

October 20, 1986

AGREEMENT ON THE PREFERENTIAL SHORTLISTING OF ASEAN CONTRACTORS

The Government of Brunei Darussalam, the Republic of Indonesia, Malaysia, the Republic of the Philippines, the Republic of Singapore and the Kingdom of Thailand, being members of the Association of Southeast Asian Nations (hereinafter referred to as ASEAN).

DESIRING to further promote and intensify the implementation of the aims and purposes of ASEAN as embodied in the Declaration of the ASEAN Concord:

REALIZING the desirability of effectively promoting the development of the construction industry, in the ASEAN region as a step in this direction: and

RECOGNIZING that the implementation of a preferential shortlisting scheme for ASEAN Contractor would enhance the advancement of the constructing industry and its role in the economic development of the ASEAN region.

HAVE AGREED AS FOLLOWS:

ARTICLE 1

An ASEAN contractor means a contracting entity established under the laws of member countries of ASEAN with at least 51 % of its equity owned by citizens of the country where the entity is registered and licensed in such country of registration to undertake construction projects.

ARTICLE 2

This Agreement shall be applicable to civil works and industrial construction projects funded by international institutions such as World Bank and Asian Development Bank and which require as a condition international competitive bidding.

ARTICLE 3

In cases when there are a large number of contractors prequalified and a further shortlist is drawn up, at least one prequalified ASEAN contractor shall be entered in the shortlist and invited to submit his bid.

ARTICLE 4

Domestic Preference Schemes, if any, in any member country shall be fully respected and this Agreement shall not apply to projects so covered.

ARTICLE 5

This Agreement shall enter into force on the thirtieth (30th) day after the deposit of the sixth Instrument of Ratification.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments have signed this Agreement.