

**REPUBLIC OF ALBANIA**



**MINISTRY OF PUBLIC WORKS AND TRANSPORT**

**MILOT – MORINE HIGHWAY PROJECT**

**PRE-QUALIFICATION DOCUMENT**

**19 December, 2011**

**Reference: Milot – Morine Highway Project  
Republic of Albania**

The Ministry of Public Works and Transport (“**MPWT**”) of the Republic of Albania (“**Albania**”) hereby invites prequalification applications (“**Prequalification Applications**”) from prospective bidders (each a “**Prospective Bidder**”) for the execution and completion of a concession to operate, maintain and upgrade the Milot – Morine Highway (the “**Concession**”).

The Concession will be awarded through a competitive tender process.

The following prequalification procedure has been adopted:

1. MPWT published an invitation for prequalification in:
  - (a) the website [www.mppt.gov.al](http://www.mppt.gov.al) on 19 December, 2011;
  - (b) the Bulletin of Public Announcements on 19 December, 2011;
  - (c) three consecutive issues of the International Herald Tribune commencing on 19 December, 2011; and
  - (d) three consecutive issues of Panorama and Standard newspapers commencing on 19 December, 2011.
2. Following the submission of Prequalification Applications, Prospective Bidders will be evaluated in terms of the requirements and criteria established in the attached Instructions to Prospective Bidders.
  - 2.1.1 Prospective Bidders that are determined to meet the requirements and criteria of the prequalification process shall be designated as “**Prequalified Bidders**”.
  - 2.1.2 Prequalified Bidders shall be invited to participate in the tender process for the Concession.

Prequalification Applications must be delivered by 15:00 local Tirana time on February 15, 2012 at the address indicated in Appendix 1 (*Prequalification Application Details*).

Prequalification Applications will be evaluated by a bid evaluation committee (the “**Bid Evaluation Committee**”) established by the MPWT. It is expected that the Bid Evaluation Committee will conclude its evaluation by February 24, 2012. MPWT will publish the list of Prequalified Bidders in the Bulletin of Public Announcements within 30 days of the adoption of its decision.

Please confirm physical receipt or successful download of this prequalification invitation immediately by e-mail to the following e-mail address [manjola.malo@mppt.gov.al](mailto:manjola.malo@mppt.gov.al), with copy to IFC’s Transaction Leader at [okudashov@ifc.org](mailto:okudashov@ifc.org), to register and be included in the questions and answers distribution list (see Section 2.8).

## **IMPORTANT NOTICE**

This invitation is provided to the recipient solely for use in preparing and submitting Prequalification Applications in connection with the Concession. The invitation is being issued by MPWT solely for use by Prospective Bidders in considering the Concession. The invitation has been prepared with the assistance of International Finance Corporation (“**IFC**”) as transaction adviser on the Concession.

Neither MPWT nor IFC, nor their respective consultants or advisers make any representation (express or implied) or warranty as to the accuracy or completeness of the information contained herein or in any other document made available to a Prospective Bidder in connection with the tender process for the Concession and shall have no liability for this invitation or for any other written or oral communication transmitted to a Prospective Bidder in connection with a Prospective Bidders evaluation of the Concession. Neither MPWT nor IFC, nor their respective consultants or advisers will be liable to reimburse or compensate a Prospective Bidder for any costs or expenses incurred by a Prospective Bidder in evaluating or acting upon this invitation or otherwise in connection with the Concession as contemplated herein.

This invitation does not constitute a solicitation to invest, or otherwise participate in, the Concession.

# **INSTRUCTIONS TO PROSPECTIVE BIDDERS**

**MINISTRY OF PUBLIC WORKS AND TRANSPORT**

**MILOT – MORINE HIGHWAY PROJECT**

**PRE-QUALIFICATION DOCUMENT**

**19 December, 2011**

## 1. Introduction

The Ministry of Public Works and Transport (“**MPWT**”) of the Republic of Albania (“**Albania**”) hereby invites prequalification applications (“**Prequalification Applications**”) from prospective bidders (each a “**Prospective Bidder**”) for the execution and completion of a concession to operate, maintain and upgrade the Milot – Morine Highway (the “**Concession**”).

### 1.1 Milot – Morine Highway Description (the “**Highway**”)

The Highway forms part of the National Roads network. Linking Milot, approximately 60 km north east of the Adriatic port of Durres, with Morine at the Kosovo border, the route forms the central section of the wider Albania to Kosovo Highway, connecting Tirana and Durres with Kosovo.

Constructed in stages, the Highway is comprised of three segments, built to differing engineering standards:

- Segment I: Milot to Rreshen segment (26 km) comprises a two-lane single carriageway financed by the World Bank, IDA and the OPEC Fund. Connection is provided at Milot with the north-south Tirana to Shkoder road, linking the Albanian capital to the Montenegro border.
- Segment II: Rreshen to Kalimash segment (61 km) comprises a four-lane Motorway through mountainous terrain, built with Government funding by Bechtel-Enka Consortium between April 2007 and June 2009. It includes a 5.6 km twin-bore Thirra tunnel.
- Segment III: Kalimash to Morine segment (31 km) is a road completed in 2011 and principally comprising a four-lane dual carriageway, with the exception of seven short bridges which are two-lane.

The Highway includes the following interchanges: Milot, Rubik, Rreshen, Repts, Thirra, Kalimash and Kukes.

Government of Albania is currently implementing construction works on (i) the Fushe Milot Interchange (at km 0), which connects the Highway to the Tirana-Shkoder route, and (ii) dualization of 7 bridges on Segment III of the Highway. The works are expected to be completed by the time the future concessionaire takes over the project.

