

Approved by the Decision of  
Procurement Commission,  
“Investment and Development  
Agency of Latvia”, Meeting as of  
16 July 2010 (Minutes No.1)

## **OPEN TENDER**

**“Finding Foreign Business Partners for Latvia's  
Merchants” within the framework of the programme  
“Promoting the Exports and Commercial Activity of  
Latvia’s Enterprises in New Markets”**

(Identification number - LIAA 2010/28)

## **R E G U L A T I O N S**

Rīga, 2010

## **1. Procurement Procedure Identification Number and Information about Contracting Authority**

- 1.1. Procurement Identification Number - **LIAA 2010/28**
- 1.2. The contracting authority is the State Agency "Investment and Development Agency of Latvia" (hereinafter - LIAA), tax payer's registration code: No.90001739473, address: Pērses iela 2, Rīga, LV-1442 (phone no. 67039400, fax: 67039401).
- 1.3. Contacts:
  - 1.3.1. regarding the Subject of the Procurement - Jadviga Neimane, Project Manager, Export Promotion Division, phone +371 67039414, e-mail: [jadviga.neimane@liaa.gov.lv](mailto:jadviga.neimane@liaa.gov.lv) ;
  - 1.3.2. regarding the procedure for the submission of Tenders - Kaspars Zorģis, Legal Advisor, Legal Support Division, phone: +371 67039426, e-mail: [kaspars.zorgis@liaa.gov.lv](mailto:kaspars.zorgis@liaa.gov.lv) .

## **2. The Goal and Tasks of the Programme "Promoting the Exports and Commercial Activity of Latvia's Enterprises in New Markets"**

- 2.1. The goal of the programme is to improve the competitiveness of Latvia's industrial merchants, by encouraging the external trade of Latvia's merchants, and by providing support in the search for foreign business partners in overseas markets. The programme is being implemented by the LIAA's Enterprise Europe Network (hereinafter - EEN Latvia) within the framework of the activity "Information and Consultations on External Trade Issues, including the European Union's Common Market".
- 2.2. Within the framework of the programme, five projects in a specific industrial sector are due to be implemented in a certain country abroad.
- 2.3. The LIAA is organising a selection of 3-10 merchants for participation in each project.
- 2.4. Within the framework of the project, support is provided in accordance with the provisions for *de minimis* support that are laid out in Commission Regulation (EC) No.1998/2006 on the application of Articles 87 and 88 of the Treaty to *de minimis* aid, the Law on Control of Aid for Commercial Activity, and Cabinet Regulations No.58 of 5 February 2008, "Regulations regarding Procedures for Accounting and Granting of *de minimis* Aid and Samples of *de minimis* Aid Accounting Forms".
- 2.5. Within the framework of the programme, the five projects will be implemented by external contractors - consultants selected by the LIAA in conformity with the Public Procurement Law.

## **3. The Subject of the Procurement**

- 3.1. The description of the Subject of the Procurement (service) is as follows: To implement five projects for the purpose of finding foreign business partners for Latvia's commercial enterprises (hereinafter - the Project) in conformity with the requirements of the Technical Specification (see Annex 1 to the Regulation).
- 3.2. Procurement procedure form - Open Tender in accordance with Section 8, Paragraph one, Clause 1 of the Public Procurement Law and the provisions of Chapter VI of this Law.
- 3.3. The Subject of the Procurement shall be divided into lots, wherein:

- 3.3.1. Lot 1 includes finding business partners, operating in food industry in the United States of America, for Latvian merchants;
  - 3.3.2. Lot 2 includes finding business partners, operating in construction material manufacturing industry in Belarus, for Latvian merchants;
  - 3.3.3. Lot 3 includes finding business partners, operating in chemical and pharmaceutical industry in South Korea, for Latvian merchants;
  - 3.3.4. Lot 4 includes finding business partners, operating in machine assembly and electronics industry in Austria, for Latvian merchants;
  - 3.3.5. Lot 5 includes finding business partners, operating in printing and packaging industry in Finland; for Latvian merchants.
- 3.4. The selection criterion for offers is **the lowest price in each lot**.
  - 3.5. In conformity with the CPV classification, the Subject of the Procurement corresponds to CPV code: 79400000-8 (Business and management consultancy and related services).
  - 3.6. The deadline for fulfilment of Contract is 30 November 2010.
  - 3.7. The planned maximum total contractual price covering all lots is LVL 39,500.00 (excl. 21% VAT), where the maximum planned contractual price per each lot of the procurement is LVL 7,900.00 (excl. 21% VAT).
  - 3.8. The Contract shall be done in the Republic of Latvia and the relevant foreign country as per the specific lot of the procurement.
  - 3.9. The date and time of the meeting at which the offers are to be opened is: 23 August 2010, 12:00 hrs. All interested parties may participate at the meeting at which the offers will be opened.

#### **4. Tenderers for the Open Tender**

- 4.1. Any person or group of persons that have submitted all of the documents in accordance with the procedure stipulated in the Regulation for the Open Tender shall be regarded as a tenderer for the Open Tender.
- 4.2. The same terms and conditions shall apply to all tenderers in the Tender.
- 4.3. If a group of persons submit an offer for the Tender, all of the participants in the group shall sign the application, and the technical and financial offer.
- 4.4. If an offer for the Open Tender is submitted by a group of persons, the person representing the group of persons in the Open Tender shall be specified in the said offer, as well as the scope of each person's responsibility. This information shall be signed by all of the participants in the group of persons.

#### **5. Availability of the Regulation and Requesting Additional Information regarding the Open Tender**

- 5.1. All information about the course of the procurement, the Regulation, Technical Specification, as well as replies to questions from interested persons shall be provided in writing by the Procurement Commission (hereinafter - the Commission) and such replies will be placed in the "Public Procurements" section of the LIAA's Internet homepage: [www.liaa.gov.lv](http://www.liaa.gov.lv) .
- 5.2. Interested persons shall submit questions on the Regulation for the Open Tender in writing, addressing them to the Director of the LIAA, and sending them by post to the address, as well as by fax , as specified in Clause 1.2 of the Regulation.
- 5.3. When submitting questions and requests to the Commission, the envelope or document (when sent by fax) must bear the following marking: "For the Open Tender

“Finding Foreign Business Partners for Latvia’s Merchants” within the framework of the programme “Promoting the Exports and Commercial Activity of Latvia's Enterprises in New Markets" (Identification No. LIAA 2010/28)”.

- 5.4. If an interested person has requested additional information about the Open Tender in a timely manner, the Commission shall provide a written reply within 3 (three) business days of the day of its receipt of the relevant question, but no later than 6 (six) days before the expiry of the deadline for the submission of offers. The day of the receipt of a question shall be considered to be the date of the registration of the receipt of the letter or fax at the LIAA’s Record Keeping Division. The next business day shall be considered as the day of the receipt of questions received by fax outside the LIAA’s designated working hours.
- 5.5. The Commission shall also send its given explanation, together with the question asked, to all interested persons and to tenderers that have submitted an offer, additionally placing the question and the prepared reply on the LIAA’s homepage.

