**Contract Award Notice**

**Borrower:** Georgia

**Implementing Agency:** Ministry of Education and Science of Georgia

**Project Name:** Innovation, Inclusion and Quality- Georgia I2Q

**Address:** 52 Dimitri Uznadze Str., 0102 Tbilisi, Georgia

**Project No:** 168481

**Loan No.:**IBRD-8955-GE

**Scope of the Contract:** Improving Early Childhood Education (ECE) Institution Management System and Enhancing the Quality of Programs Across the Country

**Contract No:** GE-MESCS-212213-CS-QCBS

**Method of Selection:** Quality and Cost-Based Selection, Open, International

**Duration of the Contract:** 43 months

**DATE OF TRANSMISSION**: August 26, 2022

**Evaluated Consultants:**

Name of the Consultant: SOFRECO / France

Proposal price as read out at public opening: EUR 2,633,495.00, excluding of all direct and indirect local taxes in accordance with ITC 25.1 in the Data Sheet.

Name of the Consultant: San Diego State University Research Foundation (SDSURF) /USA

Proposal price as read out at public opening: USD 4,197,428.00, excluding all indirect local taxes in accordance with ITC 25.1 in the Data Sheet.

**Rejected Consultants:**

Name of the Consultant: SOFRECO / France

Reason of rejection: As per ITC 16.3, “The Consultant and its Sub-consultants and Experts are responsible for meeting all tax liabilities arising out of the Contract unless stated otherwise in the **Data Sheet**”, and as per requirements of ITC 25.1 & FIN 1, the Consultant was expected to submit its Financial Proposal excluding the indirect taxes in the Client’s country. Contrary to this, Sofreco/France submitted incorrect financial proposal, as the line-item budget and respectively the read-out price has excluded **all** **local** **direct** **taxes** **in addition to indirect taxes**. This became clear from the modified wording of the financial proposal form (FIN 1) by the consultant. As such, and due to the unknown amount of excluded Direct Taxes, it became impossible to evaluate the financial proposal of the consultant as per ITC 25.1 Data Sheet that required “For the purpose of the evaluation, the Client will exclude: (a) all local identifiable indirect taxes such as sales tax, excise tax, VAT, or similar taxes levied on the contract’s invoices; and (b) all additional local indirect tax on the remuneration of services rendered by non-resident experts in the Client’s country.”

**Awarded Consultant:**

Name of the Consultant: **San Diego State University Research Foundation (SDSURF) /USA**

Address: 5250 Campanile Drive, San Diego, CA, 92182-1901 USA

Contract Amount: 4,197,428.04 US Dollars inclusive of all applicable taxes

Duration of the Contract: 43 months