



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

**CALL N° FCO-C-05-2019**

**TERMS OF REFERENCE FOR CONTRACTING STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWAGE MASTER PLAN FOR THE RURAL AND URBAN POPULATION CENTERS IN THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION.**

**DIRECTION OF CONTRACTING**

**May 2019**

## BACKGROUND AND GENERAL DESCRIPTION OF THE PROCESS

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

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

The resources of the component to achieve the UN's Sustainable Development objectives were defined on the destination to ten (10) cities, selected through a study hired by the British Embassy in Colombia and developed by the firm Ernst & Young, where one of the ten (10) selected cities is Valledupar, Cesar.

Effectively, heading to the component of "Urban Development" of the Memorandum of Understanding (MoU) is required to contract the **STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWAGE MASTER PLAN FOR THE RURAL AND URBAN POPULATION CENTERS IN THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION.**

By email of June 20<sup>th</sup>, 2018, the "*Valledupar Sewage Final Report*" was delivered to FINDETER and on July 10<sup>th</sup>, 2018, a document called "*Scope of the Project*," was sent, which will serve as an input for the activities that must be carried out as per the contract, so that within the technical assistance provided by Findeter, the respective pre-contractual process is initiated.

The information that supports the call corresponds to documentation prepared by the Municipality of Valledupar; which includes the scope to execute within the project.

## CHAPTER I SPECIFIC PROVISIONS

### SUB-CHAPTER I OF THE CALL

#### 1.1. PURPOSE

The purpose of this call is to **"RECRUIT THE STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWER MASTER PLAN OF THE RURAL AND URBAN POPULATION CENTERS OF THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE EQUITY PROGRAM FOR GENDER AND SOCIAL INCLUSION."**

#### 1.2. DESCRIPTION AND SCOPE

The project corresponding to the contracting of **STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWAGE MASTER PLAN FOR THE RURAL AND URBAN POPULATION CENTERS IN THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION**, developed in two phases, as follows:

- PHASE 1: Feasibility Studies.
- Phase 2: Detailed Engineering Designs

#### 2.1 PHASE 1: FEASIBILITY STUDIES

The objective of the activities of this Phase is to make the selection of the most favorable alternative solution to the sanitary community needs described, based on technical, social, legal, environmental and economic criteria, generating benefits for women, girls and vulnerable communities, as well as the risks that may be associated with the conception and evaluation of the project. Consideration must be made of the social, environmental, technical, economic, legal, financial, institutional and other aspects that may affect the evaluation carried out and the continuity of the project design process and the other networks and components that are required product of the studies to be carried out.

In this Phase, all the studies and pre-designs must be carried out with sufficient degree of detail to allow for an evaluation of all aspects of the project, to establish the pros, benefits, costs, economic, social and environmental indicators, and thus determine whether the project is feasible or not, which will determine the start of Phase 2 - Detailed Engineering Designs.

In accordance with the above, in this phase the analysis of the different technical alternatives will be required, a minimum of three alternatives must be proposed for each analysis, which allow optimization of costs and adoption of solutions adjusted to the most recent engineering practices, searching for systems and works that guarantee the efficient use of resources and a sustainable project in all aspects and with adherence to the technical norms of the sector, as well as to the commitments that have been established with the environmental authority according to the approved PSMV.

For each alternative presented, the approximate investment costs and including the opportunities in which they must be made effective, as well as the operation, maintenance and eventual replacement costs during the design horizon. The environmental costs must be included in all the designed works, either by prevention, mitigation, correction, compensation, and/or management of any negative effects generated.

For the selected alternative the contractor will determine the first of the stages or the sole one, if it is the case, in which the components of the system have to be built, in such a way that the economic costs of the project are minimized, attending simultaneously considerations of a financial, technical, environmental and institutional nature.

Wastewater treatment systems must be fully justified, as regards the adoption of technologies and/or the proposed units.

As **Phase 1** moves along, THE CONTRACTOR should analyze the different alternatives of the service evaluating the existing infrastructure and its status, and visualizing what additional structures and networks should be designed and built later in order to guarantee the optimal functioning of the sewage system, and the proper management of wastewater. THE CONTRACTOR, in the execution of the contract, must carry out the technical and economic feasibility studies that conclude with the definition of location and the pre-sizing of the different alternatives.

The Contractor must carry out all the works taking into account the detailed scope established in the document "*Technical Annex to the contract, the legal and financial annex and the gender equality annex*", as follows:

### 1.1.1 BASIC STUDIES

#### a) Technical

- System diagnosis (corresponds to number 1.1 of the minimum content annex and technical recommendations of the contract);
- Feasibility Studies (corresponds to number 1.2 of the minimum content annex and technical recommendations of the contract), which includes:
  1. General conditions.
  2. Field recognition, property investigation.
  3. Characteristics of the receiving sources.
  4. Instrumentation for the planning, ordering and management of water basins and aquifers.
  5. Geology, geomorphology, soils and geotechnics.
  6. Photogrammetric, topographic studies and field work.
  7. Bathymetry
  8. Characterization of Wastewater.
  9. Determination of sewer flows.
  10. Vulnerability and risk.
  11. Hydraulic behavior of the existing drainage system.
  12. Pluvial and residual sewage system, availability of labor and construction materials.
  13. Socioeconomic and environmental studies. The first study involves the analysis of the particular situation of the vulnerable population and women, to promote gender equity and social inclusion.  
This information must be disaggregated by ethnicity, sex, simple ages, socio-economic conditions and occupation. This includes an analysis of the occupation of the beneficiary and affected population to determine the impact on employability.
  14. Other Studies (Structural, Hydraulic, Electrical, Mechanical, Hydrological, Fluvial, etc.)
  15. Existing infrastructure of other services.
  16. Availability of Electric Power.
  17. Access roads.
  18. Permits, licenses, authorizations, property acquisition cards.
  19. Territorial reading component; community reports, stakeholder map, dissemination pieces, news reports; Analysis of the situation of women in the framework of the project; Monthly report; schedule of activities under the Social Management and Gender Equality Plan.

## b) Legal and financial

1. Financial and Legal Due Diligence (Annex of legal and financial structuring).
2. Evaluation of project implementation alternatives (Annex of legal and financial structuring).
3. Formulation, analysis, comparison of selection of viable project alternatives (corresponds to number 1.3 of the minimum content annex and technical recommendations of the contract).

### 1.1.2 Products for Phase 1

THE CONTRACTOR must perform all the activities necessary for the execution of this phase of the contract, including the delivery of the products required as a result of Phase 1. The products to be delivered will be the reports that contain the results of each of the activities indicated in the documents called "*minimum content Annex and technical recommendations of the contract, Legal and Financial Annex and Plan for social management and gender equity*" which include the deliverables related to the technical, legal and financial components, as well as the activities contained in the annex of the social management and gender equality plan.

In the reports, THE CONTRACTOR must reference the bibliography used at the end of the reports, citing the possible sources of consultation. Likewise, it must deliver the reports adjusted to the work schedule previously approved by the auditing firm, where the progress of the proposed goals and objectives is verified and serves as a support for the agreed payments and for the verification of compliance with the deadlines set for execution of the project in its first Phase. In the same way, the reports must be signed by those responsible for the preparation and approval of both the contractor and the Project Audit.

The project Feasibility Report must contain at least:

- **ABSTRACT**

The Main Report should be preceded by at most a 4-page summary, listing the most relevant aspects and conclusions. Main reference will be made to the relationship of the project with the plans and policies that initiate the Project, its location, limits, existing infrastructure, communication routes, climate (temperature, relative humidity, precipitation, evaporation, etc.), the main alternatives studied, expected environmental impacts, main components, terms, costs, organization, benefits, economic, financial, legal and main lines of action, as well as the main results of the social diagnosis, especially those related to vulnerable populations, gender equality, and conclusion on the feasibility or not of the project. The summary will be accompanied by reduced plans that contain the components of the project, with appropriate colors or conventions and illustrative condensed tables.

- **CHAPTERS, MAIN REPORT**

In the Chapters of the Main Report, reference will be made to the Annexes in relation to the most important topics:

Chapter 1 - INTRODUCTION.

Chapter 2 - BACKGROUND.

Chapter 3 - CONCEPTION OF THE PROJECT.

Chapter 4 - PROJECT AREA.

Chapter 5 - SOCIAL AND ORGANIZATIONAL STUDIES: PLAN OF SOCIAL MANAGEMENT AND GENDER EQUALITY.

Chapter 6 - TECHNICAL STUDIES AND ALTERNATIVES.

Chapter 7 - PROJECT DESIGN CONSIDERATIONS.

Chapter 8 - THE PROJECT.

Chapter 9 - ENVIRONMENTAL ASSESSMENT AND RISKS.

Chapter 10 - EVALUATION AND PROPERTY MANAGEMENT.  
Chapter 11 - ORGANIZATION AND ADMINISTRATION.  
Chapter 12 - MARKETS, BUDGETS, FINANCIAL AND LEGAL ANALYSIS AND PRICES.  
Chapter 13 - DUE FINANCIAL AND LEGAL DILIGENCE.  
Chapter 14 - EVALUATION OF PROJECT IMPLEMENTATION ALTERNATIVES.  
Chapter 15 - BUDGETS AND ANALYSIS OF UNIT PRICES.  
Chapter 16 - BENEFITS AND JUSTIFICATION.  
Chapter 17 – PENDING ISSUES.

- **ANNEXES**

The annexes must clearly reflect all analyses carried out, the methodologies used and the results obtained, since these will be the starting point for the next Phase 2. Detailed Engineering Designs.

The minimum annexes contemplated will be those described below, which may be integrated into several volumes depending on the extent of the topics covered. Each Annex will be preceded by a summary of its contents, these are: Topography, Bathymetry, Geotechnics, Climatology, Hydrology, Cadastre of Networks and Users, Freatimetry, Socioeconomic aspects, social management plan and gender equity, Environmental aspects, Property tax situation, Current engineering situation, Markets and prices, System diagnosis and current situation, Analysis and Evaluation of Alternatives, Economic, financial and legal evaluation of the project, due financial and legal due diligence and evaluation of project implementation alternatives.

### **1.1.3 Plan of Social Management and Gender Equality**

The CONTRACTOR must take into account the guidelines defined in the annex for the planning and execution of its Social Management and Gender Equality Plan during this phase. A document must be developed that contains the following components:

**Territorial Reading Component:** The contextual knowledge of the territory and of the communities that are in the areas of influence of the project and/or program is the first step in the identification and knowledge of the actors and the variables of interest for social management. This first approach in the field should focus on capturing the views, views and opinions of the community; as well as constituting a source of validation and verification of information, and fostering trusting relationships.

### **1.1.4 Concept of the Project Auditor**

THE PROJECT AUDIT will issue initial concept about the verification of the fulfillment of the requirements and content of the report within **THREE (3) BUSINESS DAYS** following the reception thereof.

In the event of the PROJECT AUDITOR finding that adjustments or tuning must be made to the report, in order to obtain compliance with the requirements and contents of the report, they must request them in writing from the CONTRACTOR within the same term.

It is understood, in any case, that the process of preparing and revision of the report product of Phase 1 will be subject to verification, monitoring and constant supervision, both in the field and in the office, by PROJECT AUDIT, throughout the development of this Phase.

The adjustments or tuning required by the report must be done by the CONTRACTOR within **THREE (3) BUSINESS DAYS** following the communication from the Financial Controller in which such situation is indicated.

Once the adjustments have been received, the Project Audit will have **TWO (2) BUSINESS DAYS** for its review. In the event the observations made by the Project Audit persisting in its initial review report, the CONTRACTOR may be subject to charges for alleged noncompliance.

Once the report product of Phase 1 is adjusted to the specified requirements and contents, the PROJECT AUDITOR will submit to the CONTRACTOR within **TWO (2) BUSINESS DAYS** following the receipt of the product, the respective report in which it expresses the acceptance of the latter and embodies its concept, according to the number corresponding to CONCEPT OF PROJECT AUDITOR.

The terms established above are strictly complied with, and therefore there is no place for the recognition of additional values by the contract due to delays in the preparation and review of the reports.

The acceptance report for Phase 1 product adjusted by the CONTRACTOR must include the concept of the PROJECT AUDIT, adopting one of the following alternatives:

**a) Favorable Concept**

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

In any case, the initiation of PHASE 2 of the CONTRACT and PROJECT AUDIT, will only be formalized once the technical committee has recommended initiation for phase 2, by the PROJECT AUDIT, and the CONTRACTOR, so that the parties understand that the favorable concept of the PROJECT AUDIT does not mandate the execution of the next phase of the CONTRACT and of PROJECT AUDITOR, since **the decision to continue to Phase 2 is subject to the ruling made by the TECHNICAL COMMITTEE**; about the occurrence or not of one or more of the resolving conditions agreed in the contract.

**b) Diagnostic concept of impossibility of execution:**

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

- a. NO viability concept: It occurs when in the final report of Phase 1. *Feasibility Study*, the Contractor, with the approval of the Project Auditor, indicates that a viable alternative was not obtained from the technical, social, environmental and legal point of view; that would be otherwise economically and financially favorable.
- b. Community in opposition: Takes place when it is concluded that there is opposition from the community as to the execution of the project, so this circumstance has not been evidenced in the report product of Phase 1. Such opposition from the community should have sufficient support to make the execution of the Project impossible, in such a way that a viable solution cannot be adopted.
- c. Relocation of population: It occurs when in the confrontation of the conditions of execution or modification of the project, it is noticed that the execution requires the population relocation.

**Note 1:** If one or more of the previously described resolute conditions occur, the rights and obligations of the CONTRACT will be extinguished in the terms of **article 1536 of the Civil Code** and therefore the aforementioned contract will enter the liquidation stage, without causing any economic acknowledgment other than value of Phase 1 of the CONTRACT in favor of the executing contractor.

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

#### 1.1.5 Activities Prior to the Statement from the Technical Committee:

Once the concept from the Project Auditor is received indicated in the paragraph CONCEPT OF THE PROJECT AUDITOR, THE CONTRACTING PARTY, through the Supervisor, has **TWO (2) DAYS** to send to the Territorial Entity and the British Embassy the results obtained in Phase 1 for its review. The CONTRACTOR must accompany this communication with the following documents:

- a. Report and support of Phase 1 of the CONTRACT submitted by the CONTRACTOR.
- b. Concept of the Project Auditor referred to in the preceding paragraph.

THE BRITISH EMBASSY and the CONTRACTING PARTY, through supervision, will have **TEN (10) business days**, counted from the reception of the aforementioned documents, to review the information produced by Phase 1, and issue their **concept**.

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

In the event where, in accordance with this concept and the observations submitted by the Territorial Entity, comments arise or it is necessary to make adjustments to the products of Phase 1, the CONTRACTOR and the PROJECT AUDITOR will have a maximum term of FIVE (5) BUSINESS DAYS to adjust and review the products observed jointly, and submit to the CONTRACTING PARTY the final version of the document. If the previous period has been completed and the observations persist, the procedure for declaring a breach to the CONTRACTOR may be initiated, if needed.

Within the **THREE (3) business days** following the reception of the adjusted products, THE CONTRACTOR and THE EMBASSY shall review that they have been adjusted and shall determine the appropriateness of citing the Technical Committee for its decision.

#### 1.1.6 Statement from the Technical Committee:

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

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

##### a) Statement of the occurrence of one or various Resolutive Conditions

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

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



## b) Statement of non-occurrence of the Resolutive Conditions

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

Once the recommendation of the technical committee has been received, the contractor will have **ONE (1) BUSINESS DAY** to begin phase 2, otherwise the CONTRACTOR may be subject to charges for alleged noncompliance.

## 1.2 PHASE 2: DETAILED ENGINEERING DESIGNS

Within this phase, the CONTRACTOR must prepare the detailed designs of all the works that will make up the project, based on the pre-designs prepared for the selected alternative of the feasibility study in Phase 1. The scope of the designs should be sufficient to elaborate the construction drawings that, together with the technical specifications and other design documents such as memoirs and reports, allow the execution of the works without requiring additional information or details, except in the case of equipment and special electromechanical elements, of particular characteristics, in which Detail drawings must be supplied by the manufacturer of such equipment or elements.

The CONTRACTOR will review the location of the predesigned works in the feasibility study and will be relocated, if necessary, by modifications in their sizing or in their alignments. All the complementary investigations that are indispensable will be carried out, particularly in topography, geotechnics, (including deep drilling if necessary), sedimentology, seismic and other relevant aspects.

The construction drawings must be complete and easy to interpret, and include details of reinforcements and construction details and the definition of all the elements and equipment that are incorporated into them, such as floodgates, overpasses, inspection chambers, and all of those elements required for the proper functioning of the system. In addition, the drawings must include plants, frontal views, laterals and cuts, that allow to determine accurately the characteristics of each individual structure or typical structures, and will be accompanied by a summary table with class, location, abscissa, summary description and main dimensions of each of them.

All the drawings will be 0.70 m by 1.00 m, or in a different format approved by the supervisor, taking into account the needs of the information required to be delivered physically and digitally, in DWG formats. Duly signed by the specialist who has created them and is responsible for them.

In addition to the detailed drawings of each work and structure, general drawings for the location of the project (MAGNA-SIRGAS reference system) and location of each of the systems and each work, an index of drawings, the sources of materials will be presented and their utilization and hauling plan, the location of topographical references, shafts and other general drawings that may be necessary.

The drawings and the information produced in the stage of the detailed designs must be sufficient to bring the processes forward of and for the construction of the works and for the acquisition and assembly of the equipment. In the case of equipment with special design, the details of the assembly and the complementary structures related to them, will only be completed when the respective manufacturer has been selected and has supplied the corresponding specifications.

The drawings of the areas to be acquired for the construction of the works, which should be drawn based on precision planimetric surveys, should be sufficient for all the procedures that are required in terms of the imposition of easements, application for permits and acquisition of land.

Economic Indicators of the current State of the sanitation situation of the municipality will be defined and quantified without the project, and a dynamic database will be created and/or fed, that will allow follow up of indicators. This data base should allow the estimation of post-project indicators.

Thus, the CONTRACTOR, must advance all the detailed designs of the works for the alternative selected in Phase 1. Feasibility Study, taking into account the scope established in the document called "*minimum content annex and technical recommendations of the contract*", as follows:

## **DETAILED DESIGN**

- Design Criteria (corresponds to section 2.1 of the minimum content annex and technical recommendations of the contract)
- Definition and location of each one of the components of the project to be designed (corresponds to section 2.2 of the annex, minimum content and technical recommendations of the contract)
- Selection of Alternatives (corresponds to section 2.3 of the minimum content annex and technical recommendations of the contract)
- Topography (corresponds to section 2.4 of the annex, minimum content and technical recommendations of the contract)
- Geometrical Design and Interference Analysis (corresponds to section 2.5 of the minimum content annex and technical recommendations of the contract)
- Hydraulic Design (corresponds to 2.6 of the annex minimum content and technical recommendations of the contract)
- Geology, Soil Research and Geotechnics (corresponds to 2.7 of the annex minimum content and technical recommendations of the contract)
- Structural Design (corresponds to section 2.8 of the annex, minimum content and technical recommendations of the contract)
- Design of Complementary Works (corresponds to section 2.9 of the minimum content annex and technical recommendations of the contract)
- Property management (corresponds to section 2.10 of the minimum content annex and technical recommendations of the contract)
- Definition of Technical Specifications of Construction (corresponds to the 2.11 of the annex minimum content and technical recommendations of the contract)
- Determination of the Budget and Works Schedules (corresponds to section 2.12 of the minimum content annex and technical recommendations of the contract)
- Other Studies and designs (corresponds to section 2.13 of the minimum content annex and technical recommendations of the contract)
- Results (corresponds to section 2.14 of the minimum content annex and technical recommendations of the contract)
- Financial and Legal Structuring (Development of Transaction Scheme, Financial Model, Risk Analysis, Documents for Project and Complementary Legislation)
- Consulting and support in the processes of selection and contracting of the processes that are defined (including the respective audits).