## 6. The Procedure for Submission and Drawing Up of Offers

- 6.1. The Tenderer may participate and submit an offer in one, several or all lots together. The Tenderer may not submit variants of offers.
- 6.2. The address where offers shall be submitted is: LIAA, Room 518, Pērses iela 2, Rīga, Latvia, LV-1442 (on business days from 09:00 - 17:00).
- 6.3. The tenderer shall submit its offer by completing an application which shall be drawn up in conformity with the sample attached in Annex 2, attaching a financial offer to it, as well as a technical offer and other documents provided for in the Regulation.
- 6.4. The Tenderer shall submit its offer in a computerised layout in Latvian or English, in a sealed and stamped envelope or package (one or more), which is labelled in conformity with the requirements of Clause 7.5 of the Regulation.
- 6.5. **The Tenderer must submit its offer by 12:00 on 28 August 2010.** Offers submitted after this deadline will not be accepted and will be returned to the relevant tenderer unopened. The date and time of the receipt of each offer will be indicated on the relevant package or envelope by the Record Keeping Division.
- 6.6. If the Tenderer submits its offer by post, it shall ensure that the offer concerned is received at LIAA by the deadline stipulated in Clause 6.5 of the Regulation. Offers submitted by post after this deadline will not be accepted and will be returned to the relevant tenderer unopened.
- 6.7. All offer documents shall be submitted in sealed packages or envelopes which are to be labelled as follows:
- LIAA address;
  - Name and registered office of the tenderer;
  - bearing the following designation:

“For the Open Tender “Finding Foreign Business Partners for Latvia’s Merchants” within the framework of the programme “Promoting the Exports and Commercial Activity of Latvia's Enterprises in New Markets" (Identification No. LIAA 2010/28)”.

Not to be opened before 12:00 hrs, 28.August 2010.”

- The place where the package or envelope is sealed shall be certified with the stamp of the Tenderer - legal entity.
- 6.8. All offer documents must be submitted in bound form. The pages of the offer must be numbered, the ends of the string shall be bound and fastened, and the number of pages

- certified. The offer shall be drawn up so as to prevent any opportunity for pages to be replaced without damaging the fastening.
- 6.9. Documents included in the offer must be clearly legible and without corrections.
  - 6.10. The offer shall be signed by one of the persons entitled to represent the Tenderer, or by its authorised representative. A power of attorney must be submitted together with the offer and bound in one binding together with the application.
  - 6.11. The Tenderer shall ensure that documents submitted within the offer, which are not in Latvian or English shall be accompanied by a certified translation in Latvian in conformity with the requirements of regulatory enactments. In the opposite case, the Commission is entitled to consider that the selection document of the relevant tenderers is incomplete and may request the tenderer to submit a translation of document.
  - 6.12. The Tenderer shall ensure that **the offer has a term of validity of 60 (sixty) calendar days** from the day of the meeting at which offers are opened. A shorter term of validity of the offer may constitute grounds for its rejection.
  - 6.13. If for any objective reasons, the Procurement Contract cannot be concluded by the deadline specified in Clause 6.12 of this Regulation, LIAA is entitled to make a written request for the extension of the relevant offer's term of validity. If the Tenderer does not agree to an extension of the term of validity of the relevant offer, it shall notify the LIAA accordingly in writing. Any tenderer that agrees to extend the term of validity of its offer will not be requested or permitted to change its offer.
  - 6.14. The Tenderer may withdraw or amend its offer at any time until the expiry of the deadline for the submission of offers. A statement regarding changes shall be prepared, sealed, labelled and sent just like the original specimen of the offer and bearing the designation that these are changes to the initial offer. Withdrawal of any offer shall be of an unconditional nature and shall preclude further participation in the Tender.
  - 6.15. Upon receiving offers, the LIAA Record Keeping Division shall register them in the order that they are submitted. The Commission shall ensure that the list of tenderers is not disclosed until the opening of the offers.
  - 6.16. The LIAA shall ensure the storage of the submitted offer in such a way that nobody has access to the information contained therein prior to the time when the offer is opened at the meeting at which the offers are opened.

## **7. Documents to be Submitted for the Selection of Tenderers**

- 7.1. The terms and conditions for the selection of tenderers are mandatory for tenderers that want to obtain the rights to conclude the Procurement Contract. In submitting the documents requested in Clause 7.2 of the Regulation, the Tenderer certifies that its qualifications are adequate for fulfilment of the Procurement Contract.
- 7.2. To certify its conformity to the tenderer selection criteria specified in Clause 12.1 of the Regulation, the Tenderer shall submit the following documents:
  - 7.2.1. Certification from the Tenderer affirming that the said tenderer has no tax debts, including compulsory state insurance payment debts, that exceed a total of LVL 100 in Latvia or the country in which it is registered or where it is permanently based (in the event that it is not registered or permanently based in Latvia).

Submission of an original specimen of a statement or certified copy thereof from the State Revenue Service certifying that the Tenderer has no tax or compulsory state

insurance debts in Latvia or the country where it is registered, shall only be requested by the LIAA of that tenderer to which the rights to conclude the contract will be awarded in conformity with the requirements stipulated in procurement procedural documents and the selection criteria for the chosen offer. The aforementioned statement shall be accepted and recognised by the LIAA provided that it has been issued no earlier than one month before the day of its submission. The Tenderer to which the rights to conclude the contract are awarded shall, prior to the conclusion of the Procurement Contract, submit the aforementioned statement to the LIAA. If the relevant tenderer does not submit the aforementioned statement or the information provided therein does not certify the Tenderer's compliance with the provision referred to in Clause 7.2.1 of the Regulation, the LIAA shall eliminate it from further participation in the procurement procedure.

- 7.2.2. An attestation from the Tenderer that it has not been declared insolvent, its commercial operations have not been stopped or suspended, the tenderer or Applicant is not the subject of legal proceedings regarding its bankruptcy, and that the Tenderer will not be liquidated prior to the foreseeable expiry date of the Procurement Contract;
- 7.2.3. An attestation from the Tenderer that it has not been found guilty, in a court judgment or prosecutor's injunction that has come into force and can no longer be appealed, of criminal acts of a corrupt nature, fraudulent actions in the realm of finance, laundering of illegally acquired funds or of participation or joint participation in a criminal organisation during the past twelve months from the day on which the relevant court judgment or decision made by another competent institution came into force till the day of the submission of its offer;
- 7.2.4. An attestation from the Tenderer that it has not been found guilty during the past twelve months, in a court judgment or decision by another competent institution that has come into force and can no longer be appealed, of a violation of competition rights, manifested in the form of a vertical agreement, the goal of which is to restrict the buyer's ability to determine a subsequent selling price, or in the form of a horizontal cartel agreement (not applicable to instances when, having ascertained a violation of competition rights, the relevant institution has waived a fine for the Tenderer);
- 7.2.5. An attestation from the Tenderer that:
  - 7.2.5.1. during the three years prior to the date of the submission of its offer, it has not been found guilty, in a court judgment or decision by another competent institution that has come into force and can no longer be appealed, of a significant violation of employment rights manifested in the form of the employment of one or more foreign citizens or nationals who are not citizens or nationals of European Union member states, if the persons concerned are illegally residing in the territory of European Union member states;
  - 7.2.5.2. An attestation that during the eighteen months prior to the date of the submission of its offer, the Tenderer has not been found guilty, in a court judgment or decision by another competent institution that has come into force and cannot be appealed, of a major violation of employment rights, manifested in the form of the employment of a person without the conclusion of a written employment contract, if such a violation has been discovered repeatedly over a year, or in the form of the employment of two or more persons without the conclusion of a written employment contract.

