

Instructions about implementation of government contracts

According to the provisions of the first paragraph of section (14) of the Code of public contracts issued by order CPA (dissolved) No. (78) For the year 2004, and the decision of the Council of Ministers of the KRG No. (1) At its usual meeting No (15) in 5/4 / 2010 official letter reported under the presidency of the Council of Ministers / Council Secretariat (confidential) No. (1127) on 5/5/2010. We issued the following instructions

Instructions (1) on 2011

Instructions about implementation of government contracts

Article 1 -

The purpose of this FAQ to clarify the general principles for the implementation of government contracts entered into by the directories of the region and the public sector in the areas of public works and supply of goods and related services and consultancy contracts and contracts for services not consulting with the competent national, foreign And to identify methods of implementation and those empowered to bid opening and analysis and establishment of procedures to challenge the administrative decisions of the Court, that are contracting procedures for the conclusion of the contracts mentioned transparency, integrity and fairness in competition

Article - 2 -

First: The provisions of these regulations for contracts entered into by the parties contractual government (provincial departments and public sector)

First: The provisions of these regulations for contracts entered into by the parties contractual governmental organizations (province departments, and public sector) represented by the ministries and bodies of others linked to the Ministry and the other national and foreign provinces for the implementation of contracts for government projects and / or consultancy contracts and contracts for services that are not advisory, and / or processing of goods and services related to it.

Second: these regulations provisions do not apply on the public contracts and projects for the provincial departments and public sector financed by international or regional organizations& NGOs and implementation based on the agreements or protocols concluded with the national parties in this regard Can be the exception to the provisions of these regulations unless otherwise stipulated, in these agreements or protocols, that does not contradict

Third: : these regulations provisions do not apply on the implementation of contracts for oil and gas projects entered into by the Ministry of Natural Resources of the Kurdistan Region. These contracts remain subject to the provisions of the law of oil and gas to the Kurdistan Region No. 22 of 2007.

Article - 3 -

First:

Contracted to third parties in the ministries and departments not related to the Ministry and the provinces put into account the completion of the following requirements prior to the preparation of tender documents:

- A- The existence of prior approval from the Ministry of Planning on the reports of the technical and economical contexts feasibility according to the approved application form accompanied by a discussion of the project when the project for inclusion in the annual plan in projects of economic return. The service projects, infrastructure and rehabilitation (projects yielding economic stainless quantifiable), the preparation of the technical report for the project instead of the report of technical and economic feasibility
- B- -Updated cost of speculative (not to exceed 180 days before the announcement of the tender) for the purposes of the contract are set by the agency concerned to determine the technical specifications and bills of quantities and implementation requirements in the tender documents of the contract depending on the report or study the technical & economical feasibility, or work to be carried out in paragraph (a) above in order to be used as a measure for the analysis and awarding contracts comply with the confidentiality of their data.
- C- - the preparation of standards or proportions of the weighting of bids and contracts depending on the nature attached with the tender documents for adoption by the contractual parties in the awarding of government contracts
- D- The presence of allocations for the implementation of the contract in favor of the general budget of the competent authorities (Ministry of Planning and / or the Ministry of Finance and Economics) with the reference in the tender documents to the project's tab in the plan.
- E- that the conditions and technical specifications, engineering plans, bills of quantities, the relevant requirements and other things that is necessary for the implementation to be ready and accurate to avoid making changes or additions during construction subject to the following:
 - 1 - Financial powers vested in the subject set forth in the instructions for implementing the general budget of the region and regulations and other instructions related.
 - 2 - Provisions for the implementation of projects in a project ready (turn key) in the regulations governing the contract in this way, with no recourse to follow this method only in special cases and after obtaining the approval of the Council of Ministers
 - 3 - May be making changes to the quantities and amounts of supply contracts, advisory services and services other than consulting within the project budget approved when necessary, no later than (7%) of the total amount of the contract during the period of execution of the contract and the same prices, contained in the Bill of Quantities of the contract and subject to the provision of financial allocation and in line with the conditions of the tender and contract
- F- Taking into account the laws, rules and regulations in force in the region and obtain the approval of the concerned authorities on the site and the allocation of land required for the project or work in the implementation of the Public Works Contractors
- G- removal of legal and physical problems, if any, in the workplace in the implementation of public works contracts, including procedures for acquisition of the site and extinguish the rights to dispose of agricultural land
- H- The site to be ready that the site is ready to begin the work in whole or in part of the curriculum in line with the timetable set.
- I- Any other actions required by the nature of the work or the contract to be implemented.

Second: Contractual parties to take into account the completion of the following requirements prior to the preparation of tender documents for the processing of goods and non-advisory services as follows: -

- a. There is a need for the processing the contractual parties with materials and services.
- b. to be determined in coordination between the contractual parties and recipients (beneficiaries) should include precise technical needs
- c. - The presence of accurate speculative and updated cost for the materials and / or services intended to be processed by the contractual parties and beneficiaries, taking into account the provisions of paragraph (b) from (first) of the article above.
- d. Provides financial allocation for the processing of goods and services supported by the competent authority in the department concerned.
- e. Obtain official approval from the Contracting Authority to implement the processing of goods and / or services by the financial authorities in force.
- f. The purchase of materials importation under one of these methods provided for under the provisions of Article IV of these instructions.

Third: Place a price of one set of tender documents for the tender of public and Co. Ltd. is bidding stages rate commensurate with their importance and the cost of preparing and insure seriousness in participating, but the bidder who has previously participate in the tender re-announcing that provides former receipts subscribe with the tender documents at the return back, in the case of adjustment purchase price of the tender documents for tender returned the bidder shall bears the difference between the two rates is accompanied with the tender receipts first and second.

Forth: - A- dissemination of the Declaration in three national daily widespread newspapers at least (and are intended to those newspapers that are not concerned with province specific or a particular sector or a specific destination and to ensure notification of all) and once at least, that wins the tender bear the wages of publishing and advertising the tender.

B- - dissemination of the Declaration on the website in terms of the contract and the bulletin board for general national bids as well as dissemination of the Declaration in the Missions of trade in Iraqi embassies and representations of the Kurdistan Regional Government outside and the location of the United Nations for the development of business) *UNDB online & dgmarket ,com*) and portal market development with respect to tenders of general international .

Article -4-

Contracting parties to adopt one of the following methods in the implementation of public contracts various types, whether national or international:

First: General tender: The implementation of this method to declare general advocacy (local or international) of the contracting entity (or conferred) to all who wish to participate in the implementation of the contracts who are eligible, taking into account that characterized procedures . General, competitiveness, fairness, transparency and publicity

Second: Limited Tender: And with the declaration of general advocacy (local or international) of the contracting entity to all who wish to participate including the implementation of the contracts are eligible to participate and be in two phases:

- a. Phase I: include the provision of documentation for the technical and financial qualifying support to participants in the tender, to be evaluated by a specialized committee in the contractual parties to reach a qualified selection to participate in the second phase.
- b. Phase II: direct (free) invitation to a qualified participation in the tender for submission of technical and commercial (financial) bids and the legal requirements of the post that not less than (2) two if the number of qualified equal to that number but if they are over that he headed an invitation to all qualified.

