

The Hashemite Kingdom of Jordan



**Ministry of Water and Irrigation
Water Authority of Jordan (WAJ)**

Prequalification Document

**Prequalification of companies and consortia of investors and developers
for the development of
The Hisban Water Desalination and Conveyance Project
On a Build, Operate and Transfer (BOT) basis**

CONFIDENTIAL

Amman, 2 August 2019

Tender No: 49/2019/SW

TABLE OF CONTENTS

1.INTRODUCTION	1
1.1 Intention to Prequalify	1
1.2 Companies and Consortia to be Prequalified.....	1
1.3 Project Overview	2
1.4 The Process to Date.....	2
1.5 Procurement of the Project.....	2
1.6 Purpose of the Prequalification Document	3
1.7 Cost of Participation.....	3
1.8 Indicative Time Schedule.....	3
1.9 Address etc for Required Communications.....	3
1.10 Availability of Information - Data Room	3
1.11 Confidentiality.....	4
1.12 Defined Terms.....	4
1.13 Addenda to Prequalification Document.....	4
2. PROJECT DESCRIPTION	5
2.1 Technical Description	5
2.2 Financing	6
2.3 Legal and Contractual Structure.....	8
3.SELECTION OF ELIGIBLE BIDDERS	10
3.1 Prequalification Process	10
3.2 Criteria for Prequalification	12
3.3 Selection Criteria for the Definitive Proposal Phase	14
3.4 Interviews	14
4.RESPONSE REQUIREMENTS	15
4.1 General.....	15
4.2 Management Structure and Operational Capability (Form 1).....	15
4.3 Experience and Approach (Form 2).....	15
4.4 Financial Capabilities and Financing (Form 3)	15
4.5 Legal Information (Form 4)	16
4.6 Contact Person (Form 5)	16
4.7 Additional Information (Form 6).....	16

Schedule A	Address and Contact Person
Schedule B	Defined Terms
Schedule C	Preliminary Design
Schedule D	Form of Application for Prequalification

Forms 1-6

DISCLAIMER

The information contained in this Prequalification Memorandum or otherwise provided by the Ministry of Water and Irrigation in connection with the prequalification process (the "Prequalification Information") has been compiled for the purpose of providing information to interested parties during the prequalification process. While the Ministry of Water and Irrigation has used reasonable efforts to ensure that the Prequalification Information is accurate and complete at the time it is provided to interested parties, it expressly disclaims any and all liability for information contained in, and for omissions from, the Prequalification Information.

The Ministry of Water and Irrigation reserves the right to make any modifications of and amendments to the Prequalification Memorandum at any time and reserves the right to disqualify or reject all applications for prequalification and to suspend or terminate at any time the prequalification process without incurring any liability to the recipients of the Prequalification Information.

1. INTRODUCTION

1.1 Intention to Prequalify

The Government of the Hashemite Kingdom of Jordan ("GOJ"), represented by the Ministry of Water and Irrigation ("MWI"), intends to prequalify companies and consortia of investors for the development of the Hisban Water Desalination and Conveyance Project on a Build, Operate and Transfer (BOT) basis (the "Project"). The Project is of high priority and has the full attention and support of GOJ.

1.2 Companies and Consortia to be Prequalified

The purpose of the prequalification process is to prequalify companies and consortia of investors for the Project and, consequently, the selection criteria for the prequalification, as set forth in Article 3.2, relates mainly to such companies' and consortia's experience and capacity as investors and developers.

The Candidates are, at this stage, not required to provide names and other details of the contractor or contractors to be appointed for the engineering, procurement and construction of the water conveyance system (the "Project Facilities") and the contractor or contractors to be appointed for the provision of the operation and maintenance services in relation to the Project Facilities (the "EPC Contractor" and the "O&M Contractor"). The intention is that each Eligible Bidder shall be able to postpone the procurement of necessary resources for the design, construction, operation and maintenance of the Project Facilities until the Definitive Proposal Phase that will follow the issuing by MWI of the Request for Proposal (the "RFP") and thereby facilitate the submission by the Eligible Bidders of highly competitive Definitive Proposals to MWI.

Each Eligible Bidder shall in its Definitive Proposal provide details of the EPC Contractor and O&M Contractor that the Eligible Bidder will engage for the engineering, construction, operation and maintenance of the Project Facilities. The evaluation of the Definitive Proposal will include MWI's evaluation and approval of the EPC Contractor and O&M Contractor. If the EPC Contractor and/or the O&M Contractor are not approved, the Definitive Proposal will be rejected.

The Eligible Bidder shall choose the EPC Contractor among qualified international contractors and/or "Grade 1" Jordanian contractors classified by the Ministry of Public Works and Housing in the fields of water, wastewater and / or electromechanical works and the O&M Contractor among qualified and well experienced firms and companies providing the relevant operation and maintenance services. The requirements with respect to the EPC Contractor and the O&M Contractor and the criteria for the approval by MWI will be set out in the RFP.

1.3 Project Overview

1.3.1 Objective and Description of the Project

The overall objective of the Project is to secure the provision of a reliable water supply in the Greater Amman area.