### 1.2 Summary of Main Concession Terms

The Concessionaire, subject to a set of well defined operational performance standards, will be responsible for:

- (a) operation and maintenance of the Highway;
- (b) operation and maintenance of the Thirra tunnel;
- (c) operation of an open tolling system, collection of toll revenues; and
- (d) additional slope stabilization works and protection measures to prevent road closures, to improve road safety, and to reduce gradually the costs of operation and maintenance of the Highway'.

In addition to the above O&M requirements the Concessionaire will be obliged to undertake the following rehabilitation and expansion works:

- (e) construction of toll plaza(s) for an "open" tolling system;
- (f) installation of fencing along the Highway;
- (g) installation of lighting at all interchanges;
- (h) upgrading of three junctions on Segment III of the Highway;
- (i) construction of the Kalimash interchange;
- (j) dualization of Segment I of the Highway; and
- (k) construction of a bridge and tunnel at Kukes.

### 1.3 Project Data and Information

The Ministry and its advisors have completed the following analyses, reports of which will be made available to Prequalified Bidders in a project data room (the "**Data Room**"):

- (a) Traffic analysis and toll feasibility study, which include traffic counts, road user interviews, willingness to pay survey, interviews with transport companies, and traffic and revenue forecasts;
- (b) Comprehensive diagnosis of the condition of the Highway, including pavement quality assessment, non-invasive diagnosis of bridges, etc.;
- (c) Geotechnical survey, which included a LiDAR survey of all geologically complex sections of the Highway, ortho-photo imaging, detailed ground testing, engineering geology mapping at a scale of 1:1,000, as well as identification, definition, description and hazard classification of all slopes along the Highway.

Current preliminary estimates of the total size of new capital investment, excluding major maintenance and replacement capex, are between 80 and 100 million Euros throughout the life of the concession.

### 1.4 Regulatory Regime

The Law on Concessions of Albania establishes a legal framework for concession projects. It introduces principles and rules for granting concessions that are transparent, fair and effective, as well as ensuring stability for investments which, due to the nature of the sectors involved, are generally of a long term nature.

The Law on Concessions is very close to the UNCITRAL PFI Guide recommendations. The Law on Concessions contains provisions assuring a fair and transparent selection process, including prequalification of bidders, procedure for requesting proposals with a distinction drawn between technical and financial proposals, possibility of two-stage procedure, publication of concession award, limited exceptions to concession award without competitive procedure, existence of review procedures, parameters for the negotiation process, etc.

The provisions of the Law on Concessions that regulate project agreements give clear guidance regarding the main issues to be covered yet remain sufficiently flexible, thus allowing the parties to freely negotiate its terms. Furthermore the law allows for lenders' step-in rights.

Council of Ministers Decision no. 27 more closely determines specific steps in a tender process for concession award.

#### 1.5 Consortium – Lead Members

A Prospective Bidder may take the form of a consortium (a “**Consortium**”) comprised of companies, firms, corporate bodies or other legal entities. Each Consortium shall appoint and authorise one lead member (“**Lead Member**”) to represent and irrevocably bind all members of the Consortium in all matters connected with the prequalification and tendering process, including but not limited to the submission of the Prequalification Application on behalf of the Consortium.

The Lead Member must hold an interest in the Consortium (and in any vehicle incorporated by the Consortium to implement the Concession) of no less than 20%.

#### 1.6 Consortium – Participation Restrictions

No company or other form of legal entity may participate in two or more Prequalification Applications, whether individually or as a member of a Consortium.

No Prospective Bidder or member of a Consortium may have control over another Prospective Bidder or member of a Consortium. For purposes of this Prequalification document, “control” means the power to elect a majority of the board of directors (or other similar constituent body) or otherwise direct the management and policies of an entity, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and “controlling” and “controlled” have correlative meanings.

#### 1.7 Costs

The Prospective Bidder shall bear all costs associated with the preparation and submission of its Prequalification Application, including without limitation all costs and expenses related to the Prospective Bidder’s preparation of responses to questions or requests for clarification.

## 2. Prequalification Preparation

### 2.1 Language of Prequalification Application

The Prequalification Application prepared by the Prospective Bidder and all correspondence and documents related to the Prequalification Application shall be submitted in English or Albanian, as specified in Appendix 1, with the exception that any pre-printed information (e.g. brochures) furnished by the Prospective Bidder as per section 2.7 of this invitation may be written in another language, provided that it is accompanied by a certified English translation of the pertinent passages.

### 2.2 Documents Comprising the Prequalification Application

The Prequalification Application submitted by the Prospective Bidder shall comprise the following documents:

- (a) Part I – the information required by section 2.3
- (b) Part II – the documents or information required by section 2.4
- (c) Part III – where the Prospective Bidder is a Consortium, the documents required by section 2.5
- (d) Part IV – the power of attorney required by section 2.6
- (e) Part V – optional, separately bound pre-printed literature as specified by section 2.7

**Prequalification Applications shall contain no prices or price schedules or other reference to rates and prices for undertaking the Project. Prequalification Applications containing such price information will be rejected.**

### 2.3 Part I – Prequalification Criteria

In Part I of the Prequalification Application, the Prospective Bidder shall submit proof that it meets the prequalification criteria set out below (the “**Prequalification Criteria**”).

