

PREVIOUS STUDIES  
INTERNATIONAL OPEN BIDDING MONÓMEROS 003-2024

**1. INTRODUCTION AND DESCRIPTION OF THE NEED TO BE SATISFIED WITH THE CONTRACTING.**

Monómeros Colombo Venezolanos S.A. is a commercial company with 56 years in the petrochemical industry, a subsidiary of the Venezuelan state-owned company, Petroquímica de Venezuela S.A. (Pequiven), located near the mouth of the Magdalena River in the city of Barranquilla, Colombia, being a producer of various products such as simple and complex fertilizers, tricalcium phosphate for cattle feed and other industrial products, such as nitric acid. In 2018 it received the "*Best Company in Social Responsibility Simón Bolívar*" award. Monómeros is the second largest agro industrial company in Colombia producing fertilizers covering 40% of the national market.

Monómeros has a nitric acid plant with a production capacity of 280 MTPD, which is an important product for the agrochemical industry, as it is used for the production of nitrogen-based inorganic fertilizers. However, the nitric acid manufacturing process emits N<sub>2</sub>O, which is a greenhouse gas with a global warming potential 273 times greater than that of carbon dioxide (CO<sub>2</sub>)<sup>1</sup>

Monómeros has a budget authorized by the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*, which it will use to finance the eventual Contract for which this tender is issued. This grant is part of the [NACAG](#) (Nitric Acid Climate Action Group) initiative, which is a project funded by the *German Federal Ministry for Economic Affairs and Climate Action (BMWK)* and for whose global implementation the GIZ has been appointed.

The NACAG initiative aims to phase out global N<sub>2</sub>O emissions from nitric acid production and provides all governments and plant operators with assistance on technological and regulatory issues related to the mitigation of N<sub>2</sub>O emissions produced in this industry. NACAG also offers financial support for the purchase and installation of emission reduction technology and monitoring equipment in those plants that are eligible under certain criteria defined by the initiative. Thus, within the framework of the NACAG initiative, GIZ is providing financial support to the company Monómeros for the acquisition of N<sub>2</sub>O abatement technology.

In accordance with the above, the company Monómeros is interested in contracting the supply of a secondary nitrous oxide (N<sub>2</sub> O) abatement system for its nitric acid production plant located in the city of Barranquilla - Colombia, according to the details and technical specifications listed in Annex 1A, which is an integral part of this Draft Tender Document and the future contract.

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<sup>1</sup> <https://www.nitricacidaction.org/>

## 2. DESCRIPTION OF THE OBJECT TO BE CONTRACTED.

*"Supply of a secondary nitrous oxide (N<sub>2</sub>O) abatement system for the Monómeros nitric acid plant, located in the Special, Industrial and Port District of Barranquilla, Department of Atlántico - Colombia, in the context of the Nitric Acid Climate Action Group (NACAG) initiative".*

## 3. DETAILED SCOPE OF THE CONTRACTUAL OBJECT.

The successful bidder in this bidding process shall be obligated to Monómeros to execute each and every one of the activities and to deliver the goods described in Annex 1A "Technical Specifications - Requirements of Goods and Services"; document that is an integral part of this selection process and of the future contract (See Annex 1A).

## 4. THE METHOD OF SELECTION OF THE CONTRACTOR, INCLUDING THE LEGAL BASIS.

In order to meet the requirements defined in the grant contract signed with the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), the call and selection process will follow the principles established by the Colombian legislation on public procurement, which for this call corresponds to the **Bidding**, where it is determined that the most advantageous offer will be the one resulting from the weighting of **quality and price** elements, supported by scores and the formulas indicated in this bidding document.

## 5. CONTRACT VALUE.

The value of the contract shall be that resulting from the selection process taking into account the value of the winning offer. In any case, the final value of the contract shall correspond to the goods effectively delivered and received to the satisfaction of Monómeros, during the time of execution of the contract.

In accordance with Article 96 of Law 788 of 2008 amended by Article 138 of Law 2010 of 2019 regulated by Decree 1651 of 2021, the purchase and importation of the goods required by Monómeros, are exempt from any tax, fee or contribution in accordance with the Common Utility Certificate. Said Certificate of Common Utility will only be delivered to the awarded supplier as an annex to the contract.

## 6. METHOD OF PAYMENT.

The contract resulting from this bidding process will be paid by the Deutsche Gesellschaft für Internationale Zusammenarbeit "GIZ" to the successful bidder, taking into account the value of the winning bid, subject to the approval of the contract supervisor to be exercised by Monómeros. In any case, the value of the contract will be paid as follows:

- **1st Disbursement:** A first disbursement of 35% (thirty-five percent) of the Contract Value shall be made as advance payment. This shall be made effective once the contract is signed and the advance payment guarantee and the performance guarantee/policy in favor of Monómeros are delivered.
- **2nd Disbursement:** A second disbursement of 30% (thirty percent) of the Contract Value will be made after receipt to satisfaction by the Monómeros Audit Office of the engineering study associated with the design of the abatement system, design drawings of the Basket and the proposal of the Catalyst to be used by the successful Bidder.
- **3rd Disbursement:** A third disbursement of 20% (twenty percent) of the Contract Value will be made once the successful Proposer has placed the purchase order for the Catalyzer and the materials to be used for the manufacture of the Basket.
- **Final Payment:** A final payment of 15% (fifteen percent) of the Contract Value will be made upon completion of the start-up of the abatement system, delivery of the list of participants of the personnel designated by Monómeros who received the training, Monómeros issues proof of acceptance, and the successful bidder has delivered the bank guarantee for defects and hidden defects in favor of Monómeros.