- 7.2.6. If the Tenderer recruits sub-contractors for the fulfilment of the Contract, the Tenderer must submit the documents referred to in Clauses 7.2.1 - 7.2.5 in regard to such sub-contractors.
- 7.2.7. If the Tenderer recruits sub-contractors for the fulfilment of the Contract, the Tenderer shall submit a list of sub-contractors specifying which portion of a service is due to be entrusted to the relevant sub-contractor. The list shall be prepared in conformity with the sample attached to Annex 6 of the Regulation. A list of documents shall be attached to the list, which certifies the irrevocable undertaking of the relevant sub-contractor to fulfil the relevant portion of a service in conformity with the Tenderer's offer and the concluded Procurement Contract, in the event that the Tenderer is declared the winner of the Tender.
- 7.2.8. An attestation from the Tenderer that the information that it has submitted for the assessment of its qualification is true;
- 7.3. The LIAA retains its rights to verify the validity of information up to the date of the submission of an offer at a competent institution, accessing publicly accessible databases or other publicly attainable sources. If this information does not correspond to the actual situation, the Commission shall request the Tenderer to issue a statement or another document about the fact concerned.
- 7.4. To facilitate the assessment of its conformity to the specific tenderer selection criteria laid out in Clause 12.2 of the Regulation, the Tenderer shall submit the following documents:
- 7.4.1. A brief description of the Tenderer's operations to date, as well as those of its recruited sub-contractors (no more than 3 (three) A4 format pages), incorporating information about the Tenderer's experience and qualifications in the realm of the promotion of external trade and exports in a foreign country (in conformity with the section of the Open Tender referred to in Clause 3.3 of the Regulation Tender and a foreign country mentioned therein), which is certified by three recommendations or letters of reference from commercial companies and which are additionally presented in tabular form (Annex 7), specifying the commercial enterprise, its contact person, address, phone no., description of the support provided to a merchant in the relevant overseas market, additionally indicating, if possible, the sums of the export contracts in lats concluded as a result of the support provided. In the description of its operations, the Tenderer must include information which will help the LIAA to assess the Tenderer's compliance with the specific selection criteria for tenderers (Clause 13.2 of the Regulation);
- 7.4.2. The CVs of recruited experts drawn up in line with the sample form specified in Annex 3 (the attestation included within the sample form is mandatory - unless this is submitted as specified, it will be considered that the relevant CVs have not been submitted).
- 7.4.3. A list of experts recruited (in line with the sample form specified in Annex 5 to the Regulation).

## **8. Technical Offer**

- 8.1. In its Technical Offer, the Tenderer shall submit information about the compliance of its offer to the technical specification of the relevant lot of the Subject of the Procurement.

## **9. Financial Offer**

- 9.1. In its Financial Offer, the Tenderer shall specify its fee in lats, both including and not including value added tax.
- 9.2. The Financial Offer shall incorporate all costs that are necessary for the performance of the service, in regard to the maximum scope of the relevant lot of the procurement, i.e. in regard to the search for business partners in Lot 1 - for 10 Latvian merchants, in Lot 2 – for 4 Latvian merchants, in Lot 3 – for 6 Latvian merchants, in Lot 4 – for 8 Latvian merchants, and in Lot 5 – for 9 Latvian merchants.
- 9.3. Information in the financial offer shall be provided in the table that is drawn up in accordance with Annex 4 to the Regulation.

## **10. Basic Principles for Assessing Offers**

- 10.1. The assessment of the compliance of tenderers' offers to the layout requirements specified in the Regulation, assessment of offers and selection of tenderers will be conducted by the Commission at a closed meeting in the absence of the tenderers themselves.

## **11. Compliance of the Layout of Offers**

- 11.1. The Commission shall verify the compliance of the layout of tenderers' offers pursuant to the requirements of Section 6 of the Regulation.
- 11.2. If the offer does not comply with the requirements of the Regulation for the Open Tender (in regard to the layout of an offer), the Commission may decide not to review the offer concerned any further.

## **12. Selection of Tenderers**

- 12.1. The qualification of a Tenderer or its recruited sub-contractors must be in line with the following basic selection criteria:
  - 12.1.1. The Tenderer shall not have any tax debts (including compulsory state insurance payment debts not exceeding a total of LVL 100 in each country) in Latvia or the country in which it is registered or where it permanently based (in the event that it is not registered or permanently based in Latvia);
  - 12.1.2. The Tenderer has not been declared insolvent, its commercial operations have not been stopped or suspended, the tenderer or Applicant is not the subject of legal proceedings regarding its bankruptcy, and that the Tenderer will not be liquidated prior to the foreseeable expiry date of the Procurement Contract;
  - 12.1.3. The Tenderer has not been found guilty, in a court judgment or prosecutor's injunction that has come into force and can no longer be appealed, of criminal acts of a corrupt nature, fraudulent actions in the realm of finance, laundering of illegally acquired funds or of participation or joint participation in a criminal organisation during the past twelve months from the day on which the relevant

court judgment or decision made by another competent institution came into force till the day of the submission of its offer;

- 12.1.4. The Tenderer that it has not been found guilty during the past twelve months, in a court judgment or decision by another competent institution that has come into force and can no longer be appealed, of a violation of competition rights, manifested in the form of a vertical agreement, the goal of which is to restrict the buyer's ability to determine a subsequent selling price, or in the form of a horizontal cartel agreement (not applicable to instances when, having ascertained a violation of competition rights, the relevant institution has waived a fine for the Tenderer);
  - 12.1.5. During the three years prior to the date of the submission of its offer, the Tenderer has not been found guilty, in a court judgment or decision by another competent institution that has come into force and can no longer be appealed, of a significant violation of employment rights manifested in the form of the employment of one or more foreign citizens or nationals who are not citizens or nationals of European Union member states, if the persons concerned are illegally residing in the territory of European Union member states;
  - 12.1.6. During the eighteen months prior to the date of the submission of its offer, the Tenderer has not been found guilty, in a court judgment or decision by another competent institution that has come into force and cannot be appealed, of a major violation of employment rights, manifested in the form of the employment of a person without the conclusion of a written employment contract, if such a violation has been discovered repeatedly over a year, or in the form of the employment of two or more persons without the conclusion of a written employment contract.
- 12.2. The Tenderer must conform to the following specific selection criteria:
- 12.2.1. The Tenderer has consulted at least five commercial enterprises during the past three years regarding business opportunities in the relevant foreign market, has selected business partners in the relevant foreign country, has facilitated the conclusion of export contracts in the overseas country in question, and organised trade missions/business trips to the relevant country abroad;
  - 12.2.2. The Tenderer has recruited an expert for the fulfilment of a contract who has provided at least two commercial enterprises with consultations regarding business opportunities in the relevant foreign market, or selected business partners in the relevant foreign country, or facilitated the conclusion of export contracts in the country in question overseas, or organised trade missions/business trips to the relevant country abroad (if several experts are recruited, each expert must comply with this criterion);
  - 12.2.3. The experts recruited for the fulfilment of the contract have exemplary English language skills or are proficient in the national language of the relevant foreign country;
  - 12.2.4. If the Tenderer recruits a partner organisation for the fulfilment of an order from the relevant country's Enterprise Europe Network, the condition stipulated in Clause 12.2.2 of the Regulation shall apply in, i.e. the expert recruited by the Tenderer for the fulfilment of the Contract has consulted at least one commercial enterprise during the past three years on business opportunities in the relevant market overseas, or selected business partners in the relevant foreign country, or precipitated the conclusion of an export contract in the overseas country in question, or organised trade missions/business trips to the relevant foreign state.

