenship card of the legal representative.

In case of a foreign natural person with residence in Colombia and of a foreign legal person with the establishment of shop or branch in Colombia, it must attach a copy of the alien ID or residence permit of the natural person bidder or of the Legal representative of the legal person or manager of the branch.



In case of a foreign natural person without residence in Colombia and of a foreign legal person without the establishment of a shop or branch in Colombia, it must attach a legible copy of the passport of the natural person bidder or of the legal representative of the legal person.

#### **2.1.4. CERTIFICATE OF FISCAL RESPONSIBILITY OF THE COMPTROLLER GENERAL OF THE REPUBLIC**

The certificate of Fiscal Responsibility issued by the Comptroller General of the Republic of the bidder in the case of a natural person and of the bidder and the legal representative in the case of legal persons, must be submitted, in which it is indicated that they are not reported. This certificate must have been issued within thirty (30) calendar days preceding the date of the closing of this selection process. If the certificate is not provided, the CONTRACTING PARTY at the time of the verification, will consult the corresponding background history in the web page of the Comptroller General of the Republic.

The natural and legal foreign person without residence and/or branch in Colombia, must also present the certification of the preceding subparagraph, in which it is certified that they are not reported; if they do not appear to be registered then they must certify this requirement with the equivalent document in their country of origin, unless this requirement or the authority is not established in said country, in which case the bidder must state it under oath.

#### **2.1.5. CERTIFICATE OF HISTORY OF THE OFFICE OF THE ATTORNEY GENERAL OF THE NATION**

The certificate of disciplinary antecedents issued by the Attorney General of the Nation of the bidder in the case of a natural person and of the bidder and the legal representative in the case of legal persons, must be submitted, in which it is indicated that they are not disqualified from contracting in the Information System of Registration of Penalties and Causes of Disqualification "SIRI" of the Attorney General of the Nation. This certificate must have been issued within thirty (30) calendar days preceding the date of the closing of this selection process. If the certificate is not provided, the CONTRACTING PARTY at the time of the verification, will consult the corresponding background history.

The natural and legal foreign person without residence and/or branch in Colombia, must also present the certification of the preceding subparagraph, in which it is not reported; In case of not appearing registered they must certify this requirement with the equivalent document in their country of origin, unless this requirement or the authority is not established, in which case the bidder must manifest it under oath.

The foregoing is without prejudice to the CONTRACTING PARTY at the time of verification, being allowed to consult the corresponding antecedents on the website of the Office of the Attorney General of the Nation.

#### **2.1.6. CERTIFICATION OF JUDICIAL RECORDS**

Present the evidence of judicial background consultation provided by the National Police for the bidder, whether natural or legal person or members of the consortium or temporary union or their representatives.

On the date of issue, the certification shall not exceed thirty (30) calendar days prior to the closing date of this selection process.

#### **2.1.7. AUTHORIZATION FOR THE TEMPORARY EXERCISE OF THE PROFESSION IN COLOMBIA**

In the event that the selected bidder offers personal By profession engineer or auxiliary profession or to end, Entitled And domiciled in The external, must present to THE AUDITOR for the subscription of the Act of Initiation the temporary permit issued by the National Professional Council of Engineering and its auxiliary professions-COPNIA, for the temporary exercise of the profession in Colombia No professional registration, certificate of Professional enrolment or certificate of registration, as the case.

## 2.1.8. BID BOND

The bidder must constitute at its expense, and present with its offer, an insurance policy or bank guarantee on demand and without exception, issued by an insurance company or a bank institution or establishment; legally constituted in Colombia, as appropriate; a bid bond with the following characteristics:

- **CONTRACTING PARTY: FINANCIERA DEL DESARROLLO TERRITORIAL S.A. – FINDETER NIT: 800.096.329-1**

With the timely presentation of the proposal, it is understood that it is irrevocable and that the bidder maintains all the conditions in force throughout the validity of the insurance policy or bank guarantee, including extensions of deadlines if they occur in accordance with the terms of reference and their respective addenda.

When the insurance policy or bank guarantee is not provided, or it does not contain the requirements of the terms of reference, the bidder must clarify or rectify the same and send the modifications within the peremptory term defined for this by the contracting party, otherwise the proposal will be rejected.

**The bidder must provide the corresponding premium payment receipt. A non-expiration certification due to non-payment or an electronic transaction support will not be allowed.**

The bidders not favoured with the awarding of the contract, after the selection process is completed, may submit a request signed by the legal representative to return the original insurance policy or bank guarantee.

### **A. IN ORDER TO CONSTITUTE THE BID BOND THROUGH THE INSURANCE POLICY THE BIDDER MUST:**

THE BIDDER shall constitute the bid bond **IN A FORMAT IN FAVOUR OF PUBLIC ENTITIES WITH PRIVATE CONTRACTING REGIME**. This policy must be issued by an insurance company legally incorporated in Colombia, whose parent company is approved by the Financial Superintendence, with the following protections, coverage and validity:

1. Covers: The bid bond shall cover the damages derived from the breach of the offer and shall have a penalty character.
2. Insured value: The bid bond must be equivalent to 10% of the total value of the project's budget.
3. Validity: It must be valid for four (4) months counted from the date scheduled for the closing of the process, and in case of the extension of the closing, it must be constituted from the new date set for the closing.
4. Insured party: FINANCIERA DE DESARROLLO TERRITORIAL S.A. FINDETER TAXPAYER ID NIT: 800.096.329-1
5. Beneficiary: FINANCIERA DE DESARROLLO TERRITORIAL S.A. FINDETER TAXPAYER ID NIT: 800.096.329-1
6. Bonded party: The bid bond must be taken in the name of the bidder as it appears on the identity document and in the case of a consortium or temporary joint venture in its name and not its legal representative and must indicate the members thereof and their percentage of participation according to the constitution document.

### **B. IN ORDER TO CONSTITUTE THE BANK GUARANTEE ON DEMAND AND WITHOUT EXCEPTION, THE BIDDER MUST:**

In the case of bank guarantees on demand and without exception, they must be contained in a private document in which the Bank entity or establishment expressly assumes, autonomously, and irrevocably, in favour of the CONTRACTING PARTY the commitment to honour the obligations of the BIDDER in the event of non-compliance by the BIDDER.

And, therefore, to pay directly to the CONTRACTING PARTY, on demand and without exception, up to the guaranteed amount, a sum of money equivalent to the value of the injury suffered as a result of the breach of the obligations assumed by the BIDDER and it will be made effective by a non-compliance document and shall be reported to the bank or institution.

THE BIDDER must certify the constitution of the guarantee, by means of the delivery of the document containing the same, subscribed by the legal representative of the bank or by its proxy, where the following must be recorded: i) the name of the CONTRACTING PARTY beneficiary of the warranty; ii) The guaranteed risks; iii) How to make the guarantee enforceable; iv) The value of the guarantee; and v) The validity of the guarantee in accordance with the covers, amounts and requirements made in this paragraph.

#### **2.1.9. UNIQUE TAX REGISTER OR ITS EQUIVALENT**

The bidder, whether they are a natural or juridical person, national or foreign, with residence and/or branch in Colombia, must present the certificate of the Unique Tax Register -RUT.

In the event the bidder is a natural or legal foreign person without residence and/or branch in Colombia, this requirement does not apply for the presentation of the proposal, but if it is awarded the contract it must register in the Unique Tax Register (RUT) with the Directorate of Taxes and National Customs of Colombia.

#### **2.1.10. CERTIFICATION OF FULFILMENT OF OBLIGATIONS WITH THE GENERAL SYSTEMS OF INTEGRAL SOCIAL SECURITY AND EMPLOYEE WITHHOLDINGS CONTRIBUTIONS**

The bidder must certify that it is at the date of closing of the selection process, up to date with the payment of the contributions generated from the payroll of its employees of the last six (6) months to the health systems, occupational risks, pensions and contributions to family compensation funds, Colombian Institute of Family Welfare and National Learning Service.

In case they are NOT obliged to pay employee withholdings contributions and the Social Security System, for not having employees, they must declare this circumstance under oath.

In the event that they are not obliged to pay contributions to SENA, ICBF and Health, they must declare this circumstance under oath and, likewise certify the fulfilment of payment of contributions to pensions, professional risks and compensation funds generated from the payroll of employees of the six (6) months preceding the closing date.

The foregoing circumstances shall be credited as follows:

- a. The legal persons shall do so by certification issued and signed by the statutory auditor (when according to the law they are obliged to have one or when the statutes so dictate), or by the legal representative when they are not obliged to have a statutory auditor.
- b. Natural people will do so by affidavit.

In addition, in the case of a national natural person, they must certify the fulfilment of this obligation with the form or certificate of affiliation to the General Social Security System, in which they evidence that they are linked to the system under the modality of a contributor, beneficiary or affiliated to the subsidized scheme, at least for the month immediately preceding the date scheduled for the closing of this private call.

#### **2.1.11. REQUIREMENT TO BE A CERTIFIED PROFESSIONAL CIVIL ENGINEER OR SANITATION ENGINEER-NATURAL PERSON**

Under the provisions of law 842 of 2003 and in order not to allow the illegal exercise of engineering, the natural person who intends to participate in this Private Call, either individually or as a member of a plural bidder (consortium or Tempo Union) must certify that it has a title as a Civil Engineer or Health engineer, for which they must enclose a copy of their professional registration and copy of the certificate of validity of professional registration issued by the COPNIA which must be found in force.

#### **2.1.12. CERTIFICATION OF THE BID**

If the legal representative or proxy of the individual bidder, whether a national or foreign person or the legal representative or proxy of the plural structure, does not have a title of Civil Engineer or Sanitation Engineer, the offer must be endorsed by a registered Civil Engineer or Health Engineer, for which it must enclose a copy of their professional registration and copy of the certificate of validity of professional registration issued by the COPNIA, which must in force.

#### **2.1.13. STATUTORY AUDITOR CERTIFICATION**

The national or foreign legal person with residence and/or branch in Colombia, must submit a certification issued by the statutory auditor stating whether it is an open or closed corporation. This requirement will only be applicable to corporations.

The foreign legal person without residence and/or branch in Colombia, must accredit this requirement with the equivalent document in its country of origin. The equivalent document provided shall be construed as being provided under oath, a situation which shall be construed as being in force with the submission of the proposal.

#### **2.1.14. CERTIFICATE OF THE UNIQUE REGISTER OF BIDDERS OF THE UNIQUE BUSINESS REGISTER OF THE CHAMBER OF COMMERCE (IF REGISTERED)**

Only for the purposes of verification and evaluation of the compliance factor for prior contracts, the natural or legal persons who are registered in the Unique Register of Bidders of the Unique Business Register of the Chamber of Commerce, shall provide the certificate of registration of the singular bidder, and will be provided by each of the members of the Consortium or temporary union in the case of a plural bidder, that is updated and issued within thirty (30) calendar days, prior to the closing date of this Call.

#### **2.1.15. PREVENTION OF LAUNDERING OF ASSETS AND FINANCING OF TERRORISM**

The bidder, its legal representatives or its proxies may not be reported or included in the national or international restrictive lists referring to the laundering of assets and financing of terrorism.

Consequently, the submission of the proposal gives express authorization to the entity to at any time consult the restrictive lists, information systems and databases which refer to the laundering of assets and financing of terrorism.

Likewise, the submission of the offer comes with the declaration that the resources that make up its assets do not come from the laundering of assets, financing of terrorism, drug trafficking, illegal collection of funds and in general of any illicit activity and that, in case of being favoured with the awarding of the contract, the resources received in development of the contract will not be destined to any of the activities described above.

The bidder manifests with the submission of the proposal that: (i) neither they-as legal representative, nor the company they represent- are included in the restrictive lists referring to the laundering of assets and financing of Terrorism, (ii) The resources that make up its assets do not come from the laundering of assets, financing of terrorism, drug trafficking, illegal collection of funds and in general from any illicit activity, and (iii) that the resources received in development of this contract, will not be intended for any of the activities described above.

