

March 13, 2012

## Amendment 2

### Invitation to Bid ITB-2012-03-DPRK

**I. Questions received regarding this Invitation to Bid (ITB). Please continue sending your questions as detailed in Section II.2 below. Answers will be provided in a following amendment.**

1. In the requirement, it is said Fixedbed. But comparing them here is the advantage of fluidbed. Please check both characteristics of fluidbed and fixed bed:

Characteristics of fluidbed Power Generation System:

1. Using the hot gas, the efficiency of gasification is 80-85%;
2. Outdoor decorated, small amount of infrastructure;
3. Wide adaptability of biomass, can be straw, wood chips and other agriculture waste, and have simpler requirement on biomass particle, biomass below 4cm can be gasified;
4. High degree of automatic, need smaller labor; because there is no driving part and most structure of internal gasifier is stainless steel, that makes the plant life longer and lower maintenance cost.

Characteristics of using fixedbed Power Generation System:

1. Using the hot gas, efficiency is 65-70%;
2. Indoor layout, need larger amount of infrastructure;
3. Can only use the material of kind of rice husk as biomass;
4. More labor asked;
5. The ash can be sold only if there is somebody can use it.

Our question is: Can we supply the system with fluidbed instead of Fixedbed?

**Answer: The bidders can supply the gasifier with fluidized bed or fixed bed type.**

2. While we are checking at our end can you please let us know if exports from India to North Korea need any licenses/ clearances?

**Answer: You may verify with the government of India if an export license or any additional clearance is required for your products. Please consider clause 10 of Annex I, regarding export license requirement from US and Japan. Please note that if an item contains more than 10% of US components or technology, your product might require an export license from the US government.**

3. It is mentioned on Page no. 4 that the Bidder shall furnish as part of its Bid a Bid Security to the Purchaser to the amount of USD \$6,000. Annex II on Page No. 9 says that a Bid Security is Not required. Please clarify what is to be done. We would like to submit that most gasifier manufacturer are small players and thus this bid security may force some to not quote.

**Answer: The bid security mentioned in clause 4 of Annex I, is not required.**

4. Tender Doc mentions that if the Total Purchase Order is above USD \$500,000 than Bidder needs to furnish a Performance security. Can this clause be waived for all? If we have a past track record of work with the UN can this be waived?

**Answer: No. If your offer is above that amount, please consider that you will be required to submit a performance security as per clause 28 of Annex I.**

5. Would a CIF quotation be considered? Getting DDU costs from India to North Korea is difficult.

**Answer. Please consider DDU. You may consider any company in addition of the ones identified and described in the bidding documents:**

- a) **M&M International Forwarding Co./ Korea Foreign Transportation Corporation (KFTC).**  
 Mr. Ji Chol. KFTC's representative in Beijing, China.  
 Email: p.kftc@yahoo.com  
 Mobile No: 188 0117 5173 Fax: +8610-65720998
- b) **The Korea Kumkop Trading Company (local transportation)**  
 Phone: (850-2) 18111-381-8705. Fax: (850-2) 381-4012  
 Email: kumcup@silibank.net.kp
- c) **Andy Chao Trans Service. Co. Ltd**  
 Phone: 86-10-6592-9973. Mobile: 86-186-8888-5933  
 Email: andytrans@andychao.net.cn andy@andychao.com.cn andychao99@hotmail.com  
 Website: www.andychao.com.cn
- d) **DHL Express DPRK.**  
 Phone +8502 381 43 24 Fax +8502 381 40 44  
 Email: csfnj@dhl.com Email: Burmaa.byambaa@dhl.com  
 DHL Express based in Beijing.  
 Office phone no. +8610-64665566 extension 2068  
 Internet: www.dhl.com

6. If the quote is made on DDU basis, all the documents as needed for clearance and to get a tax free status will be provided by you. Please confirm.