- 12.3. The Tenderer's qualifications may be deemed to be non-compliant, if:
  - 12.3.1. The Tenderer has failed to submit all the documents requested in Section 7 of the Regulation and other documents specified in the Regulation;
  - 12.3.2. Any of the submitted documents does not certify the Tenderer's compliance with the tenderer selection criteria laid out in Clauses 12.1 and 12.2 of the Regulation;
  - 12.3.3. The Tenderer has submitted false information for the evaluation of its qualifications.
- 12.4. In the event that any of the situations referred to in Clause 12.3 of the Regulation occurs, the Commission will not review the offer any further.

### **13. Evaluation of the Technical Offer and Review of the Financial Offer**

- 13.1. In accordance with the tenderer compliance verification selection criteria, the Commission will assess whether the Tenderer's technical offer complies with the Technical Specification (Annex 1) and other requirements laid out in the Regulation.
- 13.2. The Commission shall exclude any tenderer whose offer does not comply with the Technical Specification from further participation in the Tender.
- 13.3. After evaluating its technical offer, the Commission will assess the Tenderer's financial offer. During the assessment of the offer, the Commission will check whether the financial offer contains any arithmetical errors, as well as evaluate and compare the prices in the financial offer.
- 13.4. The Commission will only evaluate and compare the financial offers of those tenderers whose offers have not been rejected during the selection of tenderers or the evaluation of technical offers.

### **14. Determination of the Lowest Price**

- 14.1. After examining the technical and financial offers, the Commission will determine the offer with the lowest price in each section. The Tenderer that has submitted the offer with the lowest price in the relevant section, and which complies with the requirements of the Technical Specification, will be declared as the winner in the relevant section of the Procurement.

### **15. The Working Procedure and Decision Making of the Commission**

- 15.1. The Commission operates in accordance with this Regulation, the Public Procurement Law and other regulatory enactments in the realm of public procurements.
- 15.2. The Commission is comprised of five members. The composition of the Commission has been ratified with LIAA Decree No. RIK-PD-2010/10 of 5 May 2010.
- 15.3. Commission meetings will be chaired by the Commission Chair. In the absence of the Chair, the duties of the Commission Chair will be carried out by the Deputy Commission Chair.
- 15.4. Minutes of Commission meetings are recorded by the Commission Secretary. Minutes are signed by all Commission members present at the meeting. If any of the Commission members disagrees with the conclusions and decisions recorded in minutes, he is entitled to express his own particular opinion in writing which shall be attached to the minutes.
- 15.5. Commission decisions are made at meetings. The Commission is entitled to make decisions if the relevant meeting is attended by at least two thirds of the Commission members, and by no less than three members. The Commission shall make decisions

by a simple majority of votes. If the votes of the Commission member are divided equally, the Commission Chair shall have the casting vote.

## **16. The Rights and Duties of the Commission**

- 16.1. Within the scope of its competence, the Commission shall make decisions, as well as fulfil other measures in accordance with the Tender Regulation.
- 16.2. The duties of the Commission are as follows:
  - 16.2.1. To review the tenderers' offers in conformity with the Tender Regulation;
  - 16.2.2. To decide whether or not to review submitted documents in regard to a violation of the provisions regarding their submission or due to their non-compliance with the Tender Regulation;
  - 16.2.3. To provide information upon written request to tenderers or interested parties regarding the Regulation and course of the procurement procedure.
- 16.3. The rights of the Commission are as follows:
  - 16.3.1. To request additional information from tenderers that is necessary for the comparison and evaluation of offers. Such requests may only be submitted for the purposes of clarification as are necessary for the comparison and evaluation of an application, and do not entitle the Tenderer to ask to change its application in any way;
  - 16.3.2. To recruit experts with advisory rights to take part in the work of the Commission and assist it in the provision of its findings;
  - 16.3.3. To verify the veracity of information provided;
  - 16.3.4. To correct arithmetical errors in the financial offers of tenderers in accordance with the procedure stipulated in regulatory enactments;
  - 16.3.5. To carry out other measures as stipulated in the Regulation and the Public Procurement Law;
  - 16.3.6. To decide to conclude the Procurement Contract, or suspend or terminate the Tender.

## **17. The Rights and Duties of the Tenderer**

- 17.1. Participation in the Tender is an expression of the free will of tenderers. In submitting its application to take part in the Tender, the Tenderer fully accepts and is ready to fulfil all the requirements of this Regulation, as well as the provisions stipulated in regulatory enactments. If the Tenderer's offer or any part thereof contravenes the Regulation, it will not be accepted and may constitute a reason for the rejection of the application.
- 17.2. The Tenderer must carefully review and comply with all instructions, forms, regulations and specifications that are incorporated within the Regulation. If the Tenderer ascertains any contradictions between any parts of the Regulations or does not understand any part of the Regulation, the Tenderer is entitled to request written clarification from the Commission.
- 17.3. The Tenderer must fully cover the costs of preparing and submitting the application.
- 17.4. The Tenderer is entitled to submit complaints about the work of the Commission, also including appealing decisions made by it, in accordance with the procedure stipulated in regulatory enactments.

## **18. Conclusion of the Contract**

- 18.1. The LIAA will conclude the Procurement Contract with the winner of the Open Tender based on the results of the Tender and the Tenderer's offer.
- 18.2. The LIAA will conclude the contract with the winner of the Tender no earlier than on the 12<sup>th</sup> day after the day on which the announcement of the results of the Open Tender has been sent out to all tenderers.

## **19. Annexes**

- 19.1. Annex 1 - Technical Specification;
- 19.2. Annex 2 - Application Form for Participation in the Open Tender;
- 19.3. Annex 3 - Sample CV Layout of a Recruited Expert;
- 19.4. Annex 4 - Sample Financial Offer Layout;
- 19.5. Annex 5 - List of Experts Recruited for Fulfilment of the Contract (Sample);
- 19.6. Annex 6 - List of Sub-Contractors Recruited for Fulfilment of the Contract (Sample);
- 19.7. Annex 7 - Recommendations or References regarding Services Rendered by the Tenderer in the Realm of Facilitating Exports;
- 19.8. Annex 8 - Draft Procurement Contract.

Open Tender "Finding Foreign Business Partners for Latvia's Merchants" within the framework of the programme "Promoting the Exports and Commercial Activity of Latvia's Enterprises in Foreign Markets" (Identification No. LIAA 2010/28)

## **Technical Specification**

### **1. Goal of the Service.**

1.1. The goal of the programme is to improve the competitiveness of Latvia's merchants in industrial sectors, by encouraging the external trade of Latvia's merchants, and providing support in the search for foreign business partners in overseas markets.