The bidder with the submission of the proposal is subject to current and applicable rules on the prevention and control of the laundering of assets and the financing of terrorism, and therefore undertakes to comply with them and to implement if necessary, the mechanisms of prevention and control in order to detect and report any unusual and suspicious operations. In the event that the bidder witnesses unusual and suspicious operations in the area of the laundering of assets or financing of terrorism, they shall inform the CONTRACTING PARTY immediately and in writing to proceed to implement the

corresponding contractual and/or legal actions in order to establish the impact of the risk and to carry out the necessary controls for its mitigation, through the application of an extended due diligence.

In accordance with the foregoing, the bidder expressly authorizes the CONTRACTING PARTY with the submission of the proposal so that at any time it may consult restrictive lists, and information systems which refer to the laundering of assets and financing of terrorism.

### **SUBCHAPTER III**

## **VERIFICATION OF LEGAL, TECHNICAL AND FINANCIAL ENABLING REQUIREMENTS**

### **3.1 ENABLING REQUIREMENTS**

FINDETER will advance the verification of legal, financial and technical enabling requirements, as follows:

- a. Legal verification: It consists of the verification of the fulfilment of all the legal requirements and those demanded in the Terms of Reference.
- b. Technical verification: It consists of the verification of the fulfilment of the specifications established in the Terms of Reference and the fulfilment of the minimum criteria demanded from the point of view of experience and non-existence of conflict of interest.
- c. Financial verification: It consists of verifying the financial factors established in these Terms of Reference.

#### **3.1.1 LEGAL ENABLING REQUIREMENTS**

To enable its proposal the bidder must comply with the legal requirements and contribute with the proposal all the legal documents required in the terms of reference, in particular the contents of the section of documents and requirements of the proposal.

#### **3.1.2 FINANCIAL ENABLING REQUIREMENTS**

For the fulfilment of the qualifying financial requirements, the bidders must fulfil the following conditions:

##### **3.1.2.1. NATIONAL BIDDERS**

The financial verification will be carried out considering the financial information as of December 31, 2017 reflected in the financial statements of the bidder. For the purpose of carrying out such verification, the bidder must submit the following documents with the proposal:

- a. Balance sheet and statement of results with cut-off date of December 31, 2017, duly signed by legal representative or holder, accountant and/or statutory auditor. In the Balance sheet, the items of current assets, total assets, current liabilities, total liabilities, assets and income of the financial year must be duly classified.
- b. Certified legible Disciplinary Record of the Accountant and/or Statutory Auditor who has signed the financial statements, issued by the Central Board of Accountants with date of issue no more than ninety days prior to the date of submission of the duly updated proposal.
- c. Photocopy of the professional card of the Public Accountant and/or Statutory Auditor, as the case may be, who signed the financial statements

All financial information must be presented by Colombian natural persons or national legal entities, as well as by each member of the consortium or temporary union, whether natural or legal persons.

The financial information must be presented in pesos (Colombian legal currency) and must be signed by the legal representative and the accountant and/or the statutory auditor.

The financial statements submitted must comply with the accounting technique, in particular with the guidelines provided by decree 2649 of 1993 and other rules that add, modify or replace it.



**Financial aspects:** In order for the proposal to be considered financially competent, the following requirements must be fulfilled:

INDICATOR	CALCULATION FORMULA	LEVEL REQUIRED
Liquidity	Current Assets/Current Liability	Greater than or equal to 1.5 x
ROE	Net income/total equity	Greater than or equal to 5%

In case of temporary union or consortiums, the fulfilment of the financial capacity will be assessed considering the weighting of the respective items of each member in accordance with the participation of each member specified in the Consortium or temporary union document.

The indicators to be assessed shall be calculated based on the financial statements of the year 2016 of the bidder.

### 3.1.2.1. FOREIGN BIDDERS

#### 3.1.2.1.1. FOREIGN LEGAL PERSONS WITH DOMICILE OR BRANCH IN COLOMBIA

In the case of foreign legal persons with residence or a branch in Colombia and those nationals with a 100% foreign participation, the financial verification will be carried out considering the financial information as of December 31, 2017 reflected in the consolidated financial statements of the parent company.

For the purpose of carrying out said verification, the bidder must submit the following documents with the proposal:

- The Consolidated Financial Statements (Balance sheet and statement of results) from the parent company with a cut-off date of December 31, 2017, accompanied by the translation into Spanish, presented in accordance with the catalogue of accounts (PUC) Decree 2650 of 1993, expressed in Colombian pesos, at the representative market rate (TRM) or the exchange rate of the cut-off date, indicating the conversion rate, signed by the legal agent (Colombian or from the parent company), the Colombian public accountant and/or Colombian statutory auditor who has converted them. In the Balance sheet, the items of CURRENT ASSETS, TOTAL ASSETS, CURRENT LIABILITIES, TOTAL LIABILITIES, ASSETS AND INCOME OF THE FINANCIAL YEAR must be duly classified.
- Certified legible disciplinary record of the accountant and/or statutory auditor who has signed the financial statements converted to Colombian pesos, issued by the Central Board of Accountants. Date of issuing no more than ninety days prior to the date of submission of the duly updated proposal.
- Photocopy of the professional card of the public accountant and/or statutory auditor, depending on the case, who have converted the financial statements to Colombian pesos.

The provisions of these Terms of Reference with respect to foreign bidders shall be governed without prejudice to what has been agreed in international treaties or conventions. For foreign companies with branches in Colombia the rules of Colombian companies will apply.

If some of these requirements do not apply in the country of residence of the foreign bidder, the legal representative or proxy in Colombia must certify it under oath. This requirement can also be accredited by the external auditing firm.

The provisions of these Terms of Reference as foreign legal persons with a residence or branch in Colombia shall be governed without prejudice by the provisions of international treaties or agreements.

**Language** – The documents with which the bidder accredits its enabling requirements that have been originally written in a language other than Spanish, must be translated into Castilian and presented in their original language together with the

translation to Spanish. The bidder can present a simple translation into Spanish. If the bidder is awarded the contract, it must present an official “sworn” translation into Spanish of the documents presented in the foreign language.

The official translation must be the same text presented to accredit the enabling requirements.

**Currency** – Bidders must provide financial information in the legal currency of the country in which they were issued and also in Colombian pesos. The bidder and the contracting party for the purpose of accrediting and verifying the enabling requirements shall consider the representative market rate in force on the date on which the financial information was issued. For this purpose, the bidder and the contracting party shall consider the exchange rates certified by the Financial Superintendence of Colombia.

All financial information must be presented by natural persons or legal persons, as well as by each member of the consortium or temporary union, whether natural or legal persons. The financial information must be presented in pesos (Colombian legal currency) and must be signed by the legal representative and the accountant and/or the statutory auditor.

The submitted financial statements must comply with the accounting technique, in particular with the guidelines issued by decree 2649 of 1993 and the other rules that add, modify or replace them.

#### 3.1.2.1.1. FOREIGN LEGAL PERSONS WITHOUT DOMICILE OR BRANCH IN COLOMBIA

In the case of foreign legal persons, they must present the financial information defined below, in accordance with the legislation of each country of origin and as indicated in articles 258 of the Code of Civil Procedure, Art. 480 of the Code of Commerce and Law 455 of 1998, accompanied by a translation to Spanish, with the values converted to the Colombian legal currency at the exchange rate in force on the cut-off date of the same, endorsed with the signature of the person authorized to approve them in accordance with the current regulations of the country of origin:

- a. The Financial Statements (Balance sheet and statement of results) with a cut-off date of December 31, 2017, accompanied by the translation into Spanish, presented in accordance with the catalogue of accounts (PUC) Decree 2650 of 1993, expressed in Colombian pesos, at the representative market rate (TRM) or the exchange rate of the cut-off date, indicating the conversion rate, signed by the legal agent (Colombian or from the parent company), the Colombian public accountant and/or Colombian statutory auditor who has converted them. In the Balance sheet, the items of CURRENT ASSETS, TOTAL ASSETS, CURRENT LIABILITIES, TOTAL LIABILITIES, ASSETS AND INCOME OF THE FINANCIAL YEAR MUST BE DULY CLASSIFIED.
- b. Financial statements and financial documents issued abroad of the selected bidder, must be presented consularized or with apostilles, according to the law with a cut-off date of December 31, 2016, unless it is duly credited that the legislation of the country of origin establishes a cut-off different from that provided for in these terms.
- c. Certified legible disciplinary record of the accountant and/or statutory auditor who has signed the financial statements converted to Colombian pesos, issued by the Central Board of Accountants. Date of issuing no more than ninety days prior to the date of submission of the duly updated proposal.
- d. Photocopy of the professional card of the public accountant and/or statutory auditor, depending on the case, who have converted the financial statements to Colombian pesos.

The submitted financial statements must comply with the accounting technique, in particular with the guidelines issued by decree 2649 of 1993 and the other rules that add, modify or replace them.

**Language** – The documents with which the bidder accredits its enabling requirements that have been originally written in a language other than Spanish, must be translated into Castilian and presented in their original language together with the translation to Spanish. The bidder can present a simple translation into Spanish. If the bidder is awarded the contract, it must present an official “sworn” translation into Spanish of the documents presented in the foreign language. The official translation must be the same text presented to accredit the enabling requirements.

**Currency** - Bidders must provide financial information in the legal currency of the country in which they were issued and in addition in Colombian pesos. The bidder and the contracting party for the purpose of accrediting and verifying the enabling requirements shall consider the representative rate of the market in force on the date on which the financial information was issued. For the purpose, the bidder and the contracting party shall consider the exchange rates certified by the Financial Superintendence of Colombia.

All financial information must be presented by natural persons or legal persons, as well as by each member of the consortium or temporary union, whether they are a natural or legal person. The financial information must be presented in pesos (Colombian legal currency) and must be signed by the legal representative and the accountant and/or the statutory auditor.

The financial statements submitted must comply with the accounting technique, in particular with the guidelines given by decree 2649 of 1993 and other rules that add, modify or replace it.

**Financial aspects:** In order for the proposal to be considered financially enabled, the following requirements must be fulfilled:

INDICATOR	CALCULATION FORMULA	LEVEL REQUIRED
Liquidity	Current Asset/Current Liability	Greater than or equal to 1.5 x
ROE	Net income/total equity	Greater than or equal to 5%

### 3.1.3 TECHNICAL ENABLING REQUIREMENTS

To enable the proposal will be verified if the bidders meet the following minimum experience criteria required:

#### 3.1.3.1 SPECIFIC BIDDER EXPERIENCE (ENABLING)

##### a. TECHNICAL EXPERIENCE

It is considered that the technical factor of selection is the Specific Experience of the bidder, for which in the present process it is considered as an opportune, equitable and reasonable objective to request Specific Experience in any of the following activities:

- **THE CREATION OF THE STUDIES AND / OR DESIGNS OF SEWAGE PROJECTS**
- **THE AUDITING OF THE CREATION OF THE STUDIES AND / OR DESIGNS OF SEWAGE PROJECTS**

With the execution of MINIMUM ONE (1) AND MAXIMUM THREE (3) FINISHED CONTRACTS, that meet the following conditions:

- The contracts provided shall add up as a whole, a value equal to or greater than 1.00, the value of the sum of the estimated budget (Phase 1 + Phase 2), expressed in Colombian minimum monthly legal salaries.
- One of the contracts provided must certify, a value equal to or greater than 0.50 times the value of the sum of the estimated budget (Phase 1 + Phase 2), expressed in Colombian minimum monthly legal salaries.

**Note:** It will only be taken into account to certify the specific condition indicated above the value corresponding to the activity of THE CREATION OF THE STUDIES AND/OR DESIGNS OF SEWER PROJECTS. The value of other projects, scopes,

activities or experiences different from the AUDITING OF THE CREATION OF THE STUDIES AND/OR DESIGNS OF SEWER PROJECTS will not be taken into account for purposes of accrediting the specific condition of value.

