

State Procurement Policy of JSC Georgian Energy Development Fund

Chapter I General Provisions

Article 1. Regulatory Legislation

1. The following main acts regulate the procurement procedures in the JSC Georgian Energy Development Fund:
 - 1.1. Law of Georgia on State Procurement and by-laws adopted on the basis of the same law;
 - 1.2. Resolution # 124 by the Government as of Georgia of March 25, 2021 “On the Approval of the Special Rule on Procurement of Goods and Services by the JSC Georgian Energy Development Fund.
2. The decision on the procurement of goods and services provided for in Annexes №1 and №2 of the Special Rule on Procurement of Goods and Services by the JSC Georgian Energy Development Fund shall be made only in accordance with this Rule.

Article 2. Definition of terms used in this document:

- A) **Procurement** - Procurement of any goods, services and construction works by the JSC Georgian Energy Development Fund using electronic or other means, including the procurement of goods and services, which are given in Annexes №1 and №2;
- B) **Procuring Organization** (hereinafter - the Enterprise) - JSC Georgian Energy Development Fund (identification code: 404391975);
- C) **Object of procurement** - goods and / or services to be procured and / or construction work;
- D) **Goods** - the subject matter of any kind and description, including the goods listed in Annex 1, as well as the ancillary services for the delivery of the goods, if the cost of these services does not exceed the value of the goods;
- E) **System** - unified electronic system of state procurement;
- F) **Services** - any object of procurement, including services listed in № Annex 2;
- G) **Bidder** - a natural or legal person of Georgia or a foreign country participating in the procurement procedure;
- H) **Supplier** - a person who has entered into a procurement contract with a procuring entity;
- I) **Price inquiry** - a means of procurement in which trade is permitted for the procurement of goods and services and the price criterion for determining the decision is mainly determined, however, at the discretion of the Procuring Entity, it is permissible to use other evaluation criteria provided that the priority coefficients of the other criteria separately or in total do not exceed the priority criterion of the price criterion;
- J) **Negotiation with one person** - means of procurement, when the supplier is directly selected;
- K) **Day, week, month, quarter, year** - calendar day, week, month, quarter, year;
- L) **Tender** - a means of procurement, during which the supplier is selected on the basis of the evaluation of tender proposals by the tender commission of the procuring entity, however, in case of procurement of goods and services through tender, trade is allowed;
- M) **Lot** - the object of procurement allocated within one procurement scope;
- N) **Price reduction step** - price reduction step in the amount of 0.5 percent to 2 percent of the estimated value of the procurement object;
- O) **Uniform procurement objects** - interchangeable procurement objects with similar components, technical characteristics and / or functions.
- P) **Special rule** - Resolution # 124 of the Government of Georgia of March 25, 2021 on the approval of the special rule of procurement of goods and services by the JSC Georgian Energy Development Fund.

Article 3. Guideline Principles

1. In accordance with the Law of Georgia on State Procurement, state procurement is carried out in compliance with the following principles:
 - 1.1. Ensuring rational spending of funds for public procurement;

- 1.2. Development of healthy competition in the field of production of necessary goods, provision of services and construction work;
- 1.3. Ensuring a proportionate, non-discriminatory and equal treatment of procurement participants in public procurement;
- 1.4. Ensuring publicity of public procurement.

Article 4. Terms of avoidance of conflict of interest

1. Terms of avoidance of conflict of interest refer to the following activities related to the implementation of public procurement:
 - 1.1. Review, selection and evaluation of qualification data and bids;
 - 1.2. Holding negotiations in cases provided with the law and the by-laws;
 - 1.3. Control and supervision over the implementation of the contract;
 - 1.4. Selecting a supplier in case of the simplified procurement;
 - 1.5. Review of the tender proposal and selection of the supplier through the competition;
 - 1.6. Dispute resolution related to public procurement.
2. In accordance with the Resolution # 124 of the Government of Georgia of March 25, 2021 on the Approval of the Special Rule on Procurement of Goods and Services by JSC Georgian Energy Development Fund, the avoidance of conflict of interest additionally refers to the preparation of electronic tender announcements, tender documents and other materials.
3. A natural person carrying out the activities specified in the paragraph 1 of this Article shall have a conflict of interest with the bidder or the supplier, if there are relations between them provided for in Article 19 of the Tax Code of Georgia. If the bidder or supplier is a procuring organization specified in Article 3 (1) (b) of this Law, the cases of dissemination of the provisions of Article 19 of the Tax Code of Georgia on issues related to conflicts of interest shall be determined by the by-law, taking into account the peculiarities of public procurement.
4. According to the special rule:
 - 4.1. It is inadmissible for an enterprise to impose the preparation, implementation and / or supervision of a procurement on a person or to invite a person as a consultant (expert) if he / she:
 - 4.1.1. Is a natural person and is a close relative of the head or direct participant of any legal entity participating in the procurement;
 - 4.1.2. Has worked in a procuring organization for the past 2 years;
 - 4.1.3. Is related to personal or business interests or is negotiating to establish such a union with a legal or natural person participating in the procurement.
 - 4.1.4. Participates in the implementation of control over the implementation of the contract;
 - 4.1.5. Through negotiation with one person, participant in the procurement negotiations.

