The Government of the Republic of North Macedonia, acting through the Commission for conduction of procedure for water concession for electricity generation from hydropower plants on Crna river (Bid Commission), hereby invites prequalification applications ("Prequalification Applications") from prospective bidders (each a "Prospective Bidder") for the execution and completion of a Concession Contract and participation in a Public Private Partnership with Power Plants of North Macedonia ("ESM") for generation of electricity from HPPs on Crna River. This involves the design, financing, construction, operation and maintenance of new hydropower plant Cebren and Dam Orlov Kamen (with possibility for HPP) as well as operation of the existing hydropower plant Tikves located on the Crna River in the Republic of North Macedonia (the "Project").

The Project will be awarded through a transparent and competitive tender process, in application of the best international practice, Law on Waters (Official Gazette of the Republic of Macedonia no. 87/08, 6/09, 161/09, 83/10, 51/11, 44/12, 23/13, 163/13, 180/14 and 146/15) and the Law on Concessions and Public Private Partnerships (Official Gazette of the Republic of Macedonia no. 6/12, 144/14, 33/15, 104/15, 215/15 and Official Gazette of the Republic of North Macedonia no. 153/19 и 261/19) (the "Concession Law") and in accordance with the Decision adopted by the Government of Macedonia initiating the Project award procedure (Official Gazette of the Republic of North Macedonia no.13/20 and 33/20).

According to the Concession Law, you will find below the key information on the Project and the Project award procedure.

1. PROJECT

1.1 Subject

The Project shall consist in granting to the winning bidder of the following:

(i) the concession for the use of water for generation of electricity,

(ii) the exclusive right to design, build, operate and maintain HPP "Cebren" (with indicative installed capacity of 333MW) and Dam Orlov Kamen (with possibility for hydropower plant), and

(iii) the exclusive right to operate and maintain HPP "Tikves" (with installed capacity of 116MW), three months after starting of operation of HPP Cebren,

subject to the transfer of the said facilities to the Government of Macedonia at the end of the concession period.

The Project will be structured as a public private partnership whereby the winning bidder would create a project company with ESM. ESM’s contribution to the capital of the project company may include in particular the transfer of the existing Tikves HPP as well as other contributions.
1.2 **Value of the Project**

The indicative investment value of the Cebren HPP and Dam Orlov Kamen is estimated at 570 million Euros.

1.3 **Location of the Project Facilities**

The Project facilities shall be located on the Crna River in the Republic of Macedonia.

1.4 **Activities to be Performed within the Project Facilities**

Production of electricity and enhancement of the electricity supply.

2. **PREQUALIFICATION PROCEDURE**

2.1 **Procedure Type**

The procedure shall be a two (2) phases procedure, as follow:

- Phase I: Prequalification of Prospective Bidders, and
- Phase II: Prequalified Bidders are invited to bid.

2.2 **Address and Manner of Collecting the Prequalification Document**

Prospective Bidders are invited to collect a Tender documentation for Phase I containing instructions to Prospective Bidders (the "Prequalification Document") by sending request via e-mail to the following addresses: jasna.ivanova.davidovic@elem.com.mk; with copy to viktor.andonov@gs.gov.mk. Prospective Bidders having requested the Prequalification Document shall be registered and included in the questions and answers and notification distribution list.

Any requests for additional information and/or questions concerning the prequalification document may be submitted by email to the Bid Commission at the addresses given above.

2.3 **Prequalification Criteria**

The prequalification criteria shall be provided in the Prequalification Document.

3. **PREQUALIFICATION APPLICATIONS SUBMISSION AND OPENING**

3.1 **Language for the Prequalification Applications**

The language for the Prequalification Applications shall be English.

3.2 **Documented Data to be Submitted by the Prospective Bidders**

For the information of Prospective Bidders, the below data shall be requested for the purpose of prequalification. For more information, please refer to the Prequalification Document.
Part I – Prequalification Criteria: the information required by Section 2.3;

Part II – Prequalification Form: the documents or information required by Section 2.4;

Part III – Consortia Documents: where the Prospective Bidder is a Consortium, the documents required by Section 2.5;

Part IV – Power of Attorney: the power of attorney required by Section 2.6; and

Part V – Preprinted Literature: optional, separately bound pre-printed literature, as specified by Section 2.7.

3.3 Validity Period of the Prequalification Applications

The Prequalification Applications shall be valid for at least three (5) months from the day of their submission to the Bid Commission.

3.4 Deadline, Address and Manner of Submission of the Prequalification Applications

Prequalification Applications must be submitted by 16:00 local CET time on 05.06.2020, at the address of the Bid Commission indicated below.

Prospective Bidders that meet the criteria set forth in the prequalification document shall be invited to participate in an international competitive tender process for the Project. For this purpose, a written invitation shall be sent to all prequalified Bidders without public announcement. All the tender documentation shall be delivered against the payment of a 5,000 EUR tender fee (payable in dinar counter value).

3.5 Authorized Individuals to Participate in the Opening of the Prequalification Applications

Only the members of the Bid Commission specially established for the purposes of awarding the Project shall be allowed to open and evaluate the Prequalification Applications.

4. CONTACTS

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