

SUEZ NWS R&R (Hong Kong) LIMITED

**TENDER FOR THE PURCHASE OF
RECOVERED OIL AND GREASE PRODUCTS
RECYCLED FROM
THE GREASE TRAP WASTE TREATMENT FACILITY
OPERATED BY SUEZ NWS R&R (Hong Kong) LIMITED
FOR THE GOVERNMENT OF
THE HONG KONG SPECIAL ADMINISTRATIVE REGION
ENVIRONMENTAL PROTECTION DEPARTMENT**

Tender Closing Date:

(14:00 hours. Friday, 29 March 2019)

PART 1: TERMS OF TENDER

1. This tender document consists of four sets of document comprising:
 - (i) Terms of Tender
 - (ii) General Terms and Conditions
 - (iii) Special Conditions of Sale
 - (iv) Tender Schedule

2. Tenders are invited for the purchase of the recovered oil and grease products, namely the “RECYCLED FAT” and “CONCENTRATED FAT”, recycled from the Grease Trap Waste Treatment Facility operated by SUEZ NWS R&R (Hong Kong) Limited (SUEZ NWS) for the Environmental Protection Department (EPD) of the Government of the Hong Kong Special Administrative Region as set out in the Schedule to be sold in accordance with the instructions below and the Terms and Conditions (Part 2 hereof) and the Special Conditions of Sale (Part 3 hereof), set out in the invitation to tender.

3. SUEZ NWS reserves the right to accept any tender or such portion thereof as he thinks fit unless the Tenderer(s) expressly stipulates to the contrary in his tender.

4. Subject to availability, Tenderers may request for a sample of the Products offered for sale on application to SUEZ NWS during the Tender period. The size of sample shall be for a maximum of twenty litres from each Product for each Tenderer for the entire Tender period. The Tenderers should arrange for the collection of Product sample(s) by themselves. The deadline for such application shall be seven (7) calendar days before the Tender Closing Date.

5. Any enquiries from Tenderers shall be made in writing and sent by facsimile to (852) 3922 7000 or email to shd-sihk-generalenquiries@suez.com. The deadline for such enquiries shall be seven (7) calendar days before the Tender Closing Date. Responses to enquiries, if any, shall be sent to all

interested parties by electronic mail and posted on the website www.suez-environnement.cn/en_gtw.html

6. Tenderers are required to submit their Tender in two sealed envelopes:
 - (a) Envelope 1 - Eligibility related documents and information (everything other than the price offers)
 - (b) Envelope 2 - Price offers

The two envelopes should be respectively marked as:

- (a) “TENDER FOR THE PURCHASE OF THE **RECOVERED OIL AND GREASE PRODUCTS** RECYCLED FROM THE GREASE TRAP WASTE TREATMENT FACILITY - ELIGIBILITY RELATED”, and
 - (b) “TENDER FOR THE PURCHASE OF THE **RECOVERED OIL AND GREASE PRODUCTS** RECYCLED FROM THE GREASE TRAP WASTE TREATMENT FACILITY - PRICE OFFERS”.
7. The completed Tender, in hardcopies, must be submitted and returned to SUEZ NWS R&R (Hong Kong) Limited, c/o Environmental Protection Department, 1st Floor, West Kowloon Transfer Station, 1 Ngong Shung Road, Kowloon, Hong Kong, on or before the specified closing time and date hereof stipulated. The opening hours of EPD Office for tender reception are from 9:00 hours to 17:30 hours Monday to Friday. Late tender and tender not submitted in accordance with the aforesaid requirements including tender submitted by facsimile or through electronic mail shall NOT be considered.

Please note that the opening of the tender box is 31 cm (width) x 4.5 cm (height). Please ensure that your tender submission can be dropped into the box.

8. Tenders are to be submitted in duplicate and are to be completed in ink or typescript. Alterations to prices inserted in the tender are to be avoided. Any alteration should be effected by striking through the incorrect figures and inserting the correct figures in ink above the original figures. All such amendments shall be initialled by the Tenderer(s) in ink. Tenders that fail to comply with the above may not be considered.
9. Tenderers should make certain that the prices quoted are accurate before submitting their tender. Under no circumstances shall SUEZ NWS accept any request for price adjustment on grounds that a mistake has been made in the tender prices.
10. Tender shall not be considered if:
 - 10.1 the Tenderer does not use or process the Products in a legal recycling facility in Hong Kong owned by the Tenderer, or
 - 10.2 the recycling facility of the Tenderer does not comply with the relevant land lease terms and conditions and land use zoning, or

- 10.3 the recycling facility of the Tenderer is still in the construction or commissioning stage, or still in the process of obtaining relevant licences for allowing the recycling facility to start its commercial operation at the time of Tender, or
 - 10.4 the Tenderer exports the Products out of Hong Kong, or
 - 10.5 the Tenderer is not ready to receive the Products within four (4) calendar weeks from the Tender Closing Date, or
 - 10.6 the Tenderer does not offer to buy both the “RECYCLED FAT” and “CONCENTRATED FAT” Products, or
 - 10.7 the Tenderer does not offer to buy the quantity of the “RECYCLED FAT” and “CONCENTRATED FAT” Products in a ratio meeting the minimum requirement stated under Clause 3.1 of Part 3 to this tender document, or
 - 10.8 any information provided proves to be inaccurate, untruthful or does not represent the actual situation at the time when the Tender is submitted, or
 - 10.9 the Tenderer does not fill in all the blanks in the Tender Schedule, or
 - 10.10 complete information is not given with the Tender, or
 - 10.11 any particulars and data asked for in the invitation to Tender are not furnished in full, or
 - 10.12 the submission is not a conforming Tender.
11. Information to be provided by the Tenderers in the Tender Schedule
- 11.1 All information provided by the Tenderers shall be treated by SUEZ NWS and EPD in strict confidence and shall only be used for the purpose of this Tender.
 - 11.2 Tenderers must provide all information required as stipulated in the Terms of Tender as well as the required information stipulated in the Schedule. Failure to provide the information as aforesaid shall result in the Tenderer’s submitted Tender not being considered by SUEZ NWS.
 - 11.3 Each Tenderer must submit a copy of its up-to-date Business Registration Certificate, and in the case of an incorporated company, a copy of its Certificate of Incorporation and up-to-date Memorandum and Articles of Association or other documents evidencing business status. In addition, joint venture concerns must submit all the inter-company agreements in their tender submission documents.
 - 11.4 The Tender price given in the Tender Schedule is to be shown in Hong Kong Dollars. Such price shall be the net amount payable to SUEZ NWS based on the General Terms and Conditions in Part 2 and the Special Conditions of Sale in Part 3.
 - 11.5 The Tenderers shall submit documents of proof indicating the ownership of a recycling facility in Hong Kong, the operation status of the recycling facility and their reception availability as stated in the Tender Schedule. Tenderers shall obtain all requisite statutory approvals on the land use at the Tenderer’s premises stated in the

Tender Schedule on the Tender Closing Date. Tenderers shall also satisfy all legal requirements by obtaining all applicable licenses and/or permits or approvals from all related authorities to store, transfer, handle, process, or treat the Products in an appropriate, legal and ethical manner.

Failure to submit all relevant and appropriate documentations by the Tender Closing Date shall result in the disqualification of the Tender submitted.

- 11.6 The Tenderers shall be registered with the Environmental Protection Department as “Waste Cooking Oils” (Grease Trap Waste only) Processor under “Waste Cooking Oils” Recycling Administrative Registration Scheme on or before the Tender Closing Day.
- 11.7 The Tenderers shall provide the name(s) and address(es) of bankers and accountants who are prepared to provide reference, recent balance sheets, profit and loss accounts or others and relevant financial data which shall indicate the financial liability and stability of the Tenderer. By signing on the Tender Schedule, the Tenderers consent to disclose the information and documents upon the request of SUEZ NWS.
12. Tenders shall remain open for 180 days after the Tender Closing Date. If Tenderers are unable to comply with this requirement, they must clearly state the period for which their Tender is valid for acceptance.
13. In case a black rainstorm warning or typhoon signal No. 8 or above is valid for any duration between 9:00 a.m. (Hong Kong time) and 14:00 hours (Hong Kong time) on the Tender Closing Date, the tender closing time shall be extended to 14:00 hours (Hong Kong time) on the next weekday (i.e. except Saturday, Sunday and public holidays if any).
14. Tender evaluation
 - 14.1 Qualified Tenderers who have completed the Tender Schedule and submitted all documents required shall be evaluated on the basis of a combined assessment of technical merits and competitive price according the weighing of 40% on technical merits and 60% on price.
 - 14.2 The following method shall be adopted for calculating the technical and price scores:
 - (1) Technical Score = $(40 \times \text{mark of the Tender}) / (\text{Highest mark among all conforming Tenders})$
 - (2) Price Score = $60 \times (78\% \times \text{Price Offers for "RECYCLED FAT" / Reference Tender Price for "RECYCLED FAT"} + 22\% \times \text{Price Offer for "CONCENTRATED FAT" / Reference Tender Price for "CONCENTRATED FAT"})$

where,

Reference Tender Price for “RECYCLED FAT” = 40% of the 12-month average “Unit Values of Imports of Selected Oil Products (Gas oil, diesel oil, naphtha)” applicable to the date 42 days prior to the Tender Closing Date published by the Census and Statistics Department of HKSAR x typical O&G content of “RECYCLED FAT”. By referring to the period of 1 Jan 2018 to 31 Dec 2018, the Reference Tender Price for “RECYCLED FAT” = \$1676.67 x 80% = \$1341.33 per tonne.

Reference Tender Price for “CONCENTRATED FAT” = 40% of the 12-month average “Unit Values of Imports of Selected Oil Products (Gas oil, diesel oil, naphtha)” applicable to the date 42 days prior to the Tender Closing Date published by the Census and Statistics Department of HKSAR x typical O&G content of “CONCENTRATED FAT”. By referring to the period of 1 Jan 2018 to 31 Dec 2018, the Reference Tender Price for “RECYCLED FAT” = \$1676.67 x 22% = \$368.87 per tonne. The information for the Imports of Selected Oil Products (Gas oil, diesel oil, naphtha) from the Census and Statistics Department can be reviewed by the following link:

<https://www.censtatd.gov.hk/hkstat/sub/sp90.jsp?tableID=130&ID=0&productType=8>. For the avoidance of doubt, the maximum mark for Price Score is 60.

(3) The combined score = Technical score + Price score

14.3 The technical mark of the tender shall be assessed according to the following criteria:

- Proposed usage and outlets of the Products, environmental benefits gained by the use of the Products, the capacity and treatment processes of the recycling facility (50%)
- Reception and storage availability (10%)
- Treatment and disposal of the by-products and residues during usage of the Products and measures to mitigate environmental impacts during transport and usage of the Products, including the consideration of any previous records of contravening environmental legislation (10%)
- Previous experience of the Tenderer on using the Products or similar products, including the consideration of any previous records of enhancing the local supply of biodiesel or similar products derived from the Products (10%)
- Business and financial viability, management capability of the Tenderer’s organization and the environmental performance of the Tenderer’s recycling facility (20%)

Envelope 1 (Eligibility related documents and information) of all Tenders shall be opened first. Eligibility related documents and all

other information except the price offers shall be evaluated first by SUEZ NWS. **Tenders not meeting the requirements set out in Clause no.10 shall be disqualified and shall not be further considered.** Envelope 2 (Price Offers) of qualified Tenderers shall be subsequently opened and evaluated with reference to the average price of industrial diesel. A combined assessment of technical merits and competitive price shall be made in accordance with the evaluation method set out in Clause 14.

14.4 All Tenders shall be evaluated based on the information and documents submitted by the Tender Closing Date.

15. Tender negotiation

15.1 Upon the evaluation of Tender submissions, Tenderers may be invited to Tender negotiation in accordance to the order of the composite score individual Tenderer obtains.

15.2 Under all circumstances, invitation to Tender negotiation does not imply that the submission by the Tenderer concerned is successful and should not be interpreted as such.

16. SUEZ NWS is not bound to accept the highest score or any tender and reserves the right to negotiate with any Tenderer about the terms of the offer, the right to select only one offer or accept more than one offer. SUEZ NWS further reserves its sole discretion to decide which offer to accept or to call for subsequent tenders.

17. The successful Tenderer(s) shall receive as an indication of acceptance a facsimile or a letter of acceptance. This facsimile or letter of acceptance shall constitute a binding contract.

Tenderers who do not receive any notification within the validity period of their offer shall assume that their Tenders have not been accepted.

18. Alternative proposals shall not be considered. All offers and proposals have to be a conforming Tender.

19. Documents of unsuccessful Tenderers shall be destroyed three (3) calendar months after the date the Contract has been awarded and the agreement signed.

20. Any Tenderer(s) who feels that his offer has not been fairly evaluated may write to SUEZ NWS R&R (Hong Kong) Limited at Room 702, 7/F, Lee Garden Two, 28 Yun Ping Road, Causeway Bay, Hong Kong, or the Environmental Protection Department of the Hong Kong Special Administrative Region Government who shall examine and/or investigate the complaint. The Tenderer(s) shall lodge the complaint before disposal of documents of unsuccessful Tenderers which shall be three (3) calendar months after the award of Contract.

21. Personal Data Provided

21.1 Tenderer's personal data provided in the tender shall be used for tender evaluation and contract award purposes. If insufficient and inaccurate information is provided, the tender may not be considered.

21.2 Tenderer(s) acknowledges and consents that Tenderer's personal data provided in the Tender may be disclosed to the Environmental Protection Department of the Hong Kong Special Administrative Region Government.

21.3 Tenderers have the right of access and correction with respect to personal data as provided for in the Tender Schedule and in accordance to the spirit of the Personal Data (Privacy) Ordinance. The right of access includes the right to obtain a copy of the Tenderer's personal data provided in the tender.

21.4 Enquiries concerning the personal data collected by means of the tender, including the making of access and corrections, should be addressed to SUEZ NWS direct.

22. SUEZ NWS and EPD shall have the right to disclose whenever it considers appropriate or upon request by any third party (written or otherwise) information on the awarded contract, without any further reference to the successful Tenderer(s), the name and address of the successful Tenderer(s) and the contract amount.

23. Tenderers are advised that should they be awarded the contract, their subsequent fulfilment of the Buyer(s)' obligations and the contract requirements shall be monitored on a regular basis and may be taken into account when their future tenders are evaluated.

24. Without prejudice to SUEZ NWS's right to cancel the Tender, where there are changes of requirement after the Tender Closing Date for operational or whatever reasons, SUEZ NWS is not bound to accept any conforming Tender and reserves the right to cancel the Tender.

PART 2: GENERAL TERMS AND CONDITIONS

1. INTERPRETATION

In this document and the invitation to Tender, unless the context otherwise requires:

“Contract”	means the contract to be entered into between SUEZ NWS and the Tenderer(s) whose Tender is accepted upon evaluation of the responses to Tender;
“Buyer(s)”	means the Tenderer(s) whose Tender is accepted;
“Party(ies)”	SUEZ NWS and the Buyer(s) are collectively referred to as “Parties” or individually as “Party”;
“Products”	means the “RECYCLED FAT” and “CONCENTRATED FAT” recovered from the Grease Trap Waste Treatment Facility referred to in the Special Conditions of Sale described in Part 3, respectively estimated to be 70 metric tonnes and 1,500 metric tonnes per month;
“Electronic Mail”	means the message sent through the Internet System;
“SUEZ NWS”	means SUEZ NWS R&R (Hong Kong) Limited;
“Contractor”	means the entity awarded by the Hong Kong Special Administrative Region Government to operate the West Kowloon Refuse Transfer Station;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“EPD”	means the Hong Kong Special Administrative Region Government Environmental Protection Department;
“Schedule”	means the schedule attached to the invitation to Tender;
“Tender Closing Date”	means the latest time and date (Hong Kong time) by which Tenders must be lodged;
“Tenderer”	means the person or persons and/or the firm or the company interested in using the Products and

therefore respond to the invitation to Tender by means of a submission according to the specifications stipulated in this Tender document;

“Commissioning” means the process by which an equipment, facility, or plant is tested to verify if it performs and functions satisfactorily according to its design objectives and specifications; thus rendering the facility or plant the ability to obtain all applicable licenses, permits and approvals from statutory authorities.

2. Transfer of Contract

Neither the whole nor any portion of the Contract may be transferred to any other party without the prior written permission of SUEZ NWS. In the event of any breach of this condition, SUEZ NWS may reserve the right to terminate the Contract and recover from the Buyer(s) any loss resulting from such termination.

3. Termination

The Contract may be terminated by either SUEZ NWS or the Buyer(s) by giving the other Party a two (2) calendar months' prior written notice if:

- (a) the other Party is in material breach of the Contract and such breach is not cured within the specified Cure Period; or
- (b) the other Party becomes bankrupt, or is the subject of proceedings for liquidation or dissolution, or ceases to carry on business or becomes unable to pay its debts as they come due; or
- (c) the conditions or consequences of Force Majeure which have a material adverse effect on the affected Party's ability to perform continuously for a period exceeding two (2) calendar months and the Parties have been unable to find an equitable solution.

4. Corrupt Gifts

- (a) Under the Prevention of Bribery Ordinance (Chapter 201), it is an offence for the Tenderer(s) or its employees or agents to offer any advantage to staff of EPD or SUEZ NWS in relation to the Tender or the subsequent Contract. The Buyer(s) shall also forbid its employees and/or agents to solicit or accept any advantage in connection to the activities under this Tender.
- (b) If the Buyer(s) or any employee or agent of the Buyer(s) shall be found to have committed an offence under the Prevention of Bribery Ordinance (Chapter 201) or any subsidiary legislation made thereunder or under any law of a similar nature in relation to the Contract, SUEZ

NWS may, summarily terminate the Contract without entitling the Buyer(s) to any compensation therefor. The Contract Deposit / Performance Bond shall also be forfeited.

- (c) The Buyer(s) shall be liable for all expenses necessarily incurred by SUEZ NWS as the result of the termination of the Contract including but not limited to the marketing expenses related to the issuance of a new tender.

5. Governing Law

The Contract shall be governed by and construed in accordance with the laws of Hong Kong and the Parties hereby agree to submit to the jurisdiction of the courts of Hong Kong in relation to any matters arising out of the Contract.

PART 3: SPECIAL CONDITIONS OF SALE

1. Conclusion of This Tender

This Tender shall be concluded as a contract upon the signing of a Sales Contract (“the Contract”) between SUEZ NWS and the Buyer(s). Barring no unforeseeable circumstances, the anticipated commencement date of the Contract is 16 April 2019.

The Contract shall be for a duration of thirty (30) calendar months as counted from the commencement date stated in the Contract.

The Tenderer(s) shall note that the contract between SUEZ NWS and EPD for the West Kowloon Transfer Station Follow-on Contract (hereinafter referred to as “WKTS Operation Contract”) shall be expired on 18 June 2020, subject to an optional extension of 2.5 years. In the event if the WKTS Operation Contract between SUEZ NWS and EPD is not extended, EPD warrants that the new (to-be-appointed) contractor of WKTS Operation Contract shall adopt the same terms, conditions and Contract Prices of this Contract for selling of the fat Products to the Buyer(s) until the original expiry date of this Contract.

2. Products Description

- 2.1 The high-grade Product “RECYCLED FAT”, is the recovered oil and fat fraction from grease trap waste generated by restaurants and food processing establishments in Hong Kong. It is essentially a purified animal and vegetable oil/fat fraction containing mainly organic fatty acids and is suitable for various usages such as a potential material or additive to energetic resources, biodiesel or other industrial and/or manufacturing processes.
- 2.2 The standard-grade Product “CONCENTRATED FAT” contains extractable oil and fat fraction from grease trap waste generated by restaurants and food processing establishments in Hong Kong. It is suitable for various usages such as a potential material or additive to energetic resources, biodiesel or other industrial and/or manufacturing processes.
- 2.3 The properties of the Products are dependent on the quality of the waste feed which is beyond the control of SUEZ NWS. The Buyer(s) shall therefore agree that they shall be bounded to accept and pay for the Products, properties of which comply with the properties set out in **Annex A** of this Tender with acceptable variations listed in the column Range.
- 2.4 Based on the current forecast of waste in-take and the quality thereof, it is estimated that approximately 70 metric tonnes of “RECYCLED FAT” and 1,500 metric tonnes of “CONCENTRATED FAT” will be produced per month. The Buyer(s) should note that the volume distribution between

“RECYCLED FAT” and “CONCENTRATED FAT” may change over the tenure of the Contract depending on the quality of waste.

- 2.5 As part of the quality control program, SUEZ NWS undertakes if there is a query on the property of the Products, to have the “RECYCLED FAT” and “CONCENTRATED FAT” tested by an accredited laboratory for moisture, oil and grease, and advise the Buyer(s) of any major deviation or improvement, if any, to the properties stipulated.

3. Purchase Volume and Ratio

- 3.1 The Buyer(s) agrees to buy from SUEZ NWS the volume of the Products indicated in item 2.4 above (Purchase Volume). The Buyer(s) further agrees to buy the volume of the “Concentrated Fat” and “Recycled Fat” in a ratio of at least 2 to 1 (Purchase Ratio) on a bi-monthly basis. In other words, the Buyer(s) agrees to buy two (2) tonnes or more of “Concentrated Fat” for every one tonne of “Recycled Fat”.
- 3.2 Due to the fact that the Products are a resource recovered from waste, Buyer(s) shall not have the right to claim damages from SUEZ NWS should the volume of the Products falls short of SUEZ NWS’s estimation at the time when the Contract is established.
- 3.3 In the event if SUEZ NWS produces a quantity higher than the Purchase Volume, the Buyer(s) may be requested to purchase a volume larger than the Purchase Volume at the Contracted Price.
- 3.4 In the event that the Facility or the Buyer(s)’ premises is temporarily closed for maintenance works, scheduled or unscheduled, the collection of “RECYCLED FAT” and “CONCENTRATED FAT” from the Grease Trap Waste Treatment Facility shall be suspended. Save for exceptional and unforeseeable situation, notice of such suspension shall be sent by either of the Parties requesting it at least one (1) calendar week prior to the beginning of the suspension period.
- 3.5 Notwithstanding the above, if it is the Buyer(s)’ Premises which requires maintenance, the Buyer(s) shall have the obligation to continuously purchase the Products until the storage at the Buyer(s)’ Premises is full; the occurrence of such event shall trigger the unconditional right of SUEZ NWS to sell all or part of the Products originally intended for the Buyer(s) to the third party until either the Buyer(s)’ Premise resumes operation or this Contract is terminated.
- 3.6 In the event the quantity of Products collected by the Buyer(s) does not meet the Purchase Ratio stated under item 3.1 above, SUEZ NWS reserves the right to adjust the volume of the Products (e.g. by way of limiting the volume of “RECYCLED FAT” to be collected by the Buyer) in order to meet the said requirement. SUEZ NWS may also at its absolute discretion with the approval of the Environmental Protection Department to sell the remaining quantity of Products (either “Recycled Fat” or “Concentrated Fat” or both) to any party(ies) as it may think proper without having the need to obtain prior consent from the Buyer. The fulfilment of the Buyer(s) on this requirement shall be reviewed on a bi-monthly basis.

4. Collection and Handling of the Products

- 4.1 Place of collection - The Buyer(s) shall arrange to collect the “RECYCLED FAT” and “CONCENTRATED FAT” from SUEZ NWS operated

Grease Trap Waste Treatment Facility at 1 Ngong Shung Road, Kowloon, Hong Kong at their own cost.

- 4.2 The Buyer(s) shall collect the Products from SUEZ NWS on a regular basis, except when the Facility of either Party has to temporarily suspend operations for the purpose of conducting maintenance works, provided that there is adequate communication between SUEZ NWS and the Buyer(s).

For Sundays and public holidays where SUEZ NWS and/or the Buyer(s) may have alternate operational arrangements, prior agreement on the collection activities shall be made by the Parties.

- 4.3 Packaging - The Product "RECYCLED FAT" is in a liquid form kept in an insulated tanker at the grease melting temperature of approximately sixty (60) to seventy (70) degrees Celsius. The Product shall be collected by the Buyer(s) and the Buyer(s) shall arrange for their own containers.
- 4.4 Special condition - To cater for operational needs, it is imperative that the Buyer(s) collects the Products within two days after the Products are produced and cumulatively stored. In the event if the Buyer(s) is not able to take the load(s) concerned, SUEZ NWS may at its absolute discretion with the approval of the Environmental Protection Department to resell the Products as it may think proper without having the need to obtain prior consent from the Buyer(s). Any sale or attempted sale by SUEZ NWS under this paragraph shall not, in itself, constitute a breach or cancellation of the Contract and the Buyer(s) shall not be entitled to seek compensation from SUEZ NWS.
- 4.5 The Buyer(s) shall treat and dispose of properly and legally any residues from the use or treatment of the Products. Alternatively, the Buyer(s) may select to dispose of the residues at other waste disposal facilities within the Hong Kong Special Administrative Region if the disposal criteria are met with.
- 4.6 During the collection and handling of the Products, the Buyer(s) must endeavor to take measures to minimize environmental nuisance, in particular the odour emission from the whole process. This includes but not limited to installing activated carbon unit (or other similar system) to the suction pump outlet exhaust of the collection trucks and the implementation of a good workmanship procedure. The Buyer should submit these procedures to seek the approval of the Seller and keep the Seller with advance notice in case of any future change.
- 4.7 The Products shall be used by the Buyer for further processing and recycling locally (i.e. within the Hong Kong Special Administrative Region) as local uses stated under items 2.1 and 2.2 only by default. Any direct re-selling of the Products by the Buyer to a third party

outside the Hong Kong Special Administrative Region or a local third party for exporting the Products from Hong Kong is prohibited. In case the Buyer proposes exporting the final products outside the Hong Kong Special Administrative Region after the award of the Contract, the Buyer shall indicate his intention and seek a PRIOR consent from EPD. For the purpose of ensuring the proper treatment of the Products and the legality of the outlets of the final products, the Buyer shall submit a report on a monthly basis to EPD providing the details regarding the amount of Product collected, treated and the outlets of the Final Products.

5. Inspection of the Products, Risks and Claim

- 5.1 Unloading of the Products “RECYCLED FAT” and “CONCENTRATED FAT” to the designated tank truck of the Buyer(s) from SUEZ NWS operated Grease Trap Waste Treatment Facility at 1 Ngong Shung Road, Kowloon, Hong Kong, or other locations agreed by the Buyer(s), SUEZ NWS and EPD, shall constitute the irrevocable acceptance of the Products by the Buyer(s).
- 5.2 Full title to the Products shall be transferred from SUEZ NWS to Buyer(s) upon the completion of the task mentioned in Clause 5.1 above.
- 5.3 Notwithstanding 5.1 and 5.2 above, the Buyer(s) may request to take a sample when the Products are being unloaded to the Buyer(s)’ tank truck according to a set of procedures agreed upon by SUEZ NWS and the Buyer(s) in the Contract and test the independent sample taken by an accredited laboratory listed within two (2) calendar weeks from the date of collection.

Buyer(s) shall not be in a position to make any claim as long as the Oil & Grease content is within the range stipulated in **Annex A** of this Tender. In the event the Oil & Grease content of a specific load of Products deviates from the lower value of the range listed in **Annex A** of this Tender as proven by an independent accredited laboratory, the Price of the load concerned shall be adjusted:

Deviation (D) from the range	Price per metric tonne in HKD
$D \leq 10\%$	Reduced by 10%
$10\% < D \leq 30\%$	Reduced by 25%
$30\% < D \leq 50\%$	Reduced by 35%
$D > 50\%$	Reduced by 50%

6. Price

- 6.1 The prices to be indicated in the Schedule shall be indicated on the basis of Hong Kong Dollars per metric tonne.
- 6.2 The prices shall cover respectively (i) the Product “RECYCLED FAT” and (ii) the Product “CONCENTRATED FAT”. The Buyer(s) shall arrange for their own collection and transportation of the Products from SUEZ NWS operated Grease Trap Waste Treatment Facility or other locations agreed by the Buyer(s), SUEZ NWS and EPD.
- 6.3 In the event if the Buyer(s) is requested to purchase a volume larger than the Purchase Volume and the Buyer(s) agrees, the price per metric tonne shall remain the same as the Price agreed in the Contract.

7. Payment

- 7.1 Buyer(s) agree to pay in full for the goods on a monthly basis upon receipt of a commercial invoice and a summary report from SUEZ NWS detailing the volume of Products received, to be sent by SUEZ NWS to the Buyer(s) by electronic means followed by a hard copy. Buyer(s) shall procure the payment within fourteen (14) days upon receipt of the electronic invoice.
- 7.2 If the Buyer(s) fails to make payment within the time stipulated in the Contract, SUEZ NWS may at its absolute discretion to resell the Products as it may think proper without giving prior notice to the Buyer(s). Any sale or attempted sale by SUEZ NWS under this paragraph shall not, in itself, constitute a breach or cancellation of the Contract.

8. Costs and Expenses

At any stage during the tendering, negotiation or contract execution, SUEZ NWS shall not be responsible for

- 8.1 any cost of retrofitting / upgrading / expanding the receiving, handling, storage, processing and treatment capabilities at the Buyer(s)' premises;
- 8.2 any cost related to the fulfilling of applicable environmental, fire services, land use and other regulations and/or licences arising from the use of the Products;
- 8.3 any costs and expenses that are for Buyer's account under the Contract;

9. Contract Deposit / Performance Bond

- 9.1 Successful Tenderer(s) shall be required to pay a contract deposit (in the form of cash) or submit a performance bond to SUEZ NWS within a specified period before the signing of the Sales Contract. A performance bond may be in the form of a guarantee arranged by a

bank. However, SUEZ NWS reserves the right to decide whether the guarantor is acceptable and to refuse the offer from any Buyer which fails to meet this requirement.

- 9.2 Tenderer(s) are requested to state their commitment to pay for the contract deposit or submit a performance bond in the event their bid is accepted by SUEZ NWS.

I am / We are prepared to pay the contract deposit by (please where appropriate):

- Cash
 Performance Bond

Authorized Signature & Company Chop _____

Name of Person Authorized to Sign _____
(in Block Letters)

Name of Tenderer in English _____
(in Block Letters)

Tenderer(s)' failure to provide the contract deposit / performance bond shall render their Tender submission invalid.

- 9.3 The amount of contract deposit or performance bond required shall be equivalent to three (3) percent of the contract value. Should there be deduction from the Contract Deposit or Performance Bond for overdue payments, the Buyer(s) shall replenish the Contract Deposit or Performance Bond to the original amount stated in the Contract before SUEZ NWS resumes provision of the Products; otherwise SUEZ NWS shall reserve the right to summarily terminate the Contract and the balance amount in the Contract Deposit shall be forfeited.

- 9.4 Contract deposit shall not be refunded until the contract has been completed according to the terms of the contract. Likewise, the performance bond must be maintained in force until the Buyer(s) has duly performed all his obligations under the contract.

10. Corporate and Contractual Responsibilities

- 10.1 A resource recovered from waste, the Products should be properly used as a material or additive to energetic resources, biodiesel, or other industrial or manufacturing processes and SHOULD UNDER NO CIRCUMSTANCES BE PUT BACK TO THE HUMAN FOOD CHAIN. Notwithstanding Clause 3 of the General Terms and Conditions in Part 2 hereof, if it comes to the knowledge of SUEZ NWS, or SUEZ NWS has legitimate reasons to suspect, that the Buyer(s) is in material breach

of this condition, the Contract shall be summarily terminated and the Contract Deposit shall all be forfeited.

- 10.2 The Buyer(s) is obliged to use the Products according to the purpose and intent stated in the Tender Schedule. The Buyer(s) is also obliged to use or process the Products in the recycling facility owned by the Buyer(s) in Hong Kong as stated in the Tender contained in Envelope 1. The Buyer is further obliged NOT to export the Products outside Hong Kong.

Notwithstanding Clause 3 of the General Terms and Conditions in Part 2 hereof, if it comes to the knowledge of SUEZ NWS or EPD, or SUEZ NWS or EPD has legitimate reasons to suspect, that the Buyer(s) is in material breach of this condition, the Contract shall be summarily terminated and the Contract Deposit shall all be forfeited.

- 10.3 The Buyer(s) shall allow the Seller and EPD to visit the process of using, handling or recycling the Products to ensure that the Products are properly utilized according to the purpose and intent stated in the Tender Schedule.

11. Representations and Warranties

11.1 Standard Representations and Warranties

Each Party represents and warrants to the other Party that on the date thereof:

- (a) it is an independent legal person duly organized, validly existing in good standing under the laws of the place of its establishment or incorporation;
- (b) it has full authority to enter into a Contract with another Party and to perform its obligations hereunder;
- (c) it has obtained all relevant approval(s), licence(s) and/or permit(s) from relevant statutory authority(ies) for storing, handling, transferring, processing and/or treating the Products in Hong Kong; the Buyer further undertakes to update SUEZ NWS with renewed approval(s), licence(s) and/or permit(s), if any, throughout the tenure of the Contract;
- (d) its execution of the Contract and its performance of its obligations hereunder: (i) shall not violate any provision of its business license, Certificate of Incorporation, Articles of Association or similar organizational documents; (ii) shall not violate any applicable laws or any governmental authorization or approval; and (iii) shall not violate or result in a default under any contract to which it is a party or to which it is a subject;

- (e) no lawsuit, arbitration or other legal or governmental proceeding is pending or, to its knowledge, threatened against it that would affect its ability to perform its obligations under the Contract; and
- (f) it has disclosed to the other Party all documents issued by any governmental department that may have a material adverse effect on its ability to fully perform its obligations under the Contract, and the documents previously provided by it to the other Party do not contain any mis-statements or omissions of material facts.

11.2 Consequences of Inaccuracy in Representations and Warranties

If any of the above representations and warranties of a Party are not accurate in all material respects on the date thereof, such Party shall be in material breach of the Contract.

PART 4: TENDER SCHEDULE

Envelope 1 - Eligibility Related

**** All blanks have to be filled in, all documents have to be enclosed; otherwise the Tender shall not be considered. You are reminded to make reference to Items 9, 10 and 13 of Part 1 of the Tender.****

Description: Purchase of the Products - “RECYCLED FAT” and “CONCENTRATED FAT”, which are recycled from the Grease Trap Waste Treatment Facility located at the West Kowloon Refuse Transfer Station, No.1 Ngong Shung Road, Kowloon, Hong Kong. The estimated volume is 70 metric tonnes of “RECYCLED FAT” and 1,500 metric tonnes of “CONCENTRATED FAT” per month.

Location of the recycling facility of the Products

Please specify (and mark on a map if appropriate) the address and exact location of the recycling /processing facility in Hong Kong and provide detailed information on the facility e.g. land lease information, storage capacity of the Products, treatment capacity, treatment processes, products of the recycling facility etc. on separate sheets [Please also provide a process flow chart to illustrate the processes of the recycling facility]. Where appropriate, SUEZ NWS or EPD may conduct visit to the location indicated:

Proposed usage and outlets of the Products:

Environmental benefits gained by the use of the Products:

Noise Control Ordinance (Cap. 400), the Waste Disposal Ordinance (Cap. 354), the Water Pollution Control Ordinance (Cap. 358), the Dumping at Sea Ordinance (Cap. 466), the Ozone Layer Protection Ordinance (Cap. 403), the Environmental Impact Assessment Ordinance (Cap. 499), and the Hazardous Chemicals Control Ordinance (Cap. 595) during the 3-year period counting from and including the date two months before the tender closing date, based on the date of conviction. The statement of all convictions shall include the legislation contravened, dates of offences, dates of convictions and the associated fine imposed by the court, facility addresses.

Previous records of enhancing the local supply of biodiesel or similar products derived from the Products

Company/Business Organization Status

The Tenderer shall provide the following details in a separate page attached to his tender.

1. Name and address of the company / business organization

Name: _____

Address: _____

2. Place of abode (in case of individual) / place where the central management and control is based (in case of company).

In Hong Kong

Outside Hong Kong

3. Length of business experience _____ years.

4. Shareholders / partners of the company / business organization.

Names:

5. Names of the following:
Managing directors/ partners and other directors

6. Please provide information on separate sheets to substantiate business and financial viability, and management capability of the Tenderer's organization (e.g. objective, business plan, operation plan, marketing strategy, financial reports, business experience, composition of management team, qualifications and experience of key staff etc). Names and addresses of bankers and accountants who are prepared to provide reference, recent balance sheets, profit and loss accounts or others and relevant financial data which shall indicate the financial liability and stability of the Tenderer together with a consent to disclose the information and documents.

Banker(s)

Name: _____

Address: _____

Accountant(s)

Name: _____

Address: _____

7. A copy of the Memorandum and Articles of Association, the Certificate of Incorporation, the Certification of Business Registration, Registered Business Particulars and other documents evidencing business status.
8. Capital: (a) authorized capital: _____
 (b) paid up capital: _____

Declaration

Having read the Terms of Tender, the General Terms and Conditions and the Special Conditions of Sale set out hereof, I/we declare that the information submitted is accurate and truthful. We further agree to be bound by the terms and conditions as stipulated therein.

Tenderer Information:

Company Name : _____

Contact Person : _____

Signature of Authorized Person: _____

Registered Address : _____

Phone : _____

Facsimile : _____

Date : _____

Company chop : _____

Warranty Against Collusion

I/we declare that, by submitting this Tender, we have regarded to have represented and warranted to SUEZ NWS that in relation to the invitation to Tender:

- (a) we have not communicated and will not communicate to any person other than SUEZ NWS the amount of any price submitted in this Tender,
- (b) we have not fixed and will not fix the amount of any price submitted in this Tender with any person,
- (c) we have not made and will not make any arrangement with any person as to whether we or that other person will or will not submit a Tender, and
- (d) we have not otherwise colluded and will not otherwise collude with any person in any manner whatsoever in the tendering process.

In the event if we are in breach of any of the representations and/or warranties above, SUEZ NWS shall be entitled to, without compensation to any person or liability on the part of SUEZ NWS:

- (a) reject our Tender submission;
- (b) if SUEZ NWS has accepted the Tender, withdraw its acceptance of the Tender; and
- (c) if SUEZ NWS has entered into Contract with us, terminate the Contract.

Authorized Signature & Company Chop _____

Name of Person Authorized to Sign
(in Block Letters) _____

Name of Tenderer in English
(in Block Letters) _____

PART 4: TENDER SCHEDULE

**** All blanks have to be filled in; otherwise the Tender shall not be considered.****

Envelope 2 - Price Offers

Description: Purchase of the Products - “RECYCLED FAT” and “CONCENTRATED FAT”, which are recycled from the Grease Trap Waste Treatment Facility located at the West Kowloon Refuse Transfer Station, No.1 Ngong Shung Road, Kowloon, Hong Kong.

Price offers:

Description	Price (HK\$ per metric tonne)
“RECYCLED FAT”	
“CONCENTRATED FAT”	

Annex A - Properties of RECYCLED FAT and CONCENTRATED FAT

Product I – RECYCLED FAT

Definition:

“RECYCLED FAT”, is the recovered oil and fat fraction from grease trap waste generated by restaurants and food processing establishments in Hong Kong. It is essentially a purified animal and vegetable oil/fat fraction containing mainly organic fatty acids

Followings are the properties of “RECYCLED FAT” based on the waste feed generated in Hong Kong:

Properties:

RECYCLED FAT	Average	Range
Oil and grease	80% mass	70 - 90
pH	4	3 – 5
Flashpoint (°C)	200	150 – 250
Solid Content (% mass)		Around 0.1
Density (kg/m ³) @15°C	920	895 – 945
Viscosity@40°C (cSt)	22	17 – 27

Notes :

- 1. Properties of “RECYCLED FAT” may change if properties of the waste feed change.*
- 2. Potential users should do their own tests to confirm acceptability to their process.*
- 3. Properties of “RECYCLED FAT” and their acceptable range will be confirmed in the Terms and Conditions of the Contract.*

Product II – CONCENTRATED FAT

Definition

“CONCENTRATED FAT”, contains extractable oil and fat fraction from grease trap waste generated by restaurants and food processing establishments in Hong Kong. It is suitable for various usages such as a potential material or additive to energetic resources, biodiesel or other manufacturing processes.

Properties:

CONCENTRATED FAT	Average	Range
Oil and grease	22% mass	17 – 26%
pH	4	3 – 5
Flashpoint (°C)	>75	-
Solid Content (% mass)		Around 6
Density (kg/m ³) @15°C		900 – 1,000

Notes :

4. *Properties of “CONCENTRATED FAT” may change if properties of the waste feed change.*
5. *Potential users should do their own tests to confirm acceptability to their process.*
6. *Properties of “CONCENTRATED FAT” and their acceptable range will be confirmed in the Terms and Conditions of the Contract.*