

**ANSWER DOCUMENT - QUESTIONS AND COMMENTS
SUPPLIER INFORMATION REQUEST - SIP
MARKET RESEARCH
MONOMERS 001-2023**

The company Monomeros is pleased to respond to the questions and comments received within the Request for Information to Suppliers - Market Research, in order to build the terms and conditions of the International Public Bidding process to be contracted for the "Supply of technology for secondary abatement of nitrous oxide (N₂O), for the nitric acid plant of Monomeros, 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".

I. NOTES FOR CLARIFICATION.

Monomeros clarifies to the interested suppliers that the definitive terms of the selection and contracting process will be published later on Monomeros' web page, once the market conditions are verified and the requirements to be demanded to the suppliers interested in participating and being awarded the contract are defined. The International Public Bidding will be carried out according to the parameters defined by the General Statute of Public Contracting in force in Colombia.

In the same sense, it is clarified that a substantive and written response will be given to any observation made by the suppliers interested in this stage of market research, even if the observation is submitted after the deadline established in the schedule (extemporaneous); the above in order to provide clarification on the queries made by Monomeros and obtain a response from the suppliers by sending the quotation.

At this market research stage, suppliers shall not be required to submit any accreditation or certification documents, except for the required budget quotation, the format of which is set forth in Annex 2. This measure is taken in order to expedite the quotation evaluation process and to avoid forcing interested suppliers to go through unnecessary administrative procedures.

II. LIST OF QUESTIONS AND COMMENTS RECEIVED.

1. Observation or Question.

- **Interested Supplier:** Alloy Engineering Company.
- **Date observations received:** E-mail received on 10/31/2023, at 03:39 p. m.

“We will participate in the abatement study. We were not able to locate where the tender was located in the link. Is the tender going to be sent separately? Let us know how to proceed.

Monómeros' response.

Monómeros clarifies that the terms of the Public Bidding process will be published in the company's web page, after and once the market research stage (market study) contemplated by the Public Procurement Regime in Colombia is completed. This stage is a requirement and its purpose is to gather and analyze information on the market for the goods and services to be acquired.

In this sense, it is of great importance that suppliers interested in participating answer the questions formulated by Monomers in Annex 2 (Quotation Form and inquiries about the supply), whose information is essential for decision making in the contracting process, as it allows to know the available offer, and to determine the prices and conditions for the contracting that are more favorable for the company.

The terms of the present market research stage can be viewed and found in the link copied below:

<https://www.monomeros.com.co/market-research-of-the-supply-of-secondary-nitrous-oxide-n2o-abatement-technology/>

2. Observation or Question:

- **Interested Supplier:** CASALE SA.
- **Date observations received:** E-mail received on 09/11/2023, at 06:56 a.m.

"(...) Dear Monómeros team,

Casale confirms its interest in participating in the bid for the DeN2O initiative for Monómeros Nitric Acid Plant.

Here below are the requests by our technical departments who are working on this opportunity:

*Please provide detail dwg of:
gauzes support/flexible connection.*

Basket:

Burner hood, ignition arm, heater, air distributor ecc.

In addition, please provide some pictures of basket, gauzes support and burner hood internals if available. (...)"

Monómeros' response.

In order to respond to the questions posed by CASALE SA, Monómeros has the following statements:

- **Component:** Gauze holder/flexible connection.

A schematic diagram is shown below, which explains the way in which the jackets are supported inside the R-1101 reactor. As shown in **Image N°. 1**, the jacks are supported on a "Hex grid Support" which in turn is supported on a metallic structure - "Grid Assembly"-.

