



NATIONAL OIL CORPORATION OF KENYA

INTERNATIONAL TENDER

**SUPPLY AND DELIVERY OF LPG CYLINDERS
COMPLETE WITH UNIFIED VALVES**

TENDER NO. NOCK/PRC/03(1227)2016-2017

**NATIONAL OIL CORPORATION
KAWI HOUSE, SOUTH C, RED CROSS ROAD
OFF POPO ROAD
P.O Box 58567 – 00200
NAIROBI**

JUNE 2017

Tender Closing Date: 6th July 2017 Time: 1000hrs (East African Time)



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1 SECTION I – INVITATION TO TENDER

DATE: JUNE, 2017

TENDER REF NO. NOCK/PRC/03(1227)2016-2017

TENDER NAME: TENDER FOR SUPPLY OF LPG CYLINDERS COMPLETE WITH UNIFIED VALVES

1.1 The National Oil Corporation of Kenya (**National Oil**) invites sealed bids from eligible candidate from **Kenya/International** for supply and delivery of **Zinc metalized LPG Cylinders Complete with unified Valves** on a three (3) year framework contract renewable annually subject to satisfactory performance.

1.2 Interested and eligible candidates may download free of charge the tender documents at www.nationaloil.co.ke or IFMIS supplier portal: supplier.treasury.go.ke. They may also view the same document from:

**Procurement Department
National Oil Corporation – Kawi House, South C,
Red Cross Road off Popo Road**

during normal working hours on Monday to Friday between 0800hrs to 1700hrs (East Africa Time).

The complete tender document is downloaded from the National Oil Corporation website www.nationaloil.co.ke free of charge. They should immediately forward their particulars for records and/or for the purposes of receiving any further clarifications/addenda to tenders@nockkenya.co.ke

Printed tender documents collected in hard copy attracts a non- refundable fee of Kenya Shillings one thousand only (Kshs 1,000) which is payable before issuance of the tender document. Payment should in form of cash deposits at the National Oil Bank Accounts as given below.

(a)	Account Name:	NATIONAL OIL CORPORATION OF KENYA
	Account Number:	1107169380
	Bank:	KENYA COMMERCIAL BANK LTD
	Branch:	MOI AVENUE
(b)	Account Name:	NATIONAL OIL CORPORATION OF KENYA
	Account Number:	0560292466991
	Bank:	EQUITY BANK LIMITED
	Branch:	KENPIPE INDUSTRIAL AREA
	Swift Code:	EQBLKENA
		NAIROBI, KENYA

An official National Oil’s receipt of payment of the Kshs 1,000.00 will be issued at the National Oil’s Cashier’s Office (upon verification of the deposit slip with the bank) on 1st Floor Kawi

1.3 Prices quoted should be net C&F Mombasa (Foreign suppliers) or Delivery Duty Paid (DDP) Nairobi (Local suppliers), expressed in either United States Dollars (US\$) or Kenya Shillings and shall remain valid for a period of one hundred and twenty (120) days from the closing date of the tender



- 1.4 Tender shall be awarded on lot-by-lot basis. Tenderers are allowed to bid for one lot only.
- 1.5 Tenders must be enclosed in plain sealed envelopes clearly labeled **“TENDER FOR SUPPLY AND DELIVERY OF LPG CYLINDERS COMPLETE WITH UNIFIED VALVES – Ref No. NOCK/PRC/03(1227)” WITH THE INSTRUCTIONS “DO NOT OPEN BEFORE 6TH JULY 2017 AT 1000HRS (EAST AFRICA TIME)”**so as to be received **ON OR BEFORE 6TH JULY 2017 AT 1000HRS (EAST AFRICA TIME)”** and addressed to:

**Ag. Chief Executive Officer
National Oil Corporation – Kawi House, South C,
Red Cross Road off Popo Road**

P.O Box 58567 – 00200, NAIROBI

and deposited in the Tender Box provided at:

**National Oil Corporation – 1st Floor Kawi House Complex, South C,
Red Cross Road, off Popo Road
P.O Box 58567 – 00200, NAIROBI**

to be received on or before **6TH JULY 2017 AT 1000HRS (EAST AFRICA TIME)**. Late submissions shall automatically be disqualified whatever the circumstances.

- 1.6 Bulky tenders that do not fit into the tender box should be deposited at the Ag. Chief Executive`s Office located on 2nd Floor, Kawi House Complex **on or before 6th July 2017 1000hrs (East African Time)**
- 1.7 Tenders will be opened immediately thereafter in the presence of the Candidates or their representatives who choose to attend at

**National Oil Corporation of Kenya
Kawi house Complex
Red Cross Road off Popo Road
The Main Board Room – 2nd Floor
NAIROBI**

AG. CHIEF EXECUTIVE OFFICER

2 SECTION II – INSTRUCTIONS TO TENDERERS

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2.1 Eligible Tenderers

2.1.1 This Invitation for Tenders is open to all tenderers eligible as described in the Invitation to Tender. Successful tenderers shall complete the supply of goods by the intended completion date specified in the Schedule of Requirements Section VI.

2.1.2 The procuring entity's employees, committee members, board members and their relative (spouse and children) are not eligible to participate in the tender.

2.1.3 Tenderers shall provide the qualification information statement that the tenderer (including all members of a joint venture and subcontractors) is not associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the Procuring entity to provide consulting services for the preparation of the design, specifications, and other documents to be used for the procurement of the goods under this Invitation for tenders.

2.1.4 Tenderers shall not be under a declaration of ineligibility for corrupt and fraudulent practices.

2.2 Eligible Goods

2.2.1 All goods to be supplied under the contract shall have their origin in eligible source countries.

2.2.2 For purposes of this clause, "origin" means the place where the goods are mined, grown, or produced. Goods are produced when, through manufacturing, processing, or substantial and major assembly of components, a commercially-recognized product results that is substantially different in basic characteristics or in purpose or utility from its components

2.2.3 The origin of goods is distinct from the nationality of the tenderer.

2.3 Cost of Tendering

2.3.1 The Tenderer shall bear all costs associated with the preparation and submission of its tender, and the procuring entity, will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the tendering process.

2.3.2 The price to be charged for the tender document shall not exceed Kshs.1,000/=

2.3.3 All firms found capable of performing the contract satisfactorily in accordance with the set prequalification criteria shall be prequalified.

2.4 The Tender Document

2.4.1 The tender document comprises the documents listed below and addenda issued in accordance with clause 2.6 of these instructions to Tenderers:

- i) Invitation to Tender
- ii) Instructions to tenderers
- iii) General Conditions of Contract
- iv) Special Conditions of Contract
- v) Schedule of requirements

- vi) Technical Specifications
- vii) Tender Form and Price Schedules
- viii) Tender Security Form
- ix) Contract Form
- x) Performance Security Form
- xi) Bank Guarantee for Advance Payment Form
- xii) Manufacturer's Authorization Form
- xiii) Confidential Business Questionnaire
- xiv) Bidder's Declaration and Integrity Pact

2.4.1 The Tenderer is expected to examine all instructions, forms, terms, and specifications in the tender documents. Failure to furnish all information required by the tender documents or to submit a tender not substantially responsive to the tender documents in every respect will be at the tenderers risk and may result in the rejection of its tender.

2.5 Clarification of Documents

2.5.1 A prospective tenderer requiring any clarification of the tender document may notify the Procuring entity in writing or by post at the entity's address indicated in the Invitation to Tender. The Procuring entity will respond in writing to any request for clarification of the tender documents, which it receives not later than seven (7) days prior to the deadline for the submission of tenders, prescribed by the procuring entity. Written copies of the Procuring entities response (including an explanation of the query but without identifying the source of inquiry) will be sent to all prospective tenderers that have received the tender document.

2.5.2 The procuring entity shall reply to any clarifications sought by the tenderer within 3 days of receiving the request to enable the tenderer to make timely submission of its tender.

2.6 Amendment of Documents

2.6.3 At any time prior to the deadline for submission of tenders, the Procuring entity, for any reason, whether at its own initiative or in response to a clarification requested by a prospective tenderer, may modify the tender documents by amendment.

2.6.4 All prospective candidates that have received the tender documents will be notified of the amendment in writing or by post and will be binding on them.

2.6.5 In order to allow prospective tenderers reasonable time in which to take the amendment into account in preparing their tenders, the Procuring entity, at its discretion, may extend the deadline for the submission of tenders.

2.7 Language of Tender

2.7.1 The tender prepared by the tenderer, as well as all correspondence and documents relating to the tender exchange by the tenderer and the Procuring entity, shall be written in English language, provided that any printed literature furnished by the tenderer may be written in another language provided they are accompanied by an accurate English translation of the relevant passages in which case, for purposes of interpretation of the tender, the English translation shall govern.

2.8 Documents Comprising of Tender

2.8.1 The tender prepared by the tenderers shall comprise the following components:

- a) a Tender Form and a Price Schedule completed in accordance with paragraph 2.9, 2.10 and 2.11 below;
- b) documentary evidence established in accordance with paragraph 2.1 that the tenderer is eligible to tender and is qualified to perform the contract if its tender is accepted;
- c) documentary evidence established in accordance with paragraph 2.2 that the goods and ancillary services to be supplied by the tenderer are eligible goods and services and conform to the tender documents; and
- d) tender security furnished in accordance with paragraph 2.14.

2.9 Tender Forms

2.9.1 The tenderer shall complete the Tender Form and the appropriate Price Schedule furnished in the tender documents, indicating the goods to be supplied, a brief description of the goods, their country of origin, quantity, and prices.

2.10 Tender Prices

2.10.1 The tenderer shall indicate on the appropriate Price Schedule the unit prices and total tender price of the goods it proposes to supply under the contract

2.10.2 Prices indicated on the Price Schedule shall include all costs including taxes, insurances (local) and delivery.

2.10.3 Prices quoted by the tenderer shall be fixed during the Tender's performance of the contract and not subject to variation on any account. A tender submitted with an adjustable price quotation will be treated as non-responsive and will be rejected, pursuant to paragraph 2.22

2.10.4 The validity period of the tender shall be 120 days from the date of opening of the tender.

2.11 Tender Currencies

2.11.1 Prices shall be quoted in US Dollars or Kenya Shillings unless otherwise specified in the Appendix to Instructions to Tenderers.

2.12 Tenderers Eligibility and Qualifications

2.12.1 Pursuant to paragraph 2.1. the tenderer shall furnish, as part of its tender, documents establishing the tenderers eligibility to tender and its qualifications to perform the contract if its tender is accepted.

2.12.2 The documentary evidence of the tenderers eligibility to tender shall establish to the Procuring entity's satisfaction that the tenderer, at the time of submission of its tender, is from an eligible source country as defined under paragraph 2.1.

2.12.3 The documentary evidence of the tenderers qualifications to perform the contract if its tender is accepted shall be established to the Procuring entity's satisfaction;

- a) that, in the case of a tenderer offering to supply goods under the contract which the tenderer did not manufacture or otherwise produce, the tenderer has been duly authorized by the goods' Manufacturer or producer to supply the goods.
- b) that the tenderer has the financial, technical, and production capability necessary to perform the contract;
- c) that, in the case of a tenderer not doing business within Kenya, the tenderer is or will be (if awarded the contract) represented by an Agent in Kenya, and or should be able to provide qualified personnel within 2 weeks at tenders own cost to carry out technical support for the goods tendered for.

