

## Clarification question 2

Further clarification is respectfully requested regarding the requirement that qualifying projects must have successfully secured funding from the BFI or Multilateral Development Banks (MDBs).

we seek clarity on whether equivalent large-scale strategic infrastructure projects funded through alternative infrastructure financing arrangements may also be considered for purposes of functionality evaluation.

Many of South Africa's major infrastructure programmes exceeding R1 billion, including strategic projects in the transport, energy, water and logistics sectors, were implemented prior to the establishment of the BFI framework or through alternative funding structures involving combinations of sovereign-backed SOE financing, PPP arrangements, National Treasury support mechanisms, DFIs, commercial banking participation and blended finance structures.

Projects such as the Medupi Power Station and other nationally significant infrastructure initiatives which may not have been funded directly through the BFI framework, but nevertheless involved highly complex infrastructure financing, investment preparation and socio-economic appraisal processes comparable in scale and complexity to current BFI-supported projects.

Clarification is therefore requested on whether such projects may be considered where bidders can demonstrate involvement in large-scale infrastructure appraisal, socio-economic assessment, investment preparation and infrastructure financing support processes associated with projects exceeding R1 billion in value.

***No, only projects that have been approved by the BFI or MDBs will be considered as stated. The BFI has been in existence for 10 years and a number of projects have been approved since then. While acknowledging that projects such as the Medupi Power Station and other nationally significant infrastructure initiatives are highly complex and may have required some economic studies, if they were not approved by the BFI they won't be considered as the BFI has specific requirements required by the National Treasury.***