The invoices corresponding to each of the payments shall be addressed to "Monómeros Colombo Venezolanos S.A.". However, payments shall be made directly to the Contractor by the Deutsche Gesellschaft für Internationale Zusammenarbeit "GIZ" through bank transfer. The corresponding invoices shall comply with each of the requirements demanded by "Monómeros", as well as with the requirements demanded by the applicable fiscal legislation.

Payment will be made 60 days after the invoice has been filed and accepted, subject to compliance with the established requirements.

**NOTE: SPECIAL CONDITION TO BE TAKEN INTO ACCOUNT AT THE TIME OF INVOICING:**

The present selection process is derived from international cooperation resources of the project under Registration [R-AO-23-5136](#) in the Presidential Agency for International Cooperation, APC Colombia, by virtue of which Monómeros S.A. has the Certificate of Common Utility. Consequently, the successful Bidder of the selection process must indicate in each of the invoices issued the following note:

*"In accordance with Article 96 of Law 788 of 2008 as amended by Article 138 of Law 2010 of 2019 regulated by Decree 1651 of 2021, the purchase and importation of this property is exempt from any tax, fee or contribution in accordance with the Common Utility Certificate CUC-37823-5136."*

**7. CONTRACT TERM - ESTIMATED DURATION OF THE CONTRACT.**

To guarantee the development and compliance of the activities required in the supply of a Secondary Nitrous Oxide (N<sub>2</sub>O) Abatement System, the interested bidder shall specify in its proposal, the time or term it deems convenient to perform and comply with each and every one of the activities described in Annex No. 1A *"Technical Specifications - Requirements of Goods and Services"*. In any case, the Time of Execution shall be the one agreed between Monómeros and the contractor who is awarded the contract.

**8. CURRENCY OF THE ECONOMIC SUPPLY.**

The bidder shall express the price of its offer in **EUROS in** accordance with the information required and related in **Format 1 "Economic Offer"**. Monómeros accepts the submission of the information requested in a different format from the one provided, provided that it includes each and every one of the goods and services required in the technical specifications, Requirement of Goods and Services.

Payments for any contract that may be concluded shall be made by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to the successful supplier by bank transfer in **EUROS**.

**9. LANGUAGE OF THE OFFER.**

The bidder may submit its bid in **English or Spanish**; however, it should be clarified that in the event that a supplier submits its bid in both languages (English/Spanish) simultaneously, the English version shall prevail for the purposes of evaluation and verification of participation requirements.

**10. TYPE OF CONTRACT.**

Select with an "x" one of the following options according to the type of hiring and need.					
Works:		Consulting		Auditors:	
<b>Supply:</b>	<b>X</b>	Provision of Services:		Insurance contract:	
Buying and selling		Concession:		Other:	Which

**11. PLACE OF EXECUTION OF THE CONTRACT.**

The goods object of this selection process shall be delivered at the facilities of Monómeros at the following address: Via 40 Las Flores, Barranquilla, Atlántico - Colombia.

## **12. OBLIGATIONS OF THE PARTIES.**

### **12.1. CONTRACTOR'S OBLIGATIONS.**

The successful bidder (contractor) shall have the following obligations:

- a) Execute the contractual object with full technical and administrative autonomy.
- b) To be responsible for the quality and fulfillment of the contractual object.
- c) Deliver to Monómeros, within the established terms, the documents required for the initiation and execution of the contract, such as the guarantees and other requirements established in the documents of the process and the contract to be executed.
- d) Execute the object of the contract that may be entered into, having sufficient technical and administrative capacity.
- e) To act with loyalty and good faith in the different contractual stages, avoiding delays and obstructions, and being bound not only to what is expressly agreed in this contract, but to everything that corresponds to the nature of the same, according to customary law.
- f) Comply with the payment instructions and requirements for payment established by Monómeros, with respect to the documents required for payment and the deadline established for the presentation of the invoice.
- g) Submit reports as requested by the contract supervisor.
- h) Comply with the guidelines defined by Monómeros (procedures, technical guidelines, program manuals, resolutions, protocols, guides, instructions, Integrated Management System formats, etc.).
- i) To constitute the guarantees in accordance with the provisions of the contract and to keep the same in force for the agreed time, as well as any modifications that may arise during the execution of the contract.
- j) Comply with the obligations with the social security systems in health, pension, general system of labor risks and parafiscal contributions, when applicable, and present the respective documents that accredit it, according to the country of origin.
- k) Keep total confidentiality of the information obtained by reason of its obligations and development of its activities. This information is the property of Monómeros and may only be disclosed unless expressly required by a competent authority.

- l) Comply with established good environmental practices, such as the correct separation of waste and the efficient use of resources such as water and energy, among others, whenever the Contractor's personnel develop activities in Monómeros' facilities.
- m) Any others inherent to the purpose and nature of the contract and those indicated by the Supervisor for the full compliance with the purpose of the contract.

### **12.2. MONÓMEROS OBLIGATIONS.**

- a) Provide all technical information on equipment and reference drawings required for the execution of the contract.
- b) Unloading and storage of the abatement system components at the Monómeros' facilities.
- c) To supply the labor -technical personnel- for the assembly and start-up of the abatement system at the Monómeros' facilities.
- d) Demand from THE CONTRACTOR the proper and timely performance of the obligations of this contract.
- e) To supervise and monitor this contract.
- f) To arrange payment for "THE CONTRACTOR" before "GIZ" for the amount fixed and in the form of payment established in the contract.

