

CT 2196/2010

Contracts Circular N° 02/2011

Department of Contracts
Notre Dame Ravelin
Floriana

To Ministries and
Heads of Department

11 January 2011

TOILET PAPER

- 1 Ministries and Heads of Department are hereby informed that the contract for the supply and delivery of Toilet Paper, manufactured from 100% recycled paper, greyish white in colour, to Government Departments and Parastatal Bodies, as and when required, has been awarded to:

Karta Converters Ltd
K1A Corradino Industrial Estate
PAOLA PLA 08

Tel: 2169 6987
VAT: 1074-2605

at €0.14,8 per roll. Price is inclusive of all charges and taxes including 18% VAT.

- 2 Payments are to be made direct to contractor.
- 3 Each toilet paper roll shall be indelibly stamped with the letters 'GM' on the core. Packing shall be in strong polythene boxes of 60 rolls.
- 4 Heads of Department are requested to ensure that the toilet paper supplied to them is of the same quality as sample submitted for testing and approved by the Malta National Laboratory as per test report No. 285/08 dated 25 September 2008 and this by periodically submitting toilet paper for testing at the National Laboratory, San Ġwann Industrial Estate, San Ġwann.

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.....cont. Circ. 2/2011

- 5 Furthermore they are also to ensure that the conditions of contract are strictly adhered to especially clause 3 above.
- 6 This contract shall run from the 02 January 2011 and terminates on the 31 December 2011.
- 7 The special conditions regulating this contract are attached and Heads of Department are requested to ensure that these conditions are strictly adhered to.

F Attard
Director General (Contracts)

SPECIAL CONDITIONS

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These conditions amplify and supplement, if necessary, the General Conditions governing the contract. Unless the Special Conditions provide otherwise, those General Conditions remain fully applicable. The numbering of the Articles of the Special Conditions is not consecutive but follows the numbering of the Articles of the General Conditions. In exceptional cases, and with the authorisation of the Central Government Authority, other clauses may be introduced to cover specific situations.

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Article 2 Law Applicable

- 2.1 The laws of Malta shall apply in all matters not covered by the provisions of the contract.
- 2.2 The language used shall be English.

Article 4 Communication

For the smooth working of the contract, contact at all times must be established between the successful contractor and the various officers concerned of the department and for this reason the contractor must have his / her own telephone.

Article 9 General Obligations

The contractor shall abide strictly by any and all safety regulations concerning the construction and loading of the vehicles employed on this contract.

The contractor shall not employ on this contract any vehicle which is not covered by a Motor Vehicle Insurance (Third Party Risks) policy issued by a recognised Insurer in Malta.

It shall not be lawful for the contractor to employ any driver on any of the vehicles used on this contract who is not the holder of the requisite special driving licence issued by the Commissioner of Police.

The contractor may be required to dismiss at once any work-man who, in the opinion of the Head of Department, is considered incompetent, misbehaves, or whose presence on this contract is undesirable. He shall also be liable for any damages caused to Government property in any way by men employed by him.

Deliveries shall be effected only on working days during Government working hours and no deliveries shall be made or accepted on Saturdays, Sundays, Holidays of Obligation and Public Holidays. However, the Head of Department reserves the right to depart from this rule should circumstances so dictate.

Should the successful tenderer be resident abroad he shall be require to appoint a representative in Malta with whom all transactions in connection with the contract shall be made by the Government.

Article 10 Origin

Supplies may originate in a Member State of the European Union or any other country as stipulated in Article 69 of the Public Contracts Regulations. The origin of the goods shall be determined according to the Community Customs Code or the international agreements to which the country concerned is a signatory.

When submitting his tender, the tenderer must state expressly that all the goods meet the requirements concerning origin and must state the respective countries of origin. He may be asked to provide additional information in this connection.

Article 11 Performance Guarantee

Malta Funds

11.1 The Contractor shall, within 15 days of receipt of the notification of the award of contract, furnish the Central Government Authority with a guarantee for the full and proper performance of the contract. The amount of the guarantee shall be 10% of the amount of the contract price, including any amounts stipulated in addenda to the contract. In the case that the value of the contract does not exceed €10,000, no performance guarantee is required.

11.3 The performance guarantee shall be in the format given in Annex IV and shall be provided in the form of a bank guarantee.

Article 16 Tax and Customs Arrangements

Malta Funds

16.2 For supplies manufactured locally, all internal fiscal charges applicable to their manufacture shall be included in the price.

16.2 For supplies to be imported into the country of the Contracting Authority, all duties and taxes applicable to their importation, including VAT shall be included in the price.

