

"Opening of the Selection Process through the modality of International Open Tender MONÓMEROS N° 003-2024".

THE GENERAL MANAGER OF MONÓMEROS COLOMBO VENEZOLANOS S.A.

CONSIDERING

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.

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 N2O, which is a greenhouse gas with a global warming potential 273 times greater than that of carbon dioxide (CO_2) .¹

That 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 International Open Tender is issued, whose subsidy is framed in the context of the <u>NACAG</u> initiative (Nitric Acid Climate Action Group), which is a project financed by the German Federal Ministry for Economic Affairs and Climate Action (BMWK) and for whose implementation at a global level the GIZ has been designated.

The NACAG initiative aims to phase out global N_2O 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_2O 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, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) is providing financial support to the company Monómeros for the **procurement of N_2O abatement technology.**



1 https://www.nitricacidaction.org/

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That in consideration of the above, the company Monómeros is interested in contracting the "Supply of a Secondary Nitrous Oxide (N_2O) Abatement System for the nitric acid plant of Monómeros, 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", which will be carried out under the International Open Bidding modality, according to the parameters and requirements indicated in the Definitive Tender Documents.

That in accordance with the requirements of the grant contract, the present process will be governed under the principles and norms contained in the General Statute of Colombian Public Contracting that are applicable due to the private nature of the company; in the rest it will be developed according to the internal administrative procedures, civil code and commercial code, by virtue of which, the selection of the supplier will be made under the principles of good faith, objectivity, transparency, effectiveness, efficiency, economy, responsibility and reduction of legal risk, in order to award the most favorable proposal for the interests of the company Monómeros and the fulfillment of the purposes pursued with the contracting.

That the company Monómeros Colombo Venezolanos S.A., previously followed the procedure established by the Colombian Public Contracting Regime regarding the International Open Bidding Process Monómeros No. 001-2024, which was declared **DESERT**, due to the fact that the proposal received by the only interested bidder did not comply with the minimum requirements established for its qualification, which caused the proposal to be **REJECTED**.

In view of the fact that the need for contracting the company Monómeros persists, the power established by the General Statute of Public Contracting will be applied, which provides: "(...) contracting whose public bidding process has been declared desert. The State Entity that has declared a tender process desert may proceed with the corresponding Procurement Process applying the rules of the abbreviated selection process of lesser amount, for which it must dispense with: a) receiving expressions of interest, and b) drawing lots for bidders.² (Underlined out of text).

That in merit of the above, the company Monómeros S.A., on August 16, 2024, published through its website, the documents containing the **International Open Tender Process Monómeros N° 003-2024**, whose purpose is to contract the "Supply of a Secondary Nitrous Oxide (N_2O) Abatement System for the Nitric Acid Plant of Monómeros, located in the Special,

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² artículo 2.2.1.2.1.2.22 del Decreto 1082 de 2015



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Industrial and Port District of Barranquilla, Department of Atlántico - Colombia, in the context of the Nitric Acid Climate Action Group (NACAG) initiative".

That the Major Contracting Committee of Monómeros S.A. met on August 28, 2024 in order to verify, in accordance with its competence and internal regulations, compliance with the requirements established to initiate the open bidding process for the supply of a secondary nitrous oxide (N_2O) abatement system for the nitric acid plant of Monómeros 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.

In order to continue with the legal process established in the Colombian Public Contracting Regime, the Major Contracting Committee recommended the General Manager to initiate and order the opening of Process N° CMA-24-01-CA-TEC-017 called "Supply of a Secondary Nitrous Oxide (N₂O) Abatement System for the Monómeros Nitric Acid Plant, located at the Monómeros Nitric Acid Plant, located at 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", whose selection process will be carried out through the procedure established in the modality of International Open Tender N° 003-2024.

In view of the foregoing:

FIRST: The General Manager accept the recommendation and approve the initiation and opening of the process N° CMA-24-01-CA-TEC-017 denominated "Supply of a Secondary Nitrous Oxide (N_2O) 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", through the modality of **International Open Tender Monómeros N° 003-2024**, 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 the bidding documents and the other documents that are part of the tender process.

SECOND: SCHEDULE. - The schedule to carry out the selection process by means of International Open Bidding and which must be attended by the interested suppliers, corresponds to the following:



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ACTIVITY	DATE MM/DD/YYYY	RESPONSIBLE
Issuance of the administrative act of Opening of the Tender process and publication of the Definitive Tender Documents and its Annexes.	09/03/2024	Monómeros
Presentation of observations to the Definitive Tender Documents.	From 09/03/2024 to 09/11/2024	Interested Bidder
Response of observations to the Definitive Bidding Documents.	09/16/2024	Monómeros
Deadline for issuance of addenda.	Until 09/25/2024	Monómeros
Presentation of Offers (Closing of the bidding process). Only to this email: receptionoffers@monomeros.com.co	Until 09/30/2024 23:59 p.m. UTC- 05:00	Interested Bidder
Publication of the preliminary evaluation report of the Offers.	10/04/2024	Monómeros
Presentation of observations to the evaluation report of the offers and term to correct the qualifying requirements.	Until 10/11/2024 23:59 p.m. UTC-05:00	Interested Bidder
Publication of the Second Preliminary Evaluation Report (if applicable).	10/17/2024	Monómeros
Audit of the Selection Process	Until 11/27/2024	Independent third part
Publication of the final evaluation report of the qualified bids.	12/02/2024	Monómeros
Award Hearing or Declaration of No Award	12/06/2024	Monómeros

THIRD: CONDITIONS TO PARTICIPATE IN THE INTERNATIONAL OPEN BIDDING. Only legal entities (national or foreign) considered legally capable in accordance with the provisions in force may participate in the selection process. Consortiums, temporary unions and promises of future partnership may also participate. In any case, the bidder must not be subject to the prohibitions, inabilities or incompatibilities to contract or conflicts of interest, 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.



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FOURTH: The interested bidders or offerors are informed that the definitive bidding documents, the preliminary studies and the information generated during the development of be consulted through Monómeros' selection process may https://www.monomeros.com.co/international-open-tender-for-the-supply-of-a-nitrousoxide-n2o-secondary-abatement-system-2/

When there are modifications to the bidding documents, including the dates foreseen in the schedule, Monómeros S.A. will communicate it through a document called "ADDENDA", which will be published in the Web page, identified above, available for the selection process.

Given in the city of Barranquilla D.E.I. y P., September 03, 2024.

VALLE BORGES MEZA

General Manager

Reviewed by: Sahara Saade; Legal Specialist.

Reviewed by: Alexis Morales; Senior Process Engineer. Alexis

Approved by: Olga Donado; Superintendent of Contracts and Purchas

Approved by: Olga Lucía Trujillo; Legal Consulting Manager.

GENENCIA DE CONSULTORIA