

Our Ref: KETRACO/PT/045/2023

22nd April 2025

Notice to all Bidders.

TENDER ADDENDUM No. 19 (TAC 19)

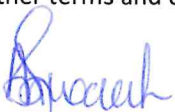
RE: Procurement of Plant, Design, Supply and Installation of the 220kV Mariakani - Dongo Kundu Transmission Line and Associated Substations (KETRACO/PT/045/2023)

The following amendments are made to the specified provisions for the bidding documents for procurement of plant, design, supply and installation of the 220kV Mariakani - Dongo Kundu Transmission Line and Associated Substations (KETRACO/PT/045/2023).

Save where expressly amended by the terms of this clarification, the Principal Tender Document shall continue to be in full force and effect.

Find herein the ADDENDUM No. 19, consisting of seven (7) pages into the Principal Tender Documents as attached. This document should be returned along with dully-filled Form of Tender.

All other terms and conditions of the Request for Proposal document remains the same.


A.G. **SENIOR MANAGER, SUPPLY CHAIN**

Tender Addendum No. 19 of Tender No. KETRACO/PT/045/2023 has been received and incorporated in the Tender Documents.

Name of Tenderer (in block letters):

Signature:

Date:

**Signed for the Tenderer by
(Name in block letters):**

**In the office bearer capacity
of:**



ADDENDUM NO. 19

Section I. Instructions to Bidders

Clause 7.1 of Section I - Instructions to Bidders has been amended as follows:

7. **Clarification of Bidding Document, Site Visit, Pre-Bid Meeting**
- 7.1 The Bidder requiring any clarification of the Bidding Document shall contact the Employer in writing at the Employer's address specified in the BDS or raise its enquiries during the pre-bid meeting if provided for in accordance with ITB 7.4. **The Employer will respond in writing to any request for clarification, provided that such request is received no later than twenty-eight (28) days prior to the deadline for submission of Bids.** The Employer shall forward copies of its response to all Bidders who have acquired the Bidding Document in accordance with ITB 6.3, including a description of the inquiry but without identifying its source. If so specified in the BDS, the Employer shall also promptly publish its response on the Employer's web page identified in the BDS. Should the clarification result in changes to the essential elements of the Bidding Document, the Employer shall amend the Bidding Document following the procedure under ITB 8 and ITB 22.2.

Section II. Bid Data Sheet

The deadline for bid submission stated in clause ITB 22.1 of Section II - Bid Data Sheet has been amended as follows:

ITB 22.1	<p>For <u>Bid submission purposes only</u>, the Employer's address is:</p> <p>Attention: Senior Manager, Supply Chain Kenya Electricity Transmission Company Ltd. Kawi Complex, Block B, Off Popo Road, Off Red Cross Road, South C Supply Chain Offices, 2nd Floor P.O. Box 34942 – 00100 Nairobi, Kenya Tel: +254-020-4956000 +254 719 018000 +254 732 128000</p> <p>The deadline for Bid submission is: Date: 23rd May 2025 Time: 10:00 a.m.</p>
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Clauses ITB 14.9 and ITB 11.3(c) of Section II - Bid Data Sheet have been amended as follows:

ITB 14.9	<p>In accordance with Sub-Clause 14.1 of the Conditions of Contract, Contractor's Equipment, including essential spare parts therefor, imported by the Contractor for the sole purpose of executing the Contract shall be exempted from the payment of import duties and taxes upon importation.</p> <p>In addition to the above:</p> <ul style="list-style-type: none">a) Duties, taxes and levies listed below shall be exempted. Such exempted duties, taxes and levies are fallen into two categories, namely:<ul style="list-style-type: none">i. "No Pay" category: The Contractor shall be entitled to exemption from duties, taxes and levies falling into this category, without having to make any payment arising from or out of or in connection with such liabilities. Application for exemption shall be in accordance with applicable laws and regulations in Kenya.ii. "Pay & Reimburse" category: The Contractor shall be entitled to exemption from duties, taxes and levies, falling into this category, provided that the Contractor first makes all payments arising from or out of or in connection with such liabilities and then apply for their reimbursement from the relevant authority, following the procedure prescribed by such authority.b) The following exemptions will be applicable in the "No Pay" category: All goods and services imported or purchased locally by the Contractor, for exclusive and direct use in the project shall be exempt from Excise Duty, Import Duty, Value Added Tax (VAT), Import
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	<p>Declaration Fee (IDF) and Railway Development Levy (RDL) in accordance with the applicable laws in Kenya.</p> <p>c) KETRACO has duty of collecting withholding tax from contractors on behalf of Kenya Revenue Authority under the Kenyan Income Tax Act, except for Japanese companies according to (d).</p> <p>d) As per the Exchange of Note signed between the government of Kenya and Japan, the government of Kenya is responsible for exempting Japanese companies and Japanese employees in the Japanese ODA projects from taxes, including direct taxes as follows:</p> <ol style="list-style-type: none"> i. Personal income tax on Japanese employees engaged in the implementation of the Project for their personal income derived from Japanese companies operating as suppliers, contractors and/or consultants for the implementation of the Project ----- No Pay ii. Corporate income tax (including but not limited to withholding tax) on Japanese companies operating as suppliers, contractors and/or consultants with respect to the income accruing from the supply of products and/or services to be provided under the Loan ----- No Pay <p>e) Personal income tax on Japanese employees and corporate income tax (including but not limited to withholding tax) on Japanese companies shall not be included in the rates and prices and the total Bid Price submitted by the Bidder. However, the Bidder shall submit the estimated amount for personal income tax on Japanese employees and corporate income tax (including but not limited to withholding tax) on Japanese companies as items in provisional sum respectively. In case the Contract is deemed taxable, the Contract Price shall be adjusted to take account of the estimated amount in provisional sum.</p>
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ITB 11.3(c)	<p>The Bidder shall submit the following additional documents in its Price Bid:</p> <ul style="list-style-type: none"> - Duly filled Form of Declaration under STEP - The estimated amount for personal income tax on Japanese employees and corporate income tax (including but not limited to withholding tax) on Japanese companies as items in provisional sum respectively.
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Section VIII. Particular Conditions (PC)