#### 2.3.1 Prequalification Criteria and Required Documents

Prequalification Criteria	Required Documents / Forms
<p><b>QC1: Technical Criterion 1 - General Experience</b></p> <p>During the period between January 1, 2002 and the Prequalification Application Submission Deadline, the Prospective Bidder shall have had experience in:</p> <ul style="list-style-type: none"><li>(a) toll road operation</li><li>(b) highways and bridge maintenance</li><li>(c) tunnel operation and maintenance</li><li>(d) highway, tunnel and bridge construction</li></ul>	<p><b>DQC1:</b></p> <p>In order to demonstrate that it satisfies this criterion, the Prospective Bidder shall provide copies of contracts and/or certificates issued by the hiring authority that include all required information, as well as fill out Form 1 presented in Appendix 5.</p>

Prequalification Criteria	Required Documents / Forms
<p>in the role of Management Contractor<sup>1</sup>, Contractor, or Subcontractor.</p> <p>If the Prospective Bidder is a Consortium, during the period between January 1, 2002 and the Prequalification Application Submission Deadline, the Consortium through the combined experience of its Members shall have had experience in all of the above fields in the roles of Management Contractor, Contractor, or Subcontractor.</p>	
<p><b>QC2: Technical Criterion 2 - Toll Road Operation Experience</b></p> <p>During the period between January 1, 2002 and the Prequalification Application Submission Deadline, the Prospective Bidder shall have participated as Management Contractor or Contractor in at least two contracts, which included or include responsibility for operating a dual-carriageway highway of at least 60 km in length, including collecting tolls from road users, and which performed or have been performing over at least five years with no history of Non-Performance<sup>2</sup>.</p> <p>If the Prospective Bidder is a Consortium, the Lead Member shall have participated as Management Contractor or Contractor in at least one of those two contracts.</p>	<p><b>DQC2:</b></p> <p>In order to demonstrate that it satisfies this criterion, the Prospective Bidder shall provide copies of contracts and/or certificates issued by the hiring authority that include all required information, as well as fill out Form 2 presented in Appendix 5.</p>
<p><b>QC3: Technical Criterion 3 - Highways and Bridge Maintenance Experience</b></p> <p>During the period between January 1, 2002 and the Prequalification Application Submission Deadline, the Prospective Bidder shall have participated as Management Contractor or Contractor in at least two contracts, which included or include responsibility for maintaining a dual-carriageway highway of at least 60 km in length, including routine and periodic maintenance and repairs of roadways, cuts and embankments, and bridges, and which performed or have been performing over at least five years with no</p>	<p><b>DQC3:</b></p> <p>In order to demonstrate that it satisfies this criterion, the Prospective Bidder shall provide copies of contracts and/or certificates issued by the hiring authority that include all required information, as well as fill out Form 3 presented in Appendix 5.</p>

<sup>1</sup> A company would qualify as a Management Contractor for the purpose of this Prequalification if it has successfully procured and managed the relevant contracts (e.g. acted in the role of a concessionaire).

<sup>2</sup> Non-Performance shall include all contracts where (a) non performance was not challenged by the Prospective Bidder, including through referral to the dispute resolution mechanism under the respective contract, and (b) contracts that were so challenged but fully settled against the Prospective Bidder. Non-Performance shall not include contracts where Employer's decision was overruled by the dispute resolution mechanism. Non-Performance must be based on all information on fully settled disputes or litigation, i.e. dispute or litigation that has been resolved in accordance with the dispute resolution mechanism under the respective contract and where all appeal instances available to the Prospective Bidder have been exhausted. For the avoidance of doubt, Non-Performance shall not include award of penalty points against the Prospective Bidder in its role as operator or concessionaire where such award did not lead to interruption of services or termination of the project.

Prequalification Criteria	Required Documents / Forms
<p>history of Non-Performance.</p> <p>If the Prospective Bidder is a Consortium, the Lead Member shall have participated as Management Contractor or Contractor in at least one of those two contracts.</p>	
<p><b>QC4: Technical Criterion 4 - Tunnel Operation and Maintenance Experience</b></p> <p>During the period between January 1, 2002 and the Prequalification Application Submission Deadline, the Prospective Bidder shall have participated as Management Contractor, Contractor or Subcontractor in at least two contracts, in which the Prospective Bidder was responsible for operating and maintaining a highway tunnel of at least 1.5 km in length in case of a twin bore tunnel, or at least 2.5 km in length in case of a single bore tunnel, and which performed or have been performing for at least five years with no history of Non-Performance. Each such highway tunnel must have ventilation, electro-mechanical, traffic management, communications and safety systems.</p> <p>If the Prospective Bidder is a Consortium, at least one Member shall have participated as Management Contractor, Contractor or Subcontractor in those two contracts.</p>	<p><b>DQC4:</b></p> <p>In order to demonstrate that it satisfies this criterion, the Prospective Bidder shall provide copies of contracts and/or certificates issued by the hiring authority that include all required information, as well as fill out Form 4 presented in Appendix 5.</p>
<p><b>QC5: Technical Criterion 5 - Highway Construction Experience</b></p> <p>During the period between January 1, 2004 and the Prequalification Application Submission Deadline, the Prospective Bidder shall have participated as Management Contractor, Contractor or Subcontractor in at least three contracts, which included or include highway construction, each with a value of the construction component of at least Euros 70,000,000 (seventy million) equivalent, and with construction satisfactorily and substantially (i.e. at least 80%) completed.</p> <p>As part of the above or other contracts executed between January 1, 2004 and the Prequalification Application Submission Deadline, the Prospective Bidder shall have experience in the following key construction activities at the following rates in any period between January 1, 2004 and the Prequalification Application Submission Deadline:</p> <ul style="list-style-type: none"> <li>• construction of highway segments with a total length of at least 30 km within a three year period in the role of Management Contractor, Contractor or Subcontractor;</li> <li>• construction of highway bridges and/or viaducts with a total length of at least 800 meters, including at</li> </ul>	<p><b>DQC5:</b></p> <p>In order to demonstrate that it satisfies this criterion, the Prospective Bidder shall provide copies of contracts and/or certificates issued by the hiring authority that include all required information, as well as fill out Form 5 presented in Appendix 5.</p>

