

DEFINITIVE DOCUMENT

INTERNATIONAL OPEN TENDER MONÓMEROS 001-2024

OBJECT OF THE SELECTION PROCESS:

To contract the "Supply of a Secondary Nitrous Oxide Abatement System (N₂O), 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".

**Barranquilla - Atlántico, Colombia.
April 2024**

Notice: This document is only a courtesy translation into English of the document written in Spanish with Reference "Pliegos definitivos para licitación del sistema de abatimiento secundario de Óxido Nitroso, Monómeros – 001 de 2024". Therefore, in the event of any difference between the two versions, the Spanish version shall prevail.

INTRODUCTION.

This Tender document constitute the conditions to be followed by the bidders in the preparation of their offers for their comparison, evaluation and subsequent award, as well as the parameters, guidelines and information that must be complied with by the bidders participating in this contracting process.

The tender must familiarize itself with the all documents and must strictly comply with the requirements and terms indicated therein. In view of the foregoing, it is recommended that the applicants to participate in this International Open Bidding carefully read the documents and follow the instructions set forth herein.

The interested party must read this document and its annexes in their entirety, since, in order to participate in the process, it is necessary to have knowledge of the entire contents of the same.

The Tender documents and their annexes are available to interested tenders on the Monómeros website. <https://www.monomeros.com.co/open-tender-abatement/>

IMPORTANT RECOMMENDATIONS FOR PROPOSERS.

This document constitutes the definitive specifications and its publication is made through the web page: <https://www.Monómeros.com.co/open-tender-abatement>, which does not commit the company Monómeros Colombo Venezolanos S.A. (hereinafter Monómeros) to maintain the content or technical specifications defined herein, until the final specifications are issued and the definitive opening of the process is made in the times stipulated in the chronogram of the present process of selection of Suppliers. The procedure shall be governed under the principles of the Colombian Public Contracting Regime, and the provisions contained in the Subsidy Contract signed between Monómeros Colombo Venezolanos S.A. and *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*.

For the preparation of the respective proposal, the interested bidder must follow the chronological order indicated by Monómeros in this document and its annexes, verifying and attaching with its proposal all the documents required in this call and which constitute a **mandatory requirement** for the proposal to be evaluated by the evaluation committee appointed by Monómeros.

It is the bidder's responsibility to be sufficiently informed of the particular conditions of the selection procedure and the execution of the contract, so it is the bidder's responsibility to previously resolve any concerns raised by this bidding document and to warn Monómeros about possible errors or inconsistencies that may be evidenced in this document.

With the submission of the proposal, the bidder leaves on record that it has fully studied the technical specifications, annexes, formats and other documents of the process; that it has received the necessary clarifications on the concerns or doubts previously consulted within the terms established in the process and that it accepts that these specifications are complete, compatible and adequate to define the obligations to be acquired under the supply contract to be entered into with the successful bidder.

SECTION I. OVERVIEW.

1. GENERAL CONDITIONS.

The present selection process has been prepared following the postulates defined in the Public Procurement Regime in force in Colombia, and which may be applicable to private companies and partnerships incorporated in Colombia. In view of the foregoing, it is recommended that bidders who wish to participate in this selection process **carefully read** the present documents and comply with the following requirements:

- Strictly examine the preliminary studies, technical annex, and the contents of the Tender documents, the documents that are part of the same, its forms and annexes; since they are an integral part of the present process and it is the sole responsibility of the interested parties to know their contents.
- Verify not to be subject to any of the inabilities and incompatibilities or conflicts of interest to enter into contracts with Monómeros as provided in this document.
- Make sure that it meets the conditions, fulfills the requirements set forth herein, and provide all the information required in this document, within the times defined in the Schedule of the process.
- Review the annexes and fill out the forms contained in this document completely.
- Take into account the addenda by which the Final Bidding Documents may be modified.
- Keep in mind the date and time set for the **closing of this process**; in no case will proposals submitted after the time set for this purpose in the schedule of the process be received.

2. DEFINITIONS.

The terms not defined in this document and that will be used frequently must be understood according to their natural and obvious meaning. For the interpretation of this document and the others that are an integral part of the International Open Bidding process, the expressions used herein with initial capital letters must be understood with the meaning indicated below. The terms defined are used in singular and plural as required by the context in which they are used.

- **Adjudication:** It is the final decision of Monómeros, issued by means of an administrative act, which determines the awardee of this Contracting Process.
- **Annex:** The set of forms and documents attached to this tenders documents and which are an integral part of the same.
- **Addendum:** It is the document by means of which Monómeros modifies the bidding documents and whose modifications to the terms of the call or the contract must be attended by the bidders.
- **Risk assignment hearing:** Hearing that Monómeros must hold in open bidding processes, in which it must present the risk analysis performed and present to the interested parties the matrix included in the tender documents, in order to review, classify, assign and distribute in a definitive manner the risks inherent to the contractual process.
- **Goods and Services:** This is the supply of the secondary nitrous oxide abatement system for the Monómeros nitric acid production plant in Barranquilla, Colombia. The technical specifications of the goods and services to be contracted are listed in Annex 1A: *"Technical Specifications - Requirements for Goods and Services"*.
- **Contractor:** Is the Tender that be awarded and signs the Contract that is the object of this Contracting Process.
- **Chronogram:** It is the diagram in which Monómeros establishes the dates, times and deadlines for the activities inherent to the Contracting Process and the place where these must be carried out by each of the intervening parties in the selection and contracting process.
- **Process Documents:** These are those constituted by (a) the preliminary studies and documents; (b) notice of convocation; (c) the bidding documents; (d) Addendums; (e) the proposal (f) the evaluation report; (g) the contract; and any other document issued by Monómeros during the Contracting Process.