### **2. The Subject and Target Audience of the Service in Lot 1 of the Open Tender**

2.1. To implement the programme, "Encouraging the Exports and Commercial Activity of Latvia's Enterprises in New Markets", by implementing a project within the framework of which business partners for Latvian food industry merchants will be found in the US (hereinafter - the Project), in which 10 merchants take part (hereinafter - Participants). If less than three Participants have applied to take part in the Project, the Project will not be implemented.

2.2. As a result of the Project, at least three Latvian merchants have found export partners in the US, and negotiations have begun regarding the conclusion of an export contract.

2.3. Target audience - food industry merchants who export or plan to commence exports to the US, whose equity capital consists of more than 75% of private capital shares, and whose core operations involve the development and production of products or services.

### **3. The Subject and Target Audience of the Service in Lot 2 of the Open Tender**

3.1. To implement the programme, "Encouraging the Exports and Commercial Activity of Latvia's Enterprises in New Markets", by implementing a project within the framework of which business partners for Latvian construction material manufacturing industry merchants will be found in Belarus, in which 4 merchants take part. If less than three Participants have applied to take part in the Project, the Project will not be implemented.

3.2. As a result of the Project, at least three Latvian merchants have found export partners in Belarus, and negotiations have begun regarding the conclusion of an export contract.

3.3. Target audience - construction material industry merchants who export or plan to commence exports to Belarus, whose equity capital consists of more than 75% of private capital shares, and whose core operations involve the development and production of products or services.

### **4. The Subject and Target Audience of the Service in Lot 3 of the Open Tender**

4.1. To implement the programme, "Encouraging the Exports and Commercial Activity of Latvia's Enterprises in New Markets", by implementing a project within the framework of which business partners for Latvian chemical and pharmaceutical industry merchants will be found in South Korea, in which 6 merchants take part. If less than three Participants have applied to take part in the Project, the Project will not be implemented.

- 4.2. As a result of the Project, at least three Latvian merchants have found export partners in South Korea, and negotiations have begun regarding the conclusion of an export contract.
- 4.3. Target audience - chemical and pharmaceutical industry merchants who export or plan to commence exports to South Korea, whose equity capital consists of more than 75% of private capital shares, and whose core operations involve the development and production of products or services.

#### **5. The Subject and Target Audience of the Service in Lot 4 of the Open Tender**

- 5.1. To implement the programme, "Encouraging the Exports and Commercial Activity of Latvia's Enterprises in New Markets", by implementing a project within the framework of which business partners for Latvian machine assembly and electronics industry merchants will be found in Austria, in which 8 merchants take part. If less than three Participants have applied to take part in the Project, the Project will not be implemented.
- 5.2. As a result of the Project, at least three Latvian merchants have found export partners in Austria, and negotiations have begun regarding the conclusion of an export contract.
- 5.3. Target audience - machine assembly and electronics industry merchants who export or plan to commence exports to Austria, whose equity capital consists of more than 75% of private capital shares, and whose core operations involve the development and production of products or services, and which have been economically active on the Latvian market for at least two years.

#### **6. The Subject and Target Audience of the Service in Lot 5 of the Open Tender**

- 6.1. To implement the programme, "Encouraging the Exports and Commercial Activity of Latvia's Enterprises in New Markets", by implementing a project within the framework of which business partners for Latvian printing and packaging industry merchants will be found in Finland (hereinafter - the Project), in which 9 merchants take part. If less than three Participants have applied to take part in the Project, the Project will not be implemented.
- 6.2. As a result of the Project, at least three Latvian merchants have found export partners in Finland, and negotiations have begun regarding the conclusion of an export contract.
- 6.3. Target audience - printing and packaging industry merchants who export or plan to commence exports to Finland, whose equity capital consists of more than 75% of private capital shares, and whose core operations involve the development and production of products or services.

#### **7. Methodology.**

- 7.1. Selection of Participants for participation in the Programme will be conducted by the LIAA.
- 7.2. Consultations for Participants will be provided in the form of a joint training seminar, in conformity with the devised programme and as individual consultations in person for each Participant.
- 7.3. The Contractor (the Tenderer which has been declared the winner) will meet each Participant, conduct interviews to learn about the manufactured products, and carry out an analysis of the exportability of Participants in regard to sales opportunities on the market of the relevant country overseas, as well as, to prepare an export business proposal and adapt marketing materials in line with the requirements of the corresponding overseas market. If necessary, the Contractor shall visit the factory of the Participant's enterprise to learn about the Participant's export potential.

- 7.4. To provide consultations on opportunities within the relevant overseas market, prepare an export business proposal, adapt marketing materials in line with the requirements of the relevant foreign market, as well to select export partners and organise a programme of meetings, the Contractor shall recruit experts or sub-contractors with experience in the relevant sector and corresponding overseas market or an Enterprise Europe Network partner organisation.
- 7.5. Meetings of Participants with the relevant foreign company may be organised in Latvia, or in the relevant country overseas. An LIAA representative may participate in the activities implemented by the Contractor for Participants.
- 7.6. The Contractor shall arrange three meetings in person for each Participant with companies with a corresponding profile in the relevant foreign country.

## **8. Work Assignment**

- 8.1. No later than 5 (five) business days after the conclusion of the Contract, the Contractor shall draw up a seminar programme on the specific foreign market, in which information on market size and saturation, development trends, market segments, importing volumes and countries, various market barriers, consumer behaviour or industry and technology development, competition level and main competitors, distribution channels and typical distributor requirements, is looked at. The seminar programme will be agreed upon with the LIAA.
- 8.2. No later than 15 (fifteen) business days after the conclusion of the Contract in accordance with the programme drawn up as stipulated in Clause 8.1, the Contractor will organise a seminar for Participants in line with the devised programme. No later than 4 (four) business days before the seminar, seminar presentations will be agreed upon with the LIAA.
- 8.3. The Contractor shall provide and pay for the premises for the seminar programme, a coffee break, lecturers, and handout materials, invite the Participants and conduct the seminar, provide a questionnaire prepared by the LIAA evaluating the contents and quality of the seminar, and ensure that it is filled out by Participants.
- 8.4. No later than 20 (twenty) business days after the conclusion of the Contract, the Contractor will conduct interviews of the Participants, and assess the exportability of the Participants. The Contractor shall provide consultations to Participants regarding product sales opportunities in the relevant overseas market, preparation of an export business proposal and the necessity to adapt marketing materials in line with the requirements of the corresponding foreign market. The number of consultation hours per single Participant shall be no less than four hours.
- 8.5. The Contractor shall provide a report to the LIAA regarding the exportability of each Participant by 25 November. The Participants' exportability assessment survey forms will be attached to the report, as well as the Participant's profile and export business proposal.
- 8.6. No later than 21 (twenty one) business days after the conclusion of the Contract, the Contractor shall start to select and address the Participants' potential business partners in the relevant foreign country, as well as organise visits to the potential business partners.
- 8.7. Prior to addressing them, the Contractor shall agree upon a selected list of potential foreign partners with the relevant Participant, submitting it to the Participant and the LIAA in writing.