### **12.3 ACTIVITIES INHERENT TO THE SUPPLY BY THE CONTRACTOR.**

Once the contract is awarded, the contractor must present a schedule with the works to be executed, establish the tentative dates for the execution of the same, and define the times of each one of the activities in order to program the technical resources of Monómeros that will accompany them in each one of the stages of the studies.

Register before the contract administration office the personnel that will enter Monómeros' facilities, attending the safety talks and providing the documentation requested in this document.

The contractor must coordinate with the contract supervisor, the delivery of information, plans and necessary accompaniment at the Monómeros' facilities for tours and inspection of the equipment under study, since this work requires a previous administrative process.

THE CONTRACTOR that is awarded the contract shall take into account the requirements for the entry of its personnel to the facilities of the Simón Bolívar Libertador Petrochemical Complex, which will be sent to the contractor after the signing of the contract.

### 13. SUPERVISION OF THE CONTRACT.

Monómeros shall exercise the control and supervision of the execution and compliance of the contract by the successful bidder (contractor), through a professional designated for this purpose. The Supervisor shall exercise a comprehensive control (technical, administrative, financial, accounting or legal) over the execution of the contract, for which it may, at any time, demand from the Contractor the information it deems necessary, as well as the adoption of measures to maintain, during the development and execution of the contract.

### 14. PENALTIES.

#### 14.1 FINES:

The delay or partial default by the successful bidder (*Contractor*) in the performance of any or some of the obligations of the contract, shall give rise to the application of successive fines for an amount equivalent to zero point five percent (0.5%) of the value of the contract for each day of delay, not exceeding ten percent (10%) of the total value of the contract. The value of the fines may be deducted by Monómeros from the balance in favor of the CONTRACTOR, if any, with respect to this contract or any legal or business relationship between the parties. If there is no such balance, the respective claim shall be made before the insurance company that issued the performance bond of the contract. Monómeros shall advance the pertinent actions before the competent jurisdiction when so required.

#### 14.2 PECUNIARY PENALTY:

In the event of a declaration of **total or partial breach of the** obligations of the contract, the supplier that is awarded the contract (Contractor) shall recognize Monómeros as a penalty clause as an advance estimate of damages an amount equivalent to ten percent (10%) of the total value of the CONTRACT, This sum shall be effective, prior declaration of default, directly by offsetting the balances owed to the CONTRACTOR, if any, with respect to this CONTRACT, or if this is not possible, it may enforce the Performance Bond, and may also resort to the competent jurisdiction, including the coercive jurisdiction.

**PARAGRAPH:** The Penalty Clause does not exclude the indemnification of damages not covered by the application of this penalty.

### 15. INDEMNITY:

The successful bidder (Contractor) shall indemnify Monómeros against all claims, demands, legal actions and costs that may be caused or arise from damages or injuries to persons or property of third parties caused by the contractor in the execution of the object and contractual obligations. In the event that a claim, lawsuit or legal action is filed against Monómeros, for matters that

according to the contract are the contractor's responsibility, the contractor shall be notified as soon as possible so that it may, at its own expense, timely adopt the measures provided by law to hold Monómeros harmless. The successful bidder (Contractor) shall be responsible for all damages caused to Monómeros caused by its fault or that of its subcontractors or dependents and shall recognize and pay the value of such damages or shall proceed to repair them properly.

#### **16. COMPLIANCE CERTIFICATE SECTOR ANALYSIS.**

It is hereby stated for the record that the company Monómeros, complied with the duty to analyze and know the sector related to the object of this process in accordance with the provisions of Article 2.2.1.1.1.1.6.1 of the Sole Regulatory Decree No. 1082 of 2015.

*(See analysis of the sector annexed to this preliminary study).*

#### **17. CONDITIONS FOR PARTICIPATING IN THE INTERNATIONAL OPEN BIDDING.**

Only **legal entities** (*national or foreign*) considered legally capable in accordance with the provisions in force may participate in this process. Consortiums, temporary unions and promises of future partnership may also participate. In any case, the bidder must not be subject to the prohibitions, disqualifications or incompatibilities for contracting, as established by the Constitution and the Colombian Law, a statement which is understood to be made under oath with the sole filing of the proposal and the subscription of the respective Form.

#### **18. PROHIBITED PRACTICES IN ACCORDANCE WITH GIZ POLICIES.**

Proposers, as well as all materials and equipment contained in the proposals and intended to be used in the execution of the Contract, must have a country of origin that is not included in any rules, regulations and/or current list of countries sanctioned and/or embargoed by the European Union or the United Nations.

For this purpose, bidders must sign the form called "***Manifest of No Impediment to Participate***".

#### **19. EXPRESSION OF INTEREST.**

The interested bidders within **three (3) working days following** the publication of the Final Tender Documents and the Opening of the International Open Bidding, must **SHOW IN WRITING** their interest in participating in this selection process, through a communication sent to the e-mail [licitacionabatimiento@Monómeros.com.co](mailto:licitacionabatimiento@Monómeros.com.co) in order to form a list of "*potential bidders*" and participate in the hearings and the on-site visit to the nitric acid plant scheduled by Monómeros, on the dates and within the term established in the schedule of the process.

The communication shall contain at least the following information:

- Name of the bidder (foreign national legal entity)
- Identification number of the bidder (legal entity).
- Object of the bidding in which you wish to participate.
- Express expression of interest in participating in the International Open Bidding.