**b. EXPERIENCE IN LEGAL AND FINANCIAL STRUCTURING ENABLING**

Number of contracts	Description
<b>Two (2)</b>	<p>Experience in the legal and financial structuring of infrastructure projects must be accredited.</p> <p>The estimated CAPEX in each one of the contracts subject to structuring accredited must be equal to or greater than \$40 billion (forty thousand million Colombian pesos) at prices of July 31st, 2018.</p> <p>Contracts entered into to perform the legal and financial structuring must have been subscribed within the last fifteen (15) years preceding the date established in the schedule for submission of proposals in this selection process.</p>

**3.1.3.1.1. RULES FOR THE ACCREDITATION OF THE SPECIFIC EXPERIENCE OF THE BIDDER**

A. When there are certifications of specific experience executed under any type of association figure, the activities for each one of the members will be quantified individually as follows:

- i. When the participation was equal to or greater than fifty percent (50%), the amount of work carried out in its entirety will be taken into account. If the participation was less than fifty percent (50%), it will be quantified in proportion to the percentage of participation that the member has had in the respective figure of association **Note:** For purposes of counting the proportion of the specific experience of an activity, the unit of measure and/or capacity of the structure and/or component shall be taken into account of the specific experience that is required to be accredited.

In the event that a contract or project that is provided for the experience has been executed by a plural bidder, and two (2) or more of its members makeup a plural bidder to participate in this process, such contract or project shall be understood to be contributed as one (1) single contract or project and for the contribution of the experience, the total of the percentages of the members of the consortium or temporary union that executed the contract, and that are participating in the present process, will be taken into account.

When this case is presented, the contract will be taken into account in all the participation of the members who formed the plural bidder who acquired the experience and who are participating in the present selection process.

When this case is presented, the contract will consider the participation of the members who formed the plural bidder who acquired the experience and who are participating in the present selection process.

And in the event that one of the members has a participation of 50% or more, this contract will be understood as one (1) single contract or project and only the experience of this bidder will be quantified under this rule. The percentage of the participation of the other members in this contract or project may not be accumulated, because only up to 100% of the experience executed in the contract or project contributed can be accredited.

- ii. The value of the contract shall be quantified in proportion to the percentage of participation of the member in the respective figure of association.
- iii. Individual specific experience for each member may be accumulated in order to reach one hundred percent (100%) of the specific experience required

- iv. Under no circumstances can the specific experience accredited to that of another of its members be accumulated in order to reach 50% of the specific individual experience required.

**B. EXPERIENCE ACQUIRED THROUGH AN INTERNATIONAL NETWORK OF CONSULTING FIRMS:**

The experience acquired through an international network of contract firms will be considered valid, therefore, if the bidder is a member of an international network of consulting firms it may submit: (i) certifications of contracts executed by one of the members of the international network; (ii) it must enclose the certificate where it is specified that both the bidder and the company that executed the contract are members of the international network; and (iii) shall present Form 12 "Promise of Technical Assistance Contract", in which the company that executed the contract provides the necessary technical advice to the contractor to ensure that it has the technical support in the relevant field and thus ensure the successful execution of the activities carried out by the contractor, depending on the specific task that the technical assistant is obliged to develop

In order to certify that the bidder and the company executing the contract are members of the same international network of firms, the bidder must provide any of the following documents together with its proposal:

- 1) A certification issued by the principal organization grouping the member firms in which it is noted that the two companies are designated as belonging to the same international network of firms,

and/or,

- 2) Certifications issued by: (i) the legal representative of the bidder, and (ii) the legal representative of the company that executed the contract or who is duly authorized by it, in which under oath they indicate that they belong to the network of international firms.

Findeter will apply the principle of good faith as to the information contained in the certifications. However, it may require, at its discretion, the information it deems necessary to corroborate the information in the statement and if it finds claims that do not coincide with reality it will initiate the corresponding legal actions.

**Terms of the technical assistance contract between members of the international network of firms:**

For the purposes of the evaluation and validity of the specific experience, accredited through a technical assistant, a company belonging to an international network of firms will be considered as such that provides the documentation for the purposes of accreditation of the specific experience required in the terms of reference, accompanied by the promise of a technical assistance contract in relation to the bidder.

By virtue of the foregoing, the bidder must attach to its proposal a promise of technical assistance contract between the bidder and the technical assistant, whose signature will be subject only to the condition of awarding of the contract. This promise must specify an unconditional and irrevocable commitment for the period of the technical assistance contract, which may not be less than the term of the contract, expressly assuming the commitment not to decrease the participation supported by the hiring or subordination thereof.

The purpose of the technical assistance contracts shall be the provision of the necessary technical assistance to the contractor to ensure that they have the technical support in the relevant field and thus ensure the successful execution of the activities carried out by the contractor, depending on the specific task the technical assistant is obliged to develop.

The promise of the technical assistance contract shall contain at least the necessary and sufficient provisions to ensure:

- a) That the Technical Assistant will assume unconditionally, both before the bidder and Findeter, the technical responsibility of the results of the task that it is committed to carrying out.

- b) That the completion of the technical assistance contract will not take place before the total execution term of the activities under the contract subject of monitoring.
- c) Not to include clauses that leave without effect or that diminish the responsibility of the technical assistant, which must be full in relation to the provision of the technical assistance that is necessary for the development of the activities on which the respective contract and the technical results thereof are based.
- d) Establish that failure to comply with the obligations of the Technical Assistant or its replacement without the described formalities shall constitute a causality of breach of the contract subject of monitoring.

For the purposes of accreditation, the Technical Assistant must demonstrate that it meets the requirements demanded of the bidder.

The technical assistant must declare in the promise of technical assistance contract, that it is not disqualified, or has any incompatibility or conflict of interest that prohibit it from being part of the work team of the bidder and the contractor in case the contract is awarded to them.

Only one technical assistant will be accepted per bidder, in the same sense a technical assistant can only be part of one bid.

The accreditation of the specific experience of a bidder through a technical assistant, does not generate any cost or obligation that must be assumed by the entity, in such sense, any cost, obligation or risk on this aspect, will be assumed directly by the bidder or selected contractor.

C. Experience derived from contracts or splinter projects will not be accepted.

D. The conversion to minimum current legal monthly salaries (Colombian minimum monthly legal salaries) shall be made in accordance with the total executed value of the contract or project at the date of termination or the date of subscription of the delivery document and final receipt thereof, in accordance with the value of the Colombian minimum wage in force on said date.

For the purposes of conversion to minimum wages, in the event that the bidder submits both supporting documents of the date of termination and the date of signature of the delivery certificate and/or final receipt, the date to be taken for the conversion shall be the termination of the contract.

In the event that the bidder does not present with the proposal, or during the corresponding stage, documents that are required complying with the conditions established in the accreditation of experience alternatives, where the total value executed of the contract can be verified, in order to carry out the calculation of the Colombian minimum monthly legal salaries, this contract or project will not be taken into account to accredit this experience criteria.

For the above effects, the evaluator will also convert the estimated budget of the private call to legal monthly minimum wages in force at the closing date.

E. The specific experience of the bidder may be accredited by fulfilling the following alternatives:

**Alternative A.** By presentation of the certification or supporting documentation issued by the contracting party, stating the object of the contract or project, the total or final value, the date of termination, the percentage of the bidder's participation, the activities and/or products required as a specific experience, the execution, termination or liquidation of the contract or project. In no case shall the certification or supporting documentation issued only by the external auditor be accepted.

**Alternative B.** A copy of the final receipt or delivery document (or document used) or a copy of the liquidation document must be attached, provided that at a minimum it contains the following information: objective of the contract or project, the total or final value, the termination date, the percentage of participation of the bidder, the activities and/or



products required as a specific experience, the execution, termination or liquidation of the contract or project, and must be signed as appropriate by the auditor and/or supervisor and/or representative of the contracting party and the contractor.

If the documentation described in any of the aforementioned alternatives was granted abroad, it must be provided apostilled or legalized as appropriate by the **selected bidder**, as required by these Terms of Reference. Without prejudice to the foregoing, and in the face of the inability to provide such formalities, a simple copy of such documents may be provided, accompanied by an affidavit issued at a notary public; in the event said affidavit is sworn in a foreign country, the apostille or legalization procedure shall be carried out, as appropriate, with the full requirements of these Terms of Reference.

**In any case, experiences and/or certifications will not be accepted where the participation of the interested party has been as a subcontractor, and neither will self-certifications, understood as: i) any certification issued by the bidder to accredit its own experience. ii) any certification issued by figure of associations in which the bidder or the members of the same party have made a part.**

When the documents provided do not contain the information to be verified, the bidder may attach the termination document, the partial document, or the final delivery and receipt document, or the liquidation document, which must be signed as appropriate, by the auditor and/or supervisor and/or representative of the contracting party and the contractor, likewise a copy of the supporting documents may be provided (as long as they are issued by the contracting party or public entity), which allow evidence of the execution of the contract or project or that include the missing information.

However, the entity reserves the right to verify the information provided by the bidder and to request clarifications or other documents that it deems appropriate to accredit the experience.

In no event will the bidder be able to change or replace the contracts presented initially with the proposal to prove the technical expertise required **as they will not be taken into account**. They may only be clarified or have additional information or related documents added to them when the entity so requires.

In the event in which the alternatives previously envisaged do not report the percentage of participation of the plural bidder, it must provide the document of incorporation of the figure of association or agreement of wills where this percentage is evidenced.

For this process experience through contracts executed under the modality of Delegated Administration will not be valid to certify the experience. Also, experience that is intended to be accredited with inter-administrative agreements will not be certified when the entire implementation of the contract was subcontracted.

In the event that for the purpose of accrediting the experience more than one form or a greater number of contracts are submitted, up to the maximum required, the first form that appears in consecutive order in the numbered sheets will be verified and then the first related contracts in form 3 will be subject to verification, in order, and up to the maximum number indicated in the Terms of Reference. In the event that more than one contract or project or a certification of several contracts is provided, and the bidder does not indicate or partially signal in the form those which are required to be taken into account for the purposes of authorization, the contracts with the highest total value executed shall be taken into account and up to the maximum number required in the Terms of Reference.

## SUBCHAPTER IV EVALUATION AND RATING OF THE PROPOSALS

### 4.1 CRITERIA FOR EVALUATION AND RATING OF THE PROPOSALS

The allocation of the score to the proposals, according to the pre-established patterns in these Terms of Reference, will be carried out by the evaluators of the CONTRACTING PARTY. The best qualified proposal will be selected, which is, therefore, the most favourable for the entity and for the purposes that are sought with the contracting processes, this is why it will be taken into account that the maximum score of the evaluation will be **one hundred (100) points**, Resulting from the following evaluation factors and criteria:

RATING FACTOR	SCORE
Additional specific experience of the bidder (technical experience)	Up to 30 points
Accreditation of commitment on social inclusion and gender	Up to 30 points
Economic proposal	40 points
<b>Total</b>	<b>100 points</b>

And the subsequent application of the Evaluation compliance factor of the previous contracts.

#### 4.1.1 EVALUATION AND RATING OF THE ADDITION EXPERIENCE OF THE BIDDER (MAXIMUM 30 POINTS)

In addition to the contracts submitted by the bidder for the fulfilment of the enabling requirements, for the additional experience a **maximum of up to two (2) completed contracts** will be taken into account which must meet the requirements established in the **paragraph a) Technical Experience** of Section 3.1.3.1. "SPECIFIC EXPERIENCE OF THE BIDDER (ENABLING)", for which they must accredit individually, a value equal to or greater than 0.50 times the value of the sum of the Estimated Budget (Phase 1 + Phase 2), expressed in Colombian minimum monthly legal salaries, as well as the fulfilment of the rules of accreditation of the experience, for which an additional score of 15-points can be awarded per contract, according to the following table:

SPECIFIC EXPERIENCE- ADDITIONAL BIDDER EXPERIENCE	MAXIMUM SCORE TO OBTAIN	ADDITIONAL CONTRACT SCORE THAT MEETS THE REQUIREMENTS MADE
Additional Experience	30	15
<b>Total</b>	<b>30</b>	

**Note.** The certifications of the contracts previously requested must be different from those presented to technically enable the bid.

