**PAYMENT SCHEDULE**

Letter of Credit will be opened by the Supplier / Contractor. An Advance payment will be made.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **STAGE OF PAYMENT** | | **STAGE OF CONTRACT** | **DOCUMENT TO BE SUBMITTED** | **AMOUNT OF PAYMENT** | | **REMARKS** |
| 1. **Advance Payment** | | | | | | |
| 1 | Mobilization Advance Payment | After signing of Contract Agreement | * A written request for payment in the form of an invoice. * A bank guarantee for the equivalent amount. * A performance bond. | 20% of the initial contract price. | | Refer **Clause 15.2 of GCC** |
| 1. **Foreign Payment** | | | | | | |
| 2 | Subsequent Payments | On shipping the items part or fully | * Copies of the Supplier’s invoice showing description of Goods, quantity, unit price, total amount and HS Code Number; * 3 copies of clean on-board bill of lading marked freight prepaid. * Copies of packing list identifying contents of each package and measurements * Manufacturer’s warranty certificate as per Clause 15 hereof. * Inspection certificates, issued by the nominated inspection agency. * Manufacturer’s Inspection and Test Certificate * Certificate of origin * Certificate of conformity to the requirements specified in the specifications. * Inspection and test certificate by the NWSDB pre-shipment Inspection team. | 55% of foreign component of the items shipped on Letter of Credit. | Refer **Clause 15.4 of GCC** | |
| 3 | Balance Payment on taking over | Taking over certificate by the Engineer based on the delivery, installation, testing and fulfillment of other’s obligations | * A written request for final (balance) payment in the form of an invoice based on the BOQ * on production of a taking over certificate issued by the Engineer. * Engineer’s Representative’s approval for the balance payment of Foreign Component. * Submission of Bank guarantee for 5% of Contract Price as a retention money. | Balance 25% of the foreign component shall be paid. | Refer **Clause 15.4 of GCC** | |

Revised on 19-01-2024

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| 1. **Local Payment** | | | | | |
| 4 | First Payment  of supply bill | On delivery and stacking of the Goods at site | Document providing the delivered Goods and passed in test performed are in compliance with the specifications. | 70% of the Local component of the supply bills | Refer **Clause 15.4 of GCC** |
| 5 | Balance Local Payment of supply bill | Taking over certificate by the Engineer for the delivery and other obligations | On production of a Taking Over Certificate issued by the Engineer.  A written request for balance payment in the form of an invoice based on the BOQ and Engineer’s approval for the payment. | 10% of the Local component of the supply bill | Refer **Clause 15.4 of GCC** |
| 6 | Installation Bill (Local) payment | On Taking over certificate after testing & commissioning | A written request for the Engineer’s Representative’s approval for the payment.  On production of a Taking Over Certificate issued by the Engineer. | 80% of the Installation bill | Refer **Clause 15.4 of GCC** |
| 1. **Final Payment** | | | | | |
| 7 | Final Payment (Release of retention) | On final acceptance by the Engineer. | a). Written request for the release of retention guarantee.  b) On production of a Final Acceptance Certificate issued by the Engineer. | Release the retention guarantee. | Refer **Clause 15.6 of GCC** |

Revised on 19-01-2024