## **20. CRITERIA FOR SELECTING THE MOST FAVORABLE BID.**

### **20.1 PARTICIPANTS.**

The following may participate in this selection process, as long as they meet the conditions required in the Bidding Documents and are not subject to any cause of inability or incompatibility:

i) individually, **national or foreign legal entities** that are duly constituted, prior to the closing date of the process and/or jointly, in any of the forms of association provided in Article 7 of Law 80 of 1993 (**Consortiums, temporary unions or promises of future partnership**) formed by legal entities under the conditions set forth above, whose corporate purpose allows them to comply with the purpose of the Contract.

All Proposers must:

- a) To have the legal capacity to submit the Proposal.
- b) To have the legal capacity to enter into and execute the contract.
- c) Comply with the term of the company at the time of submitting the bid, which must be at least **equal to the estimated term of the contract plus two (2) more years.**
- d) Not to be in a process of compulsory liquidation, concordat or any other process of insolvency according to the applicable law; such affirmation shall be understood to be provided with the subscription of the Letter of Presentation of the proposal.
- e) Not being reported in the "Boletín de Responsables Fiscales" according to the country of origin.
- f) Not to be involved in any of the causes of inability, incompatibility, and conflict of interest provided by the Colombian Law Constitution, as well as in the prohibitions of contracting provided by the company Monómeros.

**NOTE:** A legal entity may NOT submit more than one offer for the same contractual process, individually or as a member of a consortium or joint venture or any other associative form. In the event that this prohibition is incurred, by itself or through an intermediary, Monómeros will not consider any of the offers and the proposals will be **REJECTED**.

## **20.2 CONSORTIUMS, JOINT VENTURES, PROMISE OF FUTURE PARTNERSHIP.**

The bidders may participate as a consortium, joint venture or promise of future partnership, jointly and severally liable for the obligations arising from the proposal and the contract in both cases. The penalties derived from the eventual non-compliance with the obligations derived from the proposal and the contract, for the temporary union, will be imposed according to the participation in the execution of each of the members. For the consortium, the actions, facts and omissions that may arise shall affect all the members of the consortium.

In the event that the proposal is submitted in a consortium, joint venture or promise of future partnership, the **corresponding document of formation (Form 4)** must be attached to the proposal duly completed and signed for each particular case.

The term of duration of each of the members of the Consortiums or Temporary Associations shall not be less than the term of execution of the contract plus two (2) more years.

The legal entities that are members of a Consortium or Temporary Union must individually accredit all the **qualification requirements** herein, except for the exceptions contemplated in this document.

## **20.3 GROUNDS FOR INELIGIBILITY, INCOMPATIBILITY AND CONFLICT OF INTEREST.**

The BIDDER interested in participating in this call, shall not be subject to any of the causes of inability, incompatibility and conflicts of interest to contract in accordance with the provisions of Articles 8 and 9 of Law 80 of 1993, Article 18 of Law 1150 of 2007, Law 1474 of 2011, and other applicable regulations.

In the same sense, the causes and conditions established by Monómeros, in relation to the participation and execution of contracts, whose suppliers have presented some type of total or partial noncompliance and therefore have caused economic or operational damages to the company, must be taken into account.

## **21.4 MINIMUM QUALIFICATION REQUIREMENTS.**

Tenderers must submit the documents listed below in order for the proposal to be **QUALIFIED**, notwithstanding that in the absence of these may be corrected until the date established for this purpose in the schedule. Monómeros will proceed to verify and evaluate the legal, financial, organizational and technical conditions of those interested in participating. These requirements do not grant points and Monómeros will verify them as **COMPLIANT / NOT COMPLIANT**, as follows:

 Filial de 	<b>PREVIOUS STUDIES</b> <b>INTERNATIONAL OPEN BIDDING</b> <b>"SUPPLY OF A SECONDARY NITROUS OXIDE ABATEMENT SYSTEM (N<sub>2</sub>O)"</b>
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EVALUATION CRITERIA	CONCEPT
LEGAL CAPACITY	<b>COMPLIES/DOES NOT COMPLY</b>
FINANCIAL CAPACITY	<b>COMPLIES/DOES NOT COMPLY</b>
ORGANIZATIONAL CAPACITY	<b>COMPLIES/DOES NOT COMPLY</b>
TECHNICAL CAPACITY	<b>COMPLIES/DOES NOT COMPLY</b>
<b>RESULT</b>	<b><u>ENABLED/ NOT ENABLED</u></b>

Monómeros will publish a Preliminary Evaluation Report on the date set forth in the schedule, which will cover only the evaluation of the minimum qualification requirements.

**I. LEGAL CAPACITY (COMPLIES / DOES NOT COMPLY).**

In order to verify the legal capacity of the interested bidders, the following documents and requirements must be submitted with the proposal:

**a) Certification of the Legal Entity (Form 2).** This Annex must be submitted duly signed and filled out.

**b) Letter of presentation of the Offer (Form 3).** The BIDDER shall fill in the corresponding format and attach the letter of presentation of the proposal, duly signed by: The legal representative for legal entities; the person designated to represent it in case of Consortium or Temporary Union, or the duly constituted attorney-in-fact. By signing the document in question, the bidder declares under oath that it is not subject to any cause of incompatibility and/or inability to submit the bid and expressly accepts and agrees to the procedures, contents and reciprocal obligations established in the selection process. Whoever subscribes the letter of presentation of the proposal shall:

- In case of being a legal entity: Be the legal representative or attorney-in-fact of the bidder, with express authority to act in the name and on behalf of the bidder. In the latter case, the power of representation must include the power to submit the proposal, enter into the contract (if awarded) and liquidate it.
- In the case of a consortium or joint venture: To be the representative of the consortium or joint venture, with express authority to act in the name and on behalf of the consortium or joint venture. Such power of representation must include the power to submit the proposal, enter into the contract (if awarded) and liquidate it.