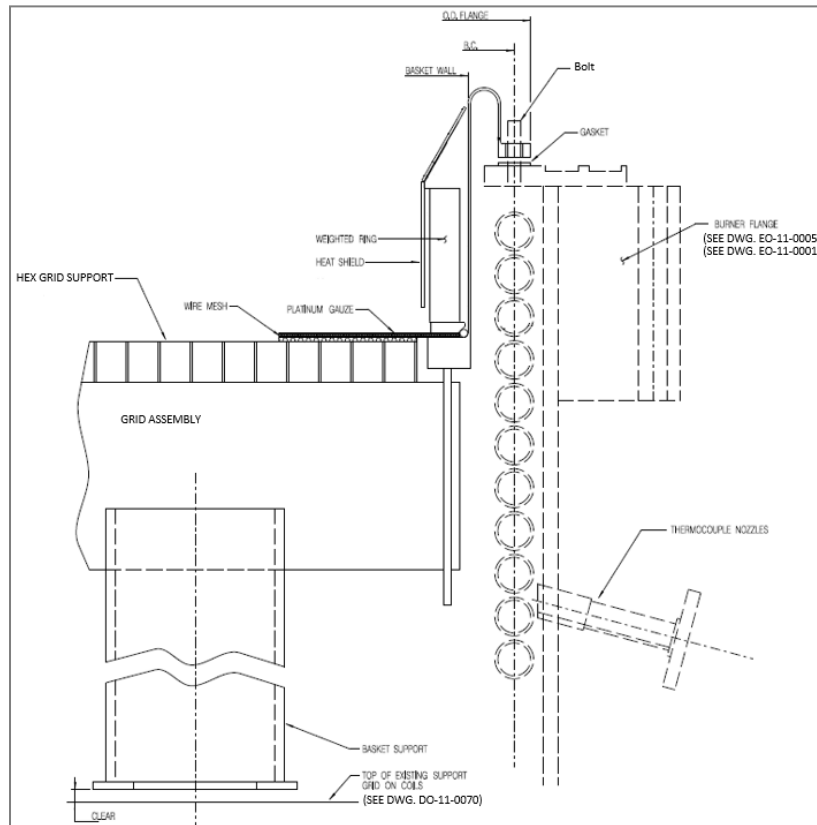


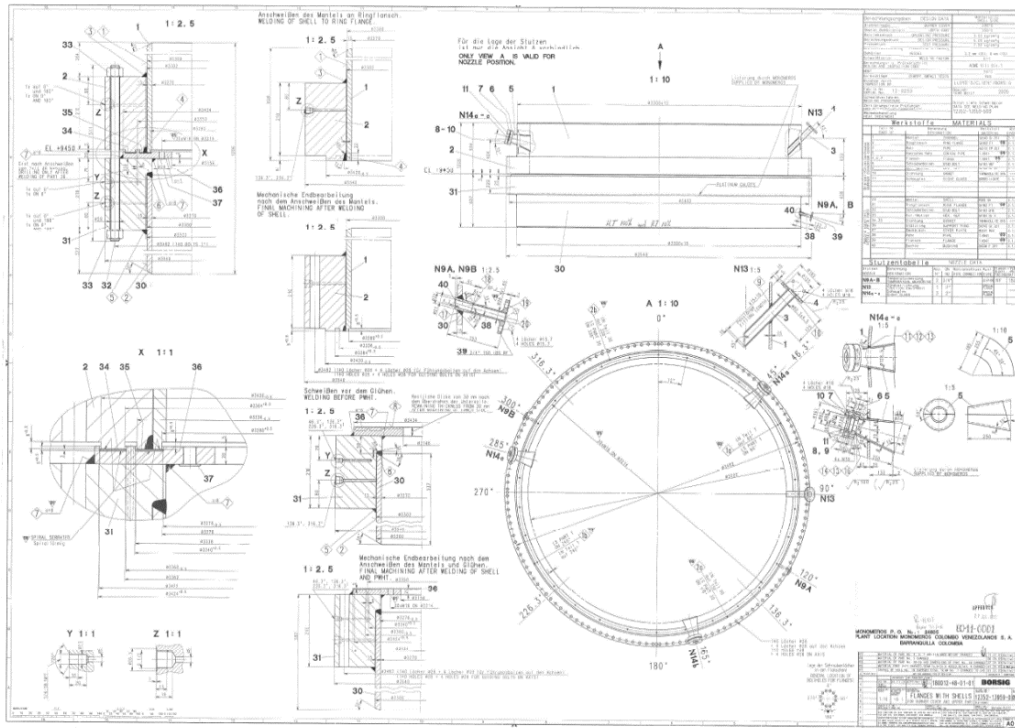
Image N°. 1: Schematic diagram of the R1101 Basket - Reactor Assembly.

- **Component: Basket.**

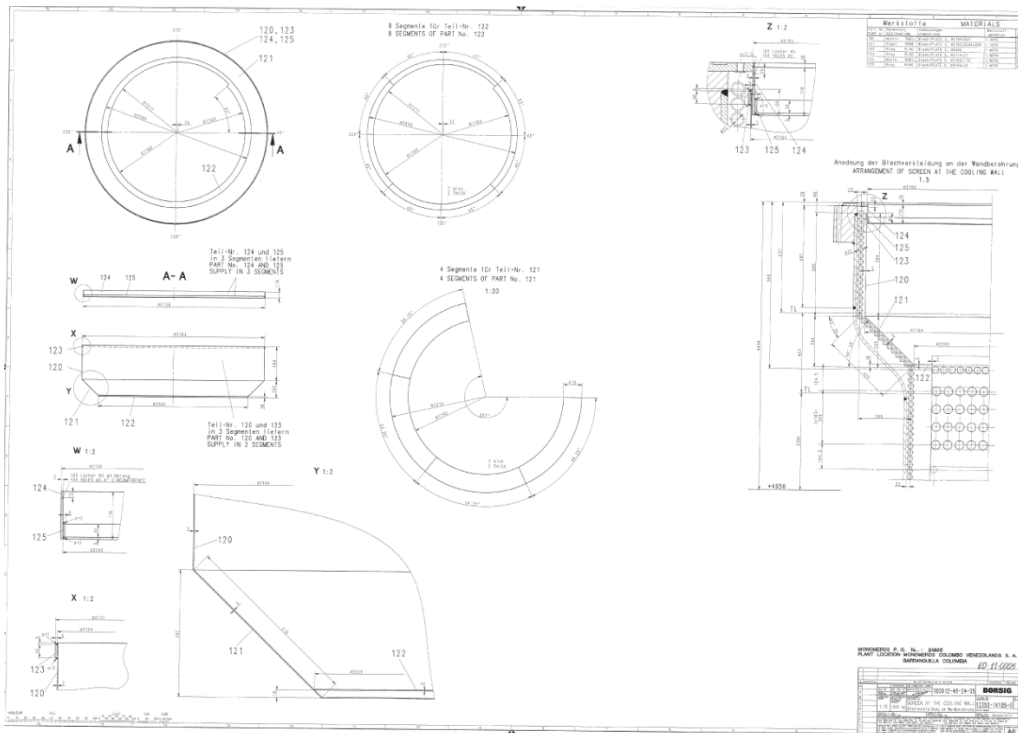
In this regard, it should be noted that according to the activities described in Annex 1A "TECHNICAL SPECIFICATIONS - REQUIREMENTS FOR GOODS AND SERVICES", the supplier that is awarded the International Public Bidding process must, among other activities, "Carry out the engineering study, **design and manufacture of a new basket** associated with a secondary nitrous oxide (N₂O) abatement system, to support the primary screens and the new secondary abatement catalyst".

It is also important to clarify that the **detailed drawings** associated with this component are protected by "intellectual property rights" imposed by the manufacturer of the basket that is currently installed. For this reason, it is not appropriate to deliver the detailed drawings, given the existence of the confidentiality agreement between the company Monómeros and the manufacturer. However, in order to provide as much information as possible, the drawings **EO-11-0001, EO-11-0005, B-11-1058, EO-11-0075, DO-11-0070 and DO-11-0085** of the R1101 Reactor are provided with this response, in order to serve as a basis for the **budget estimate** associated with the item "Engineering and design of the new basket associated with the secondary nitrous oxide abatement system (N₂O)" (Document: "Annex 2. Quotation and consultation format"; Sheet: "Quotation"), property of Monómeros.

