

**DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

**MINISTRY OF PORTS & HIGHWAYS**

**ROAD DEVELOPMENT AUTHORITY**

**HAMBANTOTA HUB DEVELOPMENT PROJECT**

**CONSTRUCTION OF**

**EXTENSION OF SOUTHERN EXPRESSWAY**

**FROM WETIYA TO ANDARAWEWA**

**CONTRACT AWARDED TO**

**CHINA STATE CONSTRUCTION ENGINEERING CORPORATION**

**LIMITED**

**CIVIL WORK CONTRACT NO: RDA/RNIP/HH/01**

**VOLUME 1**

**SUPPLEMENTARY AGREEMENT  
APPENDIX TO TENDER**

**AUGUST 2013**

*Brig*

## CONTENTS OF CONTRACT DOCUMENTS

### VOLUME 1

- a) Supplementary Agreement
- b) Appendix to Tender
- c) Minutes of Negotiations, if any,

### VOLUME 2

- d) Particular Conditions of Contract

### VOLUME 3

- e) Technical Specifications – Section I, II and III

### VOLUME 4

- f) Drawings

### VOLUME 5

- g) Scope of Work
- h) Preamble to Bill of Quantities
- i) Bill of Quantities

### VOLUME 6

- j) Supplementary Information

32 7

**SUPPLEMENTARY  
AGREEMENT**

*Q. 1*

## Supplementary Agreement

This Supplementary Agreement made on this 23<sup>rd</sup> day of August Two Thousand Thirteen between the Road Development Authority (RDA), an authority incorporated under the Road Development Authority Act No: 73 of 1981 as amended through Act No: 37 of 2009 of Sri Lanka and having its Head Office at Sethsiripaya, Battaramulla, Sri Lanka (hereinafter referred to as RDA, which term means and includes the said RDA, its successors, assigns and liquidators) on the one part and China State Construction Engineering Corporation Ltd. having its Head Office at No. 15, Sanlihe Road, Haidian District, Beijing, China and a Branch Office in Sri Lanka at 155, Dharmapala Mawatha, Colombo 7 (hereinafter referred to as CSCEC, which term means and includes the said CSCEC, its successors, assigns and liquidators) of the other part.

WHEREAS, The Parties have entered into a Contract Agreement dated 7<sup>th</sup> February 2013 for the execution of works on Contract No. RDA/RNIP/HH/01 for the Hambantota Hub Development Project.

AND WHEREAS, The Parties are desirous of amending this Agreement dated 7<sup>th</sup> February 2013 to incorporate amendments pertaining to the change of scope to accommodate the execution of the Extension to the Southern Expressway.

AND WHEREAS, The Parties wish to identify the section from Wetiya to Andarawewa in the Extension of the Southern Expressway also known as Section III of the Extension of the Southern Expressway hereinafter referred to as Section III of ESE.

AND WHEREAS, The Parties further wish to identify the components of the Hambantota Hub Development Project pertaining to the Original Agreement namely Sooriyawewa – Galwewa Junctions - Moraketiya – Embilipitiya Road, Ranna Wetiya Road, Wetiya – Sooriyawewa - Andarawewa Road, Flyover 1 and Flyover 2 hereinafter referred to as HR 6 & HR 10, HR 21, HR 8 & HR 19, F1, F2 respectively.

AND WHEREAS, The Parties also further wish to identify the Interchanges in Section III of ESE as I<sub>1</sub> & I<sub>2</sub>.

AND WHEREAS, the Parties wish to amend the scope of flyovers F1 and F2 of the Original Agreement to Interchanges I<sub>1</sub> & I<sub>2</sub> to be compatible with Expressway Construction.

AND WHEREAS, the Parties wish to execute Section III of ESE from Wetiya to Andarawewa including I<sub>1</sub> & I<sub>2</sub> in a distance of 15 km instead of HR 8 & HR 19, F1 and F2.

