



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

**CALL No. FCO-I-006-2018**

**TERMS OF REFERENCE TO CONTRACT PROJECT AUDITING FOR TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUALITY, ENVIRONMENTAL AND LEGAL FOR THE PROJECT DENOMINATED: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION**

**DIRECTION OF CONTRACTING**

**DECEMBER 2018**

## BACKGROUND AND GENERAL DESCRIPTION OF THE PROCESS

In order to support and encourage Colombia's progress, the Foreign and Commonwealth Office (FCO) and FINDETER, signed the MoU for the execution of the Prosperity Fund, on November 23, 2017, for the amount of twelve million eight hundred thousand sterling pounds (£ 12,800,000). With the signing of the agreement, the following objectives are sought:

- To improve the infrastructure of cities in Colombia to: a) help meet the UN's Sustainable Development Goals, especially objective 11 "*Sustainable, resilient and safe cities and communities*"; b) support inclusive economic growth, poverty reduction, gender equality, taking into account the following problems: (i) urban planning, (ii) gender equality, (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 administration and promotion of rail transportation in Colombia, and create a new alternative for the transportation of people and cargo. This must be accessible, effective, economical and responsible on gender issues. The operational, environmental and economic efficiencies must be taken into account through the identification and financial and technical development opportunities and regulatory instruments for their implementation.
- Improvement of the effectiveness, efficiency, cost reduction and systematization of the contraction processes of the different programs in the regions of Colombia. The objective is to promote and improve the conditions of equality and fair competition for foreign investment through the growth of transparency, accountability and reduction of the potential for corruption in hiring processes.

The Project on which the auditing is required has as its object the preparation of **STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION** since it is necessary for its execution, to have constant monitoring and supervision, which is why this document is prepared to contract the **PROJECT AUDITING FOR TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUALITY, ENVIRONMENTAL AND LEGAL FOR THE PROJECT DENOMINATED: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION.**

The component resources to achieve the UN Sustainable Development Goals were defined for ten (10) city destinations, selected through a study contracted by the British Embassy in Colombia and carried out by the Ernst & Young, which includes the municipality of Valledupar.

On June 20, 2018, FINDETER was emailed the document "Informe Final Alcantarillado Valledupar" (Valledupar Final Sewerage Report) and it was received at FINDETER. By email on July 10, 2018 the document "Scope of the project," **was delivered to FINDETER which will serve as an input for the activities to be executed within the contract, so that within the technical assistance provided by Findeter, the pre-contractual process of the project that aims to perform: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION.**



The technical information that supports the call corresponds to documentation prepared by the Municipality of Valledupar; which includes, among others, identification, characterization of the service to be contracted, activities to be developed, description of the need and scope of the Project.

## CHAPTER I SPECIFIC PROVISIONS

### Sub-chapter I OF THE CALL

#### 1.1. PURPOSE

The purpose of this call is to contract the **"PROJECT AUDITING FOR TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUALITY, ENVIRONMENTAL AND LEGAL FOR THE PROJECT DENOMINATED: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION"**, with activities, budgets and defined products.

#### 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 of the same, a private call will be held in order to select the contractor that will execute **STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION**, for which, an auditing accompaniment is required, so that it is executed through a contract divided into two clearly defined and delimited phases, in such a way that the Auditor exerts control and surveillance, in order to achieve compliance with the duties acquired in the contract study and design.

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

Phase 1: Auditing to Feasibility Studies

Phase 2: Supervision of detailed Designs

##### 1.2.1. PHASE 1. SUPERVISION OF FEASIBILITY STUDIES

It consists of performing technical, administrative, financial, accounting, environmental, social and gender equality and legal project auditing to PHASE 1 of the study and design contract whose purpose is to carry out **THE STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN OF THE RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION**.

In order to guarantee the proper execution of this Phase, the project auditor must be fully knowledgeable of the study and design contract, as well as all the documents comprising it, so that he/she has full capacity to identify the activities, requirements and products object of the study contract and designs on which it must exercise control and surveillance.

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

Consists on the performance of the technical, administrative, financial, accounting, social and gender equity, environmental and legal auditing, to Phase 2 of the contract whose purpose is **THE CONTRACTING OF TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND OF GENDER EQUITY, ENVIRONMENTAL AND LEGAL AUDITING FOR THE PROJECT NAMED: THE STUDY OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE RURAL AND URBAN POPULATION CENTERS OF THE VALLEDUPAR MUNICIPALITY SEWER MASTER PLAN, INCLUDING TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE GENDER EQUALITY AND SOCIAL INCLUSION PROGRAM.**

PROJECT AUDITING activities for the studies and designs adjustments consist of the review and approval of all the products, where it will be mandatory for the auditor to ensure that the project executing contractor makes all the adjustments and corrections that are required on the products delivered in a timely manner, being fully aware of the mechanisms established by the contract to ensure effective compliance by the project executor, and the 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 auditor. These activities include verification, control, demand, prevention, as well as obligations to absolve, collaborate and request methodologies, calculations and their test protocols.

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

The Auditing activity for the execution of the studies and designs implies, by its very nature, an impartial and neutral position to be able to develop its functions, therefore in the interpretation of the control, in the decisions making, in the inspection of the parameters, methodology and other elements that the design contemplates, the Auditing must comply with the objectives of its function indicated below:

**Verify**, the true situation and the contract compliance level, by conducting permanent visits, meetings, quality control, correctives application, problem solving, decision making and answering of doubts.

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

The technical, social and gender equality aspects and scope of the contracted purpose

2. Administrative contractor activities

3. Legal activities

4. Financial and budgetary activities

5. All contractual and operational plans conditions

6. Protect the interests of the Entity and safeguard its responsibility

7. Permanently monitor the correct execution of the contracted purpose.

8. The deadlines, terms and other contractual conditions, guaranteeing the efficient and timely investment of contractually established resources

**Demand**, it is mandatory to inform and demand the adequate and timely compliance of the contractual clauses, under penalty of requesting and/or undertaking the beginning of the sanction, condemn, compensatory and indemnifying procedures conducive to that end.

**Prevent**, seek the swift and adequate amendment 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.

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

**Collaborate**, by shaping a team that together must solve all the problems or difficulties that arise at a technical, legal, administrative and financial level, for an adequate development of their work, therefore they must be integrated to the team without this meaning any type of variation in the responsibilities from the parties.

In a timely manner, **request** the contractor to correct or remedy, 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 concept regarding the feasibility of extending, adding or modifying the contract, among other issues.

### **Main Project Auditing Functions**

The main functions of PROJECT AUDITING are intended for the monitoring and control of the **PROJECT AUDITING FOR TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUALITY, ENVIRONMENTAL AND LEGAL FOR THE PROJECT DENOMINATED: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION**, which must be developed in the execution of the different stages of the contract, are the following:

1. Submit the organizational chart of PROJECT AUDITING, which must contain at least one address, 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 auditing contract purpose.
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 in place.
6. Verify that possible areas of flood or drainage problems are identified.
7. Verify that the reports and plans presented by the design contractor contain the necessary information that allows a correct interpretation during the construction stage.
8. Ensure that the boundaries of the project are established, defining the best alternative for the selection of the most optimal solution and the most convenient for the Project.

9. Verify that, according to the information presented by the designer contractor, the experience of the professionals who prepare Studies and Designs complies with the requirements established in the Terms of Reference and other supporting documents of the contract.
10. Practice the inspection of the designs works in order to identify possible non-conformities that may affect the scope of the project purpose.
11. Order that the design works and all the products of the contract subject to supervision be detected defective and perform the inspection of 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 contract, 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, generally biweekly, with the participation of the supervisor and the specialist directors of both the designer and PROJECT AUDITING. Minutes will be drawn up from these meetings, duly approved by the parties, where the topics discussed, and the agreements *and* commitments established recorded.
15. Review the technical and administrative documents or any other type, prepared by the designer contractor and sent by the contractor to PROJECT AUDITING and the Contracting Party. Prepare written documents with comments arising from reviews of technical and administrative documents or any other nature that have been submitted by the contractor.
16. Carry out specific technical meetings, whenever required, to clarify and reconcile technical discrepancies arising from the review of the documents prepared by the design contractor.
17. Carry out 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. PROJECT AUDITING is responsible for conceptualizing and carrying out an accompaniment to the contracting party when situations that may result in the possible application of penal clauses, resolute conditions, constraint clauses, or any other sanction clause provided in the contract there is place provided that the contract is stipulated, in the terms of reference and in the specifications of the contract.
20. Review and final approval of technical, legal, financial, social management and gender equity and administrative documents that are prepared in compliance with PROJECT AUDITING purpose.
21. Verify and approve, or refute the studies and deliverables resulting from the contract subject to supervision until the optimum results are obtained for the effective fulfillment of the contract subject to PROJECT AUDITING .
22. Keep custody and ensure the correct storage of the information of the contract subject to auditing based on the records, including all minutes that may be generated during its execution. In addition, deliver the respective copies in physical and digital media to the contractor.
23. Approve financial models.
24. Approve the reports and products at 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 auditing contract purpose.
25. Carry out the review and approval of the social management plan and gender equality that the contractor delivers.
26. Ensure compliance with the auditing contract purpose.
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 analyze the technical, administrative and legal, financial, social and other aspects related to the auditing contract purpose, preparing the respective meeting minutes.

28. Assist, encourage and support Findeter in all meetings requested by him and those established in the framework of the development of the PROJECT AUDITING contract purpose.
29. Perform the auditing of the personnel assigned to the project by the contractor through a methodology proposed by the PROJECT AUDITOR and control and approve the payments that are periodically made to the contractor.
30. Record in the minutes any agreement, covenant or commitment that is necessary and convenient for the normal execution of the contract subject to auditing, which must have the approval of Findeter before they are put into practice. The aforementioned, considering that any agreement, covenant or commitment that has the power to modify the contract subject to auditing must be subject to approval by the contracting party by means of the subscription of the respective amendments before the execution of activities not foreseen in the initial scope of the contract.
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 to project auditing, for its review and approval or non-approval.
33. Request 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 execution of the contract or failure to comply with the purpose thereof, with the prior authorization from Findeter.
35. Inform and resolve the concerns of the officials that Findeter designates as Supervisors in support of the supervision, and resolve their concerns, through conferences and/or working groups, about the products of the contract subject to auditing and that are endorsed by PROJECT AUDITING.
36. Inform Findeter, at least one (1) month in advance, of the request or need to extend the contract and also to clearly demonstrate the expected date for its expiration. In each of these cases, PROJECT AUDITING will be responsible for timely requesting the procedure, after justification of the facts, leaving Findeter's judgment as final.

PROJECT AUDITING work must be framed within the FINDETER Quality Management System, for the development of Studies, Designs, Audits *and* Advising for the engineering projects and also within the Findeter Supervision and Auditing Manual.

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

PROJECT AUDITING contracted as a product of this previous study and its corresponding selection process, will perform the **Technical, Administrative, Financial, Accounting, Social and Gender equality, Environmental and Legal** Auditing to the contract execution.

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

The purpose of PROJECT AUDITING contracting is to ensure maximum compliance with the contractual purpose, 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 it assumes the duties of follow-up to the contract execution with the social, administrative, fiscal and disciplinary responsibility that covers it thanks to its performance as an overseer in the capacity of auditor over the resources

Recruitment is convenient for the CONTRACTING PARTY since currently there is no human resource with specialized knowledge in these actions that can be devoted exclusively to the work of monitoring and control of the resources that are executed in the framework of the auditing contract purpose to which the monitoring of the auditing that is intended to be hired will be directed. For the foregoing, it is essential for the CONTRACTING PARTY to move forward with a contract auditing process for this purpose.

### 1.3. PLACE OF PROJECT VENUE - PLACE OF CONTRACT EXECUTION

The project is located in the city of **Valledupar**, located northeast of the Colombian Atlantic Coast, on the banks of the Guatapuri River, in the valley of the Cesar River formed by the Sierra Nevada de Santa Marta to the west and the Serrania del Perijá to the east.



*Figure 1. Location Municipality of Valledupar - Cesar (Source).*



*Figure 2. Location of Valledupar in the Department Cesar (Source).*

The municipality of Valledupar prioritized in its district zone, 13 districts of which 6 are urban population centers and 7 rural population centers, 2 will be subject to execution as long as the selected contractor has offered them, in order to obtain additional points.

The centers of rural towns correspond to the populations and hamlets of indigenous communities, located in the areas of reserves of the Kankuamo and Arahuaco - Sierra Nevada communities. They are part of this classification: the population centers La Mina, Chemesquemena, Guatapuri, Caracoli, Los Venados, Guacoche, Badillo and Alto de la vuelta.

Those located in indigenous and afro-descendant territories, enjoy autonomy to manage their interests within the limits of the constitution and the law.

Next, each one of the populated centers of the city of Valledupar is located:

### **1.3.1. NORTHERN AREA:**

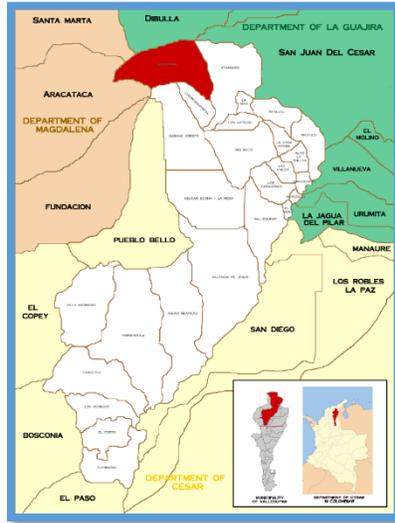
This zone is characterized by the fact that it is located in the center of indigenous villages of the Kankuamo peoples.

#### **GUATAPURI**

It is one of the 26 districts of the municipality of Valledupar and one of the communities that make up the Kankuamo Indigenous Reservation, located to the north, in the high part of the Sierra Nevada mountains of Santa Marta, in the department of Cesar. The territory is also inhabited by groups of the Kogui ethnic group.

The district of Guatapuri limits to the noroccidente with the municipality of Santa Marta and to the west with the municipality of Aracataca, in the department of Magdalena; Towards the north it borders with the municipality of Dibulla, in the department of La Guajira. To the east it borders the district of Atanquez, while to the south it borders the districts of Sabana Crespo and Chemesquemena.

Guatapuri is the area with which the department of Cesar borders with the departments of Magdalena and La Guajira.



## CHEMESQUEMENA

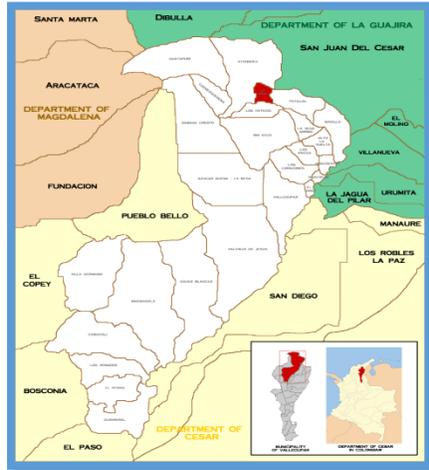
**Chemesquemena** is one of the 26 districts in the Colombian Township of Valledupar and one of the communities that make up the Indigenous reservation Kankuamo, located to the north, in the high part of the mountains of the Sierra Nevada of Santa Marta, in the department of Cesar.



It borders to the north with the district of Guatapuri; to the west the district of Sabana Crespo. To the south with the district of Río Seco and to the east and southeast it borders the district of Los Haticos.

## LA MINA

It is one of the 26 districts of the Colombian municipality of Valledupar, in the department of Cesar (Colombia). It is located 41 km north of Valledupar, in the foothills of the Sierra Nevada de Santa Marta.



### 1.3.2. NORTHEASTERN AREA

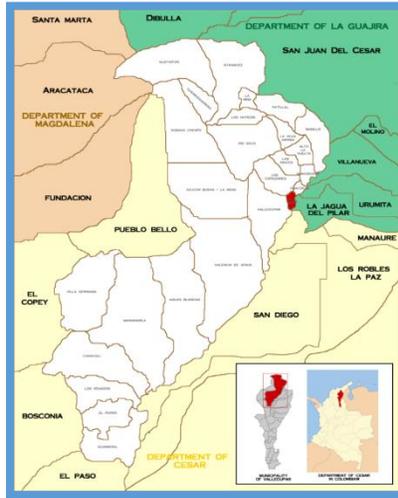
#### GUACOCHÉ

Guacoche borders to the north the district of Guacochito; to the west the district of Los Corazones and to the southwest the district of El Jabo; to the east it borders the department of La Guajira, with the municipalities of Villanueva, Urumita and La Jaqueta del Pilar.



#### EL JABO

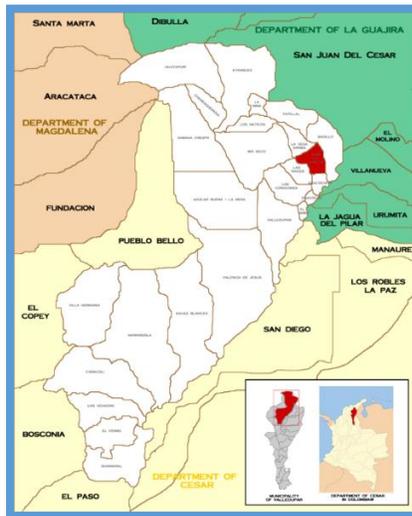
El Jabo borders to the north with the district of Los Corazones and to the noroccidente the district of Guacoche; to the west the rural area of the city of Valledupar; to the south it borders the municipality of La Paz; To the east it borders the department of La Guajira, municipality of La Jaqueta del Pilar.



## EL ALTO DE LA VUELTA

It borders to the north, northeast, east and southeast the district of Badillo; to the south the district of Guacochito. To the southwest and the west it borders the Las Raíces district. To the west it borders the district of Río Seco and to the northwest with the district of La Vega Arriba.

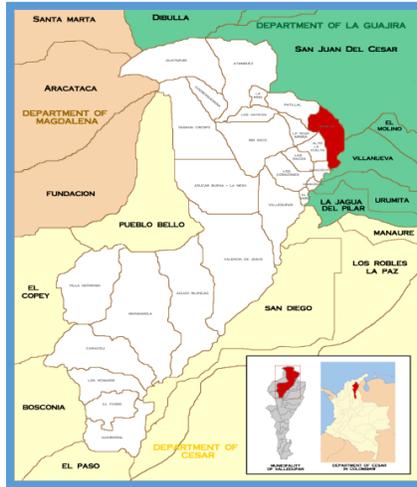
The district is part of the Cesar river basin.<sup>2</sup> One of the tributaries of the Cesar river is the Seco River, which crosses the district of Las Raíces until it flows into the Cesar River, in the vicinity of The Jabo.



## BADILLO

It borders to the north, northeast, east, southeast and south the department of La Guajira, the municipalities of San Juan del Cesar and Villanueva; to the northwest it borders the district of Patillal; to the west the district of La Vega Arriba and south-west the district of El Alto de La Vuelta.

The district is part of the Cesar river basin.<sup>3</sup> One of the tributaries of the Cesar river is the Badillo river , which crosses the district until it flows into the Cesar River, on its eastern limit.

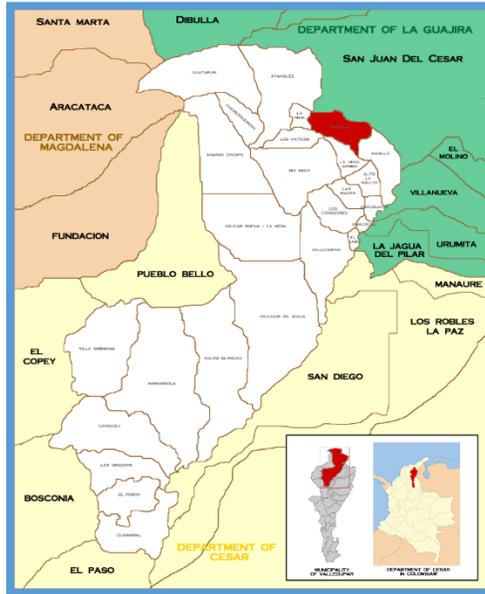


## PATILLAL

Patillal is one of the 26 districts of the Colombian municipality of Valledupar located to the north, in the foothills of the Sierra Nevada de Santa Marta and the Las Cabras hill, on the banks of the La Malena stream, in the department of Cesar and on the border with the department of La Guajira.

It borders to the north and northeast the department of La Guajira, the municipality of San Juan del Cesar; to the east it borders the Badillo district; to the south the district of La Vega Arriba and southwest with the district of Los Haticos.

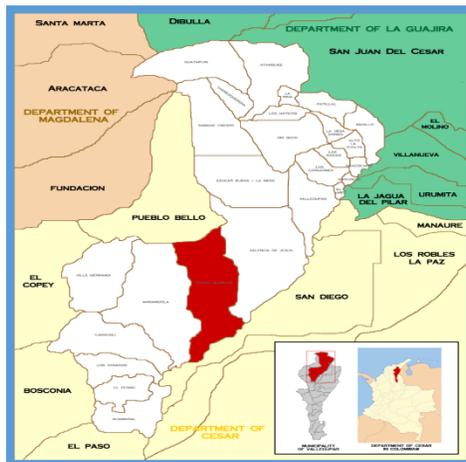
The district is part of the Cesar river basin.<sup>1</sup> One of the tributaries of the Cesar river is the La Malena stream that crosses the district until it flows into the Badillo river and then into the Cesar.



### 1.3.3. SOUTHEASTERN AREA

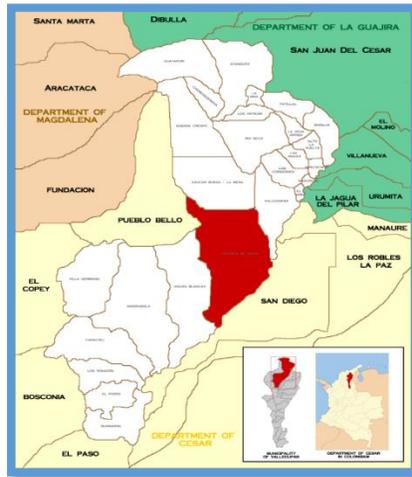
#### AGUAS BLANCAS

To the north it borders: The municipality of Pueblo Bello and the Sierra Nevada de Santa Marta; to the east it borders: the district of Valencia de Jesús; To the south it borders: the municipality of San Diego, with the Cesar River as its limit; to the west it borders the Mariangola district. The area is mostly flat, slightly sloping in its northern part due to the sediment trawling of the Sierra Nevada towards the center of the Cesar river valley. The corregimiento is also part of the basin of the Cesar river, which forms its territorial limit in the southern part.<sup>2</sup> The territory is also crossed by the Los Clavos, Aguas Blancas, Pesquería, Contrabando, Cesarito and El Arenoso rivers, which are tributaries of the Cesar River.<sup>2</sup>



## VALENCIA DE JESUS

It borders to the north the district of Azucar Buena; to the west the rural area of the city of Valledupar. To the south it borders the municipality of San Diego and to the west the Aguas Blancas district. The district is part of the Cesar river basin, a river with which it borders the south.<sup>2</sup>

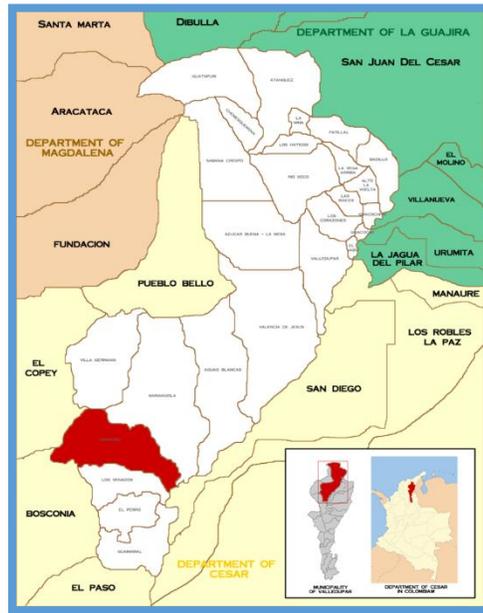


### 1.3.4. SOUTHERN AREA

## CARACOLI

It borders to the north with the districts of Mariangola and Villa Germania; to the northeast it borders the municipality of El Copey and to the southeast the municipality of Bosconia. To the south it borders the district of Los Venados and to the east with the municipality of San Diego.

The district is also part of the Cesar river basin. The territory is crossed by the Las Lajas and Cesar rivers.



## LOS VENADOS

It borders to the north with the district of Caracoli; to the east the municipality of San Diego. The southwest, it borders the district of Guaymaral and south the district of El Perro. To the west it borders the municipality of Bosconia.

The district is also part of the Cesar river basin, which forms its southwestern limit. The territory is bathed by the Garupal, Guaimaral and Cesar rivers.

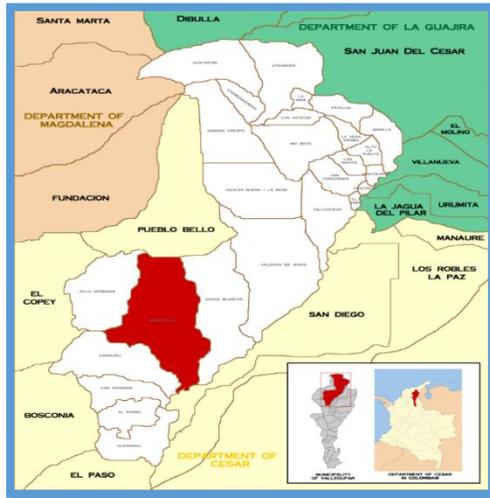


### 1.3.5. SOUTHWESTERN AREA

## MARIANGOLA

It borders to the north with the municipality of Pueblo Bello; to the west, it borders the district of Villa Germania; To the east it borders the district of Aguas Blancas; to the south, the municipality of San Diego and to the south-west the district of Caracol.<sup>2</sup>

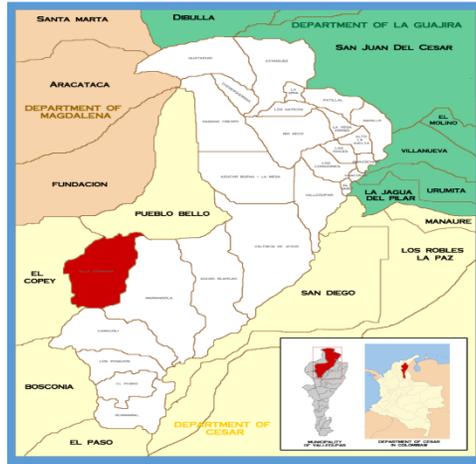
The district is also part of the Cesar river basin. The territory is bathed by the Mariangola River, which is a tributary of the Cesar River, through the El Diluvio River.<sup>3</sup> The main rivers are Cesar, Mariangola, El Diluvio, Pesquería, Las Palmas, Las Lajas, Cesarito and El Arenoso.<sup>2</sup>



## VILLA GERMANIA

It borders to the north with the municipality of Pueblo Bello; towards the west, it borders the municipality of El Copey; to the east it borders the Mariangola district; to the south with the district of Mariangola and to the south-west with the district of Caracol.<sup>2</sup>

The district is also part of the Cesar river basin. The territory is bathed by the main rivers Garupal, Las Lajas, El Diluvio and Santa Tirsa.<sup>23</sup>



#### 1.4. ESTIMATED BUDGET

The Estimated Budget (EB) for this PROJECT AUDITING integral to the conditional execution contract by phases, is for the sum of **FOUR HUNDRED SIXTEEN MILLION, FIVE HUNDRED EIGHTY-ONE THOUSAND, SEVEN HUNDRED THIRTY PESOS (\$416,581,730.00) M/CTE**, including transport costs, expenses, taxes, fees and other contributions that may apply.

Budget that corresponds to the sum of the estimated value for each PHASE, establishing for each one of them, the following:

| PHASE   | <b>AUDITING TO THE TECHNICAL COMPONENT AND OF PLAN OF SOCIAL MANAGEMENT AND GENDER EQUALITY</b> |   |
|---|---|---|
|   | NUMBERS   | TEXT  |
| <b>PHASE 1:</b> Project Auditing to Feasibility Study   | <b>\$92,068,470.00</b>  | <b>NINETY TWO MILLION SIXTY-EIGHT THOUSAND FOUR HUNDRED SEVENTY PESOS M/CTE</b>         |
| <b>Phase 2:</b> Supervision of detailed Designs   | <b>\$213,941,070.00</b>   | <b>TWO HUNDRED THIRTEEN MILLION NINE HUNDRED FORTY-ONE THOUSAND SEVENTY PESOS M/CTE</b> |
| <b>TOTAL ESTIMATED BUDGET (EB) TECHNICAL COMPONENT AND SOCIAL MANAGEMENT PLAN AND GENDER EQUALITY (PHASE 1 + PHASE 2)</b> | <b>\$306,009,540.00</b>   | <b>THREE HUNDRED SIX MILLION NINE THOUSAND FIVE HUNDRED FORTY COP PESOS</b>             |

| PHASE   | COMPONENT OF LEGAL AND FINANCIAL STRUCTURING |  |
|---|--|--|
|   | NUMBERS                                      | TEXT   |
| <b>PHASE 1:</b> Project Auditing to Feasibility Study   | \$30,754,990.00                              | THIRTY MILLION SEVEN HUNDRED FIFTY-FOUR THOUSAND NINE HUNDRED NINETY COP PESOS         |
| <b>Phase 2:</b> Supervision of detailed Designs   | \$79,817,200.00                              | SEVENTY-NINE MILLION EIGHT HUNDRED AND SEVENTEEN THOUSAND TWO HUNDRED PESOS M/CTE      |
| <b>TOTAL ESTIMATED BUDGET (EB) LEGAL AND FINANCIAL STRUCTURING COMPONENT (PHASE I + PHASE II)</b> | \$110,572,190.00                             | ONE HUNDRED TEN MILLION FIVE HUNDRED SEVENTY-TWO THOUSAND ONE HUNDRED NINETY COP PESOS |

| PHASE   | ESTIMATED PROJECT AUDITING BUDGET |   |
|---|-----------------------------------|---|
|   | NUMBERS                           | TEXT  |
| <b>PHASE 1:</b> Project Auditing to Feasibility Study   | \$122,823,460.00                  | ONE HUNDRED TWENTY-TWO MILLION EIGHT HUNDRED TWENTY-THREE THOUSAND FOUR HUNDRED SIXTY PESOS M/CTE |
| <b>Phase 2:</b> Supervision of detailed Designs   | \$293,758,270.00                  | TWO HUNDRED NINETY-THREE MILLION SEVEN HUNDRED FIFTY-EIGHT THOUSAND TWO HUNDRED SEVENTY COP PESOS |
| <b>TOTAL ESTIMATED BUDGET (EB) LEGAL AND FINANCIAL STRUCTURING COMPONENT (PHASE I + PHASE II)</b> | \$416,581,730.00                  | FOUR HUNDRED SIXTEEN MILLION FIVE HUNDRED EIGHTY-ONE THOUSAND SEVEN HUNDRED THIRTY COP PESOS      |

The figure estimated for the contract budget includes staff salaries used for the performance of work, affected by the multiplying factor, administrative costs, direct costs (lease of main office, furniture, stationery, plotting of plans, utilities, copies, photographs, air travel, ground travel, lodging, laboratory testing, surveying equipment, special equipment, among other direct costs) and other taxes that are caused by the fact of the conclusion, execution and settlement of the contract and administrative expenses generated during the execution of the latter. The multiplying factor is applied only to salaries, including Sundays and bank holidays, and items that have effects on social benefits, such as location bonuses.