- **Previous studies and documents:** The previous studies and documents will consist of the definitive documents that will serve as support for the preparation of the specifications so that the tenders can adequately assess the scope of the requirements of Monómeros and the distribution of identified risks.
- **Most favorable offer:** the most favorable offer will be that which, taking into account the technical and economic factors of choice and the precise and detailed weighting thereof contained in the bidding documents or their equivalents proves to be the most advantageous for Monómeros.
- **Web Page:** It is the exclusive web page of Monómeros, in which this document and all the information that the bidders require to participate in the International Public Bidding will be published and which corresponds to <https://www.Monómeros.com.co/open-tender-abatement>.
- **Plant:** Monómeros facilities located at Via 40 Las Flores, Barranquilla, Atlántico - Colombia.
- **Bidding specifications:** It is the set of rules and guidelines that govern the selection process and the conditions of the future Contract.
- **First Order of Eligibility:** This is the position occupied by the bidder that, once qualified, obtains the highest score after the evaluation foreseen in these bidding specifications.
- **Contracting Process:** Set of acts and activities, and their sequence, carried out by Monómeros from the structuring stage until the subscription of the respective Contract.
- **Bidder or Offeror:** It is the legal entity or group of national or foreign legal entities, associated among themselves through the figures of consortium, temporary union or promise of future partnership that submits an Offer to participate in the Contracting Process.
- **Risk:** Event that may generate adverse effects and of different magnitude in the achievement of the objectives of the Contracting Process or in the execution of a Contract.
- **Qualifying requirements:** These are those that verify the conditions of the bidder such as its legal capacity, technical, financial and organizational capacity of the bidders, which, once verified by Monómeros, enable or disqualify each bidder to participate in the following stages of the selection processes.

3. ANTI-CORRUPTION COMMITMENT.

Bidders must sign the **Anti-Corruption Commitment** contained in **Form N° 01**, in which they express their unrestricted support to the efforts of Monómeros and private enterprise against private corruption and transnational bribery. If there is a proven breach of the anti-corruption commitment by the Bidder, its employees, representatives, advisors or any other person acting on its behalf in the contracting process, it is sufficient cause for the **rejection of the Offer** or **early termination of the contract**.

4. COSTS DERIVED FROM PARTICIPATING IN THE CONTRACTING PROCESS.

The costs and expenses incurred by the interested **BIDDERS** in the analysis of the documents of the process, the presentation of observations, the visit to the plant (*lodging, travel, food, etc.*), the preparation and presentation of the offer, the attendance to hearings and any other cost or expense related to their participation in the present selection process, will be the **exclusive responsibility** of each one of the interested bidders. Monómeros will not recognize in any case such expenses.

5. COMMUNICATIONS.

Communications related to the Procurement Process must be made in writing to the following e-mail address: licitacionabatimiento@monómeros.com.co.

Any type of communication required by interested bidders must contain at least the following information:

- (a) The number of the present selection process: [001-2024];
- (b) Sender data including name, physical address, e-mail address and telephone number;
- (c) Identification of the annexes submitted with the communication.

It is clarified that communications and requests sent to Monómeros through channels other than the one mentioned in this document **will not be taken into consideration**. Monómeros will respond to the observations and concerns received from the bidders through an official document published in the web page: <https://www.Monómeros.com.co/open-tender-abatement>.

6. PROHIBITED PRACTICES IN ACCORDANCE WITH GIZ POLICIES.

Bidders, 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, the bidders must sign the **form N°2** called "*Manifest of No Impediment to Participate*".

7. INSTRUCTIONS TO BIDDERS.

This section provides information to assist Bidders in the preparation of their bids. It also provides information on the submission, opening and evaluation of bids and the award of contracts.

7.1. CONDITIONS FOR PARTICIPATING IN THE OPEN BIDDING PROCESS.

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 to contract, 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.

7.2. RULES FOR THE PRESENTATION OF THE BID.

The interested bidder shall submit its bid via e-mail licitacionabatimiento@monómeros.com.co in accordance with the conditions and requirements established in the present document.

The information must be sent in PDF format, no later than the date and time indicated in the schedule of this process and in accordance with the following:

1. The e-mail (technical and financial proposal) shall contain the documentation required for the enabling and qualification of the bids, as stipulated in Section 3 of this document.
2. The e-mail should refer to the following information as Subject:

SUBJECT: TECHNICAL AND ECONOMIC PROPOSAL FROM <name of company>, PROCESS No. 001-2024, "INTERNATIONAL OPEN BIDDING PROCESS FOR THE SUPPLY OF NITROUS OXIDE SECONDARY ABATEMENT SYSTEM (N₂O)".

Note: This information must be scanned in PDF format, in separate files for each requirement of the evaluation matrix, and sent in a compressed folder no larger than 20 GB. The bid documentation can be sent in as many mails as necessary, indicating in the subject line the numbering of the mails, for example: Mail 1 of 5, 2 of 5, 3 of 5, etc.

Note: Offers received in emails other than the one indicated will not be taken into consideration:
licitacionabatimiento@monómeros.com.co.