### **2.2.1. Plan of Social Management and Gender Equality**

The CONTRACTOR must take into account the guidelines defined in the annex for the planning and execution of its Social Management and Gender Equality Plan during this phase. A document must be developed that contains the following components:

**Component of Communication, Outreach and Social Accompaniment:** The development of a participatory and inclusive project and/or program needs different information channels, this being the main way to make contact with the community through the public disclosure of information that is related to the project and/or program. The transparency and accessibility of the project and/or program data, as well as the dialogue that activates bidirectional communication, favor relations between the community and the contractor's administrative staff.

In addition to the above, dialogue and exchange of knowledge, as a result of knowledge of the community environment, allows establishing trusting relationships that facilitate the execution of the project and/or program and the construction of a social fabric based on the history and expectations of the people from the area of influence. The implementation of actions and initiatives that promote to the communities benefited by the project and/or program, requires the identification of contexts on which to promote respect and protection of aspects that even if they seem isolated to development are an integral part of the processes of appropriation and sustainability, guaranteeing that the project and/or program itself promotes gender equality and respect for diversity, through a set of actions that allow the economic empowerment of women, ethnic recognition, closing gaps in inequality and increasing the participation of women in public spaces.

**Monitoring and Evaluation Component:** The execution of any project and/or program requires planning and verification of compliance from the beginning until its delivery, therefore this component includes processes of analysis, monitoring and management of the expected results and also of the unexpected.

For the detailed development of the Social Management and Gender Equality Plan THE CONTRACTOR must construct a document taking into account the specifications established in the Annex determined for that purpose.

It is important to specify that THE CONTRACTOR is not responsible for carrying out prior consultation with indigenous communities for the execution of their activities, however it is their responsibility to design the protocol for the consultation process and/or consultation that any contractor must perform for the execution of the works, in accordance with the guidelines established by the Ministry of the Interior.

### 2.2.2. Products for Phase 2.

THE CONTRACTOR shall present the results of the studies and designs in a design report to the auditing firm. The design report must be accompanied by an executive report which will be a summary of the main technical, social and gender equity, environmental, legal and economic aspects of the project so that it can have a clear and concise idea of the most important aspects of the project.

THE CONTRACTOR must bring forward all the activities necessary for the execution of this phase of the contract, including the delivery of the products required as a result of Phase 2, the products to be delivered will be the reports that contain the results of each of the activities indicated in section 2.2 of this document and that correspond to what is established section 2 of the document called "*minimum content annex and technical recommendations of the contract, Legal and Financial Annex and Plan for social management and gender equality.*" In accordance with the provisions of the Annex previously mentioned, THE CONTRACTOR must also provide all the products indicated and associated with the activities requested therein.

The Detailed Design Report of the project must contain at least:

- Chapter 1 - INTRODUCTION.
- Chapter 2 - SOCIAL AND ORGANIZATIONAL ASPECTS.
- Chapter 3 - INTEGRATED MANAGEMENT.
- Chapter 4 - HYDRAULIC, GEOTECHNICAL AND STRUCTURAL DESIGNS.
- Chapter 5 - ENVIRONMENTAL IMPACT STUDY.
- Chapter 6 - PROJECT BUDGET AND PROGRAMMING.

Chapter 7 - DOCUMENTS FOR THE CONTRACTING OF WORKS.

Chapter 8 - ACQUISITIONS, LICENSES, PROPERTY TITLES, EASEMENTS AND PERMITS.

Chapter 9 - OPERATING AND MAINTENANCE MANUAL.

Chapter 10 - ECONOMIC AND FINANCIAL EVALUATION.

Chapter 11 - LEGAL AND FINANCIAL STRUCTURE.

Chapter 12- SCHEDULE OF ACCOMPANIMENT IN THE BIDDING PROCESS FOR THE WORK AND PROJECT AUDIT AS WELL AS DELIVERY OF THE PROCESS DRAFTS (BIDDING DOCS, TECHNICAL ANNEXES, PREVIOUS STUDY AND CONTRACT).

### 2.2.3. Concept of the Project Auditor

THE PROJECT AUDIT will issue initial concept about the verification of the fulfillment of the requirements and content of the report within **THREE (3) BUSINESS DAYS** following the reception thereof.

In the event of the PROJECT AUDITOR finding that adjustments or tuning must be made to the report, in order to obtain compliance with the requirements and contents of the report, they must request them in writing from the CONTRACTOR within the same term. It is understood, in any case, that the process of preparing the report product of Phase 2 was subject to verification, monitoring and constant monitoring, both in the field and in the office, by PROJECT AUDIT, throughout the development of this phase.

The adjustments or tuning required by the report must be made by the CONTRACTOR within **THREE (3) BUSINESS DAYS** following the communication from the Financial Controller in which such situation is indicated.

Once the adjustments have been received, the Project Audit will have **TWO (2) BUSINESS DAYS** for its review. In the event t the observations made by the Project Audit persisting in its initial review report, the CONTRACTOR may be subject to charges for alleged noncompliance.

Once the report product of Phase 2 is adjusted to the specified requirements and contents, the PROJECT AUDITOR will submit to the CONTRACTING PARTY, within **TWO (2) BUSINESS DAYS** following the reception of the product, the respective report in which it states the acceptance of the same.

### 2.2.4. Presentation and filing of the Studies and Designs before the MVCT.

Prior to the initial concept from Project Audit on the fulfillment of the requirements and contents of the Report, the CONTRACTOR shall compile the documentation of each project in accordance with the provisions of Resolution 1063 of 2016 or those replacing it; the above with the purpose that the MVCT, emit technically acceptable concept.

The presentation of the project to the Ministry will be carried out including all the reports and documents produced by the CONTRACT; must be delivered in printed and digital media and in the native language to the Project Audit and/or Supervision of the contract (files compatible with Microsoft Office 2010 and AutoCAD).

### 2.2.5. Activities Prior to the Statement from the Technical Committee:

Once the concept of the Auditor of **PHASE 2** is received, the CONTRACTOR through the Supervisor, has **TWO (2) DAYS** to send to the Territorial Entity and the British Embassy, the results obtained in Phase 2 for reviewing. The CONTRACTOR must accompany this communication with the following documents:

- Report and support of Phase 2 of the CONTRACT presented by the CONTRACTOR.

THE BRITISH EMBASSY and the CONTRACTING PARTY, through supervision, will have **TEN (10) business days**, counted from the reception of the aforementioned documents, to review the information produced by Phase 2, and issue their **concept**.

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

In the event where, in accordance with this concept and the observations submitted by the Territorial Entity, comments arise or it is necessary to make adjustments to the products of Phase 2, the CONTRACTOR and the PROJECT AUDITOR will have a maximum term of **FIVE (5) BUSINESS DAYS** to adjust and review the products observed jointly, and submit to the CONTRACTING PARTY the final version of the document. If the previous period has been completed and the observations persist, the procedure for declaring a breach to the CONTRACTOR may be initiated.

Within the **THREE (3) business days** following the reception of the adjusted products, THE CONTRACTOR and THE EMBASSY shall review that they have been adjusted and shall determine the appropriateness of citing the Technical Committee for its decision.

#### **2.2.6. Statement from the Technical Committee:**

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

### **1.3. VENUE**

#### **1.3.1. GENERAL LOCATION**

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



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



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

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

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

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

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

### **3.1. NORTHERN AREA:**

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

#### **3.1.1. GUATAPURI**

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

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

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



### 3.1.2. CHEMESQUEMENA

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



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

### 3.1.3. LA MINA

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



## 3.2. NORTHEASTERN AREA

### 3.2.1. GUACOCHÉ

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



### 3.2.2. EL JABO

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





### 3.2.3. EL ALTO DE LA VUELTA

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

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



### 3.2.4. BADILLO

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

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



### 3.2.5. PATILLAL

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

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

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



### 3.3. SOUTHEASTERN AREA

#### 3.3.1. AGUAS BLANCAS

To the north it borders: The municipality of Pueblo Bello and the Sierra Nevada de Santa Marta; to the east it borders: the district of Valencia de Jesús; To the south it borders: the municipality of San Diego , with the Cesar River as its limit; to the west it borders the Mariangola district. The area is mostly flat, slightly sloping in its northern part due to the sediment trawling of the Sierra Nevada towards the center of the Cesar river valley.

The district is also part of the basin of the Cesar river, which forms its territorial limit in the southern part.<sup>2</sup> The territory is also crossed by the Los Clavos, Aguas Blancas, Pesquería, Contrabando, Cesarito and El Arenoso rivers, which are tributaries of the Cesar River.<sup>2</sup>



### 3.3.2. VALENCIA DE JESUS

It borders to the north the district of Azucar Buena; to the west the rural area of the city of Valledupar. To the south it borders the municipality of San Diego and to the west the Aguas Blancas district.

The district is part of the Cesar river basin, a river with which it borders the south.<sup>2</sup>



### 3.4. SOUTHERN AREA

#### 3.4.1. CARACOLI

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

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



### 3.4.2. LOS VENADOS

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

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



### 3.5. SOUTHWESTERN AREA

#### 3.5.1. MARIANGOLA

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

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



### 3.5.2. VILLA GERMANIA

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

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



#### 1.4. ESTIMATED BUDGET

In accordance with the above, the Estimated Budget - Total EB for the execution of the project is up to **TWO THOUSAND FOUR HUNDRED FIVE MILLION ONE HUNDRED FIFTY-TWO THOUSAND ONE HUNDRED TWENTY PESOS (COP \$2,405,152,120.00)**, including transportation costs, expenses, levies, taxes and other contributions that may apply. Any economic offer presented whose value is less than the minimum amount or greater than the maximum amount will be rejected.

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

Estimated Budget	
PHASE	TOTAL AMOUNT
PHASE 1: Feasibility Study	\$801,706,550
PHASE 2: Detailed Engineering Designs	\$1,603,445,570
<b>TOTAL ESTIMATED BUDGET - EB (Phase 1 + Phase 2)</b>	<b>\$2,405,152,120</b>

The following is a summary of the values corresponding to the minimum value and the maximum value of the value of each of the Phases, and of the total value of the estimated budget.

Estimated Budget		
PHASE	MINIMUM PHASE AMOUNT	MAXIMUM PHASE AMOUNT
PHASE 1: Feasibility Study	\$721,535,895	\$801,706,550
PHASE 2: Detailed Engineering Designs	\$1,443,101,013	\$1,603,445,570
<b>TOTAL ESTIMATED BUDGET - EB (Phase 1 + Phase 2)</b>	<b>\$2,164,636,908</b>	<b>\$2,405,152,120</b>

#### 1.5. BUDGETARY AVAILABILITY

The resources to execute the contract are supported by the Memorandum of Understanding signed between FINDETER and the British Embassy in Colombia, supported by CDP number CDP19PROSPE-0009 approved on June 5, 2019.

#### 1.6. TAXES

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

Article 1 reiterates that the benefit applies to all "(...) money funds or resources originated in aid or donations for programs of common utility in Colombia, from entities or governments of countries with which there are intergovernmental agreements or agreements with the Colombian Government (...)".



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

The amount of the estimated budget does not include amount of VAT tax because it is exempt from this tax, by virtue of Decree 540 of 2004, which regulated article 96 of Law 788 of 2002, establishing the conditions and general requirements to access the tax benefit.

Additionally, it will take into account the costs of the policies included in the GUARANTEES section of this document and all other taxes generated by the execution of this contract

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

**1.7. TERM OF CONTRACT EXECUTION**

The general term of the contract is **TWELVE (12) MONTHS**, which corresponds to the sum of the individual terms of each of the phases. Likewise, the general term of the contract will begin to be counted from the signing of the contract initiation document.

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

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

The CONTRACTOR must subscribe the act of beginning of the contract. The minutes of the CONTRACT must be signed simultaneously with the act of initiation of the Contractor of Audit.

The terms discriminated for each phase are presented below:

Description of the Phase	Term of Execution	Total Term
PHASE 1: Feasibility Studies.	Three point five (3.5) months	<b>Twelve (12) Months</b>
PHASE 2: Detailed Engineering Designs	Eight point five (8.5) months *	

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

<b>PHASE 2: DETAILED ENGINEERING DESIGNS</b>	
<b>COMPONENT</b>	<b>COMPLETION TIME (*)</b>
Technical Component	Six point five (6.5) months





Component of Legal, Financial Structuring and Social Management Plan and Gender Equality
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Eight point five (8.5) months
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(\*) The terms for phase 2 start simultaneously, so in a specific case there can be an overlap.

## SUB-CHAPTER II SPECIFIC ASPECTS OF THE CONTRACT

### 2.1. DESCRIPTION OF THE PURPOSE OF THE CONTRACT

FINDETER S.A., is interested in "**CONTRACTING STUDIES OF ALTERNATIVES, FEASIBILITY AND DETAILED ENGINEERING DESIGNS OF THE SEWAGE MASTER PLAN FOR THE RURAL AND URBAN POPULATION CENTERS IN THE MUNICIPALITY OF VALLEDUPAR, INCLUDING THE TECHNICAL, LEGAL AND FINANCIAL COMPONENTS AND THE PROGRAM OF GENDER EQUALITY AND SOCIAL INCLUSION**".

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

PHASE 1: Feasibility Studies

PHASE 2: Detailed Designs

#### 2.1.1. GENERAL CONTRACTOR OBLIGATIONS

The CONTRACTOR, without prejudice to the other obligations arising from the Political Constitution of the Republic of Colombia, undertakes to comply with all the obligations that are established or derive from the clauses of the CONTRACT, of the particular ones that correspond to the nature of the contract, those found in the project documents, those established in different sections of the Terms of Reference, those derived from the economic proposal of the contractor, those contained in the previous studies and those that, by their essence, are considered essential for the correct execution of this contract, under the terms provided in articles 863 and 871 of the Commercial Code and 1603 of the Civil Code, and the following obligations of a general nature:

1. Abide by the Constitution, the Law, the principles of the administrative function and the principles of fiscal management enshrined in article 209 and 267 of the Political Constitution, Findeter's Policy of Contracting Services for Third Parties, and other concordant and regulatory norms.
2. Comply with the purpose of the CONTRACT, according to the documents of the call including the studies and project documents, and the reports and concepts generated in its execution.
3. Comply with the technical, legal, economic, financial and commercial conditions required in the call and consigned in the proposal.
4. The agreed work program will be obligatory for THE CONTRACTOR who cannot modify it unilaterally. The modification of the work program should be based on fully justified causes and will require the written approval of THE CONTRACTING PARTY, after approval by the PROJECT AUDIT. In the event of the CONTRACTOR not complying with the work program, the Auditor may require in writing the increase of the number of shifts, the work day and/or the equipment, and, in general, the actions necessary to comply with the program of work, without the realization of such actions generating additional costs for the CONTRACTING PARTY. The reluctance of the CONTRACTOR to adopt the required measures is considered as non-compliance in accordance with the provisions of the contract, giving rise to the enforcement of the penalty clause provided for therein. Such PROJECT AUDIT requirements will not increase the value to be paid to the CONTRACTOR and these conditions are understood to be accepted by the proponent with the delivery of the proposal.

5. Render and elaborate the reports, concepts, and other works that are requested in the execution of the CONTRACT.
6. Comply with the instructions given during the performance of the CONTRACT by the PROJECT AUDIT and THE CONTRACTING PARTY and sign the minutes that are indispensable in performance of the CONTRACT and all those that have the necessary technical, legal or administrative justification.
7. To act with loyalty and good faith in the different pre-contractual and contractual stages, avoiding delays or any other situation that obstructs the normal execution of the CONTRACT.
8. Not to give in to requests or threats from those who act outside the law in order to realize or omit any action.
9. Maintain professional confidentiality on the information that is provided for the development of the object of the CONTRACT.
10. To put forward the processing and approval of invoices, the report and/or products that correspond, as well as the vouchers of affiliation and payment of contributions to the General System of Integral Social Security (pensions, health and professional risks) and para-fiscal contributions for staff destined for the execution of the CONTRACT.
11. Throughout the execution of the CONTRACT, to provide and maintain and until its completion, the professional staff offered for the execution of the contract. If the CONTRACTOR requires to change the proposed professionals or personnel, he/she must request in writing to the CONTRACTING PARTY the replacement of said employee or personnel, who must have a profile equal to or better than the one that was removed. The acceptance of the new employee will be subject to approval from THE CONTRACTING PARTY, after approval by the PROJECT AUDIT. The CONTRACTOR shall pay the salaries, social benefits and indemnities of all the personnel employed within the CONTRACT, being clear that there is no type of labor relationship between the CONTRACTOR's personnel and THE CONTRACTING PARTY.
12. To constitute the respective guarantees of the CONTRACT and keep them in force in the established terms. The guarantees must be presented as a requirement for the signing of the contract's initiation.
13. To ensure that any professional, technical, and other necessary personnel willing to execute the contract, have the corresponding registration and/or professional licenses.
14. To execute the works in a way that the procedures applied are compatible not only with the necessary technical requirements but also with the legal provisions, the special rules for the management and obtaining of the specific authorizations and permits required for the use and exploitation of natural resources. The non-observance of the above precepts will be the liability of the CONTRACTOR, and the PROJECT AUDIT may order the modification of the procedures or the suspension of the Works for this reason.
15. To guarantee the CONTRACTING PARTY that it will comply fully with the legal, regulatory, contractual and environmental requirements, and that it will not cause harm or detriment to the TERRITORIAL ENTITY or to third parties as a result, therefore, the sanctions imposed by the Environmental Authority for this concept will be paid directly by THE CONTRACTOR, who, by means of this document, authorizes that it may be compensated by the unpaid balance of the contract amount.
16. To comply with all the provisions on social security issued by the Ministry of Labor as well as the current

regulations from the TERRITORIAL ENTITY. Special care must be taken to safeguard the physical integrity of workers and the community directly and indirectly affected and the party must attach a report regarding this, to each monthly document. When the PROJECT AUDIT establishes that there is a breach on this aspect by the CONTRACTOR, it will inform, in the first instance, the CONTRACTING PARTY for the effect of the sanctions provided due to non-compliance.

17. To comply with all current regulations on industrial safety and occupational health in force in the country.
18. To bear responsibility for the payment of taxes caused by the upgrade and execution of the CONTRACT.
19. To bear responsibility for any damage caused to property, to the personnel that it is linked to and to third parties inside the execution of the CONTRACT.
20. To bear responsibility for any claim, judicial or extrajudicial, installed by people under their responsibility or subcontractors on the occasion of the contract.
21. To assume the additional value of the PROJECT AUDIT CONTRACT when the greater permanence is attributable to the CONTRACTOR. Said payment shall be made through an assignment of rights of the CONTRACTOR over the receivable bills, or to be charged to the PROJECT AUDITOR.
22. To present the reports, documents and in general all the deliverables of the CONTRACT, in accordance with the provisions established in the General Archives Law (Law 594 of 2000) and other concordant and complementary rules.
23. The rest that, by law, the Terms of Reference of the CONTRACT correspond to, or are necessary for its full compliance.

#### 2.1.2. SPECIFIC OBLIGATIONS.

Considering the scope of the activities to be developed in the project, it is considered convenient to incorporate the following specific obligations:

- a. To advance the activities necessary to comply with the contract. To do this, the CONTRACTOR must submit a work plan and a schedule of activities for the execution of the contract, which will be reviewed and approved by the PROJECT AUDITOR before the signing of the contract start. The above, represented in a Gantt and PERT diagram, identifying activities associated with the deliverables, duration, precedence relations between activities, and definition of the critical route of the project and allocation of resources.
- b. In order to be able to subscribe the Initiation Act, THE CONTRACTOR must present, for the approval of the contracting entity, the Methodology to be followed in the execution of the activities of each of the Phases, in which the human, physical, technological and financial resources to be used in the development of the project; includes the social management plan and gender equity. The non-presentation of the methodology enables the contractor and / or the project auditor to not authorize the execution of the work. However, the delay in the delivery of this document cannot be taken into account as an element to request an extension in the term of execution of the contract.
- c. Subscribe the Initiation Act and update the guarantees as appropriate for approval by THE CONTRACTING PARTY.

- d. To sign the termination act, of receipt to satisfaction and liquidation, updating the guarantees as appropriate for approval of THE CONTRACTING PARTY.