Chapter II

Structure and rules of operation of the Procurement Committee of the Georgian Energy Development Fund

Article 5. Purpose, tasks and issues of the Committee

1. The purpose of the Committee is to ensure that the Fund implements appropriate procedures for the procurement of goods and services.
2. The Committee shall take decisions on the following matters:
 - 2.1. Preparation of a procurement plan for the smooth operation of the Fund;
 - 2.2. Preparation-discussion of the procurement plan required for the preparation of the next year's budget;
 - 2.3. Adaptation of the procurement plan in order to adjust the approved budget if necessary;
 - 2.4. Procurement of services and goods for the projects by the Fund;
 - 2.5. Review current goods and services to be procured;
 - 2.6. Comparison-discussion of the services or goods to be procured with the approved budget and procurement plan;

- 2.7. Resolve ongoing important issues.
- 2.8. Develop / amend the procurement plan and submit it for approval;
- 2.9. Discuss issues and make decisions related to the procurement of goods and services required for the development of ongoing projects;
- 2.10. Other issues in the interests of the Fund.

Article 6. Committee Structure

1. The Committee consists of the following 5 (five) members:
 - 1.1. Deputy Director for Legal Affairs - Chairman of the Committee;
 - 1.2. Financial Director - Deputy Chairman of the Committee;
 - 1.3. Head of Administrative Service - Member of the Committee;
 - 1.4. Head of Budgeting and Reporting Service - Member of the Committee;
 - 1.5. Procurement Manager - Member of the Committee.

Article 7. Rules of Procedure of the Committee

1. One day before the meeting, the chairperson of the committee informs the members of the committee by e-mail about the agenda of the meeting;
2. Any member of the Committee may request the convening of an extraordinary meeting from the Chairman of the Committee, if the issue under consideration is related to the important interests of the Georgian Energy Development Fund and requires a decision of the Committee in accordance with the Charter of the Fund.
3. The Committee has the power to decide if at least 2/3 of its members are present. The committee makes decisions by a majority vote of the members present, by open ballot.
4. The members of the Committee have no right to refrain from making decisions on any issue. A member of the committee who has a different opinion when making a decision may formulate the own dissenting opinion in writing, which shall be attached to the minutes of the committee meeting.
5. If the votes are equally divided during the voting at the sitting, the chairperson of the committee has the decisive vote;
6. Minutes of each sitting of the Committee shall be drawn up, in which the decisions made at the sitting shall be included;
7. Depending on the content of the issues on the agenda of the meeting, other persons may be invited to the meeting with or without deliberative vote;
8. Each member of the Committee is obliged to attend the meeting of the Committee.
9. The proceedings of the committee meeting shall be recorded in the minutes of the meeting, which shall be signed by all members of the committee.
10. In the absence of the Chairman of the Committee, the duties of the latter shall be performed by the Deputy Chairman of the Committee.
11. The decision on public procurement shall be notified by the Committee to the relevant commission responsible for the implementation of the specific public procurement.

Chapter III Procurement planning

Article 8. Procurement Planning

1. The Procuring Entity shall make procurements in accordance with the pre-defined annual procurement plan, the form and the procedure of which shall be determined with the by-law.
2. Multi-year procurement is reflected annually in the procurement plan of the relevant budget year. A procurement is not considered a multi-year procurement if it is carried out only with the appropriations provided for the current budget year and the delivery takes place during the following budget year.

