GOVERNMENT OF THE REPUBLIC OF MALAWI

ROADS AUTHORITY

CONSTRUCTION OF AN INTERCHANGE AT KAMEZA ROUND ABOUT IN BLANTYRE CITY

Procurement Reference No.	**RA/DEV/BT-BTC/2026-27/02**
Procurement Method	**International Competitive Bidding**
Date of Issue	**20th November 2026**

Circular letter No. 1

Clarifications to tender documents

To: All Bidders
Date of issue: 30th October 2026

Functional Building, Off John Chilembwe Highway, Private Bag B346
Lilongwe 3, Malawi

A. Clarifications to Bidding Document – Contract Data

Bidders are being advised that Section 9A (Contract Data) in the Bidding Document is replaced as follows;

Conditions	Sub-Clause	Data
Employer's name	1.1.31	The Government of Malawi represented by Roads Authority
Engineer's name	1.1.35	TBA
Section	1.1.73	N/A
Time for Completion	1.1.84	730 days (24 months)
Notices and other Communications	1.3 (a) (ii)	Electronic transmission systems include email and file sharing web sites. Electronic transmission of documents shall be followed by a hard copy
Notices and other Communications	1.3 (d)	The address for the Employer is: Chief Executive Officer Roads Authority of Malawi Private Bag B346 Lilongwe MALAWI Email: ra@ra.org.mw
Notices and other Communications	1.3 (d)	The address for the Contractor is: ……..
Law and Language	1.4	The Contract shall be governed by the Laws of Republic of Malawi. The ruling language of the contract shall be English. The Language for communication shall be English
Care and supply of documents	1.8	The additional paper copies shall be **One (1).**
Right of access to the Site	2.1	No later than the Commencement Date
Engineer's Duties and Authority	3.2	The Engineer shall obtain the specific approval of the Employer before taking action under the following Clauses: a) Clause 5.1 Subcontractors b) Clause 8.5 Extension of Time for Completion c) Clause 8.9 Employer's Suspension d) Clause 10.2: Taking Over Parts e) Clause 13.3: Variation Procedure f) Clause 20.1: Claims and Clause 20.2 Claims for Payment and/or EOT
Performance Security	4.2	The performance security will be in the form of a **Bank Guarantee** in the amount(s) of **Ten (10)** percent of the Accepted Contract Amount and in the same currency (ies) of the Accepted Contract Amount.

Conditions	Sub-Clause	Data
Sub-Contractors	5.1 (a)	**30 percent**
Normal working hours	6.5	Monday to Saturday 7:30am – 17:00 hours with exception of Gazetted Public Holidays at a maximum of 45 hours in a week.
Staff Removal	6.9	Insert after 6.9(f); (g) acts in a manner that breaches the Code of Conduct (ES) (e.g. sexual harassment, gender-based violence, illicit activity or crime)."
Commencement	8.1	**ES Management Strategies and Implementation Plans** The following is inserted at the end of 8.1: "Notwithstanding the Commencement Date as specified in this Sub-Clause, the Contractor shall not proceed implementing the works 28 days after the commencement date unless the Engineer is satisfied that appropriate measures are in place to address environmental and social risks and impacts. At a minimum, the Contractor shall apply the Management Strategies and Implementation Plans and Code of Conduct, submitted as part of the Bid and agreed as part of the Contract. The Contractor shall submit, on a continuing basis, for the Engineer's prior approval, such supplementary Management Strategies and Implementation Plans as are necessary to manage the ES risks and impacts of ongoing works. These Management Strategies and Implementation Plans collectively comprise the Contractor's Environmental and Social Management Plan (C-ESMP). The C-ESMP shall be approved prior to the commencement of construction activities (e.g. excavation, earth works, bridge and structure works, stream and road diversions, quarrying or extraction of materials, concrete batching and asphalt manufacture). The approved C-ESMP shall be reviewed, periodically (but not less than every six (6) months), and updated in a timely manner, as required, by the Contractor to ensure that it contains measures appropriate to the Works activities to be undertaken. The updated C-ESMP shall be subject to prior approval by the Engineer."
Programme	8.3(d) (iv)	Insert at end of GC 8.3(d)(iii): (iv) "In addition to the progress report, the Contractor shall also provide a report on the Environmental and Social (ES) metrics set out in Part C and D. In addition to Part C and D reports, the Contractor shall also provide immediate notification to the Engineer of incidents in the following categories. Full details of such incidents shall be provided to the Engineer within the