- 8.8. If, in the justified written opinion of the Participant, companies included on the selected list of foreign partners do not match the Participant's profile, the list shall be augmented with other companies in the country concerned.
- 8.9. No later 30 (thirty) business days after the conclusion of the Contract, the Contractor shall submit an intermediary report to the Participant and the LIAA regarding the search for business partners and visits to potential business partners.
- 8.10. The Contractor shall organise meetings, to be attended in person by the Participant, with foreign companies interested in the Participant in the form of visits to the foreign companies or visits by these companies to the Participant. Within the framework of the project, the Contractor shall arrange at least three meetings with potential foreign cooperation partners to be attended in person by the Participant.
- 8.11. The programme and timetable of visits shall be agreed upon with the Participant. The Contractor will participate in the programme of visits and arrange consultative support for the Participant in regard to conducting negotiations with the relevant foreign companies.
- 8.12. Meetings in person with potential foreign partners will be organised for each Participant within the framework of a single joint visit to the relevant country overseas. If it is not possible to organise meetings with all of the selected foreign business partners during the course of a single visit, subject to the agreement of the Participant, additional visits may be organised.
- 8.13. The Contractor shall submit a Statement/Report to the LIAA by 25 November on the results of the Project - contacts established by Participants, specifying the name and contact information of the relevant foreign company, describing the form of communication that took place between the foreign company and the Participant, the status of the contacts established, specifying the interest in cooperation of the relevant foreign companies, and planned next steps with the business contacts established.

## **9. Deliverables**

- 9.1. A seminar programme for the training of Participants on the specific market and strategies for entering it.
- 9.2. A report on the exportability of each Participant, the Participants' exportability assessment survey forms, as well as the Participant's profile and export business proposal.
- 9.3. A selected list of potential partners for Participants in the relevant country overseas, and references to company databases or information resources used.
- 9.4. An intermediary report on the search for business partners and the course of organising visits to potential partners.
- 9.5. A Statement/Report on the results of the Project - contacts established by Participants, specifying the name and contact information of the relevant foreign company, describing the form of communication that took place with the Participant, the status of the contacts established, specifying the interest in cooperation of the relevant foreign company, and planned next steps with the business contact established.
- 9.6. Reports and statements shall be submitted in Latvian (in one copy), printed and bound, as well as submitted electronically (on one CD) in MS Word format.

## Annex 2

Open Tender "Finding Foreign Business Partners for Latvia's Merchants" within the framework of the programme "Promoting the Exports and Commercial Activity of Latvia's Enterprises in Foreign Markets" (Identification No. LIAA 2010/28)

Date/  
/Place/

### Application

Tenderer

\_\_\_\_\_  
(tenderer's name/ first name, surname)

Reg. No./ Personal Identity No. \_\_\_\_\_

in the person of\* \_\_\_\_\_

\_\_\_\_\_  
(first name, surname, and position of the managing director or authorised representative)  
with the submission of this application:

1. Applies to take part in Lot \_\_\_\_\_ of the Open Tender "Finding Foreign Business Partners for Latvia's Merchants" within the framework of the programme "Promoting the Exports and Commercial Activity of Latvia's Enterprises in New Markets" (Identification No. LIAA 2010/28)".
2. Certifies that it has studied the procurement procedure regulation and undertakes to comply with its requirements;
3. Recognises that its offer will be valid for 60 (sixty) calendar days from the date of the deadline for the submission of offers stipulated in Clause 6.5 of the Regulation;
4. Certifies that the disqualification provisions referred to in Section 39, Paragraph one of the Public Procurement Law do not apply to it, and that it complies with the requirements of Section 40, Paragraph one of the Public Procurement Law;
5. Guarantees the veracity of all information it has provided;
6. Specifies whether information incorporated within the offer is or is not (underline as applicable) a commercial secret.

\_\_\_\_\_  
Signature:

S.P.

Tenderer's address:

\_\_\_\_\_  
phone (fax) nos., e-mail address

\_\_\_\_\_  
Position, first name and surname of the Tenderer's authorised official

The offer shall be completed in **block letters** and signed by the Tenderer's managing director or authorised representative (if the offer is signed by an authorised representative, the corresponding power of attorney shall be attached to the application). If the offer for the procurement procedure is submitted by a group of persons, the application shall be augmented, indicating the members of the group of persons, the person representing the group of persons in the procurement procedure, as well as the scope of each person's liability. This information shall be signed by all participants in the group of persons.

\_\_\_\_\_  
\*(if the Tenderer is a legal entity)

**Annex 3**

Open Tender “Finding Foreign Business Partners for Latvia’s Merchants” within the framework of the programme “Promoting the Exports and Commercial Activity of Latvia’s Enterprises in Foreign Markets” (Identification No. LIAA 2010/28)

**Sample CV Layout Form for an Expert****Information about the expert recruited by the Tenderer**

<i>Please provide detailed information in the relevant columns.</i>	
<b>First name, surname</b>	
<b>Workplace (name)</b>	
<b>Workplace address</b>	
<b>Position held</b>	
<b>Fixed line phone no.</b>	
<b>Mobile phone no.</b>	
<b>E-mail address</b>	

**1. Education**

<b>Education</b>	
<b>Qualification attained, professional/academic, science degree (-s)</b>	

**2. Professional activity**

<b>Job experience</b> <i>Please indicate the name of the institution, duration of your work for it, as well the position you hold and main duties</i>	
----------------------------------------------------------------------------------------------------------------------------------------------------------	--

**3. Other experience, skills and abilities**

<b>Participation in professional and other organisations, associations, committees, commissions, working groups, etc.</b>	
---------------------------------------------------------------------------------------------------------------------------	--

**4. Language skills (underline the corresponding assessment)**

<b>Latvian</b>	<b>proficient</b>	<b>good</b>	<b>satisfactory</b>	<b>poor</b>
<b>Russian</b>	<b>proficient</b>	<b>good</b>	<b>satisfactory</b>	<b>poor</b>
<b>English</b>	<b>proficient</b>	<b>good</b>	<b>satisfactory</b>	<b>poor</b>
<b>_____ (indicate the state language of the relevant country overseas)</b>	<b>proficient</b>	<b>good</b>	<b>satisfactory</b>	<b>poor</b>

**6. Other related information**

--

**7. Expert's status (duties to be carried out) in the fulfilment of the Contract**

--

I, the undersigned, certify, that the aforementioned information correctly reflects my experience and qualifications.

I hereby undertake to work on the fulfilment of the Procurement Contract from the day of its signing to the day it is fulfilled, in the event that *<Tenderer's name>/I* are awarded the right to conclude the Procurement Contract (in Lot \_\_\_\_\_ of the Open Tender "Finding Foreign Business Partners for Latvia's Merchants" within the framework of the programme "Promoting the Exports and Commercial Activity of Latvia's Enterprises in New Markets" (Identification No. LIAA 2010/28))

I hereby certify that I am not involved in another tenderer's offer and do not find myself in a situation related to a conflict of interests.

This undertaking is irrevocable, unless extraordinary circumstances occur which it was not possible to foresee during the course of the procurement procedure.