Each phase will have an estimated, particular and differentiated budget, in consideration of the provisions of these terms of reference. The financial proposal after performing math corrections shall not be less than the minimum or of greater value to the maximum value of the estimated budget for the call, likewise, the proposal of each of the stages may not be less than the minimum or greater value to the maximum value of the budget established for the respective phase.

- 1.4.1. The estimated budget for the development of Phase 1 for the execution of PROJECT AUDITING to the technical component and structuring of the social management plan and gender equality of NINETY-TWO MILLION SIXTY-EIGHT THOUSAND FOUR HUNDRED SEVENTY

**PESOS (COP \$92,068,470.00)** including transport costs, expenses, taxes, fees and other contributions that may apply.

- 1.4.2.** The Estimated Budget for the performance of Phase 1 for the execution of PROJECT AUDITING to the component of legal and financial structuring of **THIRTY MILLION SEVEN HUNDRED FIFTY FOUR THOUSAND NINE HUNDRED NINETY PESOS (COP \$30,754,990.00)** including transport costs, expenses, taxes, fees and other contributions that may apply.
- 1.4.3.** The estimated budget for carrying out Phase 2 for the execution of PROJECT AUDITING to the technical component and structuring of the social management plan and gender equality of **TWO HUNDRED THIRTEEN MILLION NINE HUNDRED FORTY-ONE THOUSAND SEVENTY PESOS (\$213,941,070.00) M/CTE** including transport costs, expenses, taxes, fees and other contributions that may apply.
- 1.4.4.** The Estimated Budget for the carrying out of Phase 2 for the execution of PROJECT AUDITING to the legal and financial structuring component of **SEVENTY-NINE MILLION EIGHT HUNDRED AND SEVENTEEN THOUSAND TWO HUNDRED PESOS (\$79,817,200.00) M/CTE** including transport costs, expenses, taxes, fees and other contributions that may apply.

The following is a summary of the amounts corresponding to the minimum and the maximum figures for each of the Phases, and of the total amount of the estimated budget.

| <b>Auditing to the technical component and of the social management and gender equality plan</b> |                             |                             |
|--|-----------------------------|-----------------------------|
| <b>PHASE</b>   | <b>MINIMUM PHASE AMOUNT</b> | <b>MAXIMUM PHASE AMOUNT</b> |
| <b>PHASE 1:</b> Auditing to Feasibility study  | \$82,861,623.00             | \$92,068,470.00             |
| <b>Phase 2:</b> Supervision of detailed Designs  | \$192,546,963.00            | \$213,941,070.00            |
| <b>TOTAL ESTIMATED BUDGET - EB (Phase 1 + Phase 2)</b>   | <b>\$275,408,586.00</b>     | <b>\$306,009,540.00</b>     |

| <b>AUDITING OF LEGAL AND FINANCIAL STRUCTURING COMPONENT</b> |                             |                             |
|--|-----------------------------|-----------------------------|
| <b>PHASE</b>   | <b>MINIMUM PHASE AMOUNT</b> | <b>MAXIMUM PHASE AMOUNT</b> |
| <b>PHASE 1:</b> Auditing to Feasibility study                | \$27,679,491.00             | \$30,754,990.00             |
| <b>Phase 2:</b> Supervision of detailed Designs              | \$71,835,480.00             | \$79,817,200.00             |
| <b>TOTAL ESTIMATED BUDGET - EB (Phase 1 + Phase 2)</b>       | <b>\$99,514,971.00</b>      | <b>\$110,572,190.00</b>     |

| <b>Estimated PROJECT AUDITING budget</b>               |                             |                             |
|--|-----------------------------|-----------------------------|
| <b>PHASE</b>   | <b>MINIMUM PHASE AMOUNT</b> | <b>MAXIMUM PHASE AMOUNT</b> |
| <b>PHASE 1:</b> Auditing to Feasibility study          | \$110,541,114.00            | \$122,823,460.00            |
| <b>Phase 2:</b> Supervision of detailed Designs        | \$264,382,443.00            | \$293,758,270.00            |
| <b>TOTAL ESTIMATED BUDGET - EB (Phase 1 + Phase 2)</b> | <b>\$374,923,557.00</b>     | <b>\$ 416.581.730,00</b>    |

## 1.5. BUDGETARY 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 CDP number CDP18PROSPE-0008 approved on December 28, 2018.

## 1.6. TAXES

The resources provided in the framework of the Memorandum of Understanding (MoU) signed on November 23, 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 taxes by virtue of Decree 540 of 2004, which regulated article 96 of Law 788 of 2002, establishing the conditions and general requirements to access the tax benefit.

Article 1 reiterates that the benefit applies to all "(...) *money funds or resources originated in aid or donations 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 (...)*".

Notwithstanding the foregoing, the bidder must consider in its offer all costs corresponding to taxes, fees, contributions or charges that are incurred on the occasion of the signing, execution and liquidation of the contract, and that apply thereto.

Additionally, they must take into account the costs of the insurance policies or bank guarantee, included in the GUARANTEES of these terms of reference and all other taxes generated by the conclusion of this contract.

It is the exclusive responsibility of the BIDDER to make inquiries, calculations and estimates that considers necessary to elaborate its economic proposal and therefore, has the obligation to consult with the different collecting entities which tax is applicable in case of being awarded, all this framed in the fact that FINDETER SA, is THE CONTRACTING PARTY and performs the contracting under the Legal Regime of private law.

## 1.7. TERM OF CONTRACT EXECUTION

The general term of the contract is **TEN (10) MONTHS**, which corresponds to the sum of the individual terms of each of the phases. The terms shall be recorded taking into account the minutes of initiation and termination of each of the phases. Likewise, the general term of the contract will begin to be counted from the signing of the document of initiation of Phase 1.

The deadlines have been determined according to the time required for each activity. The distribution of terms described must be taken into account independently when preparing the economic proposal.

During the time established between the termination of the term of a phase and the signing of the Act of Initiation of the following Phase, THE CONTRACTING PARTY shall not recognize additional value to that established and effectively executed for each Phase in the present study.

The CONTRACTOR must sign a certificate of initiation for each of the Phases. The minutes of PROJECT AUDITING CONTRACT must be signed simultaneously with the minutes of beginning of the contract object of supervision.

The terms discriminated for each phase are presented below:

| Description of the Phase                        | Term of Execution               | Total Term            |
|---|---------------------------------|-----------------------|
| <b>Phase 1:</b> Auditing to Feasibility Studies | Two point five (2.5) months     | <b>Ten(10) Months</b> |
| <b>PHASE 2:</b> Supervision of detailed Designs | Seven point five (7.5) months * |                       |

\* The execution term of Phase 2 is distributed as follows for each Component, which will be executed simultaneously:

| CONSTITUENT   | Term of Execution            |
|---|------------------------------|
| <b>Technical and social management plan and gender equality component</b> | Five point five (5.5) months |
| <b>Legal and Financial Structuring Component</b>                          | Five point five (7.5) months |

## Sub-chapter II SPECIFIC ASPECTS OF PROJECT AUDITING CONTRACT

### 2.1. DESCRIPTION OF THE OBJECT OF THE CONTRACT

FINDETER SA is interested in contracting the **"PROJECT AUDITING FOR TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUALITY, ENVIRONMENTAL AND LEGAL FOR THE PROJECT DENOMINATED: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION. "**

The project includes the execution in two (2) phases subject to condition, with activities, budgets and defined products

Phase 1: Feasibility Studies Auditing

Phase 2: Detailed designs Auditing

### 2.2. PHASE 1. SUPERVISION OF FEASIBILITY STUDIES

It consists of performing technical, administrative, financial, accounting, environmental, social and gender equality and legal auditing, to PHASE 1 of the study and design contract whose purpose is to carry out the **"STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION."**

In order to guarantee the proper execution of this Phase, the PROJECT AUDITOR must be fully knowledgeable of the study and design contract, as well as all the documents comprising it, so that he/she has full capacity to identify the activities, requirements and products object of the study contract and designs on which it must exercise control and surveillance.

#### 2.2.1. SIGNING OF THE INITIATION DOCUMENT FOR PHASE 1

Within FIVE (5) days following the signing of the Contract, prior to the signing of the Document of Initiation of Phase I, it is necessary to meet, among others, the following requirements, as applicable:

For the start of STAGE I, PROJECT AUDITING and the CONTRACTING PARTY, through whom they designate for this purpose, must sign the corresponding document, which must contain, among other aspects, the following:

1. Place and date of signing of the minutes.
2. Name and complete identification of the participants.
3. Term.
4. Expected completion date of Phase 1.
5. Amount

## 6. PROJECT AUDITING and SUPERVISOR information.

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

**a. Approval of PROJECT AUDITING staff for PHASE 1.** The CONTRACTING PARTY, through the Delegated Supervisor, will verify and approve the fulfillment of the profiles required for the professionals defined in the offer for the execution of Phases 1 and 2. It will also verify the work contracts and/or the contracts for the provision of services signed by the staff and the CONTRACTOR or the members of the multiple bidder. PROJECT AUDITING will deliver to the Supervisor delegated by the CONTRACTING PARTY, prior to the subscription of the act of beginning of Phase I, the supporting documents that accredit the quality and experience of the professional personnel required for Phases 1 and 2. **PROJECT AUDITING must have a female quota of at least 30% of the team executing the project.**

**b. Approval of the methodology and scheduling of PHASE 1 activities.** THE CONTRACTING PARTY, through the Delegated Supervisor, will approve the methodology and programming of activities, in which sequences will be established, duration (date of beginning and date of termination), responsible, physical resources and method of monitoring and monitoring the programming. In no case may the proposed programming and methodology exceed the stipulated term for Phase 1. The schedule will be monitored weekly.

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

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

**e.** Signing of the letter of intent on the incorporation of the gender equality and social inclusion approach in the development of the project. This form will be presented by the Contracting Party prior to the signing of the initial document.

**Note:** The PROJECT 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. DOCUMENT FOR COMPLETION OF PHASE 1 PROJECT AUDITING CONTRACT

After the deadline for the execution of Phase 1, PROJECT AUDITING will sign the Completion of Phase 1 of the contract object of supervision, which will be duly signed by THE CONTRACTOR, THE PROJECT AUDITOR AND THE CONTRACTING PARTY, recording the status of the products of the Phase 1 presented by the CONTRACTOR for the purpose of verifying compliance with the final report of Phase 1 of the contract subject to supervision.

PROJECT AUDITING CONTRACTOR must issue an initial concept on the VERIFICATION OF THE COMPLIANCE OF THE REQUIREMENTS AND MINIMUM CONTENT OF THE REPORT of the Phase 1 within the TEN (10) WORK DAYS, following delivery by the contractor of the studies and designs.

In the event of the PROJECT AUDITOR finding that adjustments or tuning must be made to the report, in order to obtain compliance with the requirements and contents of the report, it must request them in writing from the CONTRACTOR within the same term. It is understood, in any case, that the process of preparing the report product of Phase 1 was subject to verification, monitoring and constant supervision, by PROJECT AUDITING, throughout the development of this Phase.

The adjustments or tuning required by the report must be done by the CONTRACTOR within TEN (10) BUSINESS DAYS following the communication from the PROJECT AUDITOR in which such situation is indicated.

Once the adjustments have been received, the Auditing Office will have FIVE (5) BUSINESS DAYS for its review. In the event t the observations made by the Auditing Office persisting in its initial review report, the CONTRACTOR may be subject to charges for alleged noncompliance.

Once THE PROJECT AUDITOR finds that the report product of PHASE 1, presented by the CONTRACTOR, is in compliance with its obligations and the requirements and contents specified in the scope of PHASE 1, the PROJECT AUDITOR shall prepare the respective report in which it states the acceptance of it and reflect its concept, according to the corresponding numeral to *PROJECT AUDITOR CONCEPT*.

It is the obligation of the PROJECT AUDITOR contractor to accompany and supervise the performance 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 verification, constant and permanent follow-up and accompaniment by PROJECT AUDITING, both in the field and in the office, throughout the execution of this Phase.

Even after signing the certificate of completion for Phase 1, both the CONTRACTOR and the PROJECT AUDITOR are obliged to answer concerns, observations or requirements that arise in relation to the execution of this Phase by the CONTRACTING PARTY through supervision.

### **2.2.3. CONCEPT OF THE PROJECT AUDITOR**

Based on the analysis of the Phase 1 product structured by the CONTRACTOR, the PROJECT AUDITOR must issue a concept within FIVE (5) business days counted from the moment in which the products of PHASE 1 are found to conform, presented by The CONTRACTOR, and based on the result obtained, should suggest one of the following alternatives:

The concept of the PROJECT AUDITOR can be given in two senses:

#### **2.2.3.1. FAVORABLE CONCEPT**

The PROJECT AUDITOR must issue a favorable opinion if, as a result of the analysis of the Phase 1 Report structured by the CONTRACTOR and the verifications carried out in compliance with its obligations, considers that the project is viable from the technical, social and gender equality, environmental, economic, legal and financial point of view.

In any case, the initiation of PHASE 2 of the CONTRACT and PROJECT AUDITING, will only be formalized with the signing of the corresponding Initial Document for said phase, by PROJECT AUDITING, and the CONTRACTOR, so that the parties understand that the favorable concept of PROJECT AUDITING does not obligate the execution of the next phase of the CONTRACT and of PROJECT AUDITOR, since the decision to continue to Phase 2 is subject to the ruling made by the TECHNICAL COMMITTEE; about the occurrence or not of one or more of the resolving 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 STUDY, as well as from PROJECT AUDITING.

#### **2.2.3.2. Concept of diagnosis of impossibility of execution:**

The PROJECT AUDITOR must conceptualize the elements established by the CONTRACTOR in its Final Report of Phase 1, which prevent the execution of the project in Phase 2, assessing as a minimum the occurrence of the following aspects, which in turn constitute resolute conditions of the contract:

- a. NO viability concept: It occurs when in the final report of Phase 1. *Feasibility Study*, the Contractor, with the approval of the Financial Controller, indicates that a viable alternative was not obtained from the technical, social, environmental and legal point of view; that would be otherwise economically and financially favorable.
- b. Community in opposition: It happens when it is concluded that there is opposition from the community as to the execution of the project, so this circumstance has not been evidenced in the report product of Phase 1. Such opposition from the community should have sufficient support to make the total or partial execution of the Project impossible, in such a way that a viable solution can not be adopted.
- c. Relocation of population: It occurs when in the confrontation of the conditions of execution or modification of the project, it is noticed that the execution requires the population relocation.
- d. Obtaining licenses or permits: It occurs when obtaining all permits or licenses fails, if required, for the execution of the feasibility study and detailed designs, according to the needs identified in Phase 1.

**Note 1:** Once one or more of the previously described resolute conditions have occurred, the rights and obligations of PROJECT AUDITING CONTRACT shall be extinguished in the terms of article 1536 of the Civil Code and therefore the aforementioned contract will enter the liquidation stage, without causing any economic acknowledgement other than value of Phase 1 of PROJECT AUDITING CONTRACT.

Once 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. ACTIVITIES PRIOR TO THE STATEMENT FROM THE TECHNICAL COMMITTEE:**

Once the concept from the PROJECT AUDITOR is received indicated in the paragraph *CONCEPT OF THE PROJECT AUDITOR*, THE CONTRACTING PARTY, through the Supervisor, has FIVE (5) DAYS to send to the Territorial Entity and the British Embassy the results obtained in Phase 1 for its review. The CONTRACTOR must accompany this communication with the following documents:

- a. Report and support of Phase 1 of PROJECT AUDITING CONTRACT submitted by the CONTRACTOR.
- b. DOCUMENT FOR TERMINATION OF PHASE 1 PROJECT AUDITING PROJECT AUDITING CONTRACT
- c. Concept of the PROJECT AUDITOR referred to in the preceding paragraph.

THE BRITISH EMBASSY and the CONTRACTING PARTY, through supervision, will have fifteen (15) business days, counted from the reception of the aforementioned documents, to review the information produced by Phase 1, and issue their concept.

In this same term, the TERRITORIAL ENTITY must present its observations to the submitted product

In the event where, in accordance with this concept and the observations submitted by the Territorial Entity, comments arise or it is necessary to make adjustments to the products of Phase 1, the CONTRACTOR and the PROJECT AUDITOR will have a maximum term of TEN (10) BUSINESS DAYS to adjust and review the products observed jointly, and submit to the CONTRACTING PARTY the final version of the document. If the above period has been completed, and the observations persist, the procedure for declaring a breach to the CONTRACTOR may be initiated.

Within the FIVE (5) business days following the reception of the adjusted products, THE CONTRACTOR and THE EMBASSY shall review that they have been adjusted and shall determine the appropriateness of citing the Technical Committee for its decision.

## **2.2.5. STATEMENT FROM THE TECHNICAL COMMITTEE**

After fulfillment of the activities foreseen in the previous paragraph, the Technical Committee will be carried out, where the feasibility of executing Phase 2 will be defined or, if any or several of the aforementioned resolute conditions have occurred it will be defined, verifying the elements that correspond and considered necessary to give viability or not to the execution of Phase 2.

Once the product of Phase 1 has been accepted by the Technical Committee, it will be proceeded to sign the Final Receipt thereof.

## **2.2.6. STATEMENT FROM THE CONTRACTING PARTY ON THE TECHNICAL COMMITTEE'S DECISION**

The CONTRACTING PARTY will have five (5) business days to analyze the final report of Phase 1 presented by the CONTRACTOR, the CONCEPT OF THE PROJECT AUDITOR, and the STATEMENT FROM THE TECHNICAL COMMITTEE.

Once one or more of the previously described resolute conditions have occurred, the rights and obligations of PROJECT AUDITING CONTRACT shall be extinguished in the terms of article 1536 of the Civil Code and therefore the aforementioned contract will enter the liquidation stage, without causing any economic acknowledgement other than value of Phase 1 of PROJECT AUDITING CONTRACT.

## **2.2.7. CONSEQUENCES OF THE CONTRACTING PARTY'S STATEMENT ON THE OCCURRENCE OR NON-OCCURRENCE OF THE RESOLUTIVE CONDITIONS.**

### **2.2.7.1. STATEMENT OF THE OCCURRENCE OF ONE OR VARIOUS RESOLUTIVE CONDITIONS**

If from the analysis performed by the CONTRACTOR, it is concluded that one or more of the resolving conditions have occurred, the CONTRACT shall be deemed resolved, and the CONTRACTOR shall send the CONTRACTING PARTY the corresponding Liquidation Document, in accordance with the procedure established for this purpose in the contract.

#### **2.2.7.2. Statement of non-occurrence of the Resolutive Conditions**

If from the analyses carried out by the CONTRACTING PARTY, it is concluded that none of the resolutive conditions has occurred, the CONTRACTING PARTY shall inform the CONTRACTOR and PROJECT AUDITING of such situation, proceeding to the signing of the Document of Initiation of the Phase 2, according to that foreseen in the contract.

### **2.2.8. SPECIFIC OBLIGATIONS IN CHARGE OF PROJECT AUDITING IN PHASE I**

#### **2.2.8.1. PHASE 1. PROJECT AUDITING TO THE FEASIBILITY STUDY**

1. Sign the initial document for Phase 1 and update the guarantees as appropriate for approval of THE CONTRACTING PARTY.
2. Verify that the personnel proposed for this Phase by the CONTRACTOR are linked to it by means of a work contract and/or services provision contract, as well as being affiliated and up to date with the payments to the Integral 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 duties established.
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 in accordance with the CONTRACT OBJECT OF PROJECT AUDITING .
5. Submit for CONTRACTOR approval the guarantees of the AUDITING CONTRACT for this Phase.
6. Approve the methodology and programming of activities for Phase 1 of the AUDITING CONTRACT PURPOSE presented by the CONTRACTOR, requesting the pertinent adjustments, follow up in real time; require the CONTRACTOR to explain the deviations of the schedule that are generated; promote with the CONTRACTOR the reaction 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 the Delegated Auditor reflecting all the traceability and management of PROJECT AUDITING.
7. Review all the technical, legal, environmental and economic documentation required for the execution of the project, in order to propose or accept the CONTRACTOR's recommendations.
8. Carry out accompaniment and follow-up to the CONTRACTOR in the verification of the project execution conditions.

9. Verify that the necessary permits, authorizations and licenses exist for the development of the AUDITING CONTRACT PURPOSE.
10. Evaluate and approve the needs of professional personnel and the dedications proposed by the CONTRACTOR, in the event of a modification in the scope of the contract object of supervision, 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 until the contract termination and comply with the established dedications.
12. Analyze 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 signing the AUDITING CONTRACT initiation document.
14. Carry out constant and permanent monitoring, as well as monitoring the schedule proposed by the CONTRACTOR for this Phase.
15. Accompany the project communication process before the community and inform the CONTRACTING PARTY and the Delegate Auditor 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 surveying equipment and other equipment used in the AUDITING CONTRACT PURPOSE.
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. Summon the CONTRACTOR, Territorial Entity and the Embassy, Contract Supervisor and Auditor, and the monitoring committees that are formed during the execution of the AUDITING CONTRACT PURPOSE.
20. Perform real-time follow-up on compliance with the duties and objectives of the AUDITING CONTRACT PURPOSE, in such a way that early alerts are generated on the aspects that may hinder, delay or affect its execution.
21. The PROJECT AUDITOR will have TEN (10) business DAYS, counted from the date of delivery of the reports and/or products by the CONTRACTOR, to review and issue its concept and in case of finding observations to them, it must remit them within the same term to the CONTRACTOR, who will have TEN (10) calendar DAYS to make the corresponding adjustments.
22. Ensure 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 reaction plans, with effective actions to solve and overcome

situations that hinder the execution of this Phase or that represent management risks and make permanent follow-up on compliance with said plans.

24. To carry out, during the entire execution of the AUDITING CONTRACT, the recommendations and observations it deems appropriate regarding the analyzed 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 AUDITING CONTRACT PURPOSE, with a view to correcting these aspects in a timely manner.
25. Review, make the pertinent observations and recommendations and approve all documents and deliverables subject to the AUDITING CONTRACT PURPOSE.
26. Verify the compliance of the CONTRACTOR, against the duty of identification and management of permits and licenses necessary for the execution of the project in its stage of work, as well as the cost thereof, which depend on the nature thereof, this includes discharge permits, occupation of riverbeds, easements and legality of lots 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 delegate Auditor where the most relevant aspects of the activities developed in each of the periods of time, according to the established format.
28. Comply with the personnel offered, which must be approved by the delegated Auditor as a requirement for signing the initial act, which must be affiliated with the Social Security System.
29. Provide and maintain the professional, technical and administrative staff, qualified and capable 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 CONTRACTOR the technical modifications in procedures that are convenient to solve problems that may affect the execution of the contract.
31. Require the CONTRACTOR all laboratory tests and other tests that apply in accordance with the regulations of the project and those that are requested by the PROJECT AUDITOR and/or the CONTRACTING PARTY to verify the quality of the designs.
32. Verify permanently and by means of the necessary tools the compliance by the CONTRACTOR against the applicable technical regulations.
33. Review, study, conceptualize and approve the manuals prepared by the CONTRACTOR
34. Guarantee the liquidation process of the AUDITING CONTRACT PURPOSE and the PROJECT AUDITING CONTRACT.
35. Prepare and sign in good time the certificate of completion of Phase 1 for the Contract.
36. Sign the Delivery and Receipt to the satisfaction Certificate of Phase 1 of the AUDITING CONTRACT PURPOSE.

37. Demand and obtain from the CONTRACTOR the Good of Standing certificate that may take place according to the nature of the contract.
38. Project, approve and sign as auditor all the reports generated during the execution of the AUDITING CONTRACT PURPOSE such as: suspension minutes, extension minutes to the suspensions, reinstatement minutes, and any others that may 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 advance with the CONTRACTOR of the AUDITING CONTRACT PURPOSE.
40. Prepare, submit, approve and sign as AUDITOR, the liquidation act of the AUDITING CONTRACT PURPOSE and of the AUDITING CONTRACT, attaching the required documentation, in accordance with the guidelines and terms established by the CONTRACTING PARTY. Heed the requirements of the Contracting Party and the delegated Auditor until the contract settlement act is signed by the CONTRACTOR.
41. Submit the reports, files, documents and technical concepts, among others, that are requested, related to the auditing project purpose, that ensure the fulfillment of its functions and the policy and regulations of the Drinkable Water and Basic Sanitation sector.
42. Sign the Contract Liquidation Document in case of the termination of the Phase 1 of the CONTRACT.
43. Report the CONTRACTING PARTY and the Delegated Auditor, in a timely manner, facts that constitute a risk to the project, reporting progress, financial status of the AUDITING CONTRACT PURPOSE, results, statistics and technical concepts on results that allow corrective actions and improve project conditions or specifications.
44. Track physical, human, financial and logistic resources, among others (personnel, equipment, implements and other services necessary for the normal development of the study).
45. Certify the fulfillment of the requirements for the payments foreseen in the AUDITING CONTRACT PURPOSE.
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 concept in this regard.
47. The others that by law, the Terms of Reference and the Minute of PROJECT AUDITING CONTRACT, correspond to it or are necessary for its full compliance and to guarantee a correct execution of the contract object of supervision.

### 2.2.7. DURATION OF PROJECT AUDITING FOR PHASE 1

For the execution of Phase 1, the execution period will be **TWO POINT FIVE (2.5) MONTHS**, counting from the signing of the initial document.

### 2.2.8. VALUE AND METHOD OF PAYMENT OF PROJECT AUDITING FOR PHASE 1

The figure estimated for Phase 1 of the contract budget includes staff salaries used for the performance of work, affected by the multiplying factor, administrative costs, direct costs (lease principal office furniture, stationery, plotting of plans, utilities, copies, photographs, air travel, ground travel, lodging, laboratory testing, surveying equipment, special equipment, among other direct costs) and other taxes that are caused by the fact of the conclusion, execution and settlement of the contract and administrative expenses generated during the execution of the latter.

The multiplying factor is applied only to salaries, including Sundays and bank holidays, and items that have effects on social benefits.

In the methodology of the multiplying factor, a detailed description of the various components of the multiplying factor is carried out and guidelines for its quantification are given, THE CONTRACTING PARTY has estimated a minimum multiplying factor of **219%** which applied to the personnel costs required for the execution of PROJECT AUDITING technical component and structuring of the social and gender equality management plan and of **235%** which applied to the costs of the personnel required for the execution of the Legal and Financial component included in Phase 1 of the contract.

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

**Note 1:** If, during the development of the Feasibility study for the project, a modification is made in the scope of said phase or in the conditions established for the preparation and delivery of each product, the contracting party will have the power to request an adjustment of the dedications and other conditions that may be required to execute PROJECT AUDITING contract, as well as PROJECT AUDITING, based on the conditions established within the CONTRACTOR's financial offer, attaching the appropriate technical and/or legal supports that support said modification.

**NOTE 2:** The amount of the estimated budget does not include the amount of VAT tax because in accordance with article 96 of Law 788 of 2002 regulated by Decree 540 of 2004, money funds or resources originated in aid or donations for programs of common utility in Colombia, coming from entities or governments of countries with which there are intergovernmental agreements or agreements with the Colombian Government, will be exempt from taxes, fees, contributions of national order, that could affect the import and the expense or the investment; also exempt from taxes, fees or contributions of a national nature, are the contracts that must be entered into for the execution of works or projects of common use, as well as the acquisition of goods and/or services and the financial transactions that are carried out directly with the money coming from the resources of the aid or donation, with the same end.

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

The method for determining the amount of PHASE 1 is by FIXED GLOBAL PRICE WITHOUT AN ADJUSTMENT FORMULA. Consequently, the prices foreseen in the Estimated Budget numeral include all expenses, direct and indirect, arising from the performance, execution and liquidation of the contract. Therefore, the agreed amount is understood to include, among others, administrative expenses, salaries, social benefits and compensation of personnel, salary and benefit increases; travel, transportation, accommodations and food of the PROJECT AUDITOR's minimum work team; displacement, transportation and all kinds of necessary equipment; fees and consultancy on activities related to the execution of PHASE 1; software use licenses; the totality of taxes originated by the holding, execution and liquidation of the contract; any deductions that may apply; the remuneration for PROJECT AUDITING, contingencies and, in general, all the costs in which the CONTRACTOR must incur for the full execution of the contract and the delivery of the required products. THE CONTRACTING PARTY will not acknowledge, therefore, any readjustment made by the CONTRACTOR in relation to the costs, expenses or additional activities that it required for the execution of these phases and that were foreseeable at the time of the presentation of the offer.

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

- Professional profile - General and specific experience.
- Professionals required for the development of the activity.
- Resources and supplies required for the development of the activity
- Dedications and duration of staff activities
- Salaries
- Multiplying factor

Therefore, the agreed amount is understood to include, among others, the expenses of administration, displacement, transportation, storage of materials, tools and all kinds of necessary equipment, as well as their monitoring, that is, all the costs in which they must be incurred by PROJECT AUDITING for the full performance of the execution of Phase 1. The CONTRACTOR will not acknowledge, therefore, any readjustment done by the PROJECT AUDITOR in relation to the costs, expenses or activities that he considers necessary for the execution of the contract and that were foreseeable at the time of submission of the offer.

THE 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 call.