The Project includes, inter alia, the raising of water from an aquifer in the Hisban area in the West of Amman, treatment and the conveyance of the water to the greater Amman area, through the existing Zara-Ma'in Water Conveyance System. The quantity of water conveyed after treatment shall be 15-20 million m³ water per year.

1.3.2 Private Participation

The Project is to be undertaken by a private sector company or consortium which will be granted necessary rights in relation to the Project.

1.3.3 Project Company

It is anticipated that the winning Bidder will establish a special purpose company under Jordanian law for the implementation of the Project (the "Project Company").

1.3.4 Financing of the Project

The Project Company will be responsible for arranging and securing all finance required for the Project without any recourse to MWI.

1.3.5 Further Details

A more detailed description of technical, financial and legal aspects of the Project is given in Article 2 below.

1.4 The Process to Date

By this prequalification process, MWI announces the start of a competitive process to select a company or consortium to invest in and undertake the development of the Project.

1.5 Procurement of the Project

The applicable laws and regulations of Jordan and recognised international procurement principles will be applied in relation to MWI's procurement of the Project.

1.6 Prequalification Memorandum

The purpose of this Prequalification Memorandum is to

- (a) provide the companies and consortia of investors participating in the prequalification process (the "Candidates") with information on the Project in order to assist them to analyse the Project and develop their approach to this business opportunity; and
- (b) describe in detail the prequalification process for the Candidates.

This document also describes the approach that MWI has established to select and prequalify not more than eight (8) Candidates (the "Eligible Bidders") which will be invited to participate in the final phase of the selection process (the "Definitive Proposal Phase").

1.7 Cost of Participation

The Candidates shall bear all their costs and losses associated with the preparation and submission of materials pursuant to Article 4 (the "Prequalification Documents") and other activities in relation to the selection process, including interviews as described in Article 3.4 below, and MWI will in no case be responsible or liable for such costs or losses, regardless of the conduct or outcome of the prequalification process.

1.8 Indicative Time Schedule

As indicated in Article 3.1.4 below, the latest date for submission of Prequalification Documents is (22, September 2019).

The indicative time schedule for the process following the Final Submission Date is as follows:

1.9 Address for Required Communications

In instances where interested parties are required to address communications to MWI, the address, fax and telephone number information contained in Schedule A shall be used. The names of the representatives of MWI who can be contacted to respond to questions and comments relating to the information contained herein are also set out in Schedule A.

Materials which interested parties are required to submit in writing may be hand delivered or sent by registered mail (return receipt required).

1.10 Availability of Information - Data Room

MWI is committed to providing each Eligible Bidder with equal access to information and uniform data regarding the Project. For this purpose, a data room will

be opened at the beginning of the Definitive Proposal Phase and made available to all Eligible Bidders. A detailed list of the information contained in such data room will be supplied with the RFP.

1.11 Confidentiality

All information of a confidential nature received by MWI from a Candidate in connection with the selection of Eligible Bidders, and marked as confidential by the Candidate, shall be kept secret by MWI. This restriction shall, however, not apply with respect to any information which MWI can demonstrate (a) corresponds in substance to information in possession of MWI prior to the receipt of the same from the Candidate; or (b) at the time of disclosure was, or thereafter becomes, through no act or failure to act of MWI, part of the public domain; or (c) corresponds in substance to information furnished to MWI by others as a matter of right without restriction on disclosure.

MWI shall be entitled to disclose the abovementioned information to its external advisors in relation to the prequalification process. MWI shall then ensure that the advisors adhere to the confidentiality undertaking set forth above.

1.12 Defined Terms

Certain defined terms for the purposes of this Prequalification Memorandum are set out in Schedule B.

1.13 Addenda to Prequalification Document

At any time prior to the Final Submission Date, MWI may amend this Prequalification Memorandum by issuing Addenda.

Any Addendum thus issued shall be part of this Prequalification Memorandum and the addendum will be published on WAJ website at the following link:

<http://www.waj.gov.jo/sites/en-us/Lists/Tenders/AllItems.aspx>

To give Candidates reasonable time in which to take an Addendum into account in preparing their Prequalification Documents, MWI may, at its discretion, extend the Final Submission Date.

The last date for requesting clarification is two weeks prior to the submission date

(Article 2 follows)

2. PROJECT DESCRIPTION

2.1 Technical Description

2.1.1 General N/A

2.1.2 Project Facilities

The Project Facilities consist of the following systems:

- a wellfield system;
- a treatment and conveyance system; and
- Operation, Support and Maintenance Facilities (OS&M).

A summary of the major facilities for these systems is as follows:

(a) Major wellfield facilities

- wells;
- wellpump, riser and wellhead;
- control and communication;
- wellfield collectors and appurtenances;
- minor access roads; and
- power supplies.

(b) Major treatment and conveyance facilities

- a treatment and conveyance pipeline, and access roads;
- wadi and road crossings;
- collector tank and wellfield pump station;
- regulating tank;
- flow control station;
- fixed and mobile chlorination stations;
- power supplies;
- control and communication facilities including associated instrumentation;
- control centres, accommodation, workshop and depots;
- in-line booster station;
- the Zara Ma'in Reservoir.

(c) Operation and Maintenance Support Facilities (OS&M)

- wellfield pump station administration and residence building;
- warehouses;
- maintenance and workshop facilities;
- security stations;
- site development and utilities; and

- personnel support facilities.