Article 18 Commencement Order

18.1 This contract shall commence on the 2nd January 2011.

Article 19 Period of Execution

19.1 The duration of this contract shall be up to 31st December 2011. However, this contract may be extended for a further three (3) months under the same terms and conditions.

Article 21 Delays in Execution

Besides the fines stipulated the Government shall have the right to annul the contract if, (a) have supplied quantities of the goods and/or materials less than the quantities shown on the delivery note or (b) having supplied goods and/or materials of inferior quality not in accordance with the Specification or from non-approved sources, and in either of these two cases as may be, having been warned in writing, the contractor again supplies goods and/or materials less than the quantities shown on the delivery note or again supplies goods and/or materials of inferior quality or from non-approved sources.

Article 22 Quantities

The quantities shown are only indicative and where necessary may be exceeded. Moreover Government reserves the right not to order the whole quantities shown and would not, by doing so, be held liable to any damages or other costs whatsoever.

The Government reserves the right of obtaining any quantity of the requested commodities during the period of the contract from sources other than the contractor.

Article 23 Suspension

Should the contract be annulled in terms of clause 11 above, such annulment shall automatically entail a penalty equivalent to ten per cent of the value of the unperformed part of the contract to which the contractor shall become liable in addition to any compensation which may be due to the Government for damages.

Should the contractor fail, refuse or neglect to supply or to replace as in clause 9, any goods and/or materials within the period prescribed, he shall become liable for the whole period and on account of the delay to a penalty equivalent to one per cent per week of the value of the goods and/or materials the supply of which is in arrear, up to the day on which the delivery shall have been completed. The Head of Department shall moreover, without prejudice to the payment of the fines to

which the contractor may have become liable, and without the necessity of any prior legal proceedings have the right to order from other sources, at his / her discretion such goods and/or materials at any price on account, and at the expense, of the contractor.

Article 24 Quality of Supplies

Moreover, the contractor shall incur a fine equivalent to ten per cent of the value of the goods and/or materials delivered should they be found to be of inferior quality not in accordance with the Specifications and the approved sample/s or of having been supplied from sources other than those approved and accepted for the contract unless approval to supply from these sources has been obtained in writing from the Government.

Article 25 Inspection and Testing

Inspection and testing of goods will be carried out upon collection.

Article 26 Methods of Payment

26.1 Payments shall be made in Euro.

Malta Funds

The payments are to be effected within 30 days from the date on which an admissible payment request is registered by the competent department specified in the Special Conditions, for the goods received to the satisfaction of the Project Manager

Monthly payments shall be made to the contractor by the end of the month subsequent to that in which a supply shall have been made. The Head of Department shall however have the right to stop any payment due whenever in his/her opinion the contractor is under penalty for breach of any of the conditions of the contract.

Article 28 Delayed Payments

Malta Funds

In breach of the above, a contractor would become entitled to the payment of interest at 2% over the rate of interest established by the Central European Bank for the particular period.

Article 29 Delivery

- a The Contractor shall bear all risks relating to the goods until provisional acceptance at destination. The supplies shall be packaged so as to prevent their damage or deterioration in transit to their destination. The contractor shall provide at his own expense all necessary labour and transport required for the execution of this contract.

- b The goods and/or materials shall be supplied, as and when required, on receipt of a Requisition or Order from the Head of Department concerned or his / her representative and shall be delivered to the place or places indicated on the Order within the time specified thereon.

- c Deliveries shall be effected only on working days during Government working hours and no deliveries shall be made or accepted on Saturdays, Sundays, Holidays of Obligation and Public Holidays. However, the Head of Department reserves the right to depart from this rule should circumstances so dictate.

- d The Government will not accept liability for verbal orders and will not meet claims for any value thereof even though the goods and/or materials may have been delivered and made use of by the department concerned.

- e Subject to the provisions of clause b above, the contractor may be required to supply and to deliver, on any day as directed, up to a maximum quantity in respect of each item equivalent to double the quantity specified in the Schedule divided by the number of working days falling within the contract period.

- f The contractor shall keep reasonable stocks of each item to meet all demands during the period of the contract. Whenever so requested, the contractor shall give two days' notice to the Head of Department or to the officer representing him of the date on which the supply of a requisition will be made, in default whereof he shall incur a penalty of Euro 4.66 for every requisition in respect of which he has not given notice and the Head of Department shall have the right to reject the supply covered by such requisition and, if he deems fit, to fix a later date for the delivery thereof.