Prequalification Criteria	Required Documents / Forms
<p>least one bridge of at least 200 meters in length, within a three year period in the role of Management Contractor, Contractor or Subcontractor, and</p> <ul style="list-style-type: none"> <li>• slope stabilization works on projects of similar size and complexity, including construction of retaining and containing walls, bioengineering and erosion control measures, and slope drainage, on highway sections with an aggregated length of at least 20 km within a three year period in the role of Contractor or Subcontractor.</li> </ul> <p>If the Prospective Bidder is a Consortium, the Consortium through the combined experience of its Members shall have executed the key minimum required construction works at the minimum rates specified above.</p>	
<p><b>QC6: Financial Criterion 1</b></p> <p>The Prospective Bidder shall have had a Net Worth of at least EUR 50,000,000 or equivalent at the end of each of the most recent three full financial years.</p> <p>If the Prospective Bidder is a Consortium the Lead Member shall have had a Net Worth of at least EUR 50,000,000 and each Member of the Consortium whose credentials are used for the purpose of meeting prequalification criteria shall have had a Net Worth of at least EUR 30,000,000 or equivalent at the end of each of the most recent three full financial years.</p>	<p><b>DQC6:</b></p> <p>The Prospective Bidder, or if the Prospective Bidder is a Consortium each member of the Consortium, shall provide audited financial statements duly certified by a certified public accountant for the most recent three full financial years for which such statements are available, including the consolidated balance sheet, income statement, statement of cash flows and the accompanying notes.</p> <p>The Prospective Bidder shall also provide a summary of its Net Worth values in the Form 6 presented in Appendix 5.</p>

### 2.3.2 Recognition of the Contracts

For a contract to be recognized as evidence of required experience the following two principles must hold true:

- (a) the Prospective Bidder must have owned or must own at least 20% of the overall contract value during the contractual period in which the experience requirements were met;
- (b) in relation to QC5 only, the contract must be at least 80% complete at the time of the Prequalification Application submission.

### 2.3.3 Other Members' Participation in the Project Company

Each Member of the Consortium whose credentials are used for the purpose of meeting prequalification criteria shall have substantial (no less than 10%) participation in the capital of a Project Company or any other entity that will be created for the purpose of implementation of the Concession.

#### 2.3.4 Fulfilment of Prequalification Criteria through an Affiliate

The Applicant (or if the Applicant is a Consortium, members of the Consortium) may choose to present evidence (including financial statements) from an Affiliate to satisfy the Financial Criteria (set out in QC6 above).

The Applicant (or if the Applicant is a Consortium, members of the Consortium) may choose to present evidence of works and services by an Affiliate to satisfy any Technical Criterion.

For purposes of this Prequalification document, an “Affiliate” means any entity directly or indirectly controlling, controlled by or under common control with the Applicant. For purposes of this Prequalification document, “control” means the power to elect a majority of the board of directors (or other similar constituent body) or otherwise direct the management and policies of an entity, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and “controlling” and “controlled” have correlative meanings.

If any qualifying criterion, technical or financial, has been executed through an entity which is an Affiliate of the Applicant, the Applicant must submit documentation evidencing that such entity satisfies the definition of an Affiliate as hereinabove set forth.

For purposes of the above, the Affiliate shall provide an executed letter of support in the form attached in Appendix 7.

#### 2.4 Part II – Prequalification Form and Other Documents

In Part II of the Prequalification Application, each Prospective Bidder shall provide the following:

- (a) a Prequalification Application signed by the Prospective Bidder (or if the Prospective Bidder is a Consortium, the Lead Member) in the form of Appendix 2.
- (b) The following legal documents and background information:
  - (i) basic information on the Prospective Bidder (or each member of a Consortium) as detailed in Appendix 4, including an up to date list of shareholders of the Prospective Bidder holding more than a 5% ownership interest in the Prospective Bidder (or one list for each Consortium Member);
  - (ii) by-laws of the Prospective Bidder (or by-laws for each member of a Consortium) and any amendments thereto; and
  - (iii) a valid extract of the Prospective Bidder’s commercial registry (or a valid extract for each member of a Consortium).
- (c) An Affidavit in the form of Appendix 6, confirming that the Prospective Bidder or each member of the Consortium:

- (i) is not in bankruptcy or liquidation proceedings;
- (ii) has not been convicted of fraud, corruption, collusion or money laundering or for a criminal act committed in the course of professional activity performance; and
- (iii) is not aware of any conflict of interest or potential conflict of interest arising from prior or existing contracts or relationships which could materially affect its capability to comply with the obligations under the Concession contract; and
- (iv) has not had unsettled tax liabilities or liabilities in respect of judgments awarded in a criminal or misdemeanour proceedings in the period of no less than three years prior to the Invitation for Prequalification

## 2.5 Part III – Consortia Documents and Requirements

If the Prospective Bidder is a Consortium there must be a Lead Member who is duly authorised (through a power of attorney as described in section 2.6) by all other Consortium members to act on their behalf and provide an undertaking that there will be no change in the constitution of the Consortium without the prior written consent of MPWT which consent shall not be unreasonably withheld.

A Prospective Bidder wishing to prequalify as a Consortium shall submit as Part III of the Prequalification Application a written commitment in the form of a letter duly executed by the legal representative of each Consortium member, which:

- (a) confirms each member’s commitment to the Consortium; and
- (b) identifies the member that will assume the role of Lead Member on behalf of the other members, with the authority to commit all members.

## 2.6 Part IV – Power of Attorney

Each Prospective Bidder (or if the Prospective Bidder is a Consortium, each Consortium Member) shall provide as Part IV of the Prequalification Application a written power of attorney in the form of Appendix 3, duly notarised, indicating that the person(s) signing the Prequalification Application has(ve) the authority to sign.