**c) Capacity, existence and legal representation.** Legal entities must prove their existence and legal representation with the appropriate document issued by the competent authority in the

country of their domicile **no earlier than three (3) months** from the date of presentation of the Offer, in which it is evidenced that the legal representative has no limitations to contract obligations on behalf of the legal entity, or by providing the corresponding authorization or document of the direct corporate body that empowers him/her. This document shall be used to verify:

- The date of issuance of the certificate of existence and legal representation no more than three (3) months prior to the closing date of this process.
- That the object of the company includes the main activities that are the object of the present process.
- The duration of the partnership must be at least **equal to the estimated term of the contract plus two (2) more years.**
- If the legal representative of the company has restrictions to contract obligations on behalf of the company, he/she must prove sufficient authorization from the respective competent corporate body to contract obligations on behalf of the company.

If the Offer is subscribed by a foreign legal entity through the branch it has opened in Colombia, the legal capacity of the branch and of its representative or agent must be evidenced by presenting the Certificate of existence and legal representation with a date of issue no later than 30 days prior to the date of presentation of the offer by the Chamber of Commerce.

**NOTE 1:** When the documents provided by the foreign legal entity to prove the existence and legal representation do not have all the required information, they may attach a certification signed by the legal representative of the foreign legal entity with the missing data, which is understood to be submitted under oath.

**NOTE 2:** If the BIDDER is a CONSORTIUM, TEMPORARY UNION OR PROMISE OF FUTURE PARTNERSHIP, resulting from the integration of legal entities, the above documents must be submitted for each and every one of its members.

- d) Constitutive document of the consortium or joint venture or promise of future partnership if the bidder is plural (Form 4),** in which the participation of each of the members of the plural Bidder, the legal representation of the plural Bidder or the power of attorney granted to the person who subscribes the documents on behalf of the plural Bidder, if this is the condition of the bidder, must be stated.
- e) Authorization of the corporate body.** In case there are statutory limitations to the powers of the legal representative, the respective authorizations to develop the present selection process, the contract and all the activities directly or indirectly related.

- f) **Duly constituted power of attorney.** In the event that the letter of presentation of the proposal is submitted through an attorney-in-fact, the latter must be duly empowered to submit it, as well as to attend and participate during the entire selection process. When participating **in a Consortium or Temporary Union**, they may designate a single common representative and, in such case, the presentation of the document of formation of the Consortium or Temporary Union, signed by all the members, shall be sufficient for all purposes.
- g) **Minutes of the shareholders' meeting in the event** that the powers of the legal representative are limited due to the nature or amount of the legal business.
- h) **Certification of compliance with its obligations with the integral social security system and parafiscal contributions (Form 5).**

In the case of **foreign bidders without domicile or branch in Colombia** and in whose country of origin there is no obligation to make parafiscal and social security contributions, this circumstance must be indicated in a document signed under oath by the legal representative of the legal entity, consortium or temporary union.

- i) **Judicial, fiscal and disciplinary records** issued by the competent authority, according to the country of origin. Monómeros will verify in the last bulletin of responsible persons issued by the General Comptroller of the Republic of Colombia, the Attorney General's Office and the National Police, that the bidder and each of its members, when it is a Consortium or Temporary Union, are not reported in such bulletin(s).

In the case of **foreign bidders without domicile or branch in Colombia** and in whose country of origin there is no state entity that certifies the absence of the described antecedents or their equivalence, this circumstance must be indicated as well as the declaration of not having antecedents that imply inability to contract in a document signed **under oath by the bidder** legal representative of the legal entity, as individual bidder or member of the plural bidder.

- j) **Photocopy of the citizenship document and/or its equivalent.** The legal representative of the legal entity must submit a copy of the citizenship document, or foreigner's document as appropriate, showing only the front side of the document (part where the image of the person is located).

If the proposal is submitted as a consortium, joint venture or any other form of plural bidder, copies of the citizenship documents or identification documents of the legal representatives of each of the companies or corporations that make up the plural bidder, as well as that of the designated representative, must be attached.

- k) Manifest of No Impediment to Participate (Form 6)**, the bidder or each one of the members in the case of a plural bidder must fill out the form in question, which must be signed by the legal representative of the legal entity. In case of having fines, the bidder must inform and list the pertinent.
- l) Anti-corruption commitment (Form 7)**. The Offer must be accompanied by this document, signed by the Bidder, which is understood to be made under oath and stating that the Bidder is not immersed in any of the causes foreseen in the Colombian law.

**II. FINANCIAL CAPACITY (COMPLIANT OR NON-COMPLIANT).**

For the verification of the financial capacity, the bidders must fill out **Form 9** Accreditation of Financial and Organizational Capacity of the Bidder, which must be filled out in its entirety with the financial information, duly signed by the legal representative, the Statutory Auditor or the Public Accountant of the participating legal entity, as applicable.

