



Selection of Consultants

Request for Expressions of Interest (REOI)

For the

RECRUITMENT OF INFRASTRUCTURE PROJECT FINANCE TRANSACTION ADVISOR

Employer:

Development Bank of Southern Africa

Address: Development Bank of Southern Africa Act, 1997 (“**DBSA**”) with its principal place of business situated at 1258 Lever Road, Headway Hill, Midrand

Financed by the Agence Française de Développement (AFD) hosted by the Development Bank of Southern Africa (DBSA)

PROJECT No. RFI 006/2021

December 2021

REI NUMBER :	RFI 006/2021
DESCRIPTION :	RECRUITMENT OF AN INFRASTRUCTURE PROJECT FINANCE TRANSACTION ADVISOR
CLOSING DATE:	08 February 2022
CLOSING TIME:	23h59
REOI SUBMISSIONS ELECTRONICALLY:	Applicants that wish to submit an REOI application must send an email to vusiscm@dbsa.org indicating their participation by 16:00 CAT on 02/02/2022 1. Applicants will thereafter receive a OneDrive Link to upload their Applications for the Expression of Interest electronically by 08/02/2022 at 23h59.

	2. Applicants who might receive a non-functioning link should inform the DBSA (vusiscm@dbsa.org) by no later than the 02/02/2022 at 16:00 CAT. .
REOI RESPONSES MUST BE	NO HAND DELIVERY OF PROPOSALS- EXPRESSION OF INTEREST APPLICATIONS WILL DONE ELECTRONICALLY.
ATTENTION:	DBSA SCM OFFICIAL
NAME OF RESPONDENT:	
CONTACT PERSON:	
EMAIL ADDRESS:	
TELEPHONE NUMBER:	
FAX NUMBER:	
RESPONDENT'S STAMP OR SIGNATURE:	

ENQUIRIES

- All queries and requests for clarification in respect of this REOI must be addressed to Head: Infrastructure Finance and emailed to info@infrastructurefund.co.za and copy VusiSCM@dbsa.org.
- The IF will endeavour in good faith to respond to all reasonable written queries and requests for clarification raised by an Applicant by the deadline for submission of questions and requests for clarification identified above.
- An Applicant must give the name and contact details of the person whom it appoints to undertake all contact in respect of its REOI Response.
- Enquiries should reference specific paragraph numbers, where appropriate.
- All questions/ enquiries must be forwarded in writing not later than **02 February 2022 at 16:00 CAT**. Any requests after the stipulated deadline will be disregarded.
- **Questions/Answers will be emailed to Respondents**

REPUBLIC OF SOUTH AFRICA (RSA)**INFRASTRUCTURE PROJECT FINANCE TRANSACTION ADVISOR****CONSULTING SERVICES****Expressions of Interest**

The *Infrastructure Fund* (“**IF**”), a unit housed within the Development Bank of Southern Africa, has applied for a financing from *Agence Française de Développement* (“**AFD**”), and intends to use part of the funds thereof for payments under the following project: recruitment of an infrastructure project finance transaction advisor.

The IF was established in 2020 to address the need for blended finance to enable the efficient execution of socio-economic infrastructure programmes and projects in South Africa. Blended finance solutions are intended to address market failures to improve the risk profile of infrastructure project bankability. The IF will structure bespoke blended finance solutions by playing a pivotal role across the following phases of the project development value chain: project identification, design and conceptualisation, preparation, structuring, budgeting, financing, procurement and implementation. The IF has been seed funded by the South African National Treasury with an indicative commitment of R100 billion over the next ten-year period, starting in 2021/22. The contribution is intended to be key to the structuring of blended finance solutions. This seed funding is targeted at catalysing R1 trillion of infrastructure delivery within the country.