2.1.3 Existing Facilities

The Project shall be carried out so that interference with all existing operations at existing facilities, roads, utility lines and other infrastructure is minimised. Appropriate specific arrangements for any necessary interference are to be agreed with the responsible authorities, municipalities or companies, as appropriate.

2.1.4 Minimum Technical Requirements

The RFP will contain minimum technical specifications in respect of the Project Facilities (the "Minimum Technical Requirements") for:

- (i) process;
- (ii) civil works;
- (iii) mechanical works;
- (iv) SCADA and electrical works;
- (v) operation and maintenance; and
- (vi) test procedures.

2.1.5 Design Concept Overview

A Design Concept Overview which provides a more detailed description of the Project Facilities is presented in Schedule C.

The RFP will present preliminary design data including a Preliminary Design Report, Design Drawings and Technical Specifications.

2.2 **Financing**

2.2.1 General

It will be the responsibility of the Project Company to obtain and secure all financing and funding at any time required for the Project excluding only any contribution which may be made by MWI, as set forth in Article 2.2.3 below.

2.2.2 Equity

The owners of the Project Company (the "Project Sponsors") will be required to provide equity. It is anticipated that the initial total equity support of the Project Sponsors will be a minimum of ten (10) per cent of the Total Project Cost.

For purposes of this Article 2.2.2, the term "Total Project Cost" shall mean the total capital requirement for the Project for the period up to the start of commercial operation of the Project Facilities, inclusive of the MWI Contribution and

any capitalised interest expense during the construction period and other financing costs and fees.

The requirements in respect of equity support by the Project Sponsors will be set out in the RFP.

2.2.3 MWI Contribution

As a contribution to the costs for the construction and completion of the Project, MWI will make **NO** Financial Contribution to the Project Company.

2.2.4 Water Charges

2.2.4.1 Structure of the Water Charges

MWI will be obliged to pay water charges for the water supply services provided by the Project Company under the Project Agreement. The structure of the water charges will be set out in the RFP.

2.2.4.2 Financing of the Water Charges

GOJ/MWI will finance the water charges. For the avoidance of doubt, payment of the water charges to the Project Company will be made directly by MWI. The Project Company will not be involved in the billing or collection of water tariffs.

2.2.5 Taxes

It is intended that the Project shall be treated as an "industry" for purposes of the Investment Law (Law No. 68 of 2003).

Further, it is intended that machinery, equipment, apparatus and supplies that are allocated exclusively for use in the Project shall be exempt from taxes, import duties, customs and other fees levied on such machinery, equipment, apparatus and supplies.

Finally, it is intended that the Project Company shall be exempt from the income tax applicable to the Project Company for a period of at least five (5) years from the date when the Project Facilities have been completed and taken into commercial operation in accordance with the Investment Law.

2.2.6 Tender Guarantee

Each Eligible Bidder will be required to submit together with its Definitive Proposal, at no cost to MWI, a tender guarantee issued by a financial institution accepted by MWI. Detailed requirements in respect of such guarantee will be set forth in the RFP.

2.3 Legal and Contractual Structure

2.3.1 Legislative Framework

Under present Jordanian law, there is no requirement for a concession for the construction or operation of water conveyance systems. The rights granted to the winning Bidder will be contractual rights established by the Project Agreement for the term of the Project Agreement.

2.3.2 Indicative Contractual Structure

2.3.2.1 The Project Agreement

The Project Company will enter into an agreement with GOJ (represented by MWI and the Water Authority of Jordan ("WAJ")) in which the Project Company's and GOJ's respective rights and obligations in relation to the implementation of the Project will be set out (the "Project Agreement").

The Project Agreement will, inter alia, describe the terms under which the Project Company shall design, construct, finance, operate and maintain the Project Facilities on a build, operate and transfer (BOT) basis, and under which GOJ shall grant certain rights to the Project Company and pay water charges to the Project Company.

The Project Agreement will allocate the risks to be assumed by GOJ and the Project Company, respectively. Except for those risks and responsibilities of GOJ which shall be expressly set out in the Project Agreement, the Project Company will bear all risks and be responsible for every aspect of the Project.

2.3.2.2 The Project Sponsors Agreement

The Project Sponsors shall enter into an agreement with GOJ in which the Project Sponsors' undertakings towards GOJ will be set out (the "Project Sponsors Agreement")

Under the Project Sponsors Agreement, the Project Sponsors shall, inter alia, undertake to make equity investments in the Project Company and agree to certain restrictions concerning their ability to recover money from the Project Company and to transfer their shares in the Project Company.

2.3.3 Permits and Registrations, etc

The construction and operation of the Project Facilities will require a number of permits and registrations (such as building permits, permits for use of high voltage transmission lines, environmental permits, permits to carry out construction work, work and immigration permits, etc) granted by the various responsible government entities. Obtaining these permits and registrations will be the responsibility of the Project Company with the assistance of MWI as set forth in the Project Agreement. It is not anticipated that such permits or registrations will create any delays in the implementation of the Project.

Foreign contractors carrying out construction work in Jordan have to comply with all Jordanian laws and regulations applicable to such contractors.