Third: Tender in two phases:

A - Prime Contracting Authority or whom authorized use bidding of two stages contract in order to receive the best way to meet the contractual needs and this approach in the contracts of complex technical specifications or when you need to apply the specifications not useful to draft details of the technical specifications of the goods or works or in the case of services to determine the characteristics or features accurately.

B - May be preceded by two-stage bidding process, pre-qualification procedures set forth in item (ii) of this Article. For the purpose of the implementation of this technique should be subject to the following:

1 – **phase I:** Call the bidders to submit technical bids based on initial design and description of events and Prime Contracting Authority to amendment on the speculative cost if required.

2 - **Phase II:** Call bidders who have been accepted their technical bids according to eligibility criteria in the first phase to submit their Financial bids on the basis of the modified tender documents in accordance with the conditions laid down by the contracting entity for the post that not less than (2) two if the number of qualified equal to this But if the number they are over so he headed an invitation to all qualified.

Fourth: direct call:

A - direct call submit by the contracting entity to at least five (5) of the contractors , companies , institutions, processors and offices accredited for their technical and financial ability and efficiency in the implementation of general contracts and, where necessary and in the case of existence of justified reasons to bring before a recommendation of the director of government contracts in those contractual upon the availability of the following cases: -

1. the contract with a specialized nature and require an invitation to the actors or producers or advisory sober and experienced in the nature of the contract
2. The contract that requires secrecy in contracting procedures and implementation and / or that there are security reasons require this.
3. Emergencies, natural disasters and processing of drugs and supplies life-saving.
4. Consultancy contracts
5. Reluctance of bidders to participate in public tenders advertised for the first time, or in the case of receiving non-responsive bids.

B- To provide the suppliers, contractors and consultants tender documents and the documents free of charge.

C - Submitted directed bids shall be exempt to resolve direct call to provide primary insurance.

D - If you receive a bid by one of the invited to the direct, are analyzed and evaluated and provide under a condition which the assignment is as follows: -

1. 1 - Make sure that all of the companies that were directly invited have response that has received the direct call.
2. All the companies that were directly invited to respond through the provision of the tender or apology.

3. To be the only offer is identical to the unmet conditions of the tender and technical specifications.
4. The contracting entity to ensure that not is the cause of lack of response of the rest were invited to submit their bids due to the lack of clarity in the tender documents.
5. Reasons due to be called to direct invite matching with the specific requirements of paragraphs (IV - 1, 2, 3, 4, 5) of paragraph (a) of Article (4).

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Fifth: The style of giving one offer (only offer) are invited (free) approval of the President on the contract to the holder of the monopoly good or service contracts with a monopolistic nature or for the maintenance and processing of spare parts for equipment imported earlier, and exempt the addressee has an invitation under this method of providing insurance preliminary.

Sixth: Procurement Committees: This method is use for the processing province directories goods and services according to the amounts and controls specified in the Implementing Regulations of the general budget in the region.

Article -5-

First, take into account the advertising tenders of general contracts (public works, equipment and advisory services) as follows:

A - tender name , number, address and tab included in the budget.

B- A clear brief description of the project or contract to be implemented with a statement of services and goods required

C- Duration of the tender announcement and direct call for all contracts are (14) fourteen days and more and is determined according to the importance of the contract and the recommendation of the formations of general contracts and the approval of the President on the contract and start of the last publication of the Declaration

D-Indicate the date, place of submission of tenders, the period of expiry required, place and date of sale of Tender Documents

E-Indicate the type and amount of the bid bond and permeability required of bidders

F- Closing date.

G- The purchase price of the tender documents is non-refundable when referral

H- Website terms of the contractual entity and e-mail address for the administrative in charge of the tenders

Second: Include instructions to bidders for the tender documents accompanying the following

A - the basic principles of contracting procedures

B - the text on the ownership of property designs, maps and specifications prepared by the Contracting Authority with the employer except for special cases and with the consent of Prime Contracting Authority written and that refrain these parties from publishing any information regarding the procedures for contracting without the procedures for the contract only after obtaining written authorization especially by the President of Contracting Authority

C- Demand from the bidders attach a similar work carried out and in progress (in terms of project type, size, and its components) with their bids, if any, in favor of the contracting parties concerned.

D- Determine the date of opening the tenders and open space provided for that

E- Demand from the bidders to declare the qualifications of the technical specialists and full-time employees have in the implementation of construction projects of various kinds or consulting contracts.

F - Demand from the bidders to provide the Platform of implementation for the contract and to be studied and approved after the signing of the contract.

G- Determine the date of the Special Conference to answer questions of the participants in the tender (if any), and, at least half the length of the advertising of closing date.

H:

1. Degree and type of contractor is required for the construction of general works projects and the certificate of incorporation of entrepreneurship and leave practice for the engineering offices of officially sanctioned.
2. is adopted (Certificate of Incorporation - Memorandum of Association - Bylaws - A book of review and authorized signature) certified according to the law for foreign companies, with its claim to provide any other data in accordance with the terms of the tender and the legislation in force in this regard.

I- Determine the currency of submission of tender

j - Determine the mechanism of calculating the delay penalties in light of the terms of the contract

k - the contracting entity is not obliged to accept the lowest bid if at the expense of the technical specifications, conditions and qualification requirements for contracting.

L- Government in terms of the contract, cancellation of the tender (prior to the assignment) based on justifiable reasons without compensation bidders, and re-purchase price of the tender documents only,

M - Any other instructions to bidders or any data or other documents required by the nature of the work to be carried out or materials to be processed or advice to be provided.

N - Identify the prices of quantities in the tender and the total amount of ink or printed in letters and figures.

O- No bidder may write off any item of the tender documents or to make any amendment in any kind

P - Tender documents include the mechanism adopted in the calculation of weighting criteria for the works contracts or percentage weighting of the contracts for the purposes of awarding consultancy based in the analysis of tenders.

Q - May not employees of the region and the public sector to participate in the bidding, directly or indirectly taking into account the provisions of the legislation applicable in this regard.

R - Demand from the bidders statement in the website and bid documents, email, name and Address of the person responsible for follow-up queries regarding the tender with the reporting of any variables on this data.

