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D. Cost Control

59. Contract Price	59.1 The Contract Price shall be as specified in the Contract Agreement subject to any additions and adjustments thereto, or deductions therefrom, as may be made pursuant to Contract
60. Bill of Quantities	60.1 The Bill of Quantities shall contain priced items for the construction, installation, testing, and commissioning work to be done by the Contractor.
	60.2 The Bill of Quantities is used to calculate the Contract Price. The Contractor is paid for the quantity of the work done at the rate in the Bill of Quantities for each item.
61. Changes in the Quantities and Unit Rate or Price	61.1 If the final quantity of the work done for any particular item increases from the quantity in the Bill of Quantities by more than twenty-five percent (25%), provided the change in case exceeds one percent (1%) of the original Contract Price, the Project Manager shall adjust the rate to allow for the change.
	61.2 If requested by the Project Manager, the Contractor shall provide the Project Manager with a detailed cost breakdown of any rate in the Bill of Quantities.
62. Variations	62.1 All Variations and Extra Work Orders under the Contract shall be included in the updated Programme of Works produced by the Contractor.
63. Costing of Variations or Extra Orders	63.1 The Contractor shall provide the Project Manager with a quotation for carrying out the Variation when requested to do so by the Project Manager. The Project Manager shall assess the quotation, which shall be given within seven (7) days of the request or within any longer period stated by the Project Manager and before the Variation is ordered.
	63.2 If the work in the Variation corresponds with an item description in the Bill of Quantities and if, in the opinion of the Project Manager, the quantity of work not above the limit stated in GCC Sub-Clause 61.1 or the timing of its execution do not cause the cost per unit of quantity to change, the rate in the Bill of Quantities shall be used to calculate the value of the Variation. If the cost per unit of quantity changes, or if the nature or timing of the work in the Variation does not correspond with items in the Bill of Quantities, the quotation by the Contractor shall be in the form of new rates for the relevant items of work.
	63.3 If the Contractor's quotation is found to be unreasonable, the Project Manager may order the Variation and make a change to the Contract price, which shall be based on the Project Manager's own forecast of the effects of the Variation on the Contractor's costs.
	63.4 If the Project Manager decides that the urgency of varying the work would prevent a quotation being given and considered without delaying the work, no quotation shall be given and the Variation shall be treated as a Compensation Event under GCC Sub Clause 69.
	63.5 The Contractor shall not be entitled to additional payment for costs that could have been avoided by giving early warning under GCC Sub Clause 44.1.
64. Cash Flow Forecasts	64.1 When the Programme of Works is updated under GCC Sub Clause 42.2, the Contractor shall provide the Project Manager with an updated cash flow forecast.
65. Payment Certificates	65.1 The basis for payment certificates shall be Bill of Quantities used to determine the Contract price.
	65.2 The Contractor shall submit to the Project Manager monthly statements of the estimated value of the works executed less the cumulative amount certified previously.
	65.3 The Project Manager shall check the Contractor's monthly statement and certify the amount to be paid to the Contractor.
	65.4 The value of work executed shall be determined by the Project Manager.
	65.5 The value of work executed shall include the valuation of Variations or Extra Work Orders, Certified Dayworks and Compensation Events.
	65.6 The Project Manager may exclude any item certified in a previous certificate or reduce the proportion of any item previously certified in any certificate in the light of later information.
66. Payments to the Contractor	66.1 Payments shall be adjusted for deductions for advance payments and retention. The PE shall pay the Contractor the amounts certified by the Project Manager within twenty eight (28) days of the date of each certificate after due adjustments for deductions for advance payments, retention and any other additions or deductions which may have become due under the Contract or otherwise, including those under GCC Clause 93.
	66.2 Items of works quantified in the Bill of Quantities for which no rates or prices have been quoted shall be deemed covered by the amounts at rates and prices of other items in the Contract.
	66.3 Payments due to the Contractor in each certificate shall be made into the Bank Account in any scheduled Bank of Bangladesh of the title of the Contract specified in the PCC, nominated by the Contractor in the currency specified in the Contract.
67. Delayed Payment	67.1 If the PE makes a late payment, the Contractor shall be paid interest on the late payment in the next payment. Interest shall be calculated from the date by which the payment should have been made up to the date when the late payment is made at the prevailing rate of interest for commercial borrowing for each of the currencies in which payments are made.
	67.2 If an amount certified is increased in a subsequent certificate as a result of an award by the Adjudicator or an Arbitrator, the Contractor shall be paid interest upon the delayed payment as set out in this clause. Interest shall be calculated from the date upon which the increased amount would have been certified in the absence of dispute.
68. Payments to Nominated Subcontractor(s)	68.1 The Contractor shall pay to the Nominated Subcontractor(s) the amounts shown on the Nominated Subcontractor's invoices approved by the Contractor which the Project Manager certifies to be due in accordance with the subcontract included under the Contract.
69. Compensation Events	69.1 The following shall be Compensation Events: (a) The PE does not give access to or possession of the Site or part of the Site by the Site Possession Date stated in the GCC Sub Clause 13.1; (b) The PE modifies the Schedule of other Contractors in a way that affects the works of the Contractor under the Contract; (c) The Project Manager orders a delay or does not issue Drawings, Specifications, or instructions required for execution of the Works on time; (d) The Project Manager instructs the Contractor to uncover or to carry out additional tests upon work, which is then found to have no Defects; (e) The Project Manager unreasonably does not approve a subcontract to be let, if applicable;

	<p>(f) Ground conditions are substantially more adverse than could reasonably have been assumed before issuance of the Notification of Award from the information issued to Tenderers (including the Site Investigation Reports), from information available publicly and from a visual inspection of the Site;</p> <p>(g) The Project Manager gives an instruction for dealing with an unforeseen condition, caused by the PE, or additional work required for safety or other reasons;</p> <p>(h) Other Contractors, public authorities, utilities, or the PE do not work within the dates and other constraints stated in the Contract, and they cause delay or extra cost to the Contractor;</p> <p>(i) The advance payment is delayed;</p> <p>(j) The effects on the Contractor of any of the PE's Risks;</p> <p>(k) The Project Manager unreasonably delays issuing a Completion Certificate;</p> <p>(l) A situation of Force Majeure has occurred, as defined in GCC Clause 85; and</p>
	(m) Other Compensation Events described in the Contract or determined by the Project Manager in the PCC shall apply.
	69.2 If a Compensation Event would cause additional cost or would prevent the work being completed before the Intended Completion Date, the Contract price shall be increased and/or the Intended Completion Date shall be extended. The Project Manager shall decide whether and by how much the Contract price shall be increased and whether and by how much the Intended Completion Date shall be extended, only on justifiably acceptable grounds duly recorded.
	69.3 As soon as the Contractor has provided information demonstrating the effect of each Compensation Event upon the Contractor's forecast cost, the Project Manager shall assess it, and the Contract price shall be adjusted accordingly. If the Contractor's forecast is deemed unreasonable, the Project Manager shall adjust the Contract price based on the Project Manager's own forecast. The Project Manager will assume that the Contractor will react competently and promptly to the event.
	69.4 The Contractor shall not be entitled to compensation to the extent that the PE's interests are adversely affected by the Contractor not having given early warning or not having cooperated with the Project Manager.
70. Adjustments for Changes in Legislation	70.1 Unless otherwise specified in the Contract, if between the date twenty-eight (28) days before the submission of Tenders for the Contract and the date of the last Completion Certificate, any law, regulation, ordinance, order or bylaw having the force of law is enacted, promulgated, abrogated, or changed in Bangladesh (which shall be deemed to include any change in interpretation or application by the competent authorities) that subsequently affects the Completion Date and/or the Contract price, then such Completion Date and/or Contract price shall be correspondingly increased or decreased, to the extent that the Contractor has thereby been affected in the performance of any of its obligations under the Contract.
	70.2 The Project Manager shall adjust the Contract Price on the basis of the change in the amount of taxes, duties, and other levies payable by the Contractor, provided such changes have not already been accounted for in the price adjustment as defined in GCC Clause 69 and/or reflected in the Contract price.
71. Price Adjustment	<p>71.1 Prices shall be adjusted for fluctuations in the cost of inputs only if provided for in the PCC. If so provided, the amounts as certified in each payment certificate, before deducting for Advance Payment, shall be adjusted by applying the respective price adjustment factor to the payment amount. The formula indicated below applies:</p> $P = A + B \left(\frac{I_m}{I_0} \right)$ <p>where:</p> <p>P is the adjustment factor</p> <p>A and B are Coefficients specified in the PCC, representing the nonadjustable and adjustable portions, respectively, of the Contract; and</p> <p>I_m is the Index during the month the work has been executed and I₀ is the Index prevailing twenty eight (28) days prior to the deadline for submission of Tender.</p> <p>The Indexes to be used is as published by the Bangladesh Bureau of Statistics (BBS) on a monthly basis. In case not available, then other countries or authorities of the sources mentioned in Appendix to the Tender may be used.</p>
72. Retention Money	72.1 The PE may retain from each progressive payment due to the Contractor at the percentage specified in the PCC until completion of the whole of the Works under the Contract.
	72.2 On completion of the whole of the Works, the first half the total amount retained under GCC Sub Clause 72.1 shall be repaid to the Contractor and the remaining second half after the Defects Liability Period has passed and the Project Manager has certified in the form of Defects Corrections Certificate..
	72.3 On completion of the whole of the Works, the Contractor may substitute an unconditional Bank Guarantee in the format as specified (Form PW3-11) acceptable to the PE for the second half of the retention money as stated under GCC Sub Clause 72.2.
73. Liquidated Damages	73.1 The Contractor shall pay liquidated damages to the PE at the rate per day stated in the PCC for each day that the Completion Date is later than the Intended Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the PCC. The PE may deduct liquidated damages from payments due to the Contractor. Payment of liquidated damages shall not affect the Contractor's liabilities.
	73.2 If the Intended Completion Date is extended after liquidated damages have been paid, the Project Manager shall correct any overpayment of liquidated damages by the Contractor by adjusting the next payment certificate.
	73.3 Liquidated damage shall not be applicable in case of the Intended Completion Date is extended with justifiable ground.
74. Bonus	74.1 The Contractor shall be paid a Bonus calculated at the rate per calendar day if stated in the PCC for each day (less any days for which the Contractor is paid for acceleration) that the Completion of the whole of the Works is earlier than the Intended Completion Date. The Project Manager shall require certifying that the Works are complete, although they may not have fallen due to being complete as per approved updated Programme of Works.
75. Advance Payment	75.1 If so specified in the PCC, the PE shall make advance payment to the Contractor of the amounts and by the dates stated in the PCC against provision by the Contractor of an Unconditional Bank Guarantee in a form and by a bank acceptable to the PE in an amount equal to the advance payment. The Guarantee shall remain effective until the advance payment has been repaid, but the amount of the Guarantee shall be progressively reduced by the amounts repaid by the Contractor. Interest will not be charged on the advance payment.
	75.2 The Contractor shall use the advance payment only to pay for Equipment, Plant, Materials, and mobilization expenses required specifically for execution of the Contract. The Contractor shall demonstrate that advance payment has been used for such specific purposes by supplying copies of invoices or other documents to the Project Manager.
	75.3 The advance payment shall be repaid by deducting at proportionate rate from payments otherwise due to the Contractor, following the schedule of completed percentages of the Works on a payment basis. No account shall be taken of the advance payment or its repayment in assessing valuations of work done, Variations, price adjustments, Compensation Events, Bonuses, or Liquidated Damages.
76. Performance Security	76.1 The PE shall notify the Contractor of any claim made against the Bank issuing the Performance Security.
	76.2 The PE may claim against the security if any of the following events occurs for fourteen (14) days or more.
	<p>(a) The Contractor is in breach of the Contract and the PE has duly notified him or her ; and</p> <p>(b) The Contractor has not paid an amount due to the PE and the PE has duly notified him or her.</p>
	76.3 In the event the Contractor is liable to pay compensation under the Contract amounting to the full value of the Performance Security or more, the PE may call the full amount of the Performance Security.

	76.4 The Performance Security furnished at the time of signing of the Contract Agreement shall be substituted, after the issuance of certificate of Completion of works by the Project Manager, by a new Security covering fifty (50) percent amount of the Performance Security to cover the Defects Liability Period.
	76.5 If there is no reason to call the Performance Security, the Performance Security shall be discharged by the PE and returned to the Contractor after the Defects Liability period has passed and the Project Manager has certified in the form of Defects Corrections Certificates.
77. Provisional Sums	77.1 Provisional Sums shall only be used, in whole or in part, in accordance with the Project Manager's instructions and the Contract price shall be adjusted accordingly. The total sum paid to the Contractor shall include only such amounts, for the work, supplies or services to which the Provisional Sum relates, as the Project Manager shall have instructed.
	77.2 Plants, Materials or Services to be purchased by the Contractor under the provisions of GCC Sub Clause 77.1 from Nominated Subcontractor(s) or for meeting the other expenditures under the Contract, and for which there shall be included in the Contract price, the actual amounts paid or due to be paid by the Contractor, and a sum for VAT, profit and overhead charges, as applicable, calculated as a percentage of these actual amounts by applying the relevant percentage rate stated in the PCC.
	77.3 The Contractor shall, when required by the Project Manager, produce quotations, invoices, vouchers and accounts or receipts in substantiation of purchases under GCC Sub Clause 77.2.
78. Dayworks	78.1 If applicable, the Dayworks rates in the Contractor's Tender shall be used for small additional amounts of work only when the Project Manager has given written instructions in advance for additional work to be paid for in that way.
	78.2 All works to be paid for as Dayworks shall be recorded by the Contractor on forms approved by the Project Manager. Each completed form shall be certified and signed by the Project Manager within seven (7) days of the works being done.
	78.3 The Contractor shall be paid for Dayworks subject to obtaining signed Dayworks forms.
79. Cost of Repairs to Loss or Damages	79.1 Loss or damage to the Works or Materials to be incorporated in the Works between the Start Date and the end of the Defects Liability Period shall be remedied by the Contractor at the Contractor's own cost, if the loss or damage arises from the Contractor's acts or omissions.

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