(Article 3 follows)

3. SELECTION OF ELIGIBLE BIDDERS

3.1 Prequalification Process

3.1.1 Purpose of Prequalification Process

The purpose of the prequalification process is to find a limited number of highly qualified Candidates which will be selected as Eligible Bidders and invited to participate in the Definitive Proposal Phase.

3.1.2 Candidates

In respect of the prequalification, the following shall apply:

- (a) a company shall be permitted to prequalify either separately or as a member of a Consortium, but not both;
- (b) a Consortium may not include more than five (5) companies, and no member may hold a share less than ten (10) per cent;
- (c) a company may not be a member of more than one Consortium;
- (d) only one company within a group of companies may prequalify either separately or as a member of a Consortium.

Failure to comply with the above requirements will result in disqualification of the companies and Consortia concerned.

In the case of a Candidate being a Consortium, the following requirements shall be complied with:

- (a) the Prequalification Documents (including the submission of associated information and documentation) shall, where indicated, be completed separately for each member of the Consortium;
- (b) one of the members of the Consortium shall be nominated as being in charge ("Consortium Leader") and shall be authorized to incur liabilities and receive instructions for and on behalf of any and all members of the Consortium in relation to the prequalification process (this authorization shall be evidenced as set forth in Article 4.2);
- (c) all members of the Consortium shall be liable jointly and severally towards MWI for the Prequalification Documents, and a statement to this effect shall be included in the authorization mentioned under (b) above.

After the submission of Prequalification Documents, Candidates or Eligible Bidders, as the case may be, may add or delete members of their Consortium only

if there is, as determined by MWI at its discretion, a valid reason for such change and only after the written approval of MWI. MWI will approve such additions or deletions only if it can satisfy itself that the new member meets the prequalification criteria to substantially the same extent as the retiring member and that the new Consortium meets the prequalification criteria to substantially the same extent as the previous Consortium. Additions or deletions without approval by MWI may result in disqualification of that particular Consortium and the members thereof.

In the event that an Eligible Bidder wishes to add the EPC Contractor and/or the O&M Contractor approved by MWI, as described in Article 1.2, as member(s) to the Consortium, MWI's approval thereof shall not be unreasonably withheld, provided that the requirements set forth in this Article 3.1.2 are met. The criteria for the approval by MWI of the EPC Contractor and/or the O&M Contractor will be set out in the RFP.

3.1.3 Basis for Selection

The Prequalification Documents (including all documents and material referenced therein), information obtained by MWI from employers or other references named by the Candidate in the Prequalification Documents, and information obtained by MWI in the interviews referred to in Article 3.4, if any, will be the sole basis for selecting a limited number of Eligible Bidders which will be invited to participate in the Definitive Proposal Phase.

3.1.4 Selection Process

The Candidates are required to submit one original copy and two (2) copies complete sets of the Prequalification Documents (and electronic version) by 12.00 hours (noon) (local time) on 22 September 2019 to MWI at the address specified in Schedule A. Prequalification Documents which are not submitted in time will be rejected by MWI.

The selection of the Eligible Bidders will be made by MWI, with advice provided by its technical, legal and financial advisers.

The Eligible Bidders will receive a letter of notification from MWI of their success in prequalifying for the short list. The remaining Candidates will at the same time be notified in writing of their unsuccessful attempt to prequalify.

Shortly after the selection of the Eligible Bidders, MWI will commence the Definitive Proposal Phase by the issuance of the RFP to the Eligible Bidders. The Definitive Proposal Phase will conclude with the effective date, i.e. the date when the Project Agreement becomes effective, as provided by the Project Agreement.

3.1.5 Right to Modify Information and to Terminate Process, etc

MWI reserves the right to make any modifications of and amendments to the information contained in this Prequalification Memorandum at any time and reserves the right to disqualify or reject all applications for prequalification and to suspend or terminate at any time the prequalification process without incurring any liability to the Candidates.

3.2 **Criteria for Prequalification**

The criteria to be used for the prequalification of Candidates will include:

1. Management Structure and Operational Capability (100 points)
 - the Candidate's organisation structure for the Project (key personnel, Consortium members, etc);
 - the Candidate's experience as transaction co-ordinator in infrastructure projects of similar technical and financial magnitude and complexity; and
 - the Candidate's resources for the Project.

2. Experience and Approach (150 points)
 - the Candidate's experience and ability to procure and use consultants and contractors for the performance of design and construction of infrastructure projects of a similar technical and financial magnitude and complexity;
 - the Candidate's experience and ability to procure and use consultants, contractors and operators for the performance of operation and maintenance of infrastructure projects of a similar technical and financial magnitude and complexity; and
 - the Candidate's approach to procuring resources necessary (consultants, contractors, operators, etc) for the design, construction, operation and maintenance of the Project Facilities.

3. Financial Capabilities and Financing (200 points)
 - the Candidate's experience of financing of infrastructure projects of a similar technical and financial magnitude and complexity;
 - the Candidate's financial strength and ability to procure private sector debt and equity finance for the Project;

- the Candidate's willingness to put up risk bearing equity for the Project;
- the Candidate's approach to raising finance for the Project.

Candidates having a score of less than 320 points in total will not be prequalified.

For avoidance of doubt, MWI will take all the Candidate's submitted materials into consideration when making its evaluation in relation to each of the categories of criteria set out above.

