

Invitation for Bids (IFB)

27, May 2020

Mongolia

MON-14

Heating System Improvement Project of 10 Mongolian Province Centers

LOT A

/Zuunmod/Chinggis/Arvaikheer/Altai/Uliastai/Bayankhongor/Choir/Baruun-Urt/

Brief Description of Works

- *Engineering, Procurement and Construction of District Heating Systems (including centralized heating plants, heating distribution centers and primary pipeline from heating plants to distribution centers)*
 - *O&M Support (including mobilization of engineers for O&M support after the completion of Project)*
 - *Capacity Building (Foreign and Local Training)*
1. The Ministry of Finance has received (or where appropriate, “has applied for”) a Loan from the Export-Import Bank of Korea from the resources of the Economic Development Cooperation Fund (EDCF) of the Republic of Korea in the amount of 148,721,000 (One hundred forty eight million seven hundred twenty one thousand US dollars) toward the cost of *Heating System Improvement Project of 10 Mongolian Province* and intends to apply a portion of the proceeds of this loan to payments under the contract for *Loan Agreement MON-14*
 2. The Project Executing Agency now invites sealed bids from eligible bidders for Heating System Improvement Project for 10 Mongolian Province Centers. Project scope includes Engineering, Procurement and Construction of District Heating Systems (including centralized heating plants, heating distribution centers and primary pipeline from heating plants to distribution centers), O&M Support (including mobilization of engineers for O&M support after the completion of Project), Capacity Building (Foreign and Local Training).
 3. Bidding will be conducted through Competitive Bidding (CB) procedures specified in the Guideline for Procurement under EDCF Loans, and is open to all eligible bidders that meet the following minimum qualification criteria. The Bidders shall be limited to those firms who are entitled eligible by the Article 4.2 through 4.5 of the Instructions to Bidders in Section I of this SBD, and the Section III of this SBD provides the qualification criteria of the Bidders.

[Nationality of Entities]

The single entity or all the entities consisting of a Joint Venture who is (are) the Korean nationality holder(s) at the time of bidding shall be eligible for the bidding as per the requirements of the Loan Agreement.

[Pending Litigation]

All pending litigations of either a single entity or each member of Joint Venture shall be treated as resolved against him, and so shall any entity in total exceeding more than thirty (30) percent of his net worth shall not be eligible for the bidding.

[Historical Financial Performance]

As a minimum, the net worth of an entity calculated as the difference between total assets and total liabilities shall be positive for the last five (5) years.

[Average Annual Construction Turnover]

The Average Annual Construction Turnover of an entity or entities combined shall be, at least, seventy five million US dollars (US\$ 75,000,000) calculated as total certified payments received for contracts in progress or completed, within the last five (5) year. And, when a Joint Venture is made for the bidding, it shall be eligible for the bidding only if each member shall have, at least, twenty-five (25) percent of this amount, and, additionally, one member of whom shall have forty (40) percent of this amount as well.

[Financial Resources: Cash Flow Generation Capability]

The single entity shall demonstrate access to, or availability of financial resources such as liquid assets, unencumbered real assets, lines of credit, and other financial means, other than any contractual advance payments, the amount of thirty-six million US dollars (US\$ 36,000,000).

For an entity of a Joint Venture, each member shall be able to demonstrate the Cash Flow generation capability of forty percent (40%) of this amount, and also, at least, one member of the Joint Venture shall have the capability of sixty percent (60%) of this amount for the qualification.

[Specific Construction Experience]

Only either the single entity or all the entities combined having the track records of five (5) or more Energy Production and Supply Plant projects generating hot water and/or steam during the previous ten (10) years from the bid open date, his own portion of which the contract amount individually shall be equal to or exceed twenty million US dollars (US\$ 20,000,000) and, at least, one of which shall be equal to or exceed one hundred million US dollars (US\$ 100,000,000) is (are) eligible for the bidding.

[Construction Experience in Key Activities]

Either a single entity or all the entities of a Joint Venture combined shall have the following construction experience to be eligible for the bidding through the demonstration of the following construction experiences.

Each of the following requirements shall be met as the key activity in a single project.

- Erection of Heating Boiler ($\geq 10\text{Gcal/h}$)
- Installation of the Heavy Machine Exceeding the Single Piece of Fifty (50) Ton
- Installation of DH Network Pipelines Having the Diameter of $\Phi 400\text{mm}$
- Steel Structural Plant Building Having Dimensions of $50\text{m}^{\text{L}} \times 30\text{m}^{\text{W}} \times 30\text{m}^{\text{H}}$
- PHC Pile Driving of $\Phi 400\text{mm} \times 20\text{m}^{\text{L}}$
- DH Network Hydrostatic Test Pressure of 24 bars

4. Interested eligible Bidders may obtain further information from *Ministry of Energy* and inspect the bidding documents at the address below from 10 o'clock to 16 o'clock.

5. A complete set of bidding documents may be purchased by any interested Bidders on the submission of a written application to the address below and upon payment of a nonrefundable fee of USD 2,000 (Two thousand US dollars) or in an equivalent amount in the Mongolian Tugrug. The method of payment will be direct deposit to the following account.

Account Name: Ministry of Finance (100900011609)

Account No.: 340101868003

Beneficiary's Bank: State Bank of Mongolia, Ulaanbaatar, Mongolia

SWIFT code: STBMMNUB

Correspondent bank name: China Construction Bank, New York Branch

Correspondent bank address: 1095 Avenue of the Americas 33rd floor New York, NY 10036

SWIFT code: PCBCUS33

Account No.: 675201295560

The document will be provided to registered representative of the Bidders by hard copies and PDF files from the day of Bid issued.

If you are unable to purchase a Bidding Document in Mongolia, you can send a representative who can purchase in Mongolia.

This Invitation shall take effect until at 17:30 local time on 08 June 2020, after publication in the official website or in a newspaper of general nationwide.

6. Bids must be delivered to the address below at or before 12:30 local time on the date of 26, June 2020. All bids must be accompanied by a bid security of USD 2,000,000 (Two million US dollars) **fixed amount**. Late bids shall be rejected. Bids will be opened in the presence of the Bidder's representatives who choose to attend at the address below on 26, June 2020 at 13:30 local time.
7. The *Ministry of Energy* will not be responsible for any costs or expenses incurred by Bidders in connection with the preparation or delivery of Bids.

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