

**RFP 039/2020 – TRANSACTION ADVISORY SERVICES FOR THE NEW ROCHE
BOIS PUMPING STATION AND BAIE DU BOMBEAU WASTEWATER
TREATMENT PLANT**

LOCAL BIDDERS BRIEFING SESSION HELD ON 25 FEBRUARY 2020 @ 11:00
SOUTH AFRICAN TIME AT THE DEVELOPMENT BANK OF SOUTHERN AFRICA

MINUTES OF THE BRIEFING SESSION

Clarification 1

The DBSA is undertaking the procurement of the Transaction Advisor (TA) on behalf of the Wastewater Management Authority (WMA) of the Republic of Mauritius and therefore, the following is applicable;

- The DBSA, on behalf of the SADC PPDF, has approved project preparation funding for the WMA to finance the costs of the TA to undertake the Project;
- Therefore, the procurement process (Issuing of the RFP, submission of the RFP, bid evaluation and appointment of the preferred bidder) is undertaken in accordance with the guidelines, policies and legislation applicable to the DBSA;
- Upon appointment, the preferred bidder will sign a Service Level Agreement (SLA) with the WMA, such an SLA (being signed with a Mauritian entity, the WMA) will be governed in accordance with the laws of the Republic of Mauritius;
- The draft SLA for this Project will only be provided to the preferred bidder upon appointment.

Clarification 2

As part of the feasibility study, it is required to evaluate all options up to, and including, effluent reuse, and the relevant Mauritian standards that include ocean discharge, river discharge and effluent reuse, where available. In cases where, these standards are not in existence or in conflict with the environmental requirements for affected habitat, suitable standards shall be adopted for use by the project. Current monitoring requirements are limited to what is required by the ocean discharge permit.

Clarification 3

Although a prior Feasibility Study was undertaken on this project in 2011 and an EIA completed in the year 2012, the prospective TAs are required to undertake a new feasibility study in accordance with the BOT Act of Mauritius, without reliance on any previous study. Although the previous studies will be provided to the preferred TA, prospective TAs should produce a study on which they can place their professional indemnity on, without reliance on any prior work.

Clarification 4

In terms of the technical options report required as per page 56 of the RFP, an environmental assessment should be undertaken on all the technical options considered prior to selecting the preferred option. A full EIA will only be undertaken on one preferred technical option.

Clarification 5

In undertaking the EIA for the project, prospective TAs should consider that the environmental studies should first comply with the environmental legislation of Mauritius. In addition, the TA should undertake the EIA in accordance with international standards such the World Bank/IFC/DBSA standards, to enable the project to attract financing from international DFIs and commercial banks.

Clarification 6

- Our evaluation criteria on pages 19 – 23 requires the following amongst the different areas of expertise;
 - PPP experience;
 - Tertiary wastewater Sector;
 - Projects done in Africa only;
 - Projects limited to the past 10 years only;
- The general comments received during the session were that the above is too restrictive for the following reasons;
 - Technical/Water and Environmental Engineers do not require an understanding of the BOT Act of Mauritius to fully undertake their work;

- Water projects have been undertaken on the continent, but very few are in the Tertiary Wastewater sector;
- Where the experience required is in Africa only, we miss out on potential expertise/experience from other areas such as Europe;
- Very few PPP/BOT wastewater projects are been closed and constructed in Africa, specifically in the past 10 years;

The DBSA is considering this query and if accepted, the amendments will be made to the Evaluation Criteria and posted on the DBSA website.

Clarification 7

On page 24 – the criteria for the lead technical advisor requires both the academic qualification i.e. a master's degree where three points are allocated and a professional accreditation, where four points are allocated.

Should the lead technical advisor of the TA have professional accreditation, the full 4 points will be awarded and there would be no need to consider their academic qualification. However, in cases where the technical advisor of the bidder does not have professional accreditation, an academic qualification such as master's degree is considered and awarded three points.

Clarification 8

On page 20 – Project Finance experience. Prospective TAs are required to illustrate project finance experience in the water sector only. Experience of bidders in undertaking project finance transactions in other sectors (such as Energy, Transport, etc.) will not be considered.

Clarification 9

Prospective TAs are required to produce reports in English, where translations are required to other languages, such costs of translation will be for the account of the DBSA/WMA.

Clarification 10

The DBSA has specifically requested the pricing structure to be 40% (Feasibility Studies), 20% (EIA) and 40% (Procurement) to avoid other bidders who 'front load' their bid price on the Feasibility Study phase of the Project, which (from past experience) has made it difficult to complete their entire project with the same bidder.

Clarification 11

The contingency allowance on the Project has considered that Mauritius is not a mature PPP market, especially in the water sector. Therefore, a provision has been made for contingencies which will only be accessed through a submission of a request through the Project Steering Committee (consisting of the WMA, DBSA, BOT Unit, Ministry of Utilities, etc.) for consideration, which request shall not be unreasonably withheld.

Clarification 12

On page 48, are the designs required at this stage of the development of the Project? On page 51 - The development of the Monitoring plans for water quality. Are these not the responsibility of the Private Party? Indeed, these are responsibilities of the Private Party, however, the prospective TAs are required to develop these plans and be handed over to the Private Party. A monitoring programme should be developed for the preferred technical solution.

Clarification 13

The prospective TAs should consider the taxes (VAT and Withholding Tax) applicable to them in undertaking the project (through the contract with the WMA) in accordance with the Double Treaty Agreements between the bidder's country of origin and the Republic of Mauritius. It is the responsibility of the bidder to pay all applicable taxes in either Mauritius or their country of origin and the costs of such compliance should be considered in the final bid price. For example; in terms of the Double Tax Treaty between South Africa and Mauritius, South African companies are not liable to pay VAT or withholding tax (in South Africa) for undertaking work in Mauritius, as 'exported services' are exempt of such taxes. Each bidder should consider applicable legislation in their final bid price.

Clarification 14

The following amendments are made to RFP 039/2020 and effective immediately;

- 04 March 2020 - International Bidders' Briefing Session via SKYPE
- 10 March 2020 – Last day for the submission of bid queries;
- 13 March 2020 – The DBSA response to the final set of queries;
- 23 March 2020 – Bid Closing Date at 11:00 South African time

Clarification 15

The bid is a two-envelope system and bidders are requested to submit two bids, being the Technical Proposal and the Financial Proposal. In the case, ANY information regarding the bidders' price is included in the Technical Proposal, such inclusion will lead to a disqualification of the bid.