## 2.2. PHASE 1: FEASIBILITY STUDIES

The objective of the activities of this Phase is to make the selection of the most favorable alternative solution to the sanitary community needs described, based on technical, social, legal, environmental and economic criteria, generating benefits for women, girls and vulnerable communities, as well as the risks that may be associated with the conception and evaluation of the project. Consideration must be made of the social, environmental, technical, economic, legal, financial, institutional and other aspects that may affect the evaluation carried out and the continuity of the project design process.

In this Phase, all the studies and pre-designs must be carried out with sufficient degree of detail to allow for an evaluation of all aspects of the project, to establish the pros, benefits, costs, economic, social and environmental indicators, and thus determine whether the project is feasible or not, which will determine the start of Phase 2 - Detailed Engineering Designs.

In accordance with the above, in this phase the analysis of the different technical alternatives will be required, a minimum of three alternatives must be proposed for each analysis, which allow optimization of costs and adoption of solutions adjusted to the most recent engineering practices, searching for systems and works that guarantee the efficient use of resources and a sustainable project in all aspects and with adherence to the technical norms of the sector, as well as to the commitments that have been established with the environmental authority according to the approved Sanitation and Waste Management Plan.

For each alternative presented, the approximate investment costs and the opportunities in which they must be made must be included, as well as the costs of operation, maintenance and eventual replacement during the design horizon. The environmental costs must be included in all the designed works, either by prevention, mitigation, correction, compensation, and/or management of any negative effects generated.

For the selected alternative the contractor will determine the first of the stages or the sole one, if it is the case, in which the components of the system have to be built, in such a way that the economic costs of the project are minimized, attending simultaneously considerations of a financial, technical, environmental and institutional nature.

Wastewater treatment systems must be fully justified, as regards the adoption of technologies and/or the proposed units.

As **Phase 1** moves along, THE CONTRACTOR should analyze the different alternatives of the service evaluating the existing infrastructure, its status, and visualizing what additional structures and networks should be designed and built later in order to guarantee the optimal functioning of the sewage system, and the proper management of wastewater. THE CONTRACTOR, in the execution of the contract, must carry out the technical and economic feasibility studies that conclude with the definition of location and the pre-sizing of the different alternatives.

The Contractor must carry out all the works taking into account the detailed scope established in the document "*Technical Annex to the contract, the legal and financial annex and the gender equality annex*", as follows:

### 2.2.1. SPECIFIC CONTRACTOR OBLIGATIONS FOR PHASE I – FEASIBILITY STUDY

- a. Carry out, in compliance with the plan of social management and gender equity, or when the CONTRACTING PARTY deems it appropriate, participation and socialization meetings with the Community and local authorities, guaranteeing a certain level of representation and participation of community organizations, vulnerable population and women. In the

case of indigenous and Afro-descendant communities, ensure due compliance with the agreement with the communities (consensus) if necessary.

- b. Deliver to the PROJECT AUDIT monthly reports in which the progress achieved in the corresponding period is shown, in relation to the activities indicated for the present phase, according to the scope defined for the execution thereof. The monthly reports will be delivered within **FIVE 5 BUSINESS DAYS** following the end of the term under analysis. The foregoing, without prejudice to the presentation of the progress reports of the phase according to the project schedule and the products to be delivered.
- c. The elaboration and preparation of all the technical support information for obtaining permits and/or licenses and environmental authorizations that require approval before the Environmental Authority and other authorities in general, applicable for the execution of the project, will also be part of the project of the obligations of the contractor in execution of Phase 1 of the contract.
- d. To adjust and present the Final Report of this Phase within the terms established for it, in accordance with the observations presented by the PROJECT AUDITOR and/or the CONTRACTING PARTY and/or the TECHNICAL COMMITTEE. This Final Report must show compliance with each and every one of the activities contemplated in the scope of the Phase, and must be approved by the PROJECT AUDITOR and the CONTRACTING PARTY. This Report must possess and present characteristics and properties of a consistent, coordinated and homogeneous work among the different disciplines that intervene in it and as such must be conceived and executed.
- e. For the execution of the contract in Phases I and II, the Contractor must meet the requirements of having a female participation of at least 30% of the project executing team.
- f. Prepare all the technical, legal, environmental, social and economic documentation required for the execution of the project.
- g. To maintain the personnel offered and approved by Project Audit for this PHASE, and approved prior to the signing of the contract initiation document.
- h. Guarantee the calibration of surveying equipment and other equipment that should be used in the CONTRACT, in accordance with current regulations.
- i. Ensure compliance with current regulations according to the type of project to be executed.
- j. Submit weekly reports (the first working day of the week) and expired monthly reports (within the first five (5) calendar days of the following month) to the auditing where the most relevant aspects of the activities developed in each of the periods are evidenced of time.
- k. Implement special reaction plans, with effective actions to solve and overcome situations that hinder the execution of this phase or that represent management risks.
- l. Ensure compliance with applicable regulations in environmental matters for the project or in the acts or pronouncements issued by the competent environmental authority.
- m. Adjust the products of phase 1, within the terms established for it, in accordance with the observations presented by the PROJECT AUDITOR and/or THE CONTRACTING PARTY and/or the TECHNICAL COMMITTEE.
- n. Present all the information required by the PROJECT AUDITOR and/or the supervisor designated for that purpose.

- o. Present a final report of the execution of Phase 1, which must contain the products established in the scope of Phase 1.
- p. Draft the report of legal and financial due diligence.
- q. Evaluation of project implementation alternatives.
- r. All that applies to ensure the execution of Phase 1.

### 2.2.2. DURATION OF PHASE 1

For the execution of Phase 1, the execution period will be three point five (3.5) months, counting from the signing of the initial document.

### 2.2.3. AMOUNT & PAYMENT METHOD OF PHASE 1

The amount of the estimated budget for Phase 1 of the contract, includes salaries of the minimum personnel required to perform the work, affected by the multiplying factor, administrative expenses (lease main office, computers, furniture, stationery, plotting of plans, public services, copies, photographs, air travel, land travel, accommodations, laboratory tests, topography equipment, special equipment, among other costs), and other taxes that are caused by the fact of its execution, execution and liquidation.

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

In the multiplication factor methodology, a detailed description is made of the various components of the multiplying factor and guidelines for its quantification are given, THE CONTRACTING PARTY has estimated a minimum multiplying factor of two hundred and eighteen percent (**220%**) which applied to the costs of the personnel required for the execution of Phase 1 of the contract.

In accordance with the methodology outlined in this chapter, an Estimated Budget was determined for the development of Phase 1 is **EIGHT HUNDRED ONE MILLION SEVEN HUNDRED SIX THOUSAND FIVE HUNDRED FIFTY PESOS (COP \$801,706,550.00)** including transportation costs, expenses, taxes, fees and other contributions that may apply.

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

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

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

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

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

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

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

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

The CONTRACTING PARTY shall pay the CONTRACTOR that amount for Phase 1, as follows:

- a. A payment equivalent to thirty percent (30%) of the figure contracted for Phase 1, once delivered and issued the concept of approval by the auditing and approval of the contracting party, of the reports containing the request in the subsection: 1.1. System diagnosis (corresponds to number 1.1 of the minimum content annex and technical recommendations of the contract)
- b. A payment equivalent to forty percent (40%) of the value contracted for Phase 1, once delivered and issued the concept of approval by the auditing and approval of the contracting party, of the report that contains the request in the subsection: 1.2. FEASIBILITY STUDIES (corresponds to numeral 1.2 of the minimum content annex and technical recommendations of the contract) and Financial and Legal Diagnostic report (corresponds to numeral 4.2 of the Legal and Financial Annex)



- c. A payment equivalent to thirty percent (30%) of the value contracted for Phase 1, once delivered and issued the concept of approval by the auditing and approval of the contracting party, of the reports containing the request in the subsection: 1.3 FORMULATION, ANALYSIS, COMPARISON SELECTION OF VIABLE PROJECT ALTERNATIVE and the Alternatives Evaluation report for project implementation (corresponding to number 4.3 of the Legal and Financial Annex)

For Phase 1 payments, the CONTRACTOR must prove that it is up-to-date in the payment of para-fiscal contributions related to the Integral Social Security System, as applicable, of all personnel directly linked to the execution of Phase 1, including personnel independent to render its services for the execution of Phase 1. Likewise, it must submit a no debt certification for concept the payment of salaries of all personnel directly linked to the execution of the Phase, as well as independent personnel and suppliers who provide their services and/or supplies for the execution of the same.

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

### **2.3 PHASE 2: DETAILED ENGINEERING DESIGNS**

Within this phase, the CONTRACTOR must prepare the detailed designs of all the works that will make up the project, based on the pre-designs prepared for the selected alternative of the feasibility study in Phase 1. The scope of the designs should be sufficient to elaborate the construction drawings that, together with the technical specifications and other design documents such as memoirs and reports, allow the execution of the works without requiring additional information or details, except in the case of equipment and special electromechanical elements, of particular characteristics, in which Detail drawings must be supplied by the manufacturer of such equipment or elements.

The CONTRACTOR will review the location of the predesigned works in the feasibility study and will be relocated, if necessary, by modifications in their sizing or in their alignments. All the complementary investigations that are indispensable will be carried out, particularly in topography, geotechnics, (including deep drilling if necessary), sedimentology, seismic and other relevant aspects.

The construction drawings must be complete and easy to interpret, and include details of reinforcements and construction details and the definition of all the elements and equipment that are incorporated into them, such as floodgates, overpasses, inspection chambers, and all of those elements required for the proper functioning of the system. In addition, the drawings must include plants, frontal views, laterals and cuts, that allow to determine accurately the characteristics of each individual structure or typical structures, and will be accompanied by a summary table with class, location, abscissa, summary description and each of their main dimensions.

All the drawings must be 0.70 m by 1.00 m, or in a different format approved by the supervisor, taking into account the needs of the information required to be delivered physically and digitally, in DWG formats. Duly signed by the specialist who has created them and is responsible for them.

In addition to the detailed drawings of each work and structure, general drawings for the location of the project (MAGNA-SIRGAS reference system) and location of each of the systems and each work, an index of drawings, the sources of materials will be presented and their utilization and hauling plan, the location of topographical references, shafts and other general drawings that may be necessary.

The drawings and the information produced in the stage of the detailed designs must be sufficient to bring the processes forward of and for the construction of the works and for the acquisition and assembly of the equipment. In the case of equipment with special design, the details of the assembly and the complementary structures related to them, will only be completed when the respective manufacturer has been selected and has supplied the corresponding specifications.

The drawings of the areas to be acquired for the construction of the works, which should be drawn based on precision planimetric surveys, should be sufficient for all the procedures that are required in terms of the imposition of easements, application for permits and acquisition of land.

Economic Indicators of the current State of the sanitation situation of the municipality will be defined and quantified without the project, and a dynamic database will be created and/or fed, that will allow follow up of indicators. This data base should allow the estimation of post-project indicators.

Thus, the CONTRACTOR, must move forward with all the detailed designs of the works for the alternative selected in Phase 1. Feasibility Study, taking into account the scope established in the document called "*minimum content annex and technical recommendations of the contract*", as follows:

### 2.3.1. DETAIL DESIGN

- Design Criteria (corresponds to section 2.1 of the minimum content annex and technical recommendations of the contract)
- Definition and location of each one of the components of the project to be designed (corresponds to section 2.2 of the annex, minimum content and technical recommendations of the contract)
- Selection of Alternatives (corresponds to section 2.3 of the minimum content annex and technical recommendations of the contract)
- Topography (corresponds to section 2.4 of the annex, minimum content and technical recommendations of the contract)
- Geometrical Design and Interference Analysis (corresponds to section 2.5 of the minimum content annex and technical recommendations of the contract)
- Hydraulic Design (corresponds to 2.6 of the annex minimum content and technical recommendations of the contract)
- Geology, Soil Research and Geotechnics (corresponds to 2.7 of the annex minimum content and technical recommendations of the contract)
- Structural Design (corresponds to section 2.8 of the annex, minimum content and technical recommendations of the contract)
- Design of Complementary Works (corresponds to section 2.9 of the minimum content annex and technical recommendations of the contract)
- Property management (corresponds to section 2.10 of the minimum content annex and technical recommendations of the contract)
- Definition of Technical Specifications of Construction (corresponds to the 2.11 of the annex minimum content and technical recommendations of the contract)
- Determination of the Budget and Works Schedules (corresponds to section 2.12 of the minimum content annex and technical recommendations of the contract)
- Other Studies and designs (corresponds to section 2.13 of the minimum content annex and technical recommendations of the contract)
- Results (corresponds to section 2.14 of the minimum content annex and technical recommendations of the contract)
- Financial and Legal Structuring (Development of Transaction Scheme, Financial Model, Risk Analysis, Documents for Project and Complementary Legislation)
- Consulting and support in the processes of selection and contracting of the processes that are defined (including the respective audits).

### 2.3.2. PLAN OF SOCIAL MANAGEMENT AND GENDER EQUALITY

The CONTRACTOR must take into account the guidelines defined in the annex for the planning and execution of its Social Management and Gender Equality Plan during this phase. A document must be developed that contains the following components:

**Component of Communication, Outreach and Social Accompaniment:** The development of a participatory and inclusive project and/or program needs different information channels, this being the main way to make contact with the community through the public disclosure of information that is related to the project and/or program. The transparency and accessibility of the project and/or program data, as well as the dialogue that activates bidirectional communication, favor relations between the community and the contractor's administrative staff.

In addition to the above, dialogue and exchange of knowledge, as a result of knowledge of the community environment, allows establishing trusting relationships that facilitate the execution of the project and/or program and the construction of a social fabric based on the history and expectations of the people from the area of influence. The implementation of actions and initiatives that promote to the communities benefited by the project and/or program, requires the identification of contexts on which to promote respect and protection of aspects that even if they seem isolated to development are an integral part of the processes of appropriation and sustainability, guaranteeing that the project and/or program itself promotes gender equality and respect for diversity, through a set of actions that allow the economic empowerment of women, ethnic recognition, closing gaps in inequality and increasing the participation of women in public spaces.

**Monitoring and Evaluation Component:** The execution of any project and/or program requires planning and verification of compliance from the beginning until its delivery, therefore this component includes processes of analysis, monitoring and management of the expected results and also of the unexpected.

For the detailed development of the Social Management and Gender Equality Plan THE CONTRACTOR must construct a document taking into account the specifications established in the Annex determined for that purpose.

It is important to specify that THE CONTRACTOR is not responsible for carrying out prior consultation with indigenous communities for the execution of their activities; however, it is their responsibility to design the protocol for the consultation process and/or consultation that any contractor must perform for the execution of the works, in accordance with the guidelines established by the Ministry of the Interior.

### 2.3.3. PRODUCTS OF PHASE 2.

THE CONTRACTOR shall present the results of the studies and designs in a design report to the auditing firm. The design report must be accompanied by an executive report which will be a summary of the main technical, social and gender equity, environmental, legal and economic aspects of the project so that it can have a clear and concise idea of the most important aspects of the project.

THE CONTRACTOR must bring forward all the activities necessary for the execution of this phase of the contract, including the delivery of the products required as a result of Phase 2, the products to be delivered will be the reports that contain the results of each of the activities indicated in section 2.2 of this document and that correspond to what is established section 2 of the document called "*minimum content annex and technical recommendations of the contract, Legal and Financial Annex and Plan for social management and gender equality.*" In accordance with the provisions of the Annex previously mentioned, THE CONTRACTOR must also provide all the products indicated and associated with the activities requested therein.

The Detailed Design Report of the project must contain at least:

Chapter 1 - INTRODUCTION.  
Chapter 2 - SOCIAL AND ORGANIZATIONAL ASPECTS.  
Chapter 3 - INTEGRATED MANAGEMENT.  
Chapter 4 - HYDRAULIC, GEOTECHNICAL AND STRUCTURAL DESIGNS.  
Chapter 5 - ENVIRONMENTAL IMPACT STUDY.  
Chapter 6 - PROJECT BUDGET AND PROGRAMMING.  
Chapter 7 - DOCUMENTS FOR THE CONTRACTING OF WORKS.  
Chapter 8 - ACQUISITIONS, LICENSES, PROPERTY TITLES, EASEMENTS AND PERMITS.  
Chapter 9 - OPERATING AND MAINTENANCE MANUAL.  
Chapter 10 - ECONOMIC AND FINANCIAL EVALUATION.  
Chapter 11 - LEGAL AND FINANCIAL STRUCTURE.  
Chapter 12- SCHEDULE OF ACCOMPANIMENT IN THE BIDDING PROCESS FOR THE WORK AND PROJECT AUDIT AS WELL AS DELIVERY OF THE PROCESS DRAFTS (BIDDING DOCS, TECHNICAL ANNEXES, PREVIOUS STUDY AND CONTRACT)

#### **2.3.4. CONTRACT MINUTES**

##### **2.3.8.1. INITIATION DOCUMENT.**

###### **2.3.8.1.1 Requirements for the subscription of the initiation document**

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

- a. **Approval of the methodology and programming activities for Phase 1 and 2:** The CONTRACTOR shall submit a work plan and a schedule of detailed activities for the execution of the contract, which will be reviewed and approved by the PROJECT AUDIT and have concept of the Supervision before the signing of the document of initiation of the contract. The above represented in a Gantt and PERT diagram, additionally, in digital media on MS Project, compatible with FINDETER's project control technology platforms, identifying activities associated with the deliverables, duration, precedence relations between activities, and definition of the critical route of the project and allocation of resources, in which sequences will be established, duration (date of beginning and date of termination), responsible person, physical resources and method of monitoring and monitoring the programming. In no case may the proposed programming and methodology exceed the stipulated deadline for each of the phases.
- b. Within the aforementioned deadline, the proposal must be presented for socialization with the community and local authorities for the approval of the PROJECT AUDIT.
- c. Presentation of the CONTRACTOR personnel for Phases 1 and 2 to the Project Audit. The PROJECT AUDITOR will verify and approve the fulfillment of the required profiles for the professionals defined in the Call documents for the execution of Phases 1 and 2. It will also verify the work contracts and/or the contracts for the provision of services signed by the staff and the CONTRACTOR or the members of the plural bidder. In the same way it will verify the supports of the affiliation and payment of integral social security in force of all the proposed personnel. Contractor shall submit, prior to the signing of the minutes for the start of the contract, support documents certifying the quality and experience of the professional staff required for Phases 1 and 2 and also support showing the existing affiliations to the social security system.
- d. Present the detailed economic proposal of phases 1 and 2 for review of the auditing where it can verify compliance with the conditions established in the documents of the call.

- e. **Approval of guarantees:** Present for approval the guarantees required for the execution of the contract. The auditor will review the related guarantees for the contract, to ensure they correspond to the requirements of the contract and the Terms of Reference, for purposes of presentation and approval by the CONTRACTING PARTY.
- f. Sign the letter of commitment on the incorporation of the gender equity and social inclusion approach in the development of the project. This letter will be an annex to the contract, which must be presented by the contractor at the time of its subscription.

The initial document must be signed by the CONTRACTOR, the PROJECT AUDIT, must be reviewed by the supervision and which must contain, among other aspects, the following:

- Place and date of signing of the document.
- Name and complete identification of the participants.
- Term.
- Expected completion date for each of the phases
- Value of each of the phases
- Information of the CONTRACTOR and PROJECT AUDITOR.

#### **2.3.8.2. CONTRACT TERMINATION AGREEMENT**

At the end of the last term stipulated for the execution of the contract, counted from the signing of the corresponding initial instrument, the CONTRACTOR and PROJECT AUDIT shall sign the Contract Termination Agreement.

#### **2.3.8.3 FINAL RECEIPT OF THE CONTRACT**

Once the products of Phase 2 have been approved by the Project Auditor and accepted by the Technical Committee, the Final Acceptance Certificate of the same shall be signed and the settlement of the contract will begin.