Bidders must submit the financial capacity indicators requested in Form 9, in accordance with the legislation of their country of origin. These financial capacity indicators seek to establish minimum conditions that reflect the financial health of the bidders through their liquidity and indebtedness; these conditions show the bidder's aptitude to timely and fully comply with the object of the contract. Thus, the Bidder must prove its financial capacity with the following indicators:

INDICATOR	FORMULA	REQUIRED INDICATOR
<b>LIQUIDITY RATIO</b>	CURRENT ASSETS / CURRENT LIABILITIES	Greater than 0.24
<b>INDEBTEDNESS RATIO</b>	TOTAL LIABILITIES/TOTAL ASSETS	Less than 1.01

**Liquidity Ratio** = Current Assets / Current Liabilities, which determines a bidder's ability to meet its short-term obligations.

**Indebtedness Ratio** = Total Liabilities / Total Assets, which determines the degree of indebtedness in the financing structure (liabilities and equity) of the bidder.

**Note 1:** It is considered that the bidder complies with the requested financial capacity and is qualified to continue in the process, if it obtains the minimum result previously established in each indicator.

**Note 2:** In the case of Consortiums or Temporary Associations, the procedure for calculating the indicators with relative values will be done with weighting of the components of the indicators, that is, that each of the members contributes the total value of each component of the indicator

according to the percentage of its participation in the consortium or Temporary Association. In the case of indicators with absolute values, it will be verified with the sum of the indicators of the bidders without taking into account the percentage of participation.

The procedure for calculating the Liquidity and Indebtedness indicators will be done with weighting of the components of the indicators, that is, each of the members will contribute the total value of each component of the indicator according to its participation in the consortium or joint venture.

$$(ii) \text{ indicador} = \frac{(\sum_{i=1}^n \text{Componente 1 del indicador}_i \times \text{Porcentaje de participacion}_i)}{(\sum_{i=1}^n \text{Componente 2 del indicador}_i \times \text{Porcentaje de participacion}_i)}$$

### III. ORGANIZATIONAL CAPACITY (COMPLIANT OR NON-COMPLIANT).

Organizational capacity is the ability of a bidder to timely and fully comply with the subject matter of the contract based on its internal organization. The profitability indicators to measure the organizational capacity of a bidder are as follows:

INDICATOR	FORMULA	REQUIRED INDICATOR
<b>Return on Equity</b>	OPERATING INCOME / TOTAL EQUITY	Greater than or equal to 0,04
<b>Return on Assets</b>	OPERATING INCOME / TOTAL ASSETS	Greater than or equal to 0,02
Portfolio turnover (in days)	ACCOUNTS RECEIVABLE*360 / SALES	Less than 181

**Return on equity** = Operating Income / Equity, which determines the profitability of the bidder's equity, i.e., the capacity to generate operating income for each peso invested in equity.

**Return on Assets:** Operating Profit / Total Assets, which determines the profitability of the bidder's assets, i.e., the capacity to generate operating profit for each peso invested in the asset.

**Portfolio turnover in days:** Accounts receivable\*360 / sales, which determines the collection efficiency of the portfolio.

Bidders must submit the financial information listed above, filling out **Form 9** Accreditation of Financial and Organizational Capacity of the Bidder. Monómeros reserves the right to require the submission of updated and audited financial statements from suppliers submitting bids.

**IV. TECHNICAL CAPACITY (COMPLIANT OR NON-COMPLIANT).**

**a) EXPERIENCE OF THE PROPOSER.**

The interested bidder is required to accredit specific experience, related to the object of the present selection process, as follows:

N°	TECHNICAL QUALIFICATION REQUIREMENT	
1.	The Bidder <sup>2</sup> must provide <b>at least three (3) certifications from clients, or equivalent documents<sup>1</sup></b> whose completion date is within the last fifteen (15) years prior to the closing date of this tender process. In which within its object, scope and/or list of activities, there is evidence of <b>experience in the design of reactor baskets for nitric acid production plants or experience in the design of secondary abatement systems.</b>	Ver Nota 1
2.	The Bidder <sup>2</sup> must provide <b>at least two (2) certifications from clients, or equivalent documents<sup>1</sup></b> whose completion date is within the last fifteen (15) years prior to the closing date of this tender process. In which within its object, scope and/or list of activities, there is evidence of <b>experience in procurement of reactor baskets for nitric acid production plants or experience in the design of secondary abatement systems.</b>	Ver Nota 1
3.	The Bidder <sup>2</sup> shall offer a warranty of at least <b>two (2) years against manufacturing defects of the basket</b> , which covers spare parts, accessories and other contracted goods. This warranty shall be effective from the date of delivery to satisfaction. Therefore, by means of this warranty this bidder shall be obliged to replace any component of the basket that is required due to manufacturing defects or poor quality.	Include in the proposal
4	The Bidder <sup>2</sup> must provide the secondary abatement catalyst Datasheet, together with at least four (4) customer certifications or equivalent documents <sup>1</sup> evidencing its experience in supplying secondary abatement catalysts.	Catalyst datasheet and customer certifications.

Bidders must fill out Form 9 Bidder's Experience (Enabling Requirement) attaching the required supports to accredit the experience referred to in criteria 1, 2, 3 and 4.

**NOTE 1:** Certifications; minutes of liquidation; minutes of final or satisfactory receipt, minutes of termination of contracts, purchase orders or service orders will be accepted as documents

equivalent to a Contract. It should be noted that in order to be accepted as verifiable experience, these documents must contain at least the following information in the body of the document:

- a) Object of the contract.
- b) Name of the contracting Entity or Company.
- c) Dates of initiation and termination (Indicate the dates of suspension and resumption, for contracts that have been suspended or are currently suspended).
- d) Signature of the competent person.