It is the responsibility of each bidder to identify and clearly point out the experience that is intended to be credited with the contracts presented. (identify which are for technical enabling and which are for additional rating – form No.3a).

For the specific additional experience to accredit by the bidder, the Rules of Accreditation of Experience must be considered referred to in the section 3.1.3.1.1. in relation to the specific experience. However, the bidder in this instance will not be able to, in any case, change or replace the contracts presented to accredit the additional specific experience.

#### 4.1.2 EVALUATION ACCREDITATION OF COMMITMENT IN THE FIELD OF SOCIAL INCLUSION AND GENDER EQUITY (MAXIMUM 30 POINTS)

To obtain this score, the bidder can demonstrate its commitment to social inclusion and Gender Equity through any of the following options:

I. Two certificates in which it is accredited that they have implemented or participated in Programs of social inclusion, and gender equity represented in institutional policies and/or social programs. (Point out the institutional policies and their results and/or names of the programs, place(s) of intervention and paragraph of direct and indirect beneficiaries). The bidder proving that condition will receive 15-points

li. Two (2) auditing contracts and/or projects certifying experience in the field of gender equity and/or social inclusion (social support to infrastructure works, document creation or research on socio-economic conditions of the population, Social development Intervention, etc.). The bidder proving that condition will receive 15-points

#### **4.2. ECONOMIC PROPOSAL (MAXIMUM 40 POINTS)**

The economic proposal submitted by the bidder will be able to obtain a maximum of forty (40) Points

##### **4.2.1. ECONOMIC EVALUATION OF THE PROPOSAL**

At the hearing held at the place and date established in the process schedule, the opening of envelope No. 2 of the proposals enabled in the legal, financial and technical aspects will be carried out.

In this hearing the total value of each of the proposals will be read. In the event that the economic proposal form of the proposal does not have the box corresponding to the "total value of the proposal" filled out then the entity will proceed to sum the corresponding values.

Once the hearing of the opening of envelope No. 2 has been completed, the entity will proceed to revise the proposals during the term established in the timeline of the process, as follows:

1. In the event that any value of the economic offer of any bidder is presented with decimals, the entity shall adjust the value by rounding it to the nearest peso, when the decimal fraction of the peso is equal to or greater than five, it will round it up to the nearest peso and when the decimal fraction of the peso is less than five it will round it down to the nearest peso.
2. In the event that the form of the economic proposal presented by the bidder presents errors in the description of the activities or items and/or in the corresponding unit and/or in the quantities, it is understood that the bidder will use the description and/or units and/or quantities established for the respective activity or item and/or unit and/or quantity in the terms of reference of the private call. In this case, the correction of the economic proposal will be carried out and the results thereof will be taken for the purposes of the evaluation.
3. In the event that the economic proposal does not contain the price or has been completed at zero or with any symbol, the proposal will be rejected.
4. If any discrepancy exists between letters and figures, the amount expressed in letters will prevail.
5. In the event that the entity notices the need for clarification or explanation, it may request the bidders to provide the clarifications, documents or explanations, in the term that for the purpose it establishes in the requirement, under penalty of rejection of the proposal.
6. The arithmetic operations of the proposals will be verified and corrected.
7. In the case of an error in the sum, the correct total result will be the one obtained from revising said sums, also the arithmetic errors with respect to the value of the submitted proposal will be corrected.
8. The value of the revised proposal shall be taken as the value of the economic proposal.

9. Proposals will be rejected which, after performing the above steps, present at least one of the following conditions:
- When the economic proposal submitted for any of the phases presents a corrected value lower than the minimum value or higher than the maximum value of the estimated budget for the respective phase in the terms of reference.
  - Where the total value of the corrected economic proposal has a value less than the minimum value or greater than the maximum value of the estimated value for the private call in the terms of reference.
10. The previous verification shall result in an economic evaluation report showing the results of the economic offers of all the enabled proposals, with the respective arithmetic corrections in accordance with the established criteria, if applicable, and the identification of the corrections made, which will be forwarded on the date established in the schedule of the private call.

The bidders may, within the term established in the timeline of this selection process, comment on the economic evaluation report. However, this does not allow them to rectify, modify or improve their proposals.

11. Following the expiration of the preceding term, the weighting method of the economic proposal shall be selected in accordance with the following methods:

NUMBER	METHOD
1	Arithmetic mean
2	High arithmetic mean
3	Geometric mean
4	Lower value

For the determination of the method the representative market exchange (TRM) shall be taken up to hundredths, which is in force on the second business day following the expiration date of the period established to submit observations to the economic evaluation report in accordance with the dates provided for in the schedule of this private call, in accordance with the ranges set in the table below:

RANGE (INCLUSIVE)	NUMBER	METHOD
From 00 to 24	1	Arithmetic mean
From 25 to 49	2	High arithmetic mean
From 50 to 74	3	Geometric mean
From 75 to 99	4	Lower value

Note: This exchange rate will be taken from the website of the Central Bank of Colombia, [http://www.banrep.gov.co/series-estadisticas/see\\_ts\\_trm-hm#cotización](http://www.banrep.gov.co/series-estadisticas/see_ts_trm-hm#cotización).

#### a. ARITHMETIC MEAN

It consists in determining the arithmetic average of the valid economic proposals and the allocation of points according to the proximity of the proposals to this arithmetic average, as a result of applying the following formulas:

$$\bar{X} = \sum_{i=1}^n \frac{x_i}{n}$$

Where:

$\bar{X}$  = Arithmetic mean

$V_i$  = Total corrected value of each of the proposals  $i$

$n$  = Total number of the valid proposals presented

Weighting of proposals by the arithmetic mean method.

Having obtained the arithmetic mean we will proceed to weigh the proposals according to the following formula:

$$\text{Score } i = \begin{cases} 40 \times \left( 1 - \left( \frac{\bar{X} - V_i}{\bar{X}} \right) \right) & \text{for values less than or equal to } \bar{X} \\ 40 \times \left( 1 - 2 \left( \frac{|\bar{X} - V_i|}{\bar{X}} \right) \right) & \text{for values greater than } \bar{X} \end{cases}$$

Where:

$\bar{X}$  = arithmetic mean.

$V_i$  = total value of each of the proposals  $i$ , without decimals

$i$  = bid number.

In the case of proposals with values greater than the arithmetic mean, the absolute value of the difference between the arithmetic mean and the value of the proposal will be taken as shown in the weighting formula.

#### a. HIGH ARITHMETIC MEAN

It consists of the determination of the arithmetic mean between the total value without decimals of the highest valid proposal and the arithmetic average of the valid proposals and the allocation of points according to the proximity of the proposals to that arithmetic mean, as a result of applying the following formulas:

$$\bar{X}_A = \frac{V_{\max} + \bar{X}}{2}$$

Where:

$\bar{X}_A$  = High arithmetic mean

$\bar{X}$  = Arithmetic mean

$V_{\max}$  = Total corrected value of the highest proposal within the range understood between the arithmetic mean and the proposal of this private call

Having obtained the high arithmetic mean we will proceed to weigh the proposals according to the following formula:

$$\text{Score } i = \begin{cases} 40 \times \left( 1 - \left( \frac{\bar{X}_A - V_i}{\bar{X}_A} \right) \right) & \text{for values less than or equal to } \bar{X}_A \\ 40 \times \left( 1 - 2 \left( \frac{|\bar{X}_A - V_i|}{\bar{X}_A} \right) \right) & \text{for values greater than } \bar{X}_A \end{cases}$$

Where:

$\bar{X}_A$  = High geometric mean

$V_i$  = Total corrected value of each of the proposals  $i$  enabled

$i$  = Proposal number

In the case of proposals with values greater than the high arithmetic mean, the absolute value of the difference between the high arithmetic mean and the value of the proposal will be taken as shown in the weighting formula.

## b. GEOMETRIC MEAN

The calculation of the geometric mean will be obtained by means of the following formula:

$$\bar{G} = \sqrt[n]{P_1 * P_2 * \dots * P_n}$$

Where:

$\bar{G}$  = Geometric mean

$n$  = Number of economic proposals validated

$P_i$  = Value of the corrected economic proposal of bidder  $i$

The geometric average shall determine by the following procedure the score for each bidder:

### C. 1. Weighting of proposals by the geometric mean method:

Obtained the geometric mean, we will proceed to ponder the proposals according to the following formula:

$$\text{Score } i = \begin{cases} 40 \times \left( 1 - \left( \frac{\bar{G} - V_i}{\bar{G}} \right) \right) & \text{for values less than or equal to } \bar{G} \\ 40 \times \left( 1 - 2 \cdot \left( \frac{|\bar{G} - V_i|}{\bar{G}} \right) \right) & \text{for values greater to } \bar{G} \end{cases}$$

Where:

$\bar{G}$  = Geometric mean

$V_i$  = Total corrected value of each of the proposals  $i$  enabled

$i$  = number of the proposal

In the case of economic proposals with values greater than the geometric mean, the absolute value of the difference between the geometric mean and the value of the proposal will be taken as shown in the weighting formula.

## c. LOWER VALUE

It consists in establishing the economic proposal of lower value and the allocation of points according to the proximity of the proposals to that offer of lesser value, as a result of applying the formulas that are indicated below. For the application of this method, the evaluation group shall proceed to determine the lowest value of the proposals enabled and shall be weighted, in accordance with the following formula:

### D. 1. Weighting of proposals by the lowest value method:

Having obtained the lowest value, they will proceed to weigh the proposals according to the following formula:

$$\text{Score } i = \left( \frac{40 * V_{\text{MIN}}}{V_i} \right)$$

Where:

$V_{\text{MIN}}$  = Total corrected value of the proposal with the lowest value within the enabled proposals

$V_i$  = Total corrected value of each of the proposals  $i$  which are above the  $V_{\text{MIN}}$ , and which were enabled.

$i$  = Proposal number.

For all the methods described, the value obtained as the score will be taken into account up to the 7th decimal place.



• **COMPLIANCE WITH PREVIOUS CONTRACTS EVALUATION FACTOR:**

Once the economic weighting was carried out for the enabled proposals with the corresponding method that assigned scores, the evaluation of this criterion will be carried out, as follows: the entity will take into account the collection penalty clauses, penalty clauses (not collection clauses), fines, penalties, declarations of breaches, resolution or early termination of the contract due to breach of the contractor, imposed or declared in the contracts in which the bidder was the contractor.

The entity will discount TEN (10) points to the bidder for the application of each penalty collection clause, penalty clause (not collection clauses), fine, sanction or declaration of noncompliance, imposed within the three (3) years preceding the closing of the present Contracting process, in contracts in which the contractor was the contractor.

The entity will discount thirty (30) points to the bidder for each resolution or early termination of the contract due to breach of the contractor, declared within five (5) years preceding the closing of the present contracting process, in contracts in which the bidder was the contractor.

For the case of temporary unions and consortia this discount will be made for **EACH** penalty collection clause, penalty clause (not collection clauses), fine, sanctions or declaration of default, or by resolution or early termination due to the breach of the contractor (bidder within this process), imposed or declared to each member thereof.

The discount referred to by this section will be made from the score obtained by the bidder in the evaluation of the economic proposal.

For the purposes of evaluating this criterion, the bidder shall submit an affidavit issued by the bidder in the case of a natural person or by the legal representative in the case of legal persons, indicating if penalty clauses have been imposed, penalty clauses (not collection), fines, declarations of non-compliance, resolution or early termination due to breach of the contractor, in the aforementioned terms, indicating and identifying expressly how many and those that have been imposed. For these purposes form No.8 or No.9 must be completed as appropriate.

In the case of temporary unions or consortia, the affidavit must be provided (No.8 or No.9 as appropriate) subscribed by each one of its participants.

Natural or legal persons who act as bidders in this private call, whether individually or jointly (temporary unions or consortia) that are registered in the Unique Register of Proponents of the Unique Business Register of the Chamber of Commerce MUST provide the certificate of this registration, issued within thirty (30) calendar days preceding the date of the closing of this private call.

