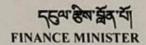


# न्द्राक्षेत्राञ्चतायम्।

#### ROYAL GOVERNMENT OF BHUTAN MINISTRY OF FINANCE TASHICHHO DZONG





MOF/DNP/PMDD-05/2021-22/ 3929

21 June 2022

#### NOTIFICATION

Subject: Re-scheduling of Intended Completion Date for Ongoing Construction Works between Procuring Agencies and Contractors

The pandemic was really an exceptional event of circumstances. Construction activities could not be carried out as planned due to disruptions caused by covid-19 restrictions and lockdown. The import of construction materials and laborers was a challenging task, which led to delays in executing the projects.

While Procuring Agencies have been considering time extensions based on the contract document, lack of evidentiary documents has impaired the extension of contracts beyond the contract agreement. Furthermore, work plans have also been rescheduled following the notification no. MoF/DNP/GPPMD-09/2020-21/611 dated 21 January 2021, issued by the Ministry of Finance, yet subsequent unforeseen circumstances have been causing delays in the progress of the works.

With the government relaxing the COVID protocols, the construction sector is picking up and gaining momentum. However, there are projects that are already behind the schedule and are on the verge of failure. Therefore, the Ministry of Finance recognizing these unprecedented challenges and with the objective of normalizing the present situation, would like to issue this guidance to the procuring agencies for Re-scheduling of Intended Completion Date for on-going Construction Works.

- Review all on-going projects as per present situation and determine if the existing duration is sufficient/ insufficient to complete the project.
- Projects that are either not affected or the agreed duration is sufficient to complete the project, contract duration shall be retained as per the existing contract signed.
- 3. Project that are affected by the pandemic or agreed duration as per existing contract is insufficient to complete the project, the Procuring Agency shall:
  - a. Reschedule the intended completion date for ongoing construction works; and
  - Issue a new intended completion date for construction works order for each project site.

THIMPHU, BHUTAN. Post Box No. 117, Ph: 322223, 322271,322514 Fax: 32315





### न्त्यक्षाञ्चलायम।

#### ROYAL GOVERNMENT OF BHUTAN MINISTRY OF FINANCE TASHICHHO DZONG



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- Ensure that projects are strictly monitored and completed as per the rescheduled timeframe.
- 4. Even if the work was rescheduled earlier based on the previous notification, they shall be eligible for rescheduling in line with the above points. And any time extension after the rescheduling shall be as per the contract documents.
- Even if a project has entered Liquidated Period (LD), they shall also be subject to review in line with above points and shall be eligible for time extension. And during the rescheduled period, LD shall not be imposed, however, once the rescheduled period completes imposition of LD shall continue.
- The rescheduling shall be one time for all the ongoing projects and any further time extension thereof shall be as per the contract documents.
- The contractors after the time extension shall ensure that there is strict compliance to ensure that contractual obligations are performed and penalties shall be levied thereafter without exception as per the contract documents.

The Ministry of Finance would like to urge all the procuring agencies to take note of the above guidance and kindly comply for effective and on-time completion of the ongoing construction works. This Notification shall be effective from the date of issuance of the notification.

Kindly email at pmdd@mof.gov.bt or contact at 02-336962 for any clarification or interpretation.

mgay Tehering)

Copy to:

1. The Hon'ble Prime Minister, Gyalyong Tshokhang, Thimphu.

2. Dasho Zimpon, Office of the Gyalpoi Zimpon, Thimphu.

3. The Auditor General, Royal Audit Authority, Thimphu



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### ROYAL GOVERNMENT OF BHUTAN MINISTRY OF FINANCE TASHICHHO DZONG



### 「石中でいる」「古」「「FINANCE MINISTER

- All Constitutional Heads, Government Secretaries, Dzongdags, Thrompons, Heads of Autonomous Bodies, Drungpas and Gups.
- 5. The President, Construction Association of Bhutan.
- 6. All Procurement Officers, to guide and facilitate smooth implementation.