3. The procurement of homogeneous goods, services or works by the Procuring Entity during the budget (financial) year shall be considered as a single procurement if they are financed from a single source.
4. The Head of the Procuring Entity shall submit the Annual Procurement Plan for the following year to the Agency no later than on November 20 of the current year, after which the Procuring Entity may start implementing the necessary public procurement for the following year / years.
5. The following should be taken into account when developing the draft annual procurement plan:
 - 1.1. The need for procurement;
 - 1.2. Uniformity of procurement objects;
 - 1.3. Similar procurement experience;
 - 1.4. Determining of the object of procurement (goods, services, work);
 - 1.5. The results of market research to identify potential suppliers and determine the terms of the contract acceptable to the procuring entity;
 - 1.6. Object of the procurement, if any, through the consolidated tender of which the procuring entity agrees to the procurement;
 - 1.7. Basis for selection of the means of procurement, approximate terms of procurement procedures;
 - 1.8. Quantity of goods to be delivered, volume of work to be performed or services to be provided taking into account the existing stocks;
 - 1.9. Estimated cost of procurement objects;
 - 1.10. Procurement costs;
 - 1.11. Financial liabilities under long-term contracts or contracts entered into in the previous year for the current year;
 - 1.12. Estimated deadlines for performance of the contract;
 - 1.13. Other circumstances related to the purchase.
6. If the Procuring Entity is established or receives an additional source of funding with the following funds, the annual procurement plan shall be approved by the Head of the Procuring Entity and submitted to the Agency no later than on the 20th day of the month following the month of establishment of this additional funding:
 - 6.1. By an enterprise holding more than 50% of the shares or stakes of a state or municipality / municipalities under international agreements with the foreign countries and the international organizations, as well as with funds received in the form of grants and loans from residents of another state, unless public procurement is carried out by the World Bank , In accordance with the procurement procedures established by law in accordance with the procurement procedures established by the United Nations, the European Bank for Reconstruction and Development, the Asian Development Bank, the German Reconstruction Credit Bank (KfW) and the European Investment Bank (EIB);
 - 6.2. With the state-guaranteed credit and the investment funds.

Chapter IV

Means of procurement

Article 9. Means of Procurement

1. The Energy Development Fund of Georgia carries out state procurements using the following means:
 - 1.1. Competition;
 - 1.2. Consolidated tender;
 - 1.3. Simplified procurement;
 - 1.4. Electronic tender;
 - 1.5. Negotiate with one person;
 - 1.6. Price inquiry.

Article 10. Competition

1. According to the decision of the Procuring Entity, the state procurement of project services may be carried out through a competition.
2. The tender announcement and the tender documentation must be published in the unified electronic system of the state procurement, as a result of which the tender announcement is assigned a unique number and the tender announcement and the tender documentation are officially published.
3. The tender is conducted by the tender commission, which is composed of the head of the procuring organization or the deputy authorized by the latter, consisting of at least three members. The members of the tender commission are the head of the procuring organization and / or the deputies of the latter, the heads of the structural units of this organization. In case the number of supervisors is insufficient, other employees of the Procuring Entity may also be appointed as members of the Commission.
4. The tender commission is chaired by the head of the procuring organization or a person appointed by the latter.
5. For the purpose of technical and organizational support of the activities of the tender commission, by the decision of the head of the procuring entity or the deputy authorized by the latter, the staff of the tender commission shall be formed from the employees of this organization, headed by the chairman of the tender commission.
6. The tender commission is authorized to make a decision if at least three members are present at its session. The Commission makes decisions by a majority of the members of the Commission. A member of the tender commission who disagrees with the decision of the commission has the right to submit the own opinion in writing, which must be attached to the decision of the tender commission. In case of equal distribution of votes, the vote of the Chairman of the Competition Commission is decisive.
7. Any decision of the tender commission shall be reflected in the minutes of the relevant meeting of the tender commission. The decision is considered adopted only after all the members of the tender commission have signed the protocol. Any minutes of the tender commission, except for the minutes of the meeting on the approval of the competition conditions, must be uploaded in the system upon signing.

Article 11. Consolidated tender

1. Consolidated tender is a procedure carried out by the State Procurement Agency for the procurement of uniform procurement objects in the case determined by the Government of Georgia, during which the best tender proposal is revealed.
2. The consolidated tender shall be conducted by the tender commission established by the Government of Georgia. The object of consolidated tender procurement is determined by the tender documents of the Government of Georgia and the relevant consolidated tender.
3. The composition of the tender commission is determined by the Government of Georgia.
4. The circle of procuring organizations for which the consolidated tender is obligatory shall be determined by the tender documentation of the relevant consolidated tender. Such procuring organizations are obliged to conclude a public procurement contract for the procurement object provided for in the consolidated tender only with the winner of the consolidated tender.
5. The tender conditions are approved by the tender commission.
6. Develops the draft tender conditions, submits them to the tender commission for approval, places the approved tender conditions in the system and announces a consolidated tender.