## 2.7 Part V – Pre-Printed Literature

If the Prospective Bidder wishes to provide pre-printed literature (e.g. brochures) about the Prospective Bidder or the Consortium members, that pre-printed literature shall be contained in Part V of the Prequalification Application only and shall be separately bound.

## 2.8 Clarifications

A Prospective Bidder requiring any clarification of the Prequalification Document, Qualification Criteria or any of the requirements set out herein may notify MPWT in writing at the email address indicated in Appendix 1 with a copy to the IFC team leader.

Any request for clarification of the Prequalification Document must be received by email at any time prior to 14.00 Tirana time on February 1, 2012. Electronic copies of the response(s), including explanation of queries but no identification of the source (the

“**Response to Questions Document**”) will be sent in one or several rounds to all Prospective Bidders who have confirmed receipt of the Prequalification Document as specified in the introductory letter.

## 2.9 Timetable

The estimated timetable from the issuance of this Prequalification Document to the issuance of the invitations to submit bids is as follows (the “**Estimated Timetable**”):

### **Indicative Timetable\***

<b>Activity</b>	<b>Target Deadline</b>
Prequalification Document issued	December 19, 2011
Deadline for Prequalification Applications	February 15, 2012
Announcement of Prequalified Bidders	February 24, 2012
Invitation for Bids Issued to Prequalified Bidders	March 5, 2012

*\*This timetable is presented for indicative purposes only*

MPWT may in its sole discretion and without prior notice to the Prospective Bidders, amend the Estimated Timetable. Prospective Bidders shall not rely in any way whatsoever on the Estimated Timetable and MPWT shall not incur any liability whatsoever arising out of amendments to the Estimated Timetable. MPWT shall give notice to the Prospective Bidders of any changes to the Estimated Timetable.

## 2.10 Format and Signing of the Prequalification Application

- (a) Each Prospective Bidder shall prepare and submit one original of its relevant Prequalification Application and the number of copies specified in Appendix 1. In the event of any discrepancy between the copies and the original, the original shall govern.
- (b) The original and all copies of the Prequalification Application, each consisting of the documents listed in section 2.2, shall be typed or written in indelible ink. The person or persons duly authorised to bind the Prospective Bidder shall sign the Prequalification Application by:
  - (i) signing the original of the relevant Prequalification Application; and
  - (ii) initialling all of the pages of the original of the relevant Prequalification Application, except for unamended pre-printed literature.
- (c) The relevant Prequalification Application shall contain no alterations, omissions or additions, unless such corrections are signed by the person or persons signing the Prequalification Application.

### 3. Prequalification Application – Submission

#### 3.1 Sealing and Marking of Prequalification Application

(a) The Prospective Bidder shall seal the original Prequalification Application and each copy in separate envelopes, each containing the documents specified in section 2.2, and shall mark the envelopes as “Prequalification Application – Original”, “Prequalification Application – Copy 1”, “Prequalification Application – Copy 2” (all duly marked as required herein), etc. The envelopes shall be sealed in an outer envelope and shall:

(i) be addressed to:

Ministry of Public Works and Transport

(ii) bear the words:

**“MILOT – MORINE HIGHWAY CONCESSION PREQUALIFICATION APPLICATION. DO NOT OPEN BEFORE *February 15, 2012.*”**

(b) The inner envelopes shall each indicate the name and address of the Prospective Bidder (in case of a Consortium, the name and address of the Lead Member) to enable the relevant Prequalification Application to be returned unopened in the event that it is declared “late”.

(c) If the outer envelope is not sealed and marked as required by section 3.1(a) above, neither MPWT, nor the Bid Evaluation Committee, nor any of their advisers will assume any responsibility for any Prequalification Application’s misplacement or premature opening. If the outer envelope discloses the Prospective Bidder’s identity the Bid Evaluation Committee will not guarantee the anonymity of the submission but this disclosure will not constitute grounds for rejection.

#### 3.2 Deadline for Submission of Prequalification Application

Prequalification Applications must be received by MPWT at its address specified in Appendix 1 no later than the time and date stated in Appendix 1 as the **“Prequalification Application Submission Deadline”**.

#### **4. Prequalification Application – Opening and Evaluation**

##### **4.1 Preliminary Examination of Prequalification Applications**

The Bid Evaluation Committee will examine each Prequalification Application to determine whether it is complete and whether the documents have been properly signed (“**Preliminary Examination**”).

Where the Bid Evaluation Committee deems it convenient or necessary for clarification purposes, it may request supplementary information or documentation from a Prospective Bidder (including each member of a Consortium) for determining its eligibility for prequalification. Whenever such request is made, the Prospective Bidder shall provide the required information to the Bid Evaluation Committee (as set forth in Appendix 1).

Any Prequalification Application (including supplementary information or documentation) which is found to be incomplete or not properly signed will be rejected by the Bid Evaluation Committee and not included for further consideration of the substance of that application.

##### **4.2 Evaluation of the Prequalification Application**

The Bid Evaluation Committee will carry out detailed evaluation of the Prequalification Applications that have not been rejected after Preliminary Examination in order to determine whether they are responsive to the Prequalification Criteria. In order to reach such a determination the Bid Evaluation Committee will examine the information supplied by the Prospective Bidders and taking into account the following factor:

**Prequalification Criteria set out in section 2.3 Part I is based on a “pass” / “fail” for each such criteria.**

A Prospective Bidder whose Prequalification Application is determined by the Bid Evaluation Committee to meet the Prequalification Criteria specified in section 2.3 Part I and the other requirements in section 2 shall be designated as a “**Prequalified Bidder**”.

A Prospective Bidder whose Prequalification Application is determined by the Bid Evaluation Committee not to meet the Prequalification Criteria specified in section 2.3 Part I and/or the other requirements in section 2 shall be designated as a “**Non-Prequalified Bidder**”.