#### **2.3.5. SPECIFIC CONTRACTOR OBLIGATIONS FOR PHASE 2**

- a. Move forward on the activities necessary to comply with the scope of Phase 2. To do this, a work plan and a schedule of activities for the execution of the contract must be presented, which will be reviewed and approved by the Supervisor before the signing of the minutes. Initiation of Phase 2. The above is represented in a Gantt and PERT diagram, identifying activities associated with the deliverables, duration, precedence relations between activities, and defining the critical route of the project and allocation of resources.
- b. Deliver the products in accordance with the provisions of the scope of the contract for this phase.
- c. Deliver to the PROJECT AUDIT monthly reports in which the progress achieved in the corresponding term are demonstrated, in relation to the activities indicated for the present phase in the scope of the contract. The monthly reports will be delivered within five business days following the end of the term under analysis.
- d. For the execution of the contract in Phases I and II, the Contractor must meet the requirements of having a female quota of at least 30% of the project executing team.
- e. The elaboration and preparation of all technical support information for obtaining permits, concessions and/or authorizations of an environmental nature that require approval by the Environmental Authority and other authorities in

general, applicable for the construction of the project, will also be part of the project of the obligations of the contractor in development of Phase 2 of the contract.

f. To adjust and present the Final Report of this Phase within the terms established for it, in accordance with the observations presented by the PROJECT AUDITOR and/or the CONTRACTING PARTY and/or the TECHNICAL COMMITTEE. This Final Report must show compliance with each and every one of the contemplated activities, and must be approved by the PROJECT AUDIT and the CONTRACTING PARTY. This Report must possess and present characteristics and properties of a consistent, coordinated and homogeneous work among the different disciplines and as such must be conceived and executed.

g. To prepare all the technical, legal, environmental, social and economic documentation required for the execution of the project.

h. To maintain the personnel assigned for this PHASE, and approved prior to the signing of the contract initiation document.

i. Guarantee the calibration of topography equipment and others used in the CONTRACT.

j. Ensure compliance with current regulations according to the type of project to be executed.

k. Submit weekly reports (the first business day of the week) and due monthly reports (within the first five (5) calendar days of the following month) to project auditing where the most relevant aspects of the activities performed in each of the time periods are evidenced.

l. Implement special reaction plans, with effective actions to solve and overcome situations that hinder the execution of this phase or that represent management risks.

m. Ensure compliance with applicable regulations in environmental matters for the project or in the acts or pronouncements issued by the competent environmental authority.

n. Adjust the products of this phase, within the terms established for it, in accordance with the observations presented by the PROJECT AUDITOR and/or THE CONTRACTING PARTY.

o. Present all the information required by the PROJECT AUDITOR and/or the supervisor designated for that purpose

p. The Final Report must contain the products established in the scope of Phase 2, including the results of the social management plan and gender equality.

q. Prepare and present together with the PROJECT AUDITOR, the certificates of completion and final receipt of phase 2.

r. Draft legal and financial structuring

s. Carry out the accompaniment to the entity executing the project in the bidding processes of work and supervision, as established in the Legal and Financial Annex

t. All that applies to guarantee the execution of the Phase 2.

### 2.3.8. DURATION OF PHASE 2

For the execution of Phase 2, the execution term will be of maximum eight point five (8.5) months, counting from the signing of the initial document, which is distributed as follows for each Component

PHASE 2: DETAILED ENGINEERING DESIGNS	
COMPONENT	COMPLETION TIME (*)
Technical Component	Six point five (6.5) months
Component of Legal, Financial Structuring and Social Management Plan and Gender Equality	Eight point five (8.5) months

(\*) The terms for phase 2 start simultaneously, so in a specific case there can be an overlap.

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

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

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

In the multiplication factor methodology, a detailed description is made of the various components of the multiplying factor and guidelines for its quantification are given, THE CONTRACTING PARTY has estimated a minimum multiplying factor of two hundred and fourteen percent (214%) which applied to the costs of the personnel required for the execution of Phase 1 of the contract.

In accordance with the methodology set forth in this chapter, an Estimated Budget was determined for the development of Phase 2 is ONE BILLION SIX HUNDRED THREE MILLION FOUR HUNDRED FORTY AND FIVE THOUSAND FIVE HUNDRED SEVENTY PESOS (COP \$1,603,445,570) including transportation costs, expenses, taxes, fees and other contributions that may apply.

If there were to be a modification in the scope of said phase or in the conditions established for the elaboration and delivery of each product, the contracting party, through supervision, will have the power to request an adjustment of the dedications and the other conditions that are required through the PROJECT AUDIT, to execute the CONTRACT, based on the conditions established within the CONTRACTOR's financial offer, attaching the appropriate technical and legal documents to support said modification.

Note 1: If, in the development of the detailed design study for the project, a modification is made in the scope of said phase, the contractor through project audit will have the power to request an adjustment of the dedications and the rest of the conditions that are required to execute the CONTRACT, starting from the minimum established in the minimum required personnel section.

Note 2: The amount of the estimated budget does not include the amount of VAT tax because in accordance with article 96 of Law 788 of 2002 regulated by Decree 540 of 2004, money funds or resources originated in aid or donations for programs

of common utility in Colombia, coming from entities or governments of countries with which there are intergovernmental agreements or agreements with the Colombian Government, will be exempt from taxes, fees, contributions of national order, that could affect the import and the expense or the investment; also exempt from taxes, fees or contributions of a national nature, are the contracts that must be entered into for the execution of works or projects of common use, as well as the acquisition of goods and/or services and the financial transactions that are carried out directly with the money coming from the resources of the aid or donation, with the same purpose.

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

The method for determining the value of Phase 2 is by **FIXED GLOBAL PRICE WITHOUT ADJUSTMENT FORMULA** and correspond to an effective value of PHASE 2, resulting from the multiplication and summation of the dedications, durations and salaries established by the PROJECT AUDITOR at the time of the presentation of the economic proposal and considered necessary to carry out the activities determined in Phase 1 and that must be executed in Phase 2; affected by the multiplying factor established since the presentation of the economic proposal, plus the necessary direct and indirect costs.

Therefore, the amount agreed for Phase 2 is understood to include, among others, the preparation and delivery of all required products, administration expenses, salaries, social benefits and compensation of personnel, salary and benefit increases; travel, transportation, accommodation and food of the CONTRACTOR's minimum work equipment; displacement, transportation and all kinds of necessary equipment; fees and consultancy in activities related to the execution of Phase 2; computers, software use licenses; the totality of taxes originated by the celebration, execution and liquidation of the contract; any deductions that may apply; the remuneration for the CONTRACTOR, contingencies and, in general, all the costs that the CONTRACTOR must incur for the full execution of the contract execution. THE CONTRACTING PARTY will not acknowledge, therefore, any readjustment made by the CONTRACTOR in relation to the costs, expenses or additional activities required for the execution of this stage and that were foreseeable at the moment of the presentation of the offer.

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

The CONTRACTING PARTY shall pay the CONTRACTOR the amount of Phase 2, as follows:

- a. One payment equivalent to thirty percent (30%) of the amount contracted for Phase 2, once delivered and issued the concept of approval by the auditing and approval of the Contracting Party of the reports of the activities indicated in the sections: 2. DETAILED DESIGN (corresponds to section 2 of the minimum content annex and technical recommendations of the contract) with the by-products 2.1 DESIGN CRITERIA (corresponds to section 2.1 of the minimum content annex and technical recommendations of the contract), 2.2. DEFINITION AND LOCALIZATION OF EACH OF THE COMPONENTS OF THE PROJECT TO BE DESIGNED (corresponds to section 2.2 of the annex, minimum content and technical recommendations of the contract), 2.4. TOPOGRAPHY (corresponding to section 2.4 of the minimum content annex and technical recommendations of the contract), 2.6. HYDRAULIC DESIGN (corresponds to 2.6 of the annex, minimum content and technical recommendations of the contract), 2.7 GEOLOGY (corresponding to 2.7 of the annex, minimum content and technical recommendations of the contract), Development of the Transaction Scheme (corresponds to numeral 4.4, paragraph A of the Legal and Financial Annex) and the financial model (corresponds to paragraph 4.4 paragraph B of the Legal and Financial Annex).



- b. One payment equivalent to forty percent (40%) of the amount contracted for Phase 2, and issued the concept of approval by the auditing and approval of the Contracting Party of the reports of the activities indicated in the paragraphs: 2. DETAILED DESIGN (corresponds to section 2 of the annex minimum content and technical recommendations of the contract) with by-products 2.3. SELECTION OF ALTERNATIVES (corresponds to section 2.3 of the annex, minimum content and technical recommendations of the contract), 2.5. GEOMETRIC DESIGN AND INTERFERENCE ANALYSIS (corresponds to section 2.5 of the annex, minimum content and technical recommendations for the contract), 2.8. STRUCTURAL DESIGN (corresponds to section 2.8 of the annex, minimum content and technical recommendations for the contract), 2.9. DESIGN OF COMPLEMENTARY WORKS (corresponds to section 2.9 of the annex, minimum content and technical recommendations for the contract), 2.10. PROPERTY MANAGEMENT (corresponds to section 2.10 of the annex, minimum content and technical recommendations for the contract), 2.11. DEFINITION OF TECHNICAL CONSTRUCTION SPECIFICATIONS (corresponds to 2.11 of the annex minimum content and technical recommendations for the contract), 2.12. DETERMINATION OF THE BUDGET AND WORK SCHEDULES (corresponds to section 2.12 of the minimum content annex and technical recommendations for the contract), 2.13. OTHER STUDIES AND DESIGNS (corresponds to section 2.13 of the minimum content annex and technical recommendations for the contract), 2.14. RESULTS (corresponds to numeral 2.14 of the minimum content annex and technical recommendations of the contract), risk analysis (corresponds to paragraph 4.4, section C of the Legal and Financial Annex), document for legal viability of the project (corresponds to numeral 4.4, section D of the Legal and Financial Annex).
- c. One payment equivalent to Ten percent (10%) of the value contracted for Phase 2, once the CONTRACTOR with the Final Studies and Designs, duly approved by the PROJECT AUDITOR and the CONTRACTING PARTY file them with the Ministry of Housing, City and Territory for its technical concept.
- d. One payment equivalent to Twenty percent (20%) of the value contracted for Phase 2, once the Advisory and support stage is carried out in the selection and contracting processes of the processes that are defined (corresponds to numeral 4.5 of the Legal and Financial Annex) and the contract delivery and final receipt of the Contract is signed.

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

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

- a. Satisfactory receipt of the contract products by the PROJECT AUDIT.
- b. Approval of the corresponding guarantees, indicated in the section of GUARANTEES of this document.
- c. Signing of the contract settlement report.

#### **2.4. PROJECT SITE KNOWLEDGE:**

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

With the presentation of the proposal, the bidder declares that he knows in an integral manner all the conditions of the

project execution site, the activities to be executed and the legal, technical, environmental, economic and social circumstances for the development of the project, especially those that may affect the auditing, the execution of the activities and/or the project and influence the calculation of the value of the proposal. Therefore, obliviousness of these aspects will not serve as a valid excuse for subsequent claims

## 2.5. SPECIFIC EXPERIENCE OF THE MINIMUM PERSONNEL REQUIRED

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

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

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

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

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

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

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

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

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

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

**ALTERNATIVE C:** In the event of the certification referred to in the preceding paragraphs not being available, a copy of the contract and liquidation document and/or record of termination of the employment contract, provision of services or the corresponding document must be attached, stating the execution of the same and evidences the charge and/or functions and/or activities and/or products delivered or developed, which must be subscribed as appropriate, by the Supervisor and/or auditor and/or representative of the contracting entity and the Contractor.

If the documentation described in any of the aforementioned alternatives was granted abroad, it must be provided with an apostille or legalized as appropriate by the **selected bidder**, in accordance with the requirements of these terms of reference. Notwithstanding the foregoing, and in view of the impossibility of filing said procedures, a simple copy of such documents may be provided, accompanied by an affidavit issued before a Notary; in case of surrendering said affidavit in a foreign country, the apostille or legalization process, as appropriate, must be advanced with the full requirements of the present terms of reference.

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

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

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

The professional experience of the minimum personnel will be computed from the termination and approval of the academic curriculum of higher education in accordance with the provisions of article 229 of Decree Law 019 of 2012, and to prove it, the bidder must present certification of completion and approval of the academic curriculum of higher education duly signed by the Educational Institution. Notwithstanding the foregoing, if the bidder does not have the aforementioned certification, they may provide the degree and/or diploma certificates, of which the entity will take the information to account for the professional experience.

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

## **2.6. PERSONNEL ASSIGNMENT**

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

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

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

If the interested parties consider that there are contractual risks not foreseen in the matrix of contractual risks proposed by the CONTRACTING PARTY, it must announce it at the stage of submitting observations, so that they may be evaluated and, if pertinent, incorporated in the referred matrix. It will not be possible then to claim economic imbalance of the contract due to factors that could have been foreseen in the pre-contractual stage based on the knowledge of the call, the documents and studies of the project, as well as its context, and that have not been announced by the CONTRACTOR OF PROJECT AUDIT in this stage. The contractor reserves the right to accept or not the comments made about the distribution of foreseeable risks borne by the contractor. The level of probability of occurrence of the risks and the effect of the contract depends on the effectiveness or not of the actions carried out by the contractor to eliminate or mitigate, as the case may be, the risks that arise during the execution of the contract.

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

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

The classification, estimation and distribution of the foreseeable risks of the contract object of the present selection process will be subject to the criteria defined in this subsection, without prejudice to the scope of the obligations in charge of each of the parties, in accordance with the relevant legal provisions, the nature of the contract and the content of the rules of participation, considering, predominantly, that in general, the contractor is responsible for the execution of the contract in accordance with the technical documentation provided by FINDETER, and under this entity the payment of the agreed value. The entity and the bidder -with the presentation of their proposal-, understand as a foreseeable contractual risk that which has the following characteristics:

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

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

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

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

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

### 1. Classification

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

### 2. Estimation

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

### 3. Allocation

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

## 2.8. PROJECT AUDIT

The activity consists of controlling, demanding, absolving, accompanying and verifying compliance with the obligations of the CONTRACT resulting from this selection process will be carried out through the PROJECT AUDIT, which will be executed by the natural or legal person designated by THE CONTRACTING PARTY, who will perform the functions foreseen in the Supervision and Supervision Manual of FINDETER that is in force, the Rules of Participation and the Contract.

The CONTRACTOR, in order to ensure proper monitoring and control of its activities, is obliged to know the provisions of the Supervision and Supervision Manual of FINDETER that is in force.

## 2.9. GUARANTEES

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

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

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

PROTECTION	AMOUNT OF PROTECTION	VALIDITY
Fulfillment	30% of the total amount of the contract	Valid for the term of execution of the contract and six (6) more months
Salaries and employee welfare benefits and workers compensation	20% of the total amount of the contract	Valid for the term of execution of the contract and three (3) more years.
Quality of Service	30% of the total amount of the contract	Valid for the term of execution of the contract and three (3) more years

The approval of the guarantees and coverage by FINDETER is a prerequisite for the start of the execution of the phase or contract, reason why no contract where there is existence of foreseen guarantees may begin its execution or the phase without their respective approval.

## 9.1. GUARANTEE OF NON-CONTRACTUAL CIVIL LIABILITY

GUARANTEE	AMOUNT OF THE GUARANTEE	VALIDITY
Non-contractual civil liability	5% of the total amount of the contract	Valid for the term of execution of the contract and four (4) more months

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

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

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

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

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

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

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

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

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

**SECOND PARAGRAPH:** The validity of the policy begins with the signing of the contract. THE CONTRACTOR must maintain, during the term of the contract, the sufficiency of the guarantees granted. Consequently, in the event that the term of execution of the contract is extended or its value is added, THE CONTRACTOR must prove the corresponding

adjustment of the guarantees, once the modification of the contract is subscribed. Likewise, THE CONTRACTOR must replace the guarantees when their value is affected by the occurrence of the claims covered.

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

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

#### **B. TO CONSTITUTE THE BANK GUARANTEE ON FIRST REQUEST, THE CONTRACTOR MUST:**

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

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

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

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

For the execution of Phase 1. Feasibility Study and Phase 2. Detailed engineering designs, in the case of requiring environmental permits and/or licenses and necessary authorizations, it will be the responsibility of the CONTRACTOR to elaborate and prepare all the technical support information for obtaining of permits and/or licenses and authorizations of an environmental nature that require approval by the Competent Authority. The corresponding costs to elaborate and prepare all the information necessary to obtain the permits and/or licenses and authorizations will be assumed by THE CONTRACTOR.

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

Bearing in mind that the resource assigned to be executed in the contract corresponds to the resources required in accordance with the project presented by the Municipality of Valledupar; in the event of a change in the scope of the project during the execution of the contract or a variation in the activities to be executed that require additional resources, that is, to lead to exceeding the value of the contract, this situation must be submitted to the Project Auditor and the Supervisor of the contract on the part of FINDETER to proceed in accordance with the procedures established for these cases in the Agreements signed between the Territorial Entity, FINDETER and The Government of the United Kingdom of Great Britain and Northern Ireland represented by the Foreign and Commonwealth Office (FCO). In case of approval, it must proceed in accordance with what is established for these events and its consequent modification.

The CONTRACTOR may not execute items or activities not foreseen in the contract, without previously having been approved by the Supervisor and by the CONTRACTING entity, and the respective additional contract has been signed as appropriate. Any activity executed without the prior holding of the contractual document will be assumed at the CONTRACTOR's expense and risk, so that THE CONTRACTING PARTY will not acknowledge amounts for such concept. It is the responsibility of the CONTRACTOR to inquire about the procedures established for this purpose.

If the scope is adjusted and new activities are generated that were not included in the initial budget, the new amounts will be agreed between the parties. To this end, the audit will perform an analysis of the budget submitted by THE CONTRACTOR in order to verify its correspondence with the market conditions and prices, and once verified by the auditing, its approval will be processed by the CONTRACTING PARTY.

## **2.12. RISK MANAGEMENT CLAUSE**

It is necessary to include the risk management requirement for the CONTRACTOR in the following terms:

### **RISK MANAGEMENT**

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

In the execution of the contract, the CONTRACTOR undertakes to carry out all the activities and good practices dictated by the state of the art in the field of the contractual object, in order to perform the management of risks that may affect the execution of the contract. This management must contemplate at least the following activities:

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

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

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



- c. A response Plan that must include the actions planned to mitigate the risks included in the Risk Register

### 2.13. INDEMNITY CLAUSE

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

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

### 2.14. CONTRACT SETTLEMENT

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

#### SUB-CHAPTER III SCHEDULE

Activity	Date, time and place as appropriate
Opening and referral of invitations to participate, of the terms of reference, prior study, annexes, technical documents and other documents associated with the process.	Five (5th) of June 2019.
Hearing to clarify the terms of reference	Twelve (12th) of June 2019. Time: 9:00 a.m. Place: Head Office Findeter – Auditorium Colombia. Calle 103 No. 19 - 20, Bogotá
Reception of observations to the terms of reference and annexes	Seventeenth (17th) of June 2019.
Publication of the Report on the response to observations on the terms of reference, addend when necessary and annexes or proof of non-submission of observations.	Twenty (20th) of June 2019.
Closing- deadline for submission of offers Envelopes No. 1 and 2 and Opening of Envelope No. 1	Twenty-eight (28th) of June 2019. Time: 05:00 p.m. Place: Correspondence Findeter. Calle 103 No. 19 - 20, Bogotá D.C.
Publication of verification report of enabling requirements and request of adjustments	Five (05th) of July 2019.
Opportunity to correct and submit observations to the enabling requirements report	Until Ten (10th) of July 2019. Time: 05:00 p.m.

	Place: Findeter Correspondence. Calle 103 No. 19 - 20, Bogotá D.C.
Publication of the final verification report of enabling requirements	Sixteenth (16th) of July 2019.
Opening of Envelope No. 2-Economic proposal of the enabled proposals.	seventeenth (17) of July 2019. Time: 10:00 a.m. Lugar: Findeter Contracting Management, Calle 103 No.19 – 20 Bogotá
Publication of the economic evaluation report and score assignment (order of eligibility).	Twenty-two (22th) of July 2019.
Deadline for submitting observations to the Economic Evaluation Report and score assignment (eligibility order)	Twenty three (23th) of July 2019.
Publication of the final assessment report and score assignment (order of eligibility), of the Contractor or declaration of void process as appropriate	Twenty sixth (26th) of July 2019.

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

## CHAPTER II. GENERAL PROVISIONS

### SUBCHAPTER I OVERVIEW

#### 1.1. DEFINITIONS

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

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

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

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

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

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



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

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

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

**Forms:** Refers to suggested tools that allow bidders to facilitate the development of their proposals and submit the information required in the Terms of Reference evenly. The information required in the forms is mandatory, it must correspond to that requested.

