Invitation for Bids

1. The People’s Republic of China has received a loan from the Asian Development Bank toward the cost of Mountain Railway Safety Enhancement Project and it intends to apply part of the proceeds of this loan to payments under the Contract named above. Bidding is open to Bidders from eligible source countries of ADB.

2. The CMC International Tendering Co., Ltd. (hereinafter referred to as “Procurement Agent”), authorized and on behalf of China Railway Corporation (the “Purchaser”) invites sealed bids from all eligible Bidders for the following supply of goods and related services:

<table>
<thead>
<tr>
<th>Lot No.</th>
<th>Name of Goods</th>
<th>Quantity (set)</th>
<th>Place of delivery</th>
<th>Time of Delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot BB-1</td>
<td>Ordinary Steel</td>
<td>5330</td>
<td>Yangang Beam Fabricating Yard, Yuexi</td>
<td>Delivery in batches within 18 months after the</td>
</tr>
<tr>
<td></td>
<td>Bearing</td>
<td></td>
<td>South Beam Fabricating Yard</td>
<td>commencement of the contract</td>
</tr>
<tr>
<td>Lot BB-2</td>
<td>Ordinary Steel</td>
<td>9508</td>
<td>Huangshuitang Beam Fabricating Yard</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bearing</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Bidders may submit bid(s) for one or multiple contracts, as further defined in the Bidding Document. Bidders wishing to offer discounts shall state such discounts and the methodology for their bids in the Bid Submission Sheet.

3. International competitive bidding will be conducted in accordance with ADB’s Single-Stage: One-Envelope procedure and is open to all Bidders from eligible source countries as described in the Bidding Document.

4. Only eligible Bidders with the following key qualifications should participate in this bidding:

   Litigation History
   - All pending litigation and arbitration, if any, shall be treated as resolved against the Bidder and so shall in total not represent more than 50% of the Bidder’s net worth calculated as the difference between total assets and total liabilities.

   Contractual Experience

Asian Development Bank
• The Bidder must have successfully completed at least one (1) contract as main supplier since 2015. The value of each contract must be no less than:
  o Lot BB-1: US$ 3.9 million
  o Lot BB-2: US$ 7.0 million
  o Lots BB-1 and BB-2: US$11 million

• The nature of and complexity of the contract should be similar to the scope of supply described in Section 6 (Schedule of Supply)

Technical Experience
• Bidder shall provide end-user certificate(s) demonstrating that the Goods offered with the same or advanced technical specifications have been sold and have been satisfactorily in operation with a design speed of 160 km per hour (included) or above for at least one year and above, with a minimum number of:
  o Lot BB-1: No less than 2,000 sets
  o Lot BB-2: No less than 2,000 sets
  o Lots BB-1 and BB-2: No less than 4,000 sets

The certificate must state the product name, type and quantity and the name of the railway line where the product was used, the time of installation and the period of operation, as well as provide the copy of relevant supply contract.

• For goods manufactured domestically which are required under applicable Chinese regulations to be manufactured under a license or administrative permit or Certification, the Bidder shall provide: (a) a copy of the relevant production license/administrative permit, and (b) if the Goods have been included in the “CRC Certification Directory for the Product solely for Railway” (CRCC), the Bidder shall provide the copy of the CRCC certificate.

For Goods manufactured by foreign countries outside of PRC, the Bidder shall provide a similar test report issued by the appropriate authority in the country of origin.

• The Bidder must provide test reports as specified in Section 6, Technical Specifications, issued by independent testing laboratories or institutes.

• The Manufacturer of the goods must have the following quality management certifications: ISO 9001 or the same level certificates.

Production Capacity
• The Bidder must provide evidence that the annual production capacity of the Manufacturer(s) for the proposed goods will meet the supply requirements for this bid and the Manufacturer’s current contracts commitments.

Historical Financial Performance
• Submission of audited financial statements or, if not required by the law of the Bidder’s country, other financial statements acceptable to the Purchaser, for the last three (3) years (2015-2017) to demonstrate the current soundness of the Bidder’s financial position. As a minimum, the Bidder’s net worth for the last year calculated as the difference between total assets and total liabilities should be positive.
Size of Operation
- The Bidder must demonstrate a minimum average annual turnover, defined as the total payments received by the Bidder for contracts completed or under execution over the last three (3) years (2015, 2016, 2017) of:
  - Lot BB-1: US$ 6.7 million
  - Lot BB-2: US$ 12 million
  - Lots BB-1 and BB-2: US$20 million

Cash Flow Capacity
- The Bidder must demonstrate that it has access to or availability of financial resources such as liquid assets, unencumbered real assets, lines of credit, and other financial means, other than contractual advance payments to meet the following cash flow requirements:
  - Lot BB-1: US$ 1 million + Bidder’s current contract commitment
  - Lot BB-2: US$1.8 million + Bidder’s current contract commitment
  - Lots BB-1 and BB-2: US$ 2.8 + Bidder’s current contract commitment.

Bidder’s Due Diligence
- In the event the Bidder is not a manufacturer, the Bidder must have conducted due diligence on the Manufacturer(s) and must demonstrate that Goods offered are produced by financially sound Manufacturer(s) where “financially sound” means Manufacturer is profitable for the previous financial year (2017) and Average annual turnover over the previous three financial years (2015-2017) is not less than:
  - Lot BB-1: USD 6.7 million equivalent
  - Lot BB-2: USD 12 million equivalent

The qualification criteria are more completely described in the Bidding Document.

5. The attention of prospective Bidders is drawn to the eligibility and conflict of interest provisions under ITB 4 of the Bidding Documents. All Bidders found to have a conflict of interest shall be disqualified.

6. To obtain further information and inspect the Bidding Documents, Bidders should contact:

China Railway Corporation
Address: No. 10, Fuxing Road Beijing 100844, China
Contact Person: Mr. Li Hongli
Tel.: +86-10-51842825
Fax: +86-10-51848407

CMC International Tendering Co., Ltd.
Address: Room 1106, Genertec Plaza, No. 90, Xisanhuan Zhonglu, Fengtai District Beijing 100055, People’s Republic of China
Contact Persons: Ms. Zhou Jing / Ms. Pu Qing
Tel.: +86-10-63348502 / 8498
Fax No.: +86-10-63373562

7. To purchase the Bidding Documents in English, eligible Bidders should:
• Write to the address above requesting for the Bidding Documents for Procurement of Ordinary Steel Bearing
• Pay a nonrefundable fee of CNY 1,500 or USD 250 by cash or cashier's check or bank T/T.

Account information for purchasing Bidding Documents (RMB):
Name of Account: CMC International Tendering Co., Ltd.
Bank Name: Industrial and Commercial Bank of China, Beijing Xiheyuan Sub-Branch
Account No.: 0200002119200269680

Account information for purchasing Bidding Documents (Foreign currencies):
Name of Account: CMC International Tendering Co., Ltd.
Bank Name: BANK OF CHINA XICHENG SUB-BRANCH
Account No.: 323366066071
SWIFT CODE: BKCHCNBJ110

The document will be sent by courier at an additional cost of CNY100 (for domestic delivery) or USD 50 (for overseas delivery). The Procurement Agent will promptly dispatch the documents by courier. No liability will be accepted for loss or late delivery.

8. Deliver your bid:

• To the address: Bid Opening Hall, Bid Evaluation Area, Beijing Municipal Construction Engineering Contracting Trading Center (No.15, Daotiananli, Fangshan District, Beijing)
• On or before the deadline: 9:30 hours (Beijing Time), 14 March 2019
• Together with a Bid Security as described in the Bidding Document.

Bids will be opened immediately after the deadline for bid submission in the presence of Bidder’s representatives who choose to attend.

9. The Procurement Agent and the Purchaser will not be responsible for any cost or expense incurred by Bidders in connection with the preparation or delivery of bids.