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MINAS DE BENGA, LDA

NOTICE INVITING EXPRESSION OF INTEREST

BENGA COAL MINE

EOI No.01/2018 Project name: Benga Coal Mine Country: Mozambique Business Sector: Mining, Power and Energy Notice type: Invitation for Expression of Interest Issue date: 11/10/2018 Closing date: 30/10/2018

Expression of Interest

This notice inviting Expression of Interest is to invite whoever is resourceful, capable and interested in construction of houses, social infrastructure and other associated infrastructure for urban resettlement at Mboza in Moatize District, Tete Province, Mozambique.

1.0 Resettlement

Minas de Benga Limitada (MBL) is the concessionaire of the Benga Coal Mine. As part of the Mining License, MBL intends to resettle affected community living within the DUAT area.

A resettlement study was conducted in 2009 and a resettlement action plan was approved by the Government of Mozambique on 05^{th} April 2010, which ended on classification of two (2) types of resettlement, as follow:

• Rural resettlement: The rural resettlement of 478 families was conducted and concluded in 2013 which consisted of construction of 478 houses, a health centre, a primary school, an orphanage,

administration buildings, water system, electrical system (medium voltage and low voltage), roads, and various livelihood and communities social development projects at Mwaladzi in Moatize district;

• Urban resettlement: Urban resettlement of 272 families, requires construction as per approved resettlement plan, of houses, churches, primary school and additional classroom block for secondary school, housing for school heads, office for women and social assistance, health centre, market place, sport's field, police station, access road, internal roads, water system and electrical system (medium and low voltage) at Mboza in Moatize district.

2.0. The Expression of interest

This notice inviting Expression of interest is intended to invite interest from resourceful & capable parties for construction of houses and associated infrastructure as per approved Urban Resettlement plan.

The construction site is located at Mboza in Moatize District, Tete province at a distance of approximalty12 Km from Moatize City. The works to be performed include, without limitation:

- a) Construction of 272 (two hundred and seventy two) houses, with its own sewage system, gutters and rain water collection system;
- b) Construction of 4 (four) Churches of different congregation;
- c) Construction of a Health Centre type 2, with all respective support infrastructures;
- d) Construction of 1 (one) Primary school with two houses for school head personnel;
- e) Construction of an additional classrooms block for secondary school;
- f) Construction of 1 (one) market;
- g) Construction of 1 (one) office for women and social assistance;
- h) Construction of 1 (one) sport's field;
- i) Construction of 1 (one) Police Station;
- j) Conduct Water Study, Detailed design and Construction of the water supply system comprising of main area for caption, a reservoir and distribution system;

- k) Construction of the main access road, secondary and tertiary roads, including all required drainage system;
- Construction of electrical infrastructure, including medium voltage system, low voltage system and public lights.

3.0. Eligibility Criteria

- 3.1.Applicants must have successfully executed at least one civil construction project in the last 10 years having value of minimum 8 (eight) million USD or two civil construction projects having combined value of 10 (ten) million USD, such as townships, villages, resettlements. For this propose applicant must submit proof in the form of supporting documents such as project list, duration of the project, cost of the project, client name, project team curriculum, contract order and completion certificate, etc;
- 3.2.Applicants must show the financial capability to execute the job by submitting supportive documents in the form of audited financial statement for last 5 years establishing the following:

(a) Net worth of 5 (five) million USD as per the audited accounts for the financial year 2017;

- (b) Profit in at least 2 years in the last 5 years;
- (c) Average annual turnover of 10 (ten) million USD during last 5 years;
- **3.3.**Applicants can be either an individual company or a consortium of maximum three companies out of which one should be delegated as leader of the consortium;
- **3.4.** Applicants must submit declaration stating that they are capable to issue a Bank Guaranty of 1,500,000 USD (One million and five hundred thousand American dollars) in the form of various guarantees on bid submission;
- **3.5.** Applicants are required to have all necessary permits, consents and approvals necessary for executing the activities described at 2.0 according to the Mozambican legislation, norms and rules or is required to obtain all necessary permits within 30 (thirty) calendar days from issue of Letter of Intent (LOI) to operate according to the Mozambican legislation, norms and rules;
- 3.6.Applicants must show the capability that they can mobilise the construction equipment and other resources to start the job within 1 month from award of the tender;