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

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

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

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

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

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

**Form 7 Absence of Conflict of Interest Affidavit Form.** Refers to the bidder's affidavit, which the natural person or

the legal representative of a legal entity must submit individually and each of the members of the consortium or joint venture, if not in progress in the grounds for conflict of interest in submitting proposals or entering into contract set out in the terms of reference. They must be submitted with the offer.

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

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

**Form 10: Form For Statement of Registration in the Sole Bidder Register of the Sole Business Registry at the Chamber of Commerce.** - It is the bidder's affidavit to be submitted by the natural person or legal representative of a legal entity filed individually and each of the members of the consortium or joint venture, on registration or not in the registry.

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

**Form 12: Certification and/or letter of belonging to the international network of firms**--which is credited to the specific experience of the bidder within this private call. Must be submitted in this form, which is guaranteed by the firm as appropriate, approval for the inclusion of the credential for the accreditation of experience in the private proposal.

**Form 13: Financial Verification.** - by means of which the indicators to be evaluated are verified and calculated based on the financial statements of the year 2018 of the legal entity.

## 1.2. LEGAL STATUS OF FINDETER

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

## 1.3. APPLICABLE LEGAL PROVISIONS

The contracting process for this call is subject to Colombian law and jurisdiction and is governed by the regime of

private contracts contained in the Civil Code, the Commercial Code and other rules applicable to the matter. Therefore, the terms of reference and in general the documents that are imparted in the process, are subject to the aforementioned rules.

Under the agreement of The Government of the United Kingdom of Great Britain and Northern Ireland represented by the Foreign and Commonwealth Office (FCO) and FINDETER in the MoU for the execution of the Prosperity Fund, especially in Addendum No. 1 of November 23, 2017, the selection process will move forward in accordance with the FINDETER policies of contracting services from third parties. - (CON-ST-DA-001 V.4). For the case being the modality of private call enunciated in literal a) of numeral 13.2. Private Call of the Findeter Services for Third Party Contracting Policy, namely:

#### **“13.2. PRIVATE CALL**

*Consists of requesting a certain number of potential bidders of not less than three (3), previously identified in the Previous Study of the Interested Unit, so that, under equal conditions, they submit an offer in accordance with the Terms of Reference prepared by FINDETER. This modality will proceed in the following cases:*

- a. **When it comes to the conclusion of contracts with multilateral banking resources or international cooperation resources, against which it will be necessary that this is expressly indicated by the body that will provide the resources for its execution.”**

**Bold addition to original text.**

In compliance with the above, the contributing entity of the resources, The Government of the United Kingdom of Great Britain and Northern Ireland, represented by the Foreign and Commonwealth Office (FCO), formally indicated through the communication dated September 19, 2018, the list of the bidders to participate in this private call.

#### **1.4. WHO CAN PARTICIPATE IN THIS CALL**

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

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

When group bidders are constituted with companies or individuals, that do not comply with the established on this section, the leader of the associative figure should belong to the Commercial Framework, and its percentage share will be no less than 30%.

#### **1.5. GUIDING PRINCIPLES**

This contracting shall be governed by and subject to the principles of the administrative function and Fiscal Management, enshrined in Articles 209 and 267 of the Constitution, the system of disqualifications and incompatibilities provided for in Article 8 of Law 80 of 1993, articles 13; 15 and 18 of Law 1150 of 2007, Articles 1 and 4 of Law 1474 of 2011 and other related standards.

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



## 1.6. CALL FOR CITIZEN REVIEW

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

## 1.7. WAR ON CORRUPTION

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

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

## 1.8. CORRESPONDENCE

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

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

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

Communications should be directed to:

FINDETER

PROCUREMENT OFFICE

Subject: Number and purpose of the call Telephone: 6230311

Calle 103 No. 19 - 20 Bogotá DC - Colombia

And they must contain at least the following information:

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

## 1.9. PROCESS ADVERTISING

All documents will be available for consultation by all those invited to participate, in the facilities of FINDETER located



in the city of Bogota on Calle 104 No. 18A-52 Water and Sanitation Management Office, to which any official of the Procurement Office may attend, and which will leave a written record.

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

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

#### **1.11. AUDIENCE OF CLARIFICATION OF TERMS OF REFERENCE.**

Within three (3) working days following the opening of this call, on the date and place indicated in the timeline of the process, the Audience of Clarification of Terms of Reference will be held, in order to specify the content and scope of the Terms of Reference, of which a record will be drawn up, in which the observations submitted by the interested parties will be recorded.

As a result of what was discussed at the hearing and when it is convenient, the head or representative of the entity will issue the pertinent modifications to said documents through the issuance of the corresponding addenda.

Attendance at this hearing will not be mandatory, however, what is consulted, analyzed or specified there will be considered known and accepted by all persons interested in the Process.

With the aim of facilitating the development of the audience and facing the difficulty of the questions asked and the complexity of the analyzes that must be carried out to respond to them, the Entity expressly reserves the right to issue the answer in the same hearing. orally or later to do so in writing, in this last event the answers will be published according to the foreseen in the call schedule.

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

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

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

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

#### **1.13. ADDENDUMS**

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

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

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

#### **1.14. SUBMISSION OF PROPOSALS**

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

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

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

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

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

#### **1.15. PROPOSAL SUBMISSION STANDARDS**

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

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

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

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

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

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



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

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

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

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

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

#### 1.16. RULES FOR SUBMISSION OF PROPOSALS

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

- ix. In case of discrepancies between the original and the copy, the content of the original proposal will prevail.
- x. In case of discrepancies between the original financial proposal in hard copy and the one submitted in digital format, the original hard copy will prevail, and in case of discrepancies between the economic proposal and/or budget in Excel and PDF format, the file contents in PDF will prevail. Excel format is considered only as a working tool for evaluators.
- xi. The information required in the formats of this call must be filled out completely.

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

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

#### **1.18. PROHIBITION OF SUBMITTING ALTERNATIVE OR PARTIAL OR CONDITIONED PROPOSALS**

Alternate, partial or conditioned proposals will not be accepted.

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

Bidders may request in writing the removal of their proposals before the date and time scheduled for the closing of the call, prior request of the Legal Representative, in which case they will be returned unopened and written return shall be recorded.

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

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

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

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

#### **1.21. DOCUMENTS FILED FROM ABROAD**

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

Foreign Affairs of Colombia, also said translation must be duly legalized or apostilled accordingly.

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

Apostilled or legalized documents must be submitted by the selected bidder, **within ten (10) business days following the referral Selection Record**. In case clarification is required by THE CONTRACTING PARTY, it will be requested by email, of which the selected bidder will have three (3) business days to submit the documentation with the corrections requested.

### 1.20.1. LEGALIZATION

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

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

### 1.20.2. APOSTILLE.

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

**WARNING: The entity takes the opportunity to advise that it will strictly apply the provisions contained in The Hague Convention, which was approved by Law 455 of 1998, in the sense of verifying that the selection process before the competent authority endorse the authenticity of the signature and indicate which title the person signing the public document has acted upon.**

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

1. Verification of the date of termination or subscription of the certificates of delivery and final receipt of the contract.

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

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

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

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

## **1.22. DISQUALIFICATIONS AND INCOMPATIBILITIES**

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

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

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

## **1.23. CONFLICTS OF INTEREST**

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

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

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

1.23.3. The bidder has signed contract of project auditing with FINDETER during the implementation period and until the settlement thereof. This conflict also is in regard to the real beneficiaries of said individuals.

1.23.4 Having participated or being linked as a service operator in the municipality where the work of contract which the current call is about. This prohibition also applies to the actual beneficiaries of the same people.

1.23.5 No proposal may be submitted simultaneously in this call and the call coming forward to hire the auditing of this project.

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

1. The bidder will be responsible for knowing each and every one of the implications of the offer to perform in this process, and do all assessments and estimates necessary to submit its proposal on the basis of technical conditions and general and specific characteristics of the activity and/or work to hire.

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

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

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

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

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

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

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

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

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



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

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

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

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

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

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

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

#### **1.28.1. CORRECTION RULES**

All those requirements of the proposal that do not affect the assignment of points and that are presented by the interested party, may be subject to correction, for which THE CONTRACTING PARTY may request in writing the clarifications and explanations that it deems pertinent and whose request must be addressed by the proponents within the preclusive and exclusionary term granted by the Entity to correct, which is defined in this call.

Thus, the nature of the remedy is due to the possibility that a bidder has to repair errors or clarify the documents provided in its proposal, which cannot be understood as a possibility to make improvements on it.

However, taking into account that the bidder must structure its proposal in accordance with what is stated in the terms of reference, it will not be possible to correct the documents related to the qualifying requirements, which accredit circumstances that occurred after the closing of the process.

The documents evidencing circumstances that occurred after the closure of the process are due to all those who intend to demonstrate circumstances and qualities with which the bidder did not count at the time of presentation in the call, that is the closing date of the submission of bids.

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

Bidders must send within the preclusive and peremptory term for this effect set in the schedule, the required corrections, in written form, in PDF at email [tercerosfindeter@findeter.gov.co](mailto:tercerosfindeter@findeter.gov.co), or file them in original and two (2) copies duly paged in

FINDETER facilities, located at Calle 103 No. 19-20 Bogota whose public opening hours is continuous Monday through Thursday from 8:00 to 17: 00 and Friday from 7:00 to 17:00, addressed to the Contracting Office, also those documents requiring presentation in original copy, are not allowed in email, so they must be filed in hard and original copy in the service hours aforementioned. **Those extemporaneously received or filed at the Fiduciary or place other than the one specified will not be taken into account.**

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

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

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

#### **1.28.1.1. PARTICULAR RULES.**

In addition to the criterion to be taken into account in the matter of repayment, and as a complement to the previous numeral, below and in detail, the special rules that will be taken into account when verifying the proposals presented are detailed.

- a) Not providing the performance bid bond for the offer, at the time of closing together with the proposal, cannot be corrected. Additionally, the guarantee presented must count at the time of the closing of the call, with the receipt of payment of the corresponding premium, if this condition is not presented, the BIDDER cannot correct it. The guarantees presented with information that has nothing to do with the process to which it is attached, but with other processes, in any of the items, will be considered as not presented and therefore will be rejected.
- b) The bidder may correct documents provided in the proposal with the date of issue after the closing of the call, provided that in its content no circumstances subsequent to the closing that improve the offer are proved.
- c) The non-presentation of the letter of credit, or the validity of the quota, or the value stated in said document will not be subject to correction. However, it will be possible to correct any other data or information different from the value of the credit quota, so the document that is still available after the closing date will be valid.
- d) Those documents that are not related to the call to which the offer was submitted will not be subject to correction.

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

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

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

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

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

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

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

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

**1.31. OPENING OF ENVELOPE No. 2: FINANCIAL PROPOSAL AND ADDITIONAL SPECIFIC EXPERIENCE OF THE BIDDER**

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

In such hearing, the total monetary amount for each of the financial proposals will be read. Financial proposals will be emailed with the certificate in question.

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

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

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

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

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

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

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

**1.33. OFFICIAL REPORT ADJUSTMENT**

In the event that the entity notices the need to adjust the verification, evaluation and/or qualification reports that are generated in the different stages of the process, it may do so at any time during the call, until before the award. For the aforementioned, the respective scope of the report will be made as appropriate, in which the reasons that motivated



the adjustment will be presented, which will be sent to the guests to participate.

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

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

#### **1.35. INDICATION OF LEGAL CONFIDENTIALITY STATUS FOR DOCUMENTS SUBMITTED**

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

#### **1.36. TIEBREAKING CRITERIA**

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

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

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

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

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

#### **1.38. GROUNDS FOR REJECTION**

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

- 1.38.1.** When the proposal does not fit and cover all the necessary technical requirements or conditions.
- 1.38.2.** When the bidder, whether natural person or legal entity, either individually, as a partner or as a member of a consortium or joint venture, submits more than one offer, the proposals will be rejected.
- 1.38.3.** When the financial proposal for the call or phases after mathematical corrections is less than the minimum amounts or greater than the maximum amounts set in these terms of reference for the respective call or phase.
- 1.38.4.** When the proposal is submitted extemporaneously or in a place other than that specified in the Terms of Reference.
- 1.38.5.** When the proposal exceeds the execution time stipulated in the Terms of Reference.
- 1.38.6.** When the bidder does not submit along with the technical proposal the financial offer or vice versa.
- 1.38.7.** When the bidder, whether natural person or legal entity or any member of the consortium or joint venture, is found liable for the causes of disqualifications, incompatibility or conflict of interest, established by the Constitution, the law and the terms of reference.

- 1.38.8.** When the bidder, whether natural person or legal entity or any member of the consortium or joint venture, is found liable for any prohibition, to tender in what is established in the current terms of reference.
- 1.38.9.** When the proposal has amendments, erasures or scratches that prevent objective selection.
- 1.38.10.** When the financial proposal is either partially or completely illegible.
- 1.38.11.** When the bidder, whether natural person or legal entity or any member of the consortium or joint venture or its (their) representatives is (are) reported in the Bulletin of Fiscal Responsible Entities, issued by the Comptroller General of the Republic.
- 1.38.12.** When the bidder, whether natural person or legal entity or any member of the consortium or joint venture or its representatives is (are) reported as ineligible to contract in the Information System for Registration of Sanctions and Causes of Disqualification "SIRI" (for its Spanish acronym) of the Attorney General's Office.
- 1.38.13.** When the bidder, whether natural person or legal entity or any member of the consortium or joint venture, its members or representatives is (are) reported or included in a national or international list that refers to Money Laundering and Terrorist Financing.
- 1.38.14.** If within the period granted to correct the enabling requirements, the bidder fails to do so and with the existing supports does not meet the enabling requirements.
- 1.38.15.** When the bidder does not meet the enabling requirements set out in the terms of reference.
- 1.38.16.** When partial, conditioned and/or alternative proposals are submitted.
- 1.38.17.** When in the correction phase the percentages of participation of members of group bidders are modified, or stating that its incorporation occurred after the close of the process.
- 1.38.18.** When the bidder, natural person or legal entity or any member of the consortium or joint venture submit affidavit of not having within three (3) years prior to the end of this contracting process, impositions of penalty clauses, late payment penalty clauses, fines, sanctions, or declarations of non-compliance; or within the five (5) prior to the end, conclusion or early termination of this contracting process by default of the contractor, in contracts which it has had contractor status and the entity evidences otherwise.
- 1.38.19.** When the incorporation of the bidder occurs after the close of the process or the required powers are granted after the close.
- 1.38.20.** When the bidder in the proposal makes any offerings that infringe legal provisions.
- 1.38.21.** When the bidder submits documents containing information or data that lack of veracity, inconsistent, distorted, altered, inaccurate or designed to mislead the entity that affect the rating or classification of the proposal.
- 1.38.22.** When the offer by the bidder is not signed, in the case of natural persons, and in case of legal entities, consortium or joint ventures by the duly authorized legal representative of the bidder or by the proxy constituted for the purpose.
- 1.38.23.** In the other cases set forth in the Terms of Reference and the Law.

#### **1.39. GROUNDS TO DECLARE THE BID DESERTED**

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

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

#### **1.40. CONTRACT SIGNING**



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

#### **1.41. CONSEQUENCE OF NOT SIGNING THE CONTRACT AND/OR ITS COMPLIANCE OF ITS EXECUTION REQUISITES**

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

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

#### **1.42. REQUISITES FOR CONTRACT EXECUTION**

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

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

#### **1.43. APPROVAL OF THE GUARANTEE**

The Contracting Entity will approve the guarantees provided by the CONTRACTOR by insurance policy or bank guarantee if they meet the requirements, within two (2) BUSINESS DAYS of the date of filing thereof.

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

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

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

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

#### **2.1 ENABLING REQUIREMENTS**

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

- a. It consists of verification of compliance with all legal requirements and those required in the terms of reference.

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

### **2.1.1. ENABLING REQUIREMENTS OF LEGAL ORDER**

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

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

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

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

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

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

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

Failure to comply with the requirements herein will result in the proposal being not legally authorized; in the case of

clarification or enabling documents, they must be provided by the bidder in the terms and time limits specified by the entity.

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

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

1. The constitution document of group bidder must be accompanied, by each of the members of the plural structure and its legal representative, the following:
  - a. If Natural persons, they must provide a legible copy of the citizenship card on both sides.
  - b. If Legal entities, they must provide a legible copy on both sides of the citizenship card of the legal representative.
  - c. In the case of a foreign natural person domiciled in Colombia and a foreign legal person with a business establishment or branch in Colombia, a copy of the foreigner's identity card or residence permit of the bidder must be attached, either a natural person or the legal representative of the legal entity or administrator of the branch.
  - d. In the case of a foreign natural person without registered office in Colombia and a foreign legal entity without a business establishment or branch in Colombia, a legible copy of the passport of the bidder must be provided, either a natural person or the legal representative of the legal entity.
  - e. When the citizenship card or foreign card is in process, the password issued by the Colombian Civil Service National Registry will be considered as a valid document.
2. The purpose of the consortium or joint venture, which must be the same as the purpose to be contracted.
3. The bidder may assign a name to the consortium or joint venture; however, it must refrain from referring to or including in said nomination the name of the Territorial Development Finance Entity (Financiera de Desarrollo Territorial) or Findeter.
4. The appointment of a representative who must be authorized to act on behalf of the consortium or joint venture; likewise, an alternate representative may be appointed to replace him in cases of temporary or permanent absence.
5. The indication of the registered office of the associative figure
6. Indicate whether the participation is by way of consortium or joint venture, and in the latter case, expressly indicate the activities, terms and extent of the participation of each of its members in the offer and in the execution of the contract.
7. The clear and express statement that the members of the consortium or joint venture will respond for the fulfillment of each and every one of the obligations derived from the offer and the contract, for the members of the joint and unlimited consortium regarding the penalties for the breach of the obligations derived from the offer and the contract, and limited according to the participation of the members in the case of the joint venture.
8. For this call, at least one (1) of the members that certify the specific experience indicated in these Terms of Reference must have a participation equal to or greater than thirty percent (30%). If only one (1) of the members of the bidder group is the one who accredits the specific experience, their participation in the same may not be less than fifty percent (50%).

9. When multiple bidders are incorporated with Colombian companies or natural persons, the leader of the associative figure must belong to the Commercial Framework prepared by the British Embassy, and its percentage of participation cannot be less than THIRTY PERCENT (30%).
10. In no case may the percentage distribution shall exceed 100%.

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

### 3.1.4 GENERAL PROVISIONS FOR MULTIPLE BIDDERS

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

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

8. Once the consortium or joint venture is constituted, its members cannot assign or transfer their participation in it, nor modify its members or their participation in it. In case it is necessary to carry out some type of modification, once the contract has been signed, it will require written authorization from the CONTRACTING PARTY.
9. For tax purposes, consortiums and joint ventures will be subject to the regime established in the Tax Statute.

### **3.1.5 CITIZENSHIP ID OR ITS EQUIVALENT**

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

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

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

### **3.1.6 CERTIFICATE OF FISCAL RESPONSIBILITY FROM COMPTROLLER GENERAL OF THE REPUBLIC**

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

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

### **3.1.7 CERTIFICATE OF BACKGROUND FROM THE ATTORNEY GENERAL OF THE NATION**

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

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

website.

### 3.1.8 JUDICIAL BACKGROUND CHECK

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

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

### 3.1.9 AUTHORIZATION FOR TEMPORARY EXERCISE OF PROFESSION IN COLOMBIA

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

### 3.1.10 BID BOND GUARANTEE

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

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

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

When the insurance or bank guarantee policy of the offer is not submitted, or it does not contain the requirements of the terms of reference, the bidder must clarify or correct them and submit the modifications within the peremptory term established by the CONTRACTING PARTY, under penalty of rejection of the offer if it does not comply.

