Dominica Geothermal Development Company Limited *Powering a New Generation...*	**Bid Clarification Request** **(In accordance with ITB 7.1)**	Reference Number: **RZ042100-PGG-COM-0044**

Dominica Geothermal Risk Mitigation Project Contract

Subject: Bid Clarification 0044 – Fiscal incentives

Bid Document Clause:

Detailed description of request

Reference is made to the statement issued by Ministry of Finance on August 16, 2019 relating to: Fiscal Incentives the Dominica Geothermal Development Project

- We understand that the waiver on Import Duty applies for all parties involved in the construction, only with the condition that plant, machinery, equipment and supplies are meant for the Dominica Geothermal Development Project.
- We understand that the waiver on Import Duty benefits to supplies incorporated in the construction but also for all machineries, equipment, plants using for the construction but not incorporated to the Project

1. The charges (Customs Service Charge, Environmental Surcharge, Excise Tax, VAT): could you please clarify if the contractor is to include those in its price?
2. For incorporated supplies, can the client (DGDC) be considered as importer?
3. Provided the waiver of Import Duty applies to direct imports implemented by Contractor, can you please confirm that such waiver may also apply to Contractor's foreign sub-contractors and their subsequent sub-contractors?
4. When we see the last paragraph: « all processing will be done by the Customs Division and items that are temporary imports will be dealt with directly by the Customs on a case by case basis ». Does this mean that all above (point 1 to 4), concern only incorporated importations?

   For example, if we import an excavator for the duration of the construction: is the Contractor entitled to the waiver of Import Duty and Charges?

Enclosures: None

Response:

1) Other than Import Duty all other charges including Customs Service Charge, Environmental Surcharge, Excise Tax and Value Added Tax are to be included in the price schedule. The Contractor shall be responsible for paying these charges.
2) It is unclear what is meant by "incorporated supplies", however, the Contractor is the importer for all items that are imported into Dominica for the purposes of this project.
3) The waiver of Import Duty applies to all contractor and sub-contractors and their subsequent sub-contractor (whom the main contractor engages) on all items imported for use in the geothermal development project
4) All temporary imports are subject to the payment of Environmental Surcharge of 1.5% and this is not refundable when the items are exported upon completion of the project. The other charges/taxes are waived (Import Duty, Customs Service Charge, Excise Tax, Value Added Tax) once the items are exported upon completion of the project. All temporary imports are dealt with by the Comptroller of Customs on a case by case basis. Importers may be required to pay a deposit upon importation of the items but that would be determined by the Comptroller of Customs; the Contractor is entirely responsible for this process and any deposits etc. required.
   Note: Items that are not exported upon completion of the project will be subject to the applicable rate of duty unless these items are donated/gifted to the Employer.

Enclosures: None

This clarification does not require an Addendum to the Bid Document.

Please acknowledge receipt of this clarification by completing the below information and returning to the sender:

Bidder Company Name ____

Bidder Contact Name ____

Date Received ____________________