

## **BIDDING DOCUMENTS**

**FOR**

**Design, Supply, Installation, Testing and Commissioning of Ballastless Track from Sarthana to Dream City in Elevated and Underground Sections Including Connecting Lines to Depot along with Ballasted / Ballastless / Embedded Standard Gauge Track For Corridor-I, Surat Metro Rail Project, Phase 1**

**TENDER NO. GMRC/Track-1/Surat/Ph-1/2022**

**PART-I BIDDING PROCEDURE**

**SECTION-III, EVALUATION AND  
QUALIFICATION CRITERIA**

**Gujarat Metro Rail Corporation (GMRC) Limited**

(SPV of Govt. of Gujarat and Govt. of India)

Formerly known as Metro Link Express for Gandhinagar and Ahmedabad (MEGA) Co. Ltd.

Block No.1, First Floor, Karmayogi Bhavan, Behind Nirman Bhavan,

Sector 10/A, Gandhinagar: 382010,

Gujarat, India

Corporate Identification No (CIN): U60200GJ2010SGC059407

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## **Section III – Evaluation and Qualification Criteria**

This Section contains all the criteria that the Employer shall use to evaluate bids and qualify Bidders, in accordance with ITB 30, ITB 33, ITB 37. The Bidder shall provide all the information requested in the forms included in Section IV, Bidding Forms.

### **1. Evaluation of Initial Filter cum Qualification Requirement (i.e. Envelope - 1)**

Completeness and responsiveness of the Initial Filter cum Qualification Requirement Bid will be assessed according to the Responsiveness Criteria of ITB 30. In addition to the criteria listed in ITB 11.2 (a) to (g), the following criteria shall apply in evaluation of IFcQR bid.

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1.1 Eligibility						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
1.1.1 Nationality	Nationality in accordance with ITB 4.3	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI-1.1 and ELI-1.2, with attachments
1.1.2 Conflict of Interest	No conflicts of interest in accordance with ITB 4.4	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Letter of IFCQR Bid
1.1.3 AFD Eligibility	Not being ineligible to AFD financing, as described in ITB 4.3	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Statement of Integrity and Environmental and Social Responsibility
1.1.4 State-Owned Entity	Meet conditions of ITB 4.3	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Forms ELI-1.1 and ELI –1.2, with attachments

1.2 Historical Contract Non-Performance						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
1.2.1 History of Non-Performing Contracts	Termination of a contract <sup>1</sup> did not occur as a result of contractor's default in the past five (5) years.	Must meet requirements	Must meet requirements	Must meet requirements <sup>2</sup>	N/A	Form CON-2.1
1.2.2 Suspension Based on Execution of Bid Securing Declaration by the Employer	Not under suspension based on execution of a Bid Securing Declaration pursuant to ITA 4.5.	Must meet requirement	Must meet requirement	Must meet requirement	N/A	Letter of IFcQR Bid
1.2.3 Pending Litigating	All pending litigation shall in total not represent more than one hundred percent (100%) of the Applicant's net worth and shall be treated as resolved against the Applicant.	Must meet requirement	N/A	Must meet requirement	N/A	Form CON-2.1
1.2.4 Historical Debarment / Blacklisting/ Termination / Rescind	Bidder should not have been debarred by Government of India / any State Government in India / Central or State Government undertakings as on the due date of submission of bid.	Must meet requirement	N/A	Must meet requirement	N/A	Form CON-2.2

<sup>1</sup> Non-performance shall include all terminations of contracts where (a) non-performance was not challenged by the Applicant, including through referral to the dispute resolution mechanism under the respective contract, and (b) contracts that were so challenged but fully settled against the Applicant. Non-performance shall not include contracts where Employers decision was overruled by the dispute resolution mechanism.

<sup>2</sup> This requirement also applies to contracts executed by the Applicant as JV member.