## 5. Invitation for Bids

Following evaluation of Prequalification Applications the Bid Evaluation Committee will either:

- (a) notify a Prospective Bidder that it has been designated as a Non-Prequalified Bidder and its Prequalification Application has been rejected on the grounds that it does not meet the Prequalification Criteria and/or other requirements set forth in section 2; or
- (b) notify a Prospective Bidder that it has been designated as being a Prequalified Bidder and will receive an invitation for bids.

If the Prequalified Bidder is a Consortium it shall not change the structure of the Consortium without the prior written consent of MPWT.

Specific details of the tendering process, including the deadline for submission of bids and content of the bid package, will be specified in the tender documents to be issued by MPWT.

### 5.2 Partnering between Prequalified Bidders

Any Prequalified Bidder shall be precluded from partnering (directly or indirectly) with another Prequalified Bidder without the express written consent of MPWT. If the Prequalified Bidder is a Consortium the above shall apply to all members of the Consortium.

### 5.3 Partnering between Prequalified Bidders and Non-Prequalified Bidders

A Non-Prequalified Bidder shall be entitled to partner with a Prequalified Bidder provided that:

- (a) the said Non-Prequalified Bidder shall not be the Lead Member of a Consortium;
- (b) the Consortium, including the Non-Prequalified Bidder, continues to fulfil all Prequalification Criteria under section 2.3; and
- (c) there is express written consent of MPWT.

## Appendix 1 Prequalification Application Details

The following specific data for facility and services to be procured shall supplement the provisions in the Prequalification Document.

<b>Project Name</b>	Milot – Morine Highway
<b>Name of Contracting Authority</b>	Ministry of Public Works and Transport
<b>Address of Contracting Authority</b>	Sheshi "Skenderbej", No. 5  Tirana, Albania
<b>Address for submission of Prequalification Applications</b>	Sheshi "Skenderbej", No. 5  Tirana, Albania
<b>Prequalification Application Submission Deadline</b>	Time and Date: 15:00 local Tirana time, February 15, 2012
<b>Language of Prequalification Application</b>	English or Albanian
<b>Number of Copies of Prequalification Application</b>	Original and two copies



(e) Letter of Support from the Affiliate (Appendix 7)

(f) Other documents required in section 3 of this Prequalification Document

[*name of Prospective Bidder*] hereby designates [ ] as its representative to receive notices in respect of the prequalification and the tender at the following address, telephone and facsimile numbers.

[ ]

Dated [ ]

[*signature*]

In the capacity of [*position*]

Authorised to sign this Prequalification Application for [*name of Prospective Bidder*]



[*seal*]

[*name and title of grantor representative*]

[*Notary seal and signature*]

**Appendix 4  
Basic Information Form**

<b>Prospective Bidder Information</b>	
Name:	
Type: (Corporation, Partnership etc.)	
Commercial registration no.:	
Domicile:	
Address of principal office:	
Telephone number:	
Fax number:	
Email address:	
Primary area of business:	
Shareholder certificate (attach separately)	

<b>Consortium Member Information (if applicable, fill in details for all members identifying the Lead Member)</b>	
Name:	
Type: (Corporation, Partnership etc.)	
Commercial registration no.:	
Domicile:	
Address of principal office:	
Telephone number:	
Fax number:	
Email address:	
Primary area of business:	
Shareholder certificate (attach separately)	

## **Appendix 5**

### **Relevant Experience Forms**

# Form 1

## General Experience

*[The following table shall be filled in for the Prospective Bidder and/or for each Member of a Consortium whose credentials are used for the purpose of satisfaction of Technical Prequalification Criteria]*

Prospective Bidder's/Consortium Member's Legal Name: *[insert full name]*  
Date: *[insert day, month, year]*

*[Identify contracts that demonstrate activities pursuant to Section 2.3 QC1. List contracts chronologically, according to their commencement (starting) dates.]*

Starting Month / Year	Ending Month / Year	Contract Identification	Role of Prospective Bidder
<i>[indicate month/ year]</i>	<i>[indicate month/ year]</i>	Contract name: <i>[insert full name]</i> Area of experience: <i>[one of the four areas as per QC 1 in Section 2.3]</i> Brief Description of the Works performed by the Prospective Bidder: <i>[describe works performed briefly]</i> Amount of contract: <i>[insert amount in EURO equivalent using the exchange rate at the date of the contract for conversion, if applicable]</i> Name of Employer: <i>[indicate full name]</i> Address of Employer: <i>[indicate street/number/town or city/country/telephone number/email address]</i>	<i>[insert "Contractor" or "Subcontractor" or "Management Contractor"]</i>
		Contract name: <i>[insert full name]</i> Area of experience: <i>[one of the four areas as per QC 1 in Section 2.3]</i> Brief Description of the Works performed by the Prospective Bidder: <i>[describe works performed briefly]</i> Amount of contract: <i>[insert amount in EURO equivalent using the exchange rate at the date of the contract for conversion, if applicable]</i> Name of Employer: <i>[indicate full name]</i> Address of Employer: <i>[indicate street/number/town or city/country/telephone number/email address]</i>	<i>[insert "Contractor" or "Subcontractor" or "Management Contractor"]</i>
		Contract name: <i>[insert full name]</i> Area of experience: <i>[one of the four areas as per QC 1 in Section 2.3]</i> Brief Description of the Works performed by the Prospective Bidder: <i>[describe works performed briefly]</i> Amount of contract: <i>[insert amount in EURO equivalent using the exchange rate at the date of the contract for conversion, if applicable]</i>	<i>[insert "Contractor" or "Subcontractor" or "Management Contractor"]</i>