The Services of the consultant shall consist of, amongst others and without limitation:

- i) Providing the IF, with an infrastructure project finance transaction advisor for a 36-month period to be based in Johannesburg, with international experience;
 - a. Liaise and collaborate with IF team multi discipline officers to develop the terms and conditions for each transaction;
 - b. Conduct financial analysis and financial modelling;
 - c. Conduct the necessary due diligence on transactions;
 - d. Conduct the appraisal of proposed transactions;
 - e. Execute transactions and drive the approval of transactions through various internal approval committees;
 - f. Design and conduct the procurement processes;
 - g. Monitor existing projects;
 - h. Drive projects closure;
- ii) Organising field and study trips in order to expose IF team to international good practices regarding infrastructure projects and their financing; and
- iii) Managing the administrative matters related to the expatriation of the expert in South Africa.

More background regarding the consulting services sought after is provided in annex B.

The *IF* hereby invites Applicants to show their interest in delivering the Services described above.

This Request for Expressions of Interest is open to:

- Consulting firms Individual consultants
- NGOs Joint Venture between NGO(s) and consulting firm(s)

Eligibility criteria to AFD financing are specified in sub-clause 1.3 of the "Procurement Guidelines for AFD-Financed Contracts in Foreign Countries", available online on AFD's website: <http://www.afd.fr>.

The Applicant shall submit only one application, either in its own name or as a member of a Joint Venture (JV). If an Applicant (including any JV member) submits or participates in more than one application, those applications shall be all rejected. However, the same Subconsultant may participate in several applications.

If the Applicant is a JV, the expression of interest shall include:

- a copy of the JV Agreement entered into by all members,
- or
- a letter of intent to execute a JV Agreement, signed by all members together with a copy of the Agreement proposal,

In the absence of this document, the other members will be considered as Subconsultants.

Experiences and qualifications of Subconsultants are not taken into account in the evaluation of the applications.

Interested Applicants must provide information evidencing that they are qualified and experienced to perform those Services. For that purpose, documented evidence of recent and similar services shall be submitted.

Determination of the similarity of the experiences will be based on:

- The contracts size: 1 million euros or higher
- The nature of the Services: technical expertise
- The technical area and expertise:
 - ✓ Experience in major infrastructure project finance
 - ✓ Experience in procurement processes for infrastructure projects
 - ✓ Experience in infrastructure project due diligence
 - ✓ Experience in developing and delivering sustainable financing structures and solutions through various products and financial instruments which include blended finance structures, Public Private Partnerships, local currency funding, guarantees, project bonds, etc.
 - ✓ Experience in concessional finance, climate finance, credit enhancement instruments and/or the investment premiums (or step down margins) to be obtained for resilient or mitigating solutions
- The location: Republic of South Africa, other big emerging countries, or any other country; Note that experience in countries other than RSA will be considered an added value.

The Client will also take into account for the evaluation of the applications the following items:

- Skills and availability of in-house technical back-up experts provided to the on-site experts

Each application will include a Statement of Integrity as detailed in Annex A.

1. Proposed Procurement Method and Strategy

The method of sourcing is an **Open International Tender**, inviting national and international service providers. The DBSA website and the National Treasury e-Tender Portal will be used as well as the [Agence Française de Développement - dgMarket](#) website.

The procurement of a long-term finance expert is being funded by AFD. The DBSA has agreed to the use of the AFD procurement processes for Consulting Services that require in this case a two-stage process.

Stage 1 - Request for Expression of Interest (REOI)

This stage 1 consists of establishing a shortlist of a maximum of 6 Consultants who will be allowed to submit a Proposal in Stage 2. The REOI is to be advertised for 45 days, thereafter evaluated.