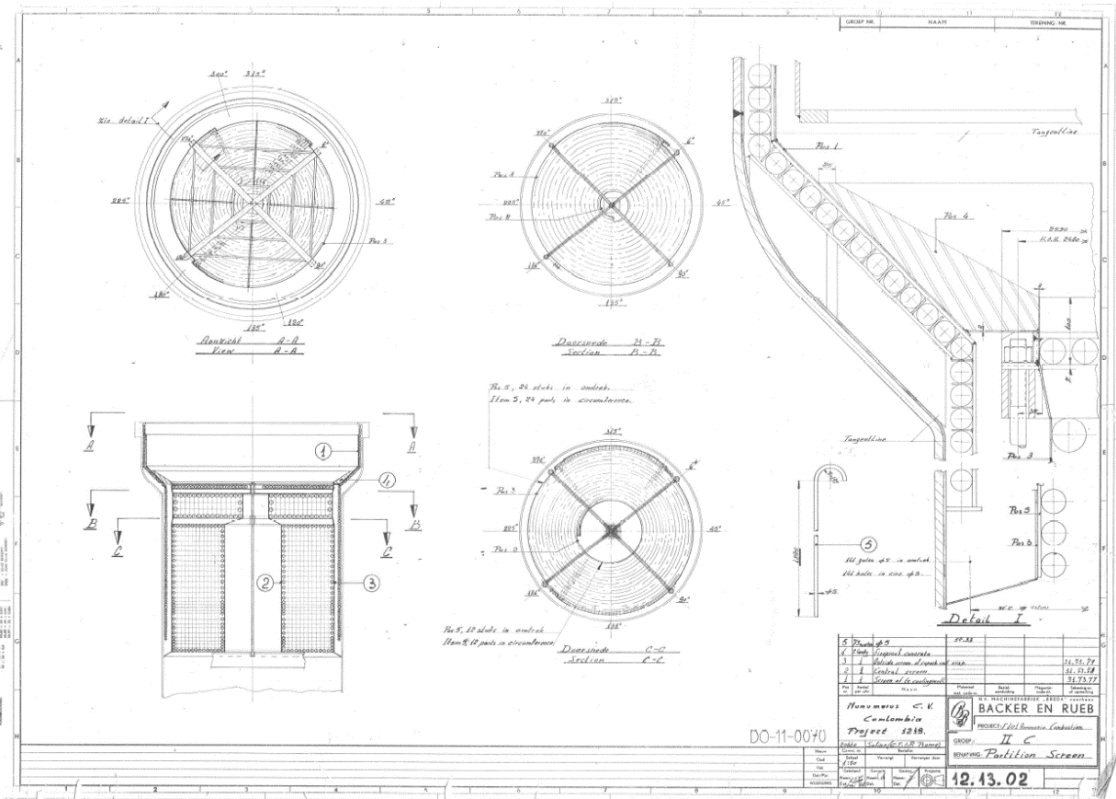
- **Component:** Burner bell, ignition arm, heater, air distributor, etc.