**Answer: Yes. UNDP will provide the documentation for custom clearance and the time or delays on this process will not be imputable to the supplier.**

7. Below is list of drawings we will be submitting with the Bid:

- Process Flow Diagram (Schematic Drawing)
- Heat & Mass Balance
- Plan Layout
- Schematic
- Single Line Diagram of Grid Connection

Please advise if any other drawings are required

**Answer: Five (5) types of drawing listed above are sufficient for bids evaluation purposes.**

8. Start-up power will be required for the system. This can be taken from the local grid or through a separate Diesel Genset. Do we need to quote for the genset? Please advice.

**Answer: The start-up power is planned to be taken from the existing local grid. However, the bidders are requested to quote for a back-up diesel genset as an optional offer.**

9. Earthing will be needed for the entire system and the same will be done by the purchaser as per local norms. Please confirm

**Answer: The earthing system for the entire equipment system supplied shall be designed and supplied by the Contractor. The installation of this earthing system will be done by the Purchaser under the supervision and instructions of the Contractor.**

10. On page No. 27 point No. 3.5.GAS BLOWER/FAN – It is mentioned that once the system is stable then the Blower/Fan should shut down and Gas suction will be through Engine suction. We would like to inform that this is not possible in such a large system. The blower will thus continue to work at all times. Please confirm if this will be ok.

**Answer: Such operating regime of the blower/fan is accepted.**

11. Our company will provide the Hoper and Conveying system from the hopper to the gasifier. Please confirm that the Rice Husk feeding up to Hopper will be in Purchaser's scope. If there are any special conditions for the same, please confirm.

**Answer: The rice husk feeding into the Hopper will be in Purchaser's scope. The Hopper is preferably installed semi-underground with the mouth of the Hopper being not too high from the ground level so that the rice husk feeding into the Hopper can be easily done manually (by rakes and/or shovels).**

12. Payment terms are not clear in the offer. Can you please clarify? Can we get an advance?

**Answer: UNDP is able to provide a maximum of 20% advance payment. However, please consider that if the advance payment is above 30,000 USD, you must provide a guarantee for 100% of the amount of the advance payment in the form of bank guarantee, certified or cashier cheque.**

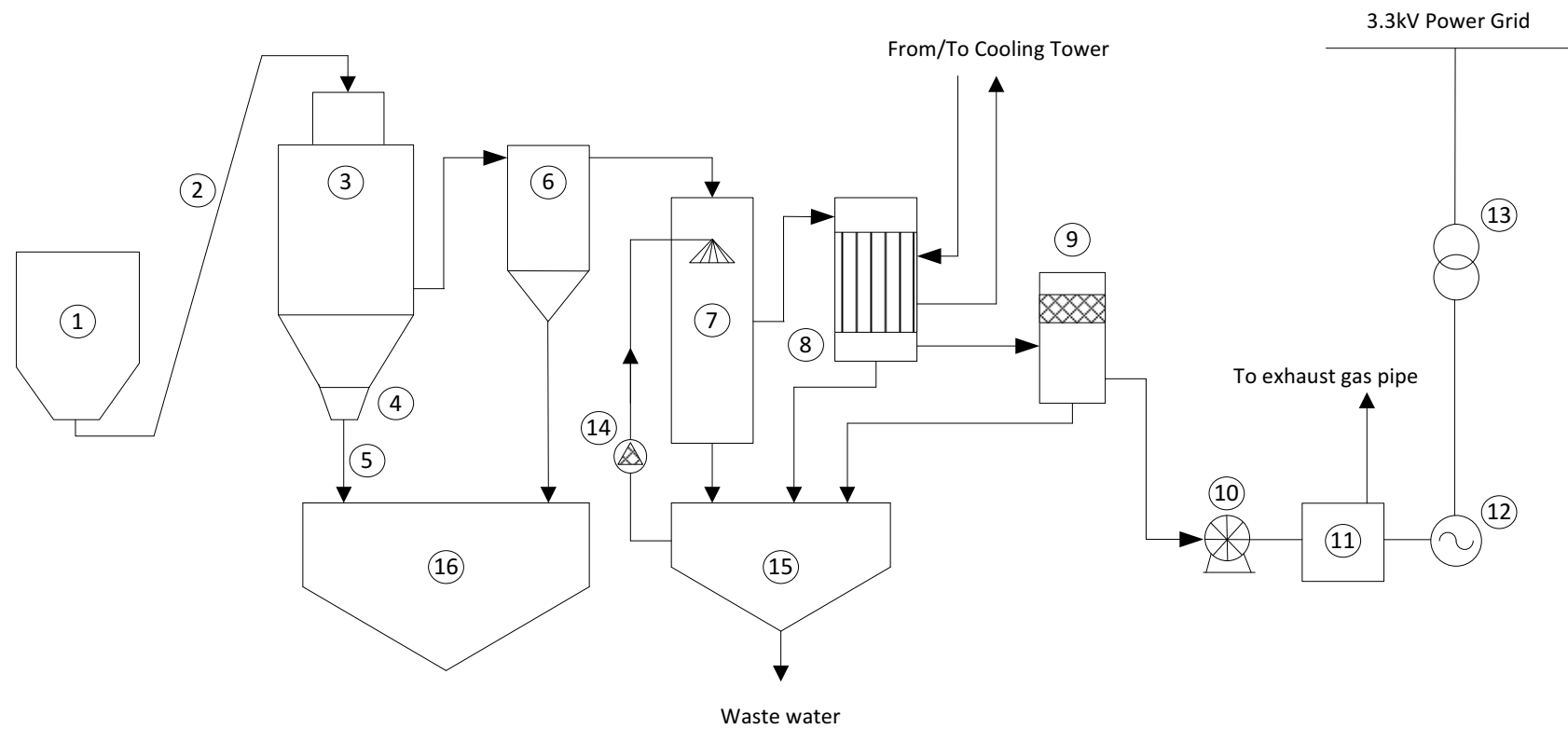
## II. Modifications to the ITB.

