Invitation for Bids

Ukraine

Ukraine District Heating Energy Efficiency Project (UDHEEP)

**Date:**  March 6, 2019

**Loan No.:**  8387-UA

**IFB No.:**  UDHEEP-KHTM-IFB-22

**Contract Title:**Procurement of Pipes and other Equipment (DH main networks) in the city of Kharkiv. Part 1

**Reference No**. (as per Procurement Plan): UDHEEP-KHTM-ICB-22

1. This Invitation for Bids follows the General Procurement Notice (GPN) for this Project that appeared in UN Development Business issue of September 8, 2014.
2. Ukraine has received financing from the World Bank toward the cost of the District Heating Energy Efficiency Project (UDHEEP) and intends to apply part of the proceeds toward payments under the contract UDHEEP-KHTM-ICB-22 for procurement of pre-insulated pipes and other equipment for reconstruction of district heating main networks in the city of Kharkiv.
3. Public Utility “Kharkivski teplovi merezhi” now invites sealed bids from eligible bidders for procurement of the following goods: steel pipes with thermal insulation DN300-DN800, heat-shrink couplings, gland expansion joints, sliding supports, fixed supports, flanged shut-off valves and other equipment with operating and maintenance manuals comprising from the lots specified below:

Lot  1 - UDHEEP-KHTM-ICB-22A,  Procurement of Pre-Insulated Pipes and other Equipment (main networks) in the city of Kharkiv. Part 1

Lot  2 - UDHEEP-KHTM-ICB-22B,  Procurement of Non-Insulated Equipment (main networks) in the city of Kharkiv. Part 1

Bidders may submit bids for any lot or combination of lots.

Delivery period is sixty (60) days.

1. Qualifications requirements for Bidders, including requirements on financial and technical capacities also on experience, for both lots as for manufacturers and non-manufactures are following:

Lot 1

(a) If Bidder is Manufacturer:

The Bidder shall furnish documentary evidence to demonstrate that it meets the following requirement(s):

(i)       Financial Capability

* Submission of audited balance sheets or if not required by the law of the Bidder’s country, other financial statements acceptable to the Employer, for the last three (3) financial years starting 1st of January, 2016 to demonstrate the current soundness of the Bidder’s financial position;
* minimum average annual turnover of USD 10 000 000 (ten million US dollars) calculated as total certified payments received for contracts in progress or completed, within the last three (3) financial years starting January 1st, 2016;
* 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 to meet the following cash-flow requirement over 3 (three) months of USD 1 500 000 (one million five hundred thousand US dollars). The Bidders shall also demonstrate, to the satisfaction of the Purchaser, that it has adequate sources of finance to meet the cash flow requirements on contracts currently in progress and for future contract commitments.

(ii)       Experience and Technical Capacity

* at least five (5) years of manufacture and supply of similar goods (pursuant to item 2.3.1 of Technical Specification for Lot 1), starting January 1st, 2014;
* availability of production capacities to manufacture and timely supply the Goods as required in the Bidding documents;
* Bidder shall demonstrate that it has successfully completed at least 1 (one) contract with a value of at least USD 4 000 000 (four million US dollars) which contain manufacturing and supplying of pre-insulated pipes with DN at least 600 mm in the past 3 (three) years.

Similarity of goods will be defined as compliance with required by technical specification, characteristics and parameters of each good’s items including dimensional characteristics specified in description of goods.

* + 1. If Bidder is not manufacturer:

The Bidder shall furnish documentary evidence to demonstrate that it meets the following requirement(s):

* + - 1. Financial Capability
* submission of audited balance sheets or if not required by the law of the bidder’s country, other financial statements acceptable to the Employer, for the last three (3) financial years starting 1st of January, 2016 to demonstrate the current soundness of the bidder’s financial position;
* minimum average annual turnover of USD 3 000 000 (three million US dollars) calculated as total certified payments received for contracts in progress or completed, within the last three (3) financial years starting 1st of January, 2016;
* 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 to meet the following cash-flow requirement over 3 (three) months of USD 1 500 000 (one million five hundred thousand US dollars). The Bidders shall also demonstrate, to the satisfaction of the Purchaser, that it has adequate sources of finance to meet the cash flow requirements on contracts currently in progress and for future contract commitments;

(ii)       Experience and Technical Capacity

* if a Bidder is not a manufacturer, but is offering the Goods on behalf of the Manufacturer under Manufacturer's Authorization Form (Section IV, Bidding Forms), the Manufacturer shall demonstrate the above qualifications (i), (ii) and the Bidder shall demonstrate that it has successfully completed at least 1 (one) contract with a value of at least USD 4 000 000 (four million US dollars) which contain supplying of pre-insulated pipes with DN at least 600 mm with total length at least 3.0 km in the past 3 (three) years.

Lot 2

(a) If Bidder is Manufacturer:

The Bidder shall furnish documentary evidence to demonstrate that it meets the following experience requirement(s):

(i)       Financial Capability

* submission of audited balance sheets or if not required by the law of the bidder’s country, other financial statements acceptable to the Employer, for the last three (3) financial years starting January 1st, 2016 to demonstrate the current soundness of the Bidder’s financial position;
* minimum average annual turnover of USD 2 400 000 (two million four hundred thousand US dollars) calculated as total certified payments received for contracts in progress or completed, within the last three (3) financial years starting 1st of January, 2016;
* 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 to meet the following cash-flow requirement over 3 (three) months of USD 500 000 (five hundred thousand US dollars). The Bidders shall also demonstrate, to the satisfaction of the Purchaser, that it has adequate sources of finance to meet the cash flow requirements on contracts currently in progress and for future contract commitments;

(ii)       Experience and Technical Capacity

* at least five (5) years of manufacture and supply of similar goods, starting January 1st, 2014;
* availability of production capacities to manufacture and timely supply the Goods as required in the Bidding documents;
* Bidder shall demonstrate that it has successfully completed at least 1 (one) contract with a value of at least USD 1 200 000 (one million two hundred US dollars) which contain manufacturing and supplying of similar goods in the past 3 (three) years.

Similarity of goods will be defined as compliance with required by technical specification an characteristics and parameters of each good’s items including dimensional characteristics specified in description of goods.

(b) If Bidder is not manufacturer:

The Bidder shall furnish documentary evidence to demonstrate that it meets the following experience requirement(s):

(i)       Financial Capability

* The Bidder shall submit audited balance sheets or if not required by the law of the bidder’s country, other financial statements acceptable to the Employer, for the last three (3) financial years starting 1st of January, 2016 to demonstrate the current soundness of the bidder’s financial position.
* minimum average annual turnover of USD 750 000 (seven hundred fifty thousand US dollars) calculated as total certified payments received for contracts in progress or completed, within the last three (3) financial years starting 1st of January, 2016;
* 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 to meet the following cash-flow requirement over 3 (three) months of USD 500 000 (five hundred thousand US dollars). The Bidders shall also demonstrate, to the satisfaction of the Purchaser, that it has adequate sources of finance to meet the cash flow requirements on contracts currently in progress and for future contract commitments;

(ii)       Experience and Technical Capacity

If a Bidder is not a manufacturer, but is offering the Goods on behalf of the Manufacturer under Manufacturer's Authorization Form (Section IV, Bidding Forms), the Manufacturer shall demonstrate the above qualifications (i), (ii)) and the Bidder shall demonstrate that it has successfully completed at least 10 (ten) contracts which contain supplying of similar goods in the past 3 (three) years.

Similarity of goods will be defined as compliance with required by technical specification an characteristics and parameters of each good’s items including dimensional characteristics specified in description of goods.

5. Bidding will be conducted through the International Competitive Bidding procedures as specified in the World Bank’s [Guidelines: Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers](http://www.worldbank.org/html/opr/procure/guidelin.html)  dated January 2011 as revised through July 2014 Corrigenda (“Procurement Guidelines”), and is open to all eligible bidders as defined in the Procurement Guidelines. In addition, please refer to paragraphs 1.6 and 1.7 setting forth the World Bank's policy on conflict of interest.

6. Interested eligible bidders may obtain further information from Public Utility “Kharkivski teplovi merezhi”, contact person Mr. Roman Zinchenko, Head of RPIU, e-mail: [zinchenko.r.e@hts.kh.ua](mailto:zinchenko.r.e@hts.kh.ua) and inspect the bidding documents during office hours from 9:00 a.m. to 4:00 p.m. local time at the address (1) given below.

7. A complete set of bidding documents may be purchased by interested bidders upon submission of a written application to the above address and upon payment of a non-refundable fee of EUR 180.00 (one hundred eighty Euro) or UAH 5500.00 (five thousand five hundred Ukrainian Hryvnias) to the bank account stated below. The document will be sent by airmail for overseas delivery and surface mail or courier for local inland delivery or can be picked by authorized bidder’s representative from the address (1) below.

The complete set of bidding documents electronic format will be sent to the e-mail specified in the bidder’s application.

8. Bids must be delivered to the address (2) given below before 11:00 a.m. local time April 17, 2019. Electronic bidding will not be permitted. Late bids will be rejected. Bids will be publicly opened in the presence of the bidders’ designated representatives and anyone who choose to attend at the address (2) below on 11:05 a.m. local time of April 17, 2019.

9. All bids must be accompanied by a Bid Security in the form of Bank Guarantee as an unconditional guarantee issued by the Bank in amount of at least:

Lot 1 - not less than USD 100 000 (one hundred thousand US dollars) or an equivalent amount in a convertible currency;

Lot 2 - not less than USD 30 000 (thirty thousand US dollars) or an equivalent amount in a convertible currency.

10. The addresses referred to above are:

**Address (1):**

Public Utility “Kharkivski teplovi merezhi”

Attention: Mr. Roman Zinchenko, Head of Regional Project Implementation Unit

Address: 117-ch Plekhanivska Street, Floor 4, Office 50

City: Kharkiv

ZIP Code: 61037

Country: Ukraine

Tel.: +38 057 7585342

Fax: +38 057 7387120

E-mail: [zinchenko.r.e@hts.kh.ua](mailto:zinchenko.r.e@hts.kh.ua)

**Address (2):**

Public Utility “Kharkivski teplovi merezhi”

Address: 11 Mefodiivska Street, Floor 3, Office 303

City: Kharkiv

ZIP Code: 61037

Country: Ukraine

**Bank Accounts:**For transfer of the Ukrainian Hryvnia:  
Account: 2600030002313  at the Kharkiv regional branch  
of JSC Oschadbank

MFO: 351823

EDRPOU: 31557119  
  
For transfer of the Euro:  
Account: 260039785357

Bank: MEGABANK PJSC

Address: 30 Alchevskih Street, Kharkiv 61002, Ukraine

SWIFT: DBBK UA 2K

EDRPOU: 09804119

**Correspondent Bank:**

Deutsche Bank AG

Frankfurt-am-Main, Germany

SWIFT: DEUT DE FF

CORRESPONDENT ACCOUNT: 949991410