2.13 Goods Eligibility and Conformity to Tender Documents

2.13.1 Pursuant to paragraph 2.2 of this section, the tenderer shall furnish, as part of its tender documents establishing the eligibility and conformity to the tender documents of all goods which the tenderer proposes to supply under the contract

2.13.2 The documentary evidence of the eligibility of the goods shall consist of a statement in the Price Schedule of the country of origin of the goods and services offered which shall be confirmed by a certificate of origin issued at the time of shipment.

2.13.3 The documentary evidence of conformity of the goods to the tender documents may be in the form of literature, drawings, and data, and shall consist of:

- a) a detailed description of the essential technical and performance characteristic of the goods;
- b) a list giving full particulars, including available source and current prices of spare parts, special tools, etc., necessary for the proper and continuing functioning of the goods for a period of two (2) years, following commencement of the use of the goods by the Procuring entity; and
- c) a clause-by-clause commentary on the Procuring entity's Technical Specifications demonstrating substantial responsiveness of the goods and service to those specifications, or a statement of deviations and exceptions to the provisions of the Technical Specifications.

2.13.4 For purposes of the documentary evidence to be furnished pursuant to paragraph 2.13.3(c) above, the tenderer shall note that standards for workmanship, material, and equipment, as well as references to brand names or catalogue numbers designated by the Procurement entity in its Technical Specifications, are intended to be descriptive only and not restrictive. The tenderer may substitute alternative standards, brand names, and/or catalogue numbers in its tender, provided that it demonstrates to the Procurement entity's satisfaction that the substitutions ensure substantial equivalence to those designated in the Technical Specifications.

2.14 Tender Security

- 2.14.1** The tenderer shall furnish, as part of its tender, a tender security for the amount specified in the Appendix to Invitation to Tenderers.
- 2.14.2** The tender security shall be in the amount of either Kenya Shillings One Million Five Hundred Thousand Only (Kshs 1,500,000) or United States Dollars Fifteen Thousand (US\$ 15,000); in form of a Bank guarantee from a bank licensed and operating in Kenya or another bank recognized by the Central Bank of Kenya or from an Insurance Company duly recognized by the Public Procurement Regulatory Authority of Kenya (PPRA).
- 2.14.3** The tender security is required to protect the Procuring entity against the risk of Tenderer's conduct which would warrant the security's forfeiture, pursuant to paragraph 2.14.7.
- 2.14.4** The tender security shall be denominated in Kenya Shillings or in another freely convertible currency, and shall be in the form of a bank guarantee or a bank draft issued by a reputable bank located in Kenya or abroad, or a guarantee issued by a reputable insurance company in the form provided in the tender documents or another form acceptable to the Procuring entity and valid for thirty (30) days beyond the validity of the tender.
- 2.14.5** Any tender not secured in accordance with paragraph 2.14.1 and 2.14.3 will be rejected by the Procuring entity as non-responsive, pursuant to paragraph 2.22.
- 2.14.6** Unsuccessful Tenderers' tender security will be discharged or returned as promptly as possible but not later than thirty (30) days after the expiration of the period of tender validity prescribed by the Procuring entity.
- 2.14.7** The successful Tenderer's tender security will be discharged upon the tenderer signing the contract, pursuant to paragraph 2.27 and furnishing the performance security, pursuant to paragraph 2.28.
- 2.14.8** The tender security may be forfeited:
- a) if a tenderer withdraws its tender during the period of tender validity specified by the procuring entity on the Tender Form; or
 - b) in the case of a successful tenderer, if the tenderer fails:
 - i) to sign the contract in accordance with paragraph 2.29; or
 - ii) to furnish performance security in accordance with paragraph 2.30.

2.15 Validity of Tenders

- 2.15.1** Tenders shall remain valid for 120 days or as specified in the Invitation to Tender after the date of tender opening prescribed by the Procuring entity, pursuant to paragraph 2.18. A tender valid for a shorter period shall be rejected by the Procuring entity as non-responsive.
- 2.15.2** In exceptional circumstances, the Procuring entity may solicit the Tenderer's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. The tender security provided under paragraph 2.14 shall also be suitably extended. A

tenderer may refuse the request without forfeiting its tender security. A tenderer granting the request will not be required nor permitted to modify its tender.

2.16 Format and Signing of Tender

2.16.1 The tenderer shall prepare two copies of the tender, clearly marking each “ORIGINAL TENDER” and “COPY OF TENDER,” as appropriate. In the event of any discrepancy between them, the original shall govern.

2.16.2 The original and all copies of the tender shall be typed or written in indelible ink and shall be signed by the tenderer or a person or persons duly authorized to bind the tenderer to the contract. All pages of the tender, except for unamended printed literature, shall be initialed by the person or persons signing the tender.

2.16.3 The tender shall have no interlineations, erasures, or overwriting except as necessary to correct errors made by the tenderer, in which case such corrections shall be initialed by the person or persons signing the tender.

2.17 Sealing and Marking of Tenders

2.17.1 The Tenderer shall seal the original and each copy of the tender in separate envelopes, duly marking the envelopes as “ORIGINAL” and “COPY.” The envelopes shall then be sealed in an outer envelope.

2.17.2 The inner and outer envelopes shall:

- a) be addressed to the Procuring entity at the address given in the Invitation to Tender:
- b) bear, tender number and name in the Invitation for Tenders and the words, “**DO NOT OPEN BEFORE 6TH JULY 2017 1000HRS (EAST AFRICA TIME).**”

2.17.3 The inner envelopes shall also indicate the name and address of the tenderer to enable the tender to be returned unopened in case it is declared “late”.

2.17.4 If the outer envelope is not sealed and marked as required by paragraph 2.17.2, the Procuring entity will assume no responsibility for the tender’s misplacement or premature opening.

2.18 Deadline for Submission of Tenders

2.18.1 Tenders must be received by the Procuring entity at the address specified under paragraph 2.17.2 **not later than 6th July 2017 at 1000hrs (East Africa Time).**

2.18.2 The Procuring entity may, at its discretion, extend this deadline for the submission of tenders by amending the tender documents in accordance with paragraph 2.6, in which case all rights and obligations of the Procuring entity and candidates previously subject to the deadline will therefore be subject to the deadline as extended.

2.19 Modification and Withdrawal of Tenders

- 2.19.1** The tenderer may modify or withdraw its tender after the tender's submission, provided that written notice of the modification, including substitution or withdrawal of the tenders, is received by the Procuring Entity prior to the deadline prescribed for submission of tenders.
- 2.19.2** The Tenderer's modification or withdrawal notice shall be prepared, sealed, marked, and dispatched in accordance with the provisions of paragraph 2.17. A withdrawal notice may also be sent by cable, telex but followed by a signed confirmation copy, postmarked not later than the deadline for submission of tenders.
- 2.19.3** No tender may be modified after the deadline for submission of tenders.
- 2.19.4** No tender may be withdrawn in the interval between the deadline for submission of tenders and the expiration of the period of tender validity specified by the tenderer on the Tender Form. Withdrawal of a tender during this interval may result in the Tenderer's forfeiture of its tender security, pursuant to paragraph 2.14.8.
- 2.19.5** The procuring entity may at any time terminate procurement proceedings before contract award and shall not be liable to any person for the termination.
- 2.19.6** The procuring entity shall give prompt notice of the termination to the tenderers and on request give its reasons for termination within 14 days of receiving the request from any tenderer.

2.20 Opening of Tenders

- 2.20.1** The Procuring entity will open all tenders in the presence of tenderers' representatives who choose to attend on **6th July 2017 at 1000hrs (East Africa Time)** and in the location specified in the Invitation to Tender. The tenderers' representatives who are present shall sign a register evidencing their attendance.
- 2.20.2** The tenderers' names, tender modifications or withdrawals, tender prices, discounts and the presence or absence of requisite tender security and such other details as the Procuring entity, at its discretion, may consider appropriate, will be announced at the opening.
- 2.20.3** The Procuring entity will prepare minutes of the tender opening.

2.21 Clarification of Tenders

- 2.21.1** To assist in the examination, evaluation and comparison of tenders the Procuring entity may, at its discretion, ask the tenderer for a clarification of its tender. The request for clarification and the response shall be in writing, and no change in the prices or substance of the tender shall be sought, offered, or permitted.
- 2.21.2** Any effort by the tenderer to influence the Procuring entity in the Procuring entity's tender evaluation, tender comparison or contract award decisions may result in the rejection of the tenderers' tender.

2.22 Preliminary Examination

- 2.22.1** The Procuring entity will examine the tenders to determine whether they are complete, whether any computational errors have been made, whether required sureties have been furnished, whether the documents have been properly signed, and whether the tenders are generally in order.
- 2.22.2** Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantify, the unit price shall prevail, and the total price shall be corrected. If the candidate does not accept the correction of the errors, its tender will be rejected, and its tender security forfeited. If there is a discrepancy between words and figures the amount in words will prevail
- 2.22.3** The Procuring entity may waive any minor informality or non-conformity or irregularity in a tender which does not constitute a material deviation, provided such waiver does not prejudice or effect the relative ranking of any tenderer.
- 2.22.4** Prior to the detailed evaluation, pursuant to paragraph 2.23 the Procuring entity will determine the substantial responsiveness of each tender to the tender documents. For purposes of these paragraphs, a substantially responsive tender is one, which conforms to all the terms and conditions of the tender documents without material deviations. The Procuring entity's determination of a tender's responsiveness is to be based on the contents of the tender itself without recourse to extrinsic evidence.
- 2.22.5** If a tender is not substantially responsive, it will be rejected by the Procuring entity and may not subsequently be made responsive by the tenderer by correction of the non-conformity.

2.23 Conversion to Single Currency

- 2.23.1** Where other currencies are used, the procuring entity will convert these currencies to Kenya Shillings using the selling exchange rate on the date of tender closing provided by the Central Bank of Kenya.

2.24 Evaluation and Comparison of Tenders

- 2.24.1** The Procuring entity will evaluate and compare the tenders which have been determined to be substantially responsive, pursuant to paragraph 2.22.
- 2.24.2** The tender evaluation committee shall evaluate the tender within 30 days of the validity period from the date of opening the tender.
- 2.24.3** A tenderer who gives false information in the tender document about its qualification or who refuses to enter into a contract after notification of contract award shall be considered for debarment from participating in future public procurement.

2.25 Joint Venture

- 2.25.1** Joint Ventures or Consortiums submitted in the tender as partners shall comply with the following requirements:

- (a) A copy of the duly signed and sealed agreement entered into by the joint venture partners shall be submitted with the tender.
- (b) In case of a successful tender, the Form of Agreement shall be signed so as to be legally binding on all partners.
- (c) One of the partners shall be nominated as being in charge; and this authorization shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the partners.
- (d) The partner in charge shall be authorized to incur liabilities and receive instructions for and on behalf of any and all partners of the joint venture and the entire execution of the Contract including payment shall be done exclusively with the partner in charge.
- (e) All partners of the joint venture shall be liable jointly and severally for the execution of the Contract in accordance with the Contract terms, and a relevant statement to this effect shall be included in the authorization mentioned under (c) above as well as in the Form of Tender and the Form of Agreement (in case of a successful tender).
- (f) Provide a signed declaration form stating that the firm or members of the consortium are not limited or disqualified under any of the provisions of The Public Procurement and Asset Disposal Act, 2015 and that the firm or members of the consortium have not been involved in activities that contravene anti-corruption Laws and policies.