In any case, it should be clarified that each of the emails sent by the interested bidder must be sent within the deadline defined by Monómeros in the schedule for the submission and presentation of proposals. Monómeros will reject the proposals submitted after the closing of the process.

7.3. PARTIAL PROPOSALS.

The submission of partial proposals shall not be admitted. Partial, conditional or alternative proposals shall be objective cause for TOTAL REJECTION OF THE OFFER. The interested bidder must submit its bid, including all the goods and services to be contracted and which are listed in Annex N° 1A *"Technical Specifications - Requirements of the Goods and Services"*.

7.4. VALIDITY OF THE PROPOSAL.

The proposal/offer shall remain in effect for a period of ninety (90) calendar days from the closing date of the process. In any case, the bidders undertake to keep it valid until the date of the Award Hearing; and whoever is favored with the award until the date of constitution of the guarantees required in the contract.

7.5. INACCURATE INFORMATION.

Monómeros reserves the right to fully verify the information provided by the Interested Bidder. For this purpose, it may turn to the respective authorities, persons, companies or entities. When there is inconsistency between the information provided by the bidder and the information effectively verified by Monómeros, the information that the bidder intends to demonstrate will be considered as not accredited, without prejudice to the application of the cause of **rejection for inconsistencies in the information**.

Monómeros will provide copies to authorities in those events in which the information provided has inconsistencies on which there may be an alleged falsehood, without the bidder having demonstrated otherwise, and will proceed to reject the offer.

7.6. CONFIDENTIAL INFORMATION.

If within the proposal the bidder includes information that has the character of reserved information, such circumstance must be stated by the bidder with absolute clarity and precision, identifying the document or information that has the character of reserved information and the legal provision that protects it as applicable. Notwithstanding the foregoing and for purposes of the evaluation of the proposals, Monómeros reserves the right to disclose the aforementioned information to its officers, employees, contractors, agents or advisors designated for such purpose. If such information is not identified, Monómeros shall have no obligation to maintain

confidentiality. The bidder must request confidentiality and attach the corresponding justification at the time of submitting the proposal.

7.7. CURRENCY OF THE OFFER.

The bidder shall express the price of its offer in **EUROS in** accordance with the information required and related in **Form N° 3 "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**.

8. PUBLICATION OF THE SPECIFICATIONS DOCUMENTS.

Monómeros publishes the present Tender Documents, so that those interested in the contracting process may **submit comments or request clarifications within** the term provided in the schedule of the process. During this term, the potential bidders may make observations to the published documents.

9. EXPRESSION OF INTEREST.

Interested bidders must, within **three (3) business days following** the publication of the Final Bidding Documents and the Opening of the International Bidding, **SHOW IN WRITING** their interest in participating in this selection process, through a communication sent to the e-mail 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 or 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.

10. SITE VISIT TO THE NITRIC ACID PLANT.

Interested bidders, on the date and time established in the Schedule of this selection process, may visit the facilities of the Monómeros Nitric Acid Plant, in order to resolve technical concerns and verify the service conditions in the field. It is clarified that this visit will be optional for the Suppliers, who may submit proposals and ask questions to Monómeros even without having visited the Plant. It is clarified that the reactor of the nitric acid plant will be **CLOSED** during the visit, therefore it will not be possible to inspect its interior. A maximum of 3 (three) representatives from each supplier will be allowed to attend the site visit.

Within five (5) working days prior to the date indicated in the schedule for the site visit to the Nitric Acid Plant, interested suppliers must send in writing and via e-mail, their expression of interest in participating in the visit, stating the following:

1. The supplier's general data (name, identification number, e-mail, contact telephone number);
2. Name(s) of the person(s) who will attend, with their identification documents (citizenship card, passport);
3. Certification of affiliation to Labor Risks or its equivalent document that is applicable according to the country of origin, with respect to each of the interested parties in the visit.

The totality of the requirements that will be demanded for the entrance to the plant, will be supplied and communicated individually to the e-mails of the interested suppliers, indicated in each one of the manifestations.

Notwithstanding the above, these documents must be sent in digital format to licitacionabatimiento@Monómeros.com.co on the date of the visit and exhibited at the request of Monómeros personnel, who will review them and, if necessary, approve entry to the company.

In case of failure to send and/or exhibit the documents/personal protection equipment required by Monómeros, Monómeros will not allow the supplier's representative(s) access to the Plant for the site visit.

Monómeros will generate a record of the visit, which will contain the date and time of the visit, the places and/or facilities visited, the attendance list of the suppliers, the name and position of the person who attended on behalf of the suppliers, as well as the name and position of the Monómeros collaborators who attended the visit. These minutes will be published in the Web Page: <https://www.Monómeros.com.co/open-tender-abatement>.

It is clarified that, although the reactor **WILL NOT BE OPEN** during the site visit of this bid. A site visit will be coordinated with the awarded supplier, after the signing of the contract, where the reactor will be open, the basket will be removed and the awarded supplier will be able to inspect the interior of the reactor and take the measures required for the design and construction of the new basket, as well as collect all the information required for this purpose.

The costs and expenses associated with the visit shall be borne exclusively by each of the interested bidders. Monómeros will not reimburse or recognize any amount of money for this concept.