The CONTRACTOR shall pay PROJECT AUDITING the value of Phase 1, as follows:

- a. A payment equivalent to thirty percent (30%) of the value contracted for Phase 1, once delivered by the PROJECT AUDITOR and approved by the SUPERVISOR within the established term, the report containing the information requested in section: 1.1. DIAGNOSIS OF THE SYSTEM (corresponds to section 1.1 of the Technical Annex) and the legal and financial due diligence report corresponding to section 2.2 of the Legal and Financial Annex
- b. A payment equivalent to forty percent (40%) of the value contracted for Phase 1, once delivered by the PROJECT AUDITOR and approved by the SUPERVISOR within the established term, of the Report that contains the request in the subsection: 1.2. FEASIBILITY STUDIES (corresponds to numeral 1.2 of the Technical Annex) and Evaluation of project implementation alternatives corresponding to numeral 2.3 of the legal and financial Annex.

- c. A payment equivalent to twenty percent (20%) of the value contracted for Phase 1, once delivered by the PROJECT AUDITOR and approved by the SUPERVISOR within the established period, of the Reports that contain what is requested in the section: 1.3 FORMULATION, ANALYSIS, COMPARISON SELECTION OF VIABLE ALTERNATIVE OF PROJECTS (corresponds to number 1.3 of the Technical Annex).
- d. A payment equivalent to ten percent (10%) of the value contracted for Phase 1, once the delivery certificate and final receipt of Phase 1 have been signed.

For Phase 1 payments, the PROJECT AUDITOR must verify that the PROJECT CONTRACTOR is up-to-date in the payment of parafiscal contributions related to the Integral Social Security System, as applicable, of all personnel directly linked to the execution of Phase 1, including personnel independent to render its services for the execution of Phase 1. Likewise, it must present a no debts certification for the concept of payment of salaries of all personnel directly linked to the execution of the Phase, as well as independent staff and suppliers that provide their services and/or supplies for the execution of it.

From each of these payments, a withholding in guarantee of ten percent (10%) will be made, which will be returned to the CONTRACTOR once all the parties sign the Contract Liquidation Document.

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

It consists of performing technical, administrative, financial, accounting, social and gender equality, environmental and legal auditing, to PHASE 2 of the study and design PROJECT AUDITING contract whose purpose is to carry out **STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN OF THE RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION.**

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

For the start of Phase 2, the CONTRACTOR, PROJECT AUDITING and the CONTRACTING PARTY, through whom they designate for this purpose, must sign the corresponding document, which must contain, among other aspects, the following:

1. Place and date of signing of the minutes.
2. Name and complete identification of the participants.
3. Term.
4. Expected completion date of Phase 2.
5. Amount
6. PROJECT AUDITING AND SUPERVISOR information

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

- a. **Approval from PROJECT AUDITING personnel for PHASE 2.** THE CONTRACTING PARTY, through the Delegated Supervisor, will approve the methodology and programming of activities, in which sequences will be established, duration (date of beginning and date of termination), responsible, physical resources and method of monitoring and monitoring the programming. Under

no circumstances may the proposed program exceed the stipulated period for Phase 2. Programming will be monitored weekly.

- b. **Approval of Guarantees.** Submit for the approval of the CONTRACTOR 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 with what is required in the documents of the call, for the purposes of its presentation and approval.
- c. **Affiliation to the social security system** Affiliation support and integral social security payment of all personnel proposed for Phase 2.

**Note:** The PROJECT AUDITOR must have all the necessary and sufficient physical and human resources to guarantee compliance with its obligations for PHASE 2, without limiting itself to the Minimum Personnel described in the Terms of Reference, and without this generating a greater cost for the CONTRACTING PARTY.

### 2.3.2. DOCUMENT FOR TERMINATION OF PHASE 2

Once the contractually agreed deadline for the execution of Phase 2 has elapsed and which will be counted from the subscription of the act of beginning of PHASE 2, the PROJECT AUDITOR shall demand from the CONTRACTOR the delivery of the report containing the products of the PHASE 2 - DETAILED DESIGNS and the Completion of Phase 2 will be signed.

The PROJECT AUDITING CONTRACTOR must issue an initial concept on the VERIFICATION OF THE COMPLIANCE OF THE REQUIREMENTS AND MINIMUM CONTENT OF THE REPORT of the Phase 2 within the TEN (10) WORK DAYS, following delivery by the CONTRACTOR.

In the event of the PROJECT AUDITOR finding that adjustments or tuning must be made to the report, in order to obtain compliance with the requirements and contents of the report, it must request them in writing from the CONTRACTOR within the same term. It is understood in any case, that the process of elaboration of the products that must be delivered by the CONTRACTOR in PHASE 2 have been subject to verification, follow-up and accompaniment by the PROJECT AUDITOR.

The adjustments or tuning required by the products must be done by the CONTRACTOR within TEN (10) BUSINESS DAYS following the communication from the PROJECT AUDITOR in which such situation is indicated.

Once the adjustments have been received, project auditing will have FIVE (5) BUSINESS DAYS for its review. In the event t the observations made by the Auditing Office persisting in its initial review report, the CONTRACTOR may be subject to charges for alleged noncompliance.

Once THE PROJECT 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 PROJECT AUDITOR will prepare the respective report in which it states the acceptance of it.

It is the obligation of the PROJECT AUDITOR contractor to accompany and supervise the performance 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 verification, constant and permanent follow-up and

accompaniment by PROJECT AUDITING, both in the field and in the office, throughout the execution of this Phase.

Even after signing the certificate of completion for Phase 1, both the CONTRACTOR and the PROJECT AUDITING are obliged to answer concerns, observations or requirements that arise in relation to the execution of this Phase by the CONTRACTING PARTY through supervision.

### **2.3.3. PRONOUNCEMENT ON APPROVAL OF THE PRODUCTS**

Once the concept from PROJECT AUDITING *is received indicated in the PHASE 2 TERMINATION DOCUMENT*, THE CONTRACTING PARTY, through the Supervisor, has FIVE (5) DAYS to send to the Territorial Entity and the British Embassy the results obtained in Phase 2 for its review. The CONTRACTING PARTY must accompany this communication with the following documents:

- Report and support of Phase 2 of PROJECT AUDITING CONTRACT submitted by the CONTRACTOR.
- Certificate of Completion of Phase 2 of the PROJECT EXECUTION CONTRACT.

THE BRITISH EMBASSY and the CONTRACTING PARTY, through supervision, will have fifteen (15) business days, counted from the reception of the aforementioned documents, to review the information produced by Phase 1, and issue their concept.

In this same term, the TERRITORIAL ENTITY must present its observations to the submitted product

In the event where, in accordance with this concept and the observations submitted by the Territorial Entity, comments arise or it is necessary to make adjustments to the products of Phase 2, the PROJECT EXECUTION CONTRACTOR and the PROJECT AUDITOR will have a maximum term of TEN (10) BUSINESS DAYS to adjust and review the products observed jointly, and submit to the CONTRACTING PARTY the final version of the document. If the above period has been completed, and the observations persist, the procedure for declaring a breach to the PROJECT EXECUTION CONTRACTOR.

Within the FIVE (5) business days following the reception of the adjusted products, THE CONTRACTOR and THE EMBASSY shall review that they have been adjusted and shall determine the appropriateness of citing the Technical Committee for its decision.

### **2.3.4. PRONOUNCEMENT FROM THE TECHNICAL COMMITTEE**

After the fulfillment of the activities foreseen in the previous numeral, the Technical Committee will be carried out, where the acceptance or not of the products of Phase 2 will be defined, verifying the corresponding elements and consider necessary to accept the products of Phase 2

Once the product of Phase 2 has been accepted by the Technical Committee, it will proceed to subscribe the Certificate of Satisfaction Receipt of the same and the procedure of liquidation of the contract will begin.

### **2.3.5. SPECIFIC OBLIGATIONS OF THE PROJECT AUDITOR IN PHASE 2**

1. Sign the initial document for Phase 2 from PROJECT AUDITING CONTRACT and update the guarantees as appropriate for approval from THE CONTRACTING PARTY.
2. Verify that the personnel proposed for this Phase by the CONTRACTOR are linked to it by means of a work contract and/or services provision contract, as well as being affiliated and up to date with the payments to the Integral Social Security System.
3. Verify the existence, insured value and validity of the guarantees granted for this Phase according to the AUDITING CONTRACT PURPOSE.
4. Submit for CONTRACTOR approval the guarantees of the AUDITING CONTRACT for this Phase.
5. Analyze 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 AUDITING CONTRACT PURPOSE presented by the CONTRACTOR, requesting the pertinent adjustments, follow up in real time; require the CONTRACTOR to explain the deviations of the schedule that are generated; promote with the CONTRACTOR the reaction 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 the Delegated Auditor reflecting all the traceability and management of PROJECT AUDITING.
7. Review all the technical, legal, environmental and economic documentation required for the execution of the project, in order to propose or accept the CONTRACTOR's recommendations.
8. Carry out accompaniment and follow-up to the CONTRACTOR in the verification of the project execution conditions.
9. Verify that the necessary permits, authorizations and licenses exist for the development of the AUDITING CONTRACT PURPOSE.
10. Verify the topographical restatement that the CONTRACTOR makes based on the references given and order the correction when differences are found.
11. Verify the progress in the management and achievement 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 until the contract termination and comply with the established dedications.
13. Analyze 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 signing the AUDITING CONTRACT initiation act.

15. Carry out constant and permanent monitoring, as well as monitoring the schedule proposed by the CONTRACTOR for this Phase.
16. Accompany the project communication process before the community and inform the CONTRACTING PARTY and the Delegate Auditor 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 surveying equipment and other equipment used in the AUDITING CONTRACT PURPOSE.
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. Summon the CONTRACTOR, Territorial Entity and the Embassy, Contract Supervisor and PROJECT AUDITING, and the monitoring committees that are formed during the execution of the AUDITING CONTRACT PURPOSE.
21. Perform real-time follow-up on compliance with the duties and objectives of the AUDITING CONTRACT PURPOSE, in such a way that early alerts are generated on the aspects that may hinder, delay or affect its execution.
22. PROJECT AUDITING will have TEN (10) calendar DAYS, counted from the date of delivery of the reports and/or products by the CONTRACTOR, to review and issue its concept and in case of finding observations to them, it must remit them within the same term to the CONTRACTOR, who will have TEN (10) calendar DAYS to make the corresponding adjustments.
23. Verify that the CONTRACTOR rectifies that the designs object of the present Phase, are elaborated considering 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 drawings, designs and final studies product of the AUDITING CONTRACT PURPOSE.
25. Promote with the CONTRACTOR special reaction plans, with effective actions to solve and overcome situations that hinder the execution of this Phase or that represent management risks and make permanent follow-up on compliance with said plans.
26. To carry out, during the entire execution of the AUDITING CONTRACT, the recommendations and observations it deems appropriate regarding the analyzed 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 AUDITING CONTRACT PURPOSE, with a view to correcting these aspects in a timely manner.
27. Review, make the pertinent observations and recommendations and approve all documents and deliverables subject to the AUDITING CONTRACT PURPOSE.

28. Verify the compliance of the CONTRACTOR, against the duty of identification and management of permits and licenses necessary for the execution of the project in its stage of work, as well as the cost thereof, which depend on the nature thereof, this includes discharge permits, occupation of riverbeds, easements and legality of lots 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 delegate Auditor where the most relevant aspects of the activities developed in each of the periods of time, according to the established format.
30. Comply with the personnel offered, which must be approved by the delegated Auditor as a requirement for signing the initial act, which must be affiliated with the Social Security System.
31. Provide and maintain the professional, technical and administrative staff, qualified and capable 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 in procedures that are convenient to solve problems that may affect the execution of the contract.
33. Verify that the CONTRACTOR delivers all the STUDIES AND DESIGNS subject to the AUDITING CONTRACT PURPOSE, in accordance with the current regulations.
34. Require the CONTRACTOR all laboratory tests and other tests that apply in accordance with the regulations of the project and those that are requested by the PROJECT AUDITOR and/or the CONTRACTING PARTY to verify the quality of the designs.
35. Review, study, conceptualize and approve the manuals prepared by the CONTRACTOR.
36. Guarantee the liquidation process of the AUDITING CONTRACT PURPOSE and the AUDITING CONTRACT until arriving at the effective liquidation of the contracts.
37. PROJECT AUDITING must carry out, follow-up, review and receipt to the satisfaction of the Detailed Engineering Studies and Designs and their respective deliverables, object of the AUDITING CONTRACT PURPOSE, defined in the respective previous studies and terms of reference of the AUDITING CONTRACT PURPOSE.
38. Prepare and subscribe in good time the certificate of completion of Phase 2 of the Contract.
39. Sign the Delivery and Receipt to the satisfaction Certificate of Phase 2 of the AUDITING CONTRACT PURPOSE.
40. To demand and obtain from the CONTRACTOR the Good of Standing certificate that may take place according to the nature of the contract.
41. Project, approve and sign as auditor all the reports generated during the development of Phase 2 of the AUDITING CONTRACT PURPOSE such as: suspension minutes, extension minutes to the suspensions, reinstatement 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 advance with the CONTRACTOR of the AUDITING CONTRACT PURPOSE.
43. Prepare, submit, approve and sign as AUDITOR, the liquidation act of the AUDITING CONTRACT PURPOSE and of the AUDITING CONTRACT, attaching the required documentation, in accordance with the guidelines and terms established by the CONTRACTING PARTY. Heed the requirements of the Contracting Party and the delegated Auditor until the contract settlement act is signed by the CONTRACTOR.
44. Submit the reports, files, documents and technical concepts, among others, that are requested, related to PROJECT AUDITING purpose, that ensure the fulfillment of its functions and the policy and regulations of the Drinkable Water and Basic Sanitation sector.
45. Guarantee the liquidation process of the AUDITING CONTRACT PURPOSE and the AUDITING CONTRACT.
46. Report the CONTRACTING PARTY and the Delegated Supervisor, in a timely manner, facts that constitute a risk to the project, reporting progress, financial status of the AUDITING CONTRACT PURPOSE, results, statistics and technical concepts on results that allow corrective actions and improve project conditions or specifications.
47. Track physical, human, financial and logistic resources, among others (personnel, equipment, implements and other services necessary for the normal development of the AUDITING CONTRACT PURPOSE).
48. Certify the fulfillment of the requirements for the payments foreseen in the AUDITING CONTRACT PURPOSE.
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 concept 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. DURATION OF PHASE 2

For the execution of Phase 2, the execution period will be **SEVEN POINT FIVE (7.5) MONTHS\***, counting from the signing of the initial document.

\* The execution term of Phase 2 is distributed as follows for each Component, which will be executed simultaneously:

| COMPONENT | Term of Execution |
|-----------|-------------------|
|-----------|-------------------|

|   |                              |
|---|------------------------------|
| <b>TECHNICAL AND SOCIAL MANAGEMENT PLAN AND GENDER EQUALITY COMPONENT</b> | Five point five (5.5) months |
| <b>Legal and Financial Structuring Component</b>                          | Five point five (7.5) months |

### 2.3.7. VALUE & PAYMENT METHOD FOR PHASE 2

The value of the estimated budget for Phase 2 of the contract, includes salaries of the personnel required to perform the work, affected by the multiplying factor, administrative expenses (lease main office, furniture, stationery, plotting of plans, public services, copies, photographs, air travel, land travel, accommodations, laboratory tests, topography equipment, special equipment, among other costs), and other taxes that are caused by the fact of its execution, execution and liquidation.

The multiplying factor is applied only to salaries, including Sundays and bank holidays, and items that have effects on social benefits.

In the methodology of the multiplying factor, a detailed description of the various components of the multiplying factor is carried out and guidelines for its quantification are given, THE CONTRACTING PARTY has estimated a minimum multiplying factor of **230%** which applied to the personnel costs required for the execution of PROJECT AUDITING technical component and structuring of the social and gender equality management plan and of **231%** which 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 PROJECT AUDITING FOR THE DETAILED DESIGNS phase corresponds to a value, which in accordance with the development of the project in this Phase and in accordance with the needs established by the PROJECT AUDITOR and endorsed by the Supervision, corresponds to the value that it is determined, according to the need of personnel, dedications and activities for the execution of the Phase, that assures the execution of all the products of this Phase.

Note 1: If, during the development of the Feasibility study for the project, a modification is made in the scope of said phase or in the conditions established for the preparation and delivery of each product, the contracting party will have the power to request an adjustment of the dedications and other conditions that may be required to execute the PROJECT AUDITING contract, as well as the PROJECT AUDITING, based on the conditions established within the CONTRACTOR's or the PROJECT AUDITOR's financial offer, attaching the appropriate technical and/or legal supports that support said modification.

NOTE 2: The amount of the estimated budget does not include the amount of VAT tax because in accordance with article 96 of Law 788 of 2002 regulated by Decree 540 of 2004, money funds or resources originated in aid or donations for programs of common utility in Colombia, coming from entities or governments of countries with which there are intergovernmental agreements or agreements with the Colombian Government, will be exempt from taxes, fees, contributions of national order, that could affect the import and the expense or the investment; also exempt from taxes, fees or contributions of a national nature, are the contracts that must be entered into for the execution of works or projects of common use, as well as the acquisition of goods and/or services and the financial transactions that are carried out directly with the money coming from the resources of the aid or donation, with the same end.

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

The value of this phase of detailed designs for the supervision, has been established according to the dedications indicated in the minimum required personnel number, which correspond to the minimum required for the supervision of the elaboration 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 correspond to an effective value of PHASE 2, resulting from the multiplication and summation of the dedications, durations and salaries established by the PROJECT AUDITOR at the time of the presentation of the economic proposal and considered necessary to carry out the activities determined in Phase 1 and that must be executed in Phase 2; affected by the multiplying factor established since the presentation of the economic proposal, plus the necessary direct and indirect costs.

Therefore, the agreed amount for Phase 2 is understood to include, among others, administrative expenses, salaries, social benefits and compensation of personnel, salary and benefit increases; travel, transportation, accommodations and food of the PROJECT AUDITOR's minimum work team; displacement, transportation and all kinds of necessary equipment; fees and consultancy on activities related to the execution of PHASE 2; software use licenses; the totality of taxes originated by the holding, execution and liquidation of the contract; any deductions that may apply; the remuneration for PROJECT AUDITING, contingencies and, in general, all the costs in which the PROJECT AUDITOR must incur for the full execution of the contract. THE CONTRACTING PARTY will not acknowledge, therefore, any readjustment made by the CONTRACTOR in relation to the costs, expenses or additional activities that it required for the execution of these phases and that were foreseeable at the time of the presentation of the offer.

In any case, for Phase 2, the amount corresponds to an estimated value for such, that in accordance with the development of the project in its Phase 1 and in accordance with the needs established by the PROJECT AUDITOR and endorsed by the Supervision in said Phase, determine the need for personnel, dedications and activities for the execution of Phase 2 of PROJECT AUDITING CONTRACT, which ensures the execution of all products of this Phase, previously approved by the CONTRACTOR's Supervision.

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

- Professional profile - General and specific experience.
- Professionals required for the development of the activity.
- Resources and supplies required for the development of the activity
- Dedications and duration of staff activities
- Salaries
- Multiplying factor

Therefore, the agreed amount is understood to include, among others, the expenses of administration, displacement, transportation, storage of materials, tools and all kinds of necessary equipment, as well as their monitoring, that is, all the costs in which they must be incurred by PROJECT AUDITING for the full performance of the execution of Phase 2. The CONTRACTOR will not acknowledge, therefore, any readjustment done by the PROJECT AUDITOR in relation to the costs, expenses or activities that he considers necessary for the execution of the contract and that were foreseeable at the time of submission of the offer.

THE 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 call.

The CONTRACTOR shall pay PROJECT AUDITING the value of Phase 2, as follows:

- a. A payment equivalent to forty percent (40%) of the value contracted for Phase 2, once delivered by the PROJECT AUDITOR and approved by the SUPERVISOR within the established term, of the Reports that contain what is requested in the sections: 2. DETAIL DESIGN (corresponds to numeral 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 LOCATION OF EACH OF THE COMPONENTS OF THE PROJECT TO BE DESIGNED (corresponds to paragraph 2.2 of the Technical Annex) TOPOGRAPHY (corresponding to numeral 2.4 of the Technical Annex), 2.6. HYDRAULIC DESIGN (corresponds to number 2.6 of the Technical Annex) and 2.7 GEOLOGY (corresponding to number 2.7 of the Technical Annex), Development of the Transaction Scheme according to the chosen alternative (corresponds to number 2.4 paragraph A of the legal and financial Annex) and the financial model (corresponds to paragraph 2.4 paragraph B of the Legal and Financial Annex).
- b. A payment equivalent to thirty percent (30%) of the value contracted for Phase 2, once delivered by the PROJECT AUDITOR and approved by the SUPERVISOR within the established term, for the Reports that contain what is requested in the sections: 2: DETAILED DESIGN (corresponds to numeral 2 of the Technical Annex) with the byproducts 2.3. Selection of Alternatives (corresponds to number 2.3 of the Technical Annex) Geometric Design and Interference Analysis (corresponds to number 2.5 of the Technical Annex), 2.8. STRUCTURAL DESIGN (corresponds to number 2.8 of the Technical Annex) DESIGN OF COMPLEMENTARY WORKS (corresponds to paragraph 2.9 of the Technical Annex), 2.10. PROPERTY MANAGEMENT (corresponds to number 2.10 of the Technical Annex), 2.11. DEFINITION OF CONSTRUCTION TECHNICAL SPECIFICATIONS (corresponds to number 2.11 of the Technical Annex), 2.12. DETERMINATION OF THE BUDGET AND WORK SCHEDULES (corresponds to the number 2.12 of the Technical Annex), 2.13. OTHER STUDIES AND DESIGNS (corresponds to paragraph 2.13 of the Technical Annex) and 2.14 RESULTS (corresponds to number 2.14 of the Technical Annex), risk analysis (corresponds to number 2.4, section C of the legal and financial Annex), document for legal viability of the project (corresponds to number 2.4, section D of the Legal and Financial Annex) and the report of complementaries (corresponds to numeral 2.4 paragraph E of the legal and financial Annex) in the case that they apply and the selected option is APP or concession.
- c. A payment equivalent to twenty percent (20%) of the value contracted for Phase 2, once the delivery certificate and final receipt of Phase 2 have been signed.
- d. A payment equivalent to Ten percent (10%) of the value contracted for Phase 2, once the accompaniment is carried out in the structuring of the bidding processes for both work and supervision of the project (corresponds to paragraph 2.5 of the Legal Annex and financial).

For Phase 2 payments, the PROJECT AUDITOR must prove that it is up-to-date in the payment of parafiscal contributions related to the Integral Social Security System, as applicable, of all personnel directly linked to the execution of Phase, including personnel independent to render its services for the execution of Phase. Likewise, it must present a no debts certification for the concept of payment of salaries of all personnel directly linked to the execution of the Phase, as well as independent staff and suppliers that provide their services and/or supplies for the execution of it.

From each of these payments, a withholding in guarantee of ten percent (10%) will be made, which will be returned to the PROJECT AUDITING once the following requirements have been met:

- a. Satisfaction Certificate of the products in Phase 2 by the SUPERVISION
- b. Approval of the corresponding guarantees, indicated in the section of GUARANTEES of this document.
- c. Signing of the contract settlement report.

#### 2.4. PROJECT SITE KNOWLEDGE:

It will be the responsibility of the bidder to be familiar with the conditions of the site of execution of the project and the activities to be carried out. Consequently, it will be at the risk and expense of the bidders, to inspect and examine the places where the works, activities, tasks, neighboring sites and their surroundings are projected, and to learn about the nature of the land, the form, characteristics and accessibility of the site.

With the presentation of the proposal, the bidder declares that he knows in an integral manner all the conditions of the project execution site, 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 auditing, the execution of the activities and/or the project and influence the calculation of the value of the proposal. Therefore, obliviousness of these aspects will not serve as a valid excuse for subsequent claims

#### 2.5. SPECIFIC EXPERIENCE OF THE MINIMUM PERSONEL REQUIRED

For the development of the contract, the selected bidder must have the Personnel required to guarantee the execution of the contract, which as a minimum is the one related in Annex N° 1, which is mandatory for the project. Their resumes and the support of professional training and experience, must be submitted by the bidder that is selected in the time established in these terms of reference, for verification of compliance by the supervisor, who will validate that they meet the minimum requirements or superior to these, as a prerequisite to sign the minute of initiation of the contract. **It is important to remember that to guarantee the promotion of gender equality, at least 30% of the staff must be female.**

With the presentation of the proposal, the bidder guarantees that has the personnel, the minimum profiles and dedications required for the execution of the contract and will keep them during the execution of the contract.

Therefore, for the elaboration of the financial offer, they must take into account all the minimum personnel and also the one that the bidder considers necessary for the correct execution of the contract and must pay for it in its economic proposal. Therefore, there is no room for subsequent claims, arguing that the personnel or sufficient resources for the execution of the contract were not contemplated, within the amount of the proposal, as the CONTRACTING PARTY will not acknowledge any amounts for such concept.

The contracting entity reserves the right to request change of professionals, in case of verifying that the proposed ones do not have the necessary time to fulfill the request for the development of the object of this call for being linked to other projects of the Infrastructure Management.

For the purpose of verification of the proposed professionals, the selected bidder must submit the following support to the supervisor to accredit the professional training and experience:

- a. To accredit vocational training, in the case of professions that according to the law it applies for them to have a professional license, a simple copy of it must be provided, which will be accompanied by the certificate of validity, also, in cases that according to the law is applied. For other professions it will be accredited by providing a photocopy of the diploma or certificate of their degree.

- b. Certifications that certify the experience of the proposed professional.

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

Notwithstanding the fact that the verification of the personnel is done only to the selected bidder by the supervisor, the academic training and experience of the minimum personnel proposed until the closing date will be taken into account, so that the personnel that will be proposed, for the closing date must have accredited the academic training and experience required. For verification purposes, the selected bidder must provide the contract auditor with the certificates of experience and/or other support that allows the execution of the contract or project to be evidenced, according to the following alternatives:

**ALTERNATIVE A:** Certificate issued by the contracting entity (understood as that public or private law entity 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.

**ALTERNATIVE B:** Certificate of experience issued by the contracting party (be it a natural or legal person who acquired the services of the professional) where the position and/or functions and/or products delivered and/or developed are shown, as well as the date of execution of the activities and/or products.

**ALTERNATIVE C:** In the event of the certification referred to in the preceding paragraphs not being available, a copy of the contract and minute of liquidation and/or record of termination of the employment contract, provision of services or the corresponding document must be attached, stating the execution of the same and evidences the charge and/or functions and/or activities and/or products delivered or developed, which must be subscribed as appropriate, by the Supervisor and/or auditor 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 provided with an apostille or legalized as appropriate by the **selected bidder**, in accordance with the requirements of these terms of reference. Notwithstanding the foregoing, and in view of the impossibility of filing said procedures, a simple copy of such documents may be provided, accompanied by an affidavit issued before a Notary; in case of surrendering said affidavit in a foreign country, the apostille or legalization process, as appropriate, must be advanced with the full requirements of the present terms of reference.

Certifications of experience are considered issued under the severity of the oath. However, the Entity reserves the right to verify the information required by the proposal and to go to the sources, persons, companies, entities or those means it deems necessary and to request in case of estimating it, the clarifications or documentation that considers convenient.

The certifications signed by the proposed personnel itself, that is, self certification, will not be taken into account to verify or evaluate the professional experience.

When the documents of the accreditation alternatives do not contain the information that allows their verification, the bidder may attach a copy of the supporting documents that are of the case (provided they are issued by the contracting entity or public entity), which allow evidence of the execution of the contract or project or take the missing information.

The professional experience of the minimum personnel 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 prove it, the bidder must present certification of completion and approval of the academic curriculum of higher education duly signed by the Educational Institution. Notwithstanding the foregoing, if the bidder does not have the aforementioned certification, they may provide the degree and/or diploma certificates, of which the entity will take the information to account for the professional experience.

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

## **2.6. PERSONNEL ASSIGNMENT**

When the selected bidder has one or more contracts with the Territorial Development Finance S.A. FINDETER, it will be verified, prior to the signing of the contract initiation document of this call, that the proposed staff does not exceed 100% of the accumulated dedication, in which case the contracting entity may request the change of personnel that exceeds this dedication.

## **2.7. ANALYSIS OF THE FORESEEN RISK OF THE FUTURE CONTRACT –RISK MATRIX**

The contract risks matrix is an integral part of these terms of reference (Annex 2) and therefore of the contract that is signed. This is the result of an exercise in identifying, assessing and distributing such risks.

If the interested parties consider that there are contractual risks not foreseen in the matrix of contractual risks proposed by the CONTRACTING PARTY, it must announce it at the stage of submitting observations, so that they may be evaluated and, if pertinent, incorporated in the referred matrix. It will not be possible then to claim economic imbalance of the contract due to factors that could have been foreseen in the pre-contractual stage based on the knowledge of the call, the documents and studies of the project, as well as its context, and that have not been announced by the CONTRACTOR OF PROJECT AUDITING at this stage. The contractor reserves the right to accept or not the comments made about the distribution of foreseeable risks borne by the contractor. The level of probability of occurrence of the risks and the effect 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 offer to know, assess, accept and include the contractual risks contained in the definitive matrix, which is understood to be declared with the submission of the offer.

Consistent with the above, based on due diligence and based on the principle of pre-contractual good faith that is dealt with in article 863 of the Commercial Code, which the bidder must have when making his offer, it is understood that all the foreseeable risks of the contract, were taken into account when preparing their proposal.

The classification, estimation and distribution of the foreseeable risks of the contract object of the present selection process will be subject to the criteria defined in this subsection, without prejudice to the scope of the obligations in charge of each of the parties, 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 under this entity the payment of the agreed value. The entity and the bidder -with the

presentation of their proposal-, understand as a foreseeable contractual risk that which has the following characteristics:

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

Its concretion involves a property damage for one or both parties to the contractual relationship.

It is a previous event, concomitant or subsequent to the conclusion of the contract. In case of being prior or concomitant, neither party should know about it and the obligation of knowledge can not be preached to any of them for reasons such as their technical or professional expertise, their corporate or personal experience or their particular prior inquiries.

Its specification or knowledge must be presented during the execution of the contractual relationship or after its termination, provided that, for this last case, some of the obligations that emanated from it are pending compliance.

The damage resulting from the specification of the risk must be assumed by the party to which it was assigned, so that, if it directly affects its assets, it must be borne entirely, and if, on the contrary, it affects the other's equity, it shall restore the lost property condition up to the proven amount of the emerging damage.