Any Candidate which does not declare its willingness to establish a Project Company in Jordan will be disqualified.

Any Candidate who:

- (a) is bankrupt or is being wound up, whose affairs are being administered by the court, who has entered into an arrangement with its creditors, who has suspended business activities or who is in any analogous situation arising from a similar procedure under national laws or regulations; or
- (b) is the subject of proceedings for a declaration of bankruptcy, for an order of compulsory winding up or administration by the court or for an arrangement with creditors or of any other similar proceedings under national laws or regulations; or
- (c) has been convicted of an offence concerning its professional conduct; or
- (d) has been guilty of grave professional misconduct; or
- (e) has not fulfilled its obligations relating to the payment of social security contributions in accordance with the legal provisions of the country in which it is established or in Jordan; or
- (f) has not fulfilled its obligations relating to the payment of taxes in accordance with the legal provisions of the country in which it is established or in Jordan; or
- (g) is guilty of any misrepresentation in supplying information required in relation to the prequalification process

may be disqualified.

In consideration of submitting its application of prequalification for review by MWI, the Candidate waives any claim against MWI that might arise with respect to any decision or action of MWI in relation to the prequalification

process, including the selection of Eligible Bidders. The selection of Eligible Bidders by MWI is final and not subject to appeal of any kind.

3.3 Selection Criteria for the Definitive Proposal Phase

MWI's objective is to choose the winning Bidder in a fair and transparent selection process based on the criteria set out in the RFP.

3.4 Interviews

As a part of the prequalification process, MWI may find it necessary to interview Candidates. In this eventuality, the Candidate(s) in question will attend interviews at the address indicated in Schedule A, or at any other location notified by MWI, for any length of period necessary to satisfy MWI of any issues which it may wish to raise and discuss. Such issues will be submitted by MWI in writing to such Candidate(s) seven (7) days before the date of the interview.

(Article 4 follows)

4. RESPONSE REQUIREMENTS

4.1 General

The Candidates are required to submit materials which meet the requirements of this Article 4.1 and the specific requirements of Articles 4.2 - 4.7. MWI will take all the Candidate's submitted materials into consideration when making its evaluation in relation to the criteria set forth in Article 3.2.

The application for prequalification shall be in the form of Schedule D and all other material submitted shall be as prescribed below (the "Prequalification Documents").

In the case of a Candidate being a Consortium, then the Prequalification Documents (including the submission of associated information and documentation) shall, where indicated, be completed separately for each member of the Consortium. All members of the Consortium shall be liable jointly and severally towards MWI for the Prequalification Documents

All forms, documents, information and correspondence shall be in English.

Failure to meet the requirements set out in this Prequalification Memorandum will disqualify the Candidate.

4.2 Management Structure and Operational Capability (Form 1)

Under **Appendices A, B and C to Form 1**, the Candidate shall provide such information and details regarding the structure and staff of the Candidate as is further specified in Form 1.

4.3 Experience and Approach (Form 2)

Under **Appendices A, B, C and D to Form 2**, the Candidate shall provide such information and details regarding the Candidate's experience from completed projects and projects in progress as well as a description of the Candidate's approach to procuring resources necessary (consultants, contractors, operators, etc.) for the design, construction, operation and maintenance of the Project Facilities as is further specified in Form 2.

4.4 Financial Capabilities and Financing (Form 3)

Under **Appendices A, B and C to Form 3**, the Candidate shall provide financial records, information regarding guarantees, a statement regarding its willingness to put up risk bearing equity and a description of its approach to raising finance for the Project as is further specified in Form 3.

4.5 Legal Information (Form 4)

Under **Form 4** the Candidate shall submit proof of certain legal information.

4.6 Contact Person (Form 5)

On **Form 5**, the Candidate shall advise the name(s) of person(s) to contact if MWI has to invite the Candidate to supplement the certificates and documents submitted or to clarify them.

4.7 Additional Information (Form 6)

The Candidate may enter on **Form 6** or attach thereto any additional information which it considers relevant to the evaluation of its Prequalification Documents.

(Schedules follow)

SCHEDULE A**ADDRESS AND CONTACT PERSONS**

**The Water Authority of Jordan
WAJ Tender Department / Sixth Floor
Shmeisani P.O.Box 5012
Amman 11181 Jordan
Attention: Eng. Najwa Orabee
Email: najwa_orabee@mwi.gov.jo**

SCHEDULE B**DEFINED TERMS**

<u>Term</u>	<u>Definition</u>
Hisban Agreements	The Project Agreement and the Project Sponsors Agreement
Candidates	The companies and consortia participating in the prequalification process
Consortium	A group of two or more companies or joint venture or any similar entity
Consortium Leader	The member of a Consortium which has been nominated by the other Consortium members as being in charge of the Consortium
Definitive Proposal	A proposal submitted by a Eligible Bidder in response to the RFP
Definitive Proposal Phase	The phase of the selection process beginning with the issuance of the RFP and concluding with the payment of equity for the Project
Eligible Bidders	The companies and/or consortia which are invited to participate in the Definitive Proposal Phase
EPC Contractor	The contractor or contractors to be appointed for the engineering, procurement and construction of the Project Facilities.
Final Submission Date	The date on which the Prequalification Documents must be received by MWI
GOJ	The Government of the Hashemite Kingdom of Jordan
Minimum Technical Requirements	The minimum technical specification for the Project referred to in Article 2.1.5
MWI	The Ministry of Water and Irrigation
MWI Contribution	The financial contribution which MWI intends to make as described in Article 2.2.3