Third : Contractual parties to include the instructions to bidders accompanying the tender documents (processing of goods or services other than consulting) as follows: -

a - the basic principles of contract to be concluded and how to pay the dues percentage or lump sum or other than what is customary and is installed in the conditions of the tender

b- May ask the bidders to provide similar business

c- Determine the date of opening of tenders and open space provided for that

d - Demand from the bidders determine the dates of the Platform or the delivery of materials or services required under the terms of the tender.

e - Determine the date of the Special Conference to answer questions of participants in the tender (if any), and including at least half the length of the Declaration of the closing date of tender

- f - Be requested to determine the price for processing import contract in light of the place of arrival and (**CIP, CFR, CIF, FOB**) other terms of international trade under the version of (INCOTERMS 2000).
- g- Determine the mechanism of calculating the delay penalties in light of the contractual terms (shipping delay penalties, fines delay delivery)
- H - Be the contracting entity is obliged to accept the lowest bid if at the expense of the technical specifications and qualification requirements and conditions of contracts.
- I - Government in terms of the contract, cancellation of the tender (prior to the assignment) based on justifiable reasons without compensation bidders, and re-purchase price of the tender documents only.
- J - Identify the prices of quantities in the tender and the total amount of ink or printed in letters and figures.
- k - - No bidder may write off any item of the tender documents or to make any amendment in any kind
- L - Tender documents include the mechanism adopted in the calculation of weighting criteria for the works contracts or percentage weighting of the contracts for the purposes of awarding consultancy based in the analysis of tenders.
- M - May not employees of the region and the public sector to participate in the bidding, directly or indirectly taking into account the provisions of the legislation applicable in this regard.
- N - Demand from the bidders statement in the website and bid documents, email, name and Address of the person responsible for follow-up queries regarding the tender with the reporting of any variables on this data.
- O- Contracting Authority may increase or decrease the items or services to be processed if necessary, subject to paragraph (3) of clause (e) of Article 3 - first
- P - In terms of the contract may be indivisible material to be processed or services that are referred to in the conditions of the tender
- Q - Determine the history , methods of shipping , specifications and the nature of packaging
- R - Determining the duration of processing or execution
- S - Determine the legal initial and final safeguards according to the provisions
- T -Select a closer external checker if necessary, according to the nature of the (specify the type of tests that are conducted and by whom the payment of wages).
- U - Determine who has the authority to accept the final of the substance or the service after their arrival at the place of delivery specified in the documents as well as determine the weight and quality.
- V- If the material to be processed need to import spare parts for the Chamber to ask the supplier should submit pledge processing tools within a specific and competitive price to be agreed upon.
- W - Determine the currency of submission of tender
- X - Any additional conditions required by the tender or other invitation.

Forth: in terms of the contract extension for the announcement of the tender if required, and only once with Give more attention to the following:

- A - approval of the head of the contracting entity or authorized to do so.
- B - A supplement that announced itself in the newspapers that published the advertisement and send a copy to all participants in the tender before a period from the date of the deadline for acceptance of the tender.

Fifth: re-announcement of the tender in one of the following cases:

- A - If you have not submitted bids during the period of the declaration or if the bid submitted is not responsive to the conditions of the tender, or in the case of a single tender during this period with the observation that in the event of more than one tender was one of them is acceptable technically and commercially are accepted and traffic operation analysis of bids and referral (Subject to the provisions in Article (15) First item c of these instructions.

B- If the best bidders amount for the bid exceed 7% of the cost allocated to the speculative purposes of contracting for the implementation of projects after obtaining the approval of the Council of Ministers

Sixth: The following procedures are followed when re-advertising

- a. Obtaining the approval of the head of the contracting entity or authorized by and inform Ministry of Planning , with determining the duration of this Declaration in accordance with the provisions of paragraph (c) of paragraph (First) of Article (5)of these instructions.
 - b. Inform the bidders participating in the tender so
 - c. Previous Sequence is to be made to re- e-tender its declaration with reference to the number of repeats in the new advertising if it is in the same year.
 - d. Clearly inform the concerned authorities to re-advertise.
 - e. Investigate the reasons for not participating in the first announcement of the tender and take action on them and re-examine the speculative cost of the project or work and update reverse and price variables that it took so.
1. In the case of re-advertise a tender is made with a single bidder subject to the following:
 - 1 - The amount of the bid within the cost speculative earmarked for the purpose of contracting in the allocations of the project or the contract to be implemented.
 2. The bid shall be in conformity with the technical specifications and conditions required in the tender announcement.
 3. In the case of receipt of the best bid in the of the second Declaration more speculative cost allocated for the purposes of the contract by 7% to 10% are approaching the Ministry of Planning to make one of the following procedures: -
 - A - Postpone the implementation of the project next year.
 - B - To take advantage of the amount appropriated for the implementation of other projects when transfers
 - C- Obtain the approval of the Council of Ministers for the purpose of increasing the speculative cost of for the purposes of contracting
 4. In the absence of any acceptable bid in the second announcement, the Prime Contracting Authority either advertising for the third time (recent) or take the necessary to change the style execution of the contract taking into account the contexts adopted in this regard.

Article - 6 - formations of committees for tender opening and its functions :

First: at the center of each ministry or institution not linked to the Ministry and the provinces to be formalize a central committee or more for opening of tenders from experienced and competent under the chairmanship of an employee not less entitled functional than director or chief engineer and the membership of one representative from each of the legal services, financial and formations of contracts and one technician and a representative of the Federation contractors in Kurdistan (observer member) and the decision of at least about his job title and observant, take into account the replacement of this Committee on a regular basis and be no longer than six months.

Second: Committees may be formed for opening of tenders inside ministry's formations or organization is not linked to the Ministry and the formation of each committee, as provided in paragraph (First) of this Article.

Third: The decision of the Committee in the exercise of his function to follow up these measures of during opening of tenders:

A - deposit of tenders in the appropriate box to the concerned authorities and in accordance with two regular copies of receipts received, one to the bidder or who to vest with , second to the authority concerned and record

the following information in a special register:

- 1- Name of the tender and number as contained in the documents.
 - 2- Name of the bidder or his official agent, and full address inside or outside the province with the supporting documents for that
 - 3- Name of the formal authorized holder, his address and signature
 - 4- Date and time of delivery of tender
 - 5- Additional approvals are sent along with the tender (if any)
- 6- Tenders may be sent by registered mail, express mail and do not accept bids submitted by E. mail style except per tender (supply only), that enhanced with a copy an original ink signature at a date to ensure arrival at the agency concerned before making recommendations of the Committee on Analysis, And the Commission's decision recording these bids in the record upon their receipt.
- 7- May not give any information about the names and addresses of the bidders or their agents during the period of advertising in order to maintain the confidentiality of the proceedings

B- The Chairman of the Committee for opening tenders to make sure the following:

- 1 - the presence of committee's members prior to the opening of the tenders and in the case of failure to attend some of them complete absence of competent personnel will be designated by the President on the contract or his nominee.
- 2 - Availability of supplies required for the opening of the tenders before the closing auction.

C- Committee of the tender's opening o meets if the time runs out to close the tender or at the beginning of the official working hours of the day following approval of the President on the contract or his nominee, When necessary in order to direct the process of public opening and in the presence of interested bidders or their representatives authorized in the place specified for it in advance where the record is closed tender , indicating that in the meeting minutes of the Committee the following:

- 1- Make sure that the seals placed on the covers of bids or waxing secret bidders.
- 2- Bids that are not accompanied by bid bond required in the tender documents
- 3- Bids based on the reduction percentage or a lump sum from any other tenders submitted in the tender
- 4- :
 - A - Revised bids for previous tenders part or as all of the financial terms of bidders And the exclusion of their previous bids related to the tender, on condition to be submitted during the period of validity of the announcement of the tender and re-bid the modified tenders entirely to the owners of the bidders
- 5- Number of securities component of each bid.
- 6- Marked clearly on each scratching or erasing, addition or correction contained in the Bill of Quantities priced with the signature of the President and members of the Committee.
- 7- Put a horizontal line next to each paragraph is quoted in the table of quantities priced with signature of the President and members of the Committee.
- 8- Sure sign of the bidder on the tender's submission form and on every page of the priced Bill of Quantities and supplements associated with the tender

D- Reference in the record on the notes or reservations mentioned in the tender and appendices by

E - Marking models and maquettes and drawings submitted with the bid and install the general descriptions and difference marks

F - Mark all pages of the bid with the signing of the seal of the Commission members on all pages of the priced Bill of Quantities of the bidder

G- Explicit reference to any data or information not submitted with the tender, which requires the submission under the instructions to bidders specified in the tender documents, including receipts and purchase the tender's documents.

