**ANNOUNCEMENT**

**ON PREQUALIFICATION PROCEDURE**

The current text of the announcement is confirmed by \_\_\_\_\_\_\_\_\_\_ of the two-stage tender estimating committee and is published according to the Article 24 of the RA Law “On Procurement”.

*The procedure code is* `\_\_\_\_\_\_\_\_\_\_

# **I. THE DESCRIPTION OF THE PROCUREMENT OBJECT**

1. The client, the Ministry of Finance of the RA, located in 1, Melik-Adamyan street, Yerevan, announces a prequalification procedure for the purpose of holding a two-stage tender to acquire «Design, development and implementation of the System within the framework of the implementation program of the GFMIS» services. The acquiring services consist of one lot:

|  |  |
| --- | --- |
| ***Number of lot*** | ***Lot name*** |
| 1 | Design, development, and implementation of Government Financial Management Information Systems (GFMIS) |

A brief version of the technical description is [attached](https://docs.google.com/document/d/1J21dnQ4tFik_V-422pgCpel-S3T5kYnek4Xb5hVIJNM/edit?usp=drive_link).

# **II. TERMS FOR PARTICIPATION IN PROCEDURE**

2. According to the Article 7 of the RA Law “On Procurement”, any person or entity, irrespective of being a foreigner, a foreign entity or a stateless person, has the equal right to participate in the prequalification procedure.

3. The participant wishing to participate (or consortium according to clause 6) in prequalification procedure must satisfy the compliance with qualification criterion “Conformity of professional activities with the activities envisaged by the contract” as defined in Article 6, paragraph 3, point 1 of the RA Law “0n Procurement”. At the same time, is considered similar design, development and implementation of systems used in the field of public finance management, in particular՝ design, development and implementation of five similar systems properly implemented within the past ten years with at least the following functionality․

* budget planning,
* budget execution,
* public sector accounting
* debt management,
* internal audit․

3․1 Experience in the field of public finance management is considered sufficient if:

* the number of participants in budget planning, budget execution and accounting is not less than two thousand,
* the state budget is not less than 5 billion US dollars,
* the daily number of budget execution transactions is not less than two hundred․

*3․2* Participants meeting the established qualification criteria, at the 1st stage of the tender shall present functionalities (demo) of similar systems developed and implemented by them.

4. The participant (or the members of the consortium - clause 6) is considered to meet the financial and economic criteria if it corresponds to sub clause 1 and at least one of sub clauses 2 to 4 of this clause.

1. **Financial health:**

**a/** the participant's net worth, calculated as the difference between gross assets and gross liabilities, must be positive,

**b/** the participant must not have a "going concern" notice or any qualified, adverse opinion on its financial audit report from 2023.

1. **Shareholders’ Equity:** the participant (or consortium members together) must have equity capital equivalent to at least [3 (three)] billion AMD. At the end of the last approved financial year, the participant's existing long-term Debt/Equity ratio must not be higher than 1.5.
2. **Free cash flow:** the participant (or consortium members together) must have free cash flow equivalent to at least [3(three)] billion AMD at the end of the last approved financial year;.
3. **Evidence of available funding sources** - the participant (or consortium members together) must demonstrate the ability to finance the project in cash within one year. The amount of financial ability is equivalent to 3(three) billion AMD. This capacity may be demonstrated by one or both of the following:

**a/** of the availability of investment funds, such as deposits or securities, without any prohibitions, in the amount of [3 (three)] billion AMD,

**b/**confirmation letter(s) from the bank(s) on readiness to provide the participant (or consortium members together) with a loan in the amount equivalent to 3 (three) billion AMD.

5. The Participant (or Consortium Members - Clause 6) is considered to meet security standards if it has certificates of conformity of quality and information security management systems according to ISO 9001 and ISO/IEC 27001 international standards.

6. Participants can participate in the prequalification procedure in joint activity (consortium).

In that case:

1) the prequalification bid also includes a contract of joint activity,

2) when evaluating the prequalification bid, the common qualification of all members of the consortium, shall be taken into account (the qualification of each member of the joint activity agreement must meet the qualification requirements set forth in this invitation, corresponding to the responsibilities undertaken by that member in the agreement),

3) the participants shell bear joint and coherent liability,

4) the party(ies) of the consortia cannot submit separate bid (s) to the same procedure,

5) if the consortium member leaves the consortium, the contract between the consortium and the client is concluded unilaterally and the consortium members shall be liable for the sanctions envisaged by the contract.

**III. FORM OF GETTING CLARIFICATION AND MAKING CHANGE TO AN ANNOUNCEMENT**

7. The Participant has the right to request from the Committee, at least \_\_\_\_\_\_\_\_\_\_\_\_ calendar day before the deadline of submission of the prequalification announcement, to clarify the prequalification announcement. At the same time clarification may be required before \_\_\_\_\_\_\_\_\_\_\_\_ (Yerevan time) of the day mentioned in this clause. The Committee shall provide the clarification to the participant who made the request the next working day of the date of receiving the request, but not later than at least \_\_\_\_\_\_\_\_\_\_\_\_ hours before the deadline for submission of the prequalification bids.