### **1. Typification**

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

### **2. Estimate**

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 the foreseeable risks in order to be efficiently managed and to establish which of the parties will bear the negative consequences of its concretion.

## **2.8. AUDITING CONTRACT SUPERVISION**

The supervision of the contract will be executed by the person appointed for it by FINDETER, who will permanently perform the technical, administrative, financial, accounting and legal monitoring of the auditing contract, verifying in addition the correct execution of the contracted purpose, who will perform the functions foreseen in the Findeter Supervision and Auditing Manual that is in force, the Participation Rules and the Contract.

The contract supervisor 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 classified as punishable behavior or that may put or put At risk the fulfillment of the contract, or when a presumed breach occurs.

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

## 2.9. GUARANTEES

- **CONTRACTING PARTY: FINANCIERA DEL DESARROLLO TERRITORIAL SA - FINDETER NIT: 800,096,329-1**

In order to support compliance with each and every one of the obligations arising from PROJECT AUDITING with the entity, due to the conclusion and execution of the contract, the previous study carried out and the forecast of possible risks in the execution of the same, the contractor must constitute a guarantee through an insurance policy or bank guarantee on first demand, issued by an insurance company or a bank entity or establishment; legally constituted in Colombia, as appropriate.

This insurance policy or bank guarantee that is constituted, will be distributed in the coverage of the following risks that affect the execution of the contract, with the following protections, coverage and validity as follows:

| PROTECTION                                       | AMOUNT OF PROTECTION                    | VALIDITY  |
|--|---|---|
| Fulfillment                                      | 30% of the total amount of the contract | Valid for the term of execution of the contract and six (6) more months   |
| Wages, social benefits and workers' compensation | 10% of the total amount of the contract | Valid for the term of execution of the contract and three (3) years more. |
| Non-contractual civil liability                  | 5% of the total amount of the contract  | Valid for the term of execution of the contract and four (4) more months  |
| Quality of Service                               | 30% of the total amount of the contract | Valid for the term of execution of the contract and three (3) years more  |

The policy issued by the insurance company must contain, for a specific condition, that for the purposes of this contract, no clause or provision of proportional compensation tied to the fulfillment of the insured obligation will be applied. Thus, the insurer will indemnify at all times according to the insured value in the policy, without taking into account proportions fulfilled of the contract.

The approval of the guarantees by **FINDETER S.A.**, is a prerequisite for the initiation of the execution of each of the phases, reason why no phase may start its execution without the respective approval of this previous requirement.

The guarantees must be submitted for approval accompanied by the respective annexes and supports of the same and the corresponding payment support of the corresponding premium. Non-expiry certification shall not be received as non-payment.

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

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

PROJECT AUDITING must pay the total amount of the bonuses that are incurred on the occasion of the issuance of the policies, as well as those that are subsequently caused by modifications, renewals, extensions or any other annex that is issued based on the policies. Therefore, PROJECT AUDITING undertakes to deliver the policies with their respective proof of payment within 2 days after the issuance of the policies.

PROJECT AUDITING accepts that the CONTRACTING PARTY has insurable interest in the guarantees that refer to this contract and based on this, in the event of THE CONTRACTOR not delivering the documents within the stipulated period, with the signing of this contract, authorizes that in their name and representation, THE CONTRACTING PARTY requests, updates, modifies and makes the payment of the guarantees in the contractually established terms, being able to discount the costs and expenses derived from said management of the balances in favor of PROJECT AUDITING, which are caused by virtue of the progress or liquidation of the contract in question. The foregoing, does not exonerate PROJECT AUDITING from the fulfillment of the obligations under its charge on the occasion of the execution of this contract, and the contractual and legal processes to obtain said compliance or indemnification on its part will be advanced.

**FIRST PARAGRAPH:** The approval of the guarantees by the CONTRACTING PARTY is a prerequisite for the initiation of the execution of each of the phases or stages foreseen for the execution of the contract, being the reason why no contract in which the existence of guarantees has been foreseen may begin its execution without its respective approval.

In case of any observation made by the CONTRACTING PARTY to these requirements, PROJECT AUDITING must respond within a period not exceeding two (2) business days.

**SECOND PARAGRAPH:** The validity of the policy begins with the signing of the contract. PROJECT AUDITING must maintain, during the term of the contract, the sufficiency of the guarantees granted. Consequently, in the event that the term of execution of the contract is extended or its value is added, PROJECT AUDITING must prove the corresponding adjustment of the guarantees, once the modification of the contract is subscribed. Likewise, PROJECT AUDITING must replace the guarantees when their value is affected by the occurrence of the claims covered.

In the case of protections, of which validity must extend after the expiration of the term of execution of the contract or of receipt to satisfaction of the obligations of the same, the value covered must also be replaced when the occurrence of the insured risks is verified. The payment of all bonuses and other expenses generated by the constitution, maintenance and immediate restoration of the amount of the guarantees will be the exclusive responsibility of PROJECT AUDITING. The approved guarantees will be a previous and necessary condition for the cancellation of the invoices pending payment and the last payment of the contract.

**THIRD PARAGRAPH:** If the object of the contract is divided into stages or phases, it will be understood as starting and end dates of each of them, which are incorporated in the minutes of initiation and in the minutes of delivery and receipt to satisfaction of each stage or phase.

**B. TO CONSTITUTE THE BANK GUARANTEE AT FIRST REQUEST, PROJECT AUDITING SHALL:**

In the case of bank guarantees on first request, these must be recorded in a private document in which the bank entity or institution expressly, independently and irrevocably assumes, in favor of THE CONTRACTING PARTY, the commitment to honor the obligations borne by PROJECT AUDITING, in case of non-compliance by the latter.

And therefore, to pay directly to the CONTRACTING PARTY, on first demand, up to the guaranteed amount, a sum of money equivalent to the value of the damage suffered as a consequence of the breach of the obligations assumed by PROJECT AUDITING and the same will be made effective by means of a document of incorporation of non-compliance and will be reported to the bank entity or establishment.

PROJECT AUDITING must prove the constitution of the guarantee, by means of the delivery of the document containing it, signed by the legal representative of the bank entity or by its agent, and it must include: i) the name of the CONTRACTING PARTY beneficiary of the warranty; ii) the guaranteed risks; iii) the way to make the guarantee required; iv) the value of the guarantee; and v) the validity of the guarantee in accordance with the coverages, amounts and requirements made in this section.

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

It will be the responsibility of the PROJECT AUDITOR to guarantee that the contractor will carry out 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 CONTRACTING PARTY.

However, in the event that during the execution of the contract requires the processing of licenses, and/or permits, 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.

That is, those inherent and necessary procedures for the correct execution of the activities will be the responsibility of the contractor their identification, costing (to assume the cost of the same ones) and management. The foregoing, without prejudice to the contractual duties of the Territorial Entity in the matter of permits, licenses and authorizations acquired under the Inter-administrative Agreement subscribed, therefore, the costs caused by the issuance of licenses and/or permits that depend directly of the Municipality will be assumed by it. In relation to the costs caused by the obtaining of the properties and the imposition of easements will be assumed by the Municipality.

## **2.11. SPECIAL CLAUSES TO TAKE INTO ACCOUNT**

Bearing in mind that the resource assigned to be executed in the contract corresponds to the resources required in accordance with the project presented by the Municipality of Valledupar; in the event of a change in the scope of the project during the execution of the contract or a variation in the activities to be executed that require additional resources, that is, to lead to exceeding the value of the contract, this situation must be submitted to the Supervisor of the contract on the part of Findeter to 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 case of approval, it must proceed in accordance with what is established for these events and its consequent modification.

PROJECT AUDITING CONTRACTOR will not be able to approve items or activities not foreseen in the study and design contract, without previously having been approved by the CONTRACTING entity, and the corresponding additional contract has been subscribed as appropriate. Any activity that is approved or endorsed without the previous celebration of the contractual document, will be assumed at the risk and expense of the studies and designs contractor and PROJECT AUDITING, so that THE CONTRACTING PARTY will not

recognize values for such concept. It is the responsibility of PROJECT AUDITING CONTRACTOR to inquire about the procedures established for this purpose.

If the scope is adjusted and new activities are generated that were not included in the initial budget, the new amounts will be agreed between the parties. To this end, the auditing will perform an analysis of the budget submitted by design and study contractor in order to verify its correspondence with the market conditions and prices, and once verified by the auditing, its approval will 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, based 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, PROJECT AUDITING undertakes to carry out all the activities and good practices dictated by the state of the art in the field of the contractual object, in order to perform the management of risks that may affect the execution of the contract. This management must contemplate at least the following activities:

- a. Risk identification
- b. Quantitative and qualitative analysis by which estimate the probability and consequence of the occurrence of identified risks, as well as the prioritization of each of them.
- c. Preparation of the respective response plan to the identified risks, in which the actions that will be executed are determined in order to improve the opportunities and reduce the threats that originate in the identified risks.
- d. Implementation of monitoring and control activities applicable based on the prioritization of risks, which will determine if there are changes in the prioritization of risks, if new risks have arisen compared to those initially identified, as well as if the actions defined in the risk response plan show the expected effectiveness.

To carry out the described risk management, PROJECT AUDITING must submit to the SUPERVISOR of the contract, for its approval and prior signing of the Initial Document of each of the Phases, a document that contains the following information at least:

- a. A Risk Management plan that must include the methodology that will be used, the roles and responsibilities of the work team in relation to risk management, the categorization that will be used to prioritize the risks, the periodicity with which the management activities will be carried out. the risks during the execution of the contract, the probability and consequence scales and the risk matrix with which it will carry out the qualitative and quantitative analyzes of the risks, as well as the risk management policy from which the Contractor determines the tolerance the risk that leads to the activation of risk management actions.
- b. A Risk Log that must include the risks identified, the possible responses, the causes of the risks, as well as the risk rating according to the categorization defined in the Risk Management Plan.
- c. A response Plan that must include the actions planned to mitigate the risks included in the Risk Register

### **2.13. INDEMNITY CLAUSE**

The contractor is obliged to: a. Keep the **CONTRACTING PARTY** and **FINDETER** its directors, partners, members of the Board of Directors, workers, collaborators, clients, representatives or attorneys-in-fact free from any claim, suit, complaint, claim, sanction, conviction or prejudice based on acts or omissions of **THE CONTRACTOR** or **FINDETER**, in execution of the contract. b. Deploy all necessary actions to prevent your employees, family members, creditors, contractors, suppliers, subcontractors or third parties from submitting judicial or extrajudicial claims against **CONTRACTING PARTY** or **FINDETER**, due to actions or omissions arising from the execution of the contract.

**PARAGRAPH:** If, during the term of the contract or subsequently, judicial or extrajudicial claims against **THE CONTRACTING PARTY** or **FINDETER**, these may require the contractor or link it under any procedural concept that is applicable to its defense or agree with **THE CONTRACTOR** the defense strategy that is most favorable to the interests **THE CONTRACTOR** and **FINDETER**.

### **2.14. CONTRACT SETTLEMENT**

The contract that is signed as a result of the present contracting process will be settled within six (06) months following its termination or according to what was agreed in the contract (as the case may be).

**SUB-CHAPTER III  
SCHEDULE**

| <b>Activity</b>  | <b>Date, time and place as it corresponds</b>  |
|--|--|
| Opening and sending of invitations to participate, Terms of Reference, Previous Study, Annexes, Technical Documents and other documents associated with the process. | 28 of December 2018  |
| Reception of Observations to the Terms of Reference and annexes  | Until January 25, 2019   |
| Submission of the Report on the response to observations on the terms of reference and annexes or evidence of non-submission of observations                         | Until February 06, 2019  |
| Closing - maximum deadline for submission of offers Envelope No. 1 and 2 and Opening of Envelope No. 1   | On February 13, 2019<br>Time: 10:00 am<br>Place: Correspondence Findeter<br>Calle 103 No. 19 - 20, Bogotá DC                         |
| Submission of the Request for Rectification Document   | Until February 20, 2019  |
| Opportunity to correct   | Until February 26, 2019<br>Place: Correspondencia Findeter Bogotá, Calle 103 N° 19 - 20  |
| Submission of the verification report of enabling requirements   | Until February 28, 2019  |
| Deadline to submit observations to the Verification Report of enabling requirements  | Until March 04, 2019   |
| Submission of the Final Verification Report of Enabling Requirements   | Until March 09, 2019   |
| Opening of Envelope No. 2 - Financial proposal and additional experience of the qualified proposals.   | On March 07, 2019<br>Time: 10:00 a.m.<br>Place: Dirección de Contratación Findeter, Calle 103 N° 19 – 20 Bogotá D.C.                 |
| Submission of the Economic Evaluation Report   | Until March 13, 2019   |
| Deadline to submit observations to the Economic Evaluation Report  | Until March 15, 2019   |
| Determination of the method and economic weighting of qualified proposals  | Second business day following the expiration date of the established term to submit observations to the financial evaluation report. |
| Submission of the Final Evaluation Report and score assignment (Eligibility Order)   | Until March 20, 2019   |
| Submission of the Contractor Selection Document or declaration of deserted as appropriate.   | Until March 27, 2019   |

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

## CHAPTER II GENERAL PROVISIONS

### SUB-CHAPTER I GENERAL OVERVIEW

#### 1.1. DEFINITIONS

**Terms of Reference:** Document that contains the general and specific provisions of the present contracting process.

**Project execution contractor:** It will be the natural or juridical person that is selected in the Call process whose object is to contract the conditional execution by phases of the project to which the selected project auditor will perform the auditing.

**Project Auditing:** It will be the natural or legal person that is selected in the present selection process to perform the work of auditing.

**Multiple Bidder - Consortium:** When two or more people jointly submit the same proposal for the award, conclusion and execution of a contract, responding jointly and severally of each and every one of the obligations arising from the proposal and the contract. Consequently, actions, acts and omissions that occur in execution of the proposal and the contract will affect all members that comprise it.

**Multiple Bidder - Joint Venture:** When two or more persons jointly submit a proposal for award, execution and performance of a contract, jointly accounting for the full implementation of the proposal and the contracted subject, but sanctions for breach of the obligations arising from the proposal and the contract will be imposed according to participation in the implementation from each of the members of the joint venture.

**Offer or proposal:** It is the legal business project that a person formulates to another, which must contain the essential elements of the business and be communicated to the recipient. Understanding communicated when using any suitable means to make it known of the recipient. The proposal shall be irrevocable. Consequently, once communicated, the bidder can not retract, under penalty of indemnifying the damages caused by the revocation to the addressee, the foregoing, in accordance with the provisions of articles 845 and 846 of the Commercial Code.

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

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

**Contract settlement document:** Document that will constitute the contractual closing and balance 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 adjustments, revisions and recognitions that may take place and the agreements, transactions and conciliations reached by the parties in order to put an end to the possible differences presented, as well as the manifestations of disagreement from the Contractor and be able to declare themselves to be free from any debt. It may be signed by the parties or by the CONTRACTING PARTY.

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

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

**Form 2 - Certificate of Payment of Parafiscal Contributions and General System of Integral Social Security:** ANDIt is intended to certify that the bidder has made the corresponding payments of the parafiscal contributions and the general comprehensive social security system and must submit duly signed with the offer.

**Forms 3 and 3A - Specific experience and additional specific experience of the bidder:** It relates the necessary information that allows verifying the specific (enabling) and additional experience of the bidder that is directly related to the contractual object of the selection process. They must be submitted with the proposal.

**Form 4 - Financial Proposal:** Relates the total value of the offer, for each of the phases and all necessary information on the economic proposal and must be submitted in Envelope No. 2 of the proposal for purposes of evaluation and qualification. It must be submitted with the proposal.

**Form 5 - Estimate of detailed financial proposal and multiplying factor:** Contains detailed analysis of the different components that make up the factor affecting direct costs necessary for PROJECT AUDITING execution. The bidder must submit to physical and Excel, duly completed format for each of Phases I, II and III, for verifying compliance by the supervisor, who will validate that they meet the minimum requirements set out in the terms of reference, as a prerequisite for signing the minute of commencement of the contract. These forms are considered only as a tool for monitoring the contract.

**Form 6 – Actual Beneficiary:** Refers to the affidavit of identification and information of the real beneficiary of the contract, namely of the natural person (s) or legal entity (ies) who are direct recipient (s) of the contract. This being understood, as the person or group of persons with legal capacity, who can be bound and make decisions about the submission of the proposal, underwriting, execution, and settlement of the contract, as well as on the management of economic resources related with the contract and especially on the distribution of the economic benefits derived therefrom. Similarly, parent companies and its subsidiaries constitute the same actual beneficiary or either if they are a business group or not and should be duly signed. It must be submitted with the proposal.

**Form 7 Sworn Statement Non-Conflict of Interest Form .** Refers to the affidavit from the bidder, where the natural person or the legal representative of a legal entity must submit individually and each of the members of the consortium or joint venture, if not in progress in the grounds for conflict of interest in submitting proposals or entering into contract set out in the terms of reference. They Must be submitted with the offer.

**Form 8: Form for affidavit on penalty clauses, late payment clauses, fines, sanctions or declarations of default and/or settlement or early termination imposed by breach of the contractor:** It is the affidavit of the bidder which must be submitted by the natural person or legal representative of a legal entity showing up individually and each of the members of the consortium or joint venture, on the penalty clauses, clauses for late payment, fines, sanctions or declarations of default and/or settlement or early termination imposed by breach of the contractor, which have been imposed or declared in contracts in which it has held the contractor status. In the event of not being subject to any of the above, it must provide duly signed format 9.

**Form 9: Form of affidavit of non-imposition of penalty clauses, late payment clauses, fines, sanctions or declarations of default and/or settlement or early termination imposed by breach of the contract:** In the event that the natural person or legal representative of a legal entity showing up individually or any member of the consortium or joint venture has not been subject as contractor to penalty clauses, late payment clauses, fines, sanctions or declarations of default and/or settlement or early termination by breach of the contractor, imposed or declared in contracts which has held contractor status shall submit the relevant affidavit.

**Form 10: Form For Statement of Registration in the Single Register of Bidders of the Unique Business Registry at the Chamber of Commerce-** It is the affidavit of the bidder who must be submitted by the natural person or legal representative of a legal entity showing up individually and each of the members of the consortium or joint venture, on registration or not in the registry.

**Form 11: Letter of intent on inclusion of gender equality and social inclusion in the project development** – it is a format provided by FINDETER, in which the company that will perform the contract is committed to promoting gender equality in the execution of the contract.

**Form 12: Promise of Technical Assistance Agreement** - When the specific experience of the bidder is certified through an international network of firms, this format must be provided, through which is guaranteed by the firm as appropriate, the provision of technical advice required by the contractor to ensure it has technical support in the relevant subject and ensure the successful implementation of activities by the contractor, depending on the specific task that the technical assistant undertakes to perform.

## 1.2. LEGAL STATUS OF FINDETER

La Financiera de Desarrollo Territorial S.A. - FINDETER, whose creation was authorized by Law 57 of 1989 and its legal nature was modified by Decree 4167 of 2011, is a national company of mixed economy unassimilated at Industrial and Commercial State, regardless of public capital participation on its assets; the type of corporation, organized as a credit institution linked to the Ministry of Finance and Public Credit and under surveillance by the Superintendence of Finance of Colombia.

## 1.3. APPLICABLE LEGAL PROVISIONS

The contracting process for this call is subject to Colombian law and jurisdiction and is governed by the regime of private contracts 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 imparted in the process, are subject to the aforementioned rules.

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 Private Call methodology, in accordance with paragraph c) of numeral 13.2. *Private call* of Contracting Policy of Third Party Services of Findeter (CON-ST-DA-001 V.3).

## 1.4. WHO CAN PARTICIPATE IN THIS CALL

Within this call, those British companies that are in the Commercial Framework developed by Prosperity Fund of the Government of the United Kingdom of Great Britain and Northern Ireland Represented by the Foreign and Commonwealth Office (FCO) will be able to bid and as applied by the British Embassy in Colombia for the implementation of the Bilateral Prosperity Fund in Colombia.

Exceptionally, the participation of Colombian trade names belonging to an international network of firms, or the branch of the British company as appropriate will be allowed, provided that the proposal is submitted with an express authorization of the British company in this regard.

When group bidders are constituted with Colombian companies or individuals, the leader of the associative figure should belong to the Commercial Framework, and its percentage share will be less than 30%.

### **1.5. GUIDING PRINCIPLES**

This contracting shall be governed by and subject to the principles of the administrative function and Fiscal Management, enshrined in Articles 209 and 267 of the Constitution, the system of disqualifications and incompatibilities provided for in Article 8 of 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 related standards.

The above principles will be understood and applied in the sense that the law has established, Colombian jurisprudence and doctrine.

### **1.6. CALL FOR CITIZEN OVERSIGHT COMMITTEES**

Citizen oversight committees established by law, may carry out social control to this selection process and resulting contract, for this purpose all information and documentation required will be provided.

### **1.7. WAR ON CORRUPTION**

The BIDDER with the submission of the proposal expresses its intention to support the action of the Colombian State and the Entity to strengthen transparency in procurement processes and formally agree not to make or facilitate acts, agreements or corrupt behaviors.

In the event of known cases of corruption in state bodies, it must be reported to the Secretary of Transparency of the Presidency of the Republic or whoever replaces it. Reports can also be made at [www.findeter.gov.co](http://www.findeter.gov.co) or [programantifraude@findeter.gov.co](mailto:programantifraude@findeter.gov.co).

### **1.8. CORRESPONDENCE**

Except for the proposal, which must be filed at the place indicated in the schedule, each and every one of the documents that the applicant and/or bidder may generate and that are related to this call, can be referred 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 email in a single email, or file it at Calle 103 # 19 - 20 Bogota, likewise those documents requiring original presentation, will not be admitted by email, so they must be filed on physical and original form. If it is necessary to submit documents larger than 10MB, they can be sent in several emails, but all of them have to be submitted before the date and time established, so that they can be taken into account by the entity.

It is meant for all purposes of this call, that the only official correspondence of the process and therefore susceptible of controversy, will be one filed and/or sent as appropriate, to any of the established means.

Any correspondence submitted or filed on a different entity, address, dependence, location and/or email, will be understood as an unofficial and is not binding, therefore it will not be addressed.

Communications should be directed to:

FINDETER  
PROCUREMENT OFFICE  
Subject: Number and subject of the call  
Phone: 6230311  
Calle 103 No. 19-20.  
Bogota - Colombia

And they must contain at least the following information:

- a. Bidder's full name.
- b. Bidder's data including at least: full name, physical address, email address and landline and/or cellphone numbers.
- c. Identification of exhibits filed with the communication, if any.
- d. Total number of folios.

#### **1.9. PROCESS PUBLICISING**

All documents will be available for consultation by all those invited to participate, in the facilities of FINDETER located in the city of Bogota on Calle 104 No. 18A-52 Water and Sanitation Management Office, to which any official of the Procurement Office may attend, and which will leave a written record.

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

The opening of the selection process will take place upon sending of the Terms of Reference and process documents to those invited to participate.

#### **1.11. OBSERVATIONS TO THE TERMS OF REFERENCE AND DOCUMENTS AND PROJECT STUDIES**

Interested parties may submit comments on the content of the Terms of Reference, studies of the project, risk matrix, technical attachments and any other document relating to this selection process, in writing, within the terms and dates set out in the process schedule, through email at [grupo-icat@findeter.gov.co](mailto:grupo-icat@findeter.gov.co) or physical at Calle 103 # 19-20 Bogota, Findeter. No consultations by phone or in person will be answered.

The contracting entity shall send via email, responses to the comments submitted, on the date set in the process timetable. The CONTRACTING entity, for purposes of reply may group those observations of common nature.

The report of response to the comments submitted are explanatory or of clarification, therefore, only the terms of reference shall be amended by addenda.

#### **1.12. ADDENDA**

Within the period of opening of this call, the CONTRACTING entity may modify the terms of reference through addenda which shall be sent via email, and which must be issued no later than one business day prior to the date set in the schedule for the closure of the call.

Likewise, it may issue addenda to modify the schedule before the selection process of the contractor chosen in the call.

It is the sole responsibility of the bidder to care for and take into account all addenda issued in this selection process for the preparation of their proposal.

### **1.13. SUBMISSION OF PROPOSALS**

In the current process natural persons or legal entities, national or foreign, group bidders in consortium or joint venture may participate.

Each bidder, natural person or legal entity, whether they participate individually, as a partner or constituted as a consortium or joint venture, must submit only one tender.

The bidder may submit proposals directly or by proxy, in which case they must attach the power of attorney granted legal and due form, in which the proxy clearly and expressly granted with strong and enough power to act, compelling and holding the bidder accountable paperwork of this process and in the signing of the contract, likewise, it must provide a copy of the identity card or equivalent thereof.

The proxy may be a natural person or legal entity, but in any case must have a permanent address, for purposes of this process in the Republic of Colombia, and shall be entitled to represent the bidder for the purpose of advancing on their behalf specifically the following activities: (i) Formulating the proposal for the selection process dealing with these Terms of Reference; (ii) Responding to the requirements and clarifications requested by the CONTRACTING PARTY in the course of this process; (iii) Receiving notifications that may take place; (iv) sign the contract on behalf of the bidder.

The power of attorney granted must comply with the requirements of the General Code of Procedure for the establishment of agents (Article 74), as well as matters relating to authentication. The power of attorney granted by foreign natural persons or legal entities applying shall also comply with the requirements of the General Code of Procedure for the establishment of proxies (Article 74) and if granted in the country of domicile of the foreign person, they must meet authentication requirements and legalization of documents issued by the competent authority abroad or apostille, as appropriate.

### **1.14. PROPOSAL SUBMISSION STANDARDS**

Bidders must present on site to date and time specified in the schedule their proposal in written medium (hard copy) in two (2) sealed envelopes, separated, identified with the project of the call, containing the documents that are part of the proposal, as follows:

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

It must contain the supporting documents in the written medium (hard copy) and information set forth in these terms of reference (including among others, the documents to prove the qualifying legal requirements for bidders, financial and technical stated in these terms of reference) and it must be marked as *Technical Proposal Envelope*.

It must be submitted in written form (hard copy) original and three (3) copies, duly paged consecutively upward.

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

It shall contain: 1) the financial proposal and 2) the contract information that the bidder intends to submit for rating in physical and digital form.

A written form (hard copy) should be submitted in original and two (2) copies duly pagged consecutively upward.

Note: Each of the contracts that the bidder is to invoke in the qualification stage, will be accredited in the same way as those that were used in the enabling phase were accredited.

All documents of the Proposal: Technical (Envelope 1) and Financial (Envelope 2) shall be paginated (numbered) consecutively upward, i.e. without omitting or repeating numbers, from the first to the last page (sheet). It shall not be numbered with number supplement A, B, C, or bis, the numbering shall be done in the upper right hand corner along the reading direction, legibly without erasures, using pencil with black and soft lead, HB or B type, or ballpoint pen with black insoluble ink.

**All documentation should be packed in cardboard file binder, legal-sized 300 grams or more and attached with notebook binder made from acid-free plastic materials. In order to comply with the General Law on Archives No documentation must be submitted in AZ, folder or plasticized binder, ringed or cloth binder folders.**

**The maximum number of pages per folder should not exceed two hundred (200) folios, should it be greater the documentation should be included in another folder over the running of foliation.**

#### **1.15. RULES FOR SUBMISSION OF PROPOSALS**

- i. Each bidder, natural person or legal entity, whether they participate individually, as a partner or constituted as a consortium or joint venture, must submit only one tender.
- ii. In the current process, natural persons, legal entities, or foreign persons and/or plural bidders through associative figures consortium or joint venture may submit proposals directly or through proxies, which on the date of submission of the proposal meet the enabling requirements requested for participation in this call process.
- iii. Consistent with the provisions of Law 842 of 2003 and other related regulations, and in order not to allow the illegal practice of engineering, the natural person who intends to participate in this call, either individually or as part of a group bidder (consortium or temporary union), must prove that possesses title of Civil Engineer or Sanitary Engineer.
- iv. The proposal must be submitted without smudges, erasures or amendments that may affect its characteristics, quantities, unit values or total values.
- v. In the event of any clarification, an explanatory note of the latter should be done.
- vi. The proposal, documents and communications delivered, sent or issued by bidders within the respective call, should be submitted in the Spanish language.
- vii. Proposals sent to other offices, by email, fax or any digital means will not be accepted.

- viii. Las proposals submitted after the date and time or at a different location from the one established for the reception shall be considered as extemporaneous, therefore, they will not be accepted. Nonetheless, they will not be subject to verification or evaluation.
- ix. In case of discrepancies between the original and the copy, the content of the original proposal will prevail.
- x. In case of discrepancies between the original economic proposal in hard copy and the one submitted in digital format, the original hard copy will prevail, and in case of discrepancies between the economic proposal and/or budget in Excel and PDF format, the file contents in PDF will prevail. Excel format is considered only as a working tool for evaluators.
- xi. The information required in the formats of this call must be filled out completely.

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

When the bidder intends to prove any requirements under these terms of reference with documentation that meets them and it is currently working in the organization, as they have been submitted in a different action within two (2) years prior to the filing date of the proposal should specifically request in the proposal that it (they) are taken into account for this call and for this purpose, they must fully identify the document (s) and point the performance in which they work for the entity to check directly, without prejudice to the bidder to provide them.

#### **1.17. PROHIBITION OF ALTERNATE OR PARTIAL OR CONDITIONED PROPOSALS**

Alternate, partial or conditioned proposals will not be accepted.

#### **1.18. TERM FOR RETURN OF PROPOSALS**

Bidders may request in writing the withdrawal of their proposals before the date and time foreseen for the closing of the call; upon request of the Legal Representative. In this case, they will be returned unopened and written record of the return will be left.

Similarly, once the call ends, bidders, except those awarded the call may file a request for return of copies of their proposal within a maximum period of fifteen (15) calendar days following the referral date of the minute for contractor selection, expired which by not receiving the request for return will be sent to general file for destruction.

#### **1.19. DEADLINE FOR SUBMISSION OF PROPOSALS**

The deadline for submitting proposals is from the moment these terms of reference are published and until the date and time established in the schedule or addenda they issued for that purpose.

For no reason proposals submitted after the date and time indicated for closure or at a different place from the one established in the schedule will be accepted.