H - After the end of opening bids process in the manner provided for in these instructions, the Chairman of the Committee including the following:

1 - Declaration of bidders , bid prices , technical specifications and followed through a period in the notice board, as contained in their bids with the assurance that the stated prices and specifications are subject to scrutiny and analysis.

2- Minutes of the Committee shall be prepared and signed by the Chairman and members of the Committee and bidders or their representatives authorized to present with a statement on any comments of work of the Committee

I - Bids and attachments are referred to the President of contracting entity under a special record for the purpose of transmitting them to the Commission on Audit and analysis of tenders.

Article - 7- Formations committees of analyze and evaluate the bids and their functions:

First: at the center of each ministry or institution not linked to the Ministry and the provinces to formalize a central committee or more for analyzing and evaluating of tenders from each of the legal services, financial and formations of contracts formed from experienced and competent under the chairmanship of an employee not less entitled functional than director or chief engineer and the membership of one representative and one technician and a Including legal, financial and decision (observer member) and the decision of at least about his job title observant

Second : The Commission shall exercise its functions during the period specified in the configuration ordered by the President of Contracting Authority take into account the replacement of this Committee on a regular basis and be no longer than six months.

Third: the Commission on the help of specialized third-party nature of the experience of the tender, The recommendations of these committees is subject to ratification by the President of the contracting entity or authorized person regarding by the financial authorities for the purposes of the approved contract.

Forth: The mentioned Committee put into account the following procedures:

A - exclude of tenders that are not accompanied by bid bond required under the tender documents.

B - The exclusion of tenders based on the reduction percentage or a lump sum from any of the other of tenders submitted in the tender and not accepting any reservations, or any reduction of the rate provided after the date of closing under the tender's document.

C – analyzing process of the of tenders Must be in secret and submit the final report to the public authority of the assignment during the time period specified by the President on the contract with the necessity of taking into account the period of validity of bids at that.

D - No bids may be sent out of Iraq for analysis, but should consultants outside Iraq send their representatives to Iraq to conduct the analysis required unless required by the nature of the work and obtain the approval of the competent minister or head of organization is not linked to the Ministry, According to the approved terms of reference in this regard and should retain the original copy to the Contracting Authority.

E - If the original bid includes rates of certain cuts or lump sum for the same bid shall be adopted during analysis and evaluation.

F – Fixed Reserve amounts are excluded in the table of the installed priced quantities submitted by the bidder and are not required in the tender documents at the analysis and comparison

G- Calculation of prices of all bids on the basis of a unified that provided for in the instructions to bidders in the tender documents.

H - Rely on the price recorded in writing in case of disagreement with the listed price as a reliable numbers on the unit price in the case of the invalidity of the amount of paragraph

I - if received a paragraph or paragraphs not recorded price towards them in the submitted tender price , n this case, the cost of that paragraph or paragraphs, and limited quantities Blog towards them are included the total price of the tender.

J – the Committee analysis *the* alternative bids accompanying the original bid if the conditions of the tender allowed so, If the goal of alternative bids in cost reduction and / or duration and / or the transfer of knowledge Or the introduction of new technology to implement the project and / or provide better technical specifications, taking into account for speculative costs purposes of the contract.

K - Adopt the following controls and procedures for the purpose of giving a better addition to the controls installed in the tender documents:

- 1- The exclusion of the tender is not fulfilled the technical specifications and qualification requirements stipulated in the tender documents, even if lower bids.
- 2- The exclusion of the un efficient contractor through the experience of contracting entity contracting with him in the past carried out and this principle are apply himself to the processors and consultants, that the documented incompetence by official letter from the Contracting Authority with the contractor.
- 3- Financial efficiency through the provision of the final accounts of certified chartered accountant for the last year or the number of years fixed in the tender documents.
- 4- Annual revenue for the last three years.
- 5- The size of the financial obligations of the contractor or supplier or consultant during the year.
- 6- Ability to adhere to the dates of completion and delivery.
- 7- Satisfactory record of achievements in previous work.
- 8- Provide skills and technical capacity to perform the contract (engineering and technical cadres and specialized equipment).
- 9- Performance support of works or similar issued by contractual governmental entities.

L - Analysis and evaluation of technical and financial offers for bidding Tenders for the specialized of execution of works contracts or supply of goods and services According to the mechanism described in the instructions to bidders to get to the best bid (responder to the conditions and tender documents and least expensive), In consulting services contracts analysis and evaluation of technical and financial proposals and give penalties ratios for each of them as shown in the tender documents for the selection of tender which will get the highest score in the technical and financial evaluations at the nomination for the award of.

M-I f there is a difference in opinion between the members of the analysis of tenders must install the differences in the final report and resolved by the President on the subject of the contract.

N - After completion of the analysis process regulates the detailed table showing all tenders in which all the details of the deficiencies and (if any) with a comparison and evaluation of technical , legal and financial aspects.

O - The final record must include field shows the special recommendation of the Committee of analysis and evaluation in which he mentions the name of the candidate giving a referral, nationality under the table attached to it ,the amount of the tender , its currency , duration of the execution or processing days and the grounds relied upon by the Commission in this recommendation , within The fact that the bid amount is balanced and acceptable limits for the cost of speculative and concludes the record on the same date after being signed by the President and members of the Committee.

P - Prohibited to negotiate on prices with the f the candidates except style o f the one bidding

Q - Analysis committees to complete the technical data required from candidate's bidders and correct errors of calculation of commercial Offers, if any, reflex them on the tender Taking into account the inadmissibility of the addition or supplement any data affecting the prices submitted by bidders.

R- Contracting parties must launch bid bond at the request of bidders who are not likely to anchor their tender for not responding to the conditions of the tender before the end of the entry into force of bids and after the lifting of the recommendations of the Committee to be seeking the approval of the Prime Contracting Authority and is retained in all cases, qualified bidders insurance for the nomination of the first three and until the signing of the contract and performance bond by the winning bidder.

S - Ensure the validity of the required core data in the tender documents by the concerned authorities, including the referral letters of guarantee for the initial insurance.

T -

1 - The analysis of tenders committees to raise recommendations for referral and award to the President of contracting entity For decision by the authority vested in him for the purposes of the contract.

2- Analyzing Committees take into account its work in studying, analyzing and raising the recommendation of the assignment, to ensure that the authentication And the issuance of Letter of transmittal before the expiration of the term of the tender specified in the tender documents or any extension holds it.

3- In the case of non-approval of wins the tender to the referral in accordance with the rates adjusted for the mistakes of calculation by the Commission After correction in the tender are to take the necessary preliminary to confiscation of insurance (subject to the provisions of Article 15 of the first.