AND WHEREAS, the Parties wish to amend the scope of Sooriyawewa- Galwewa Junction- Moreketiya – Embilipitya Road (HR 6 and HR10) and Ranna Wetiya Road (HR 21).

AND WHEREAS, the Parties wish to effect the deletion of the original scope embodied under HR 6 & HR 10, HR 21, HR 8 & HR 19, F1 and F2 in the Original Agreement dated 7<sup>th</sup> February 2013 and introduce the amended scope as detailed hereunder against (i), (ii) below.

AND WHEREAS, the Parties wish to amend the scope of work to match the Accepted Contract Amount as indicated vide Letter of Acceptance ref: RDA/RNIP/HB/02/01 dated 05<sup>th</sup> day of February 2013 issued in respect of the Original Scope as embodied in the above referred to Letter of Acceptance.

Now this Supplementary Agreement witnesseth that RDA and CSCEC have mutually agreed

- (i) that the work in respect of the change of scope would be carried out and executed as per the following applicable documents listed hereunder in the order of priority which shall be deemed to form and be read and construed as part of this Supplementary Agreement.

Volume 1

- a) Supplementary Agreement
- b) Appendix to Tender
- c) Minutes of Negotiations, if any.

Volume 2

- d) Particular Conditions of Contract

Volume 3

- e) Technical Specifications – Section I, II and III

Volume 4

- f) Drawings

Volume 5

- g) Scope of Work
- h) Preamble to Bill of Quantities
- i) Bill of Quantities

Volume 6

- j) Supplementary Information

pertaining to the Expressway Section III of ESE and the Interchanges I<sub>1</sub> and I<sub>2</sub>

- (ii) that the work in respect of the change of scope in respect HR 6, HR 10 and HR 21 would be carried out and executed as per the new Bill of Quantities in Volume 5 reflecting the changed scope thereby rendering the Original Bill of Quantities redundant except as necessitated in circumstances referred to in (v) below.

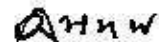
- (iii) that the Sub Clause 8.7 – Maximum Amount of Delay Damages in the Appendix to Tender pertaining to the Original Agreement is duly amended as 5% of the Final Contract Price.
- (iv) that the Sub Clause 10.1 – Sectional Taking Over in the Appendix to Tender pertaining to the Original Agreement is duly amended to reflect only Sooriyawewa, Galwewa Junction, Moreketiya – Embilipitiya Road and Ranna – Wetiya Road.
- (v) that the Sub Clause 14.2 – Advance Payment in the Appendix to Tender pertaining to the Original Agreement is duly amended as follows:
  - (a) Total Advance Payment – 20%
  - (b) Number and timing of instalments – Three and as in Particular Conditions of Contract
  - (c) Currencies and proportions - Either  
5% in SLR + 15% in currency of loan  
OR  
20% in currency of loan if total contract is funded through the loan
- (vi) that the Contract Amount will be paid either in United States Dollars (US \$) or in RMB (Yuan) depending on the loan availability from the EXIM Bank of China in one of these two currencies.
- (vii) that the Accepted Contract Amount of Rupees 31,574,100,000.00 shall be deemed to consist of two separate sums of Rupees 28,735,219,677.83 in respect of Section III of ESE and Rupees 2,838,880,322.17 for HR 6 & 10 and HR 21 for purposes of administration of the Contract.
- (viii) that in the event of a requirement of rates for which zero quantities are reflected in the Bill of Quantities for HR 21, HR 6 & HR 10, rates shall be obtained from the redundant BOQ of these roads.
- (ix) that the currency conversion rate applicable in respect of Sub Clause 14.15 shall be 01 US \$ = SLR 125.03 and 01 RMB (Yuan) = SLR 20.2919, rates which prevailed on 4<sup>th</sup> May 2012.
- (x) that the documents pertaining to the Original Agreement dated 7<sup>th</sup> February 2013 would be applicable to HR 6 & HR 10 and HR 21.
- (xi) that there will be no consequential claim whatsoever from either party arising out of this change of Scope.
- (xii) that in this Supplementary Agreement, words and expressions shall have the same meaning as are respectively assigned to them in the Contract Documents as applicable.