Conditions	Sub-Clause	Data
		timeframe agreed with the Project Manager. (a) confirmed or likely violation of any law or international agreement; (b) any fatality or serious (lost time) injury; (c) significant adverse effects or damage to private property (e.g. vehicle accident, damage from fly rock, working beyond the boundary) (d) major pollution of drinking water aquifer or damage or destruction of rare or endangered habitat (including protected areas) or species; or (e) any allegation of sexual harassment or sexual misbehavior, child abuse, defilement, or other violations involving children.
Delay damages for the Works	8.8 & 14.15(c)	**0.05**% of the Contract Price per day.
Maximum amount of delay damages	8.8	**5**% of the final Contract Price.
Defects Notification Period	11.3	365 days.
Provisional Sums	13.4.(b)(ii)	A percentage for adjustment of Provisional Sums is **7.5** %
Adjustments for Changes in Cost	13.7	**Not applicable.**
Advance Payment	14.2	The total advance payment shall be **10%** Percentage of the Accepted Contract Amount payable in the currencies and proportions in which the Accepted Contract Amount is payable, subject to acceptance of an Advance Payment Guarantee.
Percentage of Retention	14.3	**5**%
Limit of Retention Money	14.3	**2.5**% of the Accepted Contract Amount
Plant and Materials intended for the works	14.5(b)(i)	If Sub-Clause 14.5 applies: Plant and Materials for payment when shipped. **N/A**.
	14.5(c)(i)	Plant and Materials for payment when delivered to the Site. 1. Bitumen 2. Steel
Minimum Amount of Interim Payment Certificates	14.6.2	**7** % of the Accepted Contract Amount (This requirement will be waived for the first 4 months from commencement of the contract).
Payment	14.7 (a)	**42 days**
Payment	14.7 (b) (ii)	**42 days**

Conditions	Sub-Clause	Data
Publishing source of commercial interest rates for financial charges in case of delayed payment	14.8	Prime Lending Rate of the Commercial Bank of Malawi **+ 1%** or if not available the Inter Bank offered rate and shall be calculated at simple interest
Currencies of payment	14.15	The Contract Price shall be paid in Malawi Kwacha
Insurance to be provided by the Contractor	19.2	The permitted deductible limits shall be: (a) The minimum cover for insurance of equipment is **MK450 million**
Insurance to be provided by the Contractor	19.2.3 (a)	1.2 times the value of the Works
Insurance to be provided by the Contractor	19.2.4	(a) The minimum cover for insurance of property is: **MK450 million** (b) The minimum cover for personal injury or death insurance is **MK300 million**
Constitution of the DAAB	21.1	The DAAB shall comprise of one suitably qualified person. The sole member shall be selected from a list of qualified arbitrators from the Malawi Engineering Institution
Failure to appoint DAAB member(s)	21.2	The president of the Malawi Engineering Institution

B. Clarifications to the Bill of Quantities

Bidders are advised that BoQ item 33.04 (b) quantity has been revised as below

PS 33.04	Cut to spoil, including unlimited free haul, material obtained from		
(a)	Soft excavation	m^3	58,634.40
(b)	Hard excavation	m^3	**100,000.00**

C. Response to Bidder Requests for Clarifications

S/N	Request / Question	Responses
1	Please confirm the source of project funding and reconcile references to Bank financing	The project shall be financed through the Roads Fund Administration (RFA), using Fuel Levy resources. References to a Bank loan or credit are not applicable to the financing of this project. Payments shall be made under the Contract through the applicable Roads Authority/RFA funding arrangements.
2	Do the provisions relating to Bank suspension apply?	No. References specifically relating to suspension or withdrawal of a Bank loan or credit are inapplicable. The other provisions on the Employer's payment obligations and the contractual rights and remedies of the Parties remain applicable.

