



The State of Israel

Notice of Publication of a Pre-Qualification Process for a Municipal Solid Waste to Energy Facility

The Government of Israel, acting on behalf of the State of Israel, through the Tender Committee hereby invites Entities from the private sector in Israel and abroad, to participate in a pre-qualification process no. 05/23 regarding a PPP tender for the finance, design, construction, operation and maintenance, by the private sector, of the first Waste-to-Energy (“**WtE**”) Municipal Solid Waste (MSW) treatment plant in Israel, to be located at Neot Hovav site, approximately 15 km south of Beer Sheva, and which shall be accompanied by a Sorting Facility, all as detailed in the Invitation for Pre-Qualification (the “**Project**”).

Capitalized terms used herein shall have the meanings ascribed thereto in the Invitation for Pre-Qualification.

1. The Selection Process

The selection process for execution of the Project will be conducted in two phases as follows:

Stage 1 - a Pre-Qualification Process; and

Stage 2 - a Tender Process in which the Participants announced as "Eligible Participants" in the Pre-Qualification Process will be invited to participate.

2. The Pre-Qualification Requirements

The Pre-Qualification requirements include, inter alia, the following cumulative requirements (the detailed Pre-Qualification Requirements and the conditions and manner in which compliance should be demonstrated are fully detailed in the Invitation for Pre-Qualification):

(i) Professional Pre-Qualification Requirements

2.1 Experience in Design and Construction of Infrastructure Projects

Each Participant is required to demonstrate that, during the period commencing on January 1, 2013 and ending on the Pre-Qualification Submission Date, an Experience Provider on its behalf has Designed and Constructed, as a Main Contractor, an Infrastructure Project, with a total Contract Value of not less than five hundred million New Israeli Shekels (NIS 500,000,000).

2.2 Experience in Design, Installation and Testing of a WtE Segment

Each Participant is required to demonstrate that, during the period commencing on January 1, 2008 and ending on the Pre-Qualification Submission Date, an Experience Provider on its behalf was responsible for the Design, installation and testing on site, of a WtE Segment in both of the following:

(a) One (1) WtE Plant with a total aggregate Annual Treatment Capability of not less than 150,000 tons of MSW/year and with a Design Availability of not less than 7,500 hours per year; **and**

(b) One (1) WtE Plant with a total aggregate Annual Treatment Capability of not less than 100,000 tons of MSW/year and with a Design Availability of not less than 7,500 hours per year;

and which comply with the following requirements:

(i) Each was continuously operated for a period of not less than two (2) years from its Completion;

(ii) In at least one of the referenced projects presented to demonstrate compliance with the requirements of paragraphs (a) and (b) above, the combustion designed capacity of one (1) single Combustion Line is not less than 100,000 tons of MSW/year; and

(iii) Each complies with the MCR Heating Value.

2.3 Experience as Equipment Supplier of Grates for WtE Plants

Each Participant is required to demonstrate that, during the period commencing on January 1, 2008 and ending on the Pre-Qualification Submission Date, an Experience Provider on its behalf acted as an Equipment Supplier of both of the following:

(a) One (1) moving grate for a WtE Plant with a total aggregate Annual Treatment Capability of not less than 150,000 tons of MSW/year and with a Design Availability of not less than 7,500 hours per year; **and**

(b) One (1) moving grate for a WtE Plant with a total aggregate Annual Treatment Capability of not less than 100,000 tons of MSW/year and with a Design Availability of not less than 7,500 hours per year;

each of which complies with the following requirements:

(i) was continuously operated for a period of not less than two (2) years from its Completion; and

(ii) complies with the MCR Heating Value.

2.4 Experience as Equipment Supplier of Boilers for WtE Plants

Each Participant is required to demonstrate that, during the period commencing on January 1, 2008 and ending on the Pre-Qualification Submission Date, an Experience Provider on its behalf acted as an Equipment Supplier of both of the following:

(a) One (1) boiler for a WtE Plant with a total aggregate Annual Treatment Capability of not less than 150,000 tons of MSW/year and with a Design Availability of not less than 7,500 hours per year; **and**

(b) One (1) boiler for a WtE Plant with a total aggregate Annual Treatment Capability of not less than 100,000 tons of MSW/year and with a Design Availability of not less than 7,500 hours per year;

each of which complies with the following requirements:

- (i) was continuously operated for a period of not less than two (2) years from its Completion; and
- (ii) complies with the MCR Heating Value.

2.5 **Financial Pre-Qualification Requirements**

Each Member of the Participant who is not a Financial Entity, is required to demonstrate compliance with one of the following Financial Pre-Qualification Requirements' alternatives detailed below.

Alternative A:

2.5.1 **Average Operating Cash Flow:** each Member of the Participant, who is not a Financial Entity and chooses to demonstrate its compliance with the Financial Pre-Qualification Requirements according to Alternative A, meets one of the following requirements:

2.5.1.1 Average Operating Cash Flow during the last three (3) years, based on its most recent three (3) Financial Statements, is not negative; **or**

2.5.1.2 The ratio between:

A. The absolute value of the lesser of: (1) the Average Operation Cash Flow of the Member, for the last three (3) years, based on its most recent Financial Statements, and (2) the annual operating cash flow of the Member for the year which the Member has published its most recent Financial Statements; **and**

B. The equity of the Member, based on its most recent Financial Statements, deducted by the "Minimal Required Equity" (as defined in clause 2.5.2 below and in the Pre-Qualification Documents);

is lower than 25%.

2.5.2 **Equity:** Each Member, who is not a Financial Entity and chooses to demonstrate its compliance with the Financial Pre-Qualification Requirements according to Alternative A, is required to demonstrate equity of at least two million New Israeli Shekels (NIS 2,000,000) for each one percent (1%) of the Anticipated Holdings in the Participant, based on their most recent Financial Statements ("**Minimal Required Equity**").

Alternative B:

2.5.3 **Increased Equity:** Each Member, who is not a Financial Entity and chooses to demonstrate its compliance with the Financial Pre-Qualification Requirements according to Alternative B, is required to demonstrate equity of not less than six million New Israeli Shekels (6,000,000 NIS) for each one percent (1%) of Anticipated Holdings in the Participant, based on its most recent Financial Statements.

- 2.5.4 **Private Investment Fund:** A Member who is a Private Investment Fund is required to demonstrate that as of the date commencing 14 days prior to the Pre-Qualification Submission Date, the amount of Unutilized Commitments under its management is not less than six million New Israeli Shekels (6,000,000 NIS), for each one percent (1%) of Anticipated Holdings in the Participant, based on the Member's most recent Financial Statements.
- 2.5.5 **Banking Corporations or Institutional Investors:** A Member, which is a Banking Corporation or an Institutional Investor, is required to demonstrate one of the following requirements:
- 2.5.5.1 Its equity is not less than three million New Israeli Shekels (3,000,000 NIS) for each one percent (1%) of Anticipated Holdings in the Participant, based on the Member's most recent annual Financial Statements; **or**
- 2.5.5.2 It manages assets with a net worth of not less than fifty million New Israeli Shekels (50,000,000 NIS) for each one percent (1%) of Anticipated Holdings in the Participant, based on the Member's most recent annual Financial Statements.
- 2.5.6 **Investment Entity:** A Member who is an Investment Entity is required to demonstrate equity of not less than six million New Israeli Shekels (6,000,000 NIS), for each one percent (1%) of Anticipated Holdings in the Participant, based on the Member's most recent annual Financial Statements.

2.6 Additional Requirements

- 2.6.1 This notice contains general and preliminary information only. Further conditions and requirements with respect to the Pre-Qualification Process are as detailed in the Invitation for Pre-Qualification.
- 2.6.2 The Tender Committee reserves the right to annul and/or revise the conditions of the Pre-Qualification Process and its schedule, to conduct clarification meetings with the Participants (or any of them), and to conduct negotiations with the Participants (or any of them), all in accordance with the provisions of the Invitation for Pre-Qualification.
- 2.6.3 In case of contradiction between this notice and the Invitation for Pre-Qualification, the Invitation for Pre-Qualification shall prevail.
3. Copies of the Invitation for Pre-Qualification may be downloaded at <https://www.mr.gov.il/OfficesTenders/Pages/SearchOfficeTenders.aspx>, for no charge.
4. Participants may raise questions and requests for clarifications or interpretations to the Pre-Qualification Documents ("**Requests for Clarification**"), in writing, by no later than 07/10/23. Such requests for clarifications shall be addressed in writing only to Tender Committee's email address: PPP-Waste.Tender@inbal.co.il.
5. As a pre-condition for submission of Requests for Clarifications and/or for submission of the Pre-Qualification Submission, the Participant shall pay a participation fee in an amount of five thousand (5,000) NIS (VAT included). Methods of payment are detailed in the Invitation for Pre-Qualification.

6. Participants will submit their Pre-Qualification Submissions on **September 14, 2023, by no later than 14:00 noon**, local Israel time, to the Tender Committee's tender box, at the following address:

The Tender Committee

Inbal Insurance Company Ltd.

Inbal House

3 Arava St.

P.O.B 282 Airport City

Ben Gurion Airport 70100