Notice of Invitation for Early Market Engagement

Date of Event: 24 October 2025 at 3:00 PM (GMT+8) Sector: Energy

Title of Event: Early Market Engagement (EME) Country: Mongolia

Project ID: P178190 and P509161 Client: Ministry of Energy of Mongolia

Project Name:

Third Energy Sector Project (ESP3) & Fourth Energy Sector Project (ESP4)

Event Arrangement: Registration Email:

Virtual Meeting (Meeting link will be provided upon registration) <u>munkhbadral@energy.gov.mn</u> etumurbaatar@worldbank.org

The Ministry of Energy invites you to participate in an **Early Market Engagement (EME)** session for our upcoming procurement package financed by World Bank under **Third and Fourth Energy Sector Projects** to strengthen and expand the electricity network in Mongolia. This session is designed to collaborate and gather your valuable insight and feedback for best outcome of the bidding process as we develop our package and bidding documents.

The project intends to increase transmission capacity to improve the electricity supply reliability in central Mongolia and deliver the renewable energy generation from the resource rich areas in the south to the load center in the north in Mongolia. These initiatives will enable renewable energy projects to operate at full capacity, ensuring a steady and predictable revenue stream, thereby attracting more private investment.

1. Objectives of the Early Market Engagement

- To enhance the diversity of the market and encourage potential suppliers to participate in the procurement process.
- Assess overall market experience, capacity, and willingness to participate either individually or as joint ventures, especially with local firms.
- To improve the employer's requirement, technical specifications, contract terms, risk allocation, Bill of Quantities model, bid evaluation approach/ weightings.
- Receive feedback on the proposed procurement approach and including rated criteria and qualification requirements.

2. Approaches of Early Market Engagement

The Early Market Engagement will be conducted through:

- (i) a questionnaire to be completed by interested participants by 21 October 2025, Tuesday at 5:00 PM (GMT+8); and
- (ii) a virtual meeting to be held on 24 October 2025, Friday at 3:00 PM (GMT+8).

Interested suppliers/contractors are kindly requested to register by:

- (i) Completing the questionnaire at the link: <u>https://forms.cloud.microsoft/r/exYhKU9eGQ?origin=lprLink</u> or by scanning the QR code provided at the end of this document; and
- (ii) Emailing to the address above to register and confirm their participation in the EME session.

The EME process will be conducted in an open and transparent manner, with all discussions being recorded

and a summary of the outcome of the engagement shared.

3. Planned Procurement under the ESP3 and ESP4 projects

The information provided is only indicative and are subject to change.

Applicable Procurement Method: Open International Competitive procurement in line with the World Bank Procurement Regulations for IFP Borrowers Procurement in Investment Projects Financing.

The proposed packages / contracts along with respective estimated cost are listed below.

Project Title		Contract Description	Procurement Category	Procurement Method	Estimated Cost (Million US\$)	Evaluation Method
		Baganuur - Choir 220kV Double-Circuit Overhead Transmission Line (OHTL) (188 km)	Plant (Works -	Open +	35.0	
	1.	Lot 1: OHTL for Towers 1 to 289	Design, Supply	+ RFP	<i>17.5</i>	Rated Criteria (60:40)
ESP3		Lot 2: OHTL for Towers 290 to 598	and		17.5	
		Lot 3: Expansion of Baganuur (220 kV/110/35kV) and Choir Substations (220 kV/110/35/6kV)	Installation)		10.0	
ESP4	1.	Mandalgobi-Arvaikheer 220kV Double-Circuit Overhead Transmission Line (OHTL) (287 km), with "multiple lots"	Plant (Works - Design, Supply and Installation)	Open + International + RFP	57.2	Rated Criteria (60:40)
	2.	Expansion of Mandalgobi (220 kV/110/35kV) and Construction of Arvaikheer (110/35/6kV) Substations	Works	Open + International + RFP	20.0	

❖ The key bidding terms of the proposed packages for ESP 3 are listed below:

No.	Key bidding terms		
1.	Cashflow requirement	Based on project schedule and payment terms, bidders shall plot cashflow forecasts (expenditures and payments)' bidders shall evidence ability to meet the overall cash flow requirements for this contract and its current works commitment. Bidders shall afford evidence of access to liquidity of not less than US\$ 3.0 million per lot.	
2.	Average annual construction turnover for any three years within the last five years 2022, 2023, 2024) shall exceed US\$ 4.0 million.		
3.	General Experience Previous experience of at least 5 years in construction of at least 110KV transmission line		
4.	Specific Experience At least 1 contract of 220kV or higher within the past 7 years of a length exceeding 80km.		

Suggested Rated Criteria for the Proposed Works

No.	Criterion	Description	Max Points
1.	Construction Methodology and Work Schedule	 Adequacy and clarity of proposed construction approach for 220 kV double circuit line (foundation, erection, stringing) Compliance with technical specifications and quality assurance plans Optimization of Mongolia's limited construction season (weather constraints) Proposed risk management measures 	35 points

2.	2. Key Personnel and Staffing Plan	 Experience and qualifications of key personnel (e.g., Project Manager, Civil Engineer, QA/QC Engineer, HSE Manager, ES Staff) Demonstrated experience in similar voltage-level transmission line projects Availability and commitment for the entire contract period 	20 points
3.	Equipment and Resource Deployment	 Availability and adequacy of critical equipment for tower erection, conductor stringing, transportation Realistic and feasible equipment mobilization plan adapted to remote site conditions Reduced mobilization costs using local resources 	10 points
4.	Health, Safety, and Environmental (ESHS) Management	 Quality of ES Management strategy and implementation plan in addressing ES risks and requirements Past performance in ES compliance 	15 points
5.	Local Content including Subcontracting or joint ventures with qualified domestic contractors	 Meaningful engagement of local contractors and suppliers Proposed approach for developing domestic contracting capacity including the use of local labor Capacity building Plan for on-the-job training or knowledge transfer to local staff 	20 points

❖ Timeline for Procurement Process

Activities	Timeline – ESP3	Timeline – ESP4	
Deadline for expression of interest to attend the EME Session	21 October 2025, Tuesday, 5:00 PM (GMT+8)	
Deadline for receipt of completed questionnaires	21 October 2025, Tuesday, 5:00 PM (GMT+8)		
EME Workshop Date	24 October 2025, Friday, 3:00 PM – 4:00 PM (GMT+8)		
Estimated date of publication for Bid Invitation on Client & WB website	November 2025	January 2026	
Deadline for bid/proposals submission	7 weeks after Invitation	7 weeks after Invitation	
Anticipated Award Date	within 8 weeks after submission of proposals	within 8 weeks after submission of proposals	
Due Diligences and contract signing process	within 1-2 weeks after contract award	within 1-2 weeks after contract award	

Scan the QR code to access the questionnaire:

