

**Ministry of Finance**

Republic of Maldives

**Terms of Reference (ToR)**

for

Development of a state-of-the-art Technical and Vocational Education and Training (TVET) at Hdh.Kulhudhuffushi center under Build, Finance and Operate public partnership model.

TES/2023/W-032

**Issued by:**

National Tender Ministry of Finance Republic of Maldives

c



Ministry of Finance

Male’, Maldives

|  |  |
| --- | --- |
| (IUL)13-K/13/2023/163 Project Number: TES/2023/W-032 | Reference Number: |

**REQUEST FOR EXPRESSION OF INTEREST**

1. The Ministry of Finance, on behalf of Ministry of Higher Education (the Employer), wishes to cancel the invitation for Bids Ref (IUL)13-K/13/2023/126 dated 4th April 2023 and re-invites Expression of Interest (EoI) from eligible and qualified proponents for Development of a state-of-the-art Technical and Vocational Education and Training (TVET) at Hdh.Kulhudhuffushi center under Build, Finance and Operate public partnership model.

1. A more detailed Terms of Reference (TOR) for the Project will be available on the Ministry’s website **www.finance.gov.mv** from **26th April 2023**. Interested proponents may obtain further information by writing to the address below. It is the proponent’s responsibility to verify the website for the latest information related to this Request for Expression of Interest.
2. The Employer will prepare a short list of proponents based on the Expression of Interest (EOI)’s and detailed Request for Proposal (RFP) will be released to the shortlisted parties.
3. The Expression of Interest (EOI) must be delivered to the address below (in person, or by mail, or by e-mail) by **13:00:00 hours local time on 8th May 2023.**
4. Proponents may obtain further information from the following address:

National Tender,

Ministry of Finance,

Ameenee Magu, Malé, Maldives,

Tel: (960) 3349102, (960)3349147

E-Mail: [ibrahim.aflah@finance.gov.mv](mailto:ibrahim.aflah@finance.gov.mv)

Copy to: [tender@finance.gov.mv](mailto:tender@finance.gov.mv)

25th April 2023

# Section 2– Specific Information

**1. Introduction:**

The Ministry of Finance (MoF) on behalf of Ministry of Higher Education invites interested proponents to indicate their interest for the Development of a state-of-the-art Technical and Vocational Education and Training (TVET) at Hdh.Kulhudhuffushi center under Build, Finance and Operate public partnership model

This announcement outlines the objectives of issuing this Request for Expression of Interest (REOI) and the process for review and evaluation of applications received under this announcement.

**2. Scope of the Project:**

Terms of Reference (TOR) for the Projects will be available on the Ministry’s website **www.finance.gov.mv** from **26th** April 2023. Interested proponents may obtain further information by writing to the address below. It is the proponent’s responsibility to verify the website for the latest information related to this Request for Expression of Interest

**3. Purpose and Process of REOI**

The purpose of issuing the REOI is to gauge the interest of the private sector in the development of the project outlined herein through applicant’s private financing without any recourse to the government, and obtain information on indicative terms at which interested applicants may be open to carry out the project under BFO PPP model.

Ministry of Finance will review the submissions received under this REOI and shortlist parties with demonstrated financial and technical capacity based on the Eligibility Criteria stipulated in Clause 4.

Ministry of Finance may approach applicants during the review stages for clarification or queries. All such communication will be in written form.

Ministry of Finance will depend on documentation submitted, in reviewing and shortlisting of applicants. It is the responsibility of the applicant to submit all the necessary information and documentation noted in this REOI.

The submissions received under this REOI may be used by the Ministry to gauge the level of private sector interest in delivery of the project under a BFO PPP structure.

Only those applicants who have submitted an EOI and are shortlisted as per the provisions of this announcement shall be allowed to participate in any subsequent stages of the project as decided by the Ministry, and shall be as per the terms and conditions that may be specified in such Request for Proposal document

MoF reserves the right to accept or reject any or all EOIs without assigning any reason thereto.

**4. Eligibility Criteria**

These criteria comprise general criteria related to:

* Legal Exclusion Criteria (based on **Form I**)
* Financial Minimum Criteria (**Form II**). Bidders fulfilling either one of the 2 financial criteria will be considered eligible.
* Technical Minimum Criteria (**Form III**- Infrastructure Developed and **Form IV**- Operational Experience). Bidders fulfilling either one of the 2 technical criteria will be considered eligible.

**4.1 Legal exclusion criteria**

* Bidders (either single bidders or all consortium members) must not be in bankruptcy or liquidation proceedings.
* Neither the Bidder, nor any connected person, has been convicted of fraud, corruption, collusion, or money laundering, or for a criminal act involving dishonesty, physical violence or harm to human life, nor is the subject to credible and/or persistent allegations related to, or is under investigation for, such criminal activities.
* There exists no conflict of interest or potential conflict of interest arising from prior or existing contracts, agreements or relationships which affects or could affect its or (upon formation) the Concessionaire’s (as applicable) potential involvement in the Project, including any conflict of interest or potential conflict of interest which arises from a relationship between:
  + it or its directors, employees, consultants or advisers, and
  + any Government Ministry, department, agency or body or their officials or employees which has or have direct or indirect influence in the scope or manner of execution of the Project, or the conduct of the EOI Process,
* where such a relationship can give rise to reasonable concerns about the impartiality (in relation to it) of the EOI process.
* The Bidder has no tax liabilities or liabilities in respect of judgements awarded by any court or similar proceedings in the period of three years prior to the date of the REOI, save in each case to the extent that such liabilities are the subject of bona fide disputes for which it has made a suitable accounting provision for such liabilities in accordance with applicable accounting regulations.
* Neither the Bidder, nor any connected person, has previously been barred from participation in a bid or other public procurement process in Maldives or has any contract terminated by any public entity or authority inside or outside of Maldives for breach by such Prospective Bidder or Consortium Member.
* Neither the Bidder nor any connected person is:
* debarred from financing by any multilateral development bank that is party to the Agreement on Mutual Enforcement of Debarment Decision of 9 April 2010 (www.crossdebarment.org) for the activities required to carry out the obligations of the Concessionaire and to build and operate the Project; or
  + listed on any financial sanctions lists promulgated by the UN Security Council or its Committees pursuant to any resolution under Chapter VII of the Charter of the United Nations; or
* engaged in operations (directly or through any subsidiary) or transactions that are not in compliance with the sanctions promulgated by the UN Security Council or its Committees pursuant to any resolution under Chapter VII of the Charter of the United Nations or national sanctions in Maldives.

**4.2 Financial minimum criteria**

Either the potential bidder must demonstrate the financial capacity to fund and/or acquire the necessary financing to establish the TVET Center specified in **4.2.1 (Criteria 1)**, AND OR the potential bidder must provide confirmation that funding has been secured for the development as stated in **4.2.2 (Criteria 2).** Bidders meeting either one of the above criteria will be considered as financially eligible.

*Use* ***Form II*** *to fill the details.*

4.2.1. (Criteria 1) Bidders must show that they have sufficient financial capacity to attract the required funding for the investments in the Development and operation of TECHNICAL AND VOCATIONAL EDUCATION TRAINING (TVET) Center. Bidders must therefore submit the most recent consolidated financial statement(s). A Bidder is deemed to have sufficient financial capacity, when the following criteria are met:

(a) Solvency after investment exceeds [0.2], as calculated by the following formula:

Financial Minimum Criteria Total Equity

(Total Assets + 1.9 million USD)

> [0.2ʹ]

(b) The profit, EBITDA and operational free cash flow of the last three years were positive2. Covid-19 Pandemic effect will be considered.

OR

4.2.2. (Criteria 2) Bidders are required to provide a written confirmation or evidence that they have the financial resources necessary to fund the construction of the TVET Center. Either a formal commitment to funding from the investor shall be submitted or any other financial commitment from a lender/financial institution can be presented conforming to the development cost. A letter of comfort will be accepted.

Approximate Development Cost of Institute with furniture and fixtures: MVR 30,000,000 (equivalent to USD 1,945,525.29).

1 Both Total Equity and Total Asset will be expressed in USD, using the IMF Historic Exchange Rate for the relevant currency, as of the date of publication of the financial statement. The relevant exchange rates may be found through : [Exchange Rate Archives by Month (imf.org)](https://www.imf.org/external/np/fin/data/param_rms_mth.aspx)

2 MoF reserves the right to admit Bidders that can provide a convincing explanation for a negative profit, EBITDA or operational free cashflow. Effect of Covid-19 Pandemic shall be considered.

**4.3 Technical criteria**

Bidder's capacity in the infrastructure established (4.3.1) **AND OR** operating experience (4.3.2) will be accounted for technical capability. Bidders meeting either one of the criteria below will be considered qualifying the Technical Criteria.

**4.3.1. Building infrastructure (Criteria 1)**

The bidder is responsible for the entire development process of campus infrastructure (including building phases from the foundation up to completion, the acquisition of fixtures and furnishings, and the installation of equipment, machines, and tools, etc.). Hence, the Consortium Members shall collectively satisfy the below criteria.

*Use* ***Form III*** *to fill the details.*

* Successfully funded, OR supervised the commissioning of a construction related projects with a value of USD 3 million. Combination of projects relevant to the infrastructure development projects can be accounted.

**4.3.2. Operational Experience (Criteria 2)**

The Prospective Bidder (in case of a Consortium, at least one consortium member) shall currently operate in compliance with Good Industry Practice and has operated for a minimum of two (2) year(s): with at least 1 educational institute with a minimum of 100 candidates.

*Use* ***Form IV*** *to fill the details.*

At least one member of the consortium shall meet the below requirements;

* + - At least 1 institute currently in operation or operated in the past.
    - Institute must have operated for at least 2 years (experience)
    - At least 100 students have graduated (Certificate level and above).

**Experience in TVET Programs (optional)**

* + - Have conducted Technical and Vocational Education Training (TVET) programs (Certificate level and above).



**5. Submission Requirements**

The EOI submitted shall consist of the following (in the following order):

1. Name, title address and telephone number of the Investor or Principal who will serve as the Lead

Member for this project.

2. Company Profile/s: Details of the individual firm, company or consortium, including company profile, expertise and resource capacity.

3. Documents confirming the eligibility of the Bidder, including but not limited to Form I, Form II , Form III and Form IV.

4. Copies of Annual Audited Financial Accounts of the applicant for the latest three financial years (stamped by the Company).

5. Additional detailed information the applicant desires to submit to emphasize the strength on investing and delivering the project.

Any clarifications to the REOI may be sent to below given mail addresses **on or before May 2, 2023** at **13:00:00 hours**. The Ministry will provide written responses to all of the queries submitted by interested parties on or prior to the deadline for submission of queries.

Ms. Fathimath Rishfa Ahmed

Procurement Executive,

National Tender,

Ministry of Finance,

Ameenee Magu, Malé, Maldives,

Tel: (960) 3349102, (960)3349147

E-Mail: [ibrahim.aflah@finance.gov.mv](mailto:ibrahim.aflah@finance.gov.mv)

Copy to: [tender@finance.gov.mv](mailto:tender@finance.gov.mv)

Expressions of Interest must be delivered in a written form to the above address (in person, or by mail, or by e-mail) by **13:00:00 hours Maldivian time on May 8th, 2023**. The EOI should contain at least the information specified in this REOI and Terms of Reference.

**Annex I –List of Definitions**

|  |  |
| --- | --- |
| Bidder | An entity, or a Consortium of entities ultimately with the objective of obtaining the Concession Agreement for the Technical and Vocational Education Training (TVET) Center |
| Build-finance-operate-maintain  (BFO) | Build-finance-operate-maintain means a project delivery method in which a Public Body enters into a single contract for construction, finance, maintenance and operation of a Public-Private Facility over a contractually defined term. No public funds shall be appropriated to pay for any part of the services provided by the Concessionaire during the Agreement period except as provided in the Request for Proposals and Public-Private Agreement. |
| Concession | The Concession granted by the Contracting Authority to the Project Company in accordance with the provisions of the Concession Agreement for implementing the Project. |
| Consortium | Two or more separate legal entities who formally join for the purpose of submitting a Proposal for the Transaction, each of whom is jointly and severally responsible for performing the obligations under the Concession Agreement. |
| Draft Concession Agreement | The version of the Concession Agreement on which the Prospective Bidder is allowed to submit comments |
| Form | Any form attached in Annex III of the REOI that must be submitted by the Prospective Bidder as an integral part of the EOI. |
| TECHNICAL AND VOCATIONAL EDUCATION TRAINING (TVET) Center | The concession area, including the campus and service areas, comprising library, class rooms, auditorium, sports center, ICT Lab, Student Service Center, Technical and Vocational Training Centers and Laboratories, Academic Staff Area, Administrative Areas, Student services. The concession area is to be developed and operated by the Project Company in KULHUDHUFFUSHI, Maldives, under Build, Finance and Operate (BFO) Public Private Partnership Model Agreement. |
| Lead Member | Entity which, pursuant to any applicable law, legally and fully represents and irrevocably binds all Consortium members in all matters connected with the Tender Procedure and any related transactions between Parties. The Lead Member of the Consortium has at least 51% of shares in the consortium joint venture and shall assume responsibility for the operation of the TECHNICAL AND VOCATIONAL EDUCATION TRAINING (TVET) Center. |
| MoHE | Ministry of Higher Education, client Ministry that is responsible for overseeing the project as well as implementation of the policies related to higher education. |
| Project Information Sheet (PIS) | The document issued by MoHE during the REOI Phase, providing Bidders with information on this Project |
| EOI | The entire set of documents submitted by the Prospective Bidder in response to the Request for Expression of Interest. |
| EOI Phase | The phase in the Tender Procedure during which Prospective Bidders can submit an EOI. |
| Request For Expression of Interest(REOI) | The announcement made by the Ministry of Finance inviting interested proponents to indicate their interest for the of a Technical and Vocational Education Training (TVET) Center at KULHUDHUFFUSHI under Build, Finance and Operate (BFO) Public Private Partnership Model. |
| Request For Proposal (RFP) | The document issued by Ministry of Finance and supplied to shortlisted Bidders to submit a Proposal for the Transaction. |

**Annex II –Project Information Sheet (Attached Separately)**

**Annex III - Forms**

**Form I: Exclusion Criteria / Process Statement**

The Process Statement is a declaration dictated by the MoHE, which every Bidder must sign and submit, together with the EOI. The process statement contains various declarations by the Bidder, which relate to the process but which are not relevant to the assessment of the Bidder’s EOI. However, the Bidder fail to produce a process statement or make changes to it, this could result in exclusion.

**1 Bankruptcy, moratorium, merger, take-over and other ‘change of control’**

1.1 The Bidder agrees to notify the MoHE at the earliest of any changes in the enterprise which are relevant to its continued existence. This involves, at all events, filing for bankruptcy or moratorium, declaration of bankruptcy or moratorium, a merger, take-over (both taking over and being taken over) and other changes of control.

1.2 The Bidder agrees that MoHE may exclude him from the Tender Procedure if drastic changes occur in the Bidder’s enterprise. The Bidder agrees that the agreement made between the Bidder and MoHE will, in such a case, be transferred to the Bidder Enterprise on completion of the merger, the take-over or other change of control. This decision is at the discretion of the MoHE.

**2 In earnest and in good faith**

2.1 The Bidder declares that he will take part in the Tender Procedure in earnest and in good faith and thereby adhere closely to the rules and requirements prescribed by the MoHE.

**3 Terms and Conditions**

3.1 The Bidder accepts irrevocably the terms and conditions of the Request for Expression of Interest without reserves.

**4 General Provisions**

4.1 The words and terms starting with a capital letter are definitions. The definitions in this statement have the same meaning as in the Request for Expression of Interest.

4.2 This statement is subject to Maldivian law. Maldivian Courts shall have the exclusive jurisdiction to settle all disputes arising out of or in connection with this statement.

**5 Other Statement by the Bidder**

I, the undersigned, authorized to sign on behalf of [Insert Bidder’s Name here] having its principal offices at [insert address here] and registration number [ registration number here], declare that the Bidder

5.1 Has not been found guilty of an offence which raises doubts about the professional integrity of the Bidder, its shareholders, or member(s).

5.2 Has met its obligations with regards to the payment of social security contributions or taxes, in accordance with the legal requirements in the country in which it is established; and

5.3 Has not been guilty of making false statements in the provision of information, including statements made for the purpose of application and the information submitted on the basis thereof.

5.4 Has not been found guilty or suspected or investigated for engaging in any money laundering, corruption or bribery activities by any competent body in its jurisdiction

Signed [place], [date]

Name of Authorized Representative: [name]

Signature of Authorized Representative: [signature]

**Form II: Financial Minimum Criteria**

***Part 1***

*Leave this part blank if this criterion is not applicable (state with reasons in Part 2)*

The undersigned declares on the basis of the enclosed consolidated audited financial statement(s), that the Bidder has the financial capacity to conduct the investments for TECHNICAL AND VOCATIONAL EDUCATION TRAINING (TVET) Center. This declaration is sustained by:

The result of the following formula, which shows that solvency after investment exceeds [0.2]:

[Fill in Total Equity]

([Fill in Total Assets] + 1.9 million USD) = [Fill in result]

The profit, EBITDA and operational free cash flow of the last three years were positive4.

Further, the undersigned declares that since the publishing of the latest financial statement, the Bidder’s situation have not materially changed, such that the criteria will not be met in the financial statements of the current and subsequent financial years.

Finally, the undersigned declares that the Bidder has, to date, not engaged in commitments to the extent to which such commitments might affect the Bidder’s ability to finance or complete the project.

The audited financial statements of the three most recent financial years have been enclosed for your convenience.

Signed [place], [date]

Name of Authorized Representative: [name]

Signature of Authorized Representative: [signature]

*If the above specified criteria are not applicable or not have been fulfilled, the bidder must submit a financial commitment from investor or a commitment letter from a financial institution.*

***Part 2***

Bidders are required to provide a letter of comfort (written confirmation or evidence) that they have the intent and the financial resources necessary to fund the construction of the TVET Center. Either a formal commitment to funding from the investor shall be submitted or any other supporting document of financial commitment from a lender/financial institution can be presented conforming to the development cost.

Approximate Development Cost of Institute with furniture and fixtures: MVR 30,000,000 (equivalent to USD 1,945,525.29).

Bidders own format could be used

**TECHNICAL EXPERIENCE**

Bidders must show a proven track record of their relevant experience in development of infrastructure and OR operating educational institutions. The Bidders are requested to fill in **Form III** for all the Bidder’s infrastructure developed and **Form IV** for the operational experience of institutes in its portfolio.

**Form III - Technical Experience in Infrastructure Development**

|  |  |
| --- | --- |
| **Projects Undertaken (Infrastructure Developed)** | |
| **Name of the Bidder or Consortium Member** |  |
| **Name of reference project** |  |
| **Country** |  |
| **Referee**  *(Independent person who may be contacted By Mof/MoHE to verify the information provided, e.g.: Institute/College)* | *Name of organization*  *Address* |
| *Name of the Contact Person*  *Email*  *Telephone Number* |
| **Year of commencement of project** | *[Fill in the year of commencement of operations]* |
| **Project CAPEX (USD)** | *[Fill in the Capital Expenditure for the Project]* |
| **Technical Specifications** | *Brief description of the technical specifications of the project* |
| **Bidder’s responsibilities** | *[Maximum 100 words, identifying the responsibilities whether it involves development only or development and operations , business model utilized etc.]* |

**Form IV- Technical Experience in Operation**

|  |  |
| --- | --- |
| **Operational Experience** | |
| **Name of the institute** | *[Maximum 100 words, identifying the responsibilities whether it involves development only or development and operations, business model utilized etc.]* |
| **Address / Location** | *Street address/ country* |
| **Institute throughputs (per year)** | *No.of students graduating/completing programs per year* |
| **No. of years in operation** | *No.of years since the operation begun* |
| **Description of technical specifications of the Institute** | [*Use a maximum of 200 words to describe the educational institute, services/courses offered, building area, length, width, gross-floor area, student capacity in classrooms etc.]* |
| **Other business services /additional areas in the institutes** | *Business establishment/ support services provide by the institute* |