11. RISK ALLOCATION AND BID CLARIFICATION HEARING.

Monómeros will hold a **Risk Assignment Hearing**, in which a risk analysis will be presented and the final assignment will be made. At the same hearing, and at the request of any of the bidders interested in the process, the content and scope of the specifications may be clarified. As a result of the discussion, Monómeros will issue the pertinent modifications to said document and will extend, if applicable, the bidding period.

Interested parties shall submit the observations they consider necessary on the assignment of risks. The matrix in which the foreseeable risks are typified is an integral part of these tender documents and the interested parties may submit their observations during the term indicated in the schedule or at the hearing provided for such purpose.

The presentation of the bid implies the **ACCEPTANCE** by the bidder of the distribution of foreseeable risks made by Monómeros in the bidding documents and its addends.

The hearing and others that may be required in the process of the International Open Bidding will be conducted **virtually and only in Spanish language**, and Monómeros will communicate to each of the suppliers that expressed their interest in participating in the selection process the corresponding link of entry, according to what is established in the schedule of the process.

Attendance at this hearing is NOT mandatory. In any case, it is the bidder's responsibility to integrate its proposal and to obtain and analyze the information required to prepare and submit the same. Therefore, what is consulted, analyzed, reported or specified during the hearing will be presumed to be known and accepted by all bidders. Monómeros will take minutes of the hearing, which, once prepared, will be published on the website: <https://www.Monómeros.com.co/open-tender-abatement>.

12. QUESTIONS, CLARIFICATIONS AND/OR MODIFICATIONS TO THE PROCESS DOCUMENTS.

Questions, clarifications or modifications regarding the content of the process documents may be submitted by written request addressed to Monómeros, within the deadline and to the e-mail account: licitacionabatimiento@Monómeros.com.co. During this stage, Monómeros will publish a response document to all requests received. No personal, verbal or telephone inquiries will be answered, as all questions and answers must be in writing.

Modifications to the process documents will be issued only through Addenda that will be published for all those interested in participating, through the official website of Monómeros: <https://www.Monómeros.com.co/open-tender-abatement>.

13. 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.

14. RULES FOR THE ELIGIBILITY OF BIDS.

The bidder is responsible for presenting its offer in a complete and integral manner, that is, answering all the points of the specifications and attaching all the supporting documents or proof of the conditions it intends to assert in the process. If necessary, Monómeros will ask the bidders during the evaluation process, and at the latest in the **preliminary evaluation report**, for clarifications, precisions or request of documents that may be **corrected** (which are described in Section III of this document).

However, the bidder may NOT complete, add, modify or improve its proposals in the aspects that award points, which may be subject to clarifications and explanations. The bidders must submit the required clarifications or documents at the time they are requested and no later than the date indicated in the schedule.

All those requirements of the bid that affect the assignment of points, including those necessary to accredit tie-breaker requirements, **cannot be cured**, so they must be provided by the bidders from the moment the bid is submitted.

15. GROUNDS FOR REJECTION OF BIDS.

The following are grounds for rejection of the bids submitted by the bidders:

- a) That the bidder or any of the members of the Plural Bidder is subject to any cause of inability, incompatibility, conflict of interest or prohibition provided in Article 8 of Law 80 of 1993, Law 1150 of 2007, Law 1474 of 2011 and other regulations that modify, complement or repeal them; as well as being subject to the causes and prohibitions for contracting established by Monómeros.
- b) When the same legal entity or member of a Plural Bidder submits or takes part in more than one proposal for the present Contracting Process.
- c) That the bidder or any of the members of the Plural Bidder is reported in the Fiscal Officers Bulletin, issued by the Comptroller General of the Republic of Colombia or the competent authority in the bidder's country of origin.
- d) That the legal entity (individual Bidder or member of the Plural Bidder) is in the situation described in numeral 1 of article 38 of Colombia's Law 1116 of 2006, related to the Corporate Insolvency Regime.
- e) That the Bidder does not clarify, correct or provide documents necessary for the fulfillment of an enabling requirement.
- f) That the Tenderer provides inaccurate information about which there may be a possible misrepresentation.
- g) That the economic proposal is not submitted signed by the legal representative or proxy.
- h) That the corporate purpose of the Bidder or that of its members does not allow it to execute the object of the Contract, with the exception of the provisions for companies with undetermined purpose.
- i) Submitting the bid with erasures or amendments.
- j) That the Bidder adds, deletes, changes, or modifies the items, description, units or quantities indicated in the Technical Specifications Annex.
- k) When a conditional proposal is submitted for the award of the contract.
- l) Submitting the offer late or after the date and time established by Monómeros in the process schedule.
- m) Failure to submit a financial offer.

- n) Submit more than one economic offer.
- o) When it is determined that the total value of the bid is artificially low or high.
- p) Any type of irregularity contemplated in the code of commerce or the regulations in force governing the matter or related to it, in force in the Republic of Colombia.
- q) Any identification of falsehood in documents or information provided within the selection process.
- r) When monopolistic commercial practices are identified, or that restrict healthy, free and fair market competition.
- s) All others provided for by Colombian law.