Article 12. Simplified procurement

1. Through uniform procurement, uniform objects with a value of less than GEL 5,000 are procured.
2. Prior to the simplified procurement, the Procuring Entity shall conduct a market research to determine the estimated price of the object to be procured, according to the results of which it shall select the best bidder with the lowest bid price and conclude a public procurement contract with it.
3. It is not obligatory to use electronic means of procurement when carrying out procurement in a simplified manner. Special grounds for simplified procurement are provided by the Law of Georgia on State Procurement, according to which public procurement can be carried out through simplified procurement if:

3.1. Delivery of goods, performance of work or provision of services is the exclusive right of only one person and there is no expedient alternative to replace the object of procurement. An exclusive right shall not be considered a case when:

3.1.1. The estimated cost of the goods or services to be procured exceeds GEL 2,000,000 and the workload is GEL 4,000,000 and outside the country, within a reasonable territorial scope, there is another person who can deliver the same goods, work or services;

3.1.2. The estimated value of the goods or services to be procured does not exceed GEL 2,000,000, and the work - GEL 4,000,000, and there is another person within the country who can deliver the same goods, perform the work or provide services;

3.2. There is an urgent need; in such a case, the quantity of goods to be procured, the volume of work or services shall not exceed the appropriate time limits necessary to resolve the problems caused by the urgency;

3.3. According to the decision of the Procuring Entity, in order to prevent the deterioration of the quality of the procured object from the supplier and / or to ensure its further operation, it is necessary to procure from the same supplier or subcontractor under the contract with the same supplier, unless the estimated cost exceeds the estimated cost

3.4. Procurement in order to carry out an event of state and public importance for a limited period of time was established by a legal act of the Government of Georgia.

3.5. State procurement related to representation expenses is carried out;

3.6. State procurement is carried out by paying the fees established by the normative act of Georgia;

3.7. State procurement of technical maintenance of vehicles and / or spare parts and / or lubricants required for such services as defined by the decree of the Government of Georgia;

4. The contract on simplified procurement must be uploaded in the unified electronic system of state procurement within 10 days after its signing.

Article 13. Electronic tender

1. According to the Law of Georgia on State Procurement, if the cost of the procurement for any procurement object is equal to or exceeds 5000 GEL, the state procurement must be carried out through an electronic tender.

1.1. Procurement of goods and services with the estimated value of more than 200,000 (two hundred thousand) GEL, which is related to the specifics of the Fund's activities and is provided by the Resolution #124 by the Government of Georgia as of March 25, 2021 on approval of the special rules for procurement of goods and services by JSC Georgian Energy Development Fund (hereinafter referred to as "Special Rule") in Annexes №1 and №2, is carried out through the electronic tender.

2. The electronic tender is conducted by the tender commission, which is created by the director of the enterprise with at least 3 members.

3. The members of the tender commission are the head of the procuring organization and / or the deputies of the latter, the heads of the structural subdivisions of this organization. In case the number of relevant candidates is insufficient, other employees of the Procuring Entity may be appointed as members of the Commission.

3.1. In case the electronic tender is held according to a special rule, the employees of the procuring organization are appointed as members of the tender commission.

4. The tender commission is chaired by the head of the procuring organization or a person appointed by him.

5. The tender commission makes a decision by the majority of the list members of the commission. A member of the tender commission who disagrees with the decision of the commission has the right to submit the own opinion in writing, which must be attached to the decision of the tender commission. In case of equal distribution of votes, the vote of the chairman of the tender commission is crucial.

6. Electronic procurement can be carried out through different types of tenders (e.g., NAT, SPA, etc.), which are decided by the procuring entity based on the procurement objectives and the object to be procured.

7. The tender announcement and tender documents shall be approved by the tender commission before the announcement is published, which shall be reflected in the minutes of the tender commission meeting.