1.3 Financial situation and Performance						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
<b>1.3.1 Financial Capabilities</b>	<p>(i) It is necessary that the firm can withstand the Cash Flow that the contract will require until payment received from Employer. Liquidity therefore becomes an important consideration.</p> <p>(ii) This can be seen from the balance sheets and/or from the banking reference. Net current assets {(Current assets + loans &amp; advances) – (current liabilities + provision)} or documents including banking reference, should show that the Bidder has access to or has available liquid assets, lines of credit and other financial means to meet cash flow INR 190 million for this contract, net of Bidder's commitments for other Contracts. Banking reference should contain in clear terms that in case LOA is issued to the Bidder, the bank will be in a position to lend for this work to the Bidder/member of the Joint Venture/Consortium preferably in the form given in Section IV: Bidding Forms and Schedules - Bidder's Qualification-Form FIN-3. In case the Net Current Assets (as seen from the Balance Sheets) are negative, only the Banking references will be considered. Otherwise the aggregate of the Net Current Assets and submitted Banking references will be considered for working out the Liquidity.</p> <p>Liquidity of INR 190.00 million available: <b>Pass</b> Liquidity of</p>	Must meet requirement	Must meet requirement	N/A	N/A	Form FIN – 1 and Form FIN – 3

1.3 Financial situation and Performance						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	<p>INR 190.00 million not available: <b>Fail</b></p> <p>In case of a Joint Venture/Consortium, the above evaluation will be done in totality after applying pro-rata percentage participation of each member and not as individual member. For e.g., if there are three members in a Joint Venture/Consortium with pro-rata percentage participation of 'A%', 'B%' and 'C%' and the calculated liquidity of the respective members are 'X', 'Y' and 'Z', then the evaluation for the above criteria will be based on the pro-rata percentage applied algebraic aggregate i.e. 'AX+BY+CZ'.</p>					
<b>1.3.2 Minimum Average Annual Turnover</b>	<p>(i) The minimum requirements to 'Pass' this criteria is that the Average Annual Turnover for the last five financial years for Construction works only (in terms of rupee equivalent adjusted to last date of the financial year that ended on or before 31.03.2021 . by assuming 5% escalation for Indian Rupee and 2% for foreign currency per year) shall not be less than INR 1150 million.</p> <p>(ii) The value of annual turnover shall be calculated as total certified payments received for Contracts in progress and/or completed, within last Five Financial years divided by Five years.</p> <p>(iii) The financial year as applicable in the country of origin of the bidders would be considered. The 'last financial year' will be the latest financial year that ended on or before 31.03.2021.</p>	Must meet requirement	Must meet requirement	Must meet 25% of the requirement	Must meet 40% of the requirement	Form FIN-2.1



1.3 Financial situation and Performance						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	(iv) In case of a Joint Venture/Consortium, the above evaluation will be done in totality after applying pro-rata percentage participation of each member and not as individual member. For e.g., if there are three members in a Joint Venture/Consortium with pro-rata percentage participation of 'A%', 'B%' and 'C%' and the Average Annual Turnover of the respective members are 'X', 'Y' and 'Z', then the evaluation for the above criteria will be based on the pro-rata percentage applied algebraic aggregate i.e. 'AX+BY+CZ'.					
<b>1.3.3 Net Worth</b>	The minimum requirements to 'Pass' this criteria is that the Balance sheets should indicate that the Net Worth of the Bidder (to be obtained from audited Balance Sheet) shall be positive in the audited statement of any 3 of the last 5 financial years. The financial year as applicable in the country of origin of the bidders would be considered. The 'last financial year' will be the latest financial year that ended on or before 31.03.2021 .	Must meet requirement	N/A	Must meet requirement	N/A	Forms FIN-1
<b>1.3.4 Available Bid Capacity</b>	As per below mentioned methodology.	Must meet requirement	Must meet requirement	N/A	N/A	Form FIN-2.2, FIN-4.1 & FIN-4.2

#### **Methodology for Working out the Available Bid Capacity**

The Bidders will be qualified only if their available bid capacity is more than INR 1400.00 million. Available bid capacity will be calculated as under:

Available Bid Capacity =2AN-B

Where,

A = Maximum value of Construction works in any one (1) year during the last five (5) years

N = No. of years prescribe for completion of the present work

B = Value [at price level as on the twenty-eight days prior to 'date for Bid submission' (refer Forms of Bid –Form FB-1)] of existing commitments and on-going works (works in hand) to be completed during next “N” years starting from the twenty-eight days prior to 'date for Bid submission'.

**Note:**

In case of a Joint Venture/Consortium, the above formula will be applied to each member to the extent of his proposed percentage (%) participation in the execution of the work. The Bid Capacity of the Joint Venture/Consortium will be the sum total of the Bid Capacity of each member of the Joint Venture/Consortium as calculated above.