16. GROUNDS FOR DECLARING THE SELECTION PROCESS VOID.

During the term of this Procurement Process, Monómeros may declare the International Open Bidding void in the following events:

- a) When bids are not submitted by the established deadline.
- b) When none of the bids are responsive because they do not meet the minimum requirements of the bidding documents.
- c) When there are causes or reasons that prevent the objective selection of the bidder.
- d) When there is evidence of leakage of sensitive information that could affect the transparency of the selection process.
- e) When two or more proposers submit a joint proposal that results in no further proposals being submitted, or results in an alteration in price or any other aspect of the proposal, which in the judgment of Monómeros and its Affiliates, is inconvenient to the interests of the company.
- f) When damage or harm may be caused to Monómeros.
- g) When an act of God or force majeure occurs.
- h) There are justified circumstances that extinguish the need to contract the supply of the goods and services that are the object of this bidding.
- i) For causes expressly contained in Colombian Law.

17. RULES OF INTERPRETATION OF THE BIDDING DOCUMENTS.

This RFP must be interpreted as a whole and its provisions must not be understood separately from its general context. Therefore, it is understood that the information included in the accompanying Process Documents and the Addenda that may subsequently be issued are integrated to this document.

18. ONE TIME OFFER.

Monómeros may award the contract even in the event that only one proposal is submitted, as long as it complies with the enabling requirements, contemplates all the technical requirements demanded in the bidding documents, and is endorsed by the Audit appointed by the *Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ)*.

The terms and requirements of the future contract shall be those established and accepted by the successful bidder with its proposal; therefore, none of the conditions or stipulations established in this selection process and in the contract to be signed may be subsequently modified or adjusted by the selected supplier.

SECTION II. GENERAL INFORMATION ABOUT THE SELECTION PROCESS.

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 N₂ O, which is a greenhouse gas with a global warming potential 273 times greater than that of carbon dioxide (CO₂)¹

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 N₂ 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 N₂ 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 N₂ O abatement technology.

In accordance with the above, the company Monómeros is interested in contracting the supply of technology for secondary abatement of nitrous oxide (N₂ O) 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 Tender Document and the future contract.

¹ <https://www.nitricacidaction.org/>

2. OBJECT OF THE CONTRACT.

"Supply of a secondary nitrous oxide (N₂O) 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 selection process shall be obligated to Monómeros to execute each and every one of the activities and deliver the goods described in Annex 1A "Technical Specifications - Requirements for Goods and Services, which 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 GROUNDS FOR ITS CHOICE.

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 TERM - ESTIMATED DURATION OF THE CONTRACT.

To guarantee the development and compliance of the activities required in the supply of a Nitrous Oxide Secondary Abatement system (N₂O), 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 Execution Period shall be the one agreed between Monómeros and the successful contractor.

6. 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.

7. VALUE OF THE CONTRACT.

The value of the contract shall be that resulting from the selection process taking in consideration the value of the successful 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.

8. 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 for 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."

9. OBLIGATIONS OF THE PARTIES.

9.1. 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 for the 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.

9.2. MONOMEROS 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.

10. 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.

11. GUARANTEES REQUIRED FOR THE EXECUTION OF THE CONTRACT.

The successful bidder in the Contracting Process must submit a **guarantee** for compliance with the obligations arising from the Contract to be signed:

| WARRANTY | PERCENTAGE |
|---|--|
| PROPER MANAGEMENT AND INVESTMENT OF PREPAYMENTS | <p>For one hundred percent (100%) 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> |
| COMPLIANCE | <p>For ten percent (10%) of the total value of the supply contract to be signed with the successful supplier, valid for the total term of execution of the contract 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</p> |

| | |
|--|--|
| | <p>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> |
| BANK GUARANTEE FOR DEFECTS AND HIDDEN DEFECTS | <p>For thirty percent (30%) 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, subsequent to 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.

12. 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.

13. RISK ANALYSIS.

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 (*See attached document - Risk Matrix*).

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.

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

14.3 INDEMNITY.

The successful bidder (Contractor) shall indemnify Monómeros against all claims, demands, legal actions and costs that may be caused or arise from damage or injury 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.

**SECTION III. INTERNATIONAL OPEN BIDDING PROCEDURE
CRITERIA FOR SELECTING THE MOST FAVORABLE OFFER.**

1. PREPARATION AND PRESENTATION OF THE PROPOSAL.

The offers must be delivered and sent to Monómeros to the e-mail: licitacionabatimiento@Monómeros.com.co, with the fulfillment of all the requirements established in the Process Documents.

Monómeros shall only receive **one offer per Bidder**. The presentation of the proposal implies the acceptance and knowledge of the Colombian legislation and the requirements of Monómeros regarding the subject matter of the present process and of all the conditions and obligations contained in the same.

The Tenderer shall be responsible for all costs associated with the preparation and presentation of its bid and Monómeros shall in no case be responsible for them. Any erasures and/or amendments in any document of the bid must be saved with the signature of the person who subscribes the corresponding document at the foot of the same and a note in the margin of the document clearly and expressly stating the correction made.

The documentation sent by the bidders must contain at least the following information, all documents must be duly signed and documented and, for their delivery, the following indications must be taken into account:

- Complete and attach **Form N° 01**. Anti-Corruption Commitment to the proposal.
- Complete and attach **Form N° 02** with the proposal. Manifest of No Impediment to Participate.
- Complete and attach **Form N° 03**. Technical offer covering all the goods and services specified in Annex 1A. The rates and prices of the economic offer must cover all costs of labor, materials, equipment, including transportation and insurance to the Monomer Plant; general expenses, benefits and all costs associated with the performance of the work and services, and must not include tariffs or other import taxes into the country.
- Complete and attach **Form N° 04**, Letter of Proposal Presentation, with the proposal.
- Complete and attach **Form N° 05**. Certification of the Legal Entity.
- Attach with the proposal the document showing the capacity, existence and legal representation.
- Fill out and attach with the proposal the **Form N° 06**. Constitutive document of the consortium or temporary union or promise of future partnership if the bidder is plural (if applicable).
- Attach with the proposal the Authorization of the corporate body (if applicable).
- Attach to the proposal the Power of Attorney duly constituted (if applicable).