The participant shall submit the request referred to in this clause by sending an email to the Secretary of the Committee.

The request clarification is sent from the email address of the Secretary of the Committee defined by this invitation to an e-mail address of the participant from which the inquiry is received.

8. The announcement on the content of the inquiry and clarification shall be published in the bulletin on the day the clarification is provided without indicating the data of the participant.

9. An explanation shall not be provided if the request has been made in breach of the time limit set out in this section, as well as if the request is beyond the scope of this announcement. In addition, the participant shall be notified in writing of the reasons of not being provided with the clarification within one calendar day following the day the request was received.

10. Changes to this announcement may be made at least two calendar days before the deadline for submission of bids. On the first working day following the date of making change, the secretary of the Committee publishes the announcement of the change in the bulletin.

11. In case of changes in the prequalification announcement, the deadline for submitting prequalification bids shall be calculated from the date of publication of the announcement of modification in the bulletin.

# **IV. THE PROCEDURE FOR SUBMISSION OF PRE-QUALIFICATION BID**

12. In order to participate in this procedure, the participant shall submit a bid to the committee.

13. The participant may submit the prequalification bid to the commission by:

1) electronic form by sending the secretary of the Committee to the e-mail stipulated by this announcement.

2) in paper form in a sealed, glued envelope. The following is mentioned on the envelope in the language of making prequalification bid.

a. The name of the client and the place (address) for the bid submission.

b. Procedure code.

c. the words "Don’t open until the application opening".

d. name, location and telephone number of the participant.

14. Procedure bids must be submitted to the Commission no later than \_\_\_\_\_\_\_\_\_\_\_\_ on the \_\_\_\_\_\_\_\_\_\_\_\_ day following the date of publication of this notice in the Bulletin.

Prequalification applications in paper form must be submitted to the Commission before the deadline prescribed in this paragraph by the following address: RA Ministry of Finance, 1, Melik-Adamyan street,

15. After receiving prequalification bids in paper form they are being recorded in the register by the secretary of the Committee.

The applications are registered by the secretary in the register, in the sequence of their receipt, by specifying the registration number, date and time in the registry. By the request of the participant, a reference shall be given. Bids submitted after the submission deadline are not being registered in the registry and are returned by the secretary within \_\_\_\_\_\_\_\_\_\_\_\_ working days.

16. The Participant shall submit the following with the prequalification bid:

1) a written application for participating in the prequalification procedure approved by him in accordance with Appendix N 1,

2) an announcement confirming its compliance with the qualification criteria requirements set forth in this announcement, in accordance with Appendix 2,

3) Copies of previous contract(s) for the development and implementation of a similar system. To assess the proper performance of this contract(s) - a copy of the act certifying the performance of the contract in due time (completion-acceptance act, etc.) or written confirmation of the party accepting the performance of the given contract,

4) Documents confirming financial health (according to clause 4.1):

a/ copies of the externally audited financial statements for the last three (3) years (in accordance with national or international accounting standards, including IFRS, IAS or GAAP),

b/ classification of payables and receivables by types and dates, signed by an Authorized Person,

5) evidence of shareholder capital (in accordance with clause 4.2), free cash flow (in accordance with clause

4.3) or available sources of financing (in accordance with clause 4.4);

a/ Confirmation of the availability of liquid investment funds (cash, securities): bank statement or securities certificate or other similar document,

b/ Confirmation of the obligation of the bank(s) to provide the required amount,

c/ Bank statement of financial solvency.

6) Copies of ISO 9001 and ISO/IEC 27001 international standards,

7) A copy of the joint activity agreement, if the participants participate in this procedure as part of a consortium.

17. Prequalification bids, besides Armenian, can also be submitted in English or Russian.

18. The envelope and the documents drawn up by the participant provided by this announcement shall be signed by the person who submitted it or his/her authorized representative (hereinafter “the Agent”). If an agent submits a prequalification bid, the application shall be accompanied by a document on his/her competence. In case of expediency the participant can submit the required information in other ways other than those proposed by this announcement, maintaining required requirements.

# **V. OPENING, EVALUATION AND SUMMARIZING OF PREQUALIFICATION BID**

19. Opening, evaluation and summarizing the results of prequalification bids are held at the opening session of prequalification bids on the \_\_\_\_\_\_\_\_\_\_\_\_ day following the day this announcement is published in the bulletin (on \_\_\_\_\_\_\_\_\_\_\_\_ of \_\_\_\_\_\_\_\_\_\_\_\_ of \_\_\_\_\_\_\_\_\_\_\_\_) at \_\_\_\_\_\_\_\_\_\_\_\_, in 1, Melik-Adamyan street, Yerevan.