8. The tender announcement, which is uploaded in the unified electronic system, must include:

- 8.1. Type of procurement (by which method the electronic tender is conducted);
- 8.2. Tender announcement number;
- 8.3. Tender status;
- 8.4. The name of the procuring organization;
- 8.5. The date of the electronic tender announcement with an indication of the exact time;
- 8.6. The start date of receipt of bids with an indication of the exact time;
- 8.7. The end date of receipt of bids with an indication of the exact time;
- 8.8. Procurement financing (year and source);
- 8.9. Estimated cost of the procurement object (if the electronic tender is conducted on the basis of the price list - an indication of the estimated price and the contract value of the procurement object);
- 8.10. Indication, the tender proposal must be submitted without VAT or including it;
- 8.11. The classifier partition and its corresponding CPV code;
- 8.12. The most detailed possible object of procurement and its corresponding CPV code (classifier category, class, group or division. In case of failure to indicate the lower hierarchical level of the classifier, the procuring entity shall indicate its next upper hierarchical level);
- 8.13. Quantity / volume of the procurement object;
- 8.14. Term of delivery of the procurement object;
- 8.15. The amount of the step;
- 8.16. The amount of the electronic guarantee;
- 8.17. Electronic warranty period;
- 8.18. The name of the authorized representative of the Procuring Entity who posted the tender announcement in the system, indicating the date and exact time of placement.
9. The application for the electronic tender conducted in a special manner must include:
 - 9.1. Application number;
 - 9.2. Name of the buyer;
 - 9.3. Date of announcement, indicating the exact time;
 - 9.4. The start and end date of the submission of proposals, indicating the exact time;
 - 9.5. Estimated cost of the procurement object;
 - 9.6. Unit cost of the procurement object (if any);
 - 9.7. An indication that the proposal must be submitted with or without VAT (hereinafter - VAT);
 - 9.8. Quantity or volume of the procurement object;
 - 9.9. Term of delivery or execution of the procurement object;
 - 9.10. Step amount, including e-commerce terms and conditions.
10. The tender documents of the electronic tender conducted in accordance with the Rule of Law of Georgia on State Procurement shall contain:
 - 10.1. The qualification requirements that the bidder must meet;
 - 10.2. The quantity of goods to be procured, the volume of work or services, the time, place and form of delivery of goods, performance of work or provision of services;
 - 10.3. A complete description of the technical, performance and / or functional specifications of the procurement object, including plans, drawings, sketches, information on quality, functionality, safety, dimensions, packaging, marking and production, production method and process, symbols, terms, established by the procuring entity On compliance requirements, etc.;
 - 10.4. The necessary terms of the contract, which are known in advance to the Procuring Entity, as well as an indication of the form of the contract and the guarantee of the contract (if any);
 - 10.5. The methods by which the value of the tender proposal should be calculated, indicating whether it should include costs other than the cost of the goods, works or services (transportation, insurance, taxes, etc.);
 - 10.6. The means and procedure for requesting additional information and clarifications on the tender documentation;

- 10.7. The name and contact information of the member of the tender commission staff who has the right to provide information and explanations about the procurement procedures;
- 10.8. On alternative procurement of communication services, if any.
- 10.9. The tender documentation is prepared in accordance with the rules established by the sub-legal normative act.
11. The electronic tender documents conducted in accordance with the special rule must include:
- 11.1. The qualification requirements that the bidder must meet;
- 11.2. The quantity of goods to be procured, the volume of services, the term, place and form of delivery of goods or services;
- 11.3. A full description of the technical and quality indicators of the procurement object, including relevant technical specifications, plans, drawings and sketches (if any). The Purchaser is entitled to indicate in the description of the object of procurement a specific trademark, patent, model, source or manufacturer, other means of accurate description of the object of procurement. In such a case, the Purchaser is entitled not to allow the offer of goods and services with similar and / or equivalent and / or similar characteristics;
- 11.4. The methods by which the value of the offer should be calculated, indicating whether it should include costs other than the cost of the goods or services (transportation, insurance, taxes, etc.);
- 11.5. The name and contact information of the member of the Procurement Commission or staff who has the right to provide information and explanations about the electronic procurement procedure;
- 11.6. Indication on the submission of a sample of the procurement object (if any).
12. In accordance with the Law on State Procurement, the following deadlines are set for the submission of the electronic tender announcement and tender documents, as well as the submission of the tender proposal:
- 12.1. In case of procurement of homogeneous goods and services up to GEL 150,000 - not less than 7 days, of which at least the first 5 days are for the submission of the tender announcement and tender documents, and the next 2 days - for the submission of the tender proposal;
- 12.2. In case of procurement of homogeneous goods and services worth 150,000 GEL and more - not less than 10 days, of which at least the first 7 days are intended for the submission of tender bids and tender documents, and the next 3 days - for submission of bids. At the same time, if the estimated value of the goods or services to be procured is or exceeds the monetary thresholds set by the EU directives in the field of public procurement, not less than 30 days are defined, of which at least the first 25 days are for the tender announcement and tender documents;
- 12.3. In case of procurement a uniform work worth up to 300 000 GEL - not less than 10 days, of which at least the first 7 days are intended for reading the tender announcement and tender documents, and the next 3 days - for submitting the tender proposal;
- 12.4. In case of procurement of uniform work worth 300 000 GEL and more - not less than 20 days, of which at least the first 15 days are for the submission of the tender announcement and tender documents, and the next 5 days - for the submission of the tender proposal. At the same time, if the estimated cost of the work to be procured is or exceeds the monetary thresholds set by the EU directives in the field of public procurement, not less than 30 days are set, of which at least the first 25 days are for submitting tender proposals and 5 days for submitting tender proposals.
13. The deadline for reviewing the electronic tender application and documentation carried out in a special manner shall be at least 7 (seven) calendar days from the moment of posting the application and documentation in the system.
14. The Procurement Commission has the right to make changes in the data indicated in the application and documentation before the start of the time for receiving the proposal. Document changes can be made by deleting the documentation and uploading the modified documentation to the system. It is not allowed to change the object of procurement, and in case of electronic tender conducted according to the Law of Georgia on State Procurement, it is also inadmissible to change the method of conducting electronic tender.