#### **1.20. DOCUMENTS FILED FROM ABROAD**

Without exception, all the constituent documents of the **selected** proposal, issued abroad must be submitted by the **selected bidder**, duly authenticated or certified in accordance with national validation requirements for documents issued abroad. If the document is issued in a language other than the official of Colombia, it should be attached along with their official translation into Spanish language, by an official translator accredited by the Ministry of Foreign Affairs of Colombia, also said translation must be duly legalized or apostilled accordingly.

The requirement of **official translation** of documents **shall be demanded only to the selected bidder**, however, **all documents submitted with the proposal, given in a language other than Spanish, must be accompanied by the respective simple translation**. When documents through which experience is proven, are in a language other than English, the simple translation into English and Spanish must be submitted.

Apostilled or legalized documents must be submitted by the selected bidder, **within ten (10) business days following the referral Selection Record**. If clarification is required by the CONTRACTING PARTY, it will be asked by email, against which the selected bidder will have three (3) business days to rule, sending the documentation with requested amendments.

#### 1.20.1. LEGALIZATION

Public documents issued abroad by an official of a State that's not part of the Convention on Abolishing the Requirement of Legalization for Foreign Public Documents or private documents from such States must be duly legalized, for which there will be verification that there exists the following chain of legalization: (i) Making recognition of the document before a notary or person acting, if applicable; (ii) Conduct Legalization of documents to the competent authority in the country of origin (where the documents were issued); (iii) submit documents previously legalized at the Consulate of Colombia located in the country where the document was issued, so that the Colombian Consul recognizes the signature of the legalizing authority, or lack thereof, by a friendly nation; (iv) Legalizing the signing of Colombian Consul at the Ministry of Foreign Affairs of Colombia.

In the case of companies, when authenticating documents, consuls shall state that such society exists and exerts its object under the laws of the respective country.

#### 1.20.2. APOSTILLE.

In the case of documents of public nature granted abroad by the official from a State member of the Convention which has signed the Convention on the Abolition of the Requirement of Legalization for Foreign Public Documents signed at The Hague on October 5, 1961, will only require apostille. **Apostille is the process by which the authenticity of the signature and title to which serves the public official signing the document and is supplied 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 into English by an official translator duly accredited with the Colombian Ministry of Foreign Affairs, which shall be duly apostilled or legalized.

**WARNING:** The entity takes the opportunity to advise 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 selection process before the competent authority endorse **the authenticity of the signature and indicate which title the person signing the public document has acted upon.**

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

1. Verification of the date of termination or subscription of the certificates of delivery and final receipt of the contract.
2. Verification and identification of foreign currency in which the contract or project was signed.
3. Conversion of the contract value to US dollars, when dealing with a different currency and then converting it into Colombian pesos. When the contract is signed in foreign currency, the value of the US dollar will be in effect as of the date of termination or subscription of the certificates of delivery and final receipt of the contract.
4. The amount of the contract or project presented in foreign currency will be set directly when there is official information that allows conversion to currency comparison criteria.
5. Conversion to monthly legal minimum wages (MW) shall be made according to the total value of the contract on the completion date or the date of subscription of the minute of delivery and final receipt.

For the purposes of conversion to minimum wages, if the bidder submits supports of the termination date and the date of signing the certificate of delivery and/or final receipt, the date to be taken for the conversion will be the termination of the contract.

In the event that the bidder within the corresponding stage, does not submit any documents that meet the established conditions in the accreditation alternatives of experience where the total executed contract value can be checked, in order to perform the calculation of MWs, said contract or project will not be taken into account to prove this criterion of experience.

It will be taken as a reference for the establishment of the exchange rate, the rate of the Central Bank of Colombia: <http://www.banrep.gov.co/es/tasas-cambio-mundo>

## **1.22. DISQUALIFICATIONS AND INCOMPATIBILITIES**

Those who are disqualified on the grounds of disqualification or incompatibility stated in the Constitution and by law may not participate in this procurement process or contract, either directly or through an intermediary, in compliance with the provisions of Articles 13 and 15 of Law 1150 of 2007.

**NOTE:** If disqualification or incompatibility should occur to the CONTRACTOR, the latter shall assign the contract prior written authorization of the CONTRACTING PARTY or if that was not possible it will relinquish its execution.

When the disqualification or incompatibility befalls one of the members of a consortium or joint venture, it will transfer its stake to a third party prior written authorization of the CONTRACTING PARTY.

## **1.23. CONFLICTS OF INTEREST**

For the precise effects of these Terms of Reference, it shall be deemed to either individually or as part of a consortium or joint venture, a bidder may not submit proposals or subscribe contract, finding themselves in conflict of interest, when:

**1.23.1.** It incurred in the grounds provided for in Law 734 of 2002, Article 11 of Law 1437 of 2011 and other related standards.

**1.23.2.** It has participated in the structuring, evaluation, approval, viability, financing of the project under this call, as well as in structuring the Terms of Reference and the evaluation and selection of the recruitment process. The conflict of interest is also preached, regarding the actual beneficiaries of the same people.

**1.23.3.** Have participated as auditors or contractors in the development of the designs of the project object of this call. This prohibition also applies to the actual beneficiaries of the same parties.

**1.23.4.** They will not be able to present a proposal simultaneously in this call and in the call for proposals to hire the studio to which the auditing will be carried out, which is intended to be contracted with this call.

#### **1.24. 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 to perform in this process, and do all assessments and estimates necessary to submit its proposal on the basis of technical conditions and general and specific characteristics of the activity and/or work to hire.

2. **KNOWLEDGE ON THE PROJECT LOCATION:** It is the responsibility of the bidder to be aware of the conditions of the site of project implementation and activities to be implemented. Consequently, it will be at the risk and expense of the bidders, to inspect and examine the places where the works, activities, tasks, neighboring sites and their surroundings are projected, and to learn about the nature of the land, the form, characteristics and accessibility of the site.

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

3. With the single presentation of the proposal it is considered that the bidder has conducted a full examination of all aspects that may affect, it accepts the conditions and determines the presentation of it.

4. The accuracy and reliability of information different from the one submitted by the CONTRACTING PARTY, the bidder sees, is at its own risk, as well as the interpretation made of it.

5. It is the responsibility of the bidder to fully understand the technical, social, physical, economic, geographical and environmental conditions of the place where the contract is executed. Consequently, not having obtained any information that might influence the determination of its bid, will not make it exempt from the obligation of assuming the responsibilities that correspond to it, nor will entitle it to claims, refunds, adjustments of any kind or additional awards by the CONTRACTING ENTITY, in the event that any such omissions arising in subsequent overruns for the CONTRACTOR.

6. Thus, the development of the actual bid is at the risk and expense of the bidder, which must take into account that the calculation of costs and expenses, should be strictly based on their own technical studies and their own estimates.

#### **1.25. VERIFYING AUTHORITY**

The CONTRACTING Entity reserves the right to fully verify all information or documentation provided by the bidder, being able to appeal for that, to sources, individuals, companies, organizations or those means it deems necessary to achieve the verification of those aspects deemed necessary.

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

The CONTRACTING Entity reserves the right to suspend or cancel at any time or stage of the call process in progress, even before signing the contract, when occurring circumstances that prevent its normal course.

Likewise, when for reasons of convenience for the organization, it is not appropriate to continue the contracting process, this may be suspended or terminated at any stage, whenever technical, operational, economic, market or force majeure circumstances appear, of authority, irrevocable third-party or utility or convenience reasonable actions that may justify this decision.

For which the contracting will issue a certificate of suspension and/or cancellation as appropriate, which will be forwarded to those invited to participate and/or bidders as appropriate.

## 1.27. CLOSURE OF THE STAGE FOR RECEIPT OF PROPOSALS

The closure of the selection process will be in the place, date and time limit established in the schedule of the Terms of Reference of which shall be recorded by Minute of Closure signed by those who are present, and then it will be forwarded to the bidders.

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

Verification of the minimum enabling requirements of legal, technical and financial nature established in these terms of reference will not lead to score, but will enable or disable the proposal.

### 1.28.1 REMEDIATION RULES

The bidder has the burden of presenting its offer in full, that is, answering all aspects of the Terms of Reference and attaching all supporting documents or evidence of the conditions it intends to make relevant in the call.

Requests for correction will be made in the "**Document of Correction Request**" which the company will send to the bidders via email on the date stated in the schedule, so that bidders can clarify, provide information or documents designed to correct the proposal as long as the same may be subject to correction.

Bidders must send within the preclusive and peremptory term for this effect set in the schedule, the required corrections, in written form, in PDF at email [grupo-icat@findeter.gov.co](mailto:grupo-icat@findeter.gov.co), Or file them in original and two (2) copies duly paged in FINDETER facilities, located at Calle 103 No. 19-20 Bogota whose public opening hours is continuous Monday through Thursday from 8:00 to 17:00 and Friday from 7:00 to 17:00, addressed to the Contracting Office, also those documents requiring presentation in original copy, are not allowed in email, so they must be filed in hard and original copy in the service hours aforementioned. **Those extemporaneously received or based in a different place will not be taken into account.**

In the event that the entity has not noticed the absence of an enabling requirement and therefore it did not require the "Document Correction Request" or advice about the need for clarification or explanation at any time of the call, it may ask the bidders to lay up documents, clarifications or explanations on the term for the effect set out in the request.

All those requirements of the proposal that may affect the scoring or related to lack of capacity cannot be corrected, so they must be provided by the bidders right from the time of the bid submission.

In those instances where corrections or clarifications are requested to enable the proposal, bidders may not modify, add or improve their offers.

### **1.28.2 REPORT ON VERIFICATION OF ENABLING REQUIREMENTS**

From the verification of enabling requirements based on the initial proposal and the documents provided at the stage of correction, a report will be drafted to be signed by the evaluators, stating compliance or not of the legal, technical and financial enabling requirements demanded in these terms of reference, and the express indication of requests for correction and rectifications, and record of those bidders who have not corrected the enabling requirements in the term granted by the entity will be generated.

The Entity will send via email the Verification Report of Enabling Requirements on the date specified in the schedule of this selection process, and will remain available to the participants the days specified in the schedule, so that within that term bidders submit the observations they deem relevant.

### **1.29. OBSERVATIONS TO THE REPORT ON VERIFICATION OF ENABLING REQUIREMENTS**

Bidders may within the prescribed schedule in this selection process, make comments to the Verification of Enabling Requirements Report, within the terms and dates established in the schedule, via email [grupocat@findeter.gov.co](mailto:grupocat@findeter.gov.co) or Calle 103 # 19-20 Bogota, D.C.

Bidders as a result of this power, cannot add, correct, modify or improve their proposals or send documents that are being graded.

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

The entity shall respond to comments received, expressly indicating whether they are accepted or rejected, within the time specified in the schedule shall send via email, the Final Enabling Requirements Report, which shall contain the results of the bidders whose proposals are enabled or not.

### **1.31. OPENING OF ENVELOPE No. FINANCIAL PROPOSAL AND SPECIFIC ADDITIONAL BIDDER EXPERIENCE**

The CONTRACTING PARTY at the date and time foreseen in the schedule of the process, in a public act, will open the Envelope No. 2 - Financial proposal and additional experience of the qualified proposals. A certificate will be left of that event, accompanied by the attendance list which will be signed by those who are present.

In this hearing the total amount of each of the proposals will be revealed. Financial proposals will be emailed with the certificate in question.

### **1.32. METHODOLOGY AND EVALUATION OF ENABLED PROPOSALS**

Evaluators within the term established in the schedule of the selection process will conduct assessment of the economic proposal from those enabled proposals.

The report on economic verification including the results of the financial offers of all enabled proposals will be drafted and sent and to which bidders may make comments.

Upon expiration of the term above, on the dates specified in the schedule, evaluators will conduct the analysis of the observations submitted in the Financial Verification Report, determine the method and economic weighting of the proposals enabled and will prepare and forward the Final Rating Report with the respective Eligibility order.

The Entity, by addenda, may extend the evaluation period for the time it considers appropriate.

The result of the evaluation will be submitted to the Legal Representative of Findeter, indicating the order of eligibility and the respective recommendation in accordance with the result of the evaluation. Findeter's Legal Representative may make the appropriate selection and sign the certificate of selection or impossibility of selection, this certificate will be sent on the date stated in the schedule.

If for the reasons set out in these terms of reference, the selection of the bidder located in the first place in the order of eligibility is not applicable, the bidder located in second place of eligibility shall be selected and so on; if there is no second place set in order of eligibility, the process will be declared void.

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

Information concerning the analysis, clarification, evaluation and comparison of proposals and the recommendation for the selection that best suits the interests of the CONTRACTING Entity, may not be disclosed to bidders or third parties until the entity publicizes the evaluation reports to bidders by the publishing mechanisms established in the Terms of Reference within the period specified in the schedule, so that the corresponding observations can be submitted.

### **1.34. INDICATION OF LEGAL CONFIDENTIALITY FOR DOCUMENTS SUBMITTED**

Bidders should indicate in their proposal which provided documents are confidential by constitutional or legal provisions, in accordance with the Constitution or the law that enshrines the rule that protects such confidentiality. If the bidder does not express pronouncement protected by the law, it is understood that the whole proposal is public.

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

When two or more proposals have the same total score in this call, and being this the highest rating of the proposals evaluation, it is considered a tie. In this case the following tie-breakers will apply:

A draw will be conducted by ballots in hearing to be held the next business day after the referral of the Final Evaluation and Qualification Report, on the date, time and place established by notice. For these purposes, tied legal (or delegated) representatives interested will choose the ballots and will be awarded to the one who choose the greatest number.

If a bidder does not attend the tiebreak hearing, any participant of the hearing will be asked to take the ballot on their behalf.

### **1.36. MODIFICATION OR REVOCATION OF THE SELECTION DOCUMENT**

The CONTRACTING Entity may modify or revoke the certificate of selection, if within the period between the contract award and signing the same period, there is a disqualification or incompatibility of the selected bidder, or if it is proved that the certificate was obtained by illegal means.

### **1.37. GROUNDS FOR REJECTION**

The CONTRACTING Entity, shall reject the proposal if one of the following events occur:

- 1.37.1. When the proposal does not fit and cover all the necessary technical requirements or conditions.
- 1.37.2. When the bidder, whether natural person or legal entity, either individually, as a partner or as a member of a consortium or joint venture, submits more than one offer, the proposals will be rejected.
- 1.37.3. When the financial proposal for the call or phases after mathematical corrections is less than the minimum amounts or greater than the maximum amounts set in these terms of reference for the respective call or phase.
- 1.37.4. When the proposal is submitted extemporaneously or in a place other than that specified in the Terms of Reference.
- 1.37.5. When the proposal exceeds the execution time stipulated in the Terms of Reference.
- 1.37.6. When the bidder does not submit along with the technical proposal the financial offer or vice versa.
- 1.37.7. When the bidder, whether natural person or legal entity or any member of the consortium or joint venture, is found liable for the causes of disqualifications, incompatibility or conflict of interest, established by the Constitution, the law and the terms of reference.
- 1.37.8. When the bidder, whether natural person or legal entity or any member of the consortium or joint venture, is found liable for any prohibition, to tender in what is established in the current terms of reference.
- 1.37.9. When the proposal has amendments, erasures or scratches that prevent objective selection.
- 1.37.10. When the financial proposal is either partially or completely illegible.
- 1.37.11. When the bidder, whether natural person or legal entity or any member of the consortium or joint venture or its (their) representatives is (are) reported in the Bulletin of Fiscal Responsible Entities, issued by the Comptroller General of the Republic.
- 1.37.12. When the bidder, whether natural person or legal entity or any member of the consortium or joint venture or its representatives is (are) reported as ineligible to contract in the Information System for Registration of Sanctions and Causes of Disqualification "SIRI" (for its Spanish acronym) of the Attorney General's Office.
- 1.37.13. When the bidder, whether natural person or legal entity or any member of the consortium or joint venture, its members or representatives is (are) reported or included in a national or international list that refers to Money Laundering and Terrorist Financing.
- 1.37.14. If within the period granted to correct the enabling requirements, the bidder fails to do so and with the existing supports does not meet the enabling requirements.
- 1.37.15. When the bidder does not meet the enabling requirements set out in the terms of reference.
- 1.37.16. When partial, conditioned and/or alternative proposals are submitted.
- 1.37.17. When in the correction phase the percentages of participation of members of group bidders are modified, or stating that its incorporation occurred after the close of the process.
- 1.37.18. When the bidder, natural person or legal entity or any member of the consortium or joint venture submit affidavit of not having within three (3) years prior to the end of this contracting process, impositions of penalty clauses, late payment penalty clauses, fines, sanctions, or declarations of non-compliance; or within the five (5) prior to the end, conclusion or early termination of this contracting process by default of the contractor, in contracts which it has had contractor status and the entity evidences otherwise.
- 1.37.19. When the incorporation of the bidder occurs after the close of the process or the required powers are granted after the close.

- 1.37.20.** When the bidder in the proposal makes any offerings that infringe legal provisions.
- 1.37.21.** When the bidder submits documents containing information or data that lack of veracity, inconsistent, distorted, altered, inaccurate or designed to mislead the entity that affect the rating or classification of the proposal.
- 1.37.22.** When the offer by the bidder is not signed, in the case of natural persons, and in case of legal entities, consortium or joint ventures by the duly authorized legal representative of the bidder or by the proxy constituted for the purpose.
- 1.37.23.** In the other cases set forth in the Terms of Reference and the Law.

**1.38. GROUNDS TO DECLARE DESERTED BID**

1. When no proposals are submitted.
2. When none of the proposals become admissible in legal, technical, financial and experience factors under these terms of reference.
3. When causes or reasons that prevent objective selection of the bidder.
4. When the Legal Representative of Findeter does not agree with the recommendation of the order of eligibility or selection of contractor used by evaluators and opt to declare the process void, in which the decision has to be justified.

In any of the above events, the company will announce the decision by the announcement mechanisms established in the Terms of Reference.

**1.39. CONTRACT SIGNING**

The selected bidder must sign the contract within five (5) business days following the date on which the CONTRACTING Entity summon it by email, at the premises of the CONTRACTING Entity, located in the city of Bogotá.

**1.40. CONSEQUENCES OF THE NON-SIGNING OF THE AGREEMENT AND/OR NON-COMPLIANCE OF THE REQUIREMENTS FOR COMPLETION THEREOF**

If the selected bidder does not sign the respective contract(s), allows the term for its signing expire, does not comply with the guarantees required in the contract by insurance policy or bank guarantee, FINDETER S.A. may enforce the bid bond issued through insurance policy or bank guarantee and will charge its amount as compensation for damages, whatever the cause or causes alleged by the bidder, without prejudice leading to the recognition of the damage caused and not covered by the amount of the collateral legal action.

In this event, the CONTRACTING Entity may select the bidder located in second order of eligibility, and so on, provided that its proposal is also favorable for the company, in which case, it will require the referred bidder to extend the validity of the bid bond of the offer until the conclusion of the contract.

**1.41. REQUIREMENTS FOR CONTRACT EXECUTION**



The contractor will submit the guarantees by insurance policy or bank guarantee required for the implementation of the contract within three (3) business days after signing the contract.

In case of any observations by the CONTRACTING Entity to these requirements, the awarded party shall respond within a period not exceeding two (2) business days.

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

The CONTRACTING PARTY will approve the guarantees provided by the PROJECT AUDITING by insurance policy or bank guarantee if they meet the requirements, within two (2) working days of the date of filing thereof.

In case of any observations by the CONTRACTING Entity to these requirements, the awarded party shall respond within a period not exceeding two (2) business days.

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

Within fifteen (15) working days after signing the contract, and if the contractor does not have an office in the Colombian territory, it shall constitute an office in Bogota, and inform the Contracting Entity in writing the address where it is located.

## **SUB-CHAPTER II DOCUMENTS AND LEGAL REQUIREMENTS**

### **2.1 DOCUMENTS AND PROPOSAL REQUIREMENTS**

The proposal must meet the requirements and furnish the documents listed below:

#### **2.1.1. INCORPORATION AND LEGAL REPRESENTATION**

The bidder, national or foreign legal entity with a branch and/or office in Colombia, must prove its incorporation and legal representation, providing the certificate issued by the corresponding Chamber of Commerce, in which the following will be verified:

1. Date of issue of the certificate of incorporation and legal representation: It cannot be more than thirty (30) calendar days prior to the date scheduled for the closing date of this process.
2. Corporate Purpose: It must be related to the object to contract or the activities therein.
3. Powers of the legal representative: The powers of the person exercising the legal representation should enable them to submit the offer, the signing of the contract resulting from this selection process in case of being selected and to commit the entity.
4. Limitations of the legal representative: In the event that the contents of the certificate issued by the Chamber of Commerce, prove that the legal representative is restricted to submit the proposal and/or to contract and be bound on behalf of it, they must prove the authorization by which the competent body authorizes them to submit the proposal and conclude the contract in the event of being selected and if it requires to establish the powers of the Legal Representative in the statutes, they must attach a copy of the relevant portion thereof. Such authorization must have been previously granted at the end of this selection process. The final absence of sufficient authorization or no submission of that document within the time required by the entity, or accreditation thereof after the closing, will determine the lack of legal capacity to submit the proposal, and therefore proceed to rejection.
5. Domicile: That the legal entity has domicile or branch offices and duly registered in Colombia.
6. Term of Incorporation: That the legal entity be constituted one (1) year prior to the end of this call.
7. Branches must certify that they are registered in Colombia one (1) year prior to the end of this call.
8. Term of Duration: That the term of duration is equal to the period of completion of the contract and five (5) years longer.
9. Appointment of the auditor, if appropriate.

The foreign entity without a branch and/or domicile in Colombia, must accredit this requirement with an equivalent document in its country of origin. The equivalent document provided will be understood as rendered under severity of oath, a situation that will be understood as rendered with the submission of the offer.

In the case of consortium or joint venture, each of its members must meet these requirements individually.

Failure to comply with the requirements herein will result in the proposal being not legally authorized; in the case of clarification or enabling documents, they must be provided by the bidder in the terms and time limits specified by the entity.

### **2.1.2 CONSTITUTION DOCUMENT FOR MULTIPLE BIDDERS (IF APPLICABLE):**

The bidder must submit the constitution document of the group bidder, which shall include at least the following:

1. The constitution document of group bidder must be accompanied, by each of the members of the multiple structure and its legal representative, the following:

- a. Natural persons, must provide a legible copy of their citizenship ID card on both sides.
- b. Legal entities, must provide a legible copy on both sides of the citizenship ID card of the legal representative.
- c. In the case of a foreign natural person domiciled in Colombia and a foreign legal person with a business establishment or branch in Colombia, a copy of the foreigner's identity card or residence permit of the bidder must be attached, either a natural person or the legal representative of the legal entity or administrator of the branch.
- d. In the case of a foreign natural person without registered office in Colombia and a foreign legal entity without a business establishment or branch in Colombia, a legible copy of the passport of the bidder must be provided, either a natural person or the legal representative of the legal entity.
- e. When the citizenship card or foreign card is in process, the password issued by the Colombian Civil Service National Registry will be considered as a valid document.

2. The purpose of the consortium or joint venture, must be the same as the purpose to be contracted.

3. The bidder may assign a name to the consortium or joint venture; however, it must refrain from referring to or including in said nomination the name of the Territorial Development Finance Entity (Financiera de Desarrollo Territorial) or Findeter.

4. The appointment of a representative who must be authorized to act on behalf of the consortium or joint venture; likewise, an alternate representative may be appointed to replace him in cases of temporary or permanent absence.

5. The indication of the registered office of the associative figure

6. Indicate whether the participation is by way of consortium or joint venture, and in the latter case, expressly indicate the activities, terms and extent of the participation of each of its members in the offer and in the execution of the contract.

7. The clear and express statement that the members of the consortium or joint venture will respond for the fulfillment of each and every one of the obligations derived from the offer and the contract, for the members of the joint and unlimited consortium regarding the penalties for the breach of the obligations derived from the offer and the contract, and limited according to the participation of the members in the case of the joint venture.

8. For this call, at least one (1) of the members that certify the specific experience indicated in these Terms of Reference must have a participation equal to or greater than thirty percent (30%). If only one (1) of the members of the bidder group is the one who accredits the specific experience, their participation in the same may not be less than fifty percent (50%).
9. When multiple bidders are incorporated with Colombian companies or natural persons, the leader of the associative figure must belong to the Commercial Framework prepared by the British Embassy, and its percentage of participation cannot be less than THIRTY PERCENT (30%).
10. In no case may the percentage distribution shall exceed 100%.

Failure to comply with the above percentages of participation will be grounds for REJECTION of the offer, likewise, the rejection will proceed, when in the rectification stage, the participation percentages of the members of the group bidder will be modified or that their constitution will occur subsequently, at the end of the process.

#### **2.1.2.1. GENERAL PROVISIONS FOR MULTIPLE BIDDERS**

Each of the members of the bidder group, whether natural or legal person, national or foreign, must strictly comply with each of the following requirements:

1. The documentation that proves the incorporation and legal representation of each one of its members and the necessary capacity, such as certificates of incorporation and legal representation issued by the Chamber of Commerce, must be attached to the incorporation document of the consortium or joint venture, minutes of the Board of Directors and powers of attorney and in the case of legal persons under public law, the corresponding act of creation (if applicable), appointment resolution, assumption certificate and photocopy of the citizenship card of the legal representative, together with the Chief of Personnel certification, or whoever acts on the validity of the legal representative appointment.
2. In case that the content of the Certificate issued by the Chamber of Commerce, it appears that the legal representative has restrictions to submit the offer and/or sign up the contract and be bound on behalf of the same, must accredit the authorization by which the competent body authorizes to submit the offer and sign up the contract in the event of being awarded and if it is required to establish the powers of the Legal Representative in the statutes, must attach a copy of the relevant part thereof.
3. The bidder group members shall be responsible for the fulfillment of each and every one of the obligations derived from the offer and the contract, from the pre-contractual, contractual and post-contractual stages.
4. Its members, attorneys-in-fact and legal representatives cannot be reported or included in the restrictive lists domestic or international that refer to the Laundering of Assets and Financing of Terrorism.
5. Foreign legal entities that participate in a consortium or joint venture may constitute a single joint proxy, and in such case, the presentation of the common power granted by all the members, with the requirements of authentication, validation, legalization, shall be sufficient for all purposes and/or an apostille and translation required by Colombian Trade Code, in addition to those indicated in these Terms of Reference. The power referred to in this paragraph may be granted in the same constitution act of the Consortium or Joint venture.

6. The performance bid bond constituted by insurance policy or bank guarantee, in the case of group bidder, in addition to the requirements indicated in these terms of reference, must indicate the members of the plural bidder and their percentage of participation.
7. Each bidder, whether participating individually or as a consortium or joint venture, must submit only one offer.
8. Once the consortium or joint venture is constituted, its members cannot assign or transfer their participation in it, nor modify its members or their participation in it. In case it is necessary to carry out some type of modification, once the contract has been signed, it will require written authorization from the CONTRACTING PARTY.
9. For tax purposes, consortiums and joint ventures will be subject to the regime established in the Tax Statute.

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

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

In the case of a legal entity, the bidder must provide a legible copy on both sides of the citizenship ID card for the legal representative.

In the case of a foreign natural person domiciled in Colombia and a foreign legal person with a business establishment or branch in Colombia, a copy of the foreigner's identity card or residence permit of the bidder must be attached, either a natural person or the legal representative of the legal entity or administrator of the branch.

In the case of a foreign natural person without registered office in Colombia and a foreign legal entity without a business establishment or branch in Colombia, a legible copy of the passport of the bidder must be provided, either a natural person or the legal representative of the legal entity.

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

The bidder may present the Fiscal Responsibility Certificate issued by the General Comptroller of the Republic; of the natural person, or of the company and the legal representative in case of legal persons, in which it is indicated that they are not reported. Said certificate must have been issued within thirty (30) calendar days prior to the closing date of this selection process. If the certificate is not provided, the CONTRACTING PARTY at the time of verification will check the corresponding information on the General Comptroller of the Republic website.

The foreign natural or legal person without registered office or branch in Colombia, must also present the certification referred to in the previous paragraph, which states that it is not reported; in case of not being registered, must prove this requirement with the equivalent document in its country of origin, unless this requirement or the authority is not established, for which the bidder must declare it under the seriousness of the oath.

### **2.1.5. CERTIFICATE OF BACKGROUND FROM COLOMBIA'S ATTORNEY GENERAL**

The bidder may present the Disciplinary Background Certificate issued by the Attorney General's Office; of the natural person, or of the company and the legal representative in case of legal persons, in which it is certified that it does not register penalties or valid inabilities to contract in the Registration of Penalties and Inability Causes Information System "SIRI" of the Attorney General of the Nation Office. Certificate that must have an issuing date no greater than thirty (30) calendar days, prior to the closing date of this selection process. In case of not providing the certificate, the CONTRACTING PARTY at the time of verification, will check the corresponding background.

The foreign natural or legal person without registered office or branch in Colombia, must also present the certification referred to in the previous paragraph, which states that it is not reported; in case of not being registered, must prove this requirement with the equivalent document in its country of origin, unless this requirement or the authority is not established, for which the bidder must declare it under the seriousness of the oath. The foregoing, without prejudice to the contractor, at the time of verification, see the relevant background on the Attorney General of the Nation Office website.

#### **2.1.6. LEGAL BACKGROUND CERTIFICATE**

The bidder may submit the judicial records consultation certificate provided by the National Police to natural or legal persons, members of the consortium or joint venture, or their representatives.

The certificate must have an issuing date no greater than thirty (30) calendar days, prior to the closing date of this selection process. In case of not providing the certificate, the CONTRACTING PARTY at the time of verification, will check the corresponding background.

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

In the event that the selected bidder offers a professional engineer or an auxiliary profession or similar, graduated and domiciled abroad, the temporary permit issued by the National Professional Council of Engineering and its Auxiliaries Professions -COPNIA must be submitted to the auditor for the sign up of the initial document, for the temporary exercise of the profession in Colombia without professional registration, professional registration certificate or registration certificate, as the case may be.

#### **2.1.8. PERFORMANCE BID BOND**

The bidder must set up at its own expense, and present with its offer, an insurance policy or bank guarantee on first demand, issued by an insurance company or a bank entity or establishment; legally constituted in Colombia, as appropriate; that protects the severity of the offer with the following characteristics:

- **CONTRACTING PARTY: FINANCIERA DEL DESARROLLO TERRITORIAL SA - FINDETER NIT: 800.096.329-1**

With the timely presentation of the offer, it is understood that it is irrevocable and that the bidder maintains all the conditions in force throughout the term of the insurance policy or bank guarantee, including terms extensions that shall come in accordance with the terms of reference and their respective addenda.