1. **Deadline to submit offers is amended to read as follows:  
Deadline to submit your offer: no later than 5:00 pm (DPRK time) on April 4, 2012.**
2. **Clause f) in Section I, is amended to read as follows:  
Please submit the form Acknowledge Letter (Annex IX) by March 25, 2012 to indicate whether or not you intend to submit an offer.**
3. **The following drawings described in clause 5, Annex VI (Technical Specifications), are attached for your reference.  
(Process Flow Diagram, Heat and Mass Balance, Project Site Location and Layout, Single Line Diagram of Grid Connection).**

## III. The remaining clauses, annexes and amendments of this Invitation to Bid ITB-2012-03-DPRK remain unchanged.

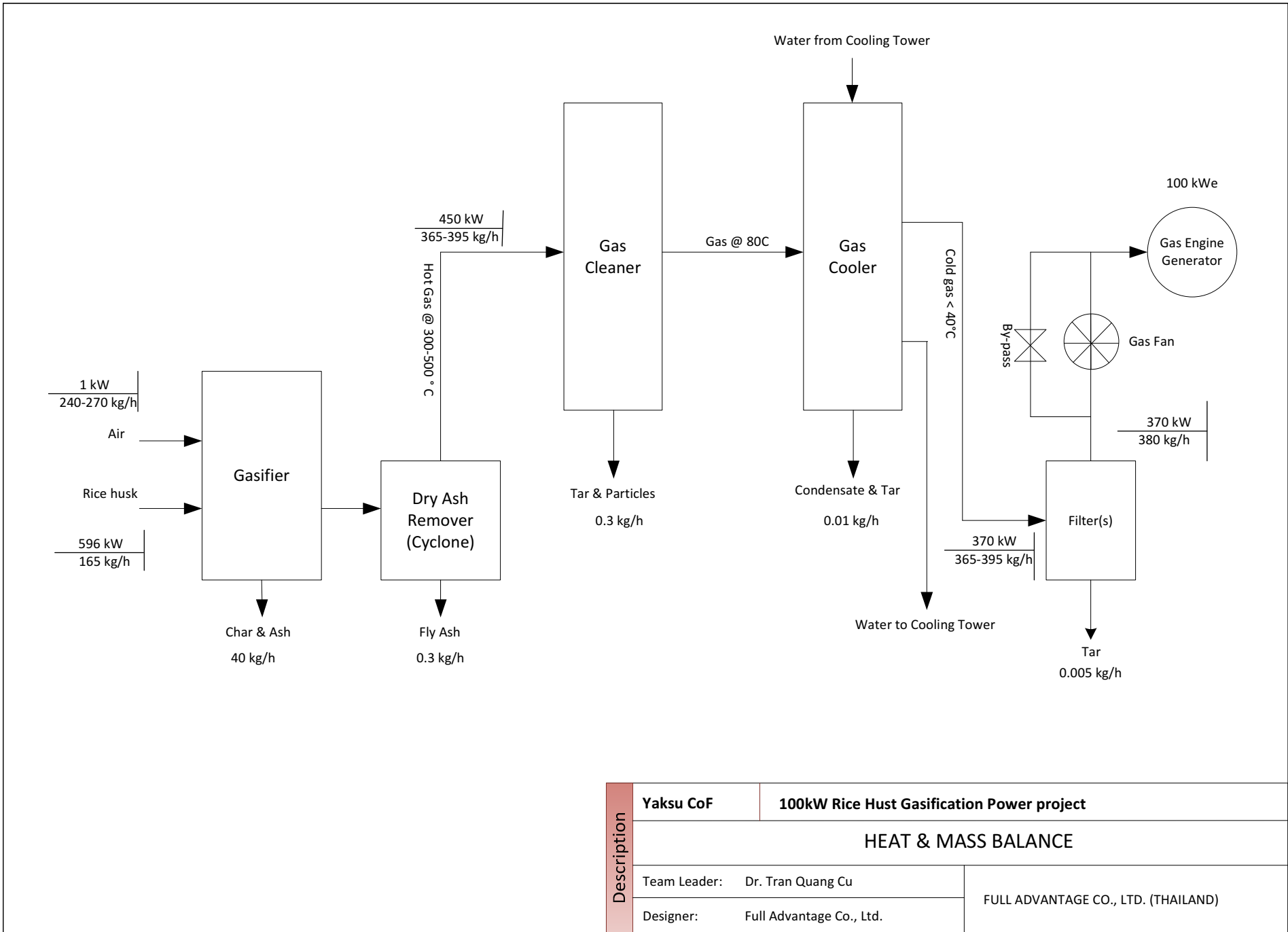
Thank you for your kind interest in our procurement procedures.

**UNDP DPRK Procurement Unit.**



- |                                 |                          |
|---------------------------------|--------------------------|
| ① Rice husk receiving hopper    | ⑨ Gas filter             |
| ② Rice husk feeding system      | ⑩ Gas blower/fan         |
| ③ Gasifier                      | ⑪ Gas engine             |
| ④ Ash/char remover              | ⑫ Electric generator     |
| ⑤ Bottom ash discharging system | ⑬ Step-up transformer    |
| ⑥ Dry ash remover               | ⑭ Water circulation pump |
| ⑦ Scrubber                      | ⑮ Water circulation tank |
| ⑧ Tar condenser/gas cooler      | ⑯ Ash setting pond       |