First name, surname	
Signature	
Date	

**Annex 4**

Open Tender “Finding Foreign Business Partners for Latvia’s Merchants” within the framework of the programme “Promoting the Exports and Commercial Activity of Latvia’s Enterprises in Foreign Markets” (Identification No. LIAA 2010/28)

**FINANCIAL OFFER for Lot \_\_\_\_ of the Procurement.**

<b>No.p.c.</b>	<b>Cost breakdown</b>	<b>Price offered, not incl. VAT</b>
...		
...		

**Total: (not incl. VAT):**

**VAT 21%:**

**Total (incl. VAT)**

(first name, surname)

\_\_\_\_\_  
(signature)

In the event the Tenderer is participating in several lots of the Procurement, its financial offer must be augmented with information about the relevant lot.

**Annex 5**

Open Tender “Finding Foreign Business Partners for Latvia’s Merchants” within the framework of the programme “Promoting the Exports and Commercial Activity of Latvia’s Enterprises in Foreign Markets” (Identification No. LIAA 2010/28)

**List of Experts Recruited for Fulfilment of the Contract (Sample)  
in Lot \_\_\_ of the Open Tender**

First name, surname	Address and contact information	Part of service entrusted for fulfilment

Date

Signature, name in block letters of the Tenderer’s managing director (person with signatory rights) or its authorised representative

**Annex 6**

Open Tender “Finding Foreign Business Partners for Latvia’s Merchants” within the framework of the programme “Promoting the Exports and Commercial Activity of Latvia’s Enterprises in Foreign Markets” (Identification No. LIAA 2010/28)

**List of subcontractors for Fulfilment of the Contract (Sample)  
in Lot \_\_\_ of the Open Tender**

Name	Registration no. Address and contact information	Part of service entrusted for fulfilment

Date

Signature, name in block letters  
of the Tenderer’s managing director (person with signatory rights)  
or its authorised representative

**Annex 7**

Open Tender “Finding Foreign Business Partners for Latvia’s Merchants” within the framework of the programme “Promoting the Exports and Commercial Activity of Latvia’s Enterprises in Foreign Markets” (Identification No. LIAA 2010/28)

**Recommendations or References regarding Services Rendered by the Tenderer  
in the Realm of Facilitating Exports**

<b>Commercial company, address</b>	<b>Contact person, phone no.</b>	<b>Brief description of support provided to the commercial company in the relevant foreign market</b>	<b>Amount in lats of the export contract concluded as a result of this support</b>

Date

Signature, name in block letters  
of the Tenderer’s managing director (person with signatory rights)  
or its authorised representative

## Annex 8

Open Tender "Finding Foreign Business Partners for Latvia's Merchants" within the framework of the programme "Promoting the Exports and Commercial Activity of Latvia's Enterprises in Foreign Markets" (Identification No. LIAA 2010/28)

### DRAFT PROCUREMENT CONTRACT

Rīga

\_\_\_\_\_ 2010

No. IEP-2010/\_\_\_\_\_

**State Agency "Investment and Development Agency of Latvia"** (hereinafter – Contracting Authority), which was founded in accordance with the Public Agencies Law and operates in conformity with Cabinet Regulations No.746 of 23 December 2003, "Bylaw of the State Agency "Investment and Development Agency of Latvia"", in the person of its Director, \_\_\_\_\_, and **THE TENDERER** (hereinafter – the Contractor), recorded in the Commercial Register of the Register of Enterprises of the Republic of Latvia with uniform registration no. LV \_\_\_\_\_, registered office: \_\_\_\_\_, in the person of its *officeholder* \_\_\_\_\_, acting in accordance with its \_\_\_\_\_, on the other hand, hereafter both jointly referred to as - the Parties, based on the results of Lot \_\_\_ of the procurement procedure "Finding Foreign Business Partners for Latvia's Merchants" within the framework of the programme "Promoting the Exports and Commercial Activity of Latvia's Enterprises in New Markets"" (Nr. LIAA 2010/28) conclude a contract (hereinafter - Contract) with the following contents:

#### 1. THE SUBJECT OF THE CONTRACT

- 1.1 Contracting Authority commissions and the Contractor undertakes to provide consultations on finding export business partners in \_\_\_\_\_ (*name of foreign country*), including, to carry out an analysis of the exportability of enterprises, provide consultations on the development of an export plan and on the preparation of an enterprise's marketing materials, to select and contact potential export partners, as well as organise individual meeting programmes for the enterprises referred to in Annex 2 to the Contract in accordance with the Technical Specification (Annex 1) and the Contractor's offer (hereinafter jointly referred to as - the Order).
- 1.2 The Contract will be concluded regarding the provision of services pursuant to Public Procurement Law, Annex 2, Part B: CPV classification code: 72221000-0 (commercial activity analysis consultation services).

#### 2. THE DUTIES OF THE PARTIES

2.1. The Contractor shall:

- 2.1.1. Fulfil the Order at the Latvian \_\_\_\_\_ (*name of industry*) sector enterprises referred to in Annex 2 to the Contract by 25 November 2010, and sign a job delivery - acceptance deed with Contracting Authority;
- 2.1.2. Duly fulfil the Order using professionally recognised operating methods or operating methods generally accepted within the relevant sector, skills and practice that ensure the high quality fulfilment of the Order within the set deadlines and in conformity with the provisions of the Contract;

- 2.1.3. Ensure the fulfilment of the Order in accordance with the requirements stipulated in regulatory enactments;
  - 2.1.4. Ensure the confidentiality of any information received from Contracting Authority and enterprises that was provided for the fulfilment of the Order and is related to it;
  - 2.1.5. Rectify any quality deficiencies in relation to the jobs to be completed within 5 (five) business days of the discovery of the relevant quality deficiency at its own expense.
- 2.2. Contracting Authority shall:
- 2.2.1. Ensure that all documents necessary for the fulfilment of the Order are placed at the disposal of the Contractor, as well as all information related to them, which the Contractor considers to be necessary to fulfil the duties stipulated in the Contract;
  - 2.2.2. Ensure access to Contracting Authority's responsible persons for the fulfilment of the Contract;
  - 2.2.3. Pay for the fulfilment of the Order in conformity with the terms and conditions of the Contract;
  - 2.2.4. Designate LIAA Export Promotion Division Senior Project Manager, Jadviga Neimane, phone no. 67039414, e-mail: [jadviga.neimane@liaa.gov.lv](mailto:jadviga.neimane@liaa.gov.lv), as Contracting Authority's representative for coordination of the fulfilment of the Contract and acceptance of the fulfilment of the Order.

### **3. CONTRACT SUM**

- 3.1. The total sum of the Contract is: LVL \_\_\_\_\_ (*sum in words*), including 21% VAT.
- 3.2. Contracting Authority shall pay the total sum of the Contract to the Contractor to the bank current account specified by the Contractor within 10 business days of the signing of the delivery - acceptance deed for the Order, and its receipt of the Contractor's invoice.
- 3.3. The date of the performance of the payment shall be considered to be the date designated by the State Chancellery on the document certifying payment.