- (xiii) that all documents and correspondence exchanged to date in respect of contract No: RDA/RNIP/HH/01 be equally applicable mutatis mutandis to this Supplementary Agreement save in respect of the documents applicable to the Change of Scope as indicated in (i) and (ii) above.

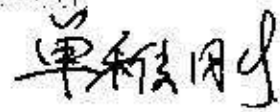
IN WITNESS WHEREOF the Authorized Representative of CSCEC on behalf of China State Construction Engineering Corporation Ltd. in accordance with the powers vested in him and the Chairman, Road Development Authority have caused this Supplementary Agreement executed in accordance with the Laws of Sri Lanka and set their hands hereto and their common seals been affixed hereto and two others of the same tenor and date as these presents at Battaramulla on the date hereinbefore mentioned.

  
 R. W. R. Pemasiri  
 Chairman  
 Road Development Authority

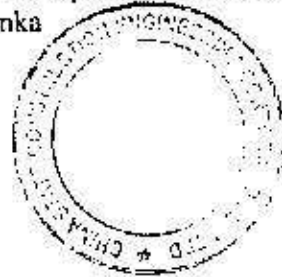
**R. W. R. PEMASIRI**  
 Actg. Chairman  
 Road Development Authority

  
 Board Member  
 Road Development Authority  
**O. RATHNAWEERA**  
 Working Director &  
 Board Member  
 Road Development Authority  
 On behalf of  
 Road Development Authority


CHINA STATE CONSTRUCTION  
 ENGINEERING CORPORATION




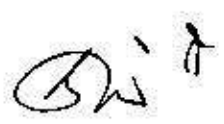
Shan Zhigang  
 Authorized Representative of CSCEC  
 in Sri Lanka



on behalf of CSCEC

Date: 23/8/2013  
 Witnessed by:   
 Name: Eng. R. M. Gamini  
 Project Director (RNIP-PMU)  
 Road Development Authority  
 No. 74, Kaduwela Road,  
 Battaramulla

Date: 23/8/2013  
 Witnessed by:   
 Name: YEN HENG



# APPENDIX A TO TENDER



## APPENDIX TO TENDER

<u>Item</u>	<u>Sub- Clause</u>	<u>Data</u>
Employer's name and address.....	1.1.2.2 & 1.3	Name : Road Development Authority Address : 1 <sup>st</sup> Floor, "Sethsiripaya", Battaramulla.
Contractor's name and address.....	1.1.2.3 & 1.3	China State Construction Engineering Corporation Ltd.,No.15 Sanlihe Road, Haidian District Beijing, China
Engineer's name and address.....	1.1.2.4 & 1.3	To be notified in due course.
Time for Completion of the Works.	1.1.3.3	24 months
Defects Notification Period.....	1.1.3.7	365 days
Electronic transmission systems.....	1.3	Facsimile followed by confirmed delivery of the Original Copy of the Facsimile
Governing Law.....	1.4	The law in force is that of the Democratic Socialist Republic of Sri Lanka
Ruling Language.....	1.4	English
Language for communications.....	1.4	English
Time for access to the Site.....	2.1	Access to site for purposes of carrying out surveys and investigations will be given to the contractor 14 days after signing the contract agreement.  Access to site for purpose of commencing civil work construction will be given in stages as and when possession of site is legally available to the Employer.
Engineer's Duties and Authority....	3.1(b)(ii)	Variation resulting in an increase of the Accepted Contract Amount in excess of 0.01% and 0.2% as the aggregate of such variations shall require approval of the Employer.