U - :

1- The decisions of referral authorize from the date of issuance of Letter of transmittal from the point of contract and inform the winning bidder and by the contracting entity inform the rest of the bidders notice of the referral decision of the tender.

2- The winner of the tender to ensure the proper implementation and sign the contract within a period not exceeding (28) Twenty-eight days from the date of notification of the assignment Otherwise is the to forebear oath without the need to take notice and procedures provided for in item I of Article (15) of these instructions

Article - 8 - The preparation of a contract:

First: contracts Formula to be set up, from the formations of contracts in the ministries and departments not related to the Ministry in coordination with the departments of legal, financial, technical and beneficiaries that contain the paragraphs in the terms of the tender documents or the call plus any other conditions agreed upon by the parties Ensure the safety implementation that does not change these added conditions (if any) of the substance of the tender.

Second: Modulating the Public contracts a provision by procuring government debt under the Debt Collection Act of government (56) of 1977

Third: modulating the Contracts the names and addresses of the parties authorized to sign contracts and credentials approved by the applicable contexts to be authorize when the contract and the contract issued by the nomination to be no longer than (6) six months.

Forth: Are authenticated for all kinds of contracts after signature by the formation of legal entities authorized by law in contractual entity.

Fifth:

A - The contractor refers some parts of the contract to subcontractors and the approval of contract editorial and not exceeds 30% of the work contracted to keep the responsibility for implementing the original contract to the contractor.

B - Contractors with the government may not contract to waive the contract to another contractor only after obtaining the approval of the contract on the editorial on Condition that the assignee has met the eligibility criteria and legal requirements required in the tender documents and the same amount contracted in the case of extreme necessity

Sixth: To those contractual in ministries and departments not related to the Ministry and the provincial Inform the Ministry of Planning, Ministry of Labor and Social Affairs, the Central Organization for Statistics ,department of registration of companies and the General Authority for taxes on behalf of the contractor and address, nationality, the contract amount and duration on the event of completion the procedures of signing the contract.

Seventh: If a contract provides for an advance payment of an initial down payment to the contractor, it shall submit a letter of guarantee issued by an accredited bank in the region with Amount and the currency of payment, taking into account the mechanism adopted under the provisions of the Implementing Regulations of the General Budget

Eighth:

A - Contracts written in Kurdish, Arabic and English languages whenever possible

B - set in the tender documents approved version at the difference in the interpretation

Ninth:

A- Contract third-party agreement with contractors with to pay the amount of equipment and materials and equipment from the capital goods imported in local currency Instead of opening letters of credit in cases where it deems appropriate

- B-** Requiring exporters and processors contractors to the contractual parties to submit papers and original shipping documents and other official documents to the concerned contract when processing materials described in paragraph (a) above
- C-** To determine the law applicable to the provisions of contracts between ministries and departments not related to the Ministry and the provinces and the Iraqi authorities and non-Iraqi , Where the laws and regulations in force in the province are applicable and are province courts and judicial authorities are competent to rule on the dispute resolution
- D-** When preparing formula advisory service contracts, taking into account the following:
 - 1- Obtaining financial stamp duty under the law of stamp duty and instructions issued by the Ministry of Finance and economy in the region.
 - 2- Obtaining the performance bond for good performance by 5% of the amount of the contract.
 - 3- Contracts for consulting services not covered by allowances, regardless of supervision and monitoring.
 - 4- Obtaining clearance before the final settlement of accounts and payment of final maturity of the Consultant.

Article -9 Documentary Credits:

Take into account the following during opening letters of credit to cover the external procurement contracts (supply of materials and the purchase of service) when contracting with Iraqi, Arab and foreign companies.

First: The Ministry is competent (or organization is not related to the Ministry) after the issuance of referral and receipt of performance bond With the signing of the contract formally take the necessary steps to open the letter of credit (irrevocable and non-installed) or a letter of credit revolving (irrevocable and is not installed) Subject to the conditions stipulated in the tender in this regard.

Second: begin opening letter of credit in accordance with international practice for documentary credits through a licensed bank in Iraq According to the bank forms (application form and contract to open a letter of credit) for that with the inclusion of such forms of financial conditions for the procurement process And other conditions of contract agreed between the contracting parties (seller and buyer).

Third: require procedures to open letters of credit taking into account the following:

- A - Specifies the name of the recipient to open the credit (the seller) and full address
- B - Description of the goods with the need to refer boiled contract number and date
- C - determine the amount of Accreditation required letters and figures.

D - The reference to the type of commercial sale under the terms of international trade (**Inco terms 2000**) which requires that determined on the basis (**FOB\CIF\CFR\CIP**) or the other and the conditions of the contract.

E – State the mode of shipping (ground, air, sea or other) and a point **of final destination**

F- Determine the acceptance of partial shipment of whether or not any means to accept delivery of the goods in several shipments For example, or to be a single charge, taking into account that the financial dues paid in balance with shipments received.

G - A statement of acceptance of the use of more means of transport (Transshipment) or not

H – Install the duration and entry into force of the documentary credit and the conditions of the contract

I - fixing the duration of the contracted processing

J - In the case of a need for any extension of the documentary credit requires taking into account the extended period of validity of warranties or guarantees in the same period.

K- May not make any amendment or extension of the documentary credit is irrevocable only after obtaining the approval of the Contracting Parties.

L - May not make any amendment or extension of the documentary credit is irrevocable only after obtaining the approval of the Contracting Parties.

M- May not be revoked documentary credit is irrevocable unless a written request from the commanding opening accreditation subject to the approval of the appropriation to the beneficiary (seller) Or at the request of the correspondent bank depending on the request of the seller (the beneficiary of accreditation) provided that the consent of the buyer.

N - In cases where the seller insist on opening a documentary credit is irrevocable & L\C confirmed, the (confirmation charges) is to be paid on his account.

O-

1 - borne by the buyer (the demands of open accreditation) expenses related to the procedures to open a documentary credit which ensue in Iraq

2 - borne by the seller (beneficiary of the appropriation) the expenses and benefits required by the open letter of credit outside of Iraq.

3 - Preferably when contracted load charges provided for in (1.2) of this paragraph to the seller and proves it in the text of the accreditation.

P - Is required to have insurance covering all risks referred to in the text of accreditation, whether covered by insurance from the seller or the buyer that the insurance covers the value of the goods on the basis **of (CIP or CIF)**.

Q - Determine the payment terms and how to release payments in accordance with the terms agreed in the contract between the contracting parties (seller and buyer) and confirmed the payment mechanism with the need to accurately determine the type of documents provided by the vendor to receipt of such benefits, taking into account the provisions of item (vii) of Article (8) of these instructions.

R- When you open a letter of credit revolving balance is enhanced by the contractual terms and the amounts allocated and the curriculum agreed upon in this regard.

Forth: Identification documents and documents required for Documentary Credits and authenticated and how the assets and traded under the internationally recognized norms of international and last bulletin is authenticated in the commercial attachés abroad and the conditions of the tender.

Fifth: Attach a leave of import of materials or devices to be supplied in the case of the procurement process subject to the requirements of the import license in accordance with law.

Sixth: the relevant ministry or organization is not related to the Ministry to follow up shipment and receipt of notice of the fine details of the seller to ship the goods subject to the following:

A - Complete the customs clearance of equipment or materials in order to facilitate the process of connecting to reach the stores.