Bid evaluation is carried out within \_\_\_\_\_\_\_\_\_\_\_\_business days after the deadline for submission of bids.

20. At the session of opening and evaluation of prequalification bid:

1) the secretary of the committee shall provide information on the records in the register and transfer to the chairman of the committee the register of the bids, other documents that are an integral part of it, the registered and(or) electronically submitted bids.

2) After transferring the documents, referred to sub clause 1 of this clause, to the chairman (chairman of the session), the Committee evaluates:

a. Compliance with the established order regarding forming of envelopes containing bids, and opens the corresponding evaluated bids.

b. The existence of the required (prescribed) documents in each envelope, and the compliance of the documents, as well as the documents submitted electronically, with the preconditions set forth in this announcement.

21. Bids that meet the conditions set out in this announcement are considered satisfactory. Otherwise, prequalification applications will be assessed as inadequate and rejected.

The previously concluded contract(s) is considered satisfactory if the services provided within it (them) [\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_]

In case of non-compliance with the requirements of this announcement, during the prequalification bid opening of the session the Committee shall delay the session for one working day and the secretary of the committee informs the participant on the same day electronically, proposing to correct the non-compliance before the end of the suspension of the session. In addition, as mentioned in this clause:

1) The recorded inconsistencies are described as mandatory and detailed in recommendation.

2) The suggestion is sent to the participant’s e-mail indicated in the bid by the e-mail address of the secretary mentioned in this announcement.

22. If the participant corrects the recorded inconsistencies within the period specified in clause 19 of this announcement, his/her bid shall be assessed as inadequate and rejected. The Participant submits the corrected documents to the e-mail address specified in the bid by submitting to the email address provided by this invitation.

23. A member of the Committee or a secretary cannot participate in the Committee's activities if during the opening of the prequalification bid session it turns out that the organization having been founded by them or having their share (share) or their related relative or parent (parent, spouse, child, brother, sister, grandmother, grandfather, grandson, as well as the parent, child, brother, sister, grandmother, grandfather or grandson of the spouse) or an organization having been founded or owned by that person (share) has submitted a bid for participation in the given procedure. If a condition provided by this clause exists, immediately after the opening of the prequalification bid, a committee member or secretary who has a conflict of interest with regard to this procedure shall recuse himself/herself from the procedure.

24. Minutes on the opening, evaluation and summary of the results are drawn up, and the list of prequalified participants is confirmed. The Secretary of the Committee on following working day of the end of the bid session does the following:

1. publishes the scanned versions of the original of the committee's statements on the absence of a conflict of interest signed by him/her or the members of the opening of the bids in the bulletin.
2. notifies the bidders that have not been evaluated in accordance with the conditions set out in this announcement about the grounds for rejecting the prequalification bids.

25. Prequalified bidders are eligible to participate in the two-stage bidding process for consulting services, which together with the protocol drawn up by the evaluating committee on summarizing the outcomes of the prequalification procedure, the invitation of 1st stage is also electronically provided.

You can contact the secretary of the committee \_\_\_\_\_\_\_\_\_\_\_\_for more information on this announcement.

**The procedure is carried out on the basis of Article 15, Clause 6 of the RA Law "On Purchases".**

*Telephone:* \_\_\_\_\_\_\_\_\_\_\_\_

*Email:* \_\_\_\_\_\_\_\_\_\_\_\_

*Client: RA Ministry of Finance*

*Annex N 1*

*to the announcement of pre-qualification procedure*

*of the two-stage tender by code* \_\_\_\_\_\_\_\_\_\_\_\_

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**Application**

**For participating in pre-qualification procedure**

informs that he/she is willing to participate to the

participant’s name

1-st lot of pre-qualification procedure of the two-stage tender by code \_\_\_\_\_\_\_\_\_\_\_\_ and submits an application in accordance with the requirements of the prequalification procedure and the requirements of the prequalification announcement organized by the Ministry of Finance of the Republic of Armenia.:

-the email address is` .

participant’s name  email address

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ participant’s name (title, name, surname of the head) signature

Performer

Annex N 2

to the announcement of pre-qualification procedure

of the two-stage tender by code \_\_\_\_\_\_\_\_\_\_\_\_

**ANNOUNCEMENT**

**On compliance with qualification criterion “Conformity of professional activities with the activities envisaged by the contract”**

announces and certifies that will be filed

participant’s name

has provided the following services during the year and the ten preceding years of the bid submission.

|  |  |  |
| --- | --- | --- |
| Properly executed contracts for the year and the three years preceding the bid submission for prequalification | | |
| N | Subject | Data of the contracting authority and to contact him/her |
| Year............ | | |
| 1 |  |  |
| 2 |  |  |
| ... |  |  |
| Year............ | | |
| 1 |  |  |
| 2 |  |  |
| ... |  |  |
| Year............ | | |
| 1 |  |  |
| 2 |  |  |
| ... |  |  |

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ participant’s name (title, name, surname of the head) signature

Performer