Article 14. Submission of bids in electronic tender

1. In order to participate in the electronic procurement procedure, the bidder may submit a bid from the beginning of the bid acceptance period until the end of the bid acceptance period.
2. Before submitting a proposal, any person has the right to get familiarized with the application and documentation in the system.
3. The tender proposal can be submitted only through the system, after agreeing to the terms of the affidavit, submitting the electronic guarantee and paying the fee, in the order provided in this section.
4. The VAT paying bidder shall submit a tender proposal without or including VAT, depending on the instructions contained in the VAT application. A bidder who is not a VAT payer will submit a bid without VAT, regardless of the reference contained in the VAT bid. If the tender application envisages submission of the tender proposal without VAT, the bidder will submit the tender proposal without VAT, regardless of whether the bidder is a VAT payer. In such a case, if the winning bidder is a VAT payer at the time of concluding the contract, in accordance with the legislation of Georgia, the Procuring Entity shall be obliged to include in the contract price the amount of VAT corresponding to the bid price.

Article 15. Selection / Evaluation

1. The tender commission, in case of conducting each specific electronic tender, determines the requirements that must be met by the bidder and the object of procurement.
2. The request for submission of documents confirming the qualification data is mandatory if the estimated cost of the procurement object provided by the electronic procurement procedure is or exceeds 200,000 (two hundred) GEL.
3. Requirements for applicants may be identified to assess their knowledge, experience, credibility, financial and technical capabilities. According to the special rule, technical requirements may be imposed on the professional qualifications of the bidders, financial resources, experience and reputation, technical equipment and other issues.
4. The bidders shall be evaluated by the Commission according to the price of the proposal, the technical documentation placed in the system and the documentation confirming the qualification data (if required), in the order provided for in this paragraph.
5. No later than 5 working days after the awarding of the tender status "Bid Receipt is Completed" for the electronic tender, the tender commission shall discuss whether the technical documentation of the bidder with the lowest bid price complies with the tender conditions. The period specified in this paragraph may be extended for not more than 5 working days, only by a reasoned decision of the tender commission, which shall indicate the relevant objective reason (s).
6. The commission should discuss whether the documentation submitted by the bidder with the lowest price of the bid corresponds to the technical documentation placed in the system. If the technical documentation uploaded by the bidder in the system does not comply with the requirements specified in the application and the documentation, the bidder shall be disqualified by the decision of the commission, except for the cases provided for in paragraphs 7 and 8 of this article.
7. The tender commission does not disqualify the bidder, if its technical documentation does not contain such data (s) and / or contains such inaccuracy / inaccuracies, the submission and / or specification of which will not lead to a substantial change in the technical documentation and / or will not increase the bid. Price. However, the technical documentation is not subject to specification if, in accordance with the tender documentation request (s), it is not submitted or does not contain information about the trademark, patent, model, source or manufacturer of the procurement object, as well as no estimate or submitted estimate. The number of unvalued positions (s) exceeds 1% of the rated positions.
8. If the entire technical documentation is uploaded in the system as a defective file (which is not readable), the tender commission has no right to apply to the bidder to clarify the technical documentation, unless there is a defective part of the technical documentation, the submission and / or specification of which will not result. Substantial change in the technical documentation and / or does not increase the bid price.
9. The tender commission shall address the bidder with a request to clarify the technical documentation, for which it shall set a reasonable deadline, but not more than 3 working days. The tender commission is obliged to

indicate the exact position / part of the bidder to be specified. The updated technical documentation will be submitted to the tender commission through the system.

10. The tender commission shall consider the compliance of the updated technical documentation with the tender conditions no later than 3 working days after the expiration of the period specified for the technical documentation specification, which may be extended for not more than 2 working days, only by a reasoned decision of the tender commission.

11. In accordance with the special rule, the Commission does not disqualify the bidder, if the technical documentation uploaded by the latter in the system does not contain such data and / or contains inaccuracies, the submission and / or specification of which will not lead to a substantial change of technical documentation and / or increase the bid price. In case of mechanical errors made by the bidder, such as: indication of incorrect sum or multiplication, discrepancies of verbal and digital images, which can be corrected without specification, taking into account the principle of unit price advantage.

12. In accordance with the Law on State Procurement, the requirement to clarify the technical documentation is allowed only for the electronic tender before the tender status "winner has been identified", and in accordance with the special rule, the requirement to clarify the technical documentation is allowed before submitting the qualification data.