- 3.7. Applicants already established in Mozambique should be able to demonstrate they can operate in accordance with Government of Mozambique legislation and should not be prohibited to trade, under judicial or penal sentence, not owning debts to tax or social security. For the propose the applicant must submit the following documents, Non Bankruptcy declaration issued by the Judicial court, "*Certidão de Quitação*" from tax authorities and "Certidão de INSS",;
- 3.8. Applicants not established in Mozambique are required to submit the Declaration signed by at least two directors and duly certified by its company secretary in respect of the following:
 - (a) The company is not black listed by the Mozambican Government;
 - (b) The company is not bankrupt;
 - (c) The company is not facing any legal, criminal procedures against it
- 3.9.Applicants must have *ALVARÁ of 7th Class* as per Mozambican law for construction works or obtain it within one month from issued LOI and Consultancy *ALVARÁ to conduct the water studies and detailed design*;
- 3.10. Applicants are required under Mozambican law to give preference to the work force available locally during execution of the project;
- 3.11. Applicants are required under Mozambican law to give preference to local companies for any supplies and services that are planned to be subcontracted.

4.0. Responsibility of the successful Applicant

- 4.1. Strict compliance with final approved construction schedule and provide daily, weekly, monthly progress report to the authorized representative of MBL. Any changes or clarifications must be written and signed by the MBL representative.
- 4.2. Strict compliance with Health, Safety and Environmental rules and legislation for the construction and operates in accordance of MBL Environmental Management Plan, and provide daily, weekly, monthly compliance report on Health, Safety and Environmental issues (dust control, material handling, fatigue management, working at height, confined space, waste management, water monitoring, etc.);
- 4.3. Ensure Security and Maintenance of the infrastructures and the construction site while in construction (houses, roads, social infrastructure buildings, water system and electrical system);

- 4.4. Lighting, fencing, ablution facilities and provision of civil amenities for the construction employees;
- 4.5. Supply equipment to meet the work requirements, labour law and regulation requirements, including, without limitation, vehicles, PPE, tools;
- 4.6. Fire prevention and control in the construction area;
- 4.7. Provision of the expertise, supervision and labour for the construction of the different specialities and discipline;
- 4.8. Provide fuel, lubricants and other consumables as well as spare parts and accessories and related maintenance and repair for machineries and equipment's required for construction;
- 4.9. All procedures and all duties, taxes, charges and costs associated with the permanent or temporary import of equipment and other goods;
- 4.10. Storage, retention, collection, recycling and disposal (including transport where applicable) of all construction waste generated by construction direct and indirect activities as per the environmental policies and procedures of MBL, the Environment Management Plan & Environment License and environmental regulations, waste management regulations and other applicable legislation.
- 4.11. In all activities associated with clearing, grubbing and soil movement and management, shall be in compliance with the applicable Mozambican law and MBL Environmental Management Plan and HSE policies and procedures.
- 4.12. For water study and detailed design, applicants are required:
 - (a) Liaise with the concerned Government counterparts and collect any existing secondary data/plan/strategy of Mboza, in Moatize, concerning water resources management and use;
 - (b) Identify all on-going water supply sources and plan for future water sources and collection strategy;
 - (c) Collect existing mapping information (such as topographic maps, aerial photos, satellite images, etc.);
 - (d) Collect primary data by carrying out ad-hoc field surveys and local consultations;
 - (e) While proposing solutions for improving access to water for human consumption, irrigation and/or livestock, always consider as principle the involvement of community members in decision-making, planning and implementation works, in collaboration with the local authorities, ICVL representative, including the subsequent management of the realised interventions; formulate recommendations for improving the overall sustainability and provide useful methodological guidelines for this purpose;
 - (f) Summary and analysis of the fieldwork findings, including hydrogeological surveys, maps produced, pictures collected and interviews/consultations carried out with community members and local stakeholders;

(g) Prepare package for submission for Environmental Approvals and acquire licenses;

