



CASPIAN PIPE COATINGS

**Transportation of coated pipes by rail cars within the framework of the “1BCMA EPC
Brownfield Modification and Pipeline Installation Project”**

purchase item

**OPEN BID
for
PURCHASE**

№ 08-23
bid number

“Caspian Pipe Coatings” LLC

Company

2023

Information about the purchasing organization

**Information about
Caspian Pipe Coatings LLC**

Address: AZ1025, 36, 8 November Avenue, Baku, Azerbaijan

TIN: 9900054551

Bank requisites

Bank: Central Branch of International Bank of Azerbaijan

Bank TIN: 9900001881

IBAN(AZN): AZ86IBAZ40060019449335216204

Correspondent account: AZ03NABZ01350100000000002944

Bank Code: 805722

SWIFT Code: IBAZAZ2X

BID

INVITATION DOCUMENTS

(SET OF BASIC TERMS)

"Caspian Pipe Coatings" LLC (CPC) invites you to submit your competitive bid for purchase following "Transportation of coated pipes by rail cars within the framework of the "1BCMA EPC Brownfield Modification and Pipeline Installation Project" " by the method of "Open Bid" using the "Closed envelope" methods in accordance with the requirements of **CPC-LOG-PRO-0006 C01 - Logistics Procedure** (in attachment No.4 provided).

The Terms and Conditions consist of this manual and the appendices listed below:

- Application form to the purchasing organization (Attachment No.1);
- Price tables of the competitive offer (Attachment No.2);
- Bidder's legal address and bank details (Attachment No.3);
- List of purchased goods (works and services) and their technical requirements (conditions) (Attachment No.4)

Explaining and making changes to the set of basic conditions of the bid

"The Bidder (contractor) can make a request to explain the set of basic conditions to the contact person at least 4 (four) bank days before the end of the Bid offer period"

- The request should be sent in a sealed envelope to the address of the CPC and the name of the "Contact Person" specified in the Terms and Conditions of the Procuring organization. The customer responds to such requests at least 2 banking days before the end of the Bid offer period. Responses to inquiries are sent by the contact person to all bidders who have received the set of basic conditions of the competition, without indicating the address of the requester. All discussions that may affect the submission of bid proposals must be in writing.
- The procuring organization can make changes and additions to the set of basic conditions of the competition on its own initiative or in response to the request of any bidder until the end of the deadline for submission of Bid offers. Information about this is immediately sent to all bidders who have received the set of basic conditions of the competition. Amendments and additions are binding on bidders.
- The procuring organization can hold a meeting with bidders to explain the set of basic conditions of the competition. The results of this meeting are recorded and immediately sent to all bidders who have received the basic conditions of the competition for consideration.
- It is not allowed to conduct negotiations between the Procuring organization and the Bidder participating in the competition regarding the Bid offer given during the Bid procedures.

Preparation of bid proposals

The Bid offer submitted by the applicant must contain the following documents:

- Application to the purchasing organization (Attachment No.1);
- Price tables of the competitive offer (Attachment No.2);
- Bidder's legal address and bank details (Attachment No.3);
- List of purchased goods (works and services) and their technical requirements (conditions) (Attachment No.4);
- Official certificate from the State Tax Service under the Ministry of Economy of the Republic of Azerbaijan about whether there is an overdue debt;

- Copies of charter documents (with all amendments and additions), including charter, founding agreement, state registration certificates of commercial legal entities, tax certificate (for foreign organizations);
- A copy of the extract from the register of commercial legal entities (provided that no more than 1 month has passed since the date of receipt);
- A copy of the document confirming the authority of the person who will conclude the contract;
- The competition will be carried out on the principle of "Closed Envelope". The competitive proposal should be submitted in two separate envelopes, consisting of financial and technical proposals separately, and the words "FINANCIAL PROPOSAL" and "TECHNICAL PROPOSAL" should be marked on the envelopes, respectively. Proposals should be submitted in 2 copies (one original and one photocopy) enclosed and sealed in a double envelope. Initially, technical proposals will be opened and evaluated, followed by financial proposals.
- The period of validity of competitive offers should be at least 60 calendar days from the day of opening the envelopes. The procuring organization reserves the right to reject the offer of the bidder whose offer is valid for less than 60 days, considering it non-compliant.
- The goods offered by the bidders must at least meet the requirements specified in Attachment 4 of the **SET OF BASIC TERMS**.
- Each company can participate in the competition as only one bidder and has the right to submit only one bid. Except for the cases where an alternative offer is considered, the bidder who has two or more offers from the offer envelope and his such offer is removed from the competition.
- There should be no changes, additions and corrections in the Bid offer.
- If the subject of the competition consists of several lots, proposals for each lot must be submitted in separate envelopes.