Criteria for evaluation of the Expressions of Interest

No	Functionality	Evidence to be provided	Weight	Score
1	Experience of the Applicant in providing Technical Assistance service through contracts of at least 1 M€	Provide a list of relevant contracts (purpose, amount, dates)	12%	4 or more = 12% 2 - 3 projects = 9% Anything below 2 projects = 0 points
2	Experience of the Applicant in major infrastructure projects finance	Provide a list of relevant projects (project name, country, role and scope of work of the Applicant, period of the service)	15%	4 or more = 15% 2 - 3 projects = 10% Anything below 2 projects = 0 points
3	Experience of the Applicant in procurement processes for infrastructure projects	Provide a list of relevant projects (project name, country, period of the service)	12%	4 or more = 12% 2 - 3 projects = 9% Anything below 2 projects = 0 points
4	Experience of the Applicant in infrastructure project due diligence	Provide a list of relevant projects (project name, country, period of the service)	12%	4 or more = 12% 2 - 3 projects = 9% Anything below 2 projects = 0 points
5.	Experience of the Applicant in developing and delivering sustainable financing structures and solutions through various products which include blended finance structures, Public Private Partnerships, local currency funding, guarantees, etc.	Provide a list of relevant projects (project name, country, role and scope of work of the Applicant, period of the service)	15%	4 or more = 15% 2 - 3 projects = 10% Anything below 2 projects = 0 points

6	Experience of the Applicant in climate finance, credit enhancement instruments and/or the investment premiums (or step down margins) to be obtained for resilient or mitigating solutions	Provide a list of relevant projects (project name, country, role and scope of work of the Applicant, period of the service)	12%	4 or more = 12% 2 - 3 projects = 9% Anything below 2 projects = 0 points
7	Experience of the applicant in infrastructure financing in RSA, other BRICS countries, or any other country ; Note that experience in countries other than RSA is required, with additional experience in RSA considered an added value	Provide a list of relevant projects (project name, country, role and scope of work of the Applicant, period of the service)	12%	4 or more = 12% 2 - 3 projects = 9% Anything below 2 projects = 0 points
8	Skills and availability of in-house technical back-up experts provided to the on-site experts	Provide indication regarding the Applicant in-house expert roster	10%	In house roster available = 10% In house roster not available = 0%

The Applicant must have at least one experience in each functionality; otherwise the application will be disqualified. **The 6 best scores will be shortlisted.**

Stage 2 - Request for Proposal

Shortlisted Applicants will be provided with tender dossier for tendering in a Request for Proposal (RFP) process, which will take 45 days. Stage 2 will comprise of the technical evaluation (functional) and financial evaluation (financial offer).

2. Contract duration

- **3 years**

3. Cancellation of the REOI

The Infrastructure Fund reserves the right to cancel the project.

Appendix A - Statement of Integrity, Eligibility and Environmental and Social Responsibility

(To be submitted with the application, signed and unaltered)

Reference of the bid or proposal _____ (the "**Contract**")

To: The Infrastructure Fund, a unit housed within the-Development Bank of Southern Africa (the "**Contracting Authority**")

1. We recognise and accept that *Agence Française de Développement* ("**AFD**") only finances projects of the Contracting Authority subject to its own conditions which are set out in the Financing Agreement which benefits directly or indirectly the Contracting Authority. As a matter of consequence, no legal relationship exists between AFD and our company, our joint venture or our suppliers, contractors, subcontractors, consultants or subconsultants. The Contracting Authority retains exclusive responsibility for the preparation and implementation of the procurement process and performance of the contract. The Contracting Authority means the Purchaser, the Employer, the Client, as the case may be, for the procurement of goods, works, plants, consulting services or non-consulting services.
2. We hereby certify that neither we nor any other member of our joint venture or any of our suppliers, contractors, subcontractors, consultants or subconsultants are in any of the following situations:
 - 2.1 Being bankrupt, wound up or ceasing our activities, having our activities administered by the courts, having entered into receivership, reorganisation or being in any analogous situation arising from any similar procedure;
 - 2.2 Having been:
 - a) convicted, within the past five years by a court decision, which has the force of *res judicata* in the country where the Contract is implemented, of fraud, corruption or of any other offense committed during a procurement process or performance of a contract (in the event of such conviction, you may attach to this Statement of Integrity supporting information showing that this conviction is not relevant in the context of this Contract);
 - b) subject to an administrative sanction within the past five years by the European Union or by the competent authorities of the country where we are constituted, for fraud, corruption or for any other offense committed during a procurement process or performance of a contract (in the event of such sanction, you may attach to this Statement of Integrity supporting information showing that this sanction is not relevant in the context of this Contract);
 - c) convicted, within the past five years by a court decision, which has the force of *res judicata*, of fraud, corruption or of any other offense committed during the procurement process or performance of an AFD-financed contract;
 - 2.3 Being listed for financial sanctions by the United Nations, the European Union and/or France for the purposes of fight-against-terrorist financing or threat to international peace and security;
 - 2.4 Having been subject within the past five years to a contract termination fully settled against us for significant or persistent failure to comply with our contractual obligations during contract performance, unless this termination was challenged and dispute resolution is still pending or has not confirmed a full settlement against us;