12. Once the evaluation criterion of the compliance factor of previous contracts is applied with the total score obtained, the respective Order of Eligibility will be established. **There will be no order of eligibility for those bidders who obtain a discount equal to or greater than TWENTY (20) POINTS once evaluation criterion of the compliance factor of previous contracts is applied.**
13. The evaluators will present the result of the evaluation with the order of eligibility, and the Selection Document will be signed by the legal representative of the entity, who will resend it within the time limits set out in the timetable.

## **ANNEX 1 PERSONNEL REQUIRED**

For the execution of the contract, the bidder, with the presentation of its proposal, guarantees that it at least has the following personnel profiles and minimum time commitments and that in case of being selected will present for the verification of the auditor of the contract, the respective supports of academic and professional training and of experience that accredit the fulfilment of the following minimum profile required for each one of the phases:

THE AUDITING CONTRACTOR shall provide and maintain for the execution of the contractual object the minimum staff requested for each of the phases or that which is required with the necessary time commitments, until the delivery of the project, which must comply with the technical or professional qualities and the general and specific experience required. The foregoing shall be approved by the auditor and informed to the CONTRACTING PARTY.

THE AUDITING CONTRACTOR must present to the auditor, prior to the subscription of the Initiation Document of the phase where it will develop the activities that correspond to them, and in all cases when demanded, the minimum personnel required, which must have the minimum time commitment required for the execution of Phases 1 and 2, together with the corresponding supporting documents that accredit the qualities and the general and specific experience of this staff. The foregoing shall be approved by the auditor and informed to the CONTRACTING PARTY.

### **A. AUDITING TO PHASE 1**

For the execution of this Phase, THE AUDITING CONTRACTOR must guarantee the minimum personnel required for the development of the same as described below:

Qty.	Position to hold	Academic Training	General Experience	Specific experience			Minimum time commitment in the total duration of the Contract
				As/in:	Number of contracts required	Specific requirement	
MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN							
1	Director of Auditing	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer	12 years	Director of Auditing in Projects of: studies and / or designs of sewer systems or in the auditing to the Studies and / or Designs of sewer systems	3	<p>The specific experience must be demonstrated by the following conditions:</p> <p>I. In the contracts provided, they must demonstrate experience as project manager for the studies and/or designs of sewer systems in which they have included the design of networks longer than or equal to 15000 meters</p> <p>II. One of the contracts provided shall be of a value executed, equal to or greater than 0.5 times the estimated budget for the Private Call (Phase 1 + Phase 2) in Colombian minimum monthly legal salaries.</p> <p>The specific experience must be demonstrated by the following conditions:</p>	20%
1	Hydraulic specialist	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in the area of hydraulics	8 years	Hydraulic Specialist in Projects of: Studies and / or Designs of sewage systems or in the Auditing of the Studies and / or Designs of sewage systems	3	<p>The specific experience must be demonstrated by the following conditions:</p> <p>I. In the contracts provided, they must demonstrate experience as project manager for the studies and/or designs of sewer systems in which they have included the design of networks longer than or equal to 10000 meters</p> <p>II. One of the contracts provided shall be of a value executed, equal to or greater than 0.5 times the estimated budget for the Private Call (Phase 1 + Phase 2) in Colombian minimum monthly legal salaries</p>	50%

Qty.	Position to hold	Academic Training	General Experience	Specific experience			Minimum time commitment in the total duration of the Contract
				As/in:	Number of contracts required	Specific requirement	
MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN							
1	Specialist in Hydrology, and Water demands	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in the area of Hydraulics	8 years	Specialist in Hydrology in projects of: Studies and / or designs of sewage systems or in the Auditing of the Studies and / or Designs of sewage systems	3	In the contracts provided must demonstrate experience as hydrologist for studies and/or designs of sewer systems	20%
1	Specialist in Structures	Civil Engineer with postgraduate studies in structures	8 years	Structural Designer in Projects of: Studies and / or Designs or in Auditing of the Studies and / or Designs of Civil Infrastructure Works	2	N/A	20%
1	Geotechnical specialist	Civil engineer and / or geological engineer and / or geologist, with postgraduate studies in geotechnics	8 years	Specialist in Geotechnics in Projects of: Studies and / or Designs or in the Auditing of the Studies and / or Designs of Civil Infrastructure Works	2	N/A	20%
1	Environmental specialist	Civil Engineer, Forestry, Environmental Engineer, Ecologist or Biologist, with postgraduate studies in the environmental area	6 years	Environmental specialist in Projects of: Studies and / or designs of sewer systems or in the Auditing of the studies and / or designs of sewage systems	2	N/A	15%
1	Legal Specialist	Lawyer with postgraduate studies in administrative law, public law, commercial law and / or residential services	6 years	Analyst of land titles and / or, in studies of land titles and / or, feasibility and obtaining rights of way and / or, processing of permits and / or, manager for obtaining property titles and / or permits for project execution of infrastructure.	2	N/A	15%
1	Cadastral Specialist	Cadastral and Geodesist Engineer and / or Civil Engineer with postgraduate studies in GIS and / or Software Engineering and / or Geomatics	6 years	Certified experience in GIS and / or geo-scientific databases and in Arc-GIS and Excel management in associated developments.	2	N/A	15%
1	GIS Professional	Cadastral and Geodesist Engineer and / or Civil Engineer with postgraduate studies in GIS and / or Software Engineering and / or Geomatics	4 years	Certified experience in GIS and / or geo-scientific databases and in Arc-GIS and Excel management in associated developments.	2	N/A	15%
1	Social Professional	Social Worker, Psychologist, Sociologist or Anthropologist	4 years	Social Professional in contracts for the execution of sewerage systems	2	N/A	100%
1	Economist and market analyst	Economist	4 years	Economist in the Auditing of the studies and designs of sewerage projects	2	N/A	10%

Qty.	Position to hold	Academic Training	General Experience	Specific experience			Minimum time commitment in the total duration of the Contract
				As/in:	Number of contracts required	Specific requirement	
MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN							
1	Professional of Costs and Budgets and Technical Specifications	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer or Architect	4 years	Responsible for the review or preparation of budgets in contracts or projects of Civil Works.	2	N/A	15%
1	Electromechanical specialist	Electrical engineer or mechanic	8 years	Specialist in electromechanical in Projects of: Studies and / or Designs of sewer systems or in the Auditing of the Studies and / or Designs of sewage systems	2	N/A	15%
1	Support technician	Technician or technologist in civil works	3 years	N/A	1	N/A	50%
1	Surveyor	Surveyor	3 years	Surveyor in study contracts and / or designs of sewerage systems	2	N/A	15%
2	Chainman	N/A	1 year	N/A	N/A	N/A	15%

Qty.	Position to hold	Academic Training	General Experience	Specific experience			Minimum time commitment in the total duration of the Contract
				As/in:	Number of contracts required	Specific requirement	
MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: LEGAL AND FINANCIAL STRUCTURING							
1	Specialist Lawyer	Law Professional; with a degree in postgraduate studies in administrative law, public trade, public contracting and / or government contracting	12 years	Specialist in contracts or contracts in projects related to the legal structuring of Public Infrastructure Projects involving private and / or public capital linkage. Each of the certified contracts must have a minimum CAPEX of \$40 billion (forty thousand million Colombian pesos at prices of December 31, 2017)	2	N/A	30%
1	Specialist in models	Professional title in administrative sciences, economics and / or finance, and / or engineering.  Postgraduate degree in finance and / or related fields	10 years	Financial advisor responsible for developing the financial model in a financial structuring infrastructure Each of the certified contracts must have a minimum CAPEX of \$20 billion (twenty thousand million Colombian pesos at prices of December 31, 2017)	2	N/A	30%
1	Risk specialist	Professional title in: Economics and / or business administration and / or financial administration and / or finance and international relations and / or industrial engineering and / or Financial Engineering and / or Civil Engineering.  Postgraduate degree in business administration, MBA, Finance, Project evaluation, Risks, statistics.	10 years	Director, assistant director, manager, assistant manager or financial or risk coordinator, project evaluation and / or contractor in project evaluation, financial structuring of projects or project economics or review and / or preparation of risk matrices.	2	N/A	30%

## B. AUDITING TO PHASE 2

For the execution of this Phase, THE AUDITING CONTRACTOR must guarantee the minimum personnel required for the development of the same as described below:



Qty.	Position to hold	Academic training	General Experience	Specific experience			Minimum time commitment in the total duration of the Contract
				As/in:	Number of contracts required	Specific requirements	
MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 2 OF THE CONTRACT: AUDITING OF THE TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN							
1	Director of Auditing	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer	12 years	Director of Auditing in Projects of: studies and / or designs of sewer systems or in the Auditing of the Studies and / or Designs of sewage systems	3	<p>The specific experience must be demonstrated with the fulfilment of the following conditions:</p> <p>i. In the contracts submitted they must demonstrate experience as Director of Auditing in Projects of: Studies and / or Designs of sewer systems or in the Auditing of the Studies and / or Designs of sewer systems, in which they have included the design of networks in a length equal to or greater than 15000 meters</p> <p>ii. One of the contracts contributed must be of a value executed, equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in Colombian minimum monthly legal salaries.</p>	20%
1	Hydraulic specialist	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in the area of hydraulics	8 years	Hydraulic Specialist in Projects of: Studies and / or Designs of sewer systems or in the Auditing of the Studies and / or Designs of sewage systems	3	<p>The specific experience must be demonstrated with the fulfilment of the following conditions:</p> <p>i. In the contracts submitted, they must demonstrate experience as a Hydraulic Specialist in Projects of: Studies and / or Designs of sewer systems or in the Auditing of the Studies and / or Designs of sewer systems, in which the design of networks in a length equal to or greater than 10000 meters</p> <p>ii. One of the contracts contributed must be of a value executed, equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in Colombian minimum monthly legal salaries</p>	50%

Qty.	Position to hold	Academic training	General Experience	Specific experience			Minimum time commitment in the total duration of the Contract
				As/in:	Number of contracts required	Specific requirements	
MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 2 OF THE CONTRACT: AUDITING OF THE TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN							
1	Specialist in Hydrology, and Water demands	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in the area of Hydraulics	8 years	Specialist in Hydrology in projects of: Studies and / or Designs of sewer systems or in the Auditing of the Studies and / or Designs of sewage systems	3	In the contracts submitted, they must demonstrate experience as a Hydrologist in Projects of: Studies and / or Designs of sewer systems or in the Auditing of the Studies and / or Designs of sewer systems	20%
1	Specialist in Structures	Civil Engineer with postgraduate studies in structures	8 years	Structural Designer in Projects of: Studies and / or Designs or in Auditing of the Studies and / or Designs of Civil Infrastructure Works	2	N/A	20%
1	Geotechnical specialist	Civil engineer and / or geological engineer and / or geologist, with postgraduate studies in geotechnics	8 years	Specialist in Geotechnics in Projects of: Studies and / or Designs or in the Auditing of the Studies and / or Designs of Civil Infrastructure Works	2	N/A	20%
1	Environmental specialist	Civil Engineer, Forestry, Environmental Engineer, Ecologist or Biologist, with postgraduate studies in the environmental area	6 years	Environmental specialist in Projects of: Studies and / or designs of sewer systems or in the Auditing of the studies and / or designs of sewage systems	2	N/A	15%
1	Legal Specialist	Lawyer with postgraduate studies in administrative law, public law, commercial law and / or residential services	6 years	Analyst of land titles and / or, in studies of land titles and / or, feasibility and obtaining rights of way and / or, processing of permits and / or, manager for obtaining property titles and / or permits for project execution of infrastructure.	2	N/A	15%
1	Cadastral Specialist	Cadastral and Geodesist Engineer and / or Civil Engineer with postgraduate studies in GIS and / or Software Engineering and / or Geomatics	6 years	Certified experience in GIS and / or geo-scientific databases and in Arc-GIS and Excel management in associated developments.	2	N/A	15%
1	Professional GIS	Cadastral and Geodesist Engineer and / or Civil Engineer with postgraduate studies in GIS and / or Software Engineering and / or Geomatics	4 years	Certified experience in GIS and / or geo-scientific databases and in Arc-GIS and Excel management in associated developments.	2	N/A	15%
1	Social Professional	Social Worker, Psychologist, Sociologist or Anthropologist	4 years	Social Professional in contracts for the execution of sewerage systems	2	N/A	100%
1	Economist and market analyst	Economist	4 years	Economist in the Auditing of the studies and designs of sewerage projects	2	N/A	5%