Bidders' qualifications

- Requirements for Bidders' qualifications are as follows:
 - Availability of financial resources to ensure the execution of the purchase agreement;
 - Having the authority to conclude a purchase contract;
 - The ability to use one's own property freely and without restrictions, as well as the ability to pay;
 - He should not be declared bankrupt, his property should not be seized, he should not have a pledge aimed at payment, he should not be prohibited from engaging in commercial activities by the court's decision;
 - Should not have delayed obligations regarding taxes and other mandatory payments in the Republic of Azerbaijan;

Submission of Bid offers

- Bids must be submitted to the coordinating person of CPC at 8 November Avenue, 36, Khatai District, Baku City, **06.04.2023**, no later than **17:00** Baku time.
- The coordinating person must accept the envelope of the bidder submitted and invited in accordance with the set of conditions by the appointed time and ensure that the envelopes are stamped by the structural unit that registers the documents of the Procuring organization.
- No bid will be considered accepted until a contract has been agreed upon with the successful bidder, and all bids are evaluated during their validity period.
- Bids that are not submitted in the specified manner and at the time of the competition are returned unopened and the bidder is not admitted to the competition.

- When the procuring organization determines that the bidder is engaged in fraud in order to influence the adoption of any decision related to the procurement procedures, and when this is confirmed and during the Bid procedures, when a deal aimed at increasing the price is determined between the bidders:
 - rejects the Bid offers submitted by that bidder;
 - prohibits the bidder from participating in future procurement procedures.

Making changes in the Bid offer and their withdrawal

- After submitting an offer, the Bidder may change or withdraw it, provided that the Procuring team (Customer) receives a written notification of this before the end of the period specified for the submission of the offer.
- The bidder's notice of change or withdrawal of the offer should be prepared, printed and sent to the Customer in accordance with the provisions of this document.
- No changes can be made in the Bid offers after the deadline.
- The Bid offer cannot be changed or withdrawn during the period between the deadline for submission of Bid offers and the validity period of the offer made by the bidder..

Opening of bid envelopes

The opening of Bid envelopes will be held on **07.04.2023**, at **11:00** Baku time, in the Meeting Hall of the CPC located at 36, 8 November Avenue, Baku City, Khatai District, Azerbaijan, AZ1025. At the opening of the envelopes, the name of the bidder who submitted the bid, price of the bid, terms of service, term of service, term of validity of the bid, terms of payment, country of origin of the goods and other information deemed necessary by the procurement team are announced and recorded.

Bid evaluation process

- In order to facilitate the review, evaluation and comparison of Bids, the procuring organization may ask the bidders to explain their Bids. No requests, proposals or authorizations intended to change the nature of the Bid , including price changes and changes aimed at adapting the Bid to those requirements, which do not comply with the formal requirements, are not allowed.
- The procuring organization examines the completeness of the Bid offer, errors in calculations, necessary guarantees, all signatures on the documents one by one, as well as checks the correctness of the documentation of the Bid offer as a whole.
- Calculation errors are corrected as follows. If there is a difference between words and figures, then the amount expressed in words will prevail.
- In order to facilitate the comparison of Bid offers, the prices expressed in different currencies will be converted into Azerbaijani manat based on the official exchange rate of the Central Bank of the Republic of Azerbaijan on the last day set for the submission of Bid offers.
- The procuring organization may accept slight discrepancies in Bid offers that do not deviate greatly from the terms of the Bid documents and such deviations do not affect the evaluation of the offer.
- The Bid offer is rejected by the procuring organization in the following cases and cannot be considered as meeting the requirements, even after the consignor (contractor) makes appropriate adjustments:
 - If the applicant who submitted a Bid offer does not meet the qualification requirements;
 - If the applicant who submitted a Bid does not agree with the correction of any calculation error;
 - If the Bid offer does not meet the formal requirements;
 - The quality of the goods presented in the Bid offer and in Appendix No.4 of the Set of Terms of the terms of the contract ("The list of purchased services to be specified under the purchase contract and if the requirements for them") do not correspond to the given requirements.