- 2.5 Not having fulfilled our fiscal obligations regarding payments of taxes in accordance with the legal provisions of either the country where we are constituted or the Contracting Authority's country;
 - 2.6 Being subject to an exclusion decision of the World Bank and being listed on the website <http://www.worldbank.org/debarr> (in the event of such exclusion, you may attach to this Statement of Integrity supporting information showing that this exclusion is not relevant in the context of this Contract);
 - 2.7 Having created false documents or committed misrepresentation in documentation requested by the Contracting Authority as part of the procurement process of this Contract.
3. We hereby certify that neither we, nor any of the members of our joint venture or any of our suppliers, contractors, subcontractors, consultants or subconsultants are in any of the following situations of conflict of interest:
- 3.1 Being an affiliate controlled by the Contracting Authority or a shareholder controlling the Contracting Authority, unless the stemming conflict of interest has been brought to the attention of AFD and resolved to its satisfaction;
 - 3.2 Having a business or family relationship with a Contracting Authority's staff involved in the procurement process or the supervision of the resulting Contract, unless the stemming conflict of interest has been brought to the attention of AFD and resolved to its satisfaction;
 - 3.3 Being controlled by or controlling another bidder or consultant, or being under common control with another bidder or consultant, or receiving from or granting subsidies directly or indirectly to another bidder or consultant, having the same legal representative as another bidder or consultant, maintaining direct or indirect contacts with another bidder or consultant which allows us to have or give access to information contained in the respective applications, bids or proposals, influencing them or influencing decisions of the Contracting Authority;
 - 3.4 Being engaged in a consulting services activity, which, by its nature, may be in conflict with the assignments that we would carry out for the Contracting Authority;
 - 3.5 In the case of procurement of goods, works or plants:
 - a) Having prepared or having been associated with a consultant who prepared specifications, drawings, calculations and other documentation to be used in the procurement process of this Contract;
 - b) Having been recruited (or being proposed to be recruited) ourselves or any of our affiliates, to carry out works supervision or inspection for this Contract.
4. If we are a state-owned entity, and to compete in a procurement process, we certify that we have legal and financial autonomy and that we operate under commercial laws and regulations.
5. We undertake to bring to the attention of the Contracting Authority, which will inform AFD, any change in situation with regard to points 2 to 4 here above.
6. In the context of the procurement process and performance of the corresponding contract:
- 6.1 We have not and we will not engage in any dishonest conduct (act or omission) deliberately intended to deceive others, to intentionally conceal items, to violate or vitiate someone's consent, to make them circumvent legal or regulatory requirements and/or to violate their internal rules in order to obtain illegitimate profit;