**The bidder must provide the payment support of the corresponding policy premium. This payment support will be admissible by the entity, until the maximum term of the "Opportunity to correct" activity, established in the call schedule. A non-expiry certification will not be accepted due to non-payment.**

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

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

THE BIDDER shall constitute the bid bond in a **format in favor of PUBLIC ENTITIES WITH PRIVATE**



**CONTRACTING REGIME.** This policy must be issued by an insurance company legally incorporated in Colombia, whose parent policy is approved by the Financial Superintendence, with the following protections, coverage and validity:

1. Coverages: The Performance Bid Bond must cover the damages derived from the breach of the offer, and will have a sanctioning character.
2. Insured value: The Bid Bond must be equivalent to 10% of the total value of the project's budget.
3. Validity: It must be valid for four (4) months counted from the closing of the process scheduled date, and in case of the extension of the closing, it must be constituted from the new date set for the closing.
4. Insured entity: FINANCIERA DE DESARROLLO TERRITORIAL SA FINDETER. NIT: 800,096,329-1
5. Beneficiary: FINANCIERA DE DESARROLLO TERRITORIAL SA FINDETER. NIT: 800,096,329-1
6. Policy Holder: The Bid Bond must be taken with the name of the bidder as it appears on the identity document and in the case of a consortium or joint venture in the name of the latter and not of its legal representative and must indicate the members thereof and their percentage of participation according to the constitution document.

### **3.1.11 UNIQUE TAX RECORD OR ITS EQUIVALENT**

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

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

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

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

In the event of NOT being required to pay para-fiscal contributions and the social security system, because you do not have staff in charge, you must declare this circumstance under the seriousness of the oath.

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

The above circumstances will be accredited as follows:

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

Additionally, in the case of a national natural person must prove compliance with this requirement, with a form or record

of membership in the General Social Security System, which evidences that is linked to the system under the contributor, beneficiary or affiliate mode to the subsidized scheme, at least of the month immediately prior to the scheduled date for the closing of this call.

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

Under the provisions of Law 842 of 2003 and in order not to allow the illegal exercise of Engineering, the natural person who intends to participate in this call, either individually or as a member of a plural bidder (consortium or joint venture), must prove that has a degree as a Civil Engineer or Health Engineer, for which must attach a copy of its professional registration and copy of the certificate of validity of professional registration issued by the COPNIA which must be up to date

### **3.1.14 OFFER CERTIFICATE**

If the legal representative or individual bidder representative of a national or foreign legal entity or the legal representative or group structure representative, does not hold a Civil Engineer or Sanitary Engineer degree, the offer must be approved by a Civil Engineer or a registered Sanitary Engineer, to which must attach a copy of its professional registration and a copy of the validity certificate of professional registration issued by COPNIA, which must be up to date.

### **3.1.15 CERTIFICATION FROM AUDITOR**

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

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

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

Only for the purposes of verification and evaluation of the fulfillment factor of previous contracts, natural or legal persons registered in the Sole Registry of Bidders of the Chamber of Commerce Sole Business Registry must provide the registration certificate of the singular bidder and each one of the members of the consortium or joint venture in the case of group bidder, updated and issued within thirty (30) calendar days, prior to the closing date of this call.

### **3.1.17 PREVENTION OF ASSETS LAUNDERING AND TERRORISM FINANCING**

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

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

Likewise, with the submission of the offer it states that the resources that make up its assets do not come from money

laundering, terrorism financing, drug trafficking, illegal collection of money and in general from any illicit activity and that in case of being granted with the award, the resources received in the development of the contract of the call, will not be destined to any of the activities described above.

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

The bidder with the submission of the offer, is subject to the current and applicable rules on prevention and control of Money Laundering and Terrorism Financing, and therefore commits to comply with them and to implement, if necessary, the mechanisms of prevention and control with In order to detect and report unusual and suspicious operations on time. In the event that the bidder is, in other words, related to unusual and suspicious transactions in the area of Money Laundering and Terrorism Financing, he must immediately inform the CONTRACTING PARTY in writing so that it can proceed with the contractual and/or legal actions corresponding in order to establish the impact of the risk and carry out the necessary controls for its mitigation, through the application of an extended due diligence.

In accordance with the foregoing, the bidder expressly authorizes the CONTRACTING PARTY with the submission of the offer, so that at any time it may consult restrictive lists, information systems and databases that may be referred to, which refer to the Money Laundering and Terrorism Financing.

### **3.1.1 ENABLING REQUIREMENTS OF A FINANCIAL ORDER**

For the compliance of the financial enabling requirements, the bidders must meet the following conditions:

#### **3.1.1.1. NATIONAL BIDDERS**

##### **National Bidders:**

The financial verification will be carried out taking into account the financial information as of December 31, 2018 contained in the bidder's Financial Statements. For the purpose of carrying out such verification, the bidder must complete and submit the following documents with the proposal:

- The Balance Sheets and Income Statements for the year ended December 31, 2018 and notes to the Financial Statements as of December 31, 2018, in the terms established by current law.
- The certificate of the Financial Statements with a cutoff date of December 31, 2018 signed by the legal representative and accountant.
- The Statutory Auditor's opinion on the financial statements with a cutoff date of December 31, 2018, when required by law.
- Legible photocopy of the professional cards for the Public Accountant and the Statutory Auditor (if applicable).
- Legible photocopy of the certificate of the public accountant who prepared the financial statements and the fiscal auditor (if applicable).
- Photocopy of the disciplinary record certificate, issued by the Central Board of Accountants, the fiscal auditor (if applicable) and the public accountant, in force on the date of receipt of the proposal.

In the balance sheet, the concepts of CURRENT ASSETS, TOTAL ASSETS, CURRENT LIABILITIES, TOTAL LIABILITIES AND EQUITY must be properly classified in order to calculate the established financial indicators.

All financial information must be presented in pesos (Colombian legal currency) and must be signed by the Legal Representative and the Accountant and/or the Statutory Auditor.

The Financial Statements submitted must comply with the accounting technique, especially with the guidelines given in the accounting and financial information standards accepted in Colombia (NCIF), established in Law 1314 of 2009, regulated by the Sole Regulatory Decree 2420 of 2015 modified by Decrees 2496 of 2015, 2131 of 2016 and 2170 of 2017 and other regulations that add, modify or replace it.

In accordance with articles 37 and 38 of law 222 of 1995 and circular 037 of December 20, 2001 issued by the Central Board of Accountants, the financial statements are duly certified when they are signed by the Legal Representative and the Public Accountant who prepared the financial information and accompanied by the respective certificate; and when they are signed by the Statutory Auditor, adding the expression "See attached opinion or similar", which is mandatory, and are accompanied by the professional opinion of the Statutory Auditor or the independent public accountant in the absence of this, of compliance with auditing standards, generally accepted.

#### **Foreign Bidders:**

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

In the case of foreign legal entities that have their domicile or branch in Colombia and those nationals with a 100% foreign participation, the financial verification will be carried out taking into account the financial information as of December 31, 2018 stated in the consolidated Financial Statements of the parent company. For the purpose of carrying out such verification, the bidder must complete and submit the following documents with the proposal:

a. The Consolidated Financial Statements (Balance Sheet and Income Statement) of the parent company as of December 31, 2018, accompanied by the Spanish translation, submitted in accordance with the accounting technique, in particular with the guidelines given in the accounting standards for accounting and financial information accepted in Colombia (NCIF), established in Law 1314 of 2009, regulated by Sole Regulatory Decree 2420 of 2015 modified by Decrees 2496 of 2015, 2131 of 2016 and 2170 of 2017 and other regulations that add it, modify or substitute, expressed in Colombian pesos, the representative market rate (TRM) of the cut-off date of the same, indicating the conversion rate, signed by the legal representative (Colombian or of the parent company), the Colombian public accountant and/or Colombian tax auditor who has converted them. The Balance Sheet must clearly break down the concepts of CURRENT ASSETS, **TOTAL ASSETS, CURRENT LIABILITIES, TOTAL LIABILITIES, EQUITY AND THE YEAR'S NET PROFIT.**

b. Legible Disciplinary Records Certificate for the Accountant and/or the Statutory Auditor who has signed the Financial Statements converted to Colombian pesos, issued by the Central Board of Accountants. Date of issue no greater than ninety days prior to the date of submission of the duly updated proposal.

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

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

If any of these requirements are not applicable in the country of domicile of the foreign bidder, the legal representative or attorney in Colombia shall certify it under oath.

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

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

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

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

All the financial information must be submitted by natural persons or legal persons, as well as by each one of the members of the consortium or temporary joint venture, either natural or legal person. All financial information must be presented in pesos (Colombian legal currency) and must be signed by the Legal Representative and the Accountant and/or the Statutory Auditor.

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

In the case of foreign legal entities, they must present the financial information listed below, in accordance with the legislation of each country of origin and as indicated in articles 258 of the Code of Civil Procedure, art. 480 of the Commercial Code and Law 455 of 1998, accompanied by translation into Spanish, with the amounts converted to the Colombian legal currency at the exchange rate of the cut-off date, guaranteed by the signature of the person mandated to do so in accordance with the current regulations of the country of origin:

a. The Consolidated Financial Statements (Balance Sheet and Income Statement) of the parent company as of December 31, 2018, accompanied by the Spanish translation, submitted in accordance with the accounting technique, in particular with the guidelines given in the accounting standards for accounting and financial information accepted in Colombia (NCIF), established in Law 1314 of 2009, regulated by Sole Regulatory Decree 2420 of 2015 modified by Decrees 2496 of 2015, 2131 of 2016 and 2170 of 2017 and other regulations that add it, modify or substitute, expressed in Colombian pesos, the representative market rate (TRM) of the cut-off date of the same, indicating the conversion rate, signed by the legal representative (Colombian or of the parent company), the Colombian public accountant and/or Colombian tax auditor who has converted them. The Balance Sheet must clearly break down the concepts of CURRENT ASSETS, TOTAL ASSETS, CURRENT LIABILITIES, TOTAL LIABILITIES, EQUITY AND THE YEAR'S NET PROFIT.

b. The Financial Statements and financial documents issued abroad must be consularized or apostilled, in accordance with the Law and the cutoff date will be December 31, 2018, unless it is duly proven that the legislation of the country of origin establishes a cut-off date different from that provided in these terms.

- c. Legible Disciplinary Records Certificate for the Accountant and/or the Statutory Auditor who has signed the Financial Statements converted to Colombian pesos, issued by the Central Board of Accountants. Date of issue no greater than ninety days prior to the date of submission of the duly updated proposal.
- d. Photocopy of the Professional Certification of the Public Accountant and/or Statutory Auditor, as the case may be, who has converted the Financial Statements into Colombian pesos.

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

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

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

All the financial information must be submitted by natural persons or legal persons, as well as by each one of the members of the consortium or temporary joint venture, either natural or legal person. All financial information must be presented in pesos (Colombian legal currency) and must be signed by the Legal Representative and the Accountant and/or the Statutory Auditor.

**"Financial Verification" (Domestic and foreign)**

The "FINANCIAL VERIFICATION" must be submitted with the results of the bidder in **FORM 13** duly signed by the Legal Representative and its Fiscal Auditor, or the Accountant in the event of the absence of a Statutory Auditor.

The above documents must be presented in Colombian currency.

**NOTE 1:** Any of the requirements or conditions requested in these minimum requirements may be rectified at the request of FINDETER, even before the selection, provided that at the discretion of the Financial Company it does not imply a modification of the conditions of the service offered.

**NOTE 2:** The contracting entity reserves the right to consult the veracity of the financial statements with the entities to which, by legal provision, the oversight of the proposing firm corresponds and, failing that, it will use the appropriate means to carry out such consultation, without that this implies that the bidders can complete, add, modify or improve their proposals.

The indicators to be evaluated will be calculated based on the financial statements of the year 2018 of the legal entity.

INDICATOR	VARIABLES	CONDITION
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Level of indebtedness	Total Liabilities / Total Assets	$\leq 65\%$
Liquidity	Current assets / current liabilities	$\geq 1.2$ Times
Return On Equity	NET profit / Equity	$\geq 7\%$

### 3.1.1.2. FINANCIAL VERIFICATION (ENABLER)

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

It will be based on the revision of all the documents contained in the original of the proposal, in accordance with the Minimum Requirements of this document and the legal provisions in force.

This is an aspect that will enable or disable the bidder for its continuity within the process.

The indicators to be evaluated will be calculated based on the financial statements of the year 2018 of the legal entity.

INDICATOR	VARIABLES	CONDITION
Level of indebtedness	Total Liabilities / Total Assets	$\leq 65\%$
Liquidity	Current assets / current liabilities	$\geq 1.2$ Times
Return On Equity	NET profit / Equity	$\geq 7\%$

**NOTE:** For this verification, FINDETER will do the calculations with the figures rounded to two decimals.

### 3.1.2 TECHNICAL ORDER ENABLING REQUIREMENTS

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

#### 3.1.3.1 SPECIFIC BIDDER EXPERIENCE (ENABLERS)

##### a. TECHNICAL EXPERIENCE

The technical factor of qualification in the technical component should be in:

#### THE ELABORATION OF THE STUDIES OR DESIGNS FOR THE SEWAGE SYSTEM COMPONENTS

For purposes of accrediting the aforementioned experience, the bidder must submit **MAXIMUM THREE (3)** completed contracts, which meet the following conditions:

- I. The contracts provided must add all together an amount equal to or greater than 1.00 times the Estimated Budget - EB, expressed in current legal minimum monthly wages (MW).

- II. One of the contracts provided must accredit EXPERIENCE IN **THE PREPARATION OF THE STUDIES OR DESIGNS OF COMPONENTS OF THE SEWAGE SYSTEM** whose value is equal to or greater than 0.5 times the value of the Estimated Budget - EB expressed in MW, which must have included study or design of sewer networks

**NOTE:** Only the amount corresponding to the activity of PREPARATION OF THE STUDIES OR DESIGNS OF COMPONENTS OF THE SEWAGE SYSTEM will be taken into account to prove the particular condition previously indicated. The amounts of other projects, scopes, activities or experiences other than the PREPARATION OF THE STUDIES OR DESIGNS OF COMPONENTS OF THE SEWAGE SYSTEM will not be taken into account for the purposes of proving the particular condition of value.

**Sewage System.** Set of elements and structures whose function is the collection, conduction and evacuation to the treatment plants and/or receiving bodies of water, wastewater and/or rains produced in a city or municipality. The works required for the transport, treatment and final disposal of these waters are also included.

Sewage network: Set of conduits whose function is the collection, conduction and evacuation of wastewater or rainwater.

### **Previous contracts must be clearly identified in Form No. 3**

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

- A. When certifications or certificates of specific experience executed in any type of incorporation figure are presented, the activities for each one of the members will be quantified individually as follows:
- i. When the participation was equal to or greater than fifty percent (50%), the activities executed in full will be taken into account. If the participation was less than fifty percent (50%), it will be quantified in proportion to the percentage of participation that the member had in the respective incorporation figure. **Note:** For the purpose of accounting for the proportion of the specific experience of an activity, the unit of measurement and/or capacity of the structure and/or component, of the specific experience that is being required to be accredited, shall be taken into account.

In the event that a contract or project that is provided for the experience has been executed by a group bidder, and two (2) or more of its members form multiple bidders to participate in this process, said contract or project shall be understood to have contributed as one (1) only contract or project, and the sum of the percentages of the members of the Consortium or Temporary Joint Venture that executed the contract, and who are participating in this process.

In such case, the contract will be taken into account in the totality of the participation of the members who constituted the plural proponent who acquired the experience and who are participating in the present selection process.

And in the event that one of the members has a share of 50% or more, said contract will be understood as one (1) single contract or project and only the experience of this member will be quantified under this rule. The percentage of participation of the other members in said contract or project cannot be accumulated, therefore, it cannot be accredited but up to 100% of the experience executed in the contract or project provided.

- ii. The value of the contract will be quantified in proportion to the percentage of participation that the member has had in the respective incorporation figure.



- iii. Individual specific experience may be accumulated for each of the members in order to achieve one hundred percent (100%) of the specific experience required.
- iv. In no case may the specific experience accredited to that of another of its members be accumulated in order to achieve 50% of the specific individual experience required.

**B. EXPERIENCE ACQUIRED THROUGH AN INTERNATIONAL NETWORK OF FIRMS:** The experience acquired through an international network of firms will be considered valid, consequently, if the bidder is a member of an international network of firms, it will be able to present: (i) certifications of the contracts executed by one of the members of the international network; (ii) must attach the certificate specifying that both the bidder and the company that executed the contract are members of the international network; and (iii) must present Form 12 "*Certification and/or letter belonging to the International Network of Firms*", in which the bidder who is a member of the "Commercial Framework" network, presents a certification and/or letter to accredit it.

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

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

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

In the event that the bidder does not present, within the corresponding stage, documents that meet the conditions established in the experience accreditation alternatives, where the total value can be verified executing the contract, in order to perform the calculation of the MMW, said contract or project will not be taken into account to accredit this experience criterion.

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

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

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

**Alternative B.** A copy of the certificate of receipt or final delivery act (or any document in lieu thereof) or copy of the liquidation act may be attached, provided they contain the following minimum information: object of the contract or project, the total or final value, the date of termination, the percentage of participation of the proponent, the activities and/or products required as specific experience, the execution, termination or liquidation of the contract or project, and must be signed as appropriate by the project auditor and/or supervisor and/or representative of the contracting entity and the Contractor.

If the documentation described in any of the aforementioned alternatives was granted abroad, it must be provided with an apostille or legalized as appropriate by the **selected bidder**, in accordance with the requirements of these terms of reference. Notwithstanding the foregoing, and in view of the impossibility of filing said procedures, a simple copy of such documents may be provided, accompanied by an affidavit issued before a Notary; in case of surrendering said affidavit in a foreign country, the apostille or legalization process, as appropriate, must be advanced with the full requirements of the present terms of reference.

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

In the event that the documents provided fail to contain the information to allow verification, the bidder may attach the certificate of completion, partial completion act, or delivery and final receipt, or liquidation act, which must be signed as appropriate by the project auditor and/or supervisor and/or representative of the contracting entity and the Contractor, similarly it may provide a copy of the supporting documents (provided they are issued by the contracting entity or public entity) to prove the execution of the contract or project or collect the missing information.

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

In no case may the bidder change or replace the contracts or projects presented initially with the proposal to accredit the required technical experience **because they will not be considered**. The proponent may only clarify or provide information or documents related when the entity so requires.

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

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

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

## **SUB-CHAPTER IV EVALUATION AND QUALIFICATION OF PROPOSALS**

### **4.1 EVALUATION AND QUALIFICATION CRITERIA FOR PROPOSALS**

The assignment of the score to the proposals, in accordance with the pre-established patterns in these terms of

reference, will be carried out by the evaluators of the CONTRACTING PARTY. The best qualified proposal will be selected and, therefore, will be the most favorable for the entity and for the purposes it seeks with this contract. The maximum score of the evaluation will be **one hundred (100) points**, resulting from the following factors and evaluation criteria:

GRADING FACTOR	SCORE
Evaluation and qualification of the additional bidder experience	Up to 10 points
Evaluation of Additional Offer	Up to 30 points
Accreditation of commitment on social and gender inclusion.	Up to 20 points
Financial Proposal	Up to 40 points
<b>TOTAL</b>	<b>100 points</b>

Subsequent to this classification, the proposals will be submitted to the evaluation criterion called Compliance Previous Contracts, described in the numeral

#### 4.1.1 EVALUATION AND QUALIFICATION OF THE ADDITIONAL BIDDER EXPERIENCE

For additional experience, the bidder must submit one (1) contract, attesting to:

- I. EXPERIENCE IN **STUDIES OR DESIGNS OF SEWAGE NETWORKS** whose value is equal to or greater than 0.3 times the value of the Estimated Budget - EB expressed in MMW.

Which must meet the requirements set out in paragraph 3.1.3.1.1. RULES FOR THE ACCREDITATION OF THE SPECIFIC BIDDER EXPERIENCE, for which an additional score of ten 10 points may be granted, according to the following table:

ADDITIONAL BIDDER EXPERIENCE	POINT TO AWARD THAT MEETS THE REQUIREMENTS MADE
Additional experience	10
<b>TOTAL</b>	<b>10</b>

Note: The bidder must take into account that the contract provided as an additional specific experience, in order to obtain a score, must be different from the contract (s) provided to enable the specific experience of the bidder (MINIMUM ONE (1) AND MAXIMUM THREE (3)), related in the technical proposal. Likewise, the contract provided to grant additional points cannot be used to enable the proposal.