Value of 'A':

The maximum value of Construction works in any one year during last five (5) years ('A' in the above formula) shall be the maximum turnover in any one (1) financial year during the last five (5) financial years. Financial year as applicable in the country of origin of the bidders would be considered. The turnover of Construction works to be furnished in response to Section-IV A: Bidding Forms-Bidder's Qualification Form: Form FIN-2.2 shall be considered for evaluating the value 'A' in above formula and the details furnished by the Bidder shall be supported with audited copies, duly certified by Independent chartered accountant/CPA, indicating Annual turnover of Construction works only.

Value of 'B':

The value of existing commitments and ongoing works (works in hand) ('B' in the above formula) as furnished in response to Section-IV A: Bidding Forms-Bidder's Qualification Form: Form FIN-4.1 and FIN-4.2 shall be considered. The 'twenty-eight days prior to date for Bid submission' means for e.g: Say, if 'date for Bid submission' is 15.01.2020, then 'twenty-eight days prior to date for Bid submission' will be 18.12.2019 and next 3 years period will be period up to 17.12.2022.

1.4 Experience						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
<b>1.4.1 General Experience</b>	Experience under contract in the role of prime contractor (single entity or JV/Consortium member), Subcontractor, or management contractor (i) for at least last Five (5) years ending last day of the month previous to the month of tender submission.	Must meet requirement	N/A	Must meet requirement	N/A	Form EXP-1
<b>1.4.2 Specific Experience (a)</b>	<p>(a) The bidder in the role of prime contractor (single entity or JV/Consortium member), Subcontractor, or management contractor in his or its name shall have a past experience of substantial completion<sup>(iii)</sup> of installation of ballastless track length from single work equal to 34 TKM (Track Kilometer) on MRTS or main lines of passenger Railway Systems or High Speed Rail in last 7 years ending last day of the month previous to the month of tender submission. This experience can be of different partners of the bidder in case of JV / Consortium<sup>(v)</sup>.</p> <p>OR</p> <p>The bidder in the role of prime contractor (single entity or JV/Consortium member), Subcontractor, or management contractor in his or its name shall have a past experience of substantial completion<sup>(iii)</sup> of installation of ballastless track length from two works each equal to or more than 21 TKM on MRTS or main lines of passenger Railway Systems or High Speed Rail in last 7 years ending last day of the month previous to the month of tender submission. This</p>	Must meet requirement	Must meet requirements <sup>(v)</sup>	N/A	N/A	Form EXP – 2.1

1.4 Experience						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	<p>experience can be of different partners of the bidder in case of JV / Consortium<sup>(v)</sup>.</p> <p>OR</p> <p>The bidder in the role of prime contractor (single entity or JV/Consortium member), Subcontractor, or management contractor in his or its name shall have a past experience of substantial completion(iii)of installation of ballastless track length from three works each equal to or more than 17 TKM on MRTS or main lines of passenger Railway Systems or High Speed Rail in last 7 years ending last day of the month previous to the month of tender submission. This experience can be of different partners of the bidder in case of JV / Consortium<sup>(v)</sup>.</p>					
<b>1.4.2 Specific Experience (b)</b>	<p>b) Along with required minimum experience on ballastless track, bidder shall have a past experience of installation of Ballasted track / Embedded Standard Gauge track length equal to 5 TKM. Experience on Ballasted Track / Embedded Standard Gauge Track on a system having design axle load less than 12 Tons, or portions of work having design, speed less than 70 Kmph or Tramways shall not be considered. Components of Ballasted / Embedded Standard Gauge track works in sidings, spurs and other non-passenger portions shall also not be considered.</p> <p>Note :</p>	Must meet requirement	Must meet requirements(v)	N/A	N/A	Form EXP – 2.1