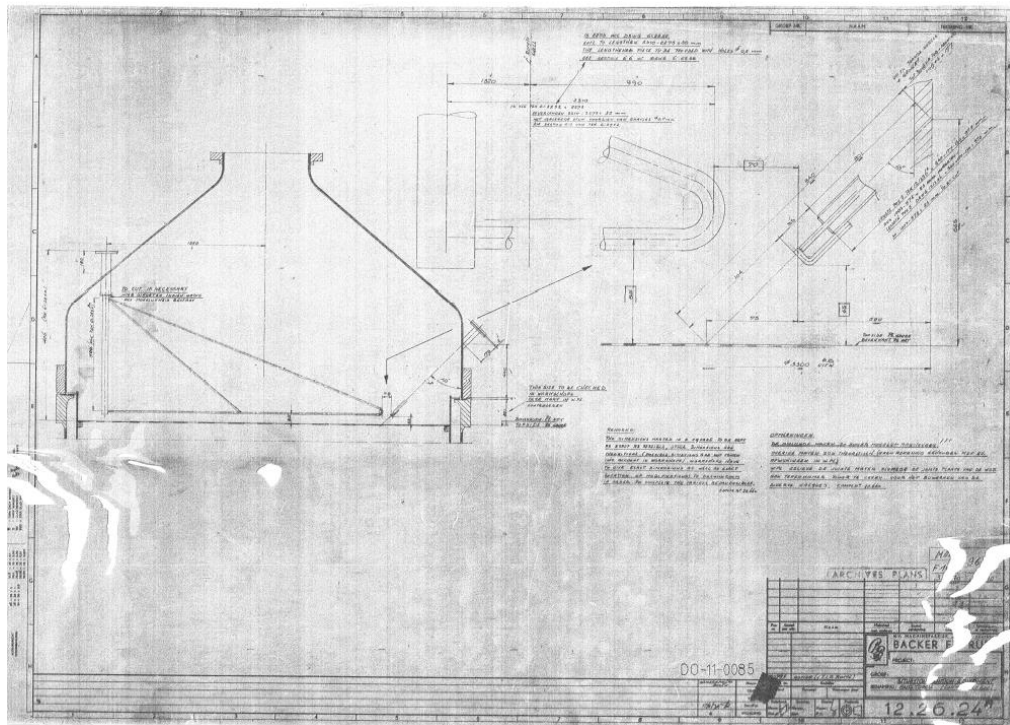
Drawing EO-11-001. Flanges with shells for burner cover and upper part.



Drawing EO-11-005. Reactor R-1101 Screen and the cooling wall.



Plano DO-11-0070. Partition screen.



Plano DO-11-0085. Reactor Ignition Arm.

Additionally, some images are sent as requested:



Photo 1: Attachment point - Flanged connection of the basket to Reactor R1101



Photo 2: Internal part of the R-1101 Reactor Cover.



Photo 3: Support structure at the bottom of the R1101 Reactor where the Basket is supported.



Photo 4: Internal part of the upper part of the R1101 Reactor.

Response to question 3.4:

In response to the question raised, it should be noted that on page 10 of Annex 1A "TECHNICAL SPECIFICATIONS - REQUIREMENTS FOR GOODS AND SERVICES", a pressure drop of less than **80 mbar was defined.**

Answer to question 3.5:

Question No. 9 of Annex 2, is focused on knowing (according to your experience) which of the goods, services and technical specifications required by Monomers listed in Annex 1A, would prevent suppliers from participating in the open international bidding process to be carried out?

For this purpose, it is clarified that the specifications listed in Annex 1A, correspond to the technical requirements that as a minimum must be taken into account by each of the suppliers interested in participating in this call and thus guarantee the development of each of the activities described in section 1.1 Scope of the contractual object.

The purpose of this SIP (Supplier Information Request) is to determine the cost of goods, equipment, services and their availability in the market, in order to identify potential suppliers and define the terms of reference of the contract in a more accurate and efficient manner.

In view of the foregoing and in order to provide greater clarity to interested suppliers, question No. 9 will be modified to read as follows:

In your experience, which of the goods, services and technical specifications listed in Exhibit 1A could not be supplied by the company you represent?

4. Observation or Question:

- **Interested Supplier:** Jacobs International.
- **Date observations received:** Email received on 08/11/2023, at 05:06 p.m.

“ (...)

After reviewing the documents we have the following questions in this regard:

4.1 In the SIP document, it is clear that this process is part of the GIZ initiative with the NACAG project, for the abatement of N2O gases. At this point it is very important for us to comment to Monomers that in the year 2021 we were part of the GIZ team to conduct pre-feasibility studies of this project in several of the beneficiary companies. Previously we have directly asked the GIZ team if there would be any kind of inability due to conflict of interest to participate in these bidding processes and the answer was: "Since GIZ is not involved in the bidding process, as this is 100% responsibility of Monomers in this case, GIZ does not decide which companies can participate or not in the bids".