- After the evaluation of the Bid offers, the candidacy of the bidder who won the 1st place will be approved according to the final decision of the Bid Commission of the CPC and the winner of the Bid will be announced.
- The service provider (with the contractor) who has been announced as the winner (1st place) and has submitted a Bid offer shall conclude a purchase contract within 15 banking days after the official notification of the Bid result. However, the Procuring organization is not obliged to conclude a contract with the lowest bidder.

Right of the Bid Commission to reject all Bid offers

- In order to protect the interests of the buyer, the Bid Commission may decide to reject all Bid offers in the following cases:
 - When a deal is determined between bidders aimed at raising the price and other issues that may affect the results of the Bid during the Bid;
 - If the Bid offers do not comply with the set of basic conditions of the Bid;
 - when the cheapest Bid offer won as a result of the evaluation is substantially higher than the probable value of the purchase;
 - When the number of Bid offers is less than three.
 - When the financing of the Bids subject is stopped.
- Notification of the rejection of Bid offers is immediately sent to all bidders who submitted their offers to the Bid.

Cancellation of the Procurement Bid by the time specified for the submission of envelopes

- If the procuring organization deems it expedient, or if it is discovered that there are any elements that cannot be adjusted in the set of basic conditions and will negatively affect the efficiency of the Bid, the procurement Bid can be canceled before the end of the deadline for submitting bid envelopes. In such event, all invited bidders are immediately notified and bid envelopes already submitted must be returned unopened. The procuring organization will not bear any responsibility in this regard and the applicants cannot object to this step.

Alternative offers

- An alternative offer to the main offer can be given if the set of basic conditions is taken into account. As a bidder, only one alternative bid may be submitted. The alternative proposal must be prepared in accordance with all the instructions of the document. The alternative offer should be submitted in a separate envelope and the words "ALTERNATIVE OFFER" should be written on it. In the envelope of alternative proposals, technical, test and other documents approved by the manufacturer must be submitted that the proposal meets the requirements of the Procuring organization specified in this document and meets its requirements. The purchasing team of the procuring organization has the right to request additional documents from the bidder who has submitted an alternative offer, and the bidder is obliged to submit such documents within the period specified by the procuring entity. Alternative offers will not be considered if the required set of documents is not included in the envelope. If the alternative offer differs from the main offer only in terms of price, manufacturer and other factors affecting the price, then it is not considered. In the alternative offer, similar products that comply with the requirements specified in Attachment No.4 or have superior indicators should be offered. The procuring entity may reject all alternative offers without any notice to the bidders. During the opening of the envelopes, along with the main offer of the applicant, the alternative offer is also announced.

Contact information

Name and surname of the contact person	Orkhan Shirinov
Position:	Logistics specialist
Business address:	Baku city, Khatai district, 8 November avenue, 36
Contact number:	City: +99412 4890762/64 (ext. 212) Mobile: +99450 303 63 65
Email address	shirinov.o@CPC.az

Caspian Pipe Coatings LLC

Applicant company: _____

Phone: _____

Address: _____

Dear Gentlemen:

We hereby confirm that we have accepted the Invitation to Bid Documents (Set of Basic Terms) for the purchase of _____ (short name of the *procurement* subject) by _____ (*name of the enterprise*).

After getting acquainted with the set of Basic Terms of the Competition, we offer to supply the goods specified in the Set of Basic Terms (Attachment No.4) in the amount of _____ (*the total amount of the Bid offer in writing and in numbers*) and within the period of _____.

The amount declared above includes all taxes, duties and other mandatory payments in accordance with the legislation of the Republic of Azerbaijan (regarding goods produced in the country) and this amount is part of the current Bid offer.