3	Is the entire Contract Price provided for in the MTEF, and will payments depend on annual appropriation?	The project is financed through RFA Fuel Levy resources. Payments shall be processed in accordance with the Contract and the approved financing arrangements. The Employer's contractual payment obligations shall be governed by the payment provisions of the Contract; bidders should not assume that a separate Bank disbursement condition applies.
4	What is the advance payment percentage?	Refer to Part A of this circular letter
5	What are the retention percentage, retention limit and minimum Interim Payment Certificate?	Refer to Part A of this circular letter
6	What are the daily delay damages and maximum delay	Refer to Part A of this circular letter
7	Confirm the payment periods under Sub-Clause 14.7.	Refer to Part A of this circular letter
8	Confirm the insurance amounts and requirements under Clause 19	Refer to Part A of this circular letter
9	What CIRA registration category must a Malawian JV or subcontracting partner hold?	The Malawian partner shall be registered with the Construction Industry Regulatory Authority (CIRA) in the category and grade appropriate to the works allocated to it, and shall comply with the CIRA (Subcontracting and Joint Ventures between Foreign Contractors and Malawian Contractors) Regulations, 2023.
10	Can a foreign bidder with a registered Malawi branch bid alone?	A registered Malawi branch does not by itself exempt a foreign contractor from ITB 4.1 or the applicable CIRA Regulations. The bidder must demonstrate compliance with the local participation requirements applicable to its legal status.
11	How do the 25% and 40% JV qualification thresholds apply?	The joint venture shall meet the combined qualification requirements in Section 3. Where Clause 8.6 specifies minimum contributions of 25% for each partner and 40% for the lead partner, those percentages shall be applied to the particular criteria identified in that clause. The cumulative of all Joint Venture Partners must still reach 100% of each criterion.
12	Is the contract fixed price for 24 months without escalation?	Yes. The tender is to be priced without escalation for changes in labour, materials, fuel, bitumen, inflation or exchange rates. This does not exclude adjustments expressly arising from instructed variations or other entitlements under the Contract; it excludes routine index-based price adjustment.
13	Do BoQ unit rates remain applicable regardless of changes in quantities?	The contract is measured and valued using the agreed BoQ rates, subject to the valuation and new-rate provisions of Sub-Clause 12.3. A change in quantity alone does not automatically justify a new rate. Any new rate must satisfy the contractual conditions and be assessed by the Engineer

14	Is the contract admeasurement or lump sum?	The Contract is an admeasurement (remeasurement) contract. Payment shall be based on actual quantities of work executed and measured, valued at the applicable contractual rates and adjusted only as permitted by the Contract. The expression “Admeasurement Lump Sum Contract” in the BDS shall be read as “Admeasurement Contract”.
15	What is the permitted quantity change at award under ITB 42?	Clarification response: Any variation in quantities at the time of contract award shall not result in any adjustment to the unit rates quoted by the successful Bidder. The quoted unit rates shall remain fixed and applicable to the quantities of work, irrespective of any increase or decrease in quantities, in accordance with ITB 42.
16	What period applies to a Notice to Correct under Sub-Clause 15.1?	The Engineer’s Notice to Correct shall identify the default and specify a reasonable period for correction having regard to its nature, severity and the circumstances. No single fixed period applies to all defaults.
17	May the Contractor terminate if the Commencement Notice is not issued within 180 days?	The Contractor’s rights in this circumstance shall be determined under Sub-Clause 16.2.1(f), read with Sub-Clause 8.1 and the notice requirements of the Contract. Where the stipulated 180-day threshold is met for reasons not attributable to the Contractor, the contractual remedy is available subject to those requirements.
18	What financing charge applies to late payment, and does a 56-day delay automatically permit termination?	Financing charges shall accrue at simple interest of 1 percentage point above the applicable prime lending rate of the Contractor’s local commercial bank, in accordance with Sub-Clause 14.8. A 56-day payment period is not itself an automatic termination trigger; suspension or termination is subject to the separate conditions and notices in Clause 16.
19	Confirm performance and ES securities, forms and submission period.	Performance Security shall be 10% of the Accepted Contract Amount and the Environmental and Social Performance Security shall each be 1%, in the forms prescribed by the Bidding Document. Both shall be submitted within 28 days after receipt of the Letter of Acceptance. The 28-day requirement governs over the inconsistent 30-day reference.
20	Which equipment import alternative applies?	Importation of construction equipment shall comply with the applicable customs and tax laws of Malawi. No blanket exemption from import duties is granted by this clarification. Any temporary importation relief shall require approval from the competent authority and any security required under applicable law.

21	Is the detailed design complete and are structural drawings issued?	The drawings provided in Section 7(C) of the Bidding Document, including the available structural drawings, are at the Draft Detailed Engineering Design stage and have been issued for tendering purposes. The detailed engineering designs are subject to further review and finalization. However, no substantial changes to the design are anticipated, and any refinements arising from the review are not expected to materially affect the scope of works or the quantities provided in the Bills of Quantities (BoQ). Bidders shall therefore prepare their bids based on the drawings, specifications and Bills of Quantities provided in the Bidding Document.
22	Who is responsible for relocation of water, electricity, telecoms, sewer and lighting services?	The Contractor shall protect existing services and execute only that utility diversion works expressly included in the drawings, specifications and priced BoQ. Relocation works outside the Contractor's stated scope shall be arranged by the Employer with the relevant utility owners and dealt with under the Contract where they affect the Works.
23	Who handles land acquisition, compensation and resettlement, and is it complete?	Land acquisition, compensation and resettlement shall be the responsibility of the Employer, through the Roads Fund Administration (RFA), and shall not form part of the Contractor's obligations under the Contract. The Employer shall be responsible for coordinating and administering all compensation and resettlement activities, including the settlement of outstanding obligations, in accordance with applicable laws and regulations. The Employer shall facilitate access to and possession of the Site in accordance with Sub-Clause 2.1 of the Conditions of Contract. The Contractor shall not be responsible for financing or administering land acquisition, compensation or resettlement activities.
24	What traffic management and night-work requirements apply?	The Contractor shall maintain safe traffic movement and access throughout construction through an Engineer-approved Traffic Management Plan, including diversions, traffic controllers, signs and pedestrian protection. Night work shall be undertaken where required by the approved method statement or instructed in accordance with the Contract. Traffic-management costs shall be included in the relevant BoQ items or rates.
25	Who identifies borrow pits, quarries and disposal sites and obtains permits?	The Contractor is responsible for securing lawful material sources and disposal locations and obtaining the permits and environmental approvals required for sources it selects, unless the Contract expressly allocates a particular source or permit to the Employer.
26	Confirm the prerequisites and anticipated date for	Refer to Part A of this circular letter