2.26 Preference

- 2.26.1** Preference where allowed in the evaluation of tenders shall not exceed 15%.

2.27 Contacting the Procuring entity

- 2.27.1** Subject to paragraph 2.21 no tenderer shall contact the Procuring entity on any matter related to its tender, from the time of the tender opening to the time the contract is awarded.
- 2.27.2** Any effort by a tenderer to influence the Procuring entity in its decisions on tender, evaluation, tender comparison, or contract award may result in the rejection of the Tenderer's tender.

2.28 Award of Contract

a) Post-qualification

- 2.28.1** In the absence of pre-qualification, the Procuring entity will determine to its satisfaction whether the tenderer that is selected as having submitted the lowest evaluated responsive tender is qualified to perform the contract satisfactorily.
- 2.28.2** The determination will take into account the tenderer financial, technical, and production capabilities. It will be based upon an examination of the documentary evidence of the tenderers qualifications submitted by the tenderer, pursuant to paragraph 2.12.3 as well as such other information as the Procuring entity deems necessary and appropriate.

2.28.3 An affirmative determination will be a prerequisite for award of the contract to the tenderer. A negative determination will result in rejection of the Tenderer's tender, in which event the Procuring entity will proceed to the next lowest evaluated tender to make a similar determination of that Tenderer's capabilities to perform satisfactorily.

b) Award Criteria

2.28.4 The Procuring entity will award the contract to the successful tenderer(s) whose tender has been determined to be substantially responsive and has been determined to be the lowest evaluated tender, provided further that the tenderer is determined to be qualified to perform the contract satisfactorily.

c) Procuring entity's Right to Vary quantities

2.28.5 The Procuring entity reserves the right at the time of contract award to increase or decrease the quantity of goods originally specified in the Schedule of requirements without any change in unit price or other terms and conditions.

d) Procuring entity's Right to Accept or Reject Any or All Tenders

2.28.6 The Procuring entity reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders at any time prior to contract award, without thereby incurring any liability to the affected tenderer or tenderers or any obligation to inform the affected tenderer or tenderers of the grounds for the Procuring entity's action.

2.29 Notification of Award

2.29.1 Prior to the expiration of the period of tender validity, the Procuring entity will notify the successful tenderer in writing that its tender has been accepted.

2.29.2 The notification of award will constitute the formation of the Contract but will have to wait until the contract is finally signed by both parties.

2.29.3 Upon the successful Tenderer's furnishing of the performance security pursuant to paragraph 2.30, the Procuring entity will promptly notify each unsuccessful Tenderer and will discharge its tender security, pursuant to paragraph 2.14.

2.30 Signing of Contract

2.30.1 At the same time as the Procuring entity notifies the successful tenderer that its tender has been accepted, the Procuring entity will send the tenderer the Contract Form provided in the tender documents, incorporating all agreements between the parties.

2.30.2 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.

2.30.3 Within thirty (30) days of receipt of the Contract Form, the successful tenderer shall sign and date the contract and return it to the Procuring entity.

2.31 Performance Security

2.31.1 Within Thirty (30) days of the receipt of notification of award from the Procuring entity, the successful tenderer shall furnish the procuring entity with the performance security in accordance with the Conditions of Contract, in the Performance Security Form provided in the tender documents, or in another form acceptable to the Procuring entity.

2.31.2 Failure of the successful tenderer to comply with the requirements of paragraph 2.27 or paragraph 2.28 shall constitute sufficient grounds for the annulment of the award and forfeiture of the tender security, in which event the Procuring entity may make the award to the next lowest evaluated Candidate or call for new tenders.

2.32 Corrupt or Fraudulent Practices

2.32.1 The Procuring entity requires that tenderers observe the highest standard of ethics during the procurement process and execution of contracts when used in the present regulations, the following terms are defined as follows;

- i) “corrupt practice” means the offering, giving, receiving, or soliciting of anything of value to influence the action of a public official in the procurement process or in contract execution; and
- ii) “fraudulent practice” means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the Procuring entity, and includes collusive practice among tenderer (prior to or after tender submission) designed to establish tender prices at artificial non-competitive levels and to deprive the Procuring entity of the benefits of free and open competition;

2.32.2 The procuring entity will reject a proposal for award if it determines that the tenderer recommended for award has engaged in corrupt or fraudulent practices in competing for the contract in question.

2.32.3 Further a tenderer who is found to have indulged in corrupt or fraudulent practices risks being debarred from participating in public procurement in Kenya.

2.33 Appendix to Instructions to Tenderers

The following information regarding the particulars of the tender shall complement, supplement or amend the provisions of the instructions to tenderers. Wherever there is a conflict between the provision of the instructions to tenderers and the provisions of the appendix, the provisions of the appendix herein shall prevail over those of the instructions to tenderers

INSTRUCTIONS TO TENDERERS REFERENCE	PARTICULARS OF APPENDIX TO INSTRUCTIONS TO TENDERS
2.1.1	Open to all tenderers/Joint ventures/Consortium
2.1.1	<p>Eligible tenderers must provide the following mandatory requirements (for preliminary evaluation). Non-provision of the below, will lead to the tenderer being disqualified from the tender proceedings</p> <ul style="list-style-type: none"> (a) Copy of Incorporation/Registration (b) Copy of Valid Kenya Revenue Authority Tax Compliance Certificate for local supplier and /or an equivalent from the revenue authority from their country of domicile. Foreign Companies shall ensure that the document is notarized (c) Tender security (Bid bond) of either Kenya Shillings One Million Five Hundred Thousand Only (Kshs 1,500,000) or United States Dollars Fifteen Thousand only (US\$ 15,000.00); in form of a Bank guarantee from a bank licensed and operating in Kenya or another bank recognized by the Central Bank of Kenya. Tender Security from an Insurance Company duly recognized by the Public Procurement Regulatory Authority of Kenya (PPRA) and listed in the Public Procurement Regulatory Authority (PPRA) of Kenya website is also acceptable. This shall be in the format provided in the tender. (d) Tenderers shall provide three (No. 3) sample colour plates for the cylinder in A4 size and two (No. 2) sample colour zinc metalized plate of the color of cylinder with National Oil brand Logo in A4 size together with their bid. The Plates shall be in the material that will be used during manufacture which is steel. The cylinder manufacturer shall obtain and provide Certificates of Cast (Heat) Analysis of the steel supplied for the manufacture of the LPG domestic cylinders. (sample plates that do not meet the minimum desirable qualities will be declared non-responsive) (e) Tenderers shall provide samples of fittings (this includes valve and rubber seals) that the tenderer proposes to use in manufacture of LPG domestic cylinders or supply (samples that do not meet the minimum desirable qualities will be declared nonresponsive) <p><i>NB: Manufacturer's authorization and certificate for the valve and rubber seals will be required in cases where</i></p>

	<p><i>manufacturers of the LPG domestic cylinders are different from those manufacturing valves and rubber seals.</i></p> <p>(f) Drawings of complete cylinder design(s) for 3kg,6kg,13kg and 50kg</p> <p>(g) Provide a stamped copy of the cylinder test certificate by a certified accreditation body - Copy of the Third Party Inspector certificate from a certified accreditation body that the tenderer uses during the manufacturing process. (Copies of cylinder test certificates will be retained by National Oil for record purposes. This document will not be made available to third parties other than the Kenya Bureau of Standards (KEBS) upon their request.)</p> <p>(h) Duly filled confidential business questionnaire (Section VIII of tender document)</p> <p>(i) Duly filled bidder's declaration and integrity pact (Section VIII of the tender document)</p> <p>(j) Bidders must attach a certificate for inspection and batch test analysis reports showing the performance of their gas cylinders from institutions acting as agent for Kenya Bureau of Standards (KEBS).The proposed cylinders must conform to the Kenya Bureau of Standards (KEBS) and/or ISO standards where Kenya standard does not exist</p> <p>NB:</p> <ul style="list-style-type: none"> • The proposed cylinders shall conform to the Kenya Bureau of Standards (KEBS) and ISO standards where Kenya standards do not exist. • The tenderer must submit written undertaking that cylinders complete with cylinder components or fittings (cylinder complete with valve and rubber seals) manufactured by the tenderer are suitable for filling, transportation and use as pressurized vessels for Liquefied Petroleum Gas (LPG) • It is the responsibility of the tenderer to research on the firms affiliated to the Kenya Bureau of Standards (KEBS) and whose certificates will be recognized. • The Standardization (S) Mark is mandatory for local manufacturers and suppliers
2.11	Tender currency shall be either in US Dollars or Kenya Shillings.
2.14.1	Tender security (Bid bond) of either Kenya Shillings One Million Five Hundred Thousand Only (KShs 1,500,000) or United States Dollars Fifteen Thousand (US\$ 15,000); in form of a Bank guarantee from a bank licenced and operating in Kenya or another bank recognized by the Central Bank of Kenya or tender security from an Insurance Company duly recognized by the Public Procurement Regulatory Authority of Kenya (PPRA).
2.18.1	Tender closes at 1000hrs (East Africa Time) on 6th July 2017

2.24	1) Evaluation criteria for the tender for supply of LPG Cylinders:		
	No.	Evaluation criteria	Score
	1.	Specific experience The tenderer is to present five (5) letters of reference from clients where supply of 3kg,6kg,13kg and 50kg Zinc metalized LPG Cylinders complete with valves has been undertaken preferably in the tropics Reference letters must be attached where the evaluation committee may carry out due diligence to ascertain this.	25
	2.	Representation in Kenya: <ul style="list-style-type: none"> • Evidence of representation in Kenya -Joint Venture with a company incorporated and operating in Kenya. Official Joint venture agreements must be presented (if scanned copy is presented, it must be certified by notary public/commissioner of oaths) or; • A written assurance that, in the case of a tenderer not doing business within Kenya, the tenderer is or will be (if awarded the contract) able to provide qualified personnel within 2 weeks at tenderers own cost to carry out technical support for the goods tendered for. 	5
	3.	Evaluation of sample plates with Logo and Fittings: <ul style="list-style-type: none"> • Sample color plate of cylinder with National Oil brand Logo. These must meet desired color pantone and include zinc metallization and powder painting in paint work as minimum desirable qualities (samples that do not meet the minimum desirable qualities will be declared non-responsive) • Sample of fittings (this included valve, rubber seals, caps) that the tenderer proposes to use in manufacture of cylinders or supply (samples that do not meet the minimum desirable qualities will be declared non-responsive) 	30
	4.	Drawings: Clear drawings of complete cylinder design(s) the tenderer proposes to supply with value proposition on the usability of each cylinder design, with the recommended accessories to be used.(drawings that do not conform will be declared non-responsive)	20