Qty.	Position to hold	Academic training	General Experience	Specific experience			Minimum time commitment in the total duration of the Contract
				As/in:	Number of contracts required	Specific requirements	
MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 2 OF THE CONTRACT: AUDITING OF THE TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN							
1	Professional Costs and Budgets and Technical Specifications	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer or Architect	4 years	Responsible for the review or preparation of budgets in contracts or projects of Civil Works.	2	N/A	15%
1	Electromechanical specialist	Electrical engineer or mechanic	8 years	Specialist in electromechanics in Projects of: Studies and / or Designs of sewer systems or in the Auditing of the Studies and / or Designs of sewage systems	2	N/A	15%
1	Support technician	Technician or technologist in civil works	3 years	N/A	1	N/A	50%
1	Surveyor	Surveyor	3 years	Surveyor in study contracts and / or designs of sewerage systems	2	N/A	50%
2	Chainman	N/A	1 year	N/A	N/A	N/A	50%

Qty.	Position to hold	Academic training	General Experience	Specific experience			Minimum time commitment in the total duration of the Contract
				As/in:	Number of contracts required	Specific requirement	
MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: Legal and Financial Structuring Component							
1	Director of Auditing	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer	12 years	Director of Auditing in Projects of: studies and / or designs of sewer systems or in the auditing of the Studies and / or Designs of sewer systems	3	The specific experience must be demonstrated by the following conditions:  I. In the contracts provided, they must demonstrate experience as Director of Auditing for projects of: studies and/or designs of sewer systems in which they have included the design of networks longer than or equal to 15000 meters  II. One of the contracts provided shall be of a value executed, equal to or greater than 0.5 times the estimated budget for the Private Call (Phase 1 + Phase 2) in Colombian minimum monthly legal salaries	5%
1	Specialist Lawyer	Law Professional; with a degree in postgraduate studies in administrative law, public trade, public contracting and / or government contracting	12 years	Specialist in contracts or contracts in projects related to the legal structuring of Public Infrastructure Projects involving private and / or public capital. Each of the certified contracts must have a minimum CAPEX of \$40 billion (forty thousand million Colombian pesos at prices of December 31, 2017)	2	N/A	30%
1	Specialist in models	Professional title in administrative sciences, economics and / or finance, and / or engineering.  Postgraduate degree in finance and / or related fields	10 years	Financial advisor responsible for developing the financial model in financial structuring infrastructure. Each of the certified contracts must have a minimum CAPEX of \$20 billion (twenty thousand million Colombian pesos at prices of December 31, 2017)	2	N/A	30%

Qty.	Position to hold	Academic training	General Experience	Specific experience			Minimum time commitment in the total duration of the Contract
				As/in:	Number of contracts required	Specific requirement	
MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: Legal and Financial Structuring Component							
1	Risks specialist	Professional title in: Economics and / or business administration and / or financial administration and / or finance and international relations and / or industrial engineering and / or Financial Engineering and / or Civil Engineering.  Postgraduate degree in business administration, MBA, Finance, Project evaluation, Risks, statistics.	10 years	Director, assistant director, manager, assistant manager or financial or risk coordinator, project evaluation and / or contractor in project evaluation, financial structuring of projects or project economics or review and / or preparation of risk matrices.	2	N/A	30%

**The staff previously described for the contract will be compulsory in the project, so the bidders must take it into account and consider it in its entirety, as well as breakdown for each of the phases when preparing its economic offer.**

**FORM 1**  
**LETTER OF PRESENTATION OF THE PROPOSAL**

City and date: \_\_\_\_\_.

Attn:  
FINANCIERA DE DESARROLLO TERRITORIAL S.A - FINDETER  
Calle 103 # 09-20  
Bogotá D.C. – Colombia

Reference: PRIVATE CALL No. FCO-I-XXX-2018

Through the accompanying documents, I hereby submit a proposal to participate in the private call noted in the reference.

In the event of my proposal being accepted, I undertake to perfect and legalize the respective contract in the terms designated by the entity and to execute the contractual object in accordance with the documents that are part of this selection process, those in the contract, this proposal, and the other stipulations of the same, in the parts accepted by the contracting entity.

In my capacity as a bidder I declare:

1. That I know the Terms of Reference of this hiring process, its addenda and information about questions and answers, as well as other documents related to the works, and I agree to comply with all the requirements demanded therein.
2. That I also accept the consequences arising from the failure to comply with the requirements referred to in the preceding paragraph.
3. That I accept the conditions established by the contracting entity for the execution of the project. Understanding its structure and methodology.
4. That if my proposal is accepted, I undertake to initiate the execution of the respective contract, when the contracting entity imparts the initiation order, and to terminate it within the contractual terms in accordance with the provisions of the documents of the Terms of Reference, the proposal and the contract, respectively.
5. That I know and accept in all the general and special laws applicable to this selection process.
6. That I know in detail, first hand and from information provided by the competent authorities, the sites in which I must develop the object to be contracted, its characteristics, accesses, socio-economic environment, climatic, geotechnical and geological conditions, and that I have taken this knowledge into account for the preparation of the proposal and I therefore assume the effects of this statement.
7. That with the presentation of the proposal I guarantee that I count on the minimum personnel profiles required and the dedicated assigned times, and in the event of being selected I will submit for the verification of the contract supervisor, the Form of Detailed Economic Estimate Proposal and Multiplier Factor for each of the Phases and the respective supporting documents of academic and professional training and the documents proving the experience of said staff.
8. That with the signing of this letter I hereby state under oath that neither I nor any of the members of the consortium or the temporary union or the legal entity that I represent, as well as any of the members of the consortium or temporary union, have incurred in any causes of disqualification, incompatibility and other prohibitions enshrined in the law to enter into the contract, nor in the cause of conflict of interest indicated in the regulations governing this selection process.
9. That I carefully read the Terms of Reference of this private call, its grounds for rejection and for being declared void, and prepared my proposal adjusted to them. Therefore, I know and had the opportunity under the established provisions to ask for clarifications, make objections, ask questions and get answers to any concerns I had.
10. That I know, accept and fulfil the obligations contained in the previous studies, Terms of Reference and the hiring contract.
11. That I know and accept the conditions established by the contracting entity for the development of the contracting model in phases. If the development of some of the planned phases is not feasible, I will refrain from making derivative claims



because of the non-feasibility of carrying out any of the auditing phases according to the model or when the execution of the project of execution of work is not approved.

12. That the resources that compose my (our) assets do not come from the laundering of assets, financing of terrorism, drug trafficking, illegal collection of monies and in general from any illegal activity and that in case of being selected the resources received in the development of the contract shall not be destined for any of the activities described above.

13. I declare under oath, that in my country of origin the Comptroller General of the Republic is not established, or an entity that represents it, and the requirement of a background check is not required. [Applies to foreign legal persons without domicile and/or branch in Colombia] In the event that it is required.

14. I declare under oath, that in my country of origin the National General Prosecutor's Office is not established, or an entity that represents it, and the requirement of a background check is not required. [Applies to foreign legal persons without domicile and/or branch in Colombia] In the event that it is required.

15. I also declare under oath that all the information provided and contained in \_\_\_\_\_ pages corresponding to the documents, annexes and legal, financial, technical and economic forms, is truthful and susceptible to verification.

#### SUMMARY OF THE PROPOSAL:

Bidder name or Company Name: \_\_\_\_\_

Identity card or Taxpayer ID (NIT): \_\_\_\_\_

Legal representative: \_\_\_\_\_

Country of Origin of the Bidder: \_\_\_\_\_

(If the proposal is presented in consortium or temporary union, the name and country of origin of each one of the members must be indicated).

VALIDITY OF THE PROPOSAL: For all purposes, it is understood that it is for a term equal to the bid bond of the proposal.

TOTAL TERM TO EXECUTE THE CONTRACT: \_\_\_\_\_ MONTHS

I would like to inform you that the communications relating to this call will be received at:

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

City: \_\_\_\_\_

Telephone number(s): \_\_\_\_\_ Mobile phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

Sincerely,

#### PERSON AUTHORIZED TO SIGN THE PROPOSAL

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Colombian National ID Card: \_\_\_\_\_

(In case of natural persons this letter must be signed by the bidder; in the case of legal persons, consortia or temporary unions it must be signed by the duly authorized representative).

**Note:** To complete when the bidder's Legal Representative is not a Civil engineer or Sanitation Engineer.

"Because the subscriber to this proposal is not a Civil engineer or Sanitation Engineer, I \_\_\_\_\_ (first and last names) Civil Engineer/Sanitary engineer, with Professional Registration No. \_\_\_\_\_ and ID Card No. \_\_\_\_\_ of \_\_\_\_\_, accredit this proposal."

\_\_\_\_\_  
(signature of the person who is accrediting the proposal)

**FORM 2**  
**PAYMENT CERTIFICATE EMPLOYEE WITHHOLDING CONTRIBUTIONS AND GENERAL SYSTEM OF INTEGRAL SOCIAL SECURITY**

City and date: \_\_\_\_\_

Attn:

**FINANCIERA DEL DESARROLLO TERRITORIAL S.A. FINDETER**

Calle 103 No. 19 -20

Bogotá – Colombia

Reference: Private call No. FCO -I-XXX-2018.

Select and complete the applicable sworn statement from the following applicable options:

I, \_\_\_\_\_, identified with \_\_\_\_\_, in my capacity as (mark with an X as is the case)  
Natural person \_\_\_\_ Legal representative \_\_\_\_ Statutory Auditor \_\_\_\_ of (company's name) identified with Taxpayer ID Nit \_\_\_\_\_, and duly registered in the Chamber of Commerce of \_\_\_\_\_, certify the payment of social security contributions (pension, health and occupational hazards) and the employee withholdings contributions (Colombian Institute of Family Welfare ICBF, National Learning Service SENA and Family Compensation Fund), where appropriate, corresponding to the payroll of the last six (6) months that are legally required at the date of submission of the proposal for this selection process (which means those in which the obligation to make such payments has been caused). The previous, in compliance with the provisions of Article 50 of law 789 of 2002 in accordance with the provisions of laws 1607 of 2012 and 1739 of 2014.

I, \_\_\_\_\_, identified with \_\_\_\_\_, in my capacity as (mark with an X as is the case) Natural person \_\_\_\_  
Legal representative \_\_\_\_ Statutory Auditor \_\_\_\_ of (company's name) identified with Taxpayer ID Nit \_\_\_\_\_, declare under oath that I am not obliged to pay social security and employee withholdings contributions as I do not employ anyone.

I, \_\_\_\_\_, identified with \_\_\_\_\_ as a national natural person to accredit the fulfilment of this obligation, submit together with the proposal the record or attestation of affiliation to the General system of Social Security, by means of which I am affiliated under the modality of \_\_\_\_\_, beneficiary \_\_\_\_ or affiliated to the subsidized regime \_\_\_\_ (mark with an X as appropriate), of the month immediately preceding the scheduled date for the closing of this private call.

I, \_\_\_\_\_, identified with \_\_\_\_\_, in my capacity as (mark with an X as is the case) Natural person \_\_\_\_  
Legal representative \_\_\_\_ Tax reviewer \_\_\_\_ of (company's name) identified with Taxpayer ID Nit \_\_\_\_\_, certify the payment of the pension and occupational hazards contributions and payments to the Family Compensation Fund corresponding to the payroll of the last six (6) months that are legally required at the date of submission of the proposal for this selection process, (which means those in which the obligation to make such payments has been caused) and likewise I declare under oath that I am not obliged to pay ICBF, SENA and Social Security in Health.