We agree to comply with the provisions of the current Bid offer for a period of 60 days from the date specified for the submission of Bid offers, and to keep it in force until the said period expires.

If our current competitive offer is accepted, we agree that the purchase contract will be concluded with the following payment terms:

- Within 30 days after successful completion of the delivery.

Date: _____ 2023.

Signature

Name/Surname

Occupation

Seal

If authorized to sign the Bid on behalf of the Bidder and following the task of the Bidder, a power of attorney signed by the head of the company and certified by the seal of the company must be submitted.

If one of the possible payment possibilities is not indicated in the column of the payment condition, the bidder's offer will not be evaluated according to this criterion, and the contract will be concluded only on the condition of payment after the delivery of the goods.

The terms "with VAT" or "without VAT" (in companies with a simplified tax payer, in all cases, the prices will be considered including tax) must be mentioned in the offers for goods imported from the territory of the Republic of Azerbaijan or under the terms of DDP supply. Unless otherwise stated, the offer will be treated as "Incl. VAT" and failure to agree to this will be treated as a rejection of the offer during its validity period.

Price list

Table 1. Price list of the indicated services

Serial number	Services and Description	Code ¹	Unit of measure and Quantity	Total price AZN
1	2	3	4	5
SUMTOTAL:				

Bidder's choice of payment terms: _____

Date: _____ 2023.

Signature

Name/Surname

Occupation

Seal

BIDDER'S LEGAL ADDRESS AND BANK DETAILS

Applicant's full name: _____

Actual address: _____

Legal address: _____

Tel: _____

Fax: _____

Website: _____

E-mail: _____

Bank details:

Date: _____ 2023.

Signature

Name/Surname

Occupation

Seal

LIST OF PURCHASED SERVICES TO BE SPECIFIED ON THE PURCHASE AGREEMENT AND THEIR REQUIREMENTS

1. 1167 pipes (OD 406.4mm x WT 20.62mm) that imported to Azerbaijan under Special customs procedure for inward processing and shall be transported to Kazakhstan on CIP Atyrau (including insurance - Cargo value is **13,700,000.00 USD**) after completion of insulation process. Total weight of each insulated pipe approximately 5400 kg, overall diameter after insulation is 633 mm. Length of pipes described below:

Up to 12.50 m: 406 pipes

12.5 - 12.77 m: 761 pipes

2. Appeal to Customs Laboratory for identification of 1167 pipes after insulation process and obtaining resolution.
3. Submission of export customs declaration for 1167 pipes upon completion of pipe's identification process and obtaining permission for export.
4. To obtain Certificate of Origin for exported pipes from government institution.
5. Provision of SMGS document for each rail wagons.
6. Booking of rail wagons (gondola type) to CPC site with maximum 14 rail wagons in one lot (approximate total quantity of rail wagons is 100). The length of pipes mentioned above (Bullet 1) as well as size of wooden shields on front and back sides should be considered while booking the wagons. Inside of wagons should be free from any kind of contamination.
7. Providing with locomotive in timely manner for rail wagons maneuvering on CPC rail spur.
8. Pick up the loaded rail wagons from CPC site after completion of loading of insulated pipes to rail wagons by CPC and organize delivery to Almaty international port.
9. Loading of rail wagons to Trans-Caspian International Transport Route ferry for further transportation to Kuryk or Aktau port.
10. Transportation of rail wagons with pipes from Kuryk or Aktau port to Atyrau (CBW- Custom Bonded Warehouse- ТОО «ДОС-Логистик» 060008 г. Атырау, Промзона Гурьевснаб, Строение 20А, тел. 87757005077, e-meil: jasulan88@bk.kz) railway station for customs clearance process.
11. Alternative offer to be provided for transportation of pipes from Atyrau (CBW) till Eskene railway station (Атырауская область, Мақатский район, ст.Ескене).
12. Period of loading of all 1167 pipes at CPC railway spur is 4 weeks.
13. Provision of **Free Time** for import customs clearance and unloading of wagons in Kazakhstan
14. Method statemet for arrangement of all above steps to be provided.