Part A – Contract Data (CD)

Clause 1.16(A) of Part A – Contract Data (CD) in Section VIII - Particular Conditions (PC) has been amended as follows:

The Contractor's Liabilities as to the payment taxes and duties:	<p>1.16(A)</p> <p>a) The following tax exemptions will be applicable in the “No Pay” category and application for exemption shall be in accordance with applicable laws and regulations in Kenya: All goods and services imported or purchased locally by the Contractor, for exclusive and direct use in the project shall be exempt from Excise Duty, Import Duty, Value Added Tax (VAT), Import Declaration Fee (IDF) and Railway Development Levy (RDL) in accordance with the applicable laws in Kenya.</p> <p>b) KETRACO has duty of collecting withholding tax from contractors on behalf of Kenya Revenue Authority under the Kenyan Income Tax Act, except for Japanese companies according to (c).</p> <p>c) As per the Exchange of Note signed between the government of Kenya and Japan, the government of Kenya is responsible for exempting Japanese companies and Japanese employees in the Japanese ODA projects from taxes, including direct taxes as follows:</p> <ul style="list-style-type: none"> i. Personal income tax on Japanese employees engaged in the implementation of the Project for their personal income derived from Japanese companies operating as suppliers, contractors and/or consultants for the implementation of the Project ----- No Pay ii. Corporate income tax (including but not limited to withholding tax) on Japanese companies operating as suppliers, contractors and/or consultants
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		<p>with respect to the income accruing from the supply of products and/or services to be provided under the Loan ----- No Pay</p> <p>d) In case the Contract is deemed taxable, the Employer shall be responsible for the cost of such duties, taxes and levies, and the Contract Price shall be adjusted to take account of the estimated amount in provisional sum.</p>
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Part B - Specific Provisions (SP)

Sub-Clause 13.7 and 14.3 of Part B - Specific Provisions (SP) in Section VIII - Particular Conditions (PC) has been amended as follows:

<p>Sub-Clause 13.7 Adjustments for Changes in Legislation</p>	<p>Add the following after the first sentence before the first sub-paragraph:</p> <p>"In case income tax exempted and specified in Contract Data (CD) 1.16A) is deemed taxable under this Contract, the Contract Price shall be by multiplying with the ratio derived as follows: the amount of the applied tax in Provisional Sum plus the Accepted Contract Amount excluding the untaxed item divided by the Accepted Contract Amount excluding the untaxed item, subject to the provisions of the applicable laws and regulations."</p> <p>Add the following at the end of Sub-Clause:</p> <p>"Notwithstanding the foregoing, the Contractor shall not be entitled to an extension of time if the relevant delay has already been taken into account in the determination of a previous extension of time and such Cost shall not be separately paid if the same shall already have been taken into account in the indexing of any inputs to the table of adjustment data in accordance with the provisions of Sub-Clause 13.8 [Adjustments for Changes in Cost]."</p>
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Sub-Clause 14.3 Application for Interim Payment Certificates	Replace sub-paragraph (b) as follows: (b) any amounts to be added or deducted as a result of changes in legislation and changes in cost, in accordance with Sub-Clause 13.7 [Adjustments for Changes in Legislation] and Sub-Clause 13.8 [Adjustment for Changes in Cost] and the income tax amount added in accordance with the ratio specified in the first sub-paragraph in Sub-Clause 13.7.
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Price Schedule

C4_GRAND SUMMARY price schedule shall be modified as attached.