In the foregoing circumstances, the certification will be issued and signed by the statutory auditor when in accordance with the law they are obliged to have said certification or if the statutes so determine, or by the legal representative when they are not obliged to have a statutory auditor.

The foregoing certification is issued for the purpose of complying with Article 50 of law 789 of 2002 and other concordant rules, in accordance with Law 828 of 2003 and Laws 1607 of 2012 and 1739 of 2014.

In addition, in the case of a national natural person, he/she must accredit the fulfilment of this obligation with the record or attestation of affiliation to the General system of Social Security, by means of which they are affiliated under the modality of contributor, beneficiary or affiliate to the subsidized scheme, at least for the month immediately preceding the date scheduled for the closing of this call.

Sincerely,

---

Tax reviewer or Legal Representative  
Professional registration (If signed by the Statutory Auditor)  
ID Card

\* In the case of consortia or temporary unions, each member must certify compliance with the Social Security and Employee withholdings in this form No.2.

**FORM 3**  
**SPECIFIC EXPERIENCE OF THE BIDDER TO ENABLE THE PROPOSAL**

<b>PURPOSE:</b>							
<b>BIDDER:</b>							
<b>COMPLETE INFORMATION OF THE MEMBER PROVIDING THE EXPERIENCE:</b>							
<b>EXPERIENCE OF THE PROPOSED BIDDER TO ENABLE THE PROPOSAL</b>							
CONTRACT NO.	OBJECT	ACTIVITIES CARRIED OUT	VALUE IN COLOMBIAN MINIMUM MONTHLY LEGAL SALARIES	CONTRACTING ENTITY	START DATE	END DATE	PERCENTAGE OF PARTICIPATION (EACH CONTRACT)
1							
2							
3							

The bidder under oath states that the information entered above is truthful and can be consulted at any time, in consequence they are responsible for what is entered here and undertake to present the required documents that support the information entered in this form.

Note 1: In the case of plural proposals, each of the members that make up the bid must fill in the present form, highlighting their contribution to the experience to be accredited.

Note 2: This form must be accompanied by the corresponding certifications of experience or the documents established in the accreditation alternatives with which it is intended to comply with the enabling experience requirements. In no case will the bidder be able to change or replace the contracts presented initially with the proposal to accredit the required experience, **as they will not be taken into account**. Only the information relating to the documents initially submitted may be proved, in which case it is only possible to clarify, provide information or related documents when the entity so requires.

Note 3: Where certifications do not contain the information that can be verified, the bidder may attach to the proposal a copy of the contract or the supporting documents of the case (provided that they are signed by the competent official of the entity) that allows them to extract the missing information in the certification.

Note 4: The bidder must indicate in this form the contract (s) that it provides to accredit each of the conditions requested as a specific enabling experience.

Note 5: In the event of a higher number of contracts being submitted for the purposes of accreditation of the experience than the maximum number required, the contracts recorded in this form will be verified, in their order, and up to the maximum number indicated in the Terms of reference. In case of providing a greater number of contracts than required or a certification of several contracts and the bidder does not indicate in the form those that should be considered for enabling purposes, the executed contracts of greater total value will be taken into account and up to the maximum number required in the Terms of Reference.

**FORM 3A**  
**SPECIFIC EXPERIENCE OF THE BIDDER FOR ADDITIONAL QUALIFICATION OF THE PROPOSAL**

<b>OBJECT:</b>								
<b>BIDDER:</b>								
<b>FULL DETAILS OF THE MEMBER PROVIDING THE EXPERIENCE:</b>								
<b>EXPERIENCE OF THE PROPOSED BIDDER TO QUALIFY THE PROPOSAL</b>								
CONTRACT NO.	OBJECT	ACTIVITIES CARRIED OUT	VALUE IN COLOMBIAN MINIMUM MONTHLY LEGAL SALARIES	CONTRACTING ENTITY	START DATE	END DATE	PERCENTAGE OF PARTICIPATION (EACH CONTRACT)	ACCREDITATION ALTERNATIVE (A OR B)
1								
2								
3								

The bidder under oath states that the information entered above is truthful and can be consulted at any time, in consequence they are responsible for what is entered here and undertake to present the required documents that support the information entered in this form.

**Note 1:** In the case of plural proposals, each of the members that make up the bid must fill in the present form, highlighting their contribution to the experience to be accredited.

**Note 2:** This form must be accompanied by the corresponding certifications of experience or the documents established in the accreditation alternatives with which it is intended to comply with the qualifying experience requirements. In no case will the bidder be able to change or replace the contracts presented initially with the proposal to accredit the required experience, as they will not be taken into account. Only the information relating to the documents initially submitted may be proved, in which case it is only possible to clarify, provide information or related documents when the entity so requires.

**Note 3:** Where certifications do not contain the information that can be verified, the bidder may attach to the proposal a copy of the contract or the supporting documents of the case (provided that they are signed by the competent official of the entity) that allows them to extract the missing information in the certification.

**Note 4:** The bidder must indicate in this form the contract (s) that it provides to accredit each of the conditions requested as a specific enabling experience.

**Note 5:** In the event of a higher number of contracts being submitted for the purposes of accreditation of the experience than the maximum number required, the contracts recorded in this form will be verified, in their order, and up to the maximum number indicated in the Terms of Reference. In case of providing a greater number of contracts than required or a certification of several contracts and the bidder does not indicate in the form those that should be considered for enabling purposes, the executed contracts of greater total value will be taken into account and up to the maximum number required in the Terms of Reference.

**FORM 4  
ECONOMIC PROPOSAL**

Below I present my economic proposal in Colombian pesos, which includes the costs, expenses, taxes, fees and other contributions as applicable.

<b>ECONOMIC PROPOSAL FORM AUDITING TO THE TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN</b>	
<b>DESCRIPTION</b>	<b>TOTAL VALUE</b>
Value offered auditing PHASE 1	
Value offered auditing PHASE 2	
<b>TOTAL ECONOMIC OFFER AUDITING TO THE TECHNICAL COMPONENT AND SOCIAL MANAGEMENT AND GENDER EQUITY PLAN (PHASES 1 AND 2):</b>	

<b>ECONOMIC PROPOSAL FORM AUDITING TO THE LEGAL AND FINANCIAL STRUCTURING COMPONENT</b>	
<b>DESCRIPTION</b>	<b>TOTAL VALUE</b>
Value offered auditing PHASE 1	
Value offered auditing PHASE 2	
<b>TOTAL ECONOMIC OFFER AUDITING TO THE LEGAL AND FINANCIAL STRUCTURING COMPONENT (PHASES 1 AND 2):</b>	

All the values of the proposal must be adjusted to the nearest peso without cents, otherwise the entity will proceed to adjust any value that is not in said format, rounding up or down to the nearest peso.



**FORM 5**  
**DETAILED ECONOMIC PROPOSAL ESTIMATE AND MULTIPLIER FACTOR**

The selected bidder must fill in the Detailed Economic Proposal Estimate and Multiplier Factor form, taking special care to fill each of the boxes for all the personnel being offered, which in any case, cannot be less than minimum personnel (annex 1), according to the minimum time dedication required for the execution of the respective phase and totalize the same, as well as the other direct costs required in this form and submit it to the supervisor of the contract as prior requirement before the subscription of the initiation document. Consequently, it should not be submitted with the proposal.

This form is only considered as a tool for the supervision of the contract, therefore it will not be the subject of verification or evaluation and in no case can change the value of the presented economic proposal.

DETAILED ECONOMIC PROPOSAL ESTIMATE AND MULTIPLIER FACTOR							
<b>OBJECT:</b>							
<b>BIDDER:</b>							
<b>PROFESSIONAL STAFF</b>							
<b>CONCEPT</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	
<b>PROFESSIONAL STAFF</b>	<b>AMOUNT</b>	<b>BASIC MONTH SALARY</b>	<b>% TIME DEDICATION</b>	<b>F.M (%)</b>	<b>MONTH VALUE (AXBXCXD)</b>	<b>MONTHS</b>	<b>TOTAL PARTIAL (EXF)</b>
<b>SUBTOTAL COST PROFESSIONAL PERSONNEL (1)</b>							<b>\$</b>
<b>TECHNICAL PERSONNEL</b>							
<b>Concept</b>	<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>	<b>F</b>	
<b>TECHNICAL STAFF</b>	<b>AMOUNT</b>	<b>BASIC MONTH SALARY</b>	<b>% TIME DEDICATION</b>	<b>F.M (%)</b>	<b>MONTHLY VALUE (AXBXCXD)</b>	<b>MONTHS</b>	<b>TOTAL PARTIAL (EXF)</b>
<b>SUBTOTAL COST TECHNICAL STAFF (2)</b>							<b>\$</b>
<b>OTHER DIRECT COSTS</b>							
<b>CONCEPT</b>							
<b>Other direct costs</b>				<b>Unit</b>	<b>Amount</b>	<b>Unit Value</b>	<b>Partial Total</b>
<b>SUBTOTAL OTHER DIRECT COSTS (3)</b>							<b>\$</b>

GENERAL SUMMARY ECONOMIC PROPOSAL	
TOTAL AMOUNT (1 + 2 + 3)	\$
TOTAL AUDITING VALUE	\$

FM: Multiplier Factor

ITEM	DESCRIPTION	%
A	Basic Salary (Total monthly payroll)	100.00%
B	Social benefits	
	Services Premium	
	Unemployment savings	
	Unemployment savings Interests	
	Vacations	
C.	Comprehensive Social Security System	
	Pension	
	Health	
	Professional Risks	
	Family Subsidy	
	SENA (National Learning Service)	
	ICBF (Family Welfare Institute)	
	Subtotal B + C	
D.	Others	
	Provisions	
	Subtotal A + B + C + D	
E.	Indirect costs	
E1	General expenses	
E2	Legal expenses	
	Subtotal (E1 + E2)	
F.	Fees (includes contingent expenses)	
	MULTIPLIER FACTOR (A + B + C + D + E + F)	

Note: This format must be presented in Excel and PDF.

FORM 6

**SWORN STATEMENT CORRESPONDING TO THE IDENTIFICATION OF THE REAL BENEFICIARY**

Attn:

**FINANCIERA DE DESARROLLO TERRITORIAL S.A - FINDETER**

Calle 103 # 09-20

Bogotá D.C. – Colombia

The undersigned, acting on behalf and in representation of *[Name of the Interested party. In the case of a **Plural interested party**, the name of the Plural interested party must be included, as well as the name of each one of its members]* present this sworn statement corresponding to the identification of the Real Beneficiary, in development of the **Private Call No. FCO-I-XXX-2018** whose object will be to contract the AUDITING “XXX”. By means of the subscription of this document, we fully identify the natural or legal persons who, personally or directly, would be the real beneficiaries of the future contract.

I/we declare – under oath, the Real Beneficiaries referred to in this document, as follows:

INTERESTED INDIVIDUAL OR MEMBER OF THE PLURAL INTERESTED PARTY	REAL BENEFICIARIES	IDENTIFICATION DOCUMENT (NATIONAL ID CARD, ALIEN ID CARD OR ITS EQUIVALENT OR TAXPAYER ID NIT)

Sincerely,

Signatures:

*[The document will be subscribed by the **Interested Individual** or all the members of the **Plural Interested Party**. The legal persons will do so through the legal representatives accredited in the documents of existence and legal representation and/or agents conferred for this Private Call.]*

FORM 7  
SWORN DECLARATION OF THE NON-EXISTENCE OF A CONFLICT OF INTEREST

City and date: \_\_\_\_\_.