- 6.2 We have not and we will not engage in any dishonest conduct (act or omission) contrary to our legal or regulatory obligations or our internal rules in order to obtain illegitimate profit;
- 6.3 We have not promised, offered or given and we will not promise, offer or give, directly or indirectly to (i) any Person who holds a legislative, executive, administrative or judicial mandate within the State of the Contracting Authority regardless of whether that Person was nominated or elected, regardless of the permanent or temporary, paid or unpaid nature of the position and regardless of the hierarchical level the Person occupies, (ii) any other Person who performs a public function, including for a State institution or a State-owned company, or who provides a public service, or (iii) any other person defined as a Public Officer by the national laws of the Contracting Authority's country, an undue advantage of any kind, for himself or for another Person or entity, for such Public Officer to act or refrain from acting in his official capacity;
- 6.4 We have not promised, offered or given and we will not promise, offer or give, directly or indirectly to any Person who occupies an executive position in a private sector entity or works for such an entity, regardless of the nature of his/her capacity, any undue advantage of any kind, for himself or another Person or entity for such Person to perform or refrain from performing any act in breach of its legal, contractual or professional obligations;
- 6.5 We have not and we will not engage in any practice likely to influence the contract award process to the detriment of the Contracting Authority and, in particular, in any anti-competitive practice having for object or for effect to prevent, restrict or distort competition, namely by limiting access to the market or the free exercise of competition by other undertakings;
- 6.6 Neither we nor any of the members of our joint venture or any of our suppliers, contractors, subcontractors, consultants or subconsultants shall acquire or supply any equipment nor operate in any sectors under an embargo of the United Nations, the European Union or France;
- 6.7 We commit ourselves to comply with and ensure that all of our suppliers, contractors, subcontractors, consultants or subconsultants comply with international environmental and labour standards, consistent with laws and regulations applicable in the country of implementation of the Contract, including the fundamental conventions of the International Labour Organisation (ILO) and international environmental treaties. Moreover, we shall implement environmental and social risks mitigation measures when specified in the environmental and social commitment plan (ESCP) provided by the Contracting Authority.
7. We, as well as members of our joint venture and our suppliers, contractors, subcontractors, consultants or subconsultants authorise AFD to inspect accounts, records and other documents relating to the procurement process and performance of the contract and to have them audited by auditors appointed by AFD.

Name: _____ In the capacity of: _____

Duly empowered to sign in the name and on behalf of¹: _____

Signature: _____

Dated: _____

¹ In case of joint venture, insert the name of the joint venture. The person who will sign the application, bid or proposal on behalf of the applicant, bidder or consultant shall attach a power of attorney from the applicant, bidder or consultant.

Annex B – Background information on the Services

President Cyril Ramaphosa announced in September 2018 the creation of the Infrastructure Fund (IF), as part of the economic stimulus and recovery plan of the South African Government. As a result, the IF was established. The Infrastructure Fund (IF) was established pursuant to a memorandum of agreement dated on 17 August 2020 entered between the Development Bank of Southern Africa (DBSA), National Treasury (NT) and Department of Public Works and Infrastructure: Infrastructure South Africa (ISA) (MOA). In terms of the MOA, the IF is housed within the DBSA as a ring-fenced unit. The primary objective of the IF is to structure, design, package and implement blended finance solutions for identified infrastructure projects and programmes.

The IF provides support to all tiers of the South African government (national, provincial and local spheres) including state owned entities across the infrastructure value chain from identification, conceptualization, preparation, budgeting and financing, procurement, implementation, delivery and maintenance. The key sectors considered by the IF include housing, education, healthcare, student housing, water and sanitation, ICT, transport, agriculture and municipal infrastructure.

The Infrastructure Finance Unit (IFU) is one of four pillars within the IF that is primarily responsible for driving the delivery of the above-mentioned objectives. In delivering the IF's objectives, the IFU's work will be underpinned by three (3) guiding principles, namely: (i) the maximization of private sector participation per project, (ii) ensuring private capital is obtained at competitive and cost-effective terms and (iii) expediting the implementation of projects.

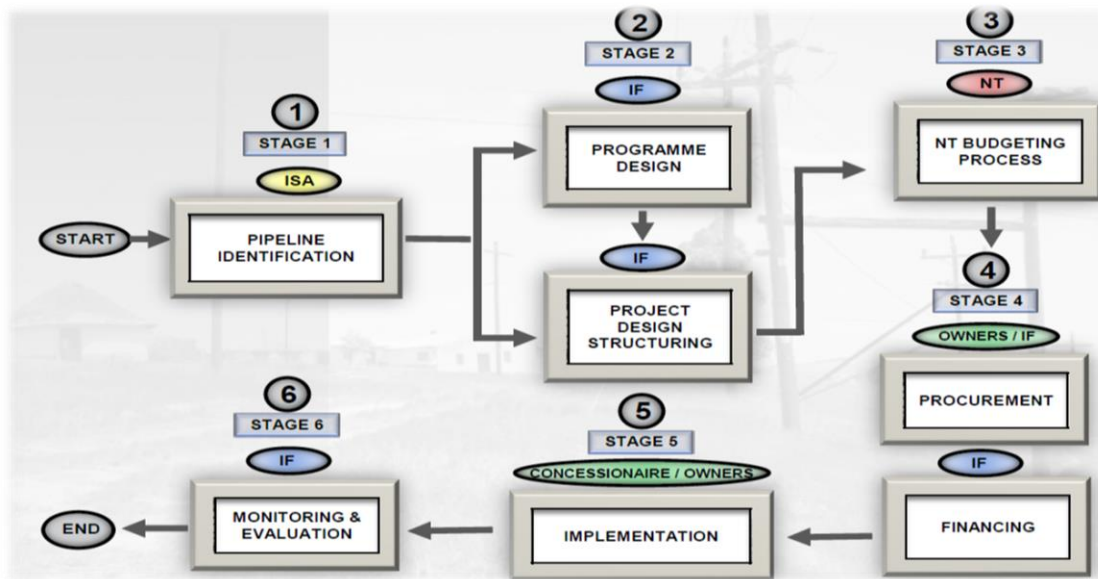
As such, the IFU is actively partnering with Project Sponsors to structure innovative and bespoke blended finance solutions intended to alleviate the constrained fiscus by crowding-in private investments. In so doing, the IFU plays a pivotal role across the following phases of the project development value chain: project identification, design and conceptualisation, preparation, structuring, budgeting, financing, procurement and implementation. The IFU seeks to move into uncharted waters by, inter alia: Improving the bankability of social infrastructure; (i) introducing untested contractual frameworks; (ii) transform sectors by deliberately designing projects such that there is increased participation of smaller contractors and operators that have typically been underbanked or unbanked; and (iii) roll out, in scale, projects which are pioneers in their asset class.

These innovative solutions would need to be fully developed and thoroughly tested ahead of rollout. The IFU requires the support of a project finance expert that understands the risks associated with the innovative blending finance solutions and structures that the IFU will be developing. The expert would bolster the in-house expertise within the IFU, by identifying such risk, quantifying the risk and where possible proposing risk mitigants for the IFU's consideration. The services of an expert are imperative, if the IFU is to successfully deliver on its mandate. Expert advice will not only allow the IF to access global financial expertise but will also prevent the IF from making costly mistakes when rolling out its ground-breaking and innovative structures.

Infrastructure Fund value chain

Figure 1 provides details on the IF value chain processes.

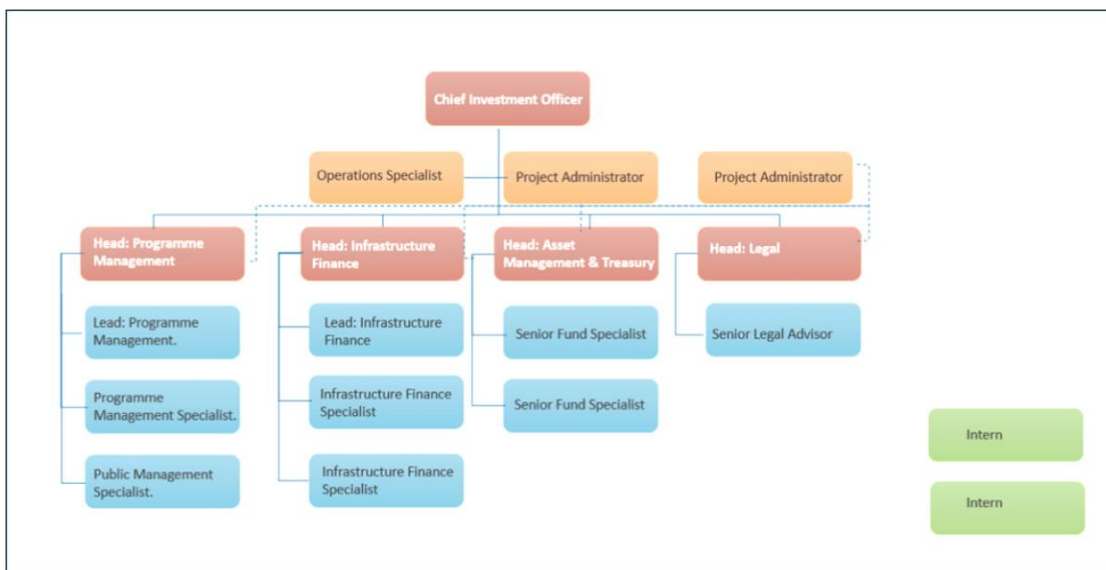
Figure 1: IF Value chain



As part of the financing stage shown in figure 1, The IF has relationships with various private sector financiers (commercial banks, international funders and institutional funders), Development Finance Institutions (DFIs), Multilateral Development Banks (MDBs) and donors. As a result of these relationships, the IF can source relatively cheaper funding that allows it to blend various sources of funding for the benefit of the project sponsor.

The DBSA has requested the French Development Agency (AFD) to support the strengthening of the IF team, with a focus on the recruitment of the international project finance expertise (Transaction Advisor). The Project Finance Expert will be integrated within the IF team, that is, as a full unencumbered member of the IF unit/ IF team partaking in all relevant activities and working across all sectors. This approach will maximize the Project Finance Expert’s ability to add value. The project finance expert will work under the authority of the Head of the Infrastructure Finance Unit, and will work with the whole team, but very closely with the (i) Infrastructure Finance Lead and (ii) the Programme Management unit. Figure 2 shows the IF approved structure that the project finance expert will be working with.

Figure 2: IF approved structure:



Objectives:

The selected expert will provide advice, international expertise and good practices for the following tasks.

1. Assist the IF team with strategy development;
2. Liaise and collaborate with IF team sectoral officers to develop the terms and conditions for each transaction;
3. Conduct financial analysis and financial modelling;
4. Conduct the necessary due diligence (including technical, financial, and legal due diligence) on transactions;
5. Conduct the appraisal of proposed transactions;
6. Execute transactions and drive the approval of transactions through various internal approval committees;
7. Conduct the procurement processes, i.e.:
 - a. preparation of procurement documents (with related financing documents) required to drive efficiencies and accelerate delivery of projects,
 - b. understand, inform and navigate the regulatory environment for the projects,
 - c. design sufficiently bespoke procurement modalities to address the particular features of projects and programmes across various sectors
 - d. design sufficiently bespoke procurement modalities to address the features of projects and programmes.
 - e. analyse, review and recommend enhancements (via non objection) or risks & mitigations for procurement undertaken by Departments which the IF support
 - f. definition of bid evaluation criteria and scope of work to ensure the only appropriate bidders pass through to ranking and scoring, bid process design, compliance with procurement law, policies and guidelines,
 - g. drafting of the request for proposals,
 - h. proposals review,
 - i. agreements review, negotiations and contractual closure,
8. Monitor existing projects: progress-reporting, project planning management, project management, disbursements management, waivers and amendment, contract management, etc.
9. Projects closure.