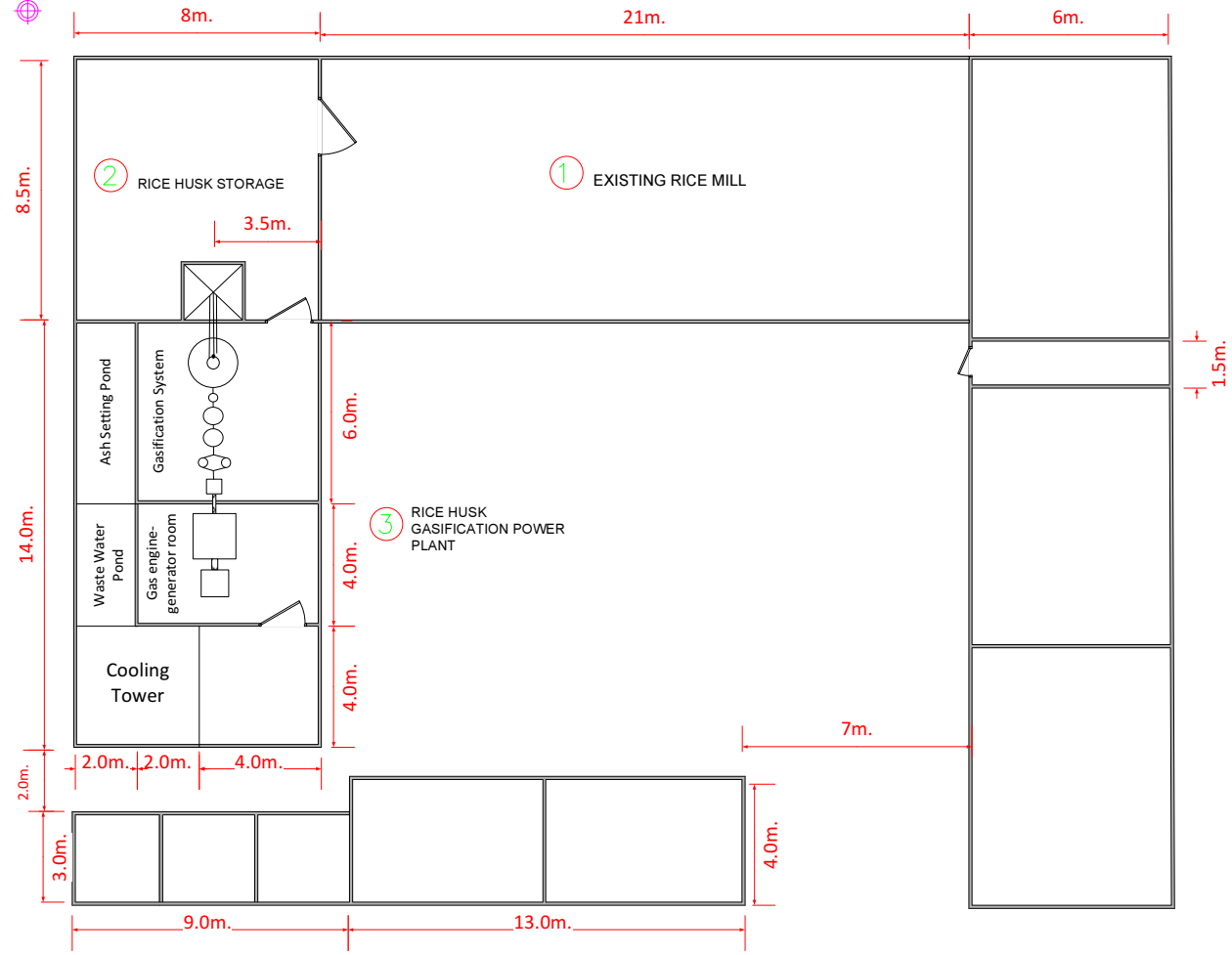
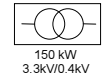
Description	Yaksu CoF	100kW Rice Husk Gasification Power project
	PROCESS FLOW DIAGRAM	
	Team Leader: Dr. Tran Quang Cu	FULL ADVANTAGE CO., LTD. (THAILAND)
	Designer: Full Advantage Co., Ltd.	



Description	Yaksu CoF	100kW Rice Husk Gasification Power project
	HEAT & MASS BALANCE	
	Team Leader: Dr. Tran Quang Cu	FULL ADVANTAGE CO., LTD. (THAILAND)
Designer: Full Advantage Co., Ltd.		

5 POWER POLE

4 EXISTING TRANSFORMER



Description	<b>Yaksu CoF</b>	<b>100kW Rice Husk Gasification Power Project</b>
	<b>PROJECT SITE LOCATION AND LAYOUT</b>	
	Team Leader: Dr. Tran Quang Cu	
	Designer: Dr. Tran Quang Cu	
		FULL ADVANTAGE CO., LTD. (THAILAND)