O&M Contractor	The contractor or contractors to be appointed for the provision of the operation and maintenance services in relation to the Project Facilities.
Prequalification Documents	The documents described in Article 4 to be submitted by the Candidates.
Prequalification Memorandum	This document, including Schedules A–D and Forms 1-6.
Project	the Hisban Water Desalination and Conveyance Project on a Build, Operate and Transfer (BOT) basis.
Project Agreement	The agreement described in Article 2.3.2.1
Project Company	The special purpose company which the winning Bidder shall establish under Jordanian law
Project Facilities	The project facilities described in Article 2.1.2
Project Sponsors	The owners of the Project Company
Project Sponsors Agreement	The agreement described in Article 2.3.2.2
RFP	The request for proposals to be issued by MWI
Total Project Cost	The total capital requirement for the Project for the period up to the start of commercial operation of the Project Facilities, inclusive of the MWI Contribution and any capitalised interest expense during the construction period and other financing costs and fees
WAJ	The Water Authority of Jordan

The above definitions apply for the purpose of the Prequalification Memorandum and Prequalification Documents. The RFP will contain definitions which apply to them.

DESIGN CONCEPT OVERVIEW

SCHEDULE D**FORM OF APPLICATION FOR PREQUALIFICATION**

To:
Ministry of Water and Irrigation
Water Authority of Jordan

Gentlemen,

Re: Hisban Water Desalination and Conveyance Project on a Build, Operate and Transfer (BOT) basis

1. Having carefully examined the Prequalification Memorandum (including all documents referenced therein), we, the undersigned, hereby apply for pre-qualification and selection as Eligible Bidder.
2. We confirm that the Forms 1 to 6, including documents and information to be enclosed thereto, are attached hereto.
3. We represent that all information and documents submitted are true, complete and accurate;

We hereby

- (a) undertake to fulfil the requirements set out in the Prequalification Memorandum (including all documents referenced therein);
- (b) accept that your selection of the Eligible Bidders will be based solely upon the information set out or referenced in our Prequalification Documents, the information obtained by you from employers or other references named by us in our Prequalification Documents, and information obtained by you in any interview with us;
- (c) authorize you to contact the employers, banks, subcontractors and other entities named in our Prequalification Documents in order to verify information submitted by us or to ask for supplementary information;
- (d) undertake not to issue or cause to be issued any statement to the media regarding the selection process or any other aspect of the Project without your prior written consent;
- (e) accept that under no circumstances are any costs or losses which may be incurred by us in connection with the preparation or submission hereof or with any other activity relating to the prequalification process reimbursable by you;

- (f) acknowledge and agree that you are entitled to disqualify or reject all applications for prequalification and to suspend or terminate at any time the prequalification process without incurring any liability to us.

Dated this [] day of [] 2000

[Name of Candidate/Consortium Leader]

Signature:

Name:

Title:

[Other members of Consortium]

[Name of member]

Signature:

Name:

Title:

[Name of member]

Signature:

Name:

Title:

[Etc.]

FORM 1**MANAGEMENT STRUCTURE AND OPERATIONAL CAPABILITY (4.2)**

The Candidate shall provide the following information under the Appendices to this Form:

Under Appendix A to Form 1:

- * An organisation chart showing the complete structure, including the positions of directors and key personnel must be entered on, or attached to Appendix A. If the Candidate belongs to a group of companies, then a group organisation chart showing the Candidate's place in the group structure must be entered on, or attached to Appendix A. If relevant, the Candidate should also provide details of any subsidiary or associated companies.
- * Certificate of enrolment in the professional or trade register under the conditions laid down by the laws of the country in which it is established must be attached to Appendix A.
- * A declaration of willingness to establish a Project Company in Jordan must be attached to Appendix A.

If the Candidate is a Consortium, then the following additional documentation shall be attached to Appendix B to Form 1.

- * Statement regarding each member's expected share of, and role in the Consortium.
- * The anticipated Consortium's organisation or structure (chart).
- * Power of attorney signed by legally authorized signatories of all the members of the Consortium authorising one Consortium member as Consortium Leader, including also a statement that all members of the Consortium shall be liable jointly and severally towards MWI for the Prequalification Documents.

Under Appendix C to Form 1:

- * Curricula vitae (evidence of the educational and professional qualifications) of the key personnel of the Candidate who would be responsible for the execution of the Project.

If the Candidate is a Consortium, then the aforementioned information under Appendices A and C must be provided for each member of the Consortium. The first member of the Consortium must use Appendix A with a suffix 1; the second member must use Appendix A with a suffix 2, etc. Further, Appendix C shall indicate to which Consortium member the manager, staff member etc named in the Appendices belongs in order to describe the allocation of responsibilities between the personnel of the respective Consortium members.