	<p>5. Proof of quality test by KEBS: Proof of quality testing by institutions acting as agent for Kenya Bureau of Standards (KEBS).The tenderer must submit written undertaking that cylinders complete with cylinder components or fittings (cylinder complete with valves, rubber seals, caps) manufactured by the tenderer are suitable for filling, transportation and use as pressurized vessels for Liquefied Petroleum Gas (LPG).</p>	10	
	<p>6. Delivery timeline: Ability to supply within acceptable timelines (maximum of 10 weeks at port of Mombasa) after receipt of Order. Tenderer should clearly demonstrate their capability to supply within the period stated in its tender presentation.</p>	10	
	TOTAL	100	
	<p>Non-conformity to the technical specification set out in the tender will render any submission technically non-responsive. To be considered technically responsive for supply of LPG cylinders complete with valves the tenderer should have a minimum score of 70 points out of the 100points above. In addition to clause 2.27, Only tenderers that score 70 points and above will have their financial proposals considered.</p>		
2.27.4	<p>Award criteria The Procuring entity will award the contract to the successful tenderer(s) whose tender has been determined to be substantially responsive and has been determined to be the lowest evaluated tender, provided further that the tenderer is determined to be qualified to perform the contract satisfactorily. Award of the tender will be subject to prevailing market prices and due diligence.</p>		
2.29.1	<p>Performance Security The amount of Performance Security shall be 10% of the projected Contract Price in the format of the Performance Security Form provided in the tender document in the form of a bank guarantee drawn by a bank licensed and operating in Kenya or a foreign bank recognized by the Central Bank of Kenya.</p>		
2.7	<p>Language of Tender The tender prepared by the tenderer, as well as all correspondence and documents relating to the tender exchange by the tenderer and the Procuring entity, shall be written in English language, provided that any printed literature furnished by the tenderer may be written in another language provided they are accompanied by an accurate English translation of the relevant passages in which case, for purposes of interpretation of the tender, the English translation shall govern</p>		

2.31	<p>In addition to clause 2.31, the ethics as described below will apply:</p> <p>Ethics</p> <p>It is a requirement that both National Oil and prospective suppliers of goods, services and works observe the highest standards of ethics during the procurement and execution of contracts.</p> <p>In pursuance of this policy, National Oil requires that all bidders concerned take measures to ensure that no transfer of gifts, payments or other benefits to officials of National Oil and/or procurement/management staff with decision making responsibility or influence occurs. In this regard, National Oil will require all tenderers to sign, as part of the tender documents, an Integrity Pact (Section VIII – Standard forms, clause 8.8). Non-delivery of the Bidders Declaration and Integrity Pact (Section VIII – Standard forms, clause 8.8) duly undersigned by the chief executive or legal representative of the tendering party will result in exclusion of the bid/ quotation from the procurement process.</p> <p>National Oil reserves the right to suspend or cancel a tender/quotation if corrupt practices of any kind are discovered at any stage of the award process.</p>
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3 SECTION III – GENERAL CONDITIONS OF CONTRACT

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3.1 Definitions

3.1.1 In this Contract, the following terms shall be interpreted as indicated:

- a) “The Contract” means the agreement entered into between the Procuring entity and the tenderer, as recorded in the Contract Form signed by the parties, including all attachments and appendices thereto and all documents incorporated by reference therein.
- b) “The Contract Price” means the price payable to the tenderer under the Contract for the full and proper performance of its contractual obligations
- c) “The Goods” means all of the equipment, machinery, and/or other materials, which the tenderer is required to supply to the Procuring entity under the Contract.
- d) “The Procuring entity” means the organization purchasing the Goods under this Contract.
- e) “The Tenderer” means the individual or firm supplying the Goods under this Contract.

3.2 Application

3.2.1 These General Conditions shall apply in all Contracts made by the Procuring entity for the procurement installation and commissioning of equipment.

3.3 Country of Origin

3.3.1 For purposes of this clause, “Origin” means the place where the Goods were mined, grown or produced.

3.3.2 The origin of Goods and Services is distinct from the nationality of the tenderer.

3.4 Standards

3.4.1 The Goods supplied under this Contract shall conform to the standards mentioned in the Technical Specifications.

3.5 Use of Contract Documents and Information

3.5.1 The tenderer shall not, without the Procuring entity’s prior written consent, disclose the Contract, or any provision therefore, or any specification, plan, drawing, pattern, sample, or information furnished by or on behalf of the Procuring entity in connection therewith, to any person other than a person employed by the tenderer in the performance of the Contract.

3.5.2 The tenderer shall not, without the Procuring entity’s prior written consent, make use of any document or information enumerated in paragraph 3.5.1 above.

3.5.3 Any document, other than the Contract itself, enumerated in paragraph 3.5.1 shall remain the property of the Procuring entity and shall be returned (all copies) to the Procuring entity on

completion of the Tenderer's performance under the Contract if so required by the Procuring entity.

3.6 Patent Rights

3.6.1 The tenderer shall indemnify the Procuring entity against all third-party claims of infringement of patent, trademark, or industrial design rights arising from use of the Goods or any part thereof in the Procuring entity's country.

3.7 Performance Security

3.7.1 Within thirty (30) days of receipt of the notification of Contract award, the successful tenderer shall furnish to the Procuring entity the performance security in the amount specified in Special Conditions of Contract.

3.7.2 The proceeds of the performance security shall be payable to the Procuring entity as compensation for any loss resulting from the Tenderer's failure to complete its obligations under the Contract.

3.7.3 The performance security shall be denominated in the currency of the Contract, or in a freely convertible currency acceptable to the Procuring entity and shall be in the form of a bank guarantee or an irrevocable letter of credit issued by a reputable bank located in Kenya or abroad, acceptable to the Procuring entity, in the form provided in the tender documents.

3.7.4 The performance security will be discharged by the Procuring entity and returned to the Candidate not later than thirty (30) days following the date of completion of the Tenderer's performance obligations under the Contract, including any warranty obligations, under the Contract.

3.8 Inspection and Tests

3.8.1 The Procuring entity or its representative shall have the right to inspect and/or to test the goods to confirm their conformity to the Contract specifications. The Procuring entity shall notify the tenderer in writing in a timely manner, of the identity of any representatives retained for these purposes.

3.8.2 The inspections and tests may be conducted in the premises of the tenderer or its subcontractor(s), at point of delivery, and/or at the Goods' final destination. If conducted on the premises of the tenderer or its subcontractor(s), all reasonable facilities and assistance, including access to drawings and production data, shall be furnished to the inspectors at no charge to the Procuring entity.

3.8.3 Should any inspected or tested goods fail to conform to the Specifications, the Procuring entity may reject the equipment, and the tenderer shall either replace the rejected equipment or make alterations necessary to meet specification requirements free of costs to the Procuring entity.

3.8.4 The Procuring entity's right to inspect, test and where necessary, reject the goods after the Goods' arrival shall in no way be limited or waived by reason of the equipment having previously been inspected, tested and passed by the Procuring entity or its representative prior to the equipment delivery.

3.8.5 Nothing in paragraph 3.8 shall in any way release the tenderer from any warranty or other obligations under this Contract.

3.9 Packing

3.9.1 The tenderer shall provide such packing of the Goods as is required to prevent their damage or deterioration during transit to their final destination, as indicated in the Contract.

3.9.2 The packing, marking, and documentation within and outside the packages shall comply strictly with such special requirements as shall be expressly provided for in the Contract.

3.10 Delivery and Documents

3.10.1 Delivery of the Goods shall be made by the tenderer in accordance with the terms specified by Procuring entity in its Schedule of Requirements and the Special Conditions of Contract.

3.11 Insurance

3.11.1 The Goods supplied under the Contract shall be fully insured against loss or damage incidental to manufacturer or acquisition, transportation, storage, and delivery in the manner specified in the Special conditions of contract.

3.12 Payment

3.12.1 The method and conditions of payment to be made to the tenderer under this Contract shall be specified in Special Conditions of Contract.

3.12.2 Payments shall be made promptly by the Procuring entity as specified in the contract.

3.13 Prices

3.13.1 Prices charged by the tenderer for goods delivered and services performed under the Contract shall not, with the exception of any price adjustments authorized in Special Conditions of Contract, vary from the prices by the tenderer in its tender.

3.13.2 Contract price variations shall not be allowed for contracts not exceeding one year (12 months)

3.13.3 Where contract price variation is allowed, it shall be negotiated between the procuring entity and the successful tenderer, and the variation shall not exceed 10% of the original contract price.

3.13.4 Price variation request shall be processed by the procuring entity within 30 days of receiving the request.

3.14 Assignment

3.14.1 The tenderer shall not assign, in whole or in part, its obligations to perform under this Contract, except with the Procuring entity's prior written consent.

3.15 Subcontracts

3.15.1 The tenderer shall notify the Procuring entity in writing of all subcontracts awarded under this Contract if not already specified in the tender. Such notification, in the original tender or later, shall not relieve the tenderer from any liability or obligation under the Contract.

3.16 Termination for default

3.16.1 The Procuring entity may, without prejudice to any other remedy for breach of Contract, by written notice of default sent to the tenderer, terminate this Contract in whole or in part:

- a) if the tenderer fails to deliver any or all of the goods within the period(s) specified in the Contract, or within any extension thereof granted by the Procuring entity;
- b) if the tenderer fails to perform any other obligation(s) under the Contract; and
- c) if the tenderer, in the judgment of the Procuring entity has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

3.16.2 In the event the Procuring entity terminates the Contract in whole or in part, it may procure, upon such terms and in such manner as it deems appropriate, equipment similar to those undelivered, and the tenderer shall be liable to the Procuring entity for any excess costs for such similar goods.

3.17 Liquidated Damages

3.17.1 If the tenderer fails to deliver any or all of the goods within the period(s) specified in the contract, the procuring entity shall, without prejudice to its other remedies under the contract, deduct from the contract prices liquidated damages sum equivalent to 0.5% of the delivered price of the delayed items up to a maximum deduction of 10% of the delayed goods. After this the tenderer may consider termination of the contract.

3.18 Resolution of Disputes

3.18.1 The procuring entity and the tenderer shall make every effort to resolve amicably by direct informal negotiation and disagreement or dispute arising between them under or in connection with the contract.

3.18.2 If, after thirty (30) days from the commencement of such informal negotiations both parties have been unable to resolve amicably a contract dispute, either party may require adjudication in an agreed national or international forum, and/or international arbitration.

3.19 Language and Law

3.19.1 The language of the contract and the law governing the contract shall be English language and the Laws of Kenya respectively unless otherwise stated.

3.20 Force Majeure

3.20.1 The tenderer shall not be liable for forfeiture of its performance security or termination for default if and to the extent that its delay in performance or other failure to perform its obligations under the Contract is the result of an event of Force Majeure.

4 SECTION IV – SPECIAL CONDITIONS OF CONTRACT

4.1 Special Conditions of Contract shall supplement the General Conditions of Contract. Whenever there is a conflict, between the GCC and the SCC, the provisions of the SCC herein shall prevail over these in the GCC.

4.2 Special conditions of contract as relates to the GCC

REFERENCE OF GCC	SPECIAL CONDITIONS OF CONTRACT
4.2.1	<p>The performance security shall be 10% of Contract Price in the Form of Bank Guarantee drawn by a bank licensed and operating in Kenya or an international bank recognized by the Central Bank of Kenya.</p> <p>Within thirty (30) days of receipt of the notification of Contract award, the successful tenderer shall furnish to the Procuring entity the performance security in the amount specified in Special Conditions of Contract.</p>
4.2.2	<ul style="list-style-type: none"> • <i>For suppliers outside Kenya, payment shall be made through an irrevocable letter of credit and within a credit period of sixty (60) days after receipt of invoice by National Oil and confirmation of satisfactory receipt of goods.</i> • <i>For suppliers within Kenya, payment shall be within sixty (60) days of receipt of invoice by National Oil and confirmation of satisfactory receipt of goods.</i>
4.2.3	<ol style="list-style-type: none"> 1. The provisions of the Arbitration Act, laws of Kenya shall apply. 2. The Arbitration language shall be English language 3. The seat of arbitration shall be Nairobi, Kenya. 4. The dispute shall be heard and determined by a single arbitrator appointed by the parties thereto.

4.3 Allocation

The successful tenderer, should, during the Term of contract maintain sufficient manufacturing capacity, stocks of raw materials and stocks of Products to enable it to meet the procuring entity's (National Oil's) forecasted requirements for products as notified to the supplier.

5 SECTION V – TECHNICAL SPECIFICATIONS

5.1 General

5.1.1 These specifications describe the requirements for goods. Tenderers are requested to submit with their offers the detailed specifications, drawings, catalogues, etc for the products they intend to supply

5.1.2 Tenderers must indicate on the specifications sheets whether the equipment offered comply with each specified requirement.

5.1.3 All the dimensions and capacities of the equipment to be supplied shall not be less than those required in these specifications. Deviations from the basic requirements, if any shall be explained in detail in writing with the offer, with supporting data such as calculation sheets, etc. The procuring entity reserves the right to reject the products, if such deviations shall be found critical to the use and operation of the products.

5.1.4 The tenderers are requested to present information along with their offers as follows:

- i) Shortest possible delivery period of each product; and
- ii) Information on proper representative and/or workshop for back-up service/repair and maintenance including their names and addresses.

5.2 Warranty

The bidder's quotation shall be required to include a comprehensive warranty for a period of one (1) year for the goods supplied.

5.3 PARTICULARS

5.3.1 Drawings and samples

The tenderers must provide drawings and sample plates of their work as part of their tender document. The sample plate with brand colors and logo must meet the specifications given below under particulars.

5.3.2 LPG CYLINDERS - 3KG,6KG,13KG& 50KG

- The projected quantity required for the contract period is as follows:

Cylinders

Size of cylinder	Unit of measure	Annual projected Quantity
3KG	Each	5,000
6 KG	Each	20,000
13KG	Each	10,000
50KG	Each	1000

5.3.3 TERMS OF REFERENCE

A. DESIGN AND CONSTRUCTION OF REFILLABLE WELDED STEEL GAS CYLINDERS FOR LPG

5.3.3.1 Norms and Standards Used

Directive 1999/36/EC	TPED – Transport Pressure Equipment Directive – Mark P
KS 06 – 04	Transportable Refillable Welded Steel Cylinders for Liquefied Petroleum Gas – Design and Construction Kenyan Standard for specification for hot rolled steel sheets for manufacture of low pressure Gas cylinders
KS ISO 4706:2008	Gas Cylinders – refillable welded steel cylinders –Test pressure not greater than 60 bar

5.3.3.2 Scope

- a) The specification deals with welded low carbon steel cylinders intended for storage and transportation of low pressure liquefiable gases of nominal capacity 5 litres up to 250 litres of water capacity and design pressure for 18N/mm².
- b) The Kenya Bureau of Standards (KEBS) lays down the requirements for the material to be used in the manufacture of cylinders, their construction, making and testing.
- c) Tenderers should have Diamond Mark from Kenya Bureau of Standards (KEBS)

5.3.3.3 Description of the cylinder design

- a) The body of the cylinder will be made of two drawn ends (two part cylinders) or of two drawn ends and a longitudinally welded cylindrical shell (three-part cylinders).
- b) The neck will be welded into the hole of the upper end for fitting the valve.
- c) The base will be welded onto the lower end to ensure the stability of the cylinder. The base will be equipped with holes in its lower part in order to prevent accumulation of moisture.
- d) Both plastic and steel protective caps should conform to the requirements of EN 962.
- e) Cylinders will be equipped with a unified valve in accordance with the Kenya Bureau of Standards Requirements.
- f) Cylinder designs should have the collar welded onto the upper end for protection of the valve and for carrying the cylinder.

5.3.3.4 Material of pressure parts

- a) The material used for the manufacture of cylinders shall conform to KS ISO 4706:2008.
- b) The cylinder manufacturer shall obtain and provide Certificates of Cast (Heat) Analysis of the steels supplied for the construction of the gas cylinders and establish means to identify the cylinders with casts from which they are made.
- c) The material used for the manufacture of the valve pad or bung shall be compatible with that used for the cylinder body.
- d) The material used for backing strip shall be compatible with that used for the cylinder body.

5.3.3.5 Design

- a) The cylinder shall be of welded construction having cold or hot drawn cylinder portion with hemispherical, ellipsoidal or torispherical ends welded to it or two halves cold or hot drawn and circumferentially welded together.
- b) The calculation of the thickness of the pressure parts of the gas cylinder is related to the minimum yield strength of the material under section number 4 (material of pressure parts) above.
- c) The thickness of the shell for 3kg, 6kg and 13kg cylinder shall not be less than 2.40mm and the actual thickness of the end or dished part shall be not less than the thickness of the cylindrical portion.
- d) The thickness of the shell for 50kg cylinder shall not be less than 3.00mm and the actual thickness of the end or dished part shall be not less than the thickness of the cylindrical portion.
- e) The 6kg collar, shall be a straight collar

5.3.3.6 Fabrication

- **Welding**

- a) The cylinder shall be welded by a suitable fusion welding method.
- b) Before welding, the plates to be joined shall be free from scales, grease, oil and dirt. Before the cylinders are closed, longitudinal welds wherever used shall be visually examined from both sides to ensure the weld is satisfactory.
- c) Welds shall have an even finish and shall merge into the parent material without undercutting or abrupt irregularity.
- d) The welding electrodes used shall be such that the desired properties of the weld are obtained and the mechanical values of the welded metal are not lower than the specified values of the parent material.
- e) The chemical composition of the weld shall be compatible with the parent material.
- f) As far as possible, all welded joints shall be double welded butt joints.

- **Manufacture**

- a) The number of longitudinal seams in the welded cylinder shall not exceed one and the number of circumferential seams shall not exceed two.

- b) When the welded cylinder contains a longitudinal seam, the edges of the plate forming the longitudinal joint of the shell shall be rolled or formed by pressure, not by blows to required curvature.
- c) The end or dished part shall be of hemispherical, semi-ellipsoidal or torispherical shape. These shall be forgings suitably thickened to take the valve, or pressed ends, with provision for the valve made by a welded-on cap piece or nipple. The end shall have a cylindrical skirt or parallel portion of a minimum length of 20mm or three times the shell thickness, whichever is greater.
- d) Agreed Finish Thickness shall not be less than the minimum calculated wall thickness and definitely not less than that specified on **clause 5.3.3.5**
- e) Examination Of The Cylinders Before Closing In Operation – Each cylinder shall be examined for wall thickness, before the closing in operation, circularity of the cylindrical shell and skirt portion of ends, external and internal surface defects, the profile regularity of the ends, offsets at the joints and straightness.
 - i) *Circularity* – The out of roundness of the cylindrical shell shall be limited to such a value that the difference between the maximum and minimum outside diameter in the same cross section is not more than 1% of the mean diameters.
 - ii) *Surface Defects* – The internal and external surfaces of the cylinder shall be free from defects which will adversely affect the safe working of the cylinder.
 - iii) *Profile Regularity* – The inner surface of the end shall not deviate from the prescribed shape by more than 1.25% of the nominal diameter of the head skirt.
 - iv) *Offset at the Joint* – the mis-alignment measured at the surface of the plates shall not exceed 10% of the nominal plate thickness. Where the thickness of the ends exceeds the shell thickness by more than 25%, the abutting edges shall be reduced by a smooth taper extending for a distance of four times the offset between the abutting edges.
 - v) *Straightness* – unless otherwise shown on drawings, the maximum deviation of the shell from a straight line shall not exceed 0.3% of the cylindrical length.
 - vi) *Water Capacity* – water capacity of the cylinder shall have a tolerance of +3% / - 0%.

- **Valves**

- a) The valve connection may be forged integral with the end or in case of a valve connection not forged integral with the end, it shall consist of a welded or brazed pad, boss or nipple and shall be threaded to suite the type of valve.
- b) The valve shall be protected in one of the following ways:
 - i) By a stout metal cap perforated for ventilation and of thickness not less than 2.50mm screwed to the neck.
 - ii) By a stout metal collar welded to the upper end of the cylinder concentric with the neck. The height and diameter of the collar shall ensure adequate protection to the valves. The thickness of the collar shall not be less than 2.0mm.

- **Foot ring**
 - a) The foot ring where fitted as a separate fixture to the bottom end of the cylinder shall be at least 20mm away from the circumferential welds. The thickness of the sheet from which the foot ring is made shall be curled inwards to facilitate safe handling. It shall be provided with holes to avoid corrosion.
 - b) The maximum permissible deviation from the vertical shall not exceed 1 Degree. The foot ring shall be sufficiently strong and made of material compatible with that of the cylinder. The bottom of the foot ring shall not be less than 8mm below the outside bottom of the cylinder shell for cylinders up to 34 litres water capacity and not less than 25mm for cylinders of more than 34 litres water capacity.

5.3.3.7 Heat Treatment

- a) All cylinders shall be efficiently normalized or stress relieved after manufacture and completion of all welding and before hydrostatic test is applied. A complete record of the heat treatment cycle shall be maintained.

5.3.3.8 Radiographic examination

- a) Radiographic examination shall comply with the techniques and acceptability criteria set forth in ISO 2504. The radiographic technique used shall be sufficiently sensitive to reveal a defect having a thickness equal to 2% of the combined thickness of the weld and the backing strip.
- b) One out of each 100 consecutive cylinders from continuous production shall be taken at random for spot radiography.
- c) In addition, after a change in the type or size of cylinder or the welded procedure (including machine settings) or after break in the production exceeding four hours, the first cylinder welded shall be taken for spot radiography.
- d) On each cylinder so taken, each weld intersection and 100mm of the adjacent longitudinal weld and 50mm (25mm each side of the intersection) of the adjacent circumferential weld shall be radiographed.
- e) Interpretations of Radiographs – for correct interpretation of radiographs, the film density shall preferably be between 2 and 3 but in no case less than 1.7.
- f) Anyone of the following imperfections shall be **unacceptable**:
 - i) any type of crack or zone or incomplete fusion or penetration;
 - ii) any elongated slag inclusion which has a length greater than half the thickness with a maximum of 6mm for thickness exceeding 18mm; and
 - iii) any group of inclusions of slag in alignment the total length of which exceeds the thickness over a length of 12 times the thickness except when the distance between successive defects exceeds 6 times the length of the longest defect in the group.