- Attach to the proposal the minutes of the partners' meeting (if applicable).
- Complete and attach **Form N° 07** with the proposal. Certification of compliance with its obligations with the integral social security system and parafiscal contributions.
- Attach to the proposal the Judicial, fiscal and Disciplinary Record of the person who holds the Legal Representation of the legal entity, according to its country of origin.
- Attach to the proposal a photocopy of the citizenship document and/or its equivalent, of the person who holds the Legal Representation of the legal entity.
- Complete and attach **Form N° 08** with the proposal. Bidder's Experience (Enabling Requirement).
- Complete and attach **Form N° 09** with the proposal. Accreditation of Financial and Organizational Capacity of the Bidder.

The documents should be sent according to the indications in Section III of this document.

NOTE: For the presentation of the economic proposal, Format 1 "*Economic Offer*" may be used. 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.

2. 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:

- To have the legal capacity to submit the Proposal.
- To have the legal capacity to enter into and execute the contract.
- 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**.
- 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 Bulletin of the tax authorities according to the country of origin.
- f) Not to be involved in any of the causes of inability, incompatibility, conflict of interest provided by the Colombian Law and the 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**.

2.1 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 N° 06)** 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.

3. CAUSES OF DISQUALIFICATION, 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.

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:

| EVALUATION CRITERIA | CONCEPT |
|-------------------------|------------------------------------|
| LEGAL CAPACITY | COMPLIANT / NOT COMPLIANT |
| FINANCIAL CAPACITY | COMPLIANT / NOT COMPLIANT |
| ORGANIZATIONAL CAPACITY | COMPLIANT / NOT COMPLIANT |
| TECHNICAL CAPACITY | COMPLIANT / NOT COMPLIANT |
| RESULT | <u>ENABLED/ NOT ENABLED</u> |

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.

4.1 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) **Anti-corruption commitment** (Form N° 01). 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 grounds provided by Colombian law.
- b) **Manifest of No Impediment to Participate** (Form N° 02), the bidder or each 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.
- c) **Letter of presentation of the Offer** (Form N° 04). 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 must:
 - 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 same. 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.
- d) **Certification of the Legal Entity** (Form N° 05). This Annex must be submitted duly signed and filled out.
- e) **Capacity, existence and legal representation.** Legal entities must evidence 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 it. This document will 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 the term of this process.
- That the purpose of the company includes the main activities that are the object of the present process.
- The duration of the company 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 accredit 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.

- f) **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.
- g) **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.

- h) **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.
- i) **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.
- j) **Certification of compliance with its obligations with the integral social security system and parafiscal contributions** (Form N° 07).

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.

- k) **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 of the Nation 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.

- l) **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.

4.2 FINANCIAL CAPACITY (COMPLIANT OR NON-COMPLIANT).

For the verification of the financial capacity, the bidders must fill out Form N° 09 - Accreditation of the Bidder's Financial and Organizational Capacity, 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 N° 09, 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 | INDICATOR |
|---------------------------|--------------------------------------|-------------------|
| LIQUIDITY RATIO | CURRENT ASSETS / CURRENT LIABILITIES | Greater than 0.24 |
| INDEBTEDNESS RATIO | TOTAL LIABILITIES/TOTAL ASSETS | Less than 1.01 |

Liquidity Ratio = Current Assets / Current Liabilities, which determines the capacity of a bidder 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.

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

4.3 ORGANIZATIONAL CAPACITY (COMPLIES OR DOES NOT COMPLY).

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 |
|------------------------------|---------------------------------|-------------------------------|
| Return on Equity | OPERATING INCOME / TOTAL EQUITY | Greater than or equal to 0.04 |
| Return on Assets | 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.

4.4 TECHNICAL CAPACITY (COMPLIANT OR NON-COMPLIANT).

4.4.1 EXPERIENCE OF THE BIDDER.

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

| No. | TECHNICAL PREREQUISITE | MEANS OF VERIFICATION |
|------------|--|---|
| 1. | The Bidder ² shall provide at least five (5) contracts or equivalent documents ¹ whose completion date is within the last fifteen (15) years prior to the closing date of this contracting process, in which within its object, scope and/or list of activities, there is evidence of experience in the <u>design</u> of baskets for secondary N₂ O abatement systems. | Delivery of contract certificates, order forms, contract completion certificates, customer references, etc. |
| 2. | The Bidder ² shall provide at least five (5) contracts or equivalent documents ¹ whose termination date is within the last fifteen (15) years prior to the closing date of this contracting process, in which within its object, scope and/or list of activities, there is evidence of experience in the <u>manufacture</u> of baskets for secondary N₂ O abatement systems. | Delivery of contract certificates, order forms, contract completion certificates, customer references, etc. |
| 3. | The Bidder ² must provide at least three (3) contracts or equivalent documents ¹ whose termination date is within the last twenty (20) years prior to the closing date of this contracting process, in which within its object, scope and/or list of activities, there is evidence of experience leading and/or supplying systems for secondary abatement of Nitrous Oxide (N ₂ O) or design and manufacture of Ammonia oxidation reactors (NH ₃) or Nitric Acid Production Plants. | Delivery of contract certificates, order forms, contract completion certificates, customer references, etc. |
| 4 | The Offeror ² shall offer a warranty of at least three (3) years against manufacturing defects of the basket, 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 | Include in the proposal |

| | | |
|---|---|---|
| | any component of the basket that is required due to manufacturing defects or poor quality. | |
| 5 | The Offeror ² must certify that the secondary abatement catalyst included in its proposal is of a proven reference with more than 5 years in the nitric acid industry. | Delivery of contract certificates, order forms, customer references, etc. |