13. If the technical documentation submitted by the bidder with the lowest price of the bid does not comply with the application and / or documentation or in case of non-submission of qualification data and / or submission of defective data, the commission is obliged to disqualify this bidder.

14. According to the Law of Georgia on State Procurement, a bidder is subject to disqualification if:

14.1. The bidder will reject the bid;

14.2. The technical documentation of the bidder does not comply with the tender conditions;

14.3. The bidder does not specify the technical documentation within the set time incompletely clarifies and / or substantially changes it as a result of the specification;

14.4. The bidder does not submit a sample, forensic report and / or pricing document (s) within the prescribed time limit or a sample submitted by it, forensic report and / or pricing document (s) does not comply with the tender conditions and / or technical documentation.

14.5. The bidder does not submit the registration / legal data document (s) within the set timeframe or the registration / legal data document (s) submitted by it does not comply with the tender conditions;

14.6. The bidder refuses or otherwise refuses to enter into a contract;

14.7. The bidder commits an unscrupulous act in order to obtain the right to conclude a contract;

14.8. The bidder does not submit the estimate in accordance with the established procedure, does not specify it within the established period, substantially changes it and / or increases the bid price, and / or does not submit the document (s) confirming the adequacy of the pricing or the document (s) confirming the adequacy of the pricing. Conditions and / or technical documentation;

15. According to a special rule, the bidder is subject to disqualification if:

15.1. If the technical documentation submitted by the bidder does not correspond to the application and / or documentation;

15.2. Qualification data do not comply with the requirements set out in the electronic procurement procedure documentation;

15.3. If the bidder rejects the own bid;

15.4. If the bidder does not specify the technical documentation within the period specified in paragraph 6 of Article 12 of this Rule;

15.5. If the bidder, according to this rule, does not submit the original guarantee in the electronic procurement procedure or submits it late;

15.6. If the bidder commits an unscrupulous act in order to obtain the right to conclude a contract;

15.7. If the winning bidder does not submit a contract performance guarantee and / or a price table / estimate, it refuses to enter into a contract and / or otherwise refuses to enter into a contract.

Article 16. Drawing of the Agreement

1. After identifying the winning bidder, a contract is concluded between the winning bidder and the buyer, which must be uploaded to the system.
2. In case of pre-payment, the supplier is obliged to provide the buyer with a guarantee of the amount to be paid in advance, under the conditions stipulated in the contract.
3. The contract can be concluded in both Georgian and foreign languages. In case the contract is concluded in a foreign language, it must be translated into Georgian in accordance with the rules established by the legislation of Georgia. The contract does not need to be translated if it is placed in one document, in parallel in Georgian and foreign languages. A specially concluded agreement in a foreign language does not require a mandatory translation into Georgian.
4. If the value of the contract is or exceeds GEL 200,000, the Procuring Entity is obliged to request a performance guarantee.
5. In case of incurring of the conditions provided for in Article 398 of the Civil Code of Georgia, it is allowed to increase the value of the initially concluded contract by no more than 10%, and within the framework of the construction contract drawn with the purpose of procurement of the construction works, taking into account increase of the financing of the expenses on the construction materials, and also it is admissible to increase the value of the initially concluded agreement according to the rule set with the Ordinance #619 by the Government of Georgia "On some measures to be taken in order to support the implementation of infrastructure projects" as of March 31, 2020. This paragraph does not apply to the state procurement of oil products (fuel).
6. According to the Law of Georgia on State Procurement, the contract must include:
 - 6.1. The exact names and details of the parties;
 - 6.2. Tender announcement number;
 - 6.3. The name of the procurement object and its corresponding CPV code (classifier category, class, group or division. In case of impossibility to indicate the lower hierarchical level of the classifier, the procuring entity shall indicate its next upper hierarchical level);
 - 6.4. The cost of the contract;
 - 6.5. Term of delivery of goods, provision of services and / or performance of work (term of performance of the contract);
 - 6.6. The terms of the contract performance guarantee (if any);
 - 6.7. The rules of payment, as well as the conditions of pre-payment, if any;
 - 6.8. In case of job purchase - a reasonable warranty period for the work to be performed;
 - 6.9. The specific term of the contract.
7. The contract on special procurement shall include the following necessary elements and conditions:
 - 7.1. Exact name and details of the parties to the contract;
 - 7.2. Name of the object of the contract, technical parameters, main characteristics and identification data, quantity, unit and / or total cost;
 - 7.3. Total cost of the contract (taking into account discounts, taxes, transportation, insurance and other factors);
 - 7.4. Quality of the procurement object, if necessary, compliance with existing standards;
 - 7.5. Terms and place of delivery of the procurement object;
 - 7.6. Rules of acceptance of the procurement object;
 - 7.7. Payment form and schedule (terms);
 - 7.8. Contract performance guarantee (if using this mechanism);
 - 7.9. Rights and obligations of the parties;
 - 7.10. Liability of the parties for breach of contract;
 - 7.11. Force majeure situations;
 - 7.12. Possibility to revise the terms of the contract, including prices;
 - 7.13. Validity of the contract;
 - 7.14. Dispute resolution rules;
 - 7.15. Contract inspection terms.