1.4 Experience						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	<p>(1) The Lead Partner in case of JV/Consortium shall be the one who has the experience of substantial completion of installation of Ballastless track work for a length of 32TKM</p> <p>(2) In case of joint venture / Consortium, full length of the work, if done by the same joint venture shall be considered. However, if the work done by them in another JV/consortium, length of work as per their percentage participation in that JV shall only be considered.</p> <p>(3)The bidder shall submit details of work executed by them in the Proforma provided in Section IV Bidding Forms, for the works to be considered for qualification of work experience criteria. Documentary proof such as completion certificates from client clearly indicating the nature/scope of work, actual completion cost and actual date of completion for such work are required to be submitted. In case the work is executed for private client, copy of work order, bill of quantities, bill wise details of payment received certified by C.A., T.D.S certificates for all payments received and copy of final/last bill paid by client shall also be submitted. The offers submitted without this documentary proof shall not be evaluated</p>					
<p><u>Notes for the Bidder</u></p> <p>(i) Work experience of only substantial partner (partner with share of 26% or more in the JV / Consortium) shall be considered for evaluating of JV/Consortium.</p> <p>(ii) A management contractor is a firm which takes on the role of contract management as a “general” contractor of sort could do. It does not normally perform directly the work(s) associated with the Contract. Rather, it manages the work of other (sub) contractors while bearing full responsibility and risk for price, quality, and timely performance of the contract.</p>						

1.4 Experience						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
	<p>(iii) The similarity shall be based on the physical size, complexity, methods/technology and/or other characteristics described in Section VI, Employer's Requirements. Summation of number of small value Contracts (less than the value specified under requirement) to meet the overall requirement will not be accepted.</p> <p>(iv) Value of successfully completed portion of any ongoing work up to last day of the month previous to the month of tender submission will also be considered for qualification of work experience criteria, provided at least 70% of the Contract value of work is completed. The details to be furnished in Exp. 4.2 (B) along with the Engineer / Employer's certificate and other requisite details as mentioned in NIT/Tender Document. The Engineer / Employer's certificate for ongoing works should not be older than three months from the tender submission date.</p> <p>For completed works, value of work done shall be updated to last day of the month previous to the month of tender submission price level assuming 5% inflation for Indian Rupees every year and 2% for foreign currency portions per year. The exchange rate of foreign currency shall be applicable 28 days before the submission date of tender.</p> <p>(v) Substantial completion shall be based on 70% or more works completed under the Contract.</p> <p>(vi) For contracts under which the Bidder participated as a JV member, only the Bidder's share, by value, shall be considered to meet this requirement.</p> <p>(vii) In case of a JV, the value of Contracts completed by its members shall not be aggregated to determine whether the requirement of the minimum value of a single Contract has been met. Instead, each Contract performed by each member shall satisfy the minimum value of a single Contract as required for single entity. In determining whether the JV meets the requirement of total number of Contracts, only the number of Contracts completed by all members each of value equal or more than the minimum value required shall be aggregated.</p> <p>(viii) For Contracts under which the Bidder participated as a JV member or Subcontractor, only the Bidder's share shall be counted to meet this requirement.</p> <p>(ix) The tenderer shall submit details of works executed by them in the Form EXP 4.2(b) for the works to be considered for qualification of work experience criteria. Documentary proof of completion certificates from client clearly indicating the nature/scope of work, actual completion cost and actual date of completion for such work should be submitted. The offers submitted without this documentary proof shall not be evaluated. In case the work is executed for private client, copy of work order, bill of quantities, bill wise details of payment received certified by C.A., T.D.S certificates for all payments received and copy of final/last bill paid by client shall also be submitted. The offers submitted without this documentary proof shall not be evaluated.</p> <p>(x). In case of Joint venture / consortium, full value of the work, if done by the same joint venture shall be considered. If the qualifying work(s) were done by them in JV/consortium having different constituents then the value of work as per their percentage participation in such JV/Consortium shall be considered.</p> <p>(xi) In case of JV/Consortium, change in constitution or percentage participation shall not be permitted at any stage after their submission of application otherwise the applicant shall be treated as non-responsive.</p> <p>(xii) Participation by Subsidiary Company / Parent Company with credential of other Company.</p> <p>a) Applicant in the capacity of a Subsidiary Company as a single entity is not permitted to use the credential of its Parent Company and/or its Sister Subsidiary Company/ Companies unless the Applicant participates in tender as JV/Consortium with its Parent Company and/or its Sister Subsidiary Company/ Companies as a member(s) in JV/Consortium with minimum 26% participation each (as substantial member) for such member(s).</p>					

1.4 Experience						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
b) Applicant in the capacity of a Parent Company as a single entity is not permitted to use the credential of its Subsidiary Company/ Companies unless the Applicant participates in tender as JV/Consortium with its Subsidiary Company/ Companies as a member(s) in JV/Consortium with minimum 26% participation each (as substantial member) for such member(s).						