		Name of Employer: <i>[indicate full name]</i> Address of Employer: <i>[indicate street/number/town or city/country/telephone number/email address]</i>	
		Contract name: <i>[insert full name]</i> Area of experience: <i>[one of the four areas as per QC 1 in Section 2.3]</i> Brief Description of the Works performed by the Prospective Bidder: <i>[describe works performed briefly]</i> Amount of contract: <i>[insert amount in EURO equivalent using the exchange rate at the date of the contract for conversion, if applicable]</i> Name of Employer: <i>[indicate full name]</i> Address of Employer: <i>[indicate street/number/town or city/country/telephone number/email address]</i>	<i>[insert "Contractor" or "Subcontractor" or "Management Contractor"]</i>

## Form 2

# Toll Road Operation Experience

*[The following table shall be filled in for contracts performed by the Prospective Bidder or Consortium Leader whose credentials are used for the purpose of satisfaction of QC2]*

Prospective Bidder's/Consortium Leader's Legal Name: *[insert full name]*  
Date: *[insert day, month, year]*

<b>Similar Contract No.</b> <i>[insert number] of [insert number of similar contracts required]</i>	<b>Information</b>		
Contract Identification	<i>[insert contract name and number, if applicable]</i>		
Award date	<i>[insert day, month, year]</i>		
Completion date	<i>[insert day, month, year]</i>		
Role in Contract <i>[check the appropriate box]</i>	Contractor <input type="checkbox"/>	Management Contractor <input type="checkbox"/>	
Total Contract Amount	<i>[insert total contract amount in local currency]</i>		EURO <i>[insert total contract amount in EURO equivalent using the exchange rate at the date of the contract for conversion, if applicable]</i>
If partner in a Consortium specify participation in total contract amount	<i>[insert a percentage amount]</i>	<i>[insert total contract amount in local currency]</i>	<i>[insert total contract amount in EURO equivalent, using the exchange rate at the date of the contract for conversion, if applicable]</i>
Employer's Name and Counter-Signature:	<i>[insert full name and signature of the Employer]</i>		
Address:	<i>[indicate street / number / town or city / country]</i>		
Telephone/fax number	<i>[insert telephone/fax numbers, including country and city area codes]</i>		
E-mail:	<i>[insert e-mail address, if available]</i>		

Description of the similarity in accordance with QC2:	
1. Activities performed	<i>[insert activities performed]</i>
2. Complexity	<i>[insert description of complexity]</i>
3. Methods/Technology	<i>[insert specific aspects of the methods/technology involved in the contract]</i>
4. Other Characteristics	<i>[insert other characteristics as suitable]</i>

## Form 3

# Highways and Bridge Maintenance Experience

*[The following table shall be filled in for contracts performed by the Prospective Bidder or Consortium Leader whose credentials are used for the purpose of satisfaction of QC3]*

Prospective Bidder's/ Consortium Leader's Legal Name: *[insert full name]*  
Date: *[insert day, month, year]*

<b>Similar Contract No.</b> <i>[insert number] of [insert number of similar contracts required]</i>	<b>Information</b>		
Contract Identification	<i>[insert contract name and number, if applicable]</i>		
Award date	<i>[insert day, month, year]</i>		
Completion date	<i>[insert day, month, year]</i>		
Role in Contract <i>[check the appropriate box]</i>	Contractor <input type="checkbox"/>	Management Contractor <input type="checkbox"/>	
Total Contract Amount	<i>[insert total contract amount in local currency]</i>		EURO <i>[insert total contract amount in EURO equivalent using the exchange rate at the date of the contract for conversion, if applicable]</i>
If partner in a Consortium specify participation in total contract amount	<i>[insert a percentage amount]</i>	<i>[insert total contract amount in local currency]</i>	<i>[insert total contract amount in EURO equivalent using the exchange rate at the date of the contract for conversion, if applicable]</i>
Employer's Name and Counter-Signature:	<i>[insert full name and signature of the Employer]</i>		
Address:	<i>[indicate street / number / town or city / country]</i>		
Telephone/fax number	<i>[insert telephone/fax numbers, including country and city area codes]</i>		
E-mail:	<i>[insert e-mail address, if available]</i>		

Description of the similarity in accordance with QC3:	
1. Activities performed	<i>[insert activities performed]</i>
2. Complexity	<i>[insert description of complexity]</i>
3. Methods/Technology	<i>[insert specific aspects of the methods/technology involved in the contract]</i>
4. Other Characteristics	<i>[insert other characteristics as suitable]</i>

## Form 4

# Tunnel Operation and Maintenance Experience

*[The following table shall be filled in for contracts performed by the Prospective Bidder, or Member of a Consortium whose credentials are used for the purpose of satisfaction of QC4]*

Prospective Bidder's/ Consortium Member's Legal Name: *[insert full name]*  
Date: *[insert day, month, year]*

<b>Similar Contract No.</b> <i>[insert number] of [insert number of similar contracts required]</i>	<b>Information</b>		
Contract Identification	<i>[insert contract name and number, if applicable]</i>		
Award date	<i>[insert day, month, year]</i>		
Completion date	<i>[insert day, month, year]</i>		
Role in Contract <i>[check the appropriate box]</i>	Contractor <input type="checkbox"/>	Management Contractor <input type="checkbox"/>	Subcontractor <input type="checkbox"/>
Total Contract Amount	<i>[insert total contract amount in local currency]</i>		EURO <i>[insert total contract amount in EURO equivalent using the exchange rate at the date of the contract for conversion, if applicable]</i>
If partner in a Consortium specify participation in total contract amount	<i>[insert a percentage amount]</i>	<i>[insert total contract amount in local currency]</i>	<i>[insert total contract amount in EURO equivalent using the exchange rate at the date of the contract for conversion, if applicable]</i>
Employer's Name and Counter-Signature:	<i>[insert full name and signature of the Employer]</i>		
Address:	<i>[indicate street / number / town or city / country]</i>		
Telephone/fax number	<i>[insert telephone/fax numbers, including country and city area codes]</i>		
E-mail:	<i>[insert e-mail address, if available]</i>		

