

IFB No: JSSP/ICB/1.1.3 “Construction of Buildings for 4 Moscow District Courts (Kuzminsky, Chertanovsky, Khoroshevsky, Koptevsky), Stage 1”

Answers to the bidder’s clarification request.

Question #1

Pursuant to ITB BDS 15.1 of the Bidding Documents, the prices shall be quoted by the Bidders in their bids in the currency of Bank member countries. The total cost of contract to be signed following this procurement procedure ("Contract") shall be determined based on the prices in the respective currency proposed by the successful bidder.

Payments in foreign currency shall be made in ruble equivalent at the official exchange rate of the Central Bank of the Russian Federation (“CBR”) on the date of payment, pursuant to GCC and PPC Clause 40.3.

Given that prices in the bid are quoted in dirhams and that the CBR does not set the official exchange rate of this currency against the ruble, we should follow the CBR's and MOF's recommendations. Namely, the dirham exchange rate shall be determined using the official exchange rate of US dollar against ruble established by the CBR on the exchange rate determination date and the US dollar/Dirham exchange rate set on the date preceding the exchange rate determination date. The US dollar/Dirham exchange rate shall be determined as set by the UAE National Bank.

Therefore, the cost of works under the Contract, both on the date of acceptance and on the date of payment, may differ in ruble equivalent from the cost of works under the Contract on the date of its conclusion. The exchange rate changes, whether upwards or downwards, do not depend on the will of the parties and relate to their entrepreneurial risks. Consequently, the exchange rate difference will not be considered as unjustified enrichment by one of the Parties and will not be subject to reimbursement.

Answer to Question #1

1.1 If the Central Bank of the Russian Federation does not set the official exchange rate of the foreign currency against the ruble, ruble equivalent of the amount in the contract currency to be paid shall be calculated in accordance with the Guidelines/Instructions of the Central Bank of the Russian Federation and the provisions of the legislation of the Russian Federation in force on the date of payment. The contract terms and conditions have been amended accordingly in the attached Amendment #10 to the Bidding Documents No. JSSP/ICB/1.1.3.

1.2 The cost of works under the Contract, both on the date of acceptance and on the date of payment, may differ in ruble equivalent from the cost of works under the Contract on the date of the Contract, if the Contract is concluded in foreign currency. However, it is the competence of the administrative authorities of the Russian Federation, rather than the Client, the Developer, or the Payer under the contract, to determine whether it is unjustified enrichment or not. The Bidder shall contact the inspectorate of the Federal Tax Service of the Russian Federation at the place of its registration for clarification on this matter.