### **4. THE PROCEDURE FOR THE FULFILMENT AND ACCEPTANCE OF THE ORDER**

- 4.1. The Contractor shall deliver and Contracting Authority shall accept the fulfilled Order, by signing a delivery - acceptance deed after the actual fulfilment of the Order.
- 4.2. If during the course of the inspection of the Order, it is discovered that the Order does not comply with the terms and conditions of the Contract, this fact shall be drawn up in writing and the delivery - acceptance deed shall not be signed.
- 4.3. In the event of the circumstances outlined in Clause 4.2 of the Contract, the Contractor shall rectify the shortcomings and deficiencies discovered no later than within 5 (five) business days. After the referred to deficiencies have been rectified, the acceptance of the Order shall be carried out once again.
- 4.4. If the shortcomings ascertained in Clause 4.3 of the Contract are not rectified and the repeated non-compliance of the Order to the terms and conditions of the Contract is ascertained, this fact shall be drawn up in writing and Contracting Authority is entitled to terminate the Contract on a unilateral basis.

## **5. THE LIABILITY OF THE PARTIES AND FORCE MAJEURE**

- 5.1. The Parties will be released from liability regarding the complete or partial non-fulfilment of the Contract if this is delayed by any circumstances that are beyond the influence of the Party concerned and which, after making all due efforts, it is unable to prevent. Force majeure conditions are manifested in the form of any kind of natural disaster, fire, military action, blockades, and any other circumstances independent of the Parties which it was neither possible to foresee nor prevent at the time of the conclusion of the Contract, taking all due precautionary measures. The Parties undertake to carry out the necessary measures to reduce losses that could arise from force majeure conditions to a minimum. Conditions that have arisen as a result of the action or inaction of the relevant Party are not considered to be force majeure conditions.
- 5.2. The Party which finds itself affected by the conditions referred to in Clause 5.1 of the Contract shall notify the other Party about the onset of such conditions within 5 (five) business days. In its statement, it must indicate the timeframe in which the fulfilment of the obligations stipulated in the Contract is possible and likely, and, subject to a request from either Party, a notice must be attached to such a statement which has been issued by a competent institution and which contains ratification of the referred to extraordinary circumstances and a description thereof.
- 5.3. If due to the circumstances referred to in Clause 5.1 of the Contract and the consequences thereof, it is not possible to fulfil the obligations of the Contract for more than three months; each of the Parties is entitled to withdraw from subsequent fulfilment of the duties stipulated in the Contract, and in this instance, neither of the Parties is entitled to recover the losses from the other that are related to the termination of the Contract.
- 5.4. Force majeure conditions are not taken into account in the event that the Parties failed to notify one another accordingly by letter, telex or fax within the deadlines referred to in Clause 5.2 of the Contract.
- 5.5. In regard to the partial or complete non-fulfilment of the terms and conditions of the Contract, the Parties undertake liability in accordance with the provisions of the Contract, Civil Law and other regulatory enactments.
- 5.6. In regard to a delay in the fulfilment of the Order, the Contractor shall pay Contracting Authority a contractual fine in the amount of 0.5% (zero point five per cent) of the total sum of the Contract for each day of the delay, but no more than 20% of the total sum of the Contract.
- 5.7. In regard to a delay in the performance of a payment, Contracting Authority shall pay the Contractor a contractual fine in the amount of 0.5% (zero point five per cent) of the total sum of the Contract for each day of the delay, but no more than 20% of the payment sum that is overdue.
- 5.8. Payment of the contractual fine and compensation of losses do not release the Parties from the fulfilment of their contractual obligations in the full degree and in accordance with the procedure stipulated in the Contract.
- 5.9. Contracting Authority is not liable for the Contractor's actions arising from the fulfilment of the Contract in regard to third persons, if such action on the part of the Contractor has harmed the interests or caused losses to third persons.

## **6. THE CONTRACT TERM**

- 6.1. The Contract shall come into force on the day of its signing and shall remain in force until the complete fulfilment of the contractual obligations of the Parties.
- 6.2. The Parties are entitled to terminate the Contract prematurely in the following instances:

- 6.2.1. One of the Parties has failed to fulfil the terms and conditions of the Contract, regarding which the relevant Party shall notify the other Party at least 10 (ten) business days prior to the termination of the Contract. The Contract shall not be terminated if the Party, which has failed to fulfil the terms and conditions of the Contract, rectifies its operational shortcomings within 10 (ten) business days from the relevant Party receiving notice regarding the unilateral termination of the Contract;
  - 6.2.2. In the instance referred to in Clause 4.4, notifying the Contractor accordingly without delay;
  - 6.2.3. Subject to a mutual agreement between the Parties;
  - 6.2.4. In accordance with the regulatory enactments currently in force.
- 6.3. If the Contractor withdraws from the fulfilment of the Contract, or if, due to its conduct, Contracting Authority terminates the Contract prematurely, the Contractor shall pay Contracting Authority a contractual fine in the amount of 20% (twenty per cent) of the total sum of the Contract and reimburse other losses caused to Contracting Authority.

## **7. THE PROCEDURE FOR THE RESOLUTION OF DISPUTES**

- 7.1. The Parties shall endeavour to resolve all issues and disputes that have arisen during the course of the fulfilment of the Contract by way of mutual negotiations.
- 7.2. If an agreement cannot be reached within 30 (thirty) calendar days time, disputes shall be resolved in accordance with regulatory enactments.

## **8. CLOSING PROVISIONS**

- 8.1. If either Party changes its registered office or other requisites, it shall notify the other Party accordingly in writing no later than 3 (three) business days after the performance of such changes by e-mail or fax, and by registered letter.
- 8.2. If one or more of the terms and conditions of the Contract are rendered invalid or unlawful in any way, i.e. they lose their binding force; this shall in no way restrict or affect the validity, lawfulness or discharge of the remaining terms and conditions of the Contract. In such an instance, the Parties undertake to make every effort to review the obligations that have been rendered invalid, in accordance with the regulatory enactments in force.
- 8.3. All additions, corrections and amendments to the Contract shall become legally valid if they have been drawn up in writing and signed by the Parties, and have become an integral element of the Contract from the time of their signing.
- 8.4. The Contract has been drawn up in Latvian on \_\_\_ (\_\_\_\_) pages with Annex No.1 on \_\_\_ (\_\_\_\_) pages and with Annex No.2 on \_\_\_ (\_\_\_\_) pages in two copies, with one copy being kept by each Party. All copies possess equal legal force.

## **9. THE REQUISITES OF THE PARTIES AND THE SIGNATURES OF THEIR AUTHORISED REPRESENTATIVES**

**THE CONTRACTING AUTHORITY**

**THE CONTRACTOR**

V/a "Investment and Development Agency  
of Latvia"

*THE TENDERER*

Pērses iela 2, Rīga, LV-1442 (phone no.  
VAT: LV 90001739473  
VK Rīga Settlement Centre  
State Chancellery: TREL22  
Account: LV95TREL2120045033000

*Registered office:*

*Bank requisites:*

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*first name, surname of the signatory*

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*first name, surname of the signatory*

Annex 1  
to Procurement Contract  
No.IEP-2010/\_\_\_\_\_  
of \_\_\_\_\_ 2010.

## **Technical Specification<sup>1</sup>**

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<sup>1</sup> See Appendix 1 to Regulations

Annex 2  
to Procurement Contract  
No.IEP-2010/\_\_\_\_\_  
of \_\_\_\_\_ 2010.

**List of Enterprises**