27	Must listed equipment be owned in Malawi at bidding stage?	Equipment identified as “owned” in Section 3, Clause 8.3(c)1 shall be supported by evidence of ownership. The equipment need not be physically located in Malawi at bidding stage unless expressly stated. Hired equipment, purchase orders or lease-to-own arrangements are not substitutes for ownership where ownership is a mandatory qualification criterion.
28	Which personnel requirements govern, and may positions be combined?	Section 3, Clause 8.3(d) governs the minimum qualifications and experience for evaluation, including the stated experience for the Site Agent. Key staff shall be available for the periods required by the approved programme and Contract. Combining positions is not permitted where it would conflict with the stated staffing requirements or prevent full performance of the duties.
29	Can key staff be expatriates, and who pays permit costs?	Both suitably qualified Malawian and expatriate personnel may be proposed, subject to the qualification criteria and applicable Malawi immigration, employment and professional registration laws. The Contractor shall obtain and pay for the required permits, visas and authorizations.
30	How is the 30% local labour requirement measured?	Local labour shall account for not less than 30% of total labour cost as required by Contract Data Sub-Clause 6.1. The Contractor shall submit a Local Labour Method Statement and monthly payroll and employment records for verification by the Engineer. Any contractual withholding shall be supported by the Engineer’s assessment of the non-compliance.
31	Is there a cap on withholding for ES non-compliance under Sub-Clause 14.6.2(c)?	Withholding for environmental and social non-compliance shall be assessed by the Engineer under Sub-Clause 14.6.2(c), based on the value of outstanding obligations or the reasonable cost of corrective measures. No fixed per-IPC or cumulative percentage cap is introduced by this clarification.
32	Does the 30% subcontracting cap include a Malawian JV partner’s work?	The aggregate value of subcontracted work shall not exceed 30% of the Accepted Contract Amount under Sub-Clause 5.1. Work executed by a joint venture member in its capacity as a contracting partner does not, merely for that reason, constitute subcontracting; separately subcontracted work counts toward the limit.
33	Does the Adjudicator provision or the FIDIC 2017 DAAB apply?	The FIDIC 2017 dispute avoidance and adjudication procedure under Clause 21 shall apply. The DAAB shall comprise one member. The Malawi Engineering Institution shall act as appointing authority where the Parties fail to agree, in accordance with the Contract. The reference to an “Adjudicator” in BDS 46.2 shall be read consistently with this DAAB arrangement.

34	What arbitration rules and venue apply to foreign and domestic bidders or JVs?	Any dispute not finally resolved under the dispute resolution procedures of the Contract shall be referred to arbitration in accordance with Sub-Clause 21.6 of the Conditions of Contract. The place of arbitration shall be Lilongwe, Republic of Malawi, and the arbitration proceedings shall be governed by the laws of Malawi. Where the appointment of an arbitrator or arbitrators is required, the President of the Malawi Engineering Institution shall act as the appointing authority. These arrangements shall apply equally to domestic contractors, foreign contractors and joint ventures, irrespective of the nationality of their members.
35	Confirm the bid deadline and the applicable clarification deadline.	Refer to Part D of this circular letter
36	Confirm the number of bid copies and whether electronic submission is permitted.	Bidders shall submit one original and two copies in accordance with the BDS. Electronic submission is not permitted; bids shall be submitted physically at the address specified in the Bidding Document.

D. Bid Submission Date

ITB 23.1, the deadline for bid submission is **10:00 hours on 11th December 2026**

Street Address: Paul Kagame Road

Name of Building: Functional Building

Floor/Room number: Floor No. 1, Room 21

Town/City: Lilongwe