Appendix A to FORM 1**MANAGEMENT STRUCTURE AND OPERATIONAL CAPABILITY: COMPANY STRUCTURE ETC (4.2)**

Please, indicate here or attach hereto:

- * An organisation chart showing the complete structure, including the positions of directors and key personnel must be entered on, or attached to Appendix A to Form 1. If the Candidate belongs to a group of companies, then a group organisation chart showing the Candidate's place in the group structure must be entered on, or attached to Appendix A to Form 1. If relevant, the Candidate should also provide details of any subsidiary or associated companies.
- * Certificate of enrolment in the professional or trade register under the conditions laid down by the laws of the country in which it is established must be attached to Appendix A to Form 1.
- * A declaration of willingness to establish a Project Company in Jordan must be attached to Appendix A to Form 1.

Appendix B to FORM 1**MANAGEMENT STRUCTURE AND OPERATIONAL CAPABILITY: COMPANY STRUCTURE ETC (4.2)**

If the Candidate is a Consortium, then the following documentation shall be provided:

- * Statement regarding each member's expected share of, and role in the Consortium.
- * The anticipated Consortium's organisation or structure (chart).
- * Power of attorney signed by legally authorized signatories of all the members of the Consortium authorising one Consortium member as Consortium Leader, including also a statement that all members of the Consortium shall be liable jointly and severally towards MWI for the Prequalification Documents.

Appendix C to FORM 1**MANAGEMENT STRUCTURE AND OPERATIONAL CAPABILITY:
CANDIDATE'S STAFF (4.2)**

The Candidate shall provide the following under this Appendix:

- * Curricula vitae of the key personnel of the Candidate who would be responsible for the execution of the Project. The Curricula vitae shall include:
 - Name;
 - Date of birth;
 - Nationality;
 - Proficiency in languages;
 - Education (college or university, from, to, degree);
 - Present and previous employment and positions (firm, from, to, position);
 - Professional experience (project, owner, contract, position); and
 - Other relevant experience.

FORM 2**EXPERIENCE AND APPROACH (4.3)**

The Candidate shall provide the following information under the Appendices A, B, C and D attached to this Form 2:

Under Appendix A:

- * Certificates of satisfactory completion of the most important projects, indicating the value, date and site of the projects and specifying whether the projects were properly completed.

Under Appendix B:

- * Details of projects of similar technical and financial magnitude and complexity as the Project completed
 - Name and contact details (address, phone/fax numbers etc) of employer;
 - Name and location of project;
 - Name and contact details (address, phone/fax numbers etc) of (consulting) engineer responsible;
 - Original and final value of contract;
 - Original and final dates of completion;
 - Percentage participation of Candidate in project;
 - Type of project and type of participation of Candidate in project;
 - Problems under the contract, such as liquidated damages/penalties assessed, lawsuits filed etc;
 - Equity investment provided by the Candidate; and
 - Other sources of finance and to what extent such finance was provided or procured by the Candidate.

Under Appendix C:

- * Details of projects in progress of similar technical and financial magnitude and complexity as the Project including
 - Name and contact details (address, phone/fax numbers etc) of employer;
 - Name and location of project;
 - Name and contact details (address, phone/fax numbers etc) of (consulting) engineer responsible;
 - Value of contract;
 - Schedule date of completion of the project;
 - Percentage participation of Candidate in project;
 - Type of project and type of participation of Candidate in project;
 - Problems under the contract, such as liquidated damages/penalties assessed, lawsuits filed etc;
 - Equity investment provided/ or to be provided by the Candidate; and
 - Other sources of finance and to what extent such finance is provided or

procured or anticipated to be provided or procured by the Candidate.

Under Appendix D:

- * Description of the Candidates approach to procuring the resources necessary (consultants, contractors, operators, etc.) for the design, construction, operation and maintenance of the Project.

If the Candidate is a Consortium, then the aforementioned information under Appendices A, B and C shall be provided for each member of the Consortium. The first member of such Consortium must use the Appendices with a suffix 1; the second member must use the Appendices with a suffix 2, etc.

Appendix A to FORM 2**EXPERIENCE AND APPROACH: CERTIFICATES OF SATISFACTORY
COMPLETION (4.3)**

The Candidate must provide certificates of satisfactory completion of the most important projects, indicating the value, date and site of the projects and specifying whether the projects were properly completed.

Appendix D to FORM 2**EXPERIENCE AND APPROACH: APPROACH TO PROCURING RESOURCES
(4.3)**

Under this Appendix D to Form 2, the Candidate is requested to describe its approach to procuring the resources (consultants, contractors, operators etc.) necessary for the design, construction, operation and maintenance of the Project. This should demonstrate to the extent possible, the Candidate's understanding of the magnitude and complexity of the Project and the Candidate's ability to procure and co-ordinate the necessary resources for the Project. The description shall include the following information.

- * The key challenges in procuring the required resources and the Candidate's approach and ability to meeting these challenges, by reference to experience from similar projects, if relevant.
- * The anticipated resources required during the design and construction phases of the Project along with details of the organisations from which the Candidate anticipates procuring such services.
- * The anticipated resources required during operation and maintenance of the project along with details of the organisations from which the Candidate anticipates procuring such services.
- * The Candidate's scheme for managing and co-ordinating the resources, by reference to experience from similar projects, if relevant.

FORM 3**FINANCIAL CAPABILITIES AND FINANCING (4.4)**

The Candidate shall provide the following information under the Appendices to this Form 3.