When the insurance or bank guarantee policy of the offer is not submitted, or it does not contain the requirements of the terms of reference, the bidder must clarify or correct them and submit the modifications within the

peremptory term established by the CONTRACTING PARTY, under penalty of rejection of the offer if it does not comply.

**The bidder must provide the payment support of the corresponding policy premium. Non-expiration certification due to non-payment, or electronic transaction support will not be accepted.**

Bidders not appointed with the award of the contract, once the selection process is completed, may submit a request signed by the legal representative to return the original of the insurance policy or bank guarantee.

**A. TO CONSTITUTE THE BID BOND THROUGH AN INSURANCE POLICY, THE BIDDER SHALL:**

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

1. Coverages: The Performance Bid Bond must cover the damages derived from the breach of the offer, and will have a sanctioning 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 closing of the process scheduled date, and in case of the extension of the closing, it must be constituted from the new date set for the closing.
4. FINANCIERA DE DESARROLLO TERRITORIAL S. A. FINDETER. NIT: 800,096,329-1
5. FINANCIERA DE DESARROLLO TERRITORIAL S. A. FINDETER. NIT: 800,096,329-1
6. Policy Holder: The Bid Bond must be taken with the name of the bidder as it appears on the identity document and in the case of a consortium or joint venture in the name of the latter and not of its legal representative and must indicate the members thereof and their percentage of participation according to the constitution document.

**B. TO CONSTITUTE THE FIRST REQUEST BANK GUARANTEE, THE BIDDER SHALL:**

In the case of first request bank guarantees, these must be recorded in a private document in which the bank entity or establishment assumes expressly, autonomously, and irrevocably, in favor of THE CONTRACTING PARTY the commitment to honor the obligations under the BIDDER, in case of non-compliance by the latter, for an amount equivalent to 10% of the total value of the project budget and must be valid for four (4) months as of the date scheduled for the closing of the process, and in case of the extension of the closing, it should be constituted from the new date set for the closing

And therefore, to pay directly to the CONTRACTING PARTY, on first demand, up to the guaranteed amount, a sum of money equivalent to the value of the damage suffered as a consequence of the breach of the obligations assumed by the BIDDER and the same will be made effective by means of a non-compliance constituent document and will be reported to the bank entity or establishment.

The BIDDER must prove the constitution of the guarantee, by means of the delivery of the document containing it, signed by the legal representative of the bank entity or by its agent, and it must include: i) the name of the CONTRACTING PARTY beneficiary of the warranty; ii) the guaranteed risks; iii) the way to make the guarantee required; iv) the value of the guarantee; and v) the validity of the guarantee in accordance with the coverages, amounts and demands made in this item.

### **2.1.9. UNIQUE TAX RECORD (RUT) OR ITS EQUIVALENT**

The bidder, either a natural or legal person, national or foreign, domiciled and/or with a branch in Colombia, must submit the Unique Tax Registration certificate - RUT.

If the bidder is a natural or legal foreign person without registered office and/or branch in Colombia, this requirement does not apply for the submit of the offer, but if its awarded, it must be registered in the Unique Tax Registration (RUT from its acronym in Spanish) before the Tax Office and National Customs of Colombia.

### **2.1.10. CERTIFICATION OF COMPLIANCE OF OBLIGATIONS WITH THE GENERAL SYSTEMS OF COMPREHENSIVE SOCIAL SECURITY AND PARTICIPATORY CONTRIBUTIONS**

The bidder must prove that it is up to date on the closing date of the selection process, with the payment of the contributions generated from the payroll of its employees for the last six (6) months for health systems, professional risks, pensions and contributions to the Family Compensation Funds, the Colombian Family Welfare Institute and the National Apprenticeship Service.

In the event that you are NOT required to pay parafiscal contributions and social security, because you do not have staff in charge, you must declare this circumstance under the seriousness of the oath.

In the event that you are NOT required to pay contributions to SENA, ICBF and Health, you must declare this circumstance under the severity of the oath and, likewise, certify compliance with the payment of contributions to pensions, professional risks and Compensation Funds generated from the payroll of employees for the six (6) months prior to the closing date.

The above circumstances will be accredited as follows:

- a. Legal persons will do so by means of a certificate issued and signed by the fiscal auditor (when in accordance with the Law it is required to have it or when such bylaws were provided), or by the legal representative when it is not required to have a fiscal auditor.
- b. Natural persons will do so by means of an affidavit.

Additionally, in the case of a national natural person must prove compliance with this requirement, with a form or record of membership in the General Social Security System, which accredits that is linked as a contributor, beneficiary or affiliate mode to the subsidized scheme, at least of the month immediately prior to the scheduled date for the closing of this call.

### **2.1.11. CERTIFICATION AS A CIVIL ENGINEER OR SANITARY ENGINEER - NATURAL PERSON REQUIREMENT**

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 call, either individually or as a member of a plural bidder (consortium or joint venture), must prove that has a degree as a Civil Engineer or Health Engineer, for which must attach a copy of its professional registration and copy of the certificate of validity of professional registration issued by the COPNIA which must be current

### **2.1.12. OFFER CERTIFICATE**

If the legal representative or representative of the individual bidder of a national or foreign legal entity or the legal representative or representative of the plural structure, does not hold a Civil Engineer or Sanitary Engineer degree, the offer must be approved by a Civil Engineer or a registered Sanitary Engineer, for which you must attach a copy of his/her professional registration and a copy of the certificate of validity of professional registration issued by COPNIA, which must be current.

#### **2.1.13. CERTIFICATION OF THE AUDITOR**

The national or foreign legal entity with registered office and/or branch in Colombia, must obtain a certification issued by the Fiscal Auditor stating whether it is an open or closed corporation. This requirement will only be required for joint-stock companies.

The foreign legal entity without registered office and/or branch 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 severity of oath, a situation that will be understood as rendered with the submission of the offer.

#### **2.1.14. SOLE REGISTRY OF BIDDERS CERTIFICATE OF THE CHAMBER OF COMMERCE SOLE BUSINESS REGISTRY (IF REGISTERED)**

Only for the purposes of verification and evaluation of the fulfillment factor previous contracts, the natural or legal persons that are registered in the Unique Bidder Registry from the Single Business Registry of the Chamber of Commerce, they must provide the registration certificate of the singular bidder and the each of the members of the consortium or joint venture in the case of bidder groups, updated and issued (s) within thirty (30) calendar days, prior to the closing date of this call.

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

The bidder, their legal representatives or their attorneys-in-fact may not be reported or included in the national or international restrictive lists that refer to the Money Laundering and Terrorism Financing.

Consequently, with the submission of the offer, they grant express authorization for the entity to consult restrictive lists, information systems and databases at any time, which refer to the Money Laundering and Terrorism Financing.

Likewise, with the submission of the offer it states that the resources that make up its assets do not come from money laundering, terrorism financing, drug trafficking, illegal collection of money and in general from any illicit activity and that in case of being granted with the award, the resources received in the development of the contract of the call, will not be destined to any of the activities described above.

The bidder states with the presentation of the offer that: (i) neither as legal representative, nor the society he represents, are included in the restrictive lists that refer to the Money Laundering and Terrorism Financing, (ii) the resources that make up its assets do not come from assets laundering, terrorism financing, drug trafficking, illegal collection of money and in general from any illicit activity, and (iii) that the resources received in the development of this contract will not be destined to any of the activities described above.

The bidder with the submission of the offer, is subject to the current and applicable rules on prevention and control of Money Laundering and Terrorism Financing, and therefore commits to comply with them and to



British Embassy  
Colombia



implement, if necessary, the mechanisms of prevention and control with In order to detect and report unusual and suspicious operations on time. In the event that the bidder is, in other words, related to unusual and suspicious transactions in the area of Money Laundering and Terrorism Financing, he must immediately inform the CONTRACTING PARTY in writing so that it can proceed with the contractual and/or legal actions corresponding in order to establish the impact of the risk and 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 offer, so that at any time it may consult restrictive lists, information systems and databases that may be referred to, which refer to the Money Laundering and Terrorism Financing.

## SUB-CHAPTER III VERIFICATION OF LEGAL, TECHNICAL AND FINANCIAL ENABLING REQUIREMENTS

### 3.1 ENABLING REQUIREMENTS

FINDETER will conduct the verification of the enabling requirements of a legal, financial and technical nature, as follows:

- a. It consists of verification of compliance with all legal requirements and those required in the terms of reference.
- b. Technical check: It consists of verifying compliance with the specifications established in the terms of reference and compliance with the minimum criteria required in terms of experience and conflict of interest.
- c. Financial verification: It consists in the verification of the factors of financial order established in the present terms of reference.

#### 3.1.1 ENABLING REQUIREMENTS OF LEGAL ORDER

In order to enable the proposal, the bidder must comply with the legal requirements and include all legal documents required in the terms of reference, in particular those contained in the section of documents and requirements of the proposal.

#### 3.1.2 ENABLING REQUIREMENTS OF FINANCIAL ORDER

For the proposal to be considered financially feasible, the national bidder, foreigners with a branch in Colombia and foreign bidders without a branch in Colombia, must submit with the proposal

##### 3.1.2.1. NATIONAL BIDDERS

The financial verification will be carried out taking into account the financial information as of December 31, 2017 contained in the bidder's Financial Statements. For the purpose of carrying out such verification, the bidder must complete and submit the following documents with the proposal:

- a. Balance Sheet and Income Statement with cutoff date December 31, 2017, duly signed by the legal representative or owner, accountant and/or Statutory Auditor. The Balance Sheet must clearly break down the concepts of CURRENT ASSETS, TOTAL ASSETS, CURRENT LIABILITIES, TOTAL LIABILITIES, EQUITY AND THE YEAR'S NET PROFIT.
- b. Legible Disciplinary Records Certificate of the Accountant and/or the Statutory Auditor who has signed the Financial Statements, issued by the Central Board of Accountants with a date of issue no greater than ninety days prior to the date of submission of the duly updated proposal.
- c. Photocopy of the Professional Certification of the Public Accountant and/or Statutory Auditor, as the case may be, who sign the Financial Statements

All the financial information must be submitted by Colombian natural persons or national legal persons, as well as by each one of the members of the consortium or temporary joint venture, either 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 presented must comply with the accounting technique, especially with the guidelines issued by Decree 2649 of 1993 and other relevant regulations adding, modifying or replacing it.

**Financial Matters:** For the proposal to be considered financially enabled, the following requirements must be met:

| INDICATOR        | CALCULATION FORMULA                | DEMAND LEVEL                  |
|------------------|------------------------------------|-------------------------------|
| Liquidity        | Current assets/Current liabilities | Greater than or equal to 1.5x |
| Return On Equity | Net income/Equity                  | Greater than or equal to 5%   |

In case of temporary joint venture or consortia, the compliance of the financial capacity will be evaluated taking into account the weighting of the respective items of each member according to the participation of each member specified in the consortium or temporary joint venture document.

The indicators to be evaluated will be calculated based on the bidder's financial statements of the year 2016.

### 3.1.2.2. FOREIGN BIDDERS

#### 3.1.2.2.1. FOREIGN LEGAL PERSONS WITH DOMICILE OR BRANCHES IN COLOMBIA

In the case of foreign legal entities that have their domicile or branch in Colombia and those nationals with a 100% foreign participation, the financial verification will be carried out taking into account the financial information as of December 31, 2017 stated in the consolidated Financial Statements of the parent company.

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

- a. The Consolidated Financial Statements (Balance Sheet and Income Statement) of the parent company with cutoff date December 31, 2017, accompanied by the translation into Spanish, submitted in accordance with the catalog of accounts (PUC) Decree 2650 of 1993, expressed in Colombian pesos, at the market's exchange rate (TRM) or at the cutoff date exchange rate thereof, indicating the conversion rate, signed by the legal representative (Colombian or of the parent company), the Colombian public accountant and/or Colombian statutory auditor who has converted them. The Balance Sheet must clearly break down the concepts of CURRENT ASSETS, TOTAL ASSETS, CURRENT LIABILITIES, TOTAL LIABILITIES, EQUITY AND THE YEAR'S NET PROFIT.
- b. Legible Disciplinary Records Certificate of the Accountant and/or the Statutory Auditor who has signed the Financial Statements converted to Colombian pesos, issued by the Central Board of Accountants. Date of issue no greater than ninety days prior to the date of submission of the duly updated proposal.

- c. Photocopy of the Professional Certification of the Public Accountant and/or Statutory Auditor, as the case may be, who has converted the Financial Statements into Colombian pesos.

The provisions of these terms of reference regarding foreign bidders will be governed without prejudice to what is agreed in international treaties or agreements. Foreign companies with branches in Colombia will be subject to regulations for Colombian Companies.

If some of these requirements are not applicable in the country of domicile of the foreign bidder, the legal representative or attorney in Colombia shall certify it under oath. Likewise, this requirement can be accredited by the external auditing firm.

The provisions of these terms of reference related to foreign legal persons with domicile or branch in Colombia will be governed without prejudice to what is agreed in international treaties or agreements.

**Language** - The documents with which the bidder accredits their enabling requirements that were originally written in a language other than Spanish, must be translated into Spanish and submitted in their original language together with the Spanish translation. The bidder can submit a simple translation into Spanish. If the bidder is awarded to sign the contract, they must submit the official translation into Spanish of the documents submitted in a foreign language.

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

**Currency** - Bidders must provide the financial information in the legal currency from the country of issue and additionally in Colombian pesos. In order to demonstrate and verify the enabling requirements, the bidder and the Contracting Entity shall consider the exchange rate applicable on the date on which the financial information was issued. For this purpose, the bidder and the Contracting Entity will take into account the exchange rates certified by the Financial Superintendence of Colombia.

All the financial information must be submitted by natural persons or legal persons, as well as by each one of the members of the consortium or temporary joint venture, either 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 presented must comply with the accounting technique, especially with the guidelines issued by Decree 2649 of 1993 and other relevant regulations adding, modifying or replacing it.

### **3.1.2.2.2. FOREIGN LEGAL PERSONS WITH DOMICILE OR BRANCHES IN COLOMBIA**

In the case of foreign legal entities, they must present the financial information listed 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 Commercial Code and Law 455 of 1998, accompanied by translation into Spanish, with the amounts converted to the Colombian legal currency at the exchange rate of the cut-off date, guaranteed by the signature of the person mandated to do so in accordance with the current regulations of the country of origin:

- a. The Financial Statements (Balance Sheet and Income Statement) with cutoff date December 31, 2017, accompanied by the translation into Spanish, submitted in accordance with the catalog of accounts (PUC) Decree 2650 of 1993, expressed in Colombian pesos, at the market's exchange rate (TRM) or at the cutoff date exchange rate thereof, indicating the conversion rate, signed by

the legal representative (Colombian or of the parent company), the Colombian public accountant and/or Colombian statutory auditor who has converted them. The Balance Sheet must clearly break down the concepts of CURRENT ASSETS, TOTAL ASSETS, CURRENT LIABILITIES, TOTAL LIABILITIES, EQUITY AND THE YEAR'S NET PROFIT.

- b. The **selected bidder's**, Financial Statements and financial documents issued abroad must be signed by the Consulate or apostilled, in accordance with the Law and the cutoff date will be December 31, 2016, unless it is duly proven that the legislation of the country of origin establishes a cut-off date different from that provided in these terms.
- c. Legible Disciplinary Records Certificate of the Accountant and/or the Statutory Auditor who has signed the Financial Statements converted to Colombian pesos, issued by the Central Board of Accountants. Date of issue no greater than ninety days prior to the date of submission of the duly updated proposal.
- d. Photocopy of the Professional Certification of the Public Accountant and/or Statutory Auditor, as the case may be, who has converted the Financial Statements into Colombian pesos.

The provisions of these terms of reference regarding foreign bidders will be governed without prejudice to what is agreed in international treaties or agreements.

**Language** - The documents with which the bidder accredits their enabling requirements that were originally written in a language other than Spanish, must be translated into Spanish and submitted in their original language together with the Spanish translation. The bidder can submit a simple translation into Spanish. If the bidder is awarded to sign the contract, they must submit the official translation into Spanish of the documents submitted in a foreign language. The official translation must be the same text submitted to accredit the enabling requirements.

**Currency** - Bidders must provide the financial information in the legal currency from the country of issue and additionally in Colombian pesos. In order to demonstrate and verify the enabling requirements, the bidder and the Contracting Entity shall consider the exchange rate applicable on the date on which the financial information was issued. For this purpose, the bidder and the Contracting Entity will take into account the exchange rates certified by the Financial Superintendence of Colombia.

All the financial information must be submitted by natural persons or legal persons, as well as by each one of the members of the consortium or temporary joint venture, either 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 presented must comply with the accounting technique, especially with the guidelines issued by Decree 2649 of 1993 and other relevant regulations adding, modifying or replacing it.

For the proposal to be considered financially enabled, the following requirements must be met:

| INDICATOR        | CALCULATION FORMULA                | DEMAND LEVEL                  |
|------------------|------------------------------------|-------------------------------|
| Liquidity        | Current assets/Current liabilities | Greater than or equal to 1.5x |
| Return On Equity | Net income/Equity                  | Greater than or equal to 5%   |

### 3.1.3 ENABLING REQUIREMENTS OF A TECHNICAL ORDER

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

#### 3.1.3.1 SPECIFIC BIDDER EXPERIENCE

##### a. TECHNICAL EXPERIENCE

It is considered that the technical factor of choice is the Specific Experience of the bidder, for which in the present process it is considered appropriate, objective and reasonable to request Specific Experience in any of the following activities:

- **ELABORATION OF STUDIES AND/OR DESIGNS OF SEWAGE PROJECTS.**
- **PROJECT AUDITING THE ELABORATION OF STUDIES AND/OR DESIGNS OF SEWAGE PROJECTS**

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

- I. The contracts provided must add all together an amount equal to or greater than 1.00 times the total of the sum of the Estimated Budget - EB (Phase 1 + Phase 2), expressed in current legal minimum monthly wages (MW).
- II. One of the contracts provided must accredit, a total equal to or greater than 0.50 times the total of the sum of the Estimated Budget - EB (Phase 1 + Phase 2), expressed in current minimum monthly wages (MW).

**NOTE:** Only the amount corresponding to the activity of ELABORATION OF STUDIES AND/OR DESIGNS OF SEWAGE PROJECTS or of PROJECT AUDITING TO THE ELABORATION OF STUDIES AND/OR DESIGNS OF SEWAGE PROJECTS will be taken into account to prove the particular condition indicated above. The total of other projects, scopes, activities or experiences different from the ELABORATION OF STUDIES AND/OR DESIGNS OF SEWAGE PROJECTS or PROJECT AUDITING TO ELABORATION OF STUDIES AND/OR DESIGNS OF SEWAGE PROJECTS will not be taken into account for to prove the particular condition of value.

##### b. EXPERIENCE IN LEGAL AND FINANCIAL STRUCTURING

| Number of contracts | Description   |
|---------------------|---|
| <b>Two (2)</b>      | <p>Experience in legal and financial structuring of infrastructure projects must be accredited.</p> <p>The estimated CAPEX in each of the contracts subject to structuring must be equal to or greater than \$40,000,000,000 (forty billion Colombian pesos) at prices of July 31, 2018.</p> <p>The contracts entered into to carry out the legal and financial structuring must have been signed within the last fifteen (15) years prior to the date established in the timeline for the submission of tenders in this selection process.</p> |

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

A. When certifications or certificates of specific experience executed in any type of incorporation figure are presented, 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 activities executed in full 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 had in the respective incorporation figure. For the purpose of accounting for the proportion of the specific experience of an activity, the unit of measurement and/or capacity of the structure and/or component, of the specific experience that is being required to be accredited, shall be taken into account.

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 form a plural bidder to participate in the present process, said contract or project shall be understood to have contributed as one (1) only contract or project, and the sum of the percentages of the members of the Consortium or Temporary Joint Venture that executed the contract, and who are participating in this process.

In such case, the contract will be taken into account in the totality of the participation of the members who constituted 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, said contract will be understood as one (1) single contract or project and only the experience of this member will be quantified under this rule. The percentage of participation of the other members in said contract or project can not be accumulated, therefore, it can not be accredited but up to 100% of the experience executed in the contract or project provided.

- ii. The value of the contract will be quantified in proportion to the percentage of participation that the member has had in the respective incorporation figure.
- iii. Individual specific experience may be accumulated for each of the members in order to achieve one hundred percent (100%) of the specific experience required.
- iv. In no case may the specific experience accredited to that of another of its members be accumulated in order to achieve 50% of the specific individual experience required.

B. **EXPERIENCE ACQUIRED THROUGH AN INTERNATIONAL NETWORK OF FIRMS:** The experience acquired through an international network of firms will be considered valid, consequently, if the bidder is a member of an international network of firms, they will be able to present: (i) certifications of the contracts executed by one of the members of the international network; (ii) must attach the certificate specifying that both the bidder and the company that executed the contract are members of the international network; and (iii) must complete the *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 technical support in the corresponding matter and thus ensure the successful execution of the activities carried out by the contractor, depending on the specific task that the technical assistant is mandated to perform.

In order to prove that the bidder and the company that executed the contract are members of the same international network of firms, the bidder must submit any of the following documents with its proposal:

1) a certification issued by the head organization that groups the member firms indicating that the two companies belong to the 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, in which, under oath, they indicate that they belong to the international network of firms.

Findeter will apply the principle of good faith regarding the information contained in such certifications. However, it may require, at its discretion, the information it deems necessary to corroborate what is stated in the documents and if there are statements that are not true, it will initiate the corresponding legal actions.

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

For evaluation and validity of the specific experience accredited through a technical assistant, it is considered as such, the company belonging to an international network of corporations that provides the documentation to demonstrate the specific experience required in the terms of reference, accompanied by the promise of technical assistance contract in relation to the bidder.

In virtue of the above, the bidder shall attach with its proposal, a promise of a technical assistance contract between the bidder and technical assistant, whose signature will only be subject to condition of awarding of the contract. Such promise must specify an unconditional and irrevocable commitment for the duration of the contract of technical assistance, which can not be shorter than the term of the contract, expressly assuming the commitment to not reduce the participation indicated in the incorporation or subordination.

The purpose of the technical assistance contracts will be the provision of the necessary technical assistance to the contractor to ensure that it has the technical support in the corresponding matter 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 must contain at least the necessary and sufficient provisions for:

- a) ~~That~~ the Technical Assistant assume unconditionally, both with the bidder and with Findeter, the technical responsibility for the results of the task it is obliged to deliver.
- b) ~~Guarantee~~ that the completion of the technical assistance contract does not take place before the end of the total execution of the activities described in the contract.
- c) ~~Not~~ to include clauses that void or reduce the responsibility of the technical assistant, which must be full in relation to the provision of the technical assistance necessary for the development of the activities described in the contract along with the technical results therein.
- d) ~~Establish~~ that failure to comply with the obligations of the technical assistant or its replacement, without the formalities described, will be cause for breach of contract.

For accreditation purposes, the Technical Assistant must demonstrate that they comply with bidder requirements.

The technical assistant must declare in the promise for technical assistance contract that they are not undergoing an inability, incompatibility or conflict of interest to be part of the work team of the bidder and the contractor in case the contract is awarded.

Only one technical assistant will be accepted per bidder, similarly the same technical assistant can only participate with one bidder.

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, therefore, any cost, obligation or risk on this matter, will be assumed directly by the bidder or awardee.

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

D. Conversion to current minimum legal monthly wages (SMMLV) will be calculated according to the total amount executed in the contract or project or activity (if specific experience is required in certain activity) on the date of termination or the date of subscription of the delivery certificate and final receipt thereof, in conformity with the Colombian minimum wage in effect for said date.

For purposes of the conversion to minimum wages, in the event that the bidder submits support both of the date of termination and of the date of subscription of the delivery and/or final receipt, the date that will be taken for the conversion will be the that of termination of the contract.

In case the bidder fails to submit, within the corresponding dates, documents that demonstrate the conditions established in the experience accreditation alternatives, where the total value of the contract can be verified, in order to calculate of the minimum wage (SMMLV), said contract or project will not be considered to accredit this experience criterion.

For the above purposes, the entity will also convert the estimated budget of the call to Current Minimum Legal Monthly Wages at the closing date.

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

**Alternative A.** By submitting a certification or certificate issued by the contracting entity, stating the purpose of the contract or project, the total or final value, the date of completion, the percentage of participation of the bidder, the activities and/or products required as specific experience, the execution, termination or liquidation of the contract or project. In no case will the certification or certificate issued only by the external project auditor of the contracting party be accepted.

**Alternative B.** A copy of the certificate of receipt or final delivery act (or any document in lieu thereof) or copy of the liquidation act may be attached, provided they contain the following minimum information: object of the contract or project, the total or final value, the date of termination, the percentage of participation of the bidder, the activities and/or products required as specific experience, the execution, termination or liquidation of the contract or project, and must be signed as appropriate by the project 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 provided with an apostille or legalized as appropriate by the **selected bidder**, in accordance with the

requirements of these terms of reference. Notwithstanding the foregoing, and in view of the impossibility of filing said procedures, a simple copy of such documents may be provided, accompanied by an affidavit issued before a Notary; in case of surrendering said affidavit in a foreign country, the apostille or legalization process, as appropriate, must be advanced with the full requirements of the present terms of reference.

**In any case, experiences and/or certifications will not be accepted where the interested party participated as a subcontractor, nor self-certifications, understood as: i) Any certification issued by the offeror to accredit their own experience. ii) Any certification issued by incorporation figures in which the offeror or the members of the same have taken part.**

In case the documents provided fail to contain the information to allow verification, the bidder may attach the certificate of completion, partial completion act, or delivery and final receipt, or liquidation act, which must be signed as appropriate by the project auditor and/or supervisor and/or representative of the contracting entity and the Contractor, similarly it may provide a copy of the supporting documents (provided they are issued by the contracting entity or public entity) to prove the execution of the contract or project or collect 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 case may the bidder change or replace the contracts or projects presented initially with the proposal to accredit the required technical experience, **since they will not be taken into account**, of these can only be clarified, provide information or related documents when the entity so requires.

In the event that the percentage of participation of the group bidder is not reported in the alternatives previously provided, the latter must provide the document of constitution of the incorporation figure or agreement of wills where this percentage is evidenced.

For this process, it is not valid to prove the experience through contracts executed under the modality of Delegated Administration. The experience to be accredited with Inter-administrative Agreements will not be considered when in such cases the entire execution of the project that is intended to be accredited was subcontracted.

In the event that more than one form or a larger number of contracts or projects are submitted to demonstrate the experience to the maximum required, the first form that appears in consecutive filing order will be subject to verification, and thereof the first contracts or related projects indicated in form 3, in its order, and up to the maximum number indicated in the terms of reference. In case of providing more than one contract or project or a certification of several contracts or projects and the bidder does not indicate or indicates partially in the format the ones they require to be considered for qualification, the contracts or projects of greater total value executed will be taken into account, and up to the maximum number required in the terms of reference.

## SUB-CHAPTER IV EVALUATION AND QUALIFICATION OF PROPOSALS

### 4.1 EVALUATION AND QUALIFICATION CRITERIA FOR PROPOSALS

The assignment of the score to the proposals, in accordance with 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 and, therefore, will be the most favorable for the entity and for the purposes it seeks with this contract. The maximum score of the evaluation will be **one hundred (100) points**, resulting from the following factors and evaluation criteria:

| GRADING FACTOR   | SCORE                  |
|--|------------------------|
| <b>Additional specific experience of the bidder (Technical Experience)</b> | <b>Up to 30 points</b> |
| <b>Accreditation of commitment on social and gender inclusion</b>          | <b>Up to 30 points</b> |
| <b>Financial Proposal</b>  | <b>40 points</b>       |
| <b>TOTAL</b>   | <b>100 points</b>      |

And the subsequent application of the Criterion of assessment factor of completion of previous contracts.

#### 4.1.1 EVALUATION AND GRADING OF BIDDER'S ADDITIONAL EXPERIENCE (MAXIMUM 30 POINTS)

In addition to the contracts submitted by the bidder for the compliance of the enabling requirements, for the additional experience, **up to a maximum of two (2) completed contracts** shall be taken into account, which shall comply with the requirements established in the literal **a) Technical Experience** in numeral 3.1.3.1. "SPECIFIC EXPERIENCE OF THE BIDDER (ENABLERS)", for which they must prove individually, a value equal to or greater than 0.50 times the value of the sum of the Estimated Budget - EB (Phase 1 + Phase 2), expressed in current minimum monthly wages SMMLV, as well as compliance with the accreditation rules for the experience, for which an additional contract score of 15 points may be awarded, according to the following table:

| SPECIFIC EXPERIENCE -<br>ADDITIONAL BIDDER<br>EXPERIENCE | MAXIMUM POSSIBLE SCORE | SCORE BY ADDITIONAL<br>CONTRACT THAT COMPLIES<br>WITH REQUIREMENTS |
|--|------------------------|--|
| Additional experience                                    | 30                     | 15   |
| <b>TOTAL</b>   | <b>30</b>              |  |

**Note.** Certifications of the contracts previously requested must be different from those submitted to technically enable the proposal.

It is the responsibility of each bidder to identify and clearly indicate the experience that is intended to be accredited with the contracts presented. (Identify which ones are for Technical Qualification and which are for Additional Qualification - Form No. 3A). 3A).

For the additional specific experience to be accredited by the bidder, the bidder must consider the Accreditation of Experience Rules contemplated in section 3.1.3.1.1. in relation to the specific experience. However, the bidder in this instance can not under any circumstances change or replace the contracts presented to prove the additional specific experience.

#### **4.1.2 EVALUATION FOR ACCREDITATION OF COMMITMENT IN MATTERS OF SOCIAL INCLUSION AND GENDER EQUALITY (MAXIMUM 30 POINTS)**

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

- i. Prove that the organization has a policy of promoting gender equality and social inclusion, represented in the institutional policies of the entity (family-responsible company, parity, hiring of people with disabilities, hiring of victims of the armed conflict, hiring people in vulnerable condition, Afro-Colombian quota, ethnic quota, room quota). The bidder that proves that condition will be awarded 15 points.
- ii. Two (2) contracts and/or PROJECT AUDITS that certify experience in terms of gender equality and/or social inclusion (social support for infrastructure works, preparation of documents or research on the socio-economic conditions of the population, intervention in social development, etc.). The bidder that proves that condition will be awarded 15 points.