Article 30 Verification Operations

Each supply shall be measured on delivery by the representative of the Head of Department and shall be accompanied by a delivery note showing the quantity being supplied under each item of the Schedule and the Head of Department's representative shall receipt such note provided the quantities on the delivery note tally with the quantities supplied. Should the quantities shown on the delivery note as being supplied not conform to the quantities **actually** supplied, the contractor shall become liable to a fine equivalent to double the value, at the contract rate, of the quantity short-delivered.

The Head of Department or his / her representative shall have the power to reject any goods and/or materials supplied by the contractor should they be not in accordance with the Specifications or with the sample produced by the contractor and approved by Government and the contractor shall remove the rejected goods at his /her expense within the shortest possible time.

The contractor shall be bound to replace any rejected goods and/or materials with goods and/or materials of the approved quality within the time prescribed by the Head of the Department concerned.

Article 35 Breach of Contract

Should the contractor fail to effect delivery of any order or to effect replacement of any rejected goods and/or materials within the time prescribed in terms of the contract, without having previously obtained an extension in writing from the Head of Department – such an extension will be granted only in exceptional circumstances – Government shall have the right to dissolve the contract and to consider it as having been abandoned by the Contractor. Should the contract be so or otherwise abandoned, wholly or in part, the Contractor besides being liable to payment of the penalties incurred for delay and of any damages deriving from such abandonment shall incur a further penalty equivalent to ten per cent of the value of the unperformed part of the contract. Provided that no penalty for delay shall be enforced with respect to the specific Requisition giving place to the dissolution and abandonment of the contract.

Payment of any fine to which the Contractor may have become liable the exercise by the Government of any of its rights under clauses 13 and 14 hereof shall not

exempt the contractor from his / her liabilities for damages deriving from his / her failure to supply any order or orders under this contract.

Article 41 Dispute Settlement by Litigation

Any dispute between the Parties that may arise during the performance of this contract and that has not been possible to settle otherwise between the Parties shall be submitted to the arbitration of the Malta Arbitration Centre in accordance with the Arbitration Act (Chapter 387) of the Laws of Malta.

This law is based on “Model Law” which is the Model Law on International Commercial Arbitration adopted on June 21, 1985 by the United Nations Commission on International Trade Law reproduced in the First Schedule of the Arbitration Act.

TECHNICAL SPECIFICATIONS

1. The toilet paper rolls shall have the following characteristics:-
 - a. The two ply toilet paper rolls shall be of extra soft grade. The average grammage of the double ply paper shall be not less than 34g/m².
 - b. They shall consist of unglazed soft tissue paper and shall be free from deleterious defects such as fibre bundles and wood splinters and other defects that may impair its serviceability.
 - c. The length of paper per rolls shall be not less than 26m and not more than 28m. Any shortages from the agreed length in any one roll shall not exceed 2%.
 - d. The width of the sheets shall be 100mm plus or minus 2mm. The sheets are to be neatly and firmly rolled on a cylindrical core of the same width. The sides of each roll shall be clearly cut and the paper at the other end of the roll shall not be glued to the underlying paper.
 - e. The length of a sheet on a roll shall be not less than 110mm and not more than 130mm.
 - f. The perforations shall be functional and allow a clear tear on the sheet.
 - g. The inside diameter of the core of a toilet paper roll shall not be less than 32mm and not more than 45mm. The outside diameter of the roll shall not exceed 125mm.
 - h. The tensile strength of the paper shall be not less than 2.1 N/15mm of width in the machine direction, 0.6N/15mm of width in the cross direction and 1.5N/15mm of width in the average of both the machine direction and cross direction.
 - i. The softness of the paper shall not exceed 150mN.
 - j. If any dye is used to colour the paper it should conform to Health Standards.

2. Each roll shall be indelibly stamped with the letter 'G.M.' at one end or on the core.
3. The rolls shall be packed in hygienic, dirt and damp proof strong polythene bags of approximately 60 rolls to each bag, to allow uniform stacking up to a height of at least three (3) metres.
4. Tenderers submitting offers for toilet paper manufactured from recycled selected tissue, besides complying with clauses 7, 8 and 9 above are to submit with their quotation and whenever requested during the duration of the contract, a Quality Control Analysis Report issued by an independent recognized laboratory, showing that the product being supplied has a very good hygiene standard and do not pose any bacteriological risk to health. In this connection test results should confirm that the bacterial count do not exceed 1cfu per cm².
5. Samples: Within two days of being notified, tenderers must submit samples (10 rolls of each type offered) showing the quality and workmanship of the toilet paper being supplied. Samples are to bear a label marked clearly with the name and address of the bidder.