Under Appendix A to Form 3: Financial strength and ability to procure private sector debt and equity finance

* Please, refer to Appendix A to Form 3 for required information.

Under Appendix B to Form 3: Willingness to put up risk bearing equity.

* Please, refer to Appendix B to Form 3 for required information.

Under Appendix C to Form 3: Approach to raising finance for the Project.

* Please, refer to Appendix C to Form 3 for required information.

If the Candidate is a Consortium, then the aforementioned information must be provided for each member of the Consortium. The first member of the Consortium must use the Appendices with a suffix 1; the second member must use the Appendices with a suffix 2, etc.

Appendix A to FORM 3

FINANCIAL INFORMATION: FINANCIAL STRENGTH ETC (4.4).

1. General information

The Candidate shall provide the following general information.

- * Last 3 years' annual reports, including balance sheets, income sheets, income statement, notes, accounting principles and auditor's opinion
- * Group annual reports
- * Statement with regard to changes

2. Statements for 3 years

The Candidate shall complete the following form with all the specified key-information from the last three years' annual report and have the information certified by his chartered accountants.

Period			
Paid - in capital			
Retained earnings			
Total equity			
Total assets			
Turnover national			
Turnover abroad			
Total turnover			
Turnover arising from work relevant to the Project			
Profit of the year			

All amounts must be stated in JOD calculated from any official exchange rate (such exchange rate to be indicated by the Candidate).

3. Institutions which are expected to provide guarantees

The Candidate shall provide the following information.

- * Details of institution which is expected to provide guarantees
- * Statement from institution of availability to provide guarantees from institution

4. Ability to procure private sector equity

The Candidate shall specify the following with respect to its ability to procure private sector equity:

- The extent to which the Candidate has own funds or funds under its management designated for projects of this type.
- The extent to which the Candidate can demonstrate its ability in previous projects of a similar technical and financial magnitude, to provide equity and/or debt.
- The extent to which the Candidate can demonstrate its ability in previous projects of a similar technical and financial magnitude, to arrange private sector equity and/or debt from external sources.

Appendix B to FORM 3**FINANCIAL INFORMATION: WILLINGNESS TO PUT UP RISK BEARING EQUITY (4.4).**

The Candidate shall declare its willingness to put up the risk bearing equity required for the Project and explain its principle considerations and motivations for making equity investment in the Project and highlight any concerns which may affect the Candidate's willingness to put up such risk bearing equity.

Appendix C to FORM 3**FINANCIAL INFORMATION: APPROACH TO RAISING FINANCE (4.4)**

Under this Appendix C to Form 3 the Candidate is requested to describe its approach to raising the required debt and equity finance for the Project including information regarding the following.

1. Specify the key challenges to raising the required finance and your approach to meeting these challenges. Refer to your experiences from similar projects if relevant.
2. Provide a statement covering the construction period, indicating the magnitude of the funding required and the anticipated sources and uses of funds.
3. Provide information of the anticipated sources of equity finance, specifying the amounts to be invested by the Candidate and the amounts to be raised from other investing institutions
4. Provide information of the anticipated sources of debt finance, specifying the types of facilities and lending institutions where relevant
5. Provide details on the anticipated cost of finance for each source in terms of interest rates, margins, fees on debt as well as your estimate of the required rate of return on equity.

FORM 4**LEGAL INFORMATION (4.5)**

The Candidate shall provide the following information under this Form 4:

- * Judicial record or equivalent document
- * Certificate regarding social security contribution or declaration on oath etc.
- * Certificate regarding payment of taxes or declaration on oath etc.

Where the country concerned does not issue such documents or certificates, they may be replaced by a declaration on oath or, in states where there is no provision for declaration on oath, by a solemn declaration made by the person concerned before a judicial or administrative authority, a notary or a competent professional or trade body, in the country of origin or in the country whence that person comes.

The above information shall prove that none of the cases below applies to the Candidate.

- (i) The Candidate is bankrupt or is being wound up, its affairs are being administered by the court, it has entered into an arrangement with creditors, has suspended business activities or is in any analogous situation arising from a similar procedure under national laws or regulations.
- (ii) The Candidate is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding up or administration by the court or for an arrangement with creditors or of any other similar proceedings under national laws or regulations.
- (iii) The Candidate or any of its managerial staff, as a representative of the Candidate, has been convicted of an offence concerning professional conduct of the Candidate.
- (iv) The Candidate has not fulfilled obligations relating to the payment of taxes and social security contributions in accordance with the legal provisions of the country in which it is established and with those of Jordan.

If the Candidate is a Consortium, then the aforementioned information under this Form 4 must be provided for each member of the Consortium. The first member of the Consortium must use Form 4 with a suffix 1; the second member must use Form 4 with a suffix 2, etc.

FORM 5**CONTACT PERSON (4.6)**

The Candidate must state below the name, address, company, telephone and telefax numbers of the person who may be contacted by MWI in connection with this application.

Name:

Position:

Address:

Company:

Telephone:

Telefax:

FORM 6**ADDITIONAL INFORMATION (4.7)**

The Candidate may add any further information which it considers to be relevant to the evaluation of its application for prequalification. If it wishes to attach other documents please list below, otherwise state "Not applicable".