TENDER NOTICE

(Tender Ref. No.:ES-PW23-003)

PROCUREMENT OF THE PRODUCTS AND SERVICES UNDER JAPAN'S GRANT AID FOR THE ECONOMIC AND SOCIAL DEVELOPMENT PROGRAMME FOR THE REPUBLIC OF PALAU FY2023

1. Introduction

The Government of the Republic of Palau (hereinafter referred to as "the Recipient") has received a grant of five hundred sixty two million Japanese Yen (JPY562,000,000) from the Government of Japan according to the Exchange of Notes between the Governments on June 2, 2023, concerning Japan's Grant Aid for the Economic and Social Development Programme (hereinafter referred to as "the Programme"), aiming for contributing to the implementation of the economic and social development of the Recipient.

Japan International Cooperation System (hereinafter referred to as "JICS") acts as a procurement agent for and on behalf of the Recipient for the purchase of the products (hereinafter referred to as "the Products") and services under this grant.

2. Scope of Supply

The scope of supply covered by this tender (hereinafter referred to as "the Supply") consists of the following:

- (1) Procurement of the Products;
- (2) Installation and Set-up Service; and
- (3) Operation and Maintenance Training Service

3. Products to be procured

The products to be procured are specified in TABLE-1 "LIST OF THE PRODUCTS" attached hereto.

- (1) Origins of the Products shall be Japan.
- (2) It is the tenderer who has the burden to establish that the Products fulfil all the requirements. If, for whatever reason, JICS is not satisfied with the proof submitted by the tenderer, JICS may, at its sole discretion, request additional proof to its satisfaction, or disqualify the tender submitted by the tenderer. JICS has the sole and ultimate authority to decide whether these conditions are fulfilled.

4. Eligible Tenderer

- (1) Eligible tenderers are those who meet all of the following qualifications:
 - 1) to have received the Tender Documents directly from JICS;
 - 2) NOT to be suspended from participating in tenders by the Government of Japan, the Japan International Cooperation Agency, or the Recipient; and
 - 3) NOT to be suspended from participating in tenders in accordance with "DEBARMENT GUIDELINES" set forth by JICS, revised on November 6, 2023.

Please refer to JICS's website for information about these guidelines.

https://www.jics.or.jp/jics_html-e/tender/debarment.html

4) to be Japanese nationals, which means Japanese physical persons or Japanese juridical

persons controlled by Japanese physical persons;

- 5) to be incorporated and registered under the laws of Japan;
- 6) more than fifty percent (50%) of the total number of the voting rights are held by Japanese physical persons or Japanese juridical persons;
- 7) fifty percent (50%) and higher of the officers, meaning directors or other persons equivalent thereto, and the officers having power of representation are Japanese physical persons;
- 8) NOT to fall under any of the items of Articles 26, paragraph 1 of the Foreign Exchange and Foreign Trade Act (Gaikokukawase-oyobi-Gaikokuboeki-Ho, Law No.228 of 1949, Japan);
- 9) to have 60 points or more in grand total, and also have 38 points or more in Financial Capability and 13 points or more in Specific Experience respectively in TABLE-2 "QUALIFICATION TO PARTICIPATE IN TENDERING PROCEDURES" of the tender notice;
- 10) to have a record(s) of delivery and managing the installation of generators or similar equipment (including connection to existing facilities such as fuel piping, electrical wiring, and foundation work) in Official Development Assistance (ODA) projects for the last ten (10) years before the Tender Notice;
- 11) to have a record(s) of delivery of equipment as a main contractor in the recipient country, the Republic of Nauru, the Federated States of Micronesia, and/or the Republic of the Marshall Islands, which had been completed before the Tender Notice;
- 12) to have a head office in Japan and be capable of making close communication with the manufacturer(s), JICS and the Recipient;
- 13) to have a branch office, a liaison office or an agent in the recipient country, which is capable of assisting the manufacturer(s) for their work in the recipient country and communicating with the Consignees and/or the End-user(s); and
- 14) to have at least three (3) fiscal years' business and to be able to submit Financial Statements (Balance Sheets and Income Statements) of the tenderer's head office for the latest three (3) fiscal years.
- 15) Other

Refer to the Attachment.

- (2) Neither joint venture nor consortium is allowed.
- (3) Tenderers who have repeatedly breached the contract in the past projects under Japan's Grant Aid for the Economic and Social Development Programme and/or other programme conducted by JICS shall be regarded as lacking the ability to perform the contract properly and faithfully, and consequently deemed ineligible for this tender.

5. How to obtain Tender Documents

Firms or companies who are interested in supplying the Products and/or the Services should download the Form of Expression of Interest (hereinafter referred to as "EOI") from JICS's website and provide it to JICS by e-mail at nonprogpn@jics.or.jp. The deadline is on or before 5:00 p.m. Japan Standard Time (JST) on October 3, 2025.

- The Form of EOI should be downloaded from JICS's website. The EOI should be in PDF format and attached to an e-mail message. The subject line of e-mail should be clearly marked as in the sample below:

ES-PW23-003/EOI/ (Name of firm or company)

- It is the firms or companies' responsibilities to contact JICS by telephone or e-mail to confirm that JICS is in receipt of EOI.
- By sending one e-mail of EOI, firms or companies can receive one set of Tender Documents. If firms or companies are interested in multiple tenders, they should send respective e-mails of EOI according to their interest.
- JICS will send the Tender Documents including "Form of Tender" and "Technical Specifications" to only one e-mail address which the firm or company states in the EOI.
- JICS will send the Tender Documents only one time and will not resend them once JICS has confirmed a firm/company's receipt of the Tender Documents.
- JICS will send the Tender Documents after the deadline of EOI submission to firms or companies whose EOI is received on or before 5:00 p.m. (JST) of the deadline.
- The EOI received after 5:00 p.m. (JST) of the deadline will be declined and shall not be considered. Time of receipt of EOI is recorded by receiving mail server. JICS will send the Tender Documents after 5:00 p.m. (JST) on the day of the deadline or the following working day at the latest.
- A file of EOI should be password-protected. Firms or companies should send a separate e-mail message to inform JICS of the password simultaneously when they send e-mail messages of EOI.
- Firms or companies should screen out viruses from a file of EOI and confirm that it is uninfected before sending it to JICS. JICS shall not be held responsible for any failure of receipt of e-mail message(s) of EOI resulting from such message(s) being virus infected regardless of whether it is by accident or intent.
- The purpose of use of personal information received by JICS through EOI is to send the Tender Documents and proceed with the following procedures related to the tender.
- JICS will not be responsible for any contamination caused by computer virus.

6. Tender opening

Tender opening will be held on December 1, 2025 (JST) at the headquarters of JICS.

7. Contact for obtaining Tender Documents

Japan International Cooperation System

Attention: MATOBA Satoshi (Mr.), Project Manager

First Management Department

5th floor, Harumi Center Bldg., 5-24, Harumi 2-Chome, Chuo-ku,

Tokyo 104-0053, Japan

TEL: +81-80-1316-4758, FAX: +81-3-3534-6811

E-mail address: nonprogpn@jics.or.jp

TABLE-1 LIST OF THE PRODUCTS

Lot	Item	Name of the Products	
No.	No.	Name of the Froducts	
1	1	Generator	

TABLE-2 QUALIFICATION TO PARTICIPATE IN TENDERING PROCEDURES

LIII	ancial Capability		
1		thus (2) fig.	201 220000)
1	Outputs and sales for the latest financial statements (Average of the last		
	¥20 billion or more	45	
	¥10 billion or more but less than ¥20 billion	40	
	¥5 billion or more but less than ¥10 billion	35	
	¥2.5 billion or more but less than ¥5 billion	30	
	¥1 billion or more but less than ¥2.5 billion	25	
	¥500 million or more but less than ¥1 billion	20	
	¥250 million or more but less than ¥500 million	15	
	¥100 million or more but less than ¥250 million	10	
_	Less than ¥100 million	0	
2	Shareholder's Equity* for the latest financial statements	T	ı
	¥1 billion or more	15	
	¥500 million or more but less than ¥1 billion	12	
	¥100 million or more but less than ¥500 million	9	
	¥50 million or more but less than ¥100 million	6	
	¥10 million or more but less than ¥50 million	3	
	¥0 or more but less than ¥10 million	0	
	Less than ¥0	-20	
3	Current Ratio for the latest financial statements		
	140% or more	10	
	120% or more but less than 140%	8	
	100% or more but less than 120%	6	
	80% or more but less than 100%	4	
	Less than 80%	0	
4	Positive net profit before tax for the last three (3) consecutive fiscal year	_	
		S	
	Yes	5	
		1	
	Yes	5	
Spe	Yes No	5	
Spe 5	Yes No Total points for Financial Capability recific Experience Delivery record** of equipment as a main contractor in the recipient contractor, and/or the Republic of the Mauru, the Federated States of Micronesia, and/or the Republic of the Mauru five calendar years by the date of Tender Notice of the Programm	5 0 7: Ountry, the I	Republic of
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His	Historical Performance					
8	Number of "Instruction for business improvement"*** received in the last one year by the date of Tender Notice of the Programme					
	Four or more	-40				
	Three	-30				
	Two	-20				
	One	-10				
	None	0				
Total points for Historical Performance:						
	Grand Total***:					

^{*} Shareholders' equity is the sum of capital stock, capital surplus, retained earnings and accumulated other comprehensive income, and does not include subscription rights nor non-controlling interests.

- *** JICS may issue an "Instruction for business improvement" in the following cases:
 - (a) When serious non-conformity under the contracts between JICS and tenderers for Japan's Grant Aid for the Economic and Social Development Programme and/or other programme conducted by JICS has occurred with respect to type, quantity, quality and due dates of the Products to be procured, among the conditions of the contracts due to reasons attributable to the tenderers.
 - (b) When a serious accident or problem under the contracts between JICS and tenderers for Japan's Grant Aid for the Economic and Social Development Programme and/or other programme conducted by JICS has occurred for reasons attributable to the tenderers, and is considered as being substantially prejudice the interests of the Recipient.
 - (c) When the tenderers have failed to fulfill or neglected their contractual obligations under the contracts between JICS and tenderers for Japan's Grant Aid for the Economic and Social Development Programme and/or other programme conducted by JICS despite multiple reminders by JICS.

In case that tenderers who have received an "Instruction for business improvement" with respect to the contracts between JICS and tenderers in the past projects for Japan's Grant Aid for the Economic and Social Development Programme and/or other programme conducted by JICS receive another Instruction before one year has elapsed from the date of issue of the said first Instruction, JICS may issue "a warning" to the tenderers as specified in Article 13, Paragraph 1 of the "Debarment Guidelines" set forth by JICS.

**** Grand Total score shall be 60 points or more in order to be qualified as an eligible tenderer. And also Total score in Financial Capability shall be 38 points or more and those in Specific Experience shall be 13 points or more respectively.

^{**} Delivery record of used products and/or undelivered products shall be excluded.

Attachment: Other Documents to be submitted

With respect to "(1) 15) Other" of 4. Eligible Tenderer, please kindly refer to this Attachment and submit the necessary information at the time of tender. Tenderers who do not fall under this category shall submit a declaration to that effect.

The Products are expected to be utilized by Palau International Airport Corporation (PIAC) as the final user at the Site. Meanwhile the capital of PIAC are hold by Japanese private corporation with a 51% share. In the recent trend on the private capital participation in the field of public works, the issues on the conflicts of interest or the sharing of confidential information under the antitrust law are being examined more strictly than before. Further it is not only a matter of whether such issues actually exist or not, but also whether fairness and transparency are adequately maintained externally. However, given the general principle that procurement should be awarded to the best tenderer after considering the price and other factors, it would be inappropriate to screen or eliminate the tenderers unnecessarily unless the risk of conflicts of interest or the sharing of confidential information is significant.

Under these circumstances, all applicable tenderers are requested to provide the following information of (1) to (5) in any format at the discretion of the individual tenderer. The individual information is to be treated as strictly confidential by JICS. In case the information provided is considered incomplete, JICS may ask additional questions to the relevant tenderer. It is noted that if the information provided is found to be false, JICS may disqualify the tenderer. Further it is remarked that the fact of a capital relationship does not necessarily result in disqualification. In such cases, JICS will conduct a further evaluation of the information outlined in (5) below and/or other information, in order to ascertain whether there exists a significant risk of a conflict of interest or leakage of confidential information.

Note:

- (1) With regard to the capital relationship between the tenderer and PIAC, please explain all shareholding relationships, whether direct or indirect, in which the shareholding ratio is 1% or larger.
- (2) With regard to (1) above, please specify whether there is an agreement between shareholders of PIAC to execute any voting rights jointly.
- (3) With regard to (1) above, please explain whether the tenderer controls on PIAC or conspire with associated company(ies) on PIAC. If so, provide the reasons for this.
- (4) Please explain whether the tenderer alone, or jointly with other shareholder(s), is(are) capable of influencing PIAC's decision-making.
- (5) The Government of the Republic of Palau and PIAC have close relations on the administrative management of the airport operation including the procurement of the equipment, and PIAC is supposed to be in a position to know a relevant information on the tender inevitably. If there is a capital relationship of any kind between the tenderer and PIAC as described in (1) above, please explain how confidential information on the tender can be managed properly without those sharing between the tenderer and PIAC during the tender period, together with a fact of any concurrent positions by the executives and staff.