Note: Only the amount corresponding to the activity of PREPARATION OF THE STUDIES OR DESIGNS OF SEWAGE PROJECTS will be taken into account to prove the particular condition previously indicated. The amounts of other projects, scopes, activities or experiences other than the PREPARATION OF THE STUDIES OR DESIGNS OF COMPONENTS OF THE SEWAGE SYSTEM will not be taken into account for the purposes of proving the particular condition of value.

#### 4.1.2 ADDITIONAL OFFERING EVALUATION (MAXIMUM 30 POINTS).

The bidder can obtain additional score for the inclusion within the scope of the contract the development of contracts in additional communities at no additional cost to the contractor. Points will be awarded according to what is described here. The additional offer does not modify in any way the Estimated Budget of this call, nor the value by which the contract is signed.

SCORE	REQUIREMENT
Inclusion within the scope of the contract the district of LA MINA - 15 points	The bidder that offers all the activities of the contract for the district of LA MINA within the execution of the project.
Inclusion within the scope of the contract the district of CARACOLÍ - 15 points	The bidder that offers all the activities of the contract for the district of CARACOLÍ within the execution of the project.

#### 4.1.3 EVALUATION ACCREDITATION OF ADDITIONAL EXPERIENCE IN THE MATTER OF SOCIAL INCLUSION AND GENDER EQUALITY. (MAXIMUM 20 POINTS)

In order to obtain this score, the bidder can demonstrate its commitment to social inclusion and gender equality by fulfilling the following requirements:

Certificates and/or contracts with which proves at least one-year experience in the implementation or participation in programs of social inclusion and/or gender equality represented in institutional policies and/or social programs. (These processes must have been developed in activities of social accompaniment to infrastructure works, or research on the socio-economic conditions of the population, or intervention in social development)

Up to 2 certificates and/or contracts can be presented, scoring them in the following way:

CERTIFICATE AND/OR CONTRACT THAT MEETS CONDITIONS	ASSISTED RECHARGE
One	10
Two	20

#### 4.1.4 EVALUATION FINANCIAL PROPOSAL (MAXIMUM 40 POINTS).

The assignment of the score to the economic proposals will be made according to the patterns established in the terms of reference of the calls presented by FINDETER. The maximum score for the economic evaluation will be forty (40) points, resulting from the following factor and evaluation criteria:

GRADING FACTOR	SCORE
Financial Assessment	40 points
TOTAL	40 points

#### 4.2.1. EVALUATION FINANCIAL PROPOSAL

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

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

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

1. In case any amount of the economic offer of a bidder is presented with decimals, the entity will proceed to adjust the figure, rounding it up to the peso, when the decimal fraction of the peso is equal or greater than five it will approximate it by excess to the peso and when the decimal fraction of the peso is less than five, it will approximate it by default to the peso.
2. In case that the economic proposal form presented by the bidder presents errors in the description of the activities or items and/or in the corresponding unit and/or in the quantities, it will be understood that the bidder fully accepts the description and/or units and/or amounts established for the respective activity or item and/or unit and/or quantity in the terms of reference of the call. In such case, the corresponding correction of the financial proposal will be made and the results will be those that will be taken for the purposes of the evaluation.
3. In case that the financial proposal does not contain the price or has been completed at zero or with a symbol, the proposal will be rejected.
4. If there is a discrepancy between letters and figures, the amount expressed in letters will prevail.
5. In case the entity notices the need for clarification or explanation, it may request the bidders to provide clarifications, documents or explanations, in the terms set for the purpose in the requirement, under penalty of rejection of the proposal.
6. The verification and correction of the mathematical calculations of the proposals will be carried out.

Note: Arithmetic error is understood to be that which arises from a merely arithmetical calculation when the operation has been erroneously performed. Consequently, its correction must be contracted to adequately perform the erroneously performed arithmetic operation, without modifying or altering the factors or elements that comprise<sup>1</sup> it, beyond what is established in the terms of reference.

Note 1: The entity will verify arithmetically the qualified offers, for which it will take as unmodifiable value the amount from each activity or item offered corrected according to the financial proposal form.

Note 2: The elaboration of the offer is the total responsibility of the bidder, thus it will assume the consequences that arise from the effects of the arithmetic correction, either the modification of the value of the offer, not being able to claim in the future, readjustment of any type for this reason, or the rejection of the offer.

7. In case of error in arithmetic operations, the correct total result will be that obtained from reviewing said operations. The amount of the corrected proposal will be the amount considered as the amount for the financial proposal.

In case of not knowing any exemption or variation due to the place of execution of the contract or the goods or services to be offered, established in the terms of reference, the offer will be REJECTED.

8. Those proposals, which after going through the previous steps still show one of the following conditions, will be rejected:
  - a. When the economic proposal submitted for any of the phases shows a corrected amount lower than the minimum value or higher than the maximum value of the estimated budget for the respective phase in the terms of reference.
  - b. When the total corrected amount of the proposal results in a figure lower than the minimum amount or higher

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<sup>1</sup> Definición Corte Constitucional, Sentencia T-875/00.

than the maximum amount estimated for this call in the terms of reference.

9. Based on the previous verification, an Economic Evaluation Report will be prepared stating the results of the economic offers of all the qualified proposals, with the corresponding arithmetic corrections according to the established criteria, if applicable, and the identification of the corrections made, which will be sent on the date established in the timeline of the present selection process.

The bidders may, within the term established in the timeline of the present selection process, formulate observations on said Financial Evaluation report. Considering that exercising this power does not allow them to correct, modify or improve their proposals.

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

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

11. For the determination of the method will be taken up to hundredths of the Market Representative Exchange Rate (TRM) that will apply for the third business day following the effective closing of the process - maximum period of presentation of offer On No. 1 and 2, and Opening On No. 1, in accordance with the dates foreseen in the schedule of this call, according to the ranges established in the following table:

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

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

#### a. ARITHMETIC AVERAGE

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

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



Where:

$X$  = Arithmetic mean

$x_i$  = Corrected proposal value i

$n$  = Total number of valid proposals submitted

Weighting of the proposals by the arithmetic mean method.

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

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

Where:

$\bar{X}$  = Arithmetic mean.

$V_i$  = Total value of each of the Offers  $i$ , without decimals

$i$  = Offer number.

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



### a. HIGH ARITHMETIC MEAN

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

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

Where:

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

$\bar{X}$  = Arithmetic mean.

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

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

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

Where:

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

$V_i$  = Total value of each of the Offers  $i$ , without decimals

$i$  = Corrected total value of each one of the proposals  $i$  enabled.  $i$  = Proposal number

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

## b. GEOMETRIC MEAN

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

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

Dónde:

$\bar{G}$  = Media Geométrica.

$n$  = Número de propuestas económicas válidas.

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

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

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

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

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

Where:

$G$  = Geometric Mean.

$V_i$  = Corrected total value of each one of the proposals  $i$  enabled.

$i$  = Proposal number.

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

### c. LOWER AMOUNT

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

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

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

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

Where:

$V_{MIN}$  = Corrected total value of the proposal with the lowest value within the qualified proposals

$V_i$  = Corrected total value of each of the proposals  $i$  that are above  $V_{MIN}$ , and that were enabled.

$i$  = Proposal number

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

### ii. EVALUATION OF THE FACTOR OF COMPLIANCE WITH PREVIOUS CONTRACTS:

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

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

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

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

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

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

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

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

- iii. Once the evaluation criterion of previous contracts compliance factor has been applied, the respective Eligibility Order will be established with the total score obtained. **Those bidders who obtain a deduction equal to or greater than TWENTY (20) POINTS will not meet eligibility, once the Criteria for Factor of Compliance with Previous Contracts has been applied.**
- iv. The evaluators will submit the result of the evaluation with the order of eligibility and the Selection Act will be signed by the legal representative of the entity, which will be sent within the deadlines established in the timeline.

## ANNEX 1 REQUIRED STAFF

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

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

For the execution of the contract, and with the submission of the proposal, the bidder guarantees that it has at least the following personnel profiles and minimum dedications and that in case of being selected will submit for verification by the contract auditor, the respective training supports, academic and professional experience demonstrating compliance with the following minimum profile required for each of the phases:

### **A. PROFILES AND DEDICATION OF MINIMUM PERSONNEL REQUIRED FOR PHASE 1 OF THE CONTRACT**

For the execution of this phase, the bidder must guarantee the following profiles and the required dedication: Numb	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT</b>							
1	Project director	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer	10 years	Director in projects of studies or designs of sewage systems or elaboration of sewage master plans that have included study activities or designs	3	<p>The specific experience must be demonstrated with the compliance of the following conditions:</p> <p>i. In the contracts submitted, experience as Project Director must be demonstrated for the preparation of sewer master plans that have included the design of networks with a length equal to or greater than 15,000 meters</p> <p>ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MMW).</p>	50%

For the execution of this phase, the bidder must guarantee the following profiles and the required dedication: Numb	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT</b>							
2	Hydraulic specialist	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in hydraulics	8 years	Hydraulics Specialist in projects of studies or designs of sewage systems or projects of elaboration of sewage master plans that have included study activities or designs	3	<p>The specific experience must be demonstrated with the compliance of the following conditions:</p> <p>i. In the contracts submitted, show proven experience as Hydraulics Specialist for projects in the preparation of sewage master plans that have included the design of networks with a length equal to or greater than 10,000 meters</p> <p>ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MW).</p>	80%

For the execution of this phase, the bidder must guarantee the following profiles and the required dedication: <b>Numb</b>	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT</b>							
2	Specialist in Hydrology, and Water demands	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in hydraulics or hydrology	8 years	Specialist in Hydrology in projects of Studies and/or Designs of sewage systems	3	Experience as a hydrologist for the studies or designs of sewer systems must be demonstrated in the contracts submitted.	35%
2	Specialist in Structures	Civil Engineer with postgraduate studies in structures	8 years	Structural Designer in Projects of Studies and/or Designs of sewage systems	2	N. A.	20%
2	Geotechnics specialist	Civil engineer or geological engineer or geologist, with postgraduate studies in geotechnics	8 years	Specialist in Geotechnics in projects of Studies or Designs of sewage systems	2	N. A.	40%
1	Environmental specialist	Civil or Forestry Engineer, Environmental Engineer, Ecologist or Biologist, with postgraduate environmental studies	4 years	Environmental Specialist Projects in Studies or Designs of sewage systems	2	N. A.	30%



For the execution of this phase, the bidder must guarantee the following profiles and the required dedication: Numb	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT</b>							
1	Legal Specialist	Lawyer with postgraduate studies in administrative law or public law or commercial law or public utilities	6 Years	Analyst of land titles or in studies of land titles or, feasibility and acquisition of rights of way or, processing of permits or, manager for acquisition of title deeds or and permits for execution of projects of infrastructure.	2	N. A.	30%
1	Cadastral Specialist	Cadastral Engineer and Geodesist or Civil Engineer with postgraduate studies in GIS or Software Engineering or Geomatics	4 years	Certified experience in GIS and/or geoscientific databases and in Arcgis and Excel management in associated developments.	2	N. A.	30%
1	Electromechanical Specialist	Electrical mechanical or engineer	6 years	Electromechanics Specialist in projects of Studies or Designs of sewage systems	2	N. A.	15%
1	Specialist in Wastewater Treatment Systems	Civil Engineer, or Sanitary and Environmental, or Sanitary Engineer with postgraduate studies in the hydraulics or management of water resources.	6 Years	Hydraulic Designer or Hydraulic Specialist responsible for studies and designs of Drinking Water Treatment Plants or Residual Water	2	N. A.	15%
1	Specialist in Network Cadastre	Civil, or Sanitary and Environmental, or Sanitary Engineer	6 Years	Responsible for the Cadastre of networks in aqueduct and sewerage projects	2	N. A.	30%

For the execution of this phase, the bidder must guarantee the following profiles and the required dedication: Numb	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT</b>							
1	Professional in Costs and Budgets and Technical Specifications	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer or Architect	4 years	Responsible for the review or preparation of budgets in contracts of Civil Works.	2	N. A.	20%
2	Assistant Engineer	Civil or Sanitary Engineer or Sanitary and Environmental Engineer	2 years	Design Support Professional or Design Engineer in projects for sewer systems.	1	N. A.	100%
1	Draftsman	N.A.	N.A.	N.A.	N.A.	N.A.	100%
1	Surveyor	Surveyor	3 years	Surveyor in contracts of study or designs of sewage systems	2	N.A.	40%
1	Surveyor Bathymetrist	Surveyor	3 years		2	N. A.	40%
4	Topographic assistant	N.A.	1 Years	N.A.	N.A.	N.A.	40%

Num	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of Contract
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: COMPONENT OF LEGAL, FINANCIAL STRUCTURING AND SOCIAL MANAGEMENT PLAN AND GENDER EQUALITY</b>							

For the execution of this phase, the bidder must guarantee the following profiles and the required dedication: Numb	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT</b>							
1	Junior Lawyer	Law Professional; with a postgraduate degree in administrative or public law or public contracting or government contracting.	6 Years	Experience in state contracting.	3	N. A.	30%
1	Specialist Lawyer	Law Professional; with a postgraduate degree in administrative or public law or public contracting or government contracting.	8 years	Experience in state contracting or legal structuring of infrastructure projects.	3	N. A.	50%
1	Financial Leader	Professional title in administrative sciences, economics or finance, or engineering.  Postgraduate degree in finance	8 years	Experience in preparing the financial model of infrastructure projects for an investment value of 24,151 MMW in the last fifteen (15) years	3	N. A.	50%
1	Specialist in models	Professional title in administrative sciences, economics or finance, or engineering.  Postgraduate degree in finance	8 years	Experience in preparing the financial model of infrastructure projects for an investment value of 24,151 MMW in the last fifteen (15) years	3	N. A.	50%

For the execution of this phase, the bidder must guarantee the following profiles and the required dedication: Numb	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT</b>							
1	Risk specialist	Professional degree in: Economics or business administration or financial administration or finance and international relations or industrial engineering and/or Financial Engineering or Civil Engineering.  Postgraduate degree in business administration, MBA, Finance, Project evaluation, Risks	8 years	Experience in management positions in financial structuring of infrastructure projects or in economic structuring of infrastructure projects or in the preparation or structuring of risk matrices of infrastructure projects.	3	N. A.	50%

For the execution of this phase, the bidder must guarantee the following profiles and the required dedication: Numb	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 1 OF THE CONTRACT: TECHNICAL COMPONENT</b>							
1	Junior Financier	Professional degree in: Economics or business administration or financial administration or finance and international relations or industrial engineering or Financial Engineering or Civil Engineering.	4 years	Professional experience in support or assistance in the preparation of financial models of infrastructure projects.	3	N. A.	40%
2	Social Professional	Professional in: Social, human or political sciences	4 years	Professional in social, human or political sciences with knowledge and/or experience in differential approach and/or gender; as well as in infrastructure projects.	2	N. A.	100%

**B. PROFILES AND DEDICATION OF MINIMUM PERSONNEL REQUIRED FOR PHASE II OF THE CONTRACT**

For the execution of this phase, the CONTRACTOR must guarantee the minimum personnel required for the proper execution, in accordance with the following profile and minimum dedication:

Num	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 2 OF THE CONTRACT: TECHNICAL COMPONENT</b>							
1	Project director	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer	10 years	Director in projects of studies or designs of sewage systems or elaboration of sewage master plans that have included study activities or designs.	3	<p>The specific experience must be demonstrated with the compliance of the following conditions:</p> <p>i. In the contracts submitted, experience as Project Director must be demonstrated for the preparation of sewer master plans that have included the design of networks with a length equal to or greater than 15,000 meters.</p> <p>ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MW).</p>	50%
2	Hydraulic specialist	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in hydraulics	8 years	Hydraulics Specialist in projects of studies or designs of sewage systems or projects of elaboration of sewage master plans that have included study activities or designs.	3	<p>The specific experience must be demonstrated with the compliance of the following conditions:</p> <p>i. In the contracts submitted, show proven experience as Hydraulics Specialist for projects in the preparation of sewage master plans that have included the design of networks with a length equal to or greater than 10,000 meters</p> <p>ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MW).</p>	80%

2	Specialist in Hydrology, and Water demands	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer with postgraduate studies in hydraulics or hydrology	8 years	Specialist in Hydrology in projects of Studies or Designs of sewage systems.	3	Experience as a hydrologist for the studies and/or designs of sewer systems must be demonstrated in the contracts submitted.	30%
2	Specialist in Structures	Civil Engineer with postgraduate studies in structures	8 years	Structural Designer in Projects of Studies or Designs of sewage systems.	2	N. A.	30%
2	Geotechnics specialist	Civil engineer or geological engineer or geologist, with postgraduate studies in geotechnics	8 years	Specialist in Geotechnics in projects of Studies or Designs of sewage systems	2	N. A.	40%
1	Environmental specialist	Civil or Forestry Engineer, Environmental Engineer, Ecologist or Biologist, with postgraduate environmental studies	4 years	Environmental Specialist Projects in Studies or Designs of sewage systems.	2	N. A.	30%
1	Legal Specialist	Lawyer with postgraduate studies in administrative law or public law or commercial law or public utilities	6 Years	Analyst of land titles or in studies of land titles or, feasibility and acquisition of rights of way or, processing of permits or, manager for acquisition of title deeds or permits for execution of projects of infrastructure.	2	N. A.	30%
1	Cadastral Specialist	Cadastral Engineer and Geodesist or Civil Engineer with postgraduate studies in GIS or Software Engineering or Geomatics	4 years	Certified experience in GIS and/or geo-scientific databases and in Arcgis and Excel management in associated developments.	2	N. A.	50%
1	Electromechanical Specialist	Electrical or mechanical engineer	6 years	Electromechanics Specialist in projects of Studies or Designs of sewage systems.	2		30%
1	Specialist in Wastewater Treatment Systems	Civil Engineer, or Sanitary and Environmental, or Sanitary Engineer with postgraduate studies in the hydraulics or management of water resources.	6 Years	Hydraulic Designer or Hydraulic Specialist responsible for studies and designs of Drinking Water Treatment Plants or Residual Water.	2	N. A.	50%
1	Specialist in Network Cadastre	Civil, or Sanitary and Environmental, or Sanitary Engineer	6 Years	Responsible for the Cadastre of networks in aqueduct and sewerage projects	2	N. A.	50%

1	Professional in Costs and Budgets and Technical Specifications	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer or Architect	4 years	Responsible for the review or preparation of budgets in contracts of Civil Works.	2	N. A.	30%
2	Assistant Engineer	Civil or Sanitary Engineer or Sanitary and Environmental Engineer	2 years	Design Support Professional or Design Engineer in projects for sewer systems.	1	N. A.	100%
2	Draftsman	N.A.	N.A.	N.A.	N.A.	N.A.	50%
1	Surveyor	Surveyor	3 years	Surveyor in contracts of study and/or designs of sewage systems.	2	N.A.	70%
1	Surveyor Bathymetrist	Surveyor	3 years		2	N. A.	70%
4	Topographic assistant	N.A.	1 Years	N.A.	N.A.	N.A.	70%

Amount	Position to hold	Training Academic	General Experience	Specific Experience			Minimum dedication in the total duration of the Phase
				Such as / In:	Maximum Number of Contracts required	Particular requirement	
<b>MINIMUM STAFF FOR THE EXECUTION OF PHASE 2 OF THE CONTRACT: COMPONENT OF LEGAL, FINANCIAL STRUCTURING AND SOCIAL MANAGEMENT PLAN AND GENDER EQUALITY</b>							



1	Project director	Civil Engineer or Sanitary Engineer or Sanitary and Environmental Engineer	10 years	Director in projects of studies or designs of sewage systems or elaboration of sewage master plans that have included study activities or designs.	3	The specific experience must be demonstrated with the compliance of the following conditions:  i. In the contracts submitted, experience as Project Director must be demonstrated for the studies and/or designs of sewer systems that have included the design of networks with a length equal to or greater than 15,000 meters.  ii. One of the contracts provided must have an executed amount equal to or greater than 0.5 times the Estimated Budget for the call (Phase 1 + Phase 2) in current minimum legal monthly wages (MW).	20%
1	Junior Lawyer	Law Professional; with a postgraduate degree in administrative or public law or public contracting or government contracting.	6 Years	Experience in state contracting.	3	N. A.	25%
1	Specialist Lawyer	Law Professional; with a postgraduate degree in administrative or public law or public contracting or government contracting	8 years	Experience in state contracting or legal structuring of infrastructure projects.	3	N. A.	50%
1	Financial Leader	Professional title in administrative sciences, economics or finance, or engineering.  Postgraduate degree in finance	8 years	Experience in preparing the financial model of infrastructure projects for an investment value of 24,151 MMW in the last fifteen (15) years.	3	N. A.	50%

1	Specialist in models	Professional title in administrative sciences, economics or finance, or engineering.  Postgraduate degree in finance	8 years	Experience in preparing the financial model of infrastructure projects for an investment value of 24,151 MMW in the last fifteen (15) years	3	N. A.	25%
1	Risk specialist	Professional degree in: Economics or business administration or financial administration or finance and international relations or industrial engineering and/or Financial Engineering or Civil Engineering.  Postgraduate degree in business administration, MBA, Finance, Project evaluation, Risks	8 years	Experience in management positions in financial structuring of infrastructure projects or in economic structuring of infrastructure projects or in the preparation or structuring of risk matrices of infrastructure projects.	3	N. A.	25%
1	Junior Financier	Professional degree in: Economics or business administration or financial administration or finance and international relations or industrial engineering or Financial Engineering or Civil Engineering.	6 Years	Professional experience in support or assistance in the preparation of financial models of infrastructure projects.	3	N. A.	25%
2	Social Professional	Professional in: Social, human or political sciences	4 years	Professional in social, human and/or political sciences with knowledge and/or experience in differential approach and/or gender; as well as in infrastructure projects.	2	N. A.	100%

**Note:** All personnel previously described for the project will be mandatory during the execution of each of the phases of the contract; **however, in case of needing any additional staff to the minimum required for the delivery of products to be developed during the execution of the contract, the contractor must guarantee their presence, without generating any additional costs for the contracting party.**

**ANNEX No. 2**

**FINANCIAL VERIFICATION**

The indicators to be evaluated will be calculated based on the financial statements of the year 2018 of the legal entity.