B - Complete the procedures for clearance and loading as soon as possible and within the prescribed tolerances to avoid paying fines (floors) for the period of delay in receipt of the goods arriving at the airport or customs.

C - Complete unloading of maritime procedures as soon as possible and within the tolerances specified for unloading ships to avoid paying fines (demurrage) for the delay in unloading cargo ships

Seventh : Prepare equipment and accessories in stock trading for the purpose of unloading and complete the initial receipt of materials hyphen and without delay, taking into account the installed condition of the goods arriving for the purposes of ensuring the rights of insurance

Eighth: Following -up to complete engineering test procedures for materials received and issue a certificate inspection and acceptance during the period specified in the contract and receipt of materials

Ninth : Defects and loss and damage:

A - in cases where the receipt of the consignment and shows defects or non-conformity with the technical specifications required so they can be issued to detect a difference of inspection and acceptance committee formed by contracting entity and the seller is notified without delay to ensure the replacement of those paragraphs.

B - in the case of incomplete clauses (**Missing items**) or the presence of **damage** in whole or in part so they can be revealed different version of it by the Committee of Inspection and acceptance, and notice the details of the deficiencies or the seller to ensure compensation of damage when the sale is on the basis of (**CIF or CIP**) means insurance that covered by the seller

C - In the event that the insurance covered by the buyer and Odod damage or loss in shipment received so they can be a fundamentalist version detect a difference and notice that the insurance company for the purpose of securing compensation.

Tenth: Instructions issued by the Council of Ministers related to mechanism of implementation opening letters of credit or replacement

Eleventh: Other instructions:

A - conditions are specified by the buyer to the bank to rely Fatih and clear, accurate and transparent.

B- Not to accept the open transferable letter of credit with the exception of cases of conversion in favor of the manufacturers installed in the contract.

C - In the case of advance payment by certain amount from the principal letter of credit shall not be paid the value of payment to the seller only after the receipt of a formal letter of guarantee (Bank Guarantee) worth of payment in the same currency and Accreditation provided that such unconditional bail to be any on-demand so that

D - would prefer not to accept the load (accumulation) of the goods on deck he buyer can withdraw the sponsorship without the need for warning or issue a warrant so.

E - the follow-up of received banking notices about private Opened Documentary Credits through (The opener Bank) Bank of the accreditation for the purpose of knowing the movement of credits and expenses incurred by the financial settlements and make them go.

F-The contracting entity control open account in foreign currency so that the fund balance sufficient to cover the value of the documentary credit Which requires opening for the implementation of a particular contract for the supply and not to give any commitment contract to a foreign body unless it is to ensure the availability of enough credit in foreign currency to cover the value of a documentary credit which requires the opening of the implementation of that commitment.

G - In cases of contract for the implementation of the particular work of supply (devices, materials, equipment), or purchase a service This requires open a documentary credit is irrevocable to cover the value of that contract after studying the conditions for relying documentary credit, in accordance with international norms for Documentary Credits (**The Uniforms Customs and practice Documentary Credit**) before the ratification of the contract.

H - In the case of supply of services or equipment or any goods you need to guarantee the installation or operation or maintenance must keep a certain rate of value of accreditation for the purpose of cover it needs to be referred in terms of payment depending on the banking.

I - when the agreement between the parties to the contract to make any amendments to it later, notified of the bank to open a documentary credit specialist to take the necessary to do so.

Article: 10 - Dispute resolution mechanism before retirement

First: Let the pre-contractual disputes as follows:

A - formed in each ministry or institution not linked to the Ministry and maintains a central committee to consider the objections submitted by the bidders on the decisions of referral contractual (Associated with (the competent minister or head of organization is not related to the Ministry) or the Governor) or his nominee. Consists of a number of legal experts and specialists in other fields, the Commission's decision does not address at least the President of the functional observers.

B - The Committee shall study the written objections submitted by the bidders or their agents, official objectors who did not request the withdrawal of the bid bond as stated in (P) of Article (7) of these instructions Submitted to the Contracting Authority during the seven (7) business days from the date of issuance of Letter of transmittal and reporting requirement by undertaking a formal objector duly certified according to the law Pay for the damage caused to the interests of contracting entity for the delay the signing of the contract for reasons of malicious or non-justified and the Commission to make recommendation clearly the objection and the reasons for the concerned minister or head of organization is not related to the Ministry within a period not exceeding (14) fourteen days From the date of filing of the objection and to have a competent minister or the governor or his decision to recommend the seven (7) working days from the date of deposit of recommendation from his office and is not subject to decide when a rejection of the objection to the passage of this period

Second:In the Ministry of Planning forms an administrative court by provisions of Ordinance No. 87 of 2004 issued by the Coalition Provisional Authority (now defunct), which has jurisdiction over the objections of bidders led by Judge Judicial Council, attributed to the Kurdistan Region of Iraq and the membership of a representative of the Ministry of Planning (Director of General contracts Department) and a representative from each of the Contractors Association and the Kurdistan Federation Chambers of Commerce and Industry in the province of experienced and competent

Third: Bidders for the objection with the court specified in clause (ii) of this article on referral decisions issued by the ministries and departments not related to the Ministry and the provinces during the seven (7) working days starting from the day following the decision reached by the consideration.

Forth Court issued its decision clearly objection within a period not exceeding (60) sixty days from the date of communication plead

Fifth: Court decisions are irrevocable during the period of (30) days from the date of the communication the decision at the Court of Cassation in the region, he decision shall be distinct and non-contested and is prohibited by the challenged discriminatory when not in front of the competent civil authorities in the Court of Cassation, consideration and is one of the lawsuits through summary (30) days from the day following the date of the communication

Sixth: The Court shall exercise the tasks entrusted to them about it (87) for the year 2004 issued by the Coalition Provisional Authority (dissolved) and the Court shall be guided by law Civil Procedure No. (83) for the year 1969 in all matters not provided by the text in this FAQ or regulations issued by the Department of public contracts in the Ministry of planning

Seventh: The contractual parties in the ministries and departments not related to the Ministry and the provinces not to sign contracts until the resolution of the subject of the competent minister or the administrative court, taking into account the legal limit for consideration of the objection set forth in the terms of this Article

Eighth: The General Directorate of contracts at the Ministry of Planning following up the decisions of the Court in coordination with the concerned authorities

Article -11- Dispute resolution mechanism after the signing of the contract.

First: the conflict resolve after the signing of public contracts of all kinds using the following methods:

A - conciliation: and it is through the formation of a joint committee between the parties to the conflict the twin-party contracting and contractor (or contractors or consultants equipped) to study the matter and agreed to processors according to the provisions of laws and regulations in force regarding the subject of the dispute ..

B - Arbitration: This is disputed by choosing each party is represented by a judgment of experienced and competent subject of the dispute and the arbitrators choose the third arbitrator to preside over the jury in the case is not possible, the trial court shall choose the third arbitrator At that point the jury to study the subject of the disputed with all its considerations and the Committee shall issue its final decision to resolve the dispute and bear the expenses of the losing party arbitration and be bound by the Commission's decision is the ratification of the trial court, in accordance with the law.