Description of the similarity in accordance with QC4:	
1. Activities performed	<i>[insert activities performed]</i>
2. Complexity	<i>[insert description of complexity]</i>
3. Methods/Technology	<i>[insert specific aspects of the methods/technology involved in the contract]</i>
4. Other Characteristics	<i>[insert other characteristics as suitable]</i>

## Form 5 Highway Construction Experience

*[The following table shall be filled in for contracts performed by the Prospective Bidder, or each Member of a Consortium whose credentials are used for the purpose of satisfaction of QC5]*

Prospective Bidder's/ Consortium Member's Legal Name: *[insert full name]*  
Date: *[insert day, month, year]*

<b>Similar Contract No.</b> <i>[insert number] of [insert number of similar contracts required]</i>	<b>Information</b>		
Contract Identification	<i>[insert contract name and number, if applicable]</i>		
Award date	<i>[insert day, month, year]</i>		
Completion date <sup>3</sup>	<i>[insert day, month, year]</i>		
Role in Contract <i>[check the appropriate box]</i>	Contractor <input type="checkbox"/>	Management Contractor <input type="checkbox"/>	Subcontractor <input type="checkbox"/>
Total Contract Construction Amount <sup>4</sup>	<i>[insert total contract amount in local currency]</i>		EURO <i>[insert total contract amount in EURO equivalent, using the exchange rate at the date of the contract for conversion, if applicable]</i>
If partner in a Consortium specify participation in total contract amount	<i>[insert a percentage amount]</i>	<i>[insert total contract amount in local currency]</i>	<i>[insert total contract amount in EURO equivalent, using the exchange rate at the date of the contract for conversion, if applicable]</i>
Employer's Name and Counter-Signature:	<i>[insert full name and signature of the Employer]</i>		

<sup>3</sup> If contract is not yet fully completed, indicate percentage of completion of the contract as of the Prequalification Application Submission Deadline (as per requirements of QC5, this percentage must be no less than 80%)

<sup>4</sup> In case of concession contracts, specify the amount which corresponds to construction only

Address:	<i>[indicate street / number / town or city / country]</i>
Telephone/fax number	<i>[insert telephone/fax numbers, including country and city area codes]</i>
E-mail:	<i>[insert e-mail address, if available]</i>
Description of minimum construction rates for key construction activities in accordance with QC5:	
1. Construction of highway segments	<i>[insert number of kilometres and length of time needed to complete construction]</i>
2. Construction of highway bridges and/or viaducts	<i>[insert number of kilometres and length of time needed to complete construction]</i>
3. Slope stabilization works	<i>[insert aggregate length of section(s) and length of period over which works were performed]</i>
3.1. Similarity	<i>[describe similarity in terms of size and complexity of slope stabilization works involved in the contract]</i>

## Form 6 Financial Situation

*[The following table shall be filled in for the Prospective Bidder and for each Member in the case of a Consortium]*

Prospective Bidder's/ Consortium Member's Legal Name: [insert full name]  
Date: [insert day, month, year]

### 1. Financial data

Financial information in (EURO equivalent, in 000s)	Historic information for previous <i>[insert number]</i> years, <i>[insert in words]</i> (EURO equivalent, in 000s)		
	Year 1	Year 2	Year 3
Information from Balance Sheet			
Net Worth (NW)			

**In case of inconsistency between this form and submitted financial statements, information contained in submitted financial statements will prevail.**

## 2. Financial documents

The Prospective Bidder, or if the Prospective Bidder is a Consortium each member of the Consortium, shall provide financial statements for the most recent three full financial years for which such statements are available, including the consolidated balance sheet, income statement, statement of cash flows and the accompanying notes. The financial statements shall:

- (a) reflect the financial situation of the Prospective Bidder or Consortium Member;
  - (b) be audited by a certified accountant;
  - (c) be complete, including all notes to the financial statements;
  - (d) correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).
- Attached are copies of financial statements (balance sheets, including all related notes, and income statements) for the 3 years required above; and complying with the above requirements.



## **Appendix 7**

# **Letter of Support from Affiliate Form**

**Ref:** Milot-Morine Highway Project

**To:** Ministry of Public Works and Transport  
Sheshi "Skenderbej", No. 5, Tirana, Albania

Dear Sir / Madam,

We refer to the Prequalification Document issued by the Ministry of Public Works and Transport, dated [Date], for the award of a concession involving the operation, maintenance and upgrade of the Milot-Morine Highway.

According to Section 2.3 of this Prequalification Document (*Part I – Prequalification Criteria*), the Applicant (or if the Applicant is a Consortium, the members of the Consortium) may choose to present evidence (including financial statements) from an Affiliate to satisfy Financial Criteria and Technical Criteria. For this purpose, “Affiliate” means any entity directly or indirectly controlling, controlled by or under common control with the Applicant. For purposes of this Prequalification Document, “control” means the power to elect a majority of the board of directors (or other similar constituent body) or otherwise direct the management and policies of an entity, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and “controlling” and “controlled” have correlative meanings.

In consideration of the above, we hereby confirm that we are an Affiliate of [Applicant/Consortium Lead Member], which has submitted a Prequalification Application for the Project as [Applicant/Consortium Lead Member].

Except where the context requires otherwise, capitalized terms used in this letter shall have the meaning ascribed to them in the Prequalification Document and Public Invitation for Prequalification.

Yours faithfully,

[Name of Parent Company]

[Authorized Signature]

[Name, Surname and Title of Authorized Signatory]