Amount of Performance Security... 4.2	<p>5% of the Accepted Contract Amount, in the currencies and proportions in which the Contract Price is payable.</p> <p>The Performance Security shall be an on-demand unconditional Bank Guarantee in the form and from a bank acceptable to the Employer. If the Performance Security is issued by a foreign bank situated outside Sri Lanka, it shall be endorsed by a bank in Sri Lanka acceptable to the Employer to make it enforceable in Sri Lanka. This endorsement is unnecessary if the entity that issues the guarantee is an Export Credit Agency of any foreign government or a reputed International Financier acceptable to the Central Bank of Sri Lanka.</p>
Normal working hours..... 6.5	<p>7.00 a.m. to - 5.00 p.m.( Monday to Friday)</p> <p>7.00a.m. to 1.30pm (Saturday) (If the contractor needs to work outside the normal working hours, he shall obtain the consent of the Engineer by giving reasonable notice for the Engineer to arrange adequate supervision.)</p>
Delay damages for the Works.....8.7 & 14.15(b)	0.05% of the value of the unfinished work or Sri Lankan Rupees 20,000,000 per day for the full scope.
Maximum amount of delay damages 8.7	5% of the Final Contract Price
Sectional Taking over 10.1	<p>The following components of the Contract shall be deemed to be separate sections for purposes of taking over of the works.</p> <ol style="list-style-type: none"> <li>1. Sooriyawewa - Galwewa Junction - Moraketiya - Embilipitiya Road</li> <li>2. Wetiya - Sooriyawewa - Andarawewa Road</li> <li>3. Ranna - Wetiya Road</li> <li>4. Flyover - F1</li> <li>5. Flyover - F2</li> </ol>
<i>If there are Provisional Sums :</i>	
Percentage for adjustment of Provisional Sums..... 13.5(b)	15%
Adjustments for Changes in Cost..... 13.8	Not Applicable
Total advance payment..... 14.2	20% of the Accepted Contract Amount

Number and timing of instalments. 14.2		03 instalments as in Particular Conditions of Contract
Currencies and proportions.....14.2		either 5% of the Accepted Contract Sum in SLR + 15% in currency of loan or 20% in currency of loan if total contract is funded through the loan.
Start repayment of advance payment...	14.2(a)	See Provision in Sub Clause 14.2 of Particular Conditions of Contract.
Repayment amortization of advance Payment.....	14.2(b)	See Provision in Sub Clause 14.2 of Particular Conditions of Contract.
Percentage of retention.....	14.3	10%
Limit of Retention Money.....	14.3	5% of the Accepted Contract Amount
<i>If Sub-Clause 14.5 applies :</i>		
Plant and Materials for payment When shipped en route to the Site.....14.5(b)(i)		Not applicable
Plant & Materials for payment when 14.5(c)(i)		1. Cement 2. Bitumen 3. Reinforcement Steel 4. Structural Steel 5. Processed Aggregates complying with the relevant specifications.
Minimum amount of Interim Payment Certificates.....	14.6	1.5% of the Accepted Contract Amount
<i>If some payments are to be made in a currency/ currencies not named on the first page of the Letter of Tender:</i>		
Currencies of payment.....	14.15	

Currency Unit	Percentage payable in the Currency	Rate of exchange: number of Local per unit of Foreign
Either US Dollars (US\$) or RMB Yuan (in the currency of Loan)	100	The rate of exchange shall be that stipulated for the applicable foreign currency by the Central Bank of Sri Lanka as at 04/05/2012 01 US\$=SLR 125.03 or 01 RMB (Yuan)= SLR 20.2919

Periods for submission of insurance :

(a) evidence of insurance ..... 18.1

within 28 days after  
date of receiving the notice to  
commence

(b) relevant policies..... 18.1

within 28 days after  
date of receiving the notice to  
commence

Maximum amount of deductibles for  
Insurance of the Employer's risks.... 18.2(d)

Sri Lanka Rupees 10 Million

Minimum amount of third party  
Insurance .....18.3

Sri Lankan Rupees 10 Million

Date by which the DAB shall be

Appointed..... 20.2

42 days after the Commencement Date

The DAB shall be .....20.2

Three Members

Appointment (if not agreed) to be  
Made by .....20.3

The President of the Institution of  
Engineers, Sri Lanka