1.5 Environmental, Social, Health and Safety (ESHS)						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
<b>5.1 ESHS Certification (s)</b>	Availability of a valid ISO certification or internationally recognized equivalent (equivalency to be demonstrated by Applicant), and applicable to the worksite:	Must meet requirement	N/A	N/A	Leader must meet requirement	
	Quality management certificate ISO 9001					Form CER
	Environmental management certificate ISO 14001					Form CER
	Health and safety management certificate ISO 45001					Form CER
<b>5.2 ESHS Documentation</b>	<p>Availability of in-house policies and procedures acceptable to the Employer for ESHS management:</p> <ol style="list-style-type: none"> <li>1. Existence of a system for monitoring compliance with ESHS commitments for the Candidate's Subcontractors and all its partners.</li> <li>2. Existence of official company procedures for the management of the following relevant points:                             <ul style="list-style-type: none"> <li>• Health &amp; Safety on worksites;</li> <li>• Traffic management;</li> <li>• Hazardous products;</li> <li>• Wastewater (effluents);</li> <li>• Atmospheric emissions, noise and vibrations;</li> <li>• Waste management;</li> <li>• Control of infectious and communicable diseases (HIV/AIDS, malaria, etc.).</li> </ul> </li> </ol>	Must meet requirement	N/A	N/A	Leader must meet requirement	Form ESHS and supporting documentation



1.5 Environmental, Social, Health and Safety (ESHS)						
Criterion	Requirement	Single Entity	Joint Venture (existing or intended)			Submission Requirements
			All Parties Combined	Each Member	One Member	
<b>5.3 ESHS Experience</b>	Experience of two construction contracts over the last ten years, where major ESHS measures were carried out or are on progress satisfactorily and in compliance with international standards.	Must meet requirement	N/A	N/A	Leader must meet requirement	1. Form EXP-ESHS with supporting documents (the Applicant shall submit a piece of evidence supporting the ESHS implementation measures)
<b>5.4 Specific ESHS Knowledge Transfer Experience</b>	Experience of one (1) construction contract in developing/ emerging countries over the last five (5) years in which the ESHS knowledge transfer to a local partner or the ESHS capacity building of the Employer's country staff was carried out satisfactorily.	Must meet requirement	N/A	N/A	Leader must meet requirement	1. Form EXP-ESHS with supporting documents (the Applicant shall submit a piece of evidence supporting the ESHS knowledge transfer or capacity building)
<b>5.5 ESHS Dedicated Personnel</b>	Availability of in-house personnel dedicated to ESHS issues: Environmental and Social Manager, and/or Health and Safety Manager.	Must meet requirement	N/A	N/A	Leader must meet requirement	1. Organizational chart evidencing filled ESHS position(s). In case bidder do not have inhouse personnel for any of ESHS

<b>1.5 Environmental, Social, Health and Safety (ESHS)</b>						
<b>Criterion</b>	<b>Requirement</b>	<b>Single Entity</b>	<b>Joint Venture (existing or intended)</b>			<b>Submission Requirements</b>
			<b>All Parties Combined</b>	<b>Each Member</b>	<b>One Member</b>	
						requirements, they should propose independent agency to carry out activities that meeting certification requirements of 5.1 & 5.2

## 2. Evaluation of Technical Bid (i.e. Envelope - 2) :

Completeness and responsiveness of the Technical Bid will be assessed according to the Responsiveness Criteria of ITB 33. In addition to the criteria listed in ITB 11.3 (a) to (bb), the following criteria shall apply in evaluation of technical bid.