C - Refer the dispute to the competent courts to issue its ruling the subject of the dispute, taking into account the applicable law to resolve these conflicts.

D - In terms of the contract the selection of international arbitration for settling disputes that provided in the contract, When one foreign parties to the contract, taking into account the procedural mechanism agreed in the

contract when implementing this method is chosen and one of the bodies approved international arbitration to resolve the conflict

Second: Committed to a party to the contract to choose the best method to resolve disputes arising from the execution of the contract between them one of the methods set forth in paragraph (First) of this Article under the terms of the contract agreed

Third: the procedures set forth in the General Conditions of contracts which specify the starting conditions of the tender and the contract between contractual parties and contractors.

Article -12 Duration of the contract and the extension

is committed to contracting parties when the extension of contracts with the following:

First: The Contractor shall implement the terms of the contract during the contract period stipulated in the terms of the contract and that time is calculated from the date of the direct or from the date of signing of the contract or such other date provided for in terms of the contract extension and taken into account in the following:

A - If any increase or business changes taken place for the different enterprises of quantities to be processed in the amount or kind (within the permissible limits) affecting the implementation of the agreed curriculum so that cannot be completed within the period agreed upon under the original contract.

B - If the delay performance of the contract due to the reasons or procedures belonging to the Contracting Authority or entity authorized by law or due to any reason other contractors employed by the contracting entity (the employer).

C - if after contracting further force majeure or exceptional approved in the tender documents in question or the general conditions for contracting and set forth in the conditions of the tender and not by the contractors which cannot be anticipated or avoided when contract and the consequent delay in the execution of the contract (other than weather conditions).

Second : Required for the application of the provisions of item (I) of this Article shall apply in writing to the Contracting Authority or conferred during periods not to exceed (15) days for supply contracts and (30) days of the contracting and consulting services Starting from the date of the emergence of the reason which the demand for an extension stating the full details and accurate for any claim for extension of time And on the contractual consideration of the request and decide within a period not exceeding (30) days in all types of contracts from the date of receipt of the request and does not accept any applications after the issuance of acceptance certificate mentioned first in terms of the contract.

Article – 13 - Change of business and business-ins[Ⓢ] Additional):

First : Is not permitted to change the contract works or to add new work or quantities only when absolutely necessary Subject to the provisions of paragraph (d) of item I of Article (3) and that limits the change in the narrowest possible range and under the terms of contracting for the engineering (civil, mechanical, electrical and chemical) and terms of the contract and instructions issued under the book Presidency of the Council of Ministers number 14394 in 24/11 / 2010 and upon the fulfillment of one of the following cases:

A - If no change or non- of addition would cause a delay in work or significant damage in terms of economic or technical.

B - If no change or not to add lead to the impossibility to take advantage of business enterprise or processing when

completed.

C - If not lead to change or add a fundamental change in service or planned production capacity of the project or work.

D - If the change leads to reducing the duration of the contract that does not lead to a decline in the technical specifications of the work or project.

Second: all correspondence relating to change orders and additional work to count of urgent correspondence which took precedence over the rest of the correspondence and the contracting entity to decide where within the periods set forth in item (ii) of Article (12) of these instructions.

Third : Shall not engage in the implementation of any additional work or work only under the change is necessary (change order) issued by the entity authorized in the specific points of the contract and under the terms of the contract, including a brief description of work, specifications, quantities and prices and the additional period (if any) which need to be added to the duration of the contract in the absence of the need to add any extended period shall be stated explicitly in the condition it is not in conflict with the terms of the tender.

Forth: Contractual parties to determine the required changes or additions made to the contract in early does not affect the progress of work in accordance with the curriculum approved by the.

Fifth: pricing of the additional work and changes according to the provisions of conditions of contractor for the work of civil engineering or mechanical and electrical, chemical, and if added new paragraphs there are no similar clauses or approach in the contract are to take the market prices prevailing basis for pricing, plus its administrative expenses and profit (taking into account what is stated in Article (3) first of the third paragraph / item (e)

Sixth : shall not exceed the amount of additional work and change orders powers vested in the competent minister or the governor on taking into account the provisions of the Implementing Regulations of the general budget of the County.

Article – 14 – Insurance and delay penalties and administrative Downloads:

First: Legal Insurances

A - does not accept the bid bond bidders only if the form of a letter of guarantee or certified check or bank guarantee guarantor.

B - Submit the bid bond approved by the bidder or any of the shareholders in the company or companies of the participants under a contract post for the benefit of the employer and includes a reference to the name and number of tender.

C - set on the insurance contract the initial lump sum, starting in the conditions of the tender and 0 does not determine the rate of less than one (1% and not more than 3%) of the cost for speculative purposes of the contract, taking into consideration when determining the importance and nature of the contract.

D - For bidders to bid bond to ensure serious participation in tenders for all types of works contracts, equipment and services is advisory and the amount specified by the contracting entity in the tender documents and rule out the offer less than the amount specified in the tender documents taking into account the following:

- 1 - to be issued by an accredited bank in the region
- 2 - to be a letter of guarantee is unconditional and not subject to and pay to pay on demand .
- 3 - the period of validity of the letter of guarantee be in effect until after the expiration period of validity specified in the tender documents or tender which was extended and the duration of not less than (28) days.]

E -:

1 - may be in international tenders to accept the bid bond form issued by a bank letter of guarantee from a bank of accredited foreign (non-operating in Iraq) by the Trade Bank of Iraq.

2- May be in international tenders to accept the bid bond form issued by a bank letter of guarantee from a bank of accredited foreign (non-operating in Iraq) by the Trade Bank of Iraq.

3- In both cases, should the Commission analysis and evaluation in the contracting entity to ensure the credibility of the letter of guarantee issued by a foreign bank or receipt of Trade Bank of Iraq to the amount of the converter before proceeding with the rules and regulations of referral and the Trade Bank of Iraq issued the letter of guarantee amount of the bid bond transferred to him within two weeks from the date of receipt of notice to transfer amount of bid bond.

F- Confiscate the bid bond for those who wins the tender set aside at the signing of the contract after notification of the order of referral and the right to take all other proceedings provided for in these instructions.

G - provide the performance bond to ensure the proper implementation of all contracts by 5% five percent of the contract amount after award and before signing the contract of winning bidder issued by an accredited bank in the Territory or a foreign bank authorized by the Trade Bank of Iraq.

Second: Delay penalties:

Determines the upper limit of Delay penalties:of the Contracting Authority by not more than (10%) ten percent of the amount of entrepreneurship and the Executing Agency to install this ratio in terms of contractual and tender documents and instructions to bidders and the contracting entity to take action to ensure the withdrawal of the work and achievements Either through the Commission to expedite the implementation of the project (in the works contracts) and by regulations issued by the Ministry of Planning in this regard or to announce the tender or the call directly in the other contracts on the Assignment of the remaining works tender new to another High Contracting with the continued deduction of delay penalties until they reached the upper limit referred to in the above to apply the following equation when calculating the fine:

$$\text{Daily fine} = \frac{\text{The remaining amount of the contract}}{\text{Duration of the contract in days}} * (10\%).$$

Second : Delay penalties are reduced in proportion to the completion of the contractual obligations specified in the Platform for execution of the contract and the work must be done or processed item or service required matching and are intended for use by the application of contract terms with the following equation: -

$$\frac{\text{The remaining amount of the contract}}{\text{Lying contract remaining days}} * (10\%)$$

Fifth; The Contracting Authority and the decision to stop the cause of delay penalties when you drag the work of contractors or contractors.