**NOTE 2: Specific Experience of the Bidder and its Strategic Allies** The bidder (singular or plural) may list in its proposal for compliance with these enabling requirements, the specific experience of its "**Strategic Allies**", which must comply with the object or activities described in this section and with respect to which it must guarantee (*in the event of being awarded*), its participation in the execution of the future contract.

**NOTE 3:** The experience of the plural bidder corresponds to the sum of the experiences accredited by each of the members of the plural bidder. When a bidder acquires experience from a contract as a member of a plural contractor, the experience derived from this contract corresponds to the weighting of the value of the contract by the **percentage of participation**. If from the supporting documents of each contract, the bidder does not accredit all the information detailed above, the contract will not be taken into account to evaluate the specific experience of the bidder, to comply with the minimum requirements or for evaluation purposes.

Certifications of experience are considered to be issued under oath. Monómeros reserves the right to verify during the evaluation and until the award of the contract the information provided by the bidder and to request the supports it deems convenient such as: copies of the contracts, minutes of liquidation, etc., without the bidder being entitled to complement, add or improve its proposal.

The experience provided that does not comply with any of the established rules WILL NOT be taken into account for the evaluation.

## **21. FACTORS FOR WEIGHTING THE BIDS (ASSIGNMENT OF POINTS).**

The bidders that obtain in each one of the qualifying requirements established in the bidding documents the criterion of **QUALIFIED** will be taken into account for the evaluation and qualification of the proposals, in accordance with the factors and criteria for selection and awarding established below, which will determine the ORDER OF ELIGIBILITY of the PROPOSALS.

The weighting factors shall only be applied to the bids that have been **"APPROVED"** in the legal, financial, technical and organizational capacity verifications, as the case may be, and are not subject to any cause for rejection.

According to the selection factors set forth in this chapter, the bidder that presents the most favorable offer for Monómeros, that is to say, the one that obtains the **highest score** in the evaluation of the additional technical criteria and the economic factor, which will have a weight of 70% and 30%, respectively, will be selected.

The weighting will be made on the basis of ONE THOUSAND (1000) POINTS, applied to the following factors:

WEIGHTING FACTORS	MAXIMUM POSSIBLE SCORE
1. ADDITIONAL QUALITY FACTORS SCORE	700 POINTS
2. ECONOMIC FACTOR - PRICE	300 POINTS
<b>TOTAL SCORE WEIGHTING FACTORS</b>	<b>1,000 POINTS</b>

### **22.1 ADDITIONAL QUALITY FACTOR FOR GOODS AND SERVICES.**

Given the specialty and technical complexity of the main goods and services that Monómeros wishes to acquire with this contract, it is intended to ensure that the future contractor has the technical expertise and experience to efficiently, optimally and accurately meet the requests for technical support and warranty that arise once the Nitrous Oxide Secondary Abatement System is put into operation. This support will be reflected in a reliable, specialized and high quality technical service.

Bids that do not cover all the goods and services and with the required technical specifications will be rejected and will not be evaluated technically. It is an indispensable requirement for the Technical Proposal to include at least what is requested in Annex 1A in order to be considered solvent." Technical Specifications - Requirements for Goods and Services".

The following are the additional technical factor evaluation criteria that will be used to evaluate the technical proposals of the bidders:

#### **ADDITIONAL QUALITY OF GOODS AND SERVICES. MAXIMUM POSSIBLE SCORE: 700 POINTS**

<b>MAXIMUM POSSIBLE SCORE</b>	
<p><b>a) GUARANTEE OF THE BASKET'S USEFUL LIFE.</b></p>	<p style="text-align: center;"><b><u>200 points</u></b></p> <p>The bidder that accredits the <b>highest number of hours of operation of the basket will be</b> assigned the maximum score and the others will be assigned points proportionally, as long as they guarantee a minimum of 50,000 hours.</p> <p>In order to assign points, the bidder, through its legal representative or attorney-in-fact, shall state in writing its commitment to comply with the additional guarantee offered.</p>
<p><b>b) GREATER EFFICIENCY AB ATIMIENTO.</b></p>	<p style="text-align: center;"><b><u>200 points</u></b></p> <p>The bidder that accredits the <b>highest abatement efficiency in a 5-year period will be</b> assigned the maximum score and the other bidders will be assigned points proportionally, as long as they guarantee a minimum of 85% efficiency for 5 years. In order to assign points, the bidder must attach documentary evidence that guarantees the offer.</p> <p>Those who do not make the offer in the terms described herein, will be assigned zero (0) points.</p>
<p><b>c) SPECIFIC EXPERIENCE IN ADDITION TO THE MINIMUM REQUIRED. THE HIGHEST NUMBER OF BASKET DESIGNS IN A 15-YEAR PERIOD.</b></p>	<p style="text-align: center;"><b>150 points</b></p> <p>The bidder that accredits the <b>highest number of basket designs in a period of 15 years will be</b> assigned the maximum score and the others will be assigned points proportionally, as long as they guarantee a minimum of three (3) projects in this same period of time. In order to assign points, the bidders must attach documentary evidence that guarantees the offer.</p> <p>Those who do not make the offer in the terms described herein will be assigned zero (0) points.</p>
<p><b>d) SPECIFIC EXPERIENCE IN THE SUPPLY OF SECONDARY N<sub>2</sub>O ABATEMENT SYSTEMS IN NITRIC ACID PLANTS.</b></p>	<p style="text-align: center;"><b>150 points</b></p> <p>The bidder that accredits the highest number of designs of secondary abatement systems in a period of 15 years will be assigned the maximum score and the others will be assigned points proportionally, as long as they guarantee a minimum of three (3) projects in this same period of time. In order to assign</p>

points, the bidders must attach the documentary evidence that guarantees the offer.