Attn:

**FINANCIERA DE DESARROLLO TERRITORIAL S.A - FINDETER**

Calle 103 # 09-20

Bogotá D.C. – Colombia

The undersigned, acting on behalf and in representation of *[Name of the **Interested party**. In the case of a **Plural interested party**, the name of the **Plural interested party** must be included, as well as the name of each one of its members]* for the presentation of the proposal and/or subscription of the contract within the **Private Call No. FCO-I-XXX-2018** to contract the **"XXX"**, *I/we state under oath that neither I nor any of the members of the consortium or the temporary union or the legal entity that I represent, have incurred in,* either individually or as a member of a consortium or temporary union, in the following conflicts of interest:

1. In any of the grounds laid down in Law 734 of 2002, Article 11 of Law 1437 of 2011 and other concordant rules.
2. Have participated in the structuring, evaluation, approval, viability and financing of the project subject to this private call, as well as in the structuring of the terms of reference and/or in the evaluation and selection of the contracting process. The conflict of interest will also be predicated on the real beneficiaries of the same persons.
3. Have signed a contract subject of monitoring with FINDETER, during the execution period and until the liquidation of the same. This conflict will also be true of the actual beneficiaries of the same people.
4. Have participated or been linked as service operators in the District where the contract work that this private call is being carried out will be executed. This prohibition also governs the real beneficiaries of the same persons.
5. Have submitted a proposal simultaneously in this call and to the call that is being carried out to contract the supervision of this project.

Sincerely,

Signatures:

*[The document will be subscribed by the **Interested Individual** or all the members of the **Plural Interested Party**. The legal persons will do so through the legal representatives accredited in the documents of existence and legal representation and/or agents conferred for this Private Call.]*

**FORM 8**  
**SWORN STATEMENT FORM ON PENALTY CLAUSES, COLLECTION PENALTY CLAUSES, FINES,**  
**PENALTIES OR DECLARATIONS OF NON-COMPLIANCE AND/OR RESOLUTION OR EARLY TERMINATION**  
**DUE TO IMPOSED CONTRACTOR DEFAULTS**

City and date: \_\_\_\_\_.

Attn:

**FINANCIERA DE DESARROLLO TERRITORIAL S.A - FINDETER**

Calle 103 # 09-20

Bogotá D.C. – Colombia

The undersigned, for the purposes of the Assessment factor for compliance with previous contracts within the private call No. FCO -I-XXX-2018, state under oath \_\_\_\_ that [have been imposed or declared (in case of natural person)] [to the company I represent (in the case of legal person)] \_\_\_\_ in contracts in which I have been a contractor, within three (3) years preceding the closing of the present contracting process, the penalty clauses (not collection penalty clauses), collection penalty clauses, fines, penalties or declarations of non-compliance; or within five (5) years prior to the end of the present contracting process, resolution or early termination for non-compliance by the contractor, which I relate below:

<u>Measure (s) imposed</u>	<u>Number of times imposed</u>	<u>Contract N°</u>	<u>Contracting party</u>	<u>Name of the person to whom the measure was imposed</u>
Penal clause (s) (not collection)	1.			
	2.			
	3.			
	4.			
Collection penalty clause (s)	1.			
	2.			
	3.			
	4.			
Fine (s)	1.			
	2.			
	3.			
	4.			
Penalties or declaration of non-compliance	1.			
	2.			
	3.			
	4.			
Resolution (s) or early termination due to contractor default	1.			
	2.			
	3.			
	4.			

The bidder under oath states that the above information is truthful; consequently, it is responsible for the information entered herein, and must present the documents that support the statement and the rest as required.

Notwithstanding the above, the CONTRACTING PARTY reserves the right to verify the information reported in this form.

Sincerely,

Signatures:

*[The document will be subscribed by the natural person or legal representative of a legal person who is presented individually in this private call and in the case of temporary unions or consortia must provide the sworn certification signed by each one of its members.]*

*[Natural or legal persons who act as bidders in the present contracting process individually or jointly (temporary unions or consortia) that are registered in the Unique Register of Bidders of the Chamber of Commerce, **MUST** provide the certificate of this register for each of the registered persons, issued within thirty (30) calendar days preceding the date of the closing of this private call.]*



**FORM 9**  
**SWORN DECLARATION FORM OF THE NON-EXISTENCE OF IMPOSITION OF PENALTY CLAUSES,  
COLLECTION PENALTY CLAUSES, FINES, PENALTIES OR DECLARATIONS OF DEFAULT AND/OR  
RESOLUTION OR EARLY TERMINATION DUE TO THE BREACH OF CONTRACTS**

City and date: \_\_\_\_\_.

Attn:

**FINANCIERA DE DESARROLLO TERRITORIAL S.A - FINDETER**

Calle 103 # 09-20

Bogotá D.C. – Colombia

**SUBJECT: PUBLIC** Call No. **FCO-C-XXX-2018** to contract the XXXX.

The undersigned, for the purposes of the Assessment Factor for Compliance with Previous Contracts within the private call of the reference, stated under oath that I have not had imposed upon me \_\_\_\_ (in case of natural person)/to the company that I represent \_\_\_\_ (in the case of a legal person), within the three (3) years preceding the closing of the present recruitment process, in any penalty clauses, collection penalty clauses, fines, penalties or declarations of non-compliance; or within five (5) years prior to the end of this process of contract resolution or early termination due to the breach of contracts, imposed or declared in the contracts in which I have been a contractor.

Notwithstanding the above, the CONTRACTING PARTY reserves the right to verify the information reported in this form,

Sincerely,

Signatures:

*[The document will be subscribed by the natural person or legal representative of a legal person who is presented individually in this private call and in the case of temporary unions or consortia must provide the sworn certification signed by each one of its members.]*

**FORM 10**  
**DECLARATION FORM REGISTRATION IN THE UNIQUE REGISTER OF BIDDERS OF THE SINGLE BUSINESS**  
**REGISTER OF THE CHAMBER OF COMMERCE**

City and date: \_\_\_\_\_.

Attn:

**FINANCIERA DE DESARROLLO TERRITORIAL S.A - FINDETER**

Calle 103 # 09-20

Bogotá D.C. – Colombia

SUBJECT: PRIVATE CALL No. **FCO-I-XXX-2018** to contract the

Select and complete the applicable sworn statement from the following applicable options:

The undersigned, (First and last name), identified with \_\_\_\_\_, in my capacity as **(mark with an X according to the case)**  
Natural person \_\_\_\_ / Legal Representative \_\_\_\_ of (Company name) identified with Taxpayer ID Nit \_\_\_\_\_, for the  
purposes of the Assessment Factor for Compliance with Previous Contracts within this private call, state under oath:

I am not registered \_\_\_\_ in the Unique Register of Bidders of the Chamber of Commerce's Single Business Register

I am registered \_\_\_\_ in the Unique Register of Bidders of the Chamber of Commerce's Single Business Register

Sincerely,

Signatures:

*[The document will be subscribed by the natural person or legal representative of a legal person who is presented individually in this private call and in the case of temporary unions or consortia must provide the sworn certification signed by each one of its members.]*

Natural or legal persons who are registered must provide the certificate of registration of the individual bidder and that of each of the members of the consortium or temporary union in the case of a plural bidder, issued within thirty (30) calendar days preceding the closing date of this private call for the purposes of the assessment factor for compliance with previous contracts.

Notwithstanding the previous sworn statement, the contractor reserves the right to verify the information reported in this form.

**FORM 11**  
**LETTER OF COMMITMENT ON THE INCORPORATION OF GENDER EQUITY AND SOCIAL INCLUSION IN THE  
DEVELOPMENT OF THE PROJECT**

City and date: \_\_\_\_\_.

Attn:

**FINANCIERA DE DESARROLLO TERRITORIAL S.A - FINDETER**

Calle 103 # 09-20

Bogotá D.C. – Colombia

SUBJECT: PRIVATE CALL NO. **FCO-I-XXX-2018** to contract the **XXXX**

The following options fill the express manifestation under the seriousness of the oath that corresponds to the case:

The undersigned (First and last name), identified with \_\_\_\_\_, in my capacity of **(mark with an X according to the case)**  
Natural person \_\_\_\_\_ / Legal Representative \_\_\_\_\_ of (Company's name) identified with Taxpayer ID Nit \_\_\_\_\_, for  
the purpose of promoting gender equity and social inclusion within the Private Call, I state under oath:

I pledge to promote the gender and social inclusion approach during the implementation of the project, in accordance with  
the guidelines that Findeter has arranged and all the affirmative actions that lead to said promotion.

Sincerely,

Signatures:

*[The document will be subscribed by the natural person or legal representative of a legal person who is presented  
individually in this private call and in the case of temporary unions or consortia must provide the sworn certification signed  
by each one of its members.]*

FORM 12

**PROMISE OF TECHNICAL ASSISTANCE CONTRACT**

**THIS FORM IS ONLY FILLED OUT WHEN THE SPECIFIC EXPERIENCE IS ACCREDITED THROUGH AN INTERNATIONAL NETWORK OF FIRMS**

Between the undersigned \_\_\_\_\_ who for the purposes of this form will be called the Technical Assistant and \_\_\_\_\_ on behalf of \_\_\_\_\_ in representation of \_\_\_\_\_ who for the purposes of this form shall be called the bidder or auditor, we have agreed to enter into this contract promise which is intended to provide technical assistance services, on the occasion of the module (s): \_\_\_\_\_, Private Call for bids No. **FCO-X-XX-2018**, carried out by Findeter and governed by the following clauses:

The Technical Assistant is committed to the bidder to provide and accredit the experience required in Private Call No. FCO-X-XX-2018 in relation to the specific experience in XXXXXX, in accordance with the rules established for this effect in the Terms of Reference, for which form No. XX provides the supporting documents that credit the experience of the technical assistant.

In the event that the bidder wins the selection process, the Technical assistant will provide support to the bidder in the execution of the contract in the specific area of the experience that is contributed.

The perfecting of the technical assistance contract that is promised here is subject only to the condition of the awarding of contract XXXXX.

The technical assistant acquires an unconditional and irrevocable commitment for the period of the technical assistance contract, which may not be less than the term of the contract of XXXX, expressly assuming the commitment not to diminish the participation thereof.

The purpose of the technical assistance contract will be to provide the necessary technical advice to the auditor to ensure that it has the technical support in the relevant field and thus ensure the successful execution of the activities carried out by the Contractor, depending on the specific task the technical Assistant is obligated to develop.

Under the technical assistance contract, the technical assistant agrees to:

- a) Unconditionally assume, both before the bidder and Findeter, the technical responsibility of the results of the task that it is committed to developing.
- b) Ensure that the completion of the technical assistance contract will not take place before the total execution term of the activities covered by the contract of XXXXXXXXX.
- c) To foresee that when for any reason the technical assistant is to be replaced, he or she will not be able to leave their duties or cease to be responsible until a new technical assistant initiates activities, for whose appointment the prior and express authorization of Findeter will be required, which will be issued when the new assistant proves that they possess the necessary experience to perform the functions in accordance with the provisions herein.
- d) Not include clauses that leave without effect or that diminish the responsibility of the technical assistant, which must be complete in relation to the provision of the technical assistance that is necessary for the development of the activities of the respective contract and with the technical results of the same.
- e) Establish that the failure to comply with the Technical assistant's obligations or their substitution without the described formalities constitutes a causality of breach of the contract of XXXXXXXX.

For the purposes of compliance with qualifying requirements, the technical assistant must demonstrate that it meets the requirements of the bidder.

The technical assistant, with the signing of this promise of technical assistance contract, declares that there is no cause for them being disqualified, or incompatibility or conflict of interest to provide the support required by the bidder and the contractor in the event of them being awarded the contract.

With the signing of this promise, the technical assistant declares that it only provides its credentials for the accreditation of the bidder's experience \_\_\_\_\_.

Both the technical assistant and the bidder declare that the technical assistance contract does not generate any cost or obligation that must be assumed by the entity, in such sense, any cost, obligation or risk on this aspect, will be assumed directly by the bidder or contractor in the event that the contract is awarded to them.

The presentation of the technical assistant does not exempt the bidder from the responsibility for the presentation of the professional personnel required in these Terms of reference.

In witness whereof, this is issued on \_\_\_\_\_,

The Bidder,

The Technical Assistant,

\_\_\_\_\_

\_\_\_\_\_