### 2.1 Personnel :

The Bidder must demonstrate that it has the personnel for the key positions that meet the following requirements:

No.	Position	Qualification	Total Work Experience (years)	Experience In Similar Works (years)
1	Project Manager	Graduate in Civil Engg. With good knowledge of Railway Track Engineering & track construction.	15 years	10 years should be in projects of similar nature and at similar level i.e. installation of ballasted / ballastless track and turnouts.
2	Deputy Project Manager (DPM-1) – Ballastless Track	Graduate in Civ. Engg. with good knowledge of Railway Track Engineering & ballasted track construction	10 years	5 years should be in installation of ballastless track
3	Deputy Project Manager (DPM-2) – Ballastless Track	Graduate in Civ. Engg. with good knowledge of Railway Track Engineering & ballasted track construction	10 years	5 years should be in installation of ballastless track
4	Deputy Project Manager (DPM) – Ballastless Turnout	Graduate in Civ. Engg. with good knowledge of Railway Track Engineering & ballasted track construction	10 years	5 years should be in installation of ballastless turnout.
5	Deputy Project Manager (DPM) – Rail Welding	Diploma in Civil / Mechanical Engg.	10 years	5 years should be in Flash Butt Welding and Alumino Thermic Welding
6	Chief Quality Assurance Manager – Quality	Graduate in Civil Engg.	10 years	5 years should be in quality control in installation of ballastless / ballasted track
7	Survey in-charge	Graduate in Civil Engg.	8 years	5 years should be in installation of ballastless track
8	Chief SHE Manager	Graduate engineer with short term course in Safety, Environment, Fire and Equivalent	15 years	5 years
9	Deputy Project Manager (DPM) – Planning and Procurement	Graduate in Civ. Engg. with good knowledge of Railway Track Engineering & its planning	10 years	5 years
10	Sr. Site Supervisor	Graduate in Civil Engg	10 years	6 years
<b>NOTE:</b> Diploma with 5 years additional experience in relevant field will be considered equivalent to degree				

The Bidder shall provide details of the proposed personnel and their experience records in Forms PER-1 and PER-2 in Section IV, Bidding Forms.

## 2.2 Equipment :

The Bidder must demonstrate that it has the key equipment listed hereafter:

No.	Equipment Type and Characteristics	Minimum Number required
1	The Bidder or one of the partners (in case of JV) should own a mobile flash butt welding plant and should have qualified and experienced welders / operators with valid competency certificate	One
2		
3		
4		
5		

The Bidder shall provide further details of proposed items of equipment using Form EQU in Section IV, Bidding Forms.

## 3. Evaluation of Financial Bid (i.e. Envelope - 3) :

3.1 Completeness and responsiveness of the Financial Bid will be assessed according to the Responsiveness Criteria of ITB 37. In addition to the criteria listed in ITB 11.4 (a) to (f), the following criteria shall apply in evaluation of financial bid.

3.2 Domestic Preference  
3.2.1 A margin of preference of 7.5% (seven and one half per cent) shall be granted to domestic Bidders, in accordance with, and subject to, the following provisions:

- a) An individual firm is considered a Domestic Bidder for purposes of the margin of preference if it is constituted in the country of the Employer, has more than 50 percent ownership by nationals of the country of the Employer, and if it does not subcontract more than 30 percent of the contract price, excluding Provisional Sums, to foreign contractors. JVs are considered as domestic Bidders and eligible for domestic preference only if the individual member firms are constituted in the country of the Employer, have more than 50 percent ownership by nationals of the country of the Employer, and the JV shall be constituted in the country of the Borrower. The JV shall not subcontract more than 30 percent of the contract price, excluding Provisional Sums, to foreign firms. JVs between foreign and national firms will not be eligible for domestic preference.

- b) Bidders applying for such preference shall be asked to provide, as part of the data for qualification, such information, including details of ownership, as shall be required to determine whether, according to the classification established by the Employer and accepted by AFD, a particular Bidder or group of Bidders qualifies for a domestic preference;
  - c) After Bids have been received and reviewed by the Employer, responsive Bids shall be classified into the following groups:
    - (i) Group A: Bids offered by domestic Bidders eligible for the preference;
    - (ii) Group B: Bids offered by other Bidders.
- 3.2.2 All evaluated Bids in each group shall, as a first evaluation step, be compared to determine the lowest Bid, and the lowest evaluated Bids in each group shall be further compared with each other. If, as a result of this comparison, a Bid from Group A is the lowest, it shall be selected for the award. If a Bid from Group B is the lowest, as a second evaluation step, all Bids from Group B shall then be further compared with the lowest evaluated Bid from Group A. For the purpose of this further comparison only, an amount equal to 7.5% (seven and one-half per cent) of the respective Bid price corrected for arithmetical errors, including unconditional discounts but excluding Provisional Sums and the cost of day works, if any, shall be added to the evaluated price offered in each Bid from Group B. If the Bid from Group A is the