#### **4.1. FINANCIAL PROPOSAL (MAXIMUM 40 POINTS)**

The financial proposal submitted by the bidder may obtain a maximum of forty (40) points

##### **4.2.1. EVALUATION FINANCIAL PROPOSAL**

In an audience held at the place and on the date established in the process schedule, the opening of envelope No. 2 of the proposals enabled in the legal, financial and technical aspects.

The total amount including VAT tax for each of the proposals will be revealed at this hearing. In case that the financial offer format of the proposal is not filled out in the box corresponding to the "total amount of the proposal" the entity will proceed to sum up all the amounts corresponding to each of the phases.

Once the opening hearing for envelope No. 2, the Entity will proceed to review the proposals during the term established in the process schedule, as follows:

1. In case any amount in the financial offer of a bidder is presented with decimals, the entity will proceed to adjust the figure rounding it up to the peso, when the decimal fraction of the peso is equal or superior to five it will approximate it by excess to the peso and when the decimal fraction of the peso is less than five, it will approximate it by default the peso.
2. In case that the economic proposal form 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 will be understood that the bidder fully accepts the description and/or units and/or amounts established for the respective activity or item and/or unit and/or quantity in the terms of reference of the call. In such case, the corresponding correction of the financial proposal will be made and the results will be those that will be taken for the purposes of the evaluation.
3. In case that the financial proposal does not contain the price or has been completed at zero or with a symbol, the proposal will be rejected.
4. If there is a discrepancy between letters and figures, the amount expressed in letters will prevail.
5. In case the entity notices the need for clarification or explanation, it may request the bidders to provide clarifications, documents or explanations, in the terms set for the purpose in the requirement, under penalty of rejection of the proposal.
6. The verification and correction of the mathematical calculations of the proposals will be carried out.
7. In case of error in the sum, the correct total result will be that obtained from reviewing said sums, likewise rectification of the mathematical errors on the amount of the submitted offer will be made.
8. The amount of the corrected proposal will be the amount considered as the amount for the financial proposal.
9. Those proposals, which after going through the previous steps still show one of the following conditions, will be rejected:
  - a. When the economic proposal submitted for any of the phases shows a corrected amount lower than the minimum value or higher than the maximum value of the estimated budget for the respective phase in the terms of reference.
  - b. When the total corrected amount of the proposal results in a figure lower than the minimum amount or higher than the maximum amount estimated for this call in the terms of reference.
10. Based on the previous verification, an Financial Evaluation Report will be prepared stating the results of the economic offers of all the qualified proposals, with the corresponding arithmetic corrections according to the established criteria, if applicable, and the identification of the corrections made, which will be sent on the date established in the timeline of the present selection process.

The bidders may, within the term established in the timeline of the present selection process, formulate observations on said Financial Evaluation report. Bidders as a result of this authorization may not correct, modify or improve their proposals.

11. Upon expiration of the previous term, the weighting method of the economic proposal will be selected according to the following methods:

| NUMBER | METHOD               |
|--------|----------------------|
| 1      | Arithmetic mean      |
| 2      | High Arithmetic mean |
| 3      | Geometric mean       |
| 4      | Lesser value         |

For the determination of the method, up to the hundredths of the Market Representative Exchange Rate (TRM) applicable for the business day following the expiration date of the established term to submit observations to the economic evaluation report will be taken, and in accordance with the dates set forth in the timeline of this call, according to the ranges established in the table presented 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      | Lesser value         |

Note: This TRM is taken from Colombia's Central Bank website [www.banrep.gov.co/series-estadisticas/series\\_ts\\_trm.htm#cotizacion](http://www.banrep.gov.co/series-estadisticas/series_ts_trm.htm#cotizacion).

#### a. ARITHMETIC MEAN

It consists in the determination of the arithmetic mean of the valid economic proposals and the allocation of points according to the proximity of the proposals to said arithmetic mean, as a result of applying the following formulas:

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

| Spanish                          | English                                   |
|----------------------------------|---|
| Media aritmética                 | Arithmetic mean                           |
| Valor total corregido ...        | Total value of the proposal, corrected    |
| Número total de las ...          | Total number of valid proposals submitted |
| Puntaje                          | Score                                     |
| Para valores menores o iguales a | For values lower or equal to              |
| Para valores mayores             | For values greater than                   |

Dónde:

$\bar{X}$  = Media aritmética

$x_i$  = Valor total corregido de la propuesta i

n = Número total de las propuestas válidas presentadas

Weighting of the proposals by the arithmetic mean method.

Once the arithmetic mean is obtained, the proposals will be weighted according to the following formula:

$$\text{Puntaje } i = \begin{cases} 40 \times \left( 1 - \left( \frac{\bar{X} - V_i}{\bar{X}} \right) \right) & \text{para valores menores o iguales a } \bar{X} \\ 40 \times \left( 1 - 2 \left( \frac{|\bar{X} - V_i|}{\bar{X}} \right) \right) & \text{para valores mayores a } \bar{X} \end{cases}$$

Where:

$\bar{X}$  = Arithmetic mean.

$V_i$  = Total sum of each of the Bids  $i$ , without decimals

$i$  = Bid number.

Puntaje = score

Para valores menores o iguales = for amounts equal to or less than...

Para valores mayores a = for amounts greater than

In the case of proposals with amounts greater than the arithmetic mean, the absolute amount of the difference between the arithmetic mean and the amount of the proposal will be taken, in accordance with the weighting formula.

#### a. HIGH ARITHMETIC MEAN

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

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

Dónde:

$\bar{X}_A$  = Media aritmética alta.

$\bar{X}$  = Media aritmética.

$V_{\max}$  = Valor total corregido de la propuesta más alta dentro del rango comprendido entre la media aritmética y el presupuesto de la presente convocatoria

Once the arithmetic mean is obtained, the proposals will be weighted according to the following formula:

$$\text{Puntaje } i = \begin{cases} 40 \times \left( 1 - \left( \frac{\bar{X}_A - V_i}{\bar{X}_A} \right) \right) & \text{para valores menores o iguales a } \bar{X}_A \\ 40 \times \left( 1 - 2 \left( \frac{|\bar{X}_A - V_i|}{\bar{X}_A} \right) \right) & \text{para valores mayores a } \bar{X}_A \end{cases}$$

Dónde:

$\bar{X}_A$  = Media aritmética alta.

$V_i$  = Valor total corregido de cada una de las propuestas  $i$  habilitadas.

$i$  = Número de propuesta

In the case of proposals with amounts greater than the high arithmetic mean, the absolute amount of the difference between the high arithmetic mean and the amount of the proposal will be taken, in accordance with the weighting formula.

#### b. GEOMETRIC MEAN

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

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

Dónde:

$\bar{G}$  = Media Geométrica.

$n$  = Número de propuestas económicas válidas.

$P_i$  = Valor de la propuesta económica corregida del proponente  $i$

Once the geometric mean is established, the score for each bidder will be determined by the following procedure:

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

Once the geometric mean is obtained, the proposals will be weighted according to the following formula:

$$\text{Puntaje } i = \begin{cases} 40 \times \left(1 - \left(\frac{\bar{G} - V_i}{\bar{G}}\right)\right) & \text{para valores menores o iguales a } \bar{G} \\ 40 \times \left(1 - 2 \cdot \left(\frac{|\bar{G} - V_i|}{\bar{G}}\right)\right) & \text{para valores mayores a } \bar{G} \end{cases}$$

Dónde:

$\bar{G}$  = Media Geométrica.

$V_i$  = Valor total corregido de cada una de las propuestas  $i$  habilitadas.

$i$  = Número de propuesta.

In the case of financial proposals with amounts greater than the geometric mean, the absolute amount of the difference between the geometric mean and the amount of the proposal will be taken, in accordance with the weighting formula.

### c. LOWER AMOUNT

It consists of establishing the economic proposal of lower amount and the allocation of points depending on the proximity of the proposals to said lowest amount bid, as a result of applying the formulas indicated below. For the application of this method, the evaluating group will proceed to determine the lowest amount of the qualified proposals and will proceed to the weighting, according to the following formula:

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

Once the lowest amount is obtained, the proposals will be weighted according to the following formula:

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

Where:

$V_{MIN}$  = Corrected total amount of the proposal with the lowest amount within the qualified proposals  
 $V_i$  = Corrected total amount of each of the proposals  $i$  that are above  $V_{MIN}$ , and that were enabled.  
 $i$  = Proposal number.

For all the methods described, up to the seventh (7th) decimal of the amount obtained as a score will be taken into account.

- **EVALUATION OF THE FACTOR OF COMPLIANCE WITH PREVIOUS CONTRACTS:**

Once the economic weighting of the proposals been enabled by the method that corresponded assigning scores, the graders will proceed to perform the evaluation of this criterion, as follows: The entity will take into account the penal clauses of constraint, penal clauses (no urgency), fines, sanctions, declarations of non-compliance, termination or early termination of the contract due to non-compliance of the contractor, imposed or declared in the contracts in which the bidder has shown the quality of contractor.

The entity will deduct TEN (10) points from the bidder for the application of EVERY penalty clause of urgency, penalty clause (not urgency), fine, sanction or declaration of noncompliance, imposed within THREE (3) years prior to the closing of this process of contracts, in contracts in which the latter has acted as contractor.

The entity will deduct THIRTY (30) points to the bidder for EVERY resolution or early termination of the contract due to the contractor's breach, declared within the FIVE (5) years prior to the closing of this contracting process, in contracts in which the bidder has acted as the contractor.

In the case of temporary joint ventures and consortiums, this deduction will be made for EVERY penalty clause of urgency, penalty clause (non-urgency), fines, sanctions or declaration of noncompliance, either by resolution or early termination for breach by the contractor (bidder in this process), imposed or declared on each member.

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

In order to evaluate this criterion, the bidder must present a sworn certification issued by the bidder in case of a natural person or by the Legal Representative in the case of legal entities, indicating whether they have been imposed penalty clauses of urgency, penalty clauses (not urgency), fines, declarations of non-compliance, resolution or early termination due to breach by the contractor, in the terms stated above, indicating and identifying expressly how many and which ones have been imposed. For these purposes, Form N° 8 or Form N° 9 must be completed as appropriate.

In the case of temporary joint ventures or consortiums, the sworn certification (Form N °8 or Form N °9 as applicable) signed by each of its members must be provided.

The natural or legal persons acting as bidders in this contracting process individually or jointly (temporary joint ventures or consortia) that are registered in the Single Registry of Bidders of the Single Business Register of the Chamber of Commerce, MUST provide the certificate of this record, issued within thirty (30) calendar days prior to the closing date of this call.

- Once the evaluation criterion of previous contracts compliance factor has been applied, the respective Eligibility Order will be established with the total score obtained. **Those bidders who obtain a deduction**



British Embassy  
Colombia



**equal to or greater than TWENTY (20) POINTS will not meet eligibility, once the Criteria for Factor of Compliance with Previous Contracts has been applied.**

- The evaluators will submit the result of the evaluation with the order of eligibility and the Selection Act will be signed by the legal representative of the entity, which will be sent within the deadlines established in the timeline.

## **ANNEX 1 PERSONNEL REQUIRED**

For the execution of the contract, the bidder, with the presentation of the proposal guarantees that it has at least the following personnel profiles and minimum dedications and that, if selected, it will present for the verification of the contract supervisor, the respective supports of academic training and professional and experience that certify compliance with the following minimum profile required for each of the phases of auditing:

THE AUDITING must supply and maintain for the execution of the contractual purpose the minimum personnel requested for each one of the phases or the one that is pertinent with the necessary dedications, until the delivery of the project, which must comply with the technical or professional qualities and the general and specific experience required. The foregoing must be approved by the project auditor and informed to the CONTRACTING entity.

PROJECT AUDITING must submit to the supervisor, prior to the signing of the start-up minutes of the phase where they will execute the corresponding activities, and in any case in the opportunity required, the minimum personnel necessary, which must have a minimum dedication for the execution of Phases 1 and 2, together with the corresponding supports that certify the qualities and the general and specific experience of this personnel. The foregoing must be approved by the project auditor and informed to the CONTRACTING entity.

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

For the execution of this phase, the PROJECT AUDITOR must guarantee the minimum personnel required for the development of the same as described below:

| Qty   | Position to hold          | Training Academic  | General Experience | Specific Experience  |                              |   | Minimum dedication in the total duration of Contract |
|---|---------------------------|--|--------------------|--|------------------------------|---|--|
|   |                           |  |                    | Such as/In:  | Number of Contracts required | Particular requirement  |  |
| <b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT:<br/>AUDITING TO THE TECHNICAL COMPONENT AND OF PLAN OF SOCIAL MANAGEMENT AND GENDER EQUALITY</b> |                           |  |                    |  |                              |   |  |
| 1   | Project Auditing Director | Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer   | 12 years           | Project Auditing Director in Projects of: studies and/or designs of sewerage systems of or in the Auditing to the Studies and/or Designs of sewerage systems | 3                            | <p>The specific experience must be demonstrated with the compliance of the following conditions:</p> <p>i. In the contracts submitted must demonstrate experience as Project Auditing Director in Projects of: Studies and/or Designs of systems of sewers or in the Auditing to the Studies and/or Designs of sewerage systems of, in which it has included the design of networks in a length equal to or greater than 15000 meters</p> <p>ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MW).</p> | 20%  |
| 1   | Hydraulic specialist      | Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in hydraulics | 8 Years            | Hydraulic Specialist in Projects of: Studies and/or Designs of sewage systems or in the Auditing to the Studies and/or Designs of sewage systems             | 3                            | <p>The specific experience must be demonstrated with the compliance of the following conditions:</p> <p>i. In the contracts submitted the candidate must demonstrate experience as a Hydraulic Specialist in Projects of: Studies and/or Designs of sewerage systems or in PROJECT AUDITING to the Studies and/or Designs of sewerage systems, in which the design of networks in a length equal to or greater than 10000 meters</p> <p>ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MW).</p>      | 15%  |

| Qty   | Position to hold   | Training Academic  | General Experience | Specific Experience   |                              |  | Minimum dedication in the total duration of Contract |
|---|--|--|--------------------|---|------------------------------|--|--|
|   |  |  |                    | Such as/In:   | Number of Contracts required | Particular requirement   |  |
| <b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT:<br/>AUDITING TO THE TECHNICAL COMPONENT AND OF PLAN OF SOCIAL MANAGEMENT AND GENDER EQUALITY</b> |  |  |                    |   |                              |  |  |
| 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 sewerage systems or in the Auditing to the Studies and/or Designs of sewerage systems   | 3                            | In the contracts submitted he/she must demonstrate experience as a hydrologist in projects of: Studies and/or designs of sewerage systems or in PROJECT AUDITING to the Studies and/or designs of sewerage systems | 10%  |
| 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 to the Studies and/or Designs of Civil Infrastructure Works   | 2                            | N.A  | 10%  |
| 1   | Geotechnics 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 to the Studies and/or Designs of Civil Infrastructure Works   | 2                            | N.A  | 10%  |
| 1   | Environmental specialist                                       | Civil or Forestry Engineer, Environmental Engineer, Ecologist or Biologist, with postgraduate environmental studies.                 | 6 years            | Environmental specialist in Projects of: Studies and/or designs of sewage systems or in the Auditing to the studies and/or designs of sewerage systems  | 2                            | N.A  | 10%  |
| 1   | Legal Specialist   | Lawyer with postgraduate studies in administrative law, public law, commercial law and/or home public services                       | 6 Years            | Analyst of land titles and/or in studies of land titles and/or, feasibility and acquisition of rights of way and/or, processing of permits and/or, manager for acquisition of title deeds and/or and permits for execution of projects of infrastructure. | 2                            | N.A  | 10%  |
| 1   | Cadastral Specialist   | Cadastral Engineer and Geodesist 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  | 10%  |
| 1   | Social Professional  | Social Worker, Psychologist, Sociologist or Anthropologist   | 4 Years            | Professional Social worker in contracts for the execution of sewerage systems   | 2                            | N.A  | 50%  |
| 1   | Economist and market analyst                                   | Economist  | 4 Years            | Economist in the Auditing to the studies and designs of sewage projects   | 2                            | N.A  | 10%  |
| 1   | Professional in 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  | 10%  |

| Qty   | Position to hold      | Training Academic | General Experience | Specific Experience   |                              |                        | Minimum dedication in the total duration of Contract |
|---|-----------------------|-------------------|--------------------|---|------------------------------|------------------------|--|
|   |                       |                   |                    | Such as/In:   | Number of Contracts required | Particular requirement |  |
| <b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT:<br/>AUDITING TO THE TECHNICAL COMPONENT AND OF PLAN OF SOCIAL MANAGEMENT AND GENDER EQUALITY</b> |                       |                   |                    |   |                              |                        |  |
| 1   | Surveyor              | Surveyor          | 3 Years            | Surveyor in contracts of study and/or designs of sewage systems | 2                            | N.A.                   | 20%  |
| 2   | Topographic assistant | N.A.              | 1 Year             | N.A.  | N.A.                         | N.A.                   | 20%  |

| Qty   | Position to hold     | Training Academic  | General Experience | Specific Experience  |                              |                        | Minimum dedication in the total duration of Contract |
|---|----------------------|--|--------------------|--|------------------------------|------------------------|--|
|   |                      |  |                    | Such as/In:  | Number of Contracts required | Particular requirement |  |
| <b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: Component of legal and financial structuring</b> |                      |  |                    |  |                              |                        |  |
| 1   | Specialist Lawyer    | Attorney at Law; with a degree in postgraduate studies in administrative law, public trade, public contracting and/or government contracting   | 12 years           | Specialist in studies or contracts in projects related to the legal structuring of Public Infrastructure Projects involving private and/or public capital linkage. Each of the certified projects must have a minimum CAPEX of \$40,000,000,000 (forty billion Colombian pesos on December 31, 2017) | 2                            | N.A                    | 20%  |
| 1   | Specialist in models | Professional title in administrative sciences, economics and/or finance, and/or engineering.<br><br>Postgraduate degree in finance and/or related  | 10 years           | Financial advisor responsible for developing the financial model in an infrastructure financial structuring. Each of the certified contracts must have a minimum CAPEX of \$20,000,000,000 (twenty billion Colombian pesos on December 31, 2017)   | 2                            | N.A                    | 20%  |
| 1   | Risk specialist      | Professional degree 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.<br><br>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 project evaluation specialist, financial structuring of projects or project economics or review and/or preparation of risk matrices.  | 2                            | N.A                    | 20%  |

## B. PROJECT 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          | Training Academic  | General Experience | Specific Experience  |                              |   | Minimum dedication in the total duration of Contract |
|---|---------------------------|--|--------------------|--|------------------------------|---|--|
|   |                           |  |                    | Such as/In:  | Number of Contracts required | Particular requirement  |  |
| <b>MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 2 OF THE CONTRACT:<br/>AUDITING TO THE TECHNICAL COMPONENT AND OF PLAN OF SOCIAL MANAGEMENT AND GENDER EQUALITY</b> |                           |  |                    |  |                              |   |  |
| 1   | Project Auditing Director | Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer   | 12 years           | Project Auditing Director in Projects of: studies and/or designs of sewerage systems of or in the Auditing to the Studies and/or Designs of sewerage systems | 3                            | <p>The specific experience must be demonstrated with the compliance of the following conditions:</p> <p>i. In the contracts submitted must demonstrate experience as Project Auditing Director in Projects of: Studies and/or Designs of systems of sewers or in the Auditing to the Studies and/or Designs of sewerage systems of, in which it has included the design of networks in a length equal to or greater than 15000 meters</p> <p>ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MW).</p> | 20%  |
| 1   | Hydraulic specialist      | Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in hydraulics | 8 Years            | Hydraulic Specialist in Projects of: Studies and/or Designs of sewage systems or in the Auditing to the Studies and/or Designs of sewage systems             | 3                            | <p>The specific experience must be demonstrated with the compliance of the following conditions:</p> <p>i. In the contracts submitted the candidate must demonstrate experience as a Hydraulic Specialist in Projects of: Studies and/or Designs of sewerage systems or in PROJECT AUDITING to the Studies and/or Designs of sewerage systems, in which the design of networks in a length equal to or greater than 10000 meters</p> <p>ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MW).</p>      | 15%  |

| Qty   | Position to hold   | Training Academic  | General Experience | Specific Experience   |                              |  | Minimum dedication in the total duration of Contract |
|---|--|--|--------------------|---|------------------------------|--|--|
|   |  |  |                    | Such as/In:   | Number of Contracts required | Particular requirement   |  |
| <b>MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 2 OF THE CONTRACT:<br/>AUDITING TO THE TECHNICAL COMPONENT AND OF PLAN OF SOCIAL MANAGEMENT AND GENDER EQUALITY</b> |  |  |                    |   |                              |  |  |
| 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 sewerage systems or in the Auditing to the Studies and/or Designs of sewerage systems   | 3                            | In the contracts submitted he/she must demonstrate experience as a hydrologist in projects of: Studies and/or designs of sewerage systems or in PROJECT AUDITING to the Studies and/or designs of sewerage systems | 15%  |
| 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 to the Studies and/or Designs of Civil Infrastructure Works   | 2                            | N.A  | 15%  |
| 1   | Geotechnics 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 to the Studies and/or Designs of Civil Infrastructure Works   | 2                            | N.A  | 15%  |
| 1   | Environmental specialist                                       | Civil or Forestry Engineer, Environmental Engineer, Ecologist or Biologist, with postgraduate environmental studies.                 | 6 years            | Environmental specialist in Projects of: Studies and/or designs of sewage systems or in the Auditing to the studies and/or designs of sewerage systems  | 2                            | N.A  | 10%  |
| 1   | Legal Specialist   | Lawyer with postgraduate studies in administrative law, public law, commercial law and/or home public services                       | 6 Years            | Analyst of land titles and/or in studies of land titles and/or, feasibility and acquisition of rights of way and/or, processing of permits and/or, manager for acquisition of title deeds and/or and permits for execution of projects of infrastructure. | 2                            | N.A  | 10%  |
| 1   | Cadastral Specialist   | Cadastral Engineer and Geodesist 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  | 10%  |
| 1   | Social Professional  | Social Worker, Psychologist, Sociologist or Anthropologist   | 4 Years            | Professional Social worker in contracts for the execution of sewerage systems   | 2                            | N.A  | 50%  |
| 1   | Economist and market analyst                                   | Economist  | 4 Years            | Economist in the Auditing to the studies and designs of sewage projects   | 2                            | N.A  | 10%  |
| 1   | Professional in 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  | 10%  |

| Qty   | Position to hold   | Training Academic    | General Experience | Specific Experience   |                              |                        | Minimum dedication in the total duration of Contract |
|---|--|----------------------|--------------------|---|------------------------------|------------------------|--|
|   |  |                      |                    | Such as/In:   | Number of Contracts required | Particular requirement |  |
| <b>MINIMUM PERSONNEL FOR THE EXECUTION OF PHASE 2 OF THE CONTRACT:<br/>AUDITING TO THE TECHNICAL COMPONENT AND OF PLAN OF SOCIAL MANAGEMENT AND GENDER EQUALITY</b> |  |                      |                    |   |                              |                        |  |
| 1   | Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer | Support Professional | 3 Years            | N/A   | 1                            | N.A.                   | 40%  |
| 1   | Surveyor   | Surveyor             | 3 Years            | Surveyor in contracts of study and/or designs of sewage systems | 2                            | N.A.                   | 23%  |
| 2   | Topographic assistant  | N.A.                 | 1 Year             | N.A.  | N.A.                         | N.A.                   | 23%  |

| Qty   | Position to hold          | Training Academic   | General Experience | Specific Experience  |                              |  | Minimum dedication in the total duration of Contract |
|---|---------------------------|---|--------------------|--|------------------------------|--|--|
|   |                           |   |                    | Such as/In:  | Number of Contracts required | Particular requirement   |  |
| <b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: Component of legal and financial structuring</b> |                           |   |                    |  |                              |  |  |
| 1   | Project Auditing Director | Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer  | 12 years           | Project Auditing Director in Projects of: studies and/or designs of sewerage systems of or in the Auditing to the Studies and/or Designs of sewerage systems   | 3                            | The specific experience must be demonstrated with the compliance of the following conditions:<br><br>i. In the contracts submitted must demonstrate experience as Project Auditing Director in Projects of: Studies and/or Designs of systems of sewers or in the Auditing to the Studies and/or Designs of sewerage systems of, in which it has included the design of networks in a length equal to or greater than 15000 meters<br><br>ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MW). | 5%   |
| 1   | Specialist Lawyer         | Attorney at Law; with a degree in postgraduate studies in administrative law, public trade, public contracting and/or government contracting      | 12 years           | Specialist in studies or contracts in projects related to the legal structuring of Public Infrastructure Projects involving private and/or public capital linkage. Each of the certified projects must have a minimum CAPEX of \$40,000,000,000 (forty billion Colombian pesos on December 31, 2017) | 2                            | N.A  | 15%  |
| 1   | Specialist in models      | Professional title in administrative sciences, economics and/or finance, and/or engineering.<br><br>Postgraduate degree in finance and/or related | 10 years           | Financial advisor responsible for developing the financial model in an infrastructure financial structuring. Each of the certified contracts must have a minimum CAPEX of \$20,000,000,000 (twenty billion Colombian pesos on December 31, 2017)   | 2                            | N.A  | 15%  |

| Qty   | Position to hold | Training Academic  | General Experience | Specific Experience   |                              |                        | Minimum dedication in the total duration of Contract |
|---|------------------|--|--------------------|---|------------------------------|------------------------|--|
|   |                  |  |                    | Such as/In:   | Number of Contracts required | Particular requirement |  |
| <b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: Component of legal and financial structuring</b> |                  |  |                    |   |                              |                        |  |
| 1   | Risk specialist  | Professional degree 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.<br><br>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 project evaluation specialist, financial structuring of projects or project economics or review and/or preparation of risk matrices. | 2                            | N.A                    | 15%  |

**The personnel previously described for the contract will be mandatory in the project, therefore the bidders must consider it in its entirety, as well as discriminate it for each of the phases at the time of preparing their economic offer.**



**FORM 1**  
**PROPOSAL COVER LETTER**

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

**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**

Calle 103 No. 19-20.  
Bogota - Colombia

Reference: Call No. FCO -I-006-2018

Through the attached documents, I hereby present a proposal to participate in this call whose purpose is to contract "Call Data from Terms of Reference".

In the event my proposal is accepted, I commit myself to sign and legalize the respective contract in the time indicated by the entity and to implement the contractual objective in accordance with the documents that are part of the current selection process, the contract, this proposal and its clauses, in the parts accepted by the contracting entity.

Acting as bidder, I hereby declare:

1. That I am aware of the Terms of Reference of the aforementioned call, its addendums and information related to questions and answers, as well as the other documents related to the jobs, and I agree to fulfill all the requirements stipulated in said documents.
2. Likewise, I manifest my agreement to accept the consequences derived from non-compliance with the requirements referenced in the previous point.
3. That I accept the conditions established by the contracting entity for the implementation of the project under the model of conditional implementation by phases. Understanding its structure and methodology.
4. That in case my proposal is accepted, I pledge to begin the execution of the respective contract, when the contracting entity issues the order to begin, and to finish within the contractual periods in accordance with what is established in the documents of the Terms of Reference, the proposal and the contract, respectively.
5. That I know and completely accept the general and special laws applicable to this selection process.
6. That I know in detail, the grounds and through information provided by the relevant authorities, the sites where I must implement the objective of the contract, its characteristics, the points of access, socio-economic environment, climatological, geotechnical and geological conditions, and that I have taken into account this knowledge for the preparation of the proposal, and in consequence, I assume the effects of this statement.
7. That by presenting the proposal I am guaranteeing that I comply with the minimum required profile and the time required, and in the event I am selected, I will submit the documents in a timely fashion, with the correct format and to the person stipulated in the terms of reference.
8. That with the presentation of the proposal I guarantee that I have the minimum personnel required and the required personnel profiles and the dedication that is required for the execution of the contract, and if selected I will present for verification of the Auditor of the contract prior to the subscription of the initial act, duly completed the Detailed Economic Proposal Estimation Form and Multiplier Factor for each of the Phases and the respective supports for academic and professional training and staff experience.

9. By signing this Letter I solemnly swear that not I or any of the members of the consortium or joint venture or the legal entity are unfit, incompatible or have other legal restrictions to celebrating the contract or possess conflicts of interests as defined in the regulations governing the selection process.
10. That I have carefully read the Terms of Reference of this call, the grounds for its rejection and it being declared void, and I have prepared my proposal in accordance with said terms. Therefore, I found out and had ample opportunities to solicit clarification, formulate objections, ask questions and obtain responses to my doubts.
11. That I know, accept and will comply with the obligations included in the terms of reference, preliminary study and required formal request of the contract.
12. That I know and accept the conditions established by the contracting entity for the execution of the phased contracting model. In the event the execution of some of the foreseen phases is no longer feasible, I will refrain from making complaints due to being unable to carry out any of the phases of PROJECT AUDITING in accordance with the model or when the implementation of the project cannot be substantiated.
13. By signing this Letter, I solemnly swear that not I or any of the members of the consortium or the temporary partnership or the legal entity which I represent, are located on the Money Laundering and Financing of Terrorism blacklist.
14. That the resources which make up my (our) net worth do not come from money laundering, financing of terrorism, drug trafficking, illegal fundraising and in general any illegal activity, and in the event we are awarded the contract, the resources received due to the execution of the contract will not be destined to any of the aforementioned activities.
15. I solemnly swear that in my country of origin there is no authority that is both comptroller general of the republic as well as the authority in charge of performing the background check. (Applies to foreign legal entities with no place of residence or branch in Colombia) If applicable.
16. I solemnly swear that in my country of origin there is no authority that is both Attorney General's Office as well as the authority in charge of performing the review of disciplinary measures. (Applies to foreign legal entities with no place of residence or branch in Colombia) If applicable.
17. By the same token, I solemnly swear that all the information provided and contained on the \_\_\_\_\_ pages corresponding to the documents, appendixes and legal, financial, technical and economic forms, is truthful and subject to verification.

#### **OUTLINE OF THE PROPOSAL**

Name or Corporate Name of the Bidder: \_\_\_\_\_

ID card or NIT: \_\_\_\_\_

Legal Representative

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

(In the event the proposal is presented by a consortium or joint venture the name and country of origin of each member must be presented).

**VALIDITY OF THE PROPOSAL:** For all purposes, it will be understood to be of a period equal to the bid bond of the proposal

**TOTAL PERIOD OF TIME TO EXECUTE THE CONTRACT:** \_\_\_\_\_ **MONTHS**

Allow me to inform you that I will receive all communications related to this call at the following:

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

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

Telephone(s): \_\_\_\_\_ Mobile Phone: \_\_\_\_\_

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



Sincerely,

PERSON AUTHORIZED TO SIGN THE PROPOSAL

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

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

Identification Number: \_\_\_\_\_

(In the case of natural persons this letter must be signed by the bidder, in the case of legal entities, consortiums or joint ventures, it must be signed by the duly empowered representative).

**NOTE:** To be filled out when the Legal Representative of the bidder is not a Civil or Sanitary Engineer.

"Due to the fact that the subscriber of the present proposal is not a Civil Engineer, Engineer or a Sanitary Engineer, I \_\_\_\_\_ (names and surnames) Civil Engineer/Health Engineer, with Professional Registration No. \_\_\_\_\_ and CC No. \_\_\_\_\_ of \_\_\_\_\_, credit this proposal "

\_\_\_\_\_  
(Signature of who authorizes this proposal)



**FORM 2**  
**PAYMENT CERTIFICATE OF PAYROLL TAXES AND THE GENERAL SYSTEM OF COMPREHENSIVE SOCIAL SECURITY**

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

Dear Sirs  
**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**  
 Calle 103 No. 19-20.  
 Bogota - Colombia

Reference: Call No. FCO -I-006-2018 Object:

Of the following options fill out under oath the one that corresponds according to the case:

I, \_\_\_\_\_, identified with \_\_\_\_\_, in my condition of **(mark with an X as the case may be)** Natural Person \_\_\_\_\_ Legal Representative \_\_\_\_\_ Statutory Auditor \_\_\_\_\_ of (Company's corporate name) identified with Nit \_\_\_\_\_, duly registered with the Chamber of Commerce of \_\_\_\_\_ I certify the payment of social security contributions (pension, health and labor risks) and parafiscal contributions (Colombian Institute of Family Welfare ICBF, National Service of Learning SENA and Family Compensation Fund), when that would be the case, corresponding to the payroll of the last six (6) months that are legally required on that date, (ie, in which the obligation to make such payments has been caused). The aforementioned, in compliance with what is stipulated in article 50 of Law 789 from 2002, in accordance with what is stipulated in Laws 1607 from 2012 and 1739 from 2014.

I, \_\_\_\_\_, identified with \_\_\_\_\_, in my condition of **(mark with an X as the case may be)** Natural Person \_\_\_\_\_ Legal Representative \_\_\_\_\_ Statutory Auditor \_\_\_\_\_ of (Company's corporate name) identified with Nit \_\_\_\_\_, I declare under the seriousness of an oath that I do not I am forced to pay social security and parafiscal contributions, because I do not have staff in charge.

I, \_\_\_\_\_ as a natural national able to ensure compliance of this obligation, provide the proposal, payroll or proof of affiliation to the General System of Social Security, by which I demonstrate I am affiliated as a contributor \_\_\_\_\_, beneficiary \_\_\_\_\_ or affiliate under the subsidized regime \_\_\_\_\_ (mark with an X where applicable), at least of the month immediately prior to the expected date of this call's closing.

I, \_\_\_\_\_, identified with \_\_\_\_\_, in my condition of (mark with an X as the case may be) Natural Person \_\_\_\_\_ Legal Representative \_\_\_\_\_ Statutory Auditor \_\_\_\_\_ of (company name) identified with Nit \_\_\_\_\_, certified the payment of pension contributions and labor and Family Compensation Fund risks corresponding to the payroll of the last six (6) months that are legally required at the date of presentation of the proposal for the present selection process (that is, in which the obligation has been caused) to make such payments) and also declare under the seriousness of an oath that I am NOT obliged to cancel ICBF, SENA and Social Security in Health.

In the previous circumstances, the certification will be issued and signed by the tax inspector when in accordance with the Law, he or she is required to have it or when stipulated by statutes, or by the legal representative when not required to have a tax inspector.



British Embassy  
Colombia



The previous certification is issued in order to comply with article 50 of Law 789 from 2002 and other relevant regulations, in accordance with Law 828 of 2003 and Laws 1607 of 2012 and 1739 of 2014.

Additionally, in the case of a national natural person must also credit the payment of their contributions to the Social Security System and parafiscal with the payroll or receipt of payment of the referred contributions at least the month immediately prior to the scheduled date for the closure of this call .

Sincerely,

---

Statutory Auditor or Legal Representative  
Professional License (If the Auditor signs)  
CC.

\*In the case of consortiums or joint ventures, each one of the members must show compliance with the social security and payroll tax payment referenced in this Form No. 2.

**FORM 3  
SPECIFIC BIDDER EXPERIENCE TO QUALIFY THE OFFER**

| <b>OBJECTIVE:</b>  |                |                               |                                       |                           |                   |                 |  |
|--|----------------|-------------------------------|---------------------------------------|---------------------------|-------------------|-----------------|--|
| <b>BIDDER:</b>   |                |                               |                                       |                           |                   |                 |  |
| <b>COMPLETE DATA OF THE MEMBER PROVIDING THE EXPERIENCE:</b> |                |                               |                                       |                           |                   |                 |  |
| <b>EXPERIENCE OF THE BIDDER TO QUALIFY THE OFFER</b>         |                |                               |                                       |                           |                   |                 |  |
| <b>CONT. No.</b>   | <b>PURPOSE</b> | <b>ACTIVITIES CARRIED OUT</b> | <b>VALUE IN MINIMUM MONTHLY WAGES</b> | <b>CONTRACTING ENTITY</b> | <b>START DATE</b> | <b>END DATE</b> | <b>PERCENTAGE OF PARTICIPATION (C, UT)</b> |
| 1  |                |                               |                                       |                           |                   |                 |  |
| 2  |                |                               |                                       |                           |                   |                 |  |
| 3  |                |                               |                                       |                           |                   |                 |  |
|  |                |                               |                                       |                           |                   |                 |  |
|  |                |                               |                                       |                           |                   |                 |  |

The bidder solemnly swears that the information provided above is truthful and may be consulted at any time, and consequentially is responsible for said information. The bidder commits to present the required documents which support the information provided above.

Note1: In the event of multiple proposals, each of the members which are part of the bid should fill out the present form, highlighting their relevant experience to be accredited.

Note2: This form must be accompanied by the corresponding certificates of experience or the documents established in the alternatives for accreditation which demonstrate compliance with the experience requirements. It will not be possible in any situation for the bidder to change or replace the contracts or projects presented initially with the bid to show compliance with the experience required, **since they won't be taken into account**. Only information related to the documents initially presented can be corrected, and only clarification or additional information and documents may be provided when requested by the entity.

Note 3: When the documents of the accreditation alternatives do not contain information that will allow for their verification, the bidder may annex a copy of the supporting documents applicable (if and when they are issued by the contracting entity or public entity), which will evidence the execution of the contract or project or provide the remaining information.

Note 4: The bidder must indicate in this form the contract(s) which certify each of the conditions requested as qualifying specific experience.

Note 5: In the event a greater number of contracts or projects than the maximum required need to be presented to show proof of experience, the contracts or projects listed in this form will be subject to verification, in order, and up to the maximum number stipulated in the terms of reference. In the event a greater number of contracts or projects than those required are provided, or a certification of various contracts or projects, and the bidder does not indicate in this form which of them should be considered to be qualified, the contracts or projects with the highest total valued executed will be considered and up to the maximum required number in the terms of reference.

FORM 3A

SPECIFIC EXPERIENCE OF THE BIDDER FOR AN ADDITIONAL GRADE ON THE PROPOSAL

| <b>OBJECTIVE:</b>  |         |                        |                                |                    |            |          |                                     |                                      |
|--|---------|------------------------|--------------------------------|--------------------|------------|----------|-------------------------------------|--------------------------------------|
| <b>BIDDER:</b>   |         |                        |                                |                    |            |          |                                     |                                      |
| <b>COMPLETE DATA OF THE MEMBER PROVIDING THE EXPERIENCE:</b>     |         |                        |                                |                    |            |          |                                     |                                      |
| <b>PROPOSED EXPERIENCE OF THE BIDDER TO QUALIFY THE PROPOSAL</b> |         |                        |                                |                    |            |          |                                     |                                      |
| CON T. No.   | PURPOSE | ACTIVITIES CARRIED OUT | VALUE IN MINIMUM MONTHLY WAGES | CONTRACTING ENTITY | START DATE | END DATE | PERCENTAGE OF PARTICIPATION (C, UT) | ACCREDITATION ON ALTERNATIVE (A O B) |
| 1  |         |                        |                                |                    |            |          |                                     |                                      |
| 2  |         |                        |                                |                    |            |          |                                     |                                      |
| 3  |         |                        |                                |                    |            |          |                                     |                                      |
|  |         |                        |                                |                    |            |          |                                     |                                      |
|  |         |                        |                                |                    |            |          |                                     |                                      |

The bidder solemnly swears that the information provided above is truthful and may be consulted at any time, and consequentially is responsible for said information. The bidder commits to present the required documents which support the information provided above.

**Note 1:** In the event of multiple proposals, each of the members which make up the bidder must fill out this form, highlighting their contribution to the experience which needs to be certified.

**Note2:** This form must be accompanied by the corresponding certificates of experience or the documents established in the alternatives for accreditation which demonstrate compliance with the experience requirements. In no case will the bidder be allowed to change or replace the contracts initially presented with the proposal to certify the required experience, since they would not be considered. The bidder may only correct the information related to the documents initially presented, when the entity requests clarification, additional information or related documents.

**Note 3:** When the certifications do not contain the information which allow for verification, the bidder may attach a copy of the contract or supporting documents to the proposal (if and when they are signed by the appropriate civil servant from the contracting entity) that will provide the information missing from the certification.

**Note 4:** The bidder must indicate in this form the contract(s) which certify each of the conditions requested as qualifying specific experience.

**Note 5:** In the event a greater number of contracts than the maximum required are presented in order to certify experience, the contracts included in this form will be subject to verification, in order, and up to the maximum number established in the Terms of Reference. In the event a greater number of contracts than those required or a certification of various contracts is provided, and the bidder does not stipulate in this form those that should be considered for qualification, then the contracts with the highest total executed value and up to the maximum required number in the Terms of Reference.

**FORM 4  
FINANCIAL PROPOSAL**

Below I submit my financial proposal in Colombian Pesos, which includes costs, expenses, taxes, rates and other relevant information, when applicable.

| <b>FINANCIAL PROPOSAL FORM<br/>AUDITING TO THE TECHNICAL COMPONENT AND OF PLAN OF SOCIAL<br/>MANAGEMENT AND GENDER EQUALITY</b> |                    |
|---|--------------------|
| <b>DESCRIPTION</b>  | <b>TOTAL VALUE</b> |
| Value offered FASE I  |                    |
| Value offered FASE II   |                    |
| <b>TOTAL FINANCIAL OFFER TECHNICAL<br/>COMPONENT, SOCIAL MANAGEMENT<br/>AND GENDER EQUALITY PLAN (FASES I<br/>and II):</b>      |                    |

| <b>FINANCIAL PROPOSAL FORM<br/>COMPONENT OF LEGAL AND FINANCIAL STRUCTURING</b>                      |                    |
|--|--------------------|
| <b>DESCRIPTION</b>   | <b>TOTAL VALUE</b> |
| Value offered FASE I   |                    |
| Value offered FASE II  |                    |
| <b>TOTAL FINANCIAL OFFER COMPONENT<br/>OF LEGAL AND FINANCIAL<br/>STRUCTURING (PHASES I and II):</b> |                    |

All the figures in the proposal must be adjusted to the peso without any cents, on the contrary the entity will proceed to adjust any value which isn't, rounding to nearest peso.

**FORM 5  
DETAILED FINANCIAL PROPOSAL ESTIMATE AND MULTIPLICATION FACTOR**

The bidder selected must fill out the Form titled Detailed Economic Proposal Estimate and Multiplication Factor for each of the Phases of PROJECT AUDITING contract, taking special care to fill out each field for all the personnel offered, that in any case, cannot be less than the minimum personnel (Annex 1), in accordance with the minimum commitment required for execution of the respective phase, summing them up, as well as the other direct costs required in this form, and presenting it to the project auditor of the contract as a precondition to the signing of this document. Consequentially, it should not be presented with the proposal.

This form is to be considered only as a tool for supervising the contract, as such, it will not be subject to verification or evaluation, and under no circumstance may it modify the value of the economic proposal presented.

| <b>DETAILED FINANCIAL PROPOSAL ESTIMATE AND MULTIPLICATION FACTOR FORM</b> |            |                      |              |             |                         |                |                 |
|--|------------|----------------------|--------------|-------------|-------------------------|----------------|-----------------|
| <b>OBJECTIVE:</b>  |            |                      |              |             |                         |                |                 |
| <b>BIDDER:</b>   |            |                      |              |             |                         |                |                 |
| <b>PROFESSIONAL PERSONNEL</b>  |            |                      |              |             |                         |                |                 |
| CONCEPT  | Activities | B                    | A            | D           | E                       | F              |                 |
| Professional Personnel   | QUANTITY   | BASIC MONTHLY SALARY | % COMMITMENT | MF (%)      | MONTHLY VALUE (AxBxCxD) | No. OF MONTHS  | SUBTOTAL (ExF)  |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
| <b>PROFESSIONAL PERSONNEL SUBTOTAL (1)</b>                                 |            |                      |              |             |                         |                | <b>\$</b>       |
| <b>TECHNICAL PERSONNEL</b>   |            |                      |              |             |                         |                |                 |
| CONCEPT  | Activities | B                    | A            | D           | E                       | F              |                 |
| Technical Personnel  | QUANTITY   | BASIC MONTHLY SALARY | % COMMITMENT | MF (%)      | MONTHLY VALUE (AxBxCxD) | No. OF MONTHS  | SUBTOTAL (ExF)  |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
| <b>TECHNICAL PERSONNEL SUBTOTAL (2)</b>                                    |            |                      |              |             |                         |                | <b>\$</b>       |
| <b>OTHER DIRECT COSTS</b>  |            |                      |              |             |                         |                |                 |
| <b>CONCEPT</b>   |            |                      |              |             |                         |                |                 |
| <b>OTHER DIRECT COSTS</b>  |            |                      |              | <b>UNIT</b> | <b>QUANTITY</b>         | <b>VR UNIT</b> | <b>SUBTOTAL</b> |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |
|  |            |                      |              |             |                         |                |                 |

|  |           |
|--|-----------|
| <b>OTHER DIRECT COSTS SUBTOTAL (3)</b>       | <b>\$</b> |
| <b>GENERAL SUMMARY OF FINANCIAL PROPOSAL</b> |           |
| <b>TOTAL AMOUNT (1+2+3)</b>                  | <b>\$</b> |
| <b>TOTAL PROJECT AUDITING AMT</b>            | <b>\$</b> |

MF: MULTIPLICATION FACTOR

| ITEM                                       | DESCRIPTION                                 | %              |
|--|---|----------------|
| <b>Activities</b>                          | <b>Basic Salary (Total Monthly Payroll)</b> | <b>100.00%</b> |
| <b>B</b>                                   | <b>Social Benefits</b>                      |                |
|  | Service Bonus                               |                |
|  | Severance obligations                       |                |
|  | Interest on severance pay                   |                |
|  | Holiday benefits                            |                |
|  |   |                |
| <b>C.</b>                                  | <b>Comprehensive Social Security System</b> |                |
|  | Pension                                     |                |
|  | Health                                      |                |
|  | Occupational Risks                          |                |
|  | Family Benefits                             |                |
|  | SENA (National Learning Center)             |                |
|  | ICBF (Colombian Child Care Services)        |                |
|  | <b>Subtotal B+C</b>                         |                |
| <b>D.</b>                                  | <b>Others</b>                               |                |
|  | Provision                                   |                |
|  |   |                |
|  | <b>Subtotal A+B+C+D</b>                     |                |
| <b>E.</b>                                  | <b>Indirect Costs</b>                       |                |
| <b>E1</b>                                  | <b>General Expenses</b>                     |                |
|  |   |                |
|  |   |                |
|  |   |                |
|  |   |                |
| <b>E2</b>                                  | <b>Legal Expenses</b>                       |                |
|  |   |                |
|  |   |                |
|  | <b>Subtotal (E1+E2)</b>                     |                |
| <b>F.</b>                                  | <b>Fees (Includes Allowances)</b>           |                |
| <b>MULTIPLICATION FACTOR (A+B+C+D+E+F)</b> |   |                |

Note: This form must be presented in Excel or PDF format.



FORM 6

FORM WITH SWORN STATEMENT CORRESPONDING TO THE IDENTIFICATION OF THE REAL BENEFICIARY

FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER

Calle 103 No. 19-20.
Bogota - Colombia

The signatory(ies) below, on behalf and in representation of [name of Interested Individual. In the case of an Interested Party, the names of the Interested Party must be included, as well as the name of each of the members] I (we) present the Sworn Statement corresponding to the Identification of the Real Beneficiary, in execution of Call No. FCO -I-006-2018 whose purpose shall be to contract PROJECT AUDITING "FOR TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUALITY, ENVIRONMENTAL AND LEGAL FOR THE PROJECT DENOMINATED: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION". By signing this document, we fully identify the natural persons or legal entities which personally or directly would be the real beneficiaries of the future Contract.

I (we) solemnly swear under oath that the Real Beneficiaries referenced in this document are the following:

Table with 3 columns: INTERESTED INDIVIDUAL OR MEMBERS OF INTERESTED PARTY, REAL BENEFICIARIES, IDENTIFICATION NUMBER (Colombian ID, Foreign ID card OR EQUIVALENT OR TAX IDENTIFICATION NUMBER)

Sincerely,
Signatures:

[The Interested Individual or all members of the Interested Party will sign the document. The legal entities will do so through the authorized legal representatives in the documents of legal representation and/or powers conferred and those participating in this Call.]



**FORM 7**

**FORM WITH SWORN STATEMENT OF NON-EXISTING CONFLICT OF INTEREST**

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

**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**

Calle 103 No. 19-20.

Bogota - Colombia

The signatory(ies) below, on behalf and in representation of [*name of **Interested Individual**. In the case of an **Interested Party**, the names of the **Interested Party** must be included, as well as the name of each of the members*] to present the proposal and/or sign the contract within **Call No. FCO -I-006-2018** to contract “**PROJECT AUDITING FOR TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUALITY, ENVIRONMENTAL AND LEGAL FOR THE PROJECT DENOMINATED: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION**”, manifest under oath that *not I or any of the members of the consortium or joint venture or the legal entity which I represent have*, individually or as a member of a consortium or temporary partnership, any of the following conflicts of interest:

1. It incurred in the grounds provided for in Law 734 of 2002, Article 11 of Law 1437 of 2011 and other related standards.
2. Having participated in the structuring, evaluation, approval, perfecting, financing of the project for this call, as well as in the structuring of the Terms of Reference and in the evaluation and selection of the contracting process. The conflict of interest is also preached, regarding the actual beneficiaries of the same people.
3. Have participated as auditors or contractors in the development of the designs of the project object of this call. This prohibition also applies to the actual beneficiaries of the same people.
4. Having submitted a proposal simultaneously in this call and in the call for proposals to hire the studio to which the auditing will be carried out, which is intended to be contracted with this call.

Sincerely,

Signatures:

[The **Interested Individual** or all members of the **Interested Party** will sign the document. The legal entities will do so through the authorized legal representatives in the documents of legal representation and/or powers conferred and those participating in this Call.]



**FORM 8**  
**FORM WITH SWORN STATEMENT ON PENALTY CLAUSES, PENALTY CLAUSES WITH ENFORCEMENT, FINES, SANCTIONS OR DECLARATIONS OF NON-COMPLIANCE AND/OR RESOLUTION OR EARLY TERMINATION DUE TO NON-COMPLIANCE FROM THE CONTRACTOR**

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

**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**

Calle 103 No. 19-20.

Bogota - Colombia

The signatory below for purposes of the Evaluation factor of compliance with previous contracts within Call No. FCO -I-006-2018, manifests under oath [imposed or declared (in case of a natural person)] \_\_\_ [to the partnership I represent (in case of a legal entity)] \_\_\_ in the contracts in which I have held the position of contractor, within three (3) years prior to the closing of this contracting process, the penalty clauses (without enforcement), penalty clauses with enforcement, fines, sanctions or declarations of non-compliance; and/or within five (5) years prior to the closing of this contracting process, resolution or early termination due to non-compliance from the contractor, which I stipulate below:

| <u>Measures imposed</u>  | <u>Number of times imposed</u> | <u>Contract No.</u> | <u>Contracting party</u> | <u>Name of the person upon whom the measure was imposed</u> |
|--|--------------------------------|---------------------|--------------------------|---|
| Penalty Clause(s) without enforcement  | 1.                             |                     |                          |   |
|  | 2.                             |                     |                          |   |
|  | 3.                             |                     |                          |   |
| Penalty Clause(s) with enforcement   | 1.                             |                     |                          |   |
|  | 2.                             |                     |                          |   |
|  | 3.                             |                     |                          |   |
| Fine(s)  | 1.                             |                     |                          |   |
|  | 2.                             |                     |                          |   |
|  | 3.                             |                     |                          |   |
| Sanctions or Declarations of Non-compliance                                  | 1.                             |                     |                          |   |
|  | 2.                             |                     |                          |   |
|  | 3.                             |                     |                          |   |
| Resolution(s) or early termination due to non-compliance from the contractor | 1.                             |                     |                          |   |
|  | 2.                             |                     |                          |   |
|  | 3.                             |                     |                          |   |

The bidder solemnly swears that the information above is truthful and consequently assumes responsibility of said information. And must present the documents that support the information above as well as any other that may be required.



Notwithstanding, the CONTRACTING PARTY reserves the right to verify the information reported in this form.

Sincerely,

Signatures:

*[The natural person or legal representative of the legal entity which presents him or herself individually to this Call will sign this document, or in the event of temporary partnerships or consortiums, the sworn certification signed by each of the members must be provided.]*

*[The natural persons or legal entities which act as bidders of this contracting process individually or jointly (Temporary partnerships or consortiums) which are registered in the Unique Bidders Registry of the Unique Business Registry of the Chamber of Commerce, **MUST** provide the certificate of said registration for each of the members registered, issued within thirty (30) calendar days prior to closing date of this call.]*



**FORM 9**

**FORM WITH SWORN STATEMENT OF NON-EXISTENCE OF PENALTY CLAUSES IMPOSED, PENALTY CLAUSES WITH ENFORCEMENT, FINES, SANCTIONS OR DECLARATIONS OF NON-COMPLIANCE AND/OR RESOLUTION OR EARLY TERMINATION DUE TO NON-COMPLIANCE WITH CONTRACTS**

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

**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**

Calle 103 No. 19-20.

Bogota - Colombia

**Subject:** Call No. FCO -I-006-2018 to contract **PROJECT AUDITING FOR TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUALITY, ENVIRONMENTAL AND LEGAL FOR THE PROJECT DENOMINATED: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION.**

The signatory below for purposes of the Evaluation Factor of Compliance with previous Contracts within the Call referenced above, manifests under oath that he or she has not received \_\_\_\_ (in the case of a natural person)/on behalf of the partnership he or she represents \_\_\_\_ (in the case of a legal entity), within three (3) years prior to the closing of this contracting process, penalty clauses, penalty clauses with enforcement, fines, sanctions or declarations of non-compliance; or within five (5) yeas prior to the closing of this contracting process, resolution or early termination due to breach of contract, imposed or declared in the contracts in which I have held the position of contractor.

Notwithstanding, the CONTRACTING PARTY reserves the right to verify the information reported in this form.

Sincerely,

Signatures:

*[The natural person or legal representative of the legal entity which presents him or herself individually to this Call will sign this document, or in the event of temporary partnerships or consortiums, the sworn certification signed by each of the members must be provided.]*



**FORM 10**

**FORM WITH DECLARATION OF REGISTRATION IN THE UNIQUE BIDDERS REGISTRY OF THE UNIQUE BUSINESS REGISTRY OF THE CHAMBER OF COMMERCE**

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

**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**

Calle 103 No. 19-20.

Bogota - Colombia

**Subject:** Call No **FCO -I-006-2018** to contract the [Title]

Of the following options fill out under oath the one that corresponds according to the case:

The undersigned,     (first and last name)    , identified with \_\_\_\_\_, in my condition of **(mark with an X as the case may be)** Natural Person \_\_\_\_\_/Legal Representative \_\_\_\_\_ of (company's company name) identified with Nit \_\_\_\_\_, for effects of the Factor of Compliance Evaluation of Previous Contracts within the Call of the matter, declare under oath that:

I am not registered \_\_\_\_ in the Unique Bidders Registry of the Unique Business Registry of the Chamber of Commerce

I am registered \_\_\_\_ in the Unique Bidders Registry of the Unique Business Registry of the Chamber of Commerce

Sincerely,

Signatures:

*[The natural person or legal representative of the legal entity that presents him or herself individually to this Call will sign this document, or in the event of a temporary partnership or consortium, each of the members must provide a signed sworn certification.]*

The natural persons or legal entities which are registered, must provide a certificate of registration of the single bidder, and for each of the members of the consortium or temporary partnership in the case of group bidders, issued within thirty (30) calendar days, prior to the closing date of this call for the purpose of the evaluation factor of compliance with previous contracts.

Notwithstanding the previous sworn statement, the CONTRACTING PARTY reserves the right to verify the information reported in this form.



**FORM 11**  
**LETTER OF INTENT IN REGARDS TO THE INCLUSION OF GENDER EQUALITY AND SOCIAL INCLUSION IN THE EXECUTION OF THE PROJECT**

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

**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**

Calle 103 No. 19-20.  
Bogota - Colombia

**Subject:** Call No FCO -I-006-2018 to contract the **PROJECT AUDITING FOR TECHNICAL, ADMINISTRATIVE, FINANCIAL, ACCOUNTING, SOCIAL AND GENDER EQUALITY, ENVIRONMENTAL AND LEGAL FOR THE PROJECT DENOMINATED: STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN FOR RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION**

Of the following options fill out under oath the one that corresponds according to the case:

The undersigned,     (first and last name)    , identified with \_\_\_\_\_, in my condition of **(mark with an X as the case may be)** Natural Person \_\_\_\_\_/Legal Representative \_\_\_\_\_ of (company's company name) identified with Nit \_\_\_\_\_, for effects of Promotion of Gender equality and Social Inclusion within the Call of the matter, declare under oath that:

I pledge to promote a gender equality and social inclusion approach during the execution of the project, in accordance with the guidelines Findeter has prepared and all the affirmative actions implicit in said promotion.

Sincerely,

Signatures:

*[The natural person or legal representative of the legal entity that presents him or herself individually to this Call will sign this document, or in the event of a temporary partnership or consortium, each of the members must provide a signed sworn certification.]*



**FORM 12**  
**PROMISE OF TECHNICAL ASSISTANCE CONTRACT**

**THIS FORM IS ONLY FILLED OUT WHEN THE SPECIFIC EXPERIENCE IS CERTIFIED THROUGH AN INTERNATIONAL NETWORK OF FIRMS**

Between the undersigned \_\_\_\_\_ who from here forth shall be called the Technical Assistant and \_\_\_\_\_ in representation of \_\_\_\_\_, who from here forth shall be called the bidder, we have agreed upon entering into this promise of a contract that has the objective of offering the services of technical assistance for module(s): \_\_\_\_\_, Private Call No. **FCO -I-006-2018**, carried out by Findeter and is governed by the following clauses:

The technical assistant pledges to the bidder to provide and certify the required experience for Private Call No. FCO -I-006-2018, in relation to the specific experience in XXXXXX, in accordance with the rules established for this purpose in the Terms of Reference, for which they are attached to Form No. XX the supports that prove the experience of the technical assistant.

In the event the bidder becomes the awardee of the selection process, the technical assistant will provide support to the bidder in the execution of the contract, in the specific area corresponding to the experience provided.

The signing of the technical assistance contract promised here, depends solely on the awarding of the contract to XXXXX.

The technical assistant obtains an unconditional and irrevocable commitment of technical assistance for the duration of the contract, which cannot have a duration minor to the duration of contract XXXX, specifically assuming the responsibility of not decreasing the participation that supports the agreement or subordination.

The objective of the technical assistance contract will be to provide the necessary technical advice to the bidder in order to guarantee that the bidder receive technical support in the corresponding subject and in that manner ensure the successful execution of the activities under the contractors' responsibility, depending on the specific task that the technical assistant is required to carry out.

By virtue of the technical assistance contract, the technical assistant pledges to:

a) Unconditionally assume, with both the bidder as well as Findeter, the technical responsibility of the results related to the tasks committed to.

b) Guarantee that the completion of the technical assistance contract will not take place before the term of total execution for the activities stipulated in the objective of contract xxxxxxxx.

c) Plan for when for any reason the technical assistant must be replaced, the technical assistant may not leave the job nor relinquish responsibility until a new technical assistant has begun work, whose appointment requires the prior express authorization of Findeter, which will be issued when the new assistant demonstrates having the necessary experience to perform the work stipulated here.

d) Not to include clauses that void or reduce the responsibility of the technical assistant, which must be full in relation to the provision of the technical assistance necessary for the development of the activities described in the contract along with the technical results therein.

e) Establish that non-compliance with the responsibilities of the technical assistant or his substitution without the formalities described here, constitutes grounds for a breach of contract XXXXXXXX.

For the purpose of complying with the enabling requirements, the Technical Assistant must prove that he complies with the requirements demanded from the bidder.

The technical assistant, by signing the present promise of technical assistance contract, declares that there are no grounds for being deemed unfit or incompatible, nor is there a conflict of interest in providing the support required by the bidder and the contractor in case of being awarded the contract.



By signing this promise, the technical assistant declares that his credentials will only be provided in order to certify the bidders experience

Both the technical assistant as well as the bidder declare that the technical assistance contract does not generate any cost or responsibility for the Entity, to that effect, any cost, obligation or risk in this regard, will be assumed directly by the bidder or the awardee in case the process is awarded to me.

The presentation of the Technical Assistant does not exempt the bidder of the responsibility of presenting the professional personnel required by these terms of reference.

For the record, this document is signed on \_\_\_\_\_, at

The Bidder,

The Technical Assistant,

\_\_\_\_\_

\_\_\_\_\_