

# Invitation for Bids (IFB)

Date: 28.12.2020

Loan №: 8495-AM (Electricity Transmission Network Improvement Project)

Loan №: 8388-AM (Electricity Supply Reliability Project: Additional Financing)

IFB №: HVEN-DSI-1/2020

1. The Republic of Armenia has received a loan from the International Bank for Reconstruction and Development (IBRD) toward the cost of the “**Electricity Transmission Network Improvement Project**” and “**Electricity Supply Reliability Project: Additional Financing**”. It is intended that part of the proceeds of this loans will be applied to eligible payments under the following contracts (Lots)

Lot 1: Rehabilitation of “Ararat-2” 220/110/6kV substation (Loan №: 8495-AM)

Lot 2: Rehabilitation of “Zovuni” 220/110/10kV substation (Loan №: 8388-AM)

2. The “High Voltage Electric Networks” CJSC as a “Project Implementation Entity” now invites bids from eligible bidders for the reconstruction and commissioning of

Lot 1: Rehabilitation of “Ararat-2” 220/110/6kV substation

Lot 2: Rehabilitation of “Zovuni” 220/110/10kV substation

3. Interested eligible bidders may obtain further information from “High Voltage Electric Networks” CJSC and inspect the bidding documents on working days at the address given below from 9:00 till 17:30 local time.

“High Voltage Electric Networks” CJSC

1 Zorovar Andranik Street, Yerevan 0084, Republic of Armenia

Telephone: +374-60 38-00-14

Electronic mail address: [hven@hven.am](mailto:hven@hven.am), [subrec@hven.am](mailto:subrec@hven.am), [tigran.sahradvan@hven.am](mailto:tigran.sahradvan@hven.am)

4. The Bidder shall fulfill the following minimum criteria for each Lot as follows:

**Lot 1: Rehabilitation of “Ararat-2” 220/110/6kV substation**

- **General Experience**

Experience under the substation rehabilitation/construction/reconstruction contracts in the role of contractor, subcontractor or management contractor for at least the last five [5] years prior to the applications submission deadline, and with activity in at least nine (9) months in each year.

- **Specific Experience**

- Participation as contractor, subcontractor, or management contractor in at least two (2) substation rehabilitation/construction/reconstruction contracts within the last ten [10] years. Each contract shall be with total value of at least 9.6 million USD, and have to be successfully and

substantially completed and are similar to the proposed Contract (with 220kV voltage or higher). At least one (1) contract have to be completed outside of the Bidder' (respective member of JV) home country.

- For the above contracts Contractor should demonstrate experience in Design, Supply, Installation & Commissioning of 220/110/MV kV substation, including control and protection system.

- **Historical Financial Performance**

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 five [5] years to demonstrate the current soundness of the bidder's financial position and its prospective long-term profitability.

Average liquidity ratio  $\geq 1.0$

$$\frac{\text{Current Assets}}{\text{Current Liabilities}} \geq 1.0$$

- **Average Annual Turnover**

Minimum average annual turnover of USD 9.0 Million, calculated as total certified payments received for contracts in progress or completed, within the last (5) years.

- **Financial Resources**

The Bidder must 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 to meet the following cash flow requirement:

- (i) **USD 4.5 million** as the cash flow requirement, and
- (ii) the overall cash flow requirements for this contract and its current commitments.

## **Lot 2: Rehabilitation of "Zovuni" 220/110/10kV substation**

- **General Experience**

Experience under the substation rehabilitation/construction/reconstruction contracts in the role of contractor, subcontractor or management contractor for at least the last five [5] years prior to the applications submission deadline, and with activity in at least nine (9) months in each year.

- **Specific Experience**

- Participation as contractor, subcontractor, or management contractor in at least two (2) substation rehabilitation/construction/reconstruction contracts within the last ten [10] years. Each contract shall be with total value of at least 6.4 million USD, and have to be successfully and substantially completed and are similar to the proposed Contract (with 220kV voltage or higher). At least one (1) contract have to be completed outside of the Bidder' (respective member of JV) home country.
- For the above contracts Contractor should demonstrate experience in Design, Supply, Installation & Commissioning of 220/110/MV kV substation, including control and protection system.

- **Historical Financial Performance**

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 five [5] years to demonstrate the current soundness of the bidder's financial position and its prospective long-term profitability.

Average liquidity ratio  $\geq 1.0$

$$\frac{\text{Current Assets}}{\text{Current Liabilities}} \geq 1.0$$

- **Average Annual Turnover**

Minimum average annual turnover of USD 6.0 Million, calculated as total certified payments received for contracts in progress or completed, within the last (5) years.

- **Financial Resources**

The Bidder must 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 to meet the following cash flow requirement:

- (i) **USD 3.0 million** as the cash flow requirement, and
- (ii) the overall cash flow requirements for this contract and its current commitments.

**5. In case of the award of more than one lot:**

- the required specific experience shall be the aggregate of the specific experience required for the individual lots.
  - the required cash flow shall be the aggregate of the cash flow required for the individual lots;
  - the required annual turnover shall be the aggregate of the turn over required for the individual lots.
6. The Bidder must attach a written statement that there is no set-up or claimed event of bankruptcy or settlement proceeding against the assets of his company and that no liquidation of the company is ongoing.
7. A complete set of bidding document may be obtained by interested bidders upon submission of a written application on the name of "High Voltage Electric Networks" CJSC and upon payment of a non-refundable fee in amount of 100 USD only (USD one hundred), or equivalent amount in AMD for residents of Armenia, on account specified below.

**Accounts for payment**

**For non-residents of Armenia (payment in USD):**

**Beneficiary: High Voltage Electric Networks CJSC**  
**Beneficiary's Bank: ARDSHINBANK CJSC**

**SWIFT CODE: ASHBAM 22**

**Acc. No 2470139122970020**

**Address: 13 GRIGOR LUSAVORICH str., Yerevan, Armenia**

**Intermediary Bank: Corr. Account: N36209105**

**CITYBANK, NEW YORK**

**SWIFT Code: CITIUS33**

**For residents of Armenia: (payment in AMD):**

**Beneficiary: High Voltage Electric Networks CJSC**

**Acc. No 2470139122970010**

**Beneficiary's Bank:**

**Ardshinbank CJSC, Yerevan, Republic of Armenia,**

**SWIFT CODE: ASHBAM22**

8. Bidding Documents will be sent in electronic version by email or via link to file-sharing services upon receipt of bank documents evidencing payment of non-refundable fee. Main part of Bidding Documents will be provided in PDF format, while technical schedules and price schedules, to be filled by the Bidders, in MS Word and Excel formats.
9. International Competitive Bidding will be conducted in accordance with the World Bank's Single-Stage Bidding Procedure.
10. A Pre-Bid meeting will be held at the office of "High Voltage Electric Networks" CJSC at 14<sup>00</sup> local time on February 9, 2021.
11. Electronic version of bids must be sent to the below mentioned electronic addresses before 12<sup>00</sup> local time on March 11, 2021.

[subrec@hven.am](mailto:subrec@hven.am), [tigran.sahradyan@hven.am](mailto:tigran.sahradyan@hven.am)

**Bids submitted after mentioned deadline will be rejected.**

All instruction for submission of Bid are provided in the bidding document.

12. Due to COVID-19 related travel restrictions for pre-bid meeting as well as bid opening session will be implemented also by online conference.
13. Bid must be accompanied by a bid security as follows:

**Lot 1: Rehabilitation of "Ararat-2" 220/110/6kV substation**

Amount of Bid Security for Lot 1 shall be USD Two Hundred Forty Thousand (240,000.00 USD).

**Lot 2: Rehabilitation of "Zovuni" 220/110/10kV substation**

Amount of Bid Security for Lot 2 shall be USD One Hundred Sixty Thousand (160,000 USD).

In case of bidding for two (2) lots submission of one security in total amount USD Four Hundred Thousand (400,000) will be acceptable.

14. Bids will be opened in the presence of bidder's representatives who choose to attend at 12<sup>15</sup> local time on March 11, 2021. in the office of “High Voltage Electric Networks” CJSC .

The online conference will be arranged by HVEN through MS Teams. Prior to bid opening, the link will be distributed to the bidders who submitted bids prior submission deadline.

15. All correspondence with regard to the above shall be to the following address:

**“High Voltage Electric Networks” CJSC**  
**General Director Mr. Hayk Harutyunyan,**  
**1 Zorovar Andranik Street,**  
**0084 Yerevan**  
**Republic of Armenia**  
**Tel.: +374 60 38-00-01**  
**Email address: [hven@hven.am](mailto:hven@hven.am), [subrec@hven.am](mailto:subrec@hven.am), [tigran.sahradyan@hven.am](mailto:tigran.sahradyan@hven.am)**

16. This Invitation for Bids will also be published at the site of “High Voltage Electric Networks” CJSC at the following address: <http://hven.am/en/Announcements/>

#### **17. Key Aspects of Bidding Documents:**

- Successful Bidder is obliged to register in Republic of Armenia as a tax payer. The Contractor shall be responsible for the calculation and payment of any tax and custom liabilities raising in relation of the Contract and, thus, the Employer shall not act as the Tax Agent of the Contractor.
- This contract will be a Turnkey contract with payments linked to construction progress milestones with installation/acceptance of “Parts of Facilities” in accordance with Appendix 1. Terms and Procedures of Payments of Section X. Contract Forms of Bidding Documents.
- Price Schedule No.4 (Plant, Installation and other services) shall include rates or prices for the plant, transportation to the final destination, insurance, brokerage services, customs terminal costs, custom clearance payments, and cost of other services related to the delivery of the equipment, installation and civil works, contractor's equipment, temporary works, materials, consumables and all other related expenditures, including, the provision of operations and maintenance manuals, trainings and etc., where identified in the Bidding Documents, as necessary for the proper execution of the installation and other services, including all taxes, duties, levies and charges payable in the Employer's country as of twenty-eight (28) days prior to the deadline for submission of bids.
- The ownership of the “Part of Facilities” shall be transferred to the Employer upon issuance of “Provisional Operational Acceptance” or “Provisional Work Completion Certificate”.
- The Contractor shall, at its own expense, handle all imported materials at the point(s) of import and shall handle any formalities (including hiring of custom broker and making respective payments for his services etc.) for customs clearance. All costs connected with the custom clearance (taxes, duties, terminal storage cost any other payments) should be borne by the Contractor and included in the quoted unit price.