5.0. Submission and Clarifications

5.1. Applicants shall submit their EOI as per Annex 1 (form of EOI) duly signed, stamped and enclosing all relevant documents required as per the eligibility criteria and conditions of the EOI;

5.2. Applicants must have a proven track record of construction of similar nature. In order to pre-qualify the interested Applicant (and where the Applicant is a consortium, each member of the consortium) shall:

- a) Submit all relevant documents required to prove legal status, including:
 - i) The identity and contact details set out in Annex 1

ii) Certificate of incorporation (and any certificate of change of name or other amendment)

iii) Certified copies of its Memorandum / Articles of Association;

iv) Evidence of Tax Registration and Declaration of the Commencement of Activities;

v) Audited financial statements for the last 5 years

vi) A letter of recommendation from its bankers where it currently maintains operations;

vii) Copy of the Agreement between the Consortium members (in the case of a Consortium) stating clearly the leader of the consortium and the role of each member of the consortium;

- b) List of projects where the Applicant has participated on in the last 10 years, highlighting works with similarity of the one referenced on this EOI, with supporting documents such as project list, duration of the project, cost of the project, client name, project team curriculum, contract order and completion certificate issued by the contracting party etc.
- c) Demonstrate competency and capability of project team to perform the work;
- d) Submit declaration stating that they are capable to issue a Bank Guaranty of 1,500,000 USD (One million and five hundred thousand American dollars) in the form of various Guarantee on bid submission;
- e) Submit annual audited accounts for the last 5 (five) years along with certificates duly signed by company secretary showing year wise profit or loss, turnover and net worth for the last 5 (five) years. In case the financial data of any applicant is in currency other than USD, it shall be converted to USD considering the prevailing exchange rate (average of selling and buying rate) from Central Bank of Mozambique as on date of closing off respective account;
- f) Confirmation from the Applicant or (where the Applicant is a consortium) each member of the consortium that there is no conflict of interest or other

impediment, which would prevent the Applicant or, as the case may be, the consortium member from contracting with MBL;

- g) Applicants already established in Mozambique are required to submit *"Certidão de Quitação"* from tax authorities, *"Certidão de INSS"*, Non Bankruptcy declaration issued by the Judicial court;
- h) Applicants being other than Mozambican companies are required to submit declaration signed by two directors and duly certified by company secretary stating that (i) The company is not black listed by the Mozambican Government; (ii) The company is not bankrupt; (iii) The company is not facing any legal, criminal procedures against it.

5.3. Clarification requests on the Expression of Interest shall be sent to <u>eoi.clarification@icvl.co.mz</u> latest by 19.10.2018.

5.4. The interested parties shall submit their EOI in writing by electronic mail to: <u>eoi.resettlement@icvl.co.mz</u> by 30th October 2018.

6. Expression of Interest Details and Requirements

- 6.1.Interested parties are requested to submit their EOI along with all supporting documents and credentials;
- 6.2. From the EOIs received based on elegibity criteria qualified Applicants will be invited to a site visit and will be eligible to participate in the next stage of tender.

7.0. Site Visit

7.1. Eligible applicants will be required to visit the proposed construction site at Mboza, Moatize District at their own cost and familiarize themselves before submitting their tender;

7.2. After issue of Letter of Intent (LOI) no dispute arising on account of extra work will be admissible;

7.3. The visit to site of eligible applicants will be coordinated by MBL by intimating the date and time of the site visit.

8. **DISCLAIMER** (applicable to clause 1 and 2 both)

8.1. This document is not an agreement and is not an offer or invitation to enter into an agreement of any kind with any party. Under no circumstances shall the

information set out in this document be considered binding or giving rise to legal consequences in any form with respect to MBL or any of its employees or representatives.

8.2. MBL reserve the right to accept / reject any or all Expression(s) of Interest (EOI) from parties without assigning any reasons whatsoever.

8.3. All information contained in this Expression of Interest (EOI) or information or any clarification subsequently provided is done so in good faith, but without any guarantee of accuracy, reliability and completeness.

8.4. Each Applicant shall conduct at its own cost its own investigation and analysis and should check the accuracy, reliability and completeness of the information in this Expression of Interest as well as in relation to any additional information that may be obtained or required.

8.5. Applicants shