Reply to the Clarification Questions

SUPPLY AND INSTALLATION OF PILOT OPERATIONAL MANAGEMENT SYSTEMS FOR POLICE (IN REGIONS),IFB No: PSMP3-GO-2-2-9(a)

PROJECT: THIRD PUBLIC SECTOR MODERNIZATION PROJECT

LOAN NUMBER: 8539-AM

Dear Sir/Madam,

One of the potential Bidders for above-mentioned tender has requested clarifications regarding the Bidding Document. Below are the questions with appropriate answers:

Question 1. In ITB 14 (I4.4-b) it is stated that the price of the bid must exclude all VAT, but do we understand correct that the purchaser will reimburse the local Supplier if we are a company that pays VAT, according Armenian laws.

Answer 1. Please be informed that the following is specified in the point 8 of the Clause 2.1"Preamble" of Section VII. "Sample Forms" (page 215) of the Bidding Documents No. PSMP3-GO-2-2-9(a):

"According to RA Legislation, VAT - 20% and Non-Resident Profit tax -20% (for Foreign Suppliers) are applicable to services performed within Republic of Armenia.

One of the following two options, presented below, will be negotiated with the successful bidder and applied in the contract i.e.:

The Purchaser will (a) reimburse the local Supplier for any such taxes paid by the local Supplier; or (b) pay such taxes on behalf of the Foreign Suppliers."

Question 2. In Section VII, 2.7, Country of origin - Do we understand correctly, we should mention all the countries and codes from where we will provide the goods?

Answer 2. Relevant Interpretation is specified in the Clause 3.12 "Country of Origin" of the Bidding Documents No. PSMP3-GO-2-2-9(a).

Question 3. In Section VII, 3.5.5 Financial Capabilities - Do we need to provide any documentation as an approval for source of financing, e.g. contract of credit line with bank, reference of bank account?

Answer 3. Please provide us only the information, which is required by the mentioned Form.

Question 4. In Section VII, 3.5.1., General Information form - we would like to know if the owners of our company are not only a person but a legal entity, so what kind of documentation are needed for them?

Answer 4. Please provide us only the information, which is required by the mentioned Form.

Please confirm the receipt of the above clarifications.

Regards,

Mr. Edgar Avetyan Executive Director, Foreign Financing Projects Management Center (FFPMC) Ministry of Finance Government House 1, Republic Square, Yerevan, 0010, Republic of Armenia Tel.: +374 11 910 581 Fax: (374-10) 545 708 E- mail address: info@ffpmc.am