Bidders must fill out **Form N° 08** Bidder's Experience (Enabling Requirement) attaching the required supports to accredit the experience referenced 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) Deadline.
- c) Contract number (if any).
- d) Name of the contracting Entity or Company.
- e) Name of the contractor that executed the contract. If it was executed in a joint venture or consortium, identify the members and their percentage of participation.
- f) Final value of the contract.
- g) Dates of initiation and termination (Indicate the dates of suspension and resumption, for contracts that have been suspended or are currently suspended).
- h) 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.

5. EVALUATION REPORT.

The verification of compliance with the enabling aspects of legal, financial and organizational capacity and the technical and experience conditions will not entitle to the assignment of points, it will only lead to determine if the proposal is eligible for evaluation.

Only those proposals for which the qualifying requirements have been verified will be submitted to the qualification process. The qualified proposals that comply with one hundred percent (100%) of the generalities, technical specifications, quantities, and other aspects indicated in this project, will be subject to evaluation of the weighting factors.

On the date established in the Schedule, Monómeros will publish the **preliminary evaluation report** of the qualifying requirements. The report will be published the web page: <https://www.Monómeros.com.co/open-tender-abatement>, and the bidders may make the observations they consider and deliver the documents for which corrections have been required within the term established in the schedule.

6. COMMENTS ON THE EVALUATION REPORT.

Tenderers may consult the evaluation report and submit their observations to the same within the term and timetable established in the particular conditions of the bidding process; their proposals may not be completed, added to, modified or improved during the term for submitting observations to the evaluation report.

Likewise, the same will be forwarded for the legal term provided for in the regulations in force so that the bidders may review it and submit their observations and/or attach the documents and/or corrections required for compliance with the enabling requirements set forth in the bidding documents.

The bidders will have the obligation to review the verification and evaluation reports of the proposals signed by the Evaluation Committee, which will be published on the web page in order to determine which documents must be corrected or clarified, and it will be their sole responsibility whether they do so or not.

7. 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 selection and award criteria 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.

In accordance with 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 |
| TOTAL SCORE WEIGHTING FACTORS | 1,000 POINTS |

7.1 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 Technical Factor Evaluation criteria that will be used to evaluate the technical proposals of the bidders:

| WEIGHTING FACTORS | | MAXIMUM POSSIBLE SCORE |
|--|---------------------------------|--|
| 1. ADDITIONAL QUALITY OF GOODS AND SERVICES. MAXIMUM POSSIBLE SCORE: 700 POINTS | a) Basket life guarantee. | 200 points The bidder that accredits the highest number of hours of operation of the basket will be assigned the maximum score and the others will be assigned points proportionally, as long as they guarantee a minimum of 50,000 hours. 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. |
| | b) Higher abatement efficiency. | 200 points The bidder that accredits the highest abatement efficiency in a 5-year period will be 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. Those who do not make the offer in the terms described herein, will be assigned zero (0) points. |

| | | |
|--|---|--|
| | | 300 points |
| | c) Specific experience in addition to the minimum required. Largest number of basket designs within 15 years. | <p>The bidder that accredits the highest number of basket designs 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 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> |

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 these 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 the proposals that are QUALIFIED and not rejected will be taken into consideration.

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.

8. CLOSING OF THE PROCESS AND OPENING OF BIDS.

Monómeros shall consider as received the offers that at the date and time indicated in the schedule of the Contracting Process are in the e-mail address destined for its reception. The offers that have been filed or delivered to other offices and/or e-mails of Monómeros shall not be considered as received.

Once the term (deadline) for submitting offers has expired, Monómeros must open the documentation and prepare a closing document stating the date and time of receipt of the offers, indicating the name or company name of the bidders and their legal representatives.

The reference time will be the Colombian legal time (UTC-5).

9. TIE-BREAKER 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.

10. EXTERNAL AUDIT.

Once Monómeros finalizes the evaluation of the technical and economic Proposals and determines the best evaluated Proposal and, consequently, the potential successful Bidder, an External Audit will be carried out by an External Auditor hired by GIZ, which will aim to ensure maximum transparency and fairness at all stages of the Bidding procedure. Following this External Audit, the actual award hearing will be held.

The development of the External Audit will take 40 (forty) calendar days, starting on the business day following the end of the deadline for the Proposal Evaluation by Monómeros, identified in the schedule.

11. FINAL EVALUATION REPORT.

Once the term and the objective set forth by the External Audit, regarding the procedure, verification of the qualifying aspects and the qualification of the offers received, Monómeros will publish the Final Evaluation Report, with which it will announce the order of eligibility of the proposals.

The final report will contain information on compliance or non-compliance with each qualification requirement, the result of "QUALIFIED/NOT QUALIFIED" for each bid submitted, as well as the result of the evaluation of the technical and economic factors of the bids that were qualified.