<b>INDICATOR</b>	<b>VARIABLES</b>	<b>CONDITION</b>	<b>BIDDER</b>
Level of indebtedness	Total Liabilities / Total Assets	<=	
Liquidity	Current assets / current liabilities	>=	
Return On Equity	NET profit / Equity	>=	

Date of completion:

Signature Legal Representative

**Name:**

**Identification:**

Signature of Statutory Auditor or Public Accountant if there is no fiscal auditor.

**Name:**

**Identification:**

**T.P.**



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

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

Dear Sirs

**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**

Calle 103 No. 19 - 20 Bogotá DC - Colombia

Reference: Call No. FCO -C-XXX-2019

Through the attached documents, I allow myself to submit a proposal to participate in this call for reference.

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

Acting as a bidder I hereby declare:

1. That I am aware of the Terms of Reference of the aforementioned call, its addendums and information related to questions and answers, as well as the other documents related to the jobs, and I agree to fulfill all the requirements stipulated in said documents.
2. Likewise, I manifest my agreement to accept the consequences derived from non-compliance with the requirements referenced in the previous point.
3. That I accept the conditions established by the contracting entity for the implementation of the project under the model of conditional implementation by phases. Understanding its structure and methodology.
4. That in case my proposal is accepted, I pledge to begin the execution of the respective contract, when the contracting entity issues the order to begin, and to finish within the contractual periods in accordance with what is established in the documents of the Terms of Reference, the proposal and the contract, respectively.
5. That I know and completely accept the general and special laws applicable to this selection process.
6. That I know in detail, the grounds and through information provided by the relevant authorities, the sites where I must implement the objective of the contract, its characteristics, the points of access, socio-economic environment, climatological, geotechnical and geological conditions, and that I have taken into account this knowledge for the preparation of the proposal, and in consequence, I assume the effects of this statement.
7. That by presenting the proposal I am guaranteeing that I comply with the minimum required profile and the time required, and in the event I am selected, I will submit the documents in a timely fashion, with the correct format and to the person stipulated in the terms of reference.
8. By signing this Letter I solemnly swear that not I or any of the members of the consortium or joint venture or the legal entity are unfit, incompatible or have other legal restrictions to celebrating the contract or possess conflicts of interests as defined in the regulations governing the selection process.
9. That I have carefully read the Terms of Reference of this call, the grounds for its rejection and it being declared void, and I have prepared my proposal in accordance with said terms. Therefore, I found out and had ample opportunities to solicit clarification, formulate objections, ask questions and obtain responses to my doubts.
10. That I know, accept and will comply with the obligations included in the terms of reference, preliminary study and required formal request of the contract.
11. That I know and accept the conditions established by the contracting entity for the execution of the phased contracting model. In the event the execution of some of the foreseen phases is no longer feasible, I will refrain from making complaints due to being unable to carry out any of the phases of the project audit in accordance with the model or when the implementation of the project cannot be substantiated.



12. By signing this Letter, I solemnly swear that not I or any of the members of the consortium or the temporary partnership or the legal entity which I represent, are located on the Money Laundering and Financing of Terrorism blacklist.
13. That the resources which make up my (our) net worth do not come from money laundering, financing of terrorism, drug trafficking, illegal fundraising and in general any illegal activity, and in the event we are awarded the contract, the resources received due to the execution of the contract will not be destined to any of the aforementioned activities.
14. I solemnly swear that in my country of origin there is no authority that is both comptroller general of the republic as well as the authority in charge of performing the background check. (Applies to foreign legal entities with no place of residence or branch in Colombia) If applicable.
15. I solemnly swear that in my country of origin there is no authority that is both Attorney General's Office as well as the authority in charge of performing the review of disciplinary measures. (Applies to foreign legal entities with no place of residence or branch in Colombia) If applicable.
16. By the same token, I solemnly swear that all the information provided and contained on the \_\_\_\_\_ pages corresponding to the documents, appendixes and legal, financial, technical and economic forms, is truthful and subject to verification.

**OUTLINE OF THE PROPOSAL**

Name or Corporate Name of the Bidder: \_\_\_\_\_ Identity document or NIT: \_\_\_\_\_ Legal Representative: \_\_\_\_\_ Country of Origin of the Bidder: \_\_\_\_\_  
 (In the event the proposal is presented by a consortium or joint venture the name and country of origin of each member must be presented).

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

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

Allow me to inform you that I will receive all communications related to this call at the following address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Telephone (s): \_\_\_\_\_ Mobile Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Sincerely,  
 PERSON AUTHORIZED TO SIGN THE PROPOSAL  
 Signature: \_\_\_\_\_ Name: \_\_\_\_\_ CC: \_\_\_\_\_  
 (In the case of natural persons this letter must be signed by the bidder, in the case of legal entities, consortiums or joint ventures, it must be signed by the duly empowered representative).

**NOTE:** To be filled out when the Legal Representative of the bidder is not a Civil or Sanitary Engineer.  
 "Because the person signing this proposal is not a Civil Engineer, Engineer or Sanitary Engineer, I \_\_\_\_\_ (names and surnames) Civil Engineer / Sanitary Engineer, with Professional Registration No. \_\_\_\_\_ and CC No. \_\_\_\_\_ of \_\_\_\_\_, payment of this proposal".

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



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

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

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

Reference: Call No. FCO -C-XXX-2019

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

I, \_\_\_\_\_, identified with \_\_\_\_\_, in my condition of (mark with an X as the case may be) Natural Person Legal Representative \_\_\_\_\_ Statutory Auditor of (Company's corporate name) identified with Nit \_\_\_\_\_, duly registered in the Chamber of Commerce of \_\_\_\_\_ certify payments to social security (pension, health and occupational risks) and to payroll taxes (Colombian Child Care Services ICBF, National Learning Center SENA and Family Compensation Fund), when applicable, corresponding to the payroll of the last six (6) months which are legally enforceable as of the date of presentation of this proposal for the selection process, (in other words, it became necessary to make said payments). The aforementioned, in compliance with what is stipulated in article 50 of Law 789 from 2002, in accordance with what is stipulated in Laws 1607 from 2012 and 1739 from 2014

I, \_\_\_\_\_, identified with \_\_\_\_\_, in my condition of (mark with an X as the case may be) Natural Person Legal Representative \_\_\_\_\_ Statutory Auditor of (Company's corporate name) identified with Nit \_\_\_\_\_, I declare under oath that I am not obliged to pay social security and para-fiscal contributions, for not having any personnel in charge.

I, \_\_\_\_\_, identified with \_\_\_\_\_ as a national natural person to accredit the compliance with this obligation I contribute with the proposal the form or record of affiliation to the General Social Security System, through which I certify that I am linked under the modality of contributor, beneficiary \_\_\_\_\_ or affiliated with the subsidized regime \_\_\_\_\_ (mark with an X as appropriate), at least of the month immediately prior to the scheduled date for the closing of this call.

I, \_\_\_\_\_, identified with \_\_\_\_\_, in my condition of (mark with an X as the case may be) Natural Person Legal Representative \_\_\_\_\_ Statutory Auditor of (Company's corporate name) identified with Nit \_\_\_\_\_, certify payments to pension, occupational risks and Family Compensation Funds corresponding to payroll of the last six (6) months which are legally enforceable as of the date of presentation of this proposal for the selection process, (in other words, in the event it was necessary to make these payments) and likewise declare under oath that I am NOT required to pay ICBF, SENA or Social Security for Health.

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

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



Additionally, in the case of a natural national person, he or she should prove compliance with this requirement by showing the payroll form or proof of affiliation to the General System of Social Security, demonstrating in this manner affiliation as a contributor, beneficiary or affiliate to the subsidized regime, at least of the month immediately prior to the expected date of this calls closing

Sincerely,

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Auditor or Legal Representative  
Professional License (If the Auditor signs)

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

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

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

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

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

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

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

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

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



**FORM 3A**  
**SPECIFIC EXPERIENCE OF THE BIDDER FOR AN ADDITIONAL GRADE ON THE PROPOSAL**

<b>OBJECTIVE:</b>								
<b>BIDDER:</b>								
<b>COMPLETE DATA OF THE MEMBER PROVIDING THE EXPERIENCE:</b>								
<b>PROPOSED EXPERIENCE OF THE BIDDER TO QUALIFY THE PROPOSAL</b>								
WITH T. No.	PURPOSE	ACTIVITY UNDER EXECUTION AS	AMT IN MMW	CONTRACTING ENTITY	START DATE	END DATE Z.	PERCENTAGE OF SHARE (C, UT)	ALTERNATIVE OF ACCREDITATION (A OR B)
1								
2								
3								

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

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

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

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

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

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

**FORM 4  
FINANCIAL PROPOSAL**

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

FINANCIAL PROPOSAL FORM TECHNICAL COMPONENT, SOCIAL MANAGEMENT AND GENDER EQUALITY PLAN	
DESCRIPTION	TOTAL VALUE
Value offered PHASE I	
Value offered PHASE II	
<b>TOTAL VALUE (PHASES I AND II):</b>	

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

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

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

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

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

<b>OTHER DIRECT COSTS SUBTOTAL (3)</b>	<b>\$</b>
<b>GENERAL SUMMARY OF FINANCIAL PROPOSAL</b>	
<b>TOTAL AMOUNT (1+2+3)</b>	<b>\$</b>
<b>TOTAL CONTRACT AMOUNT</b>	<b>\$</b>

MF: MULTIPLICATION FACTOR

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

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



**FORM 6**  
**FORM WITH SWORN STATEMENT CORRESPONDING TO THE IDENTIFICATION OF THE REAL BENEFICIARY**

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

The signatory(ies) below, on behalf and in representation of [*name of **Interested Individual**. In the case of an **Interested Party**, the names of the **Interested Party** must be included, as well as the name of each of the members*] I (we) present the Sworn Statement corresponding to the Identification of the Real Beneficiary, in execution of **Call No. FCO -C-XXX-2018** whose objective will be to contract "**XXX**". By signing this document, we fully identify the natural persons or legal entities which personally or directly would be the real beneficiaries of the future Contract.

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

INTERESTED INDIVIDUAL OR MEMBERS OF INTERESTED PARTY	REAL BENEFICIARIES	ID (Colombian ID, FOREIGN ID OR ITS EQUIVALENT OR NIT)

Sincerely, Signatures:

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



**FORM 7**  
**FORM WITH SWORN STATEMENT OF NON-EXISTING CONFLICT OF INTEREST**

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

Dear Sirs

**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**

Calle 103 No. 19 - 20 Bogotá DC - Colombia

The signatory(ies) below, on behalf and in representation of [*name of **Interested Individual**. In the case of an **Interested Party**, the names of the **Interested Party** must be included, as well as the name of each of the members*] to present the proposal and/or sign the contract within **Call No. FCO -C-XXX-2019** to contract "**XXX**", manifest under oath that **not I or any of the members of the consortium or joint venture or the legal entity which I represent have**, individually or as a member of a consortium or temporary partnership, any of the following conflicts of interest:

1. Incur in grounds as stipulated in Law 734 of 2002, article 10 of Law 1437 of 2011 and other concordant regulations.
2. It has participated in the structuring, evaluation, approval, viability, financing of the project under this call, as well as in structuring the Terms of Reference and the evaluation and selection of the recruitment process. The conflict of interest also applies, regarding the actual beneficiaries of the same people.
3. Having signed a contract of project auditing with Findeter during the implementation period and until the settlement thereof. This conflict also is in regard to the real beneficiaries of said individuals.
4. Having participated or being linked as a service operator in the municipality where the work of contract which the current call is about. This prohibition also applies to the actual beneficiaries of the same people.
5. No proposal may be submitted simultaneously in this call and the call coming forward to contract the auditing for this project.

Sincerely, Signatures:

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



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

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

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

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

<u>Measures imposed</u>	<u>Number of times imposed</u>	<u>Contract N</u>	<u>Contracting party</u>	<u>Name of the person upon whom the measure was imposed</u>
Penalty Clause(s) without enforcement	1.			
	2.			
	3.			
	4.			
Penalty Clause(s) with enforcement	1.			
	2.			
	3.			
	4.			
Fine(s)	1.			
	2.			
	3.			
	4.			
Sanctions or Declaration of Default	1.			
	2.			
	3.			
	4.			
Resolution(s) or early termination due to non-compliance from the contractor	1.			
	2.			
	3.			
	4.			

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

Notwithstanding, the CONTRACTING PARTY reserves the right to verify the information reported in this form.

Sincerely,



Signatures:

*[The natural person or legal representative of the legal entity which presents him or herself individually to this Call will sign this document, or in the event of temporary partnerships or consortiums, the sworn certification signed by each of the members must be provided.]*

*[The natural persons or legal entities which act as bidders of this contracting process individually or jointly (Temporary partnerships or consortiums) which are registered in the Unique Bidders Registry of the Unique Business Registry of the Chamber of Commerce, **MUST** provide the certificate of said registration for each of the members registered, issued within thirty (30) calendar days prior to closing date of this call.]*





**FORM 9**  
**FORM WITH SWORN STATEMENT OF NON-EXISTENCE OF PENALTY CLAUSES IMPOSED, PENALTY**  
**CLAUSES WITH ENFORCEMENT, FINES, SANCTIONS OR DECLARATIONS OF NON-COMPLIANCE**  
**AND/OR RESOLUTION OR EARLY TERMINATION DUE TO NON-COMPLIANCE WITH CONTRACTS**

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

Dear Sirs

**FINANCIERA DEL DESARROLLO TERRITORIAL SA FINDETER**

Calle 103 No. 19 - 20 Bogotá DC - Colombia

**Subject:** Call No. **FCO-C-XXX-2019** to contract XXXX.

The signatory below for purposes of the Evaluation Factor of Compliance with previous Contracts within the Call referenced above, manifests under oath that he or she has not received\_(in the case of a natural person) / on behalf of the partnership he or she represents\_(in the case of a legal entity), within three (3) years prior to the closing of this contracting process, penalty clauses, penalty clauses with enforcement, fines, sanctions or declarations of non-compliance; or within five (5) yeas prior to the closing of this contracting process, resolution or early termination due to breach of contract, imposed or declared in the contracts in which I have held the position of contractor.

Notwithstanding, the CONTRACTING PARTY reserves the right to verify the information reported in this form.

Sincerely, Signatures:

*[The natural person or legal representative of the legal entity which presents him or herself individually to this Call will sign this document, or in the event of temporary partnerships or consortiums, the sworn certification signed by each of the members must be provided.]*



**FORM 10**  
**FORM WITH DECLARATION OF REGISTRATION IN THE UNIQUE BIDDERS REGISTRY OF THE UNIQUE BUSINESS REGISTRY OF THE CHAMBER OF COMMERCE**

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

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

**Subject:** Call No **FCO -I-XXX-2019** to contract the **xxxxx**

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

The undersigned,  (first and last name) \_\_\_\_\_, identified with \_\_\_\_\_, in my condition of **(mark with an X as the case may be)** Natural Person \_\_\_\_\_ / Legal Representative \_\_\_\_\_ of (company's company name) identified with Nit \_\_\_\_\_, for effects of the Factor of Compliance Evaluation of Previous Contracts within the Call of the matter, declare under oath that:

I am not registered \_\_\_\_\_ in the Unique Bidders Registry of the Unique Business Registry of the Chamber of Commerce

I am registered \_\_\_\_\_ in the Unique Bidders Registry of the Unique Business Registry of the Chamber of Commerce

Sincerely, Signatures:

*[The individual or legal representative of the legal entity which presents him or herself to this Call will sign this document, and in the event of a temporary partnership or consortium, each of its members must provide the signed sworn certification.]*

The natural persons or legal entities which are registered, must provide a certificate of registration of the single bidder, and for each of the members of the consortium or temporary partnership in the case of group bidders, issued within thirty (30) calendar days, prior to the closing date of this call for the purpose of the evaluation factor of compliance with previous contracts.

Notwithstanding the previous sworn statement, the CONTRACTING PARTY reserves the right to verify the information reported in this form.



**FORM 11**  
**LETTER OF INTENT IN REGARDS TO THE INCLUSION OF GENDER EQUALITY AND SOCIAL INCLUSION IN**  
**THE EXECUTION OF THE PROJECT**

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

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

**Subject:** Call No **FCO -I-XXX-2019** to contract the **xxxxx**

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

The undersigned,  (first and last name)  identified with \_\_\_\_\_, in my condition of **(mark with an X as the case may be)** Natural Person \_\_\_\_\_ / Legal Representative of (company's company name) identified with Nit \_\_\_\_\_, for effects of the Factor of Compliance Promotion of Gender Equality and Social Inclusion within the Call at hand, declare under oath that:

I pledge to promote a gender equality and social inclusion approach during the execution of the project, in accordance with the guidelines Findeter has prepared and all the affirmative actions implicit in said promotion.

Sincerely, Signatures:

*[The individual or legal representative of the legal entity which presents him or herself to this Call will sign this document, and in the event of a temporary partnership or consortium, each of its members must provide the signed sworn certification.]*

**FORM 12**

**CERTIFICATION AND/OR LETTER OF BELONGING TO THE INTERNATIONAL COMMERCIAL FRAMEWORK**

**THIS LETTER MUST ONLY BE SUBMITTED WHEN THE BIDDER MUST ACCREDIT THE SPECIFIC EXPERIENCE THROUGH AN INTERNATIONAL COMMERCIAL FRAMEWORK.**

The bidder is a member of the "Commercial Framework"

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Sincerely,

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**FORM NO. 13**

**FINANCIAL VERIFICATION**

The indicators to be evaluated will be calculated based on the financial statements of the year 2018 of the legal entity.

<b>INDICATOR</b>	<b>VARIABLES</b>	<b>CONDITION</b>	<b>BIDDER</b>
Level of indebtedness	Total Liabilities / Total Assets	$\leq 65\%$	
Liquidity	Current assets / current liabilities	$> = 1.2$ times	
Return On Equity	NET profit / Equity	$\geq 7\%$	

Date of completion:

Signature Legal Representative

**Name:**  
**Identification:**

Signature of Statutory Auditor or Public Accountant if there is no fiscal audit.

**Name:**  
**Identification:**  
**T.P.**