8. The term of the contract must be at least 30 days longer than the term of the contract. This restriction is not provided for in special agreements.

9. The Procuring Entity has the right, in accordance with the rules established by the legislation of Georgia, to assign control over the fulfillment of the terms of the contract to the employee or group of employees of the Procuring Entity, as well as to any other person. In case of control over the implementation of the procurement contract in accordance with the special rule, the Procurer shall allocate a group of relevant persons (inspection team). Whose functions include:

9.1. Proper control of the terms of the contracts concluded for the procurement of goods and services, confirmation of compliance of the authorized person with the fulfillment of the volume, quality and delivery terms established before the signing of the acceptance-delivery act;

9.2. Regulation of the payment process with the supplier of goods and / or services;

9.3. If necessary, produce periodic documentation reflecting the progress of the contract;

9.4. Implementation of the activities provided by law in order to control the progress of the contract.

Article 17. Negotiation with one person

1. Goods and services defined by a special rule may be procured under the conditions established by the same rule by negotiating with one person in Georgian, English or other foreign languages, if:

1.1. Estimated cost of the procurement object does not exceed 100 000 (one hundred thousand) GEL;

1.2. Procurement of banking and / or intellectual services (including auditing, expert, brokerage, consulting (including financial, accounting, asset management), legal, project).

2. Negotiations with one person shall be carried out by the head of the enterprise or a person (persons) authorized by the latter in accordance with the rules established by the legislation of Georgia.

3. Procurement may be carried out without a written contract in the case of procurement under this Article. In such cases, the contract can be replaced by a procurement document, which must include the name of the procurement object, the value of the procurement object, the proof of payment of the procurement object, the name and identification number of the supplier (name, surname, personal number / name, identification code). Its name and address).

Article 18. Price inquiry

1. Procurement of goods and services defined by a special rule under the conditions established by the same rule, if the estimated value of the procurement object exceeds 100 000 (one hundred thousand) GEL and does not exceed 200 000 (two hundred thousand) GEL can be done through a price inquiry.

2. Price inquiry procedures shall be carried out by the head of the enterprise or a person (persons) authorized by the latter in accordance with the rules established by the legislation of Georgia.

3. The Procuring Entity is obliged to prepare documents through price inquiries in case of procurement of goods and / or services.

4. The prepared documentation shall be sent to at least 2 persons duly selected in advance by the Procuring Entity.

5. The Procuring Entity has the right to request additional information or documentation related to the procurement object.

6. The Procuring Entity shall no later than 20 days after the submission of the documentation make the decisions of the invited persons on the participation and the applications, which must contain the following documents:

6.1. Application for participation;

6.2. Technical compliance information;

6.3. Information on pricing and delivery schedule.

7. Applications submitted by the participants must be signed by the head of the participating person or the relevant authorized person.

8. Applications submitted by participants must be selected no later than 3 calendar days after the deadline for submission of applications.

9. Invited persons have the right to apply to the Procuring Entity for additional information regarding the procurement object.

10. The winner is the participant whose application fully complies with the terms of the price inquiry documentation and has the lowest price.

Annex №1**List of the goods related to the specifics of the activities of JSC Georgian Energy Development Fund**

№	Denomination of the goods
1	Wind meteorological mast, power plant and solar power plant equipment and their spare parts, as well as materials-equipment required for their dismantling and installation
2	Data receiving and management system materials and devices
3	Renewable energy facilities management system, its software and non-software equipment, materials and equipment required for its installation
4	Program for research, design and operation of renewable energy facilities and its licenses

Annex №2**List of services related to the specifics of the activities of JSC Georgian Energy Development Fund**

№	Denomination of the services
1	Expert, design, ecology, engineering, architecture, brokerage, customs, consulting, investment, auditing, banking, advertising and marketing services, market and economic research, surveys and statistics.
2	Services required for organizing energy-related conferences, exhibitions, workshops, presentations, forums or other similar events.
3	Legal services related to the specifics of the activities of the JSC Georgian Energy Development Fund.
4	Program for research, design and operation of renewable energy facilities and its licenses.

Procurement Procedure