The final report published contains the results of the corrections or clarifications presented to the initial report. In case of observations, Monómeros will give the corresponding answers at the Award Hearing, where the bidders may comment on the answers given by Monómeros to the observations presented with respect to the evaluation report or the final report with corrections, which does not imply a new opportunity to improve or modify the offer.

12. RIGHT OF MONÓMEROS TO REJECT OFFERS.

Monómeros reserves the right to reject any or all bids or to cancel the bidding process at any time prior to the award of the contract, without thereby acquiring any liability whatsoever before the Bidders, according to the grounds and in the events set forth herein.

13. ADJUDICATION HEARING.

Monómeros will award the Contract to the Bidder whose offer has been evaluated as the most convenient according to the criteria defined in this Tender.

On the date established in the Schedule, Monómeros will proceed with the installation and development of the actual Award Hearing (virtual hearing), which will be conducted in Spanish. At the beginning of the hearing, Monómeros will give the floor to the Tenderers to present their observations on the final evaluation report. This shall not be understood as an additional opportunity to provide documents or elements that have not been corrected.

Once the order of eligibility has been established and the observations presented to it have been resolved, Monómeros, by means of a motivated administrative act, will award the Process to the Tenderer located in the first place of the order of eligibility and that complies with all the requirements demanded in the Process Documents.

14. SIGNING OF THE CONTRACT.

The contract resulting from the award of the selection process through the International Open Bidding modality will be signed between Monómeros and the successful bidder, and will be executed within fifteen (15) working days following the date of the award hearing.

It should be noted that the terms and stipulations of the contract will reflect the conditions established by Monómeros in the bidding process and the proposal submitted by the bidder, which may NOT be modified under any circumstances, unless expressly authorized in writing by Monómeros.

Any commercial proposal or equivalent document submitted by the successful Bidder after the signing of the contract must include each and every one of the conditions, specifications and obligations related to this bidding process, which are understood to be known and accepted with the submission of the proposal.

All documents generated in the process of this bidding process are an integral part of the contract.

The selected bidder must sign the contract within the term established in the particular conditions of the Bidding, unless force majeure or fortuitous event duly accredited; if the selected bidder does not sign the contract within the term indicated, for causes attributable to them, or does not deliver the necessary documents to start the execution of the contract in the terms established in the particular conditions of the Bidding, Monómeros may assign the Contract to the second qualified bidder who must sign the Contract within the following fifteen (15) working days. The same procedure may be followed if the new selected bidder does not sign the Contract.

15. BIDDING PROCESS SCHEDULE.

| ACTIVITY | DATE | RESPONSIBLE OF THE ACTIVITY |
|--|------------|-----------------------------|
| Issuance of the administrative act of opening of the bidding process and publication of the Definitive Bidding Terms and Conditions and its Annexes. | 29/04/2024 | Monómeros |
| Manifestation of Interest of the Bidders interested in participating in the International Tender. | 7/05/2024 | Interested Bidder |
| Date established for the on-site visit to the Nitric Acid Plant by the interested bidders. (Schedule: From 7:00 a.m. - 11: a.m.) | 22/05/2024 | Interested Bidder |
| Presentation of observations to the Definitive Bidding Documents. | 29/05/2024 | Interested Bidder |
| Response to observations to the Final Bidding Documents. | 5/06/2024 | Monómeros |
| Risk Assignment Hearing. | 11/06/2024 | Interested Bidder |
| Deadline for Expedition of Addenda. | 18/06/2024 | Monómeros |
| Presentation of Offers (Closing of the bidding process). | 25/06/2024 | Interested Bidder |
| Publication of the preliminary evaluation report of the Offers. | 11/07/2024 | Monómeros |
| Presentation of observations to the evaluation report of the offers and term to correct the qualifying requirements. | 19/07/2024 | Bidder/Proponent |
| Termination of the GIZ audit. | 2/09/2024 | Independent third part |
| Publication of the final evaluation report. | 6/09/2024 | Monómeros |
| Award Hearing. | 12/09/2024 | Monómeros |

16. ANNEXES AND FORMS OF THE OPEN INTERNATIONAL BIDDING PROCESS:

ANNEXES:

- Annex 1A. Technical Specifications - Requirements for Goods and Services.
- Annex 1B. Drawings of the ammonia oxidation reactor and basket currently installed at the Monómeros nitric acid plant.
- Annex 1C. Reactor drawings.
- Annex 2. Safety, hygiene and environmental requirements to be complied with by the awarded supplier.
- Annex 3. Contract Minutes.

FORMATS:

- Format N° 01. Financial offer.
- Format N° 02. Certification of the Legal Entity (qualifying requirement).
- Format N° 03. Letter of Presentation of the Proposal (Enabling Requirement).
- Format N° 04. Constitutive Document of the Consortium/Temporary Union or Promise of Future Partnership (if applicable).
- Format N° 05. Certification of compliance of obligations with the integral social security system and parafiscal contributions.
- Format N° 06. Manifest of No Impediment to Participate (Qualifying Requirement).
- Format N° 07. Anticorruption Commitment (Enabling Requirement).
- Format N° 08. Accreditation of Financial and Organizational Capacity of the Bidder (Enabling Requirement).
- Format N° 09. Bidder's Experience (Qualifying Requirement).

MATRICES.

- Matrix 1: Risks.

BRAYAHAM VILLA