Sixth: Administrative Downloads

Determine the proportion of administrative downloads when the Contracting Authority hiring someone else and through the implementation of any of the obligations of the contractor or the contractor by no more than (20%) twenty percent of the actual cost to implement this commitment and to hand the contract to install it in the terms of contractual and tender documents.

Article – 15 – The legal consequences arising from the breach of their contractual obligations of contractors:

First : Legal implications of the breach before signing the contract in case of failure of winning bidder for signature after the notification letter of transmittal with / or when submitting bidder to data from the illegal and contrary to the terms of the tender, taking into account the provisions of Article (14), paragraph (g) and shall take the following:

A - Confiscation of bid bond for omission

B - Transfer of the tender to the second candidate and the Tenderer omission shall bear different allowances resulting from the execution of the contract with the confiscation of bid bond

C - in the case of failure of second candidate and according to sequence of reference to sign the contract and / or failure to submit a letter of guarantee Performance For contracting entity awarding the tender to the third bidder And assume all of the first and second abstainers differ according to different allowances and amounts of nomination to them with the confiscation of bid bond and in the case of failure of the third candidate is re-announcement of the tender and shall the three bidders abstainers bear difference between the allowances and the price at which dock the tender price submitted by each

D - applied to bidders abstainers procedures set forth in paragraphs (a) and (b) and (c) of this item at the time of abstinence during the entry into force of the tender bids

Second: The legal implications of a breach after signing the contract:

A - Confiscate the performance bond related to good effect

B- Issue a decision to withdraw the work and its implementation at the expense of the contractor in the works contracts in accordance with the provisions of Article (65) of the General Conditions for Construction and civil engineering work is performed in one of two ways:

1 - either by the Commission to expedite form for this purpose is where the contractor.

2 - Or announce the call for tender or direct referral to the remaining work to another contractor.

3 - impose administrative Downloads a 20% twenty percent of the cost against the business in the works contracts and the contracting entity determining this ratio, starting in the conditions of the tender and also to prove in the contract.

C- a decision to withdraw the work and its implementation at the expense of suppliers or consultants abstainers their obligations by another contractor, according to one of the methods provided for in Article (4) of these instructions and in accordance with the detection of a new business and in breached obligations.

D - is the calculation of delay penalties and any other financial obligations if found after settling the final account that the creditor does not give him anything, and if there are account debtor to claim compensation in that amount and the contractor bears the breach teams allowances at the execution of the contract on account

Article – 16 – Prohibition of contracting

the contractual parties in the ministries and departments not related to the Ministry and the provinces to include contractor's violators their contractual obligations in the black list, taking into account the following:

Iraqi contractors to include in the blacklist the adoption of the mechanism set forth in the Instructions of Registration, Classification of the Council of Ministers of the region number (1) for the year 2007

Article -17

First: - initial or operational- Predecessor

Take into account the provisions for granting advances to the primary contractors for public works rescuers, processing and consulting contracts set forth in the instructions the general budget of the region, taking into account the need to provide their own guarantees before they are approved and are recovered in accordance with the general conditions

Second: Advances paid to contractors by the interim progress of the Platform of Action agreed that the contract is subject to the provisions stipulated in the tender documents

Third: Credit for materials processed and the mechanisms under the provisions of the conditions of application set forth in Section II of the General Conditions of Contracting

Article – 18- Ministries and departments not related to the Ministry and the provinces Mayati into account:

First : Public works contracts include provisions that is committed to applying the requirements for the construction of civil engineering and construction requirements for the work of electrical engineering, mechanical and chemical approved by the Ministry of Planning in place in Iraq and considered an integral part of the contract in all matters not provided by the text.

Second : Follow the provisions of laws, regulations, instructions, and obviously related to relevant public contracts

Article – 19 – Functions of public contracts formations

The public contracts formulas holds in each ministry or a non-related to the Ministry functions under the provisions of Section (2/2 / a) of the order CPA (dissolved) No. (87) For the year 2004, competent for the implementation and follow-up procedures for contracting public with Give more attention to the mechanism deliberate from the Department of Contracts government in the Ministry of planning

Article – 20 – Compliance with laws and regulations as

First : Prohibits the contracting parties and the staff of the territory departments and the public sector or other persons involved in the contracting process, disclosure of the information in the presentations to anyone who is not related to the contract, and the violator shall bear legal liability.

Second: Comply with the stated in the Circular No. (1855) in 1/2/2010 of the Ministry of Finance, Economy and documents when preparing the final measurements for projects that increase the cost (100 million dinars) a hundred million dinars, before it is sent to the Directorate of Public Finance

Third: Not permissible for the points of the contract includes a provision exempting the contracts with the contractor, whether the local or foreign financial charges and taxes and customs duties.

Forth: Obtaining the document of discharge and waiver of the engaged (confirmed by the competent officer in the sections of Finance and Head of Contracting Authority) when the liquidation of their accounts of the projects implemented by them supports that the contractor has received the dues of financial and legal rights all to meet the project is not entitled to claim any compensation in the present and in the the future.

Article - 21 –

First : The ministries and the Ministry of Giralmrthbth contractual parties where required to coordinate its plans with the Department of contractual government public contracts in the Ministry of Planning and supplying them with the required data for the purposes of monitoring and technical supervision of their work at the direct contractual activities.

Second: Ministries and departments not associated with commitment to the instructions of the Ministry of balancing the region on the subject of the contract year, the Chambers of the region and the public sector and powers to the concerned authorities in the implementation of projects included in the budget.

Article -22 – The General governmental contracts Directorate in the Ministry of Planning hold as follows:

First: Exercise of the powers vested in them by the general law of contract is issued under the Coalition Provisional Authority (dissolved) No. (87) for the year 2004

Second: Issuing regulations for the regulation of the contractual relationship between departments and contractors with the region and the implications of a breach of their contractual obligations of contractors

Third: Issue and amend the general conditions of contracts and conditions of supply of goods and services

Forth: Evaluation functions and procedures of committees of the opening of tenders in the region circles and modified as needed

Fifth: Answer to inquiries of the region's departments, other contracted and other matters relating to its functions.

Sixth: raining and staff development personnel in the contracting parties in the ministries and departments not linked to the Ministry and coordination with the Contractors Association of Kurdistan on the training and development of the capacity of employees of companies and contractors in the private sector to bear the costs of the Union.

Seventh: Supervision, coordination and follow-up with the technical configurations of public contracts developed in the ministries and departments not related to the Ministry in accordance with law

Article - 23 – Does not work any other instructions inconsistent with the provisions of these instructions.

Article – 24 - To all ministries and departments not related to the Ministry and provincial government departments and the implementation of these instructions after a period (90 days) ninety days from the date of entry into force on 01.01.2011 and published in the newspaper (Proceedings of Kurdistan).

Dr. Ali Sindi

Planning Minister

Translated by

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