Those who do not make the offer in the terms described herein will be assigned zero (0) points.

**22.2 ECONOMIC FACTOR - ECONOMIC PROPOSAL (Maximum possible score: 300 POINTS).**

The economic evaluation factor will assign a maximum of 300 points in accordance with the **Lowest Value** formula defined in the bidding documents. This method consists of establishing the Lowest Value Offer and assigning points based on the proximity of the Offers to said Lowest Value Offer, as a result of applying the formulas indicated below. For the application of this method Monómeros will proceed to determine the lowest value of the valid Offers and will proceed to the weighting, according to the following formula:

$$PFEi = 300 \times \frac{Vmin}{Vi}$$

Where,

*PFEi* = Score of the economic factor that corresponds to bid i.

*V min* = Lowest economic value among the valid Bids.

*Vi* = Economic value without decimals of the bid i.

In this case, the absolute value of the difference between the lowest value and the value of the Offer will be taken, as shown in the weighting formula.

For all the methods described above, up to the seventh (7th) decimal place of the value obtained as score will be taken into account. Monómeros reserves the right to carry out an arithmetical verification of the economic offers.

The requirements requested are expressed in the documents called Technical Annex, Preliminary Studies and in the bidding documents, the proposal must be made guaranteeing compliance with all the minimum technical specifications described.

The values of the proposal must be expressed in **EUROS**.

Only those proposals that **have been QUALIFIED** and not rejected will be considered.

The bidder must take into account when submitting the proposal, all costs and expenses involved in the execution of the project, Monómeros will understand that they are implicit in the total value offered.

### 23. TIE-BREAKING CRITERIA.

In the event of a tie in the total score of two or more bids, Monómeros will use the following rule to select the favored bidder: The score obtained by each bidder in the evaluation criteria will be added together:

- a) Basket life guarantee.
- b) Higher abatement efficiency.

In this way, the supplier with the highest score resulting from the sum of the score of the two criteria mentioned above will be the favored supplier.

### 24. RISK ANALYSIS AND RISK MITIGATION.

Monómeros typified, estimated and assigned the risks of the present contracting. The risk matrix contemplates the identification, description of the risks, evaluation (impact and probability of occurrence) and the control mechanisms that exist in general for the goods, works and/or services to be contracted.

The matrix includes the identification, description of risks, evaluation (impact and probability of occurrence) and the control mechanisms that exist in general for the goods, works and/or services to be contracted (*See Annex - Risk Matrix*).

### 25. GUARANTEES THAT MONÓMEROS INTENDS TO REQUIRE IN THE EXECUTION OF THE CONTRACT.

The successful bidder in the Contracting Process must submit a **guarantee** for the performance of the obligations arising from the Contract to be executed as follows:

WARRANTY	PERCENTAGE
<b>PROPER MANAGEMENT AND INVESTMENT OF PREPAYMENTS</b>	<p>For <b>one hundred percent (100%)</b> of the sum of money established as advance payment. This guarantee must be a BANK GUARANTEE.</p> <p>This guarantee is an indispensable requirement to receive the advance payment corresponding to the first milestone payment of the eventual contract.</p>
<b>COMPLIANCE</b>	For <b>ten percent (10%)</b> of the total value of the supply contract signed with the supplier that is awarded the

	<p>contract, <b>valid for the total term of execution of the contract</b> and two (2) more months. This guarantee may be a BANK GUARANTEE OR A POLICY GUARANTEE.</p> <p>The awarded supplier must present in favor of Monómeros Colombo Venezolanos S.A., a guarantee that will guarantee the fulfillment of the obligations arising from the signing of the contract and that will cover the company from the direct damages derived from the total or partial breach of the obligations, as well as from its late or defective fulfillment, when they are attributable to the future contractor.</p> <p>In addition to these risks, this coverage shall always include the payment of the value of fines and the penalty clause agreed upon in the contract.</p> <p>This guarantee is an indispensable requirement to start the execution of the activities and obligations defined in the contract.</p>
<p><b>BANK GUARANTEE FOR DEFECTS AND HIDDEN DEFECTS</b></p>	<p>For <b>thirty percent (30%)</b> of the total value of the Contract, to cover defects in the goods, hidden defects and any other liability incurred. This guarantee must be a BANK GUARANTEE.</p> <p>This guarantee is a prerequisite to receive the last milestone payment of the eventual contract.</p> <p>The term of this warranty shall be 3 years from the date of final acceptance to the full satisfaction of Monómeros, which shall be formalized in the delivery-reception certificate of the goods and services by the Parties.</p>

*Table 2. Guarantees to be required from the supplier that is awarded the contract, after the signing of the contract.*

**Note 1:** The "*Good Handling and Proper Investment of Advance Payment*" and the "*Bank Guarantee for Defects and Hidden Defects*" guarantees must be **BANK GUARANTEES**; the "*Performance*" guarantee may be a bank guarantee or a policy guarantee.

**Note 2:** The aforementioned guarantees **will only be required once the contract is signed** with the awarded supplier.

**Note 3:** The risks covered by the guarantees are intended to guarantee compliance with the obligations acquired by the awarded supplier in favor of Monómeros and third parties that may be affected by the execution of the contract, due to: "(i) the execution of the contract; and (ii) the risks to which Monómeros is exposed, derived from the execution of the contract.

**BRAYAHAM VILLA**