5.3.3.9 Mechanical tests

- a) The manufacturer shall provide testing facilities for the mechanical tests.
- b) Hydraulic Test – each heat treated cylinder shall be subjected to hydraulic pressure test equivalent to twice the design pressure but not less than 30 bars. The pressure shall be applied slowly and held for a sufficient length of time for examination only. Any

- cylinder showing leakage shall be treated as a case of failure and shall be repaired and tested.
- c) Pneumatic Test – subsequent to the hydraulic test, every cylinder shall be subjected to a pneumatic test at a pressure of one and half times the working pressure but not less than 15 bars. At these pressures, there shall be no leakage. When under pneumatic pressure, the cylinder shall either be completely immersed in water or all seams shall be painted with a solution of soap and water. If cylinders are ordered with valves fitted, pneumatic testing must be done after the valves have been fitted to check that the connection between the valve and cylinder does not leak.
- d) Bursting Test –one cylinder taken at random from each batch of 500 or less shall be subjected to an internal hydrostatic pressure till it bursts. The cylinder shall burst without fragmentation.
- e) Acceptance tests:
- the following tests shall be made on test pieces taken at random out of each batch of 500 or less from heated treated cylinders:
 - Tensile tests – one in a longitudinal direction on plate material.
 - Weld tests – including one reduced section tensile test, one face and one root bend test in all direction transverse to the weld and macro and micro examination. The face and root of the weld in test specimens shall be machine flush to plate surface.
 - Minimum thickness test – once.
 - If a sample fails in any of the mechanical tests:
 - The mechanical test in which the failure occurred shall be repeated on the cylinder in addition all the mechanical tests shall be carried out on another cylinder from the batch.
 - The batch may be reheat treated and mechanical tests performed on two cylinders which have previously not been tested. If both cylinders comply, the batch may be accepted.
 - If any of the mechanical tests fails, the batch shall be rendered unserviceable for holding LPG under pressure.
- f) Cylinders showing leaks in the hydraulic or pneumatic leakage tests at any other place other than the weld shall be rejected and rendered unserviceable.
- g) Defects in radiography – if a cylinder fails due to non-compliance, then the following procedure shall be adopted:
- All cylinders belonging to the control unit in which the cylinder failed shall be rejected. From the rest of the batch, one cylinder from each control unit shall be selected at random and cylinders shall be passed or failed control unit wise depending upon the result of the burst tests.
 - If failure can be attributed to a cause which is discernible even before the test, all cylinders with such defects shall be segregated and reprocessed after repair. From the balance of the cylinders, two more cylinders shall be selected at random and tested. If one or both fail, then the procedure laid down for testing control-unit wise shall be adopted.

5.3.3.10 Control and tests

During the manufacture, the following controls and tests should be carried out in order to ensure the quality of manufacture:

- a) Mechanical tests of the parent material of pressure parts – EN 10002-1
- b) Inter-stage control of dimensions of individual parts
- c) Mechanical tests of welded joints – EN 876, EN 895, EN 910, EN 1321
- d) Radiographic examination of welded joints – EN 1435
- e) 100% visual control of all welds – EN 970
- f) 100% hydraulic pressure test 30 bars – EN 1442
- g) Burst test under hydraulic pressure – EN 1442
- h) Regular control of the surface finish thickness
- i) 100% visual control of the surface finish
- j) 100% tightness test with compressed air of 15 bar after fitting the valve

The frequency and the manner of execution of the above mentioned tests are stated in the relevant standards used for the design and construction and in the corresponding standards. The inspection of the cylinders will be carried out by an independent inspection body. The quality of manufacture is guaranteed by the implementation of the quality control system ISO 9000 and EN 14001.

5.3.3.11 Zinc Metalizing and Powder Painting

All cylinders shall have one coat Zinc Metalized 40 microns minimum and at least one coat one baked stoving powder paint 50 microns minimum.

5.3.3.12 Cylinder Color & Supa GAS Logo Color Specifications

The Cylinder Color Specifications for the cylinder shall be PANTONE COOL GRAY 7C (C-38%, M-37%, Y-40%, and K-18%).

The Supa GAS logo Specifications shall be as detailed on **Appendix 1**

5.3.3.13 Cylinder Embossing and Safety Instructions on Cylinders

The successful tenderer shall emboss all cylinders with brand name **Supa GAS** on the upper shell of each cylinder.

Safety instructions shall be screen printed on each cylinder

5.3.3.14 Records

A record shall be kept of all tests made at the cylinder manufacturer's works and copies shall be forwarded to National Oil and to the inspecting authority.

5.3.3.15 Preparation for dispatch

Before being fitted with valves, all cylinders shall be thoroughly cleaned and dried internally to the satisfaction of the inspecting authority. The outside shall be given a suitable protective coating before dispatch. Threads of the cylinder bung shall be greased to protect from rust.

5.3.3.16 *Packaging*

Each cylinder will be protected by a plastic net at the circumferential welds in order to prevent the damage of the surface finish during the transportation.

5.3.4 **TERMS OF REFERENCE**

B. **KENYA STANDARD KS 201:2007**

VALVE FOR LIQUIFIED PETROLEUM GAS CYLINDERS FOR DOMESTIC USE

5.3.4.1 **Specification**

This specification covers the requirements of unified valves for LPG cylinders of nominal capacity 7.0 litres up to 47.6 litres water capacity, a design (rated service) pressure rating of 1.8 MPa and LPG Cylinders of 3kg, 6kg, 13kg& 50kgs.

5.3.4.2 **Terms and definitions**

For the purposes of the spoliations, the following terms and definition apply.

- **LPG**

This shall be as defined in KS 03 – 91: Specification for Liquefied Petroleum Gas.

- **Cylinder valve**

Valve designed for use in one or more of the following applications: liquid filling, liquid service, vapour service, liquid level indication.

- **External tightness**

Resistance to leakage through the valve body to or from the atmosphere.

- **Internal tightness**

Resistance to leakage across the valve seat, or other internal sealing components, when the valve is closed.

- **Valve body**

Major valve component including valve stem and/or valve outlet and, where applicable, the provision for other optional components.

- **Non – return valve**

Valve designed to close automatically to restrict reverse flow.

- **Sealing element**

Element used to provide internal leak tightness.

- **Valve stem**

Section of the valve body which connects to the cylinder.

- **Valve outlet**

Section of the valve to which a regulator or connector can be fitted.

- **Type test**

Test or series of tests conducted to prove that the design meets the requirements of this standard.

- **Cylinder opening**

Part of the cylinder to which the valve stem connects.

- **Quick coupling connector/regulator**

System which enables an appliance or equipment to be connected to a cylinder valve without the use of tools.

- **Test pressure**

Pressure at which the valve or component is tested in bar gauge.

- **Sediment tube**

Device designed to reduce the risk of foreign matter, which may be in the cylinder, entering the valve.

- **Protection cap/Dust cap**

Device fitted to the valve outlet and intended for one or more of the following functions:

- a) to protect the outlet; and
- b) to prevent the ingress of foreign matter to indicate unauthorized manipulation.

- **Sealing cap**

Device fitted to, or integral with, the outlet of the cylinder valve to provide secondary closure.

Appendix 1 (attach Supa GAS Logo)

- **Valve operating mechanism**

Mechanism that opens the valve when, or after, a regulator or connector is fitted and closes automatically when, or before, a regulator or connector is disconnected.

- **Sealing mechanism**

Mechanism to obtain internal leak tightness.

5.3.4.3 Materials

- i) The body of the valve shall be made of brass whose chemical composition shall be as follows:

Composition Element	% Composition
Copper	57 – 61%
Lead	0.2 – 2.5%
Tin	0.2% max
Nickel	0.3% max
Aluminium	0.05% max
Iron	0.2% max
Zinc remainder	
Others	0.2% max

- ii) The valve seat shall be made of brass or neoprene.
 iii) The valve seals shall be made of neoprene or nitrile.
 iv) The spindle shall be made of brass (should be of same composition as the body of the valve).
 v) The spindle guide shall be of acetal resin.
 vi) The spring shall be of stainless steel spring wire.
 vii) The locking nut shall be made of brass (should be of same composition as the body of the valve).
 viii) The gasket shall be made of neoprene or nitrile.

5.3.4.4 Performance requirements

- i) The valve shall be of the self-closing type, closed by gas pressure in the cylinder assisted by a small stainless steel spring.
 ii) The valve shall be completely gas-tight and shall have no regulating function that can restrict high filling rates.
 iii) The 13kg and 50kg cylinder valves shall be with a safety relief valve. The 3kg and 6kg cylinder shall be fitted with camping valves
 iv) If it is with a safety relief valve, then the safety relief valve shall be of pop-action type and shall have a set pressure of 2.55 MPa.
 v) The safety relief valve shall open to allow blow-off should the cylinder pressure under extreme conditions reach 2.94MPa.
 vi) The capacity of the safety relief valve when fully open shall be 5.0 cubic metres of air per minute.
 vii) The spindle shall be able to move freely.

5.3.4.5 Dimensions

The dimensions of the top portion of the unified valve shall be on the proportion required in Kenya by the Kenya Bureau of Standards (KEBS). The thread details

5.3.4.6 Tests

1 External leakage test

- i) Every valve shall be free from leakage through the stem or body seals or other joints, and shall not show any evidence of porosity when tested for 45 seconds at any pneumatic pressure between 1.0 and 1.5 times the rated service pressure of the valve.
- ii) During this test, the valve is to be connected to a source of pneumatic pressure. A positive shut-off valve and a pressure gauge, having a pressure range of not less than 1.5 times nor more than 2 times the test pressure, are to be installed in the pressure supply piping.

The pressure gauge is to be installed between the shut-off valve and valve under test. While under applied test pressure, the valve shall be submerged in water or any other suitable leak detection procedure may be used.

2 Seat leakage test

- i) The seat leakage test is to be conducted with the inlet of the valve connected to a source of pneumatic pressure, the valve in the closed position, and with the outlet open. A positive shut-off valve and a pressure gauge having a pressure range of not less than 1.5 times nor more than 2 times the test pressure are to be installed between the shut-off valve and the valve under test. While under the applied test pressure, observations for leakage are to be made with the open outlet submerged in water or any other seat leakage testing procedure may be used.
- ii) The seat of the valve, when in the closed position, shall be free from leakage at any pneumatic pressure between 1.0 and 1.5 times the rated service pressure of the valve.
- iii) All valves shall pass the External Leakage Test and Seat Leakage Test.

3 Endurance Test

- i) A valve shall be capable of complying with the applicable leakage test requirements of **tests 1 and 2** after being subjected to 6,000 cycles of opening and closing.
- ii) A valve for use with the LPG is to be tested with the valve outlet plugged, the valve body filled with nhexane, and the valve inlet subjected to a pressure of 1.725 MPa.
- iii) An endurance test is to be conducted at a rate not faster than 10 times per minute.

4 Hydrostatic Strength Test

- i) The sample is to be connected to a source of hydrostatic pressure. A positive shut-off valve and a pressure gauge, having a pressure range not less than 1.5 times nor more than 2 times the test pressure.

The pressure gauge is to be installed in piping between the shut-off valve and valve under test.

- ii) The valve shall be capable of withstanding without rupture or permanent distortion, a hydrostatic pressure 5.0 times the rated service pressure of valve, for 45 seconds.

5.3.4.7 Criteria of acceptance

Endurance of Hydrostatic Tests

For the purpose of clause 5.3.3.6, tests **3** and **4** above, which should be conducted separately, a lot shall be 5,000 valves. A sample of 50 valves shall be selected at random from the lot. All samples shall comply.

5.3.4.8 Marking

The following shall be stamped on the valve:

- i) Name and/or trademark of the manufacturer.
- ii) Date of testing/batch number.
- iii) Rated service pressure.
- iv) Pressure relief valve set pressure.
- v) Punching at the body of the cylinder shall not be allowed unless embossed.

5.3.5 SPECIFICATION

C. LPG CYLINDER SAMPLES

CYLINDER VERIFICATION

Tenderers will submit the following as part of their Tender submission:

- 1 Three sample color plate for cylinder
- 2 One Sample Color plate with brand logo
- 3 Full contact details.
- 4 A stamped copy of the cylinder design drawing.
- 5 The copy of the cylinder design drawing is a one off submission providing that there is no change to the manufacturer or cylinder standard or cylinder design.
- 6 The copy of the cylinder design drawing will be retained by National Oil. This drawing will not be made available to third parties other than the Kenya Bureau of Standards upon their request.
- 7 A stamped copy of the cylinder design calculations
- 8 The copy of the cylinder design calculations is a one off submission provided that there is no change to the manufacturer or cylinder standard or cylinder design.
- 9 The copy of the cylinder design calculations will be retained by National Oil. This document will not be made available to third parties other than the Kenya Bureau of Standards upon their request.
- 10 A stamped copy of the cylinder type test certificate by a certified accreditation body.
- 11 Original or certified copies of the manufacturing batch certificates for the sample cylinders.
- 12 Sample cylinders are required to carry the correct markings before being submitted.
- 13 References to "certified copies" shall mean that the copies are verified as being true copies of the original by a commissioner of oaths. This shall be done at source.
- 14 The copy of the cylinder type test certificate will be submitted per batch manufactured and supplied.
- 15 Copies of cylinder test certificates will be retained by National Oil for record purposes. This document will not be made available to third parties other than the Kenya Bureau of Standards (KEBS) upon their request.
- 16 A copy of the accreditation body's certificate.
- 17 Manufacturing batch certificates are to be submitted to National Oil for each manufacturing batch produced. The batch certificates will be issued strictly in accordance with the relevant manufacturing standard. For imported cylinders this may involve several manufacturing batches per shipment.
- 18 A certificate issued by an accredited test house to prove the valve design and threads comply with the requirements of Kenya Bureau of Standards (See clause 5.3.3).

5.3.6 SPECIFICATION

D. LPG CYLINDER SPECIFICATIONS

CYLINDER INFORMATION

5.3.6.1 Marking

- a) Marking will be made by stamping, embossing or by spraying onto a form.
- b) Marking will be placed on the following parts or their combinations:
 - Collar/Handle
 - Neck
 - Base
 - Body
- c) Basic Marking:
 - Year of Manufacture
 - Country of Origin and Manufacturer's Mark
 - Serial Number assigned by Manufacturer
 - Test Pressure in Bars (or MPa) and Hydraulic Test in N/mm²
 - Weight of Empty Cylinder Without Valve and Without Surface Finish
 - Tare Weight (Weight of Cylinder with Valve and Surface Finish)
 - Maximum Filling Weight in Kgs
 - Gross Weight in Kgs
 - Minimum Water Capacity of Cylinder in Litres
 - Manufacturing Standard
 - Identification Mark of Inspection Body
 - Date of First Test
 - Thickness of Plate in mm

6 SECTION VI – SCHEDULE OF REQUIREMENTS

The tenderer shall give the proposed delivery schedule which shall be used as part of the evaluation criteria given in Section II – Instructions to tenderers.

Below is the projected minimum quantities per order:

LOT 1. LOCAL SUPPLIERS

Number	Description	Unit of measure	Annual projected Quantity	Production/delivery schedule in Weeks/months from <u>receipt of order</u>
Lot 1	3kg	Each	2,500	
	6kg	Each	10,000	
	13kg	Each	5,000	
	50kg	Each	500	

Lot 2. International/Foreign Suppliers

Number	Description	Unit of measure	Annual Projected Quantity	Production/delivery schedule (shipment) In Weeks/months from <u>receipt of order</u>
Lot 2	3kg	Each	2,500	
	6kg	Each	10,000	
	13kg	Each	5,000	
	50kg	Each	500	

SECTION VII – PRICE SCHEDULE FOR GOODS

Name of tenderer _____ Tender Number _____ Page _____ of _____

PRICE SCHEDULE ONE**LOT ONE (1) LOCAL SUPPLIERS**

1	2	3	4	5	7	8
Item	Description	Country of origin	Quantity	Unit price Kshs	VAT	Total unit Price per item Kshs DDP NNT Nairobi
1.	3kg LPG cylinder complete with valve and Zinc metalized		2,500			
2.	6kg LPG cylinder complete with valve and Zinc metalized		10,000			
3.	13kg LPG cylinder complete with valve and Zinc metalized		5,000			
4.	50kg LPG cylinder complete with valve and Zinc metalized		500			

Signature of tenderer _____

- Prices quoted should be net Delivered Duty Paid (DDP) National Nairobi Terminal (NNT) Nanyuki Road, Industrial Area, Nairobi, expressed in Kenya Shillings and shall remain valid for a period of one hundred and twenty (120) days from the closing date of the tender.
- In case of discrepancy between unit price and total, the unit price shall prevail.
- Tenderers can quote for each design of 3kg, 6kg, 13kg and 50kg LPG cylinder under this tender as given in Clause 5.3.2, as per the schedule above.
- Only unit prices are to be given by the tenderer and they are what should be captured in the financial proposal

PRICE SCHEDULE TWO

LOT TWO (2) INTERNATIONAL /FOREIGN SUPPLIERS

1	2	3	4	5	7	8
Item	Description	Country of origin	Quantity	Unit price USD	Unit price of other incidental services payable	Total unit Price USD per item C&F Mombasa
1.	3kg LPG cylinder complete with valve and Zinc metalized		2,500			
2.	6kg LPG cylinder complete with valve and Zinc metalized		10,000			
3.	13kg LPG cylinder complete with valve and Zinc metalized		5,000			
4.	50kg LPG cylinder complete with valve and Zinc metalized		500			

Signature of tenderer _____

Note:

Prices quoted should be net inclusive C&F Mombasa, expressed in US Dollars and shall remain valid for a period of one hundred and twenty days 120 days from the closing date of the tender.

In case of discrepancy between unit price and total, the unit price shall prevail.

Tenderers can quote for each design of 3kg, 6kg, 13kg and 50kg LPG cylinder under this tender as given in Clause 5.3.2, as per the schedule above. Only unit prices are to be given by the tenderer and they are what should be captured in the financial proposal

8 SECTION VIII – STANDARD FORMS

Notes on the sample Forms

- 1 **Form of Tender** – The form of tender must be completed by the tenderer and submitted with the tender documents. It must also be duly signed by duly authorized representatives of the tenderer.
- 2 **Confidential Business Questionnaire Form** – This form must be completed by the tenderer and submitted with the tender documents.
- 3 **Tender Security Form** – When required by the tender documents the tender shall provide the tender security either in the form included herein or in another format acceptable to the procuring entity.
- 4 **Contract Form** – The Contract Form shall not be completed by the tenderer at the time of submitting the tender. The Contract Form shall be completed after contract award and should incorporate the accepted contract price.
- 5 **Performance Security Form** - the performance security form should not be completed by the tenderers at the time of tender preparation. Only the successful tenderer will be required to provide performance security in the form provided herein or in another form acceptable to the procuring entity.
- 6 **Bank Guarantee for Advance Payment Form** – When Advance payment is requested for by the successful bidder and agreed by the procuring entity, this form must be completed fully and duly signed by the authorized officials of the bank.
- 7 **Manufacturers Authorization Form** – When required by the tender documents this form must be completed and submitted with the tender documents. This form will be completed by the manufacturer of the goods where the tenderer is an agent.



8.1 FORM OF TENDER

Date _____

Tender No. _____

To: _____

[Name and address of procuring entity]

Gentlemen and/or Ladies:

- 1 Having examined the tender documents including AddendaNos. *[Insert numbers]*.the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply deliver, install and commission (..... *(Insert equipment description)*) in conformity with the said tender documents for the sum of *(total tender amount in words and figures)* or such other sums as may be ascertained in accordance with the Schedule of Prices attached herewith and made part of this Tender.
- 2 We undertake, if our Tender is accepted, to deliver install and commission the equipment in accordance with the delivery schedule specified in the Schedule of Requirements.
- 3 If our Tender is accepted, we will obtain the guarantee of a bank in a sum of equivalent to percent of the Contract Price for the due performance of the Contract, in the form prescribed by *(Procuring entity)*.
- 4 We agree to abide by this Tender for a period of *[Number]* days from the date fixed for tender opening of the Instructions to tenderers, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.
- 5 This Tender, together with your written acceptance thereof and your notification of award, shall constitute a Contract, between us. Subject to signing of the Contract by the parties.
- 6 We understand that you are not bound to accept the lowest or any tender you may receive.

Dated this _____ day of _____ 20 _____

[Signature]

[In the capacity of]

Duly authorized to sign tender for an on behalf of _____



8.2 CONFIDENTIAL BUSINESS QUESTIONNAIRE FORM

You are requested to give the particulars indicated in Part 1 and either Part 2(a), 2(b) or 2 (c) whichever applied to your type of business.

You are advised that it is a serious offence to give false information on this form

<p><i>Part 1 – General:</i> Business Name Location of business premises. Plot No..... Street/Road Postal Address Tel No. Fax E mail Nature of Business Registration Certificate No. Maximum value of business which you can handle at any one time – KShs. Name of your bankers Branch</p>
--

<p>Part 2 (a) – Sole Proprietor Your name in full Age Nationality Country of origin • Citizenship detail.....</p>
<p>Part 2 (b) Partnership Given details of partners as follows: Name Nationality Citizenship Details Shares 1. 2. 3. 4.</p>
<p>Part 2 (c) – Registered Company Private or Public State the nominal and issued capital of company- Nominal Kshs. Issued Kshs. Given details of all directors as follows Name Nationality Citizenship Details Shares 1..... 2..... 3..... 4..... 5.....</p>
<p>Date Signature of Candidate</p>

If a Kenyan Citizen, indicate under “Citizenship Details” whether by Birth, Naturalization or registration.



8.3 TENDER SECURITY FORM

Whereas [*name of the tenderer*](hereinafter called “the tenderer”) has submitted its tender dated [*date of submission of tender*] for the supply, of [*name and/or description of the equipment*](hereinafter called “the Tender”) KNOW ALL PEOPLE by these presents that WE..... of having our registered office at (hereinafter called “the Bank”), are bound unto [*name of Procuring entity*] (hereinafter called “the Procuring entity”) in the sum of for which payment well and truly to be made to the said Procuring entity, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this _____ day of _____ 20 ____
_____.

THE CONDITIONS of this obligation are:-

- 1 If the tenderer withdraws its Tender during the period of tender validity specified by the tenderer on the Tender Form; or
- 2 If the tenderer, having been notified of the acceptance of its Tender by the Procuring entity during the period of tender validity:
 - a) fails or refuses to execute the Contract Form, if required; or
 - b) fails or refuses to furnish the performance security in accordance with the Instructions to tenderers;

We undertake to pay to the Procuring entity up to the above amount upon receipt of its first written demand, without the Procuring entity having to substantiate its demand, provided that in its demand the Procuring entity will note that the amount claimed by it is due to it, owing to the occurrence of one or both of the two conditions, specifying the occurred condition or conditions.

This tender guarantee will remain in force up to and including thirty (30) days after the period of tender validity, and any demand in respect thereof should reach the Bank not later than the above date.

[*signature of the bank*]_____

(*Amend accordingly if provided by Insurance Company*)



8.4 CONTRACT FORM

THIS AGREEMENT made the _____ day of _____ 20 _____ between [*name of Procurement entity*] of [*country of Procurement entity*] (hereinafter called “the Procuring entity) of the one part and [*name of tenderer*] of [*city and country of tenderer*] (hereinafter called “the tenderer”) of the other part;

WHEREAS the Procuring entity invited tenders for certain goods] and has accepted a tender by the tenderer for the supply of those goods in the sum of [*contract price in words and figures*] (hereinafter called “the Contract Price).

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

- 1 In this Agreement words and expressions shall have the same meanings as are respectively assigned to them in the Conditions of Contract referred to:
- 2 The following documents shall be deemed to form and be read and construed as part of this Agreement viz:
 - a) the Tender Form and the Price Schedule submitted by the tenderer
 - b) the Schedule of Requirements
 - c) the Technical Specifications
 - d) the General Conditions of Contract
 - e) the Special Conditions of contract; and
 - f) the Procuring entity’s Notification of Award
- 3 In consideration of the payments to be made by the Procuring entity to the tenderer as hereinafter mentioned, the tender hereby covenants with the Procuring entity to provide the goods and to remedy defects therein in conformity in all respects with the provisions of the Contract.
- 4 The Procuring entity hereby covenants to pay the tenderer in consideration of the provisions of the goods and the remedying of defects therein, the Contract Price or such other sum as may become payable under the provisions of the Contract at the times and in the manner prescribed by the contract.

IN WITNESS whereof the parties hereto have caused this Agreement to be executed in accordance with their respective laws the day and year first above written.

Signed, sealed, delivered by _____ the _____ (for the Procuring entity

Signed, sealed, delivered by _____ the _____ (for the tenderer in the presence of _____

(Amend accordingly if provided by Insurance Company)



8.5 PERFORMANCE SECURITY FORM

To
[*name of Procuring entity*]

WHEREAS [*name of tenderer*] (hereinafter called “the tenderer”) has undertaken, in pursuance of Contract No. _____ [*reference number of the contract*] dated _____ 20 _____ to _____ supply [*description of goods*] (hereinafter called “the Contract”).

AND WHEREAS it has been stipulated by you in the said Contract that the tenderer shall furnish you with a bank guarantee by a reputable bank for the sum specified therein as security for compliance with the Tenderer’s performance obligations in accordance with the Contract.

AND WHEREAS we have agreed to give the tenderer a guarantee:

THEREFORE WE hereby affirm that we are Guarantors and responsible to you, on behalf of the tenderer, up to a total of [*amount of the guarantee in words and figure*] and we undertake to pay you, upon your first written demand declaring the tenderer to be in default under the Contract and without cavil or argument, any sum or sums within the limits of [*amount of guarantee*] as aforesaid, without you needing to prove or to show grounds or reasons for your demand or the sum specified therein.

This guarantee is valid until the _____ day of _____ 20 _____

Signed and seal of the Guarantors

[*name of bank or financial institution*]

[*address*]

[*date*]



8.6 BANK GUARANTEE FOR ADVANCE PAYMENT FORM

To
[name of Procuring entity]

[name of tender]

Gentlemen and/or Ladies:

In accordance with the payment provision included in the Special Conditions of Contract, which amends the General Conditions of Contract to provide for advance payment, [name and address of tenderer](hereinafter called “the tenderer”) shall deposit with the Procuring entity a bank guarantee to guarantee its proper and faithful performance under the said Clause of the Contract in an amount of [amount of guarantee in figures and words].

We, the [bank or financial institutions], as instructed by the tenderer, agree unconditionally and irrevocably to guarantee as primary obligator and not as surety merely, the payment to the Procuring entity on its first demand without whatsoever right of objection on our part and without its first claim to the tenderer, in the amount not exceeding [amount of guarantee in figures and words]

We further agree that no change or addition to or other modification of the terms of the Contract to be performed there-under or of any of the Contract documents which may be made between the Procuring entity and the tenderer, shall in any way release us from any liability under this guarantee, and we hereby waive notice of any such change, addition, or modification.

This guarantee shall remain valid in full effect from the date of the advance payment received by the tenderer under the Contract until [date].

Yours truly,

Signature and seal of the Guarantors

[name of bank or financial institution]

[address]

[date]



8.7 MANUFACTURER'S AUTHORIZATION FORM

To [name of the Procuring entity]

WHEREAS[name of the manufacturer] who are established and reputable manufacturers of [name and/or description of the goods] having factories at [address of factory] do hereby authorize [name and address of Agent] to submit a tender, and subsequently negotiate and sign the Contract with you against tender No. [reference of the Tender] for the above goods manufactured by us.

We hereby extend our full guarantee and warranty as per the General Conditions of Contract for the goods offered for supply by the above firm against this Invitation for Tenders.

[signature for and on behalf of manufacturer]

Note: This letter of authority should be on the letterhead of the Manufacturer and should be signed by a person competent.



8.8 BIDDER’S DECLARATION AND INTEGRITY PACT

8.8.1 Bidder’s Declaration

We/I the undersigned, in the capacity of
..... for [name of the
company/firm/individual] certify that the **bidder is not in any of the following situations:**

- 1 Bankruptcy; are the subject of proceedings for a declaration of bankruptcy, or of an order for compulsory winding up or administration by court, or of any other similar proceedings;
- 2 Payments to us have been suspended in accordance with the judgment of a court other than a judgment declaring bankruptcy and resulting, in accordance with our national laws, in the total or partial loss of the right to administer and dispose off our property;
- 3 Legal proceedings have been instituted against us involving an order suspending payments and which may result, in accordance with our national laws, in a declaration of bankruptcy or in any other situation entailing the total or partial loss of the right to administer and dispose of our property;
- 4 Are being wound up, or our affairs are being administered by court, or have entered into an arrangement with creditors, or have suspended business activities or are subject to an injunction against running business by a court of law;
- 5 Have been convicted by a final judgment of any crime or offence concerning our/my professional conduct;
- 6 Are guilty of serious misrepresentation with regard to information required for participation in an invitation to tender or execution of a tender already awarded; and
- 7 Are in breach of contract on another contract with the Government of Kenya or other local or international contracting authority or foreign government.
- 8 Have been convicted of an offence concerning our/my professional conduct by a court of law, or found guilty of grave professional misconduct;
- 9 Have not fulfilled obligations relating to payments of taxes or statutory contributions.

If the bidder is in any of the above listed situations, kindly attach documents giving details of the situation.

Names in full: [.....]

Duly authorized to sign this bid on behalf of (bidder’s name):

[.....]

Place and date: [.....]

Stamp of the firm/company:

8.8.2 Integrity Pact

Bidder's Oath to fulfill the Integrity Pact

Accepting that transparent business management and fair public administration are key to social development and national competitiveness, and in an effort to purge corruption and apply sanctions to corrupt businesses, and in full support of the worthy goals of this Integrity Pact, concerning the present **tender for Supply of LPG Cylinders Complete With Valves – NOCK/PRC/03(1227)** all personnel of _____ and its sub-contractors and agents hereby agree that:

1. We shall not conduct any unethical business practices, such as bid-rigging for the sake of a particular bidder to win the bid, or price-fixing. If proven as a fact that we have engaged in bid-rigging for the sake of a particular bidder to win the bid, we shall accept to be prohibited from submitting bids placed by National Oil Corporation of Kenya (herein referred to as NATIONAL OIL) for a period of two (2) years. If proven that we have discussed with other bidders in a bid to fix a price, or rigged a bid for a particular bidder to win the bid, we shall accept the prohibition from submitting bids placed by NATIONAL OIL for a period of two (2) years. If any unethical behaviour is tantamount to a fraudulent practice, we accept that such a case may be handed over to the authorities for investigation and possible prosecution.
2. In the process of bidding, or concluding or execution of a contract, we shall not offer any bribe, gifts, entertainment or any other undue benefits directly or indirectly to related officials, and in case it is proved that we have violated any terms of this Integrity Pact in relation with a bid, or concluding or execution of a contract, or offered bribes for favours in a contract, to win a contract, or facilitate payment which should not have been forthcoming, we shall accept the prohibition from submitting a bid placed by NATIONAL OIL for a period of two (2) years. If proven as a fact that we have offered bribes to NATIONAL OIL or related officials for favours regarding a bid or contract to a bidder or a winning bidder, or for the purpose of faulty execution of the objectives of a contract, we shall accept the prohibition from submitting bids placed by NATIONAL OIL for a period of two (2) years. If proven that we have offered bribes to NATIONAL OIL or related officials in relation to bidding, or concluding or execution of a contract, we shall accept the prohibition from submitting bids placed by NATIONAL OIL for a period of two (2) years.
3. In case it is proven that we have offered bribes to a related official or a NATIONAL OIL official regarding a bid, or concluding or execution of a contract, we shall accept the cancellation of the contract, and shall not file any civil, administrative or criminal appeals.
4. We shall make our best effort to institute a Company Code of Conduct that prohibits bribery, bid rigging/fixing or any other corrupt practices in business relations with officials and NATIONAL OIL, and a company regulation that prohibits any retaliatory acts toward anyone reporting inside corruption.
5. In addition, I confirm on behalf of the bidder that the details included in the bidders profile and experience sheet and our quotation are correct to the best of my knowledge and belief. In addition, we authorize, NATIONAL OIL to seek information from any source to confirm our compliance with the requirements of this Integrity Pact.



6 The bidder authorizes NATIONAL OIL, to seek information from any source, including publication of the name of the bidder to confirm that the bidder is compliant with the requirements of this Integrity Pact.

We shall fulfill this Integrity Pact as a solemn oath made on the basis of mutual trust, and, if and when we win a bid, we shall sign and fulfill the above as a “Special Condition of Contract,” and not file any civil, administrative or criminal appeals regarding any of the above terms.

Dated: _____

Signed by: _____
(Chief Executive/Managing Director)

Full Name printed: _____



8.9 LETTER OF NOTIFICATION OF AWARD

Address of Procuring Entity

To: _____

RE: Tender No. _____

Tender Name _____

This is to notify that the contract/s stated below under the above mentioned tender have been awarded to you.

1. Please acknowledge receipt of this letter of notification signifying your acceptance.
2. The contract/contracts shall be signed by the parties within 30 days of the date of this letter but not earlier than 14 days from the date of the letter.
3. You may contact the officer(s) whose particulars appear below on the subject matter of this letter of notification of award.

(FULL PARTICULARS) _____

SIGNED FOR ACCOUNTING OFFICER