We are therefore writing to you directly to ask if we can be part of the proponents.

4.2 In point 6 of the SIP paragraph i, it is clear that the cost estimate should be made without the value of tariffs and other import taxes, in subsequent paragraphs it is indicated that these values should be indicated separately. Taking this into account, we would like to ask how should be the handling of other taxes that apply according to the type of contract and its location such as: VAT, ICA, and Withholdings, stamps of the contract, and others that may be applicable.

4.3 In point 1 of the annex, reference is made to the specific experience offering this type of technologies. In this case we would like to ask if in our case as coordinator of a number of companies and suppliers to meet the project's objective, we should put the experience of each of the members of this group of companies, or only put ours and that of the main actors?"

Monómeros' response.

Answer to Question No. 4.1:

In response to your inquiry regarding the existence of inability or conflict of interest to participate in this call, we would like to indicate that, according to Colombian legislation on public procurement (whose regime will be applicable to the International Public Bidding

process), there is no inability to participate in a bidding process for having participated in the pre-feasibility stage of a project. In any case, such legislation determines in an exhaustive and express manner, the causes of inability and possible conflicts of interest in which the participants of a selection process could incur, which will be taken into account by Monómeros at the moment of structuring and consolidating the terms and criteria of choice that will be requested to each one of the suppliers interested in supplying the required abatement technology¹.

It should be reiterated that with this Request for Information to Suppliers, we are inviting all natural or legal persons, national or foreign, who have the capacity and experience to develop each of the activities and supplies required by Monómeros; as well as to contribute in the construction of the terms that will serve as reference within the selection and contracting process based on transparent and objective selection criteria.

In this sense, the Monómeros Company cannot resolve in depth the questioning presented by the company Jacobs International S.A.S., since the scope of the activities executed with the GIZ is unknown, as well as the fact that to date, the qualification and qualification criteria that will be required in the International Public Bidding process to each one of the suppliers that are interested in presenting their offer have not been defined.

We understand that this situation may generate uncertainty in your company. However, we want to assure you that we are working to define the bidding conditions in an objective and transparent manner, in accordance with the principles of public procurement established in Colombian law. Once we have defined the bidding conditions, these will be published through our web portal and our usual communication channels.

Answer to Question No. 4.2:

In the specific case of tariffs and other import taxes, these values must be indicated separately in the cost estimate. This means that the interested supplier must present it as an independent item, with its corresponding value, including costs in terms of INCOTERMS DDP, taking into account that the delivery site of the abatement technology corresponds to the facilities of Monómeros, in the Special, Industrial and Port District of Barranquilla, Department of Atlántico - Colombia.

¹ Colombia. Law 80 of 1993. Whereby the General Statute of Contracting of the Public Administration is issued. Article 8

Other applicable taxes, such as VAT, ICA, withholdings, contract stamps, and other direct and indirect costs and expenses that the contractor may incur, shall be included in the total value of the quotation.

In this regard, we ask interested suppliers to break down the costs as much as possible.

Answer to Question No. 4.3:

In response to this consultation Monómeros clarifies that, in order to know the current market conditions and the characteristics of each of the potential suppliers of abatement technologies, it is requested by filling out (Annex 2), the list of the specific experience that could be accredited (once the International Public Bidding is published), each of the suppliers that are interested in submitting a bid.

It should be noted that in this **market research stage**, it is not required to send any certification or accreditation of experience document; therefore, each of the interested suppliers must list the experience acquired as an individual or plural bidder, presenting as far as possible in detail, the place and scope of the activities carried out in each of the projects performed and that are closely related to the supply of secondary nitrous oxide abatement technology (N₂O).

The terms to evaluate the capacity and experience of the future bidders will be defined in the International Public Bidding Terms and Conditions that will be published once the results of this market research are evaluated.

In the above terms, we respond to the observations and questions formulated to the Request for Information to Suppliers - SIP.

In witness whereof, this document is hereby published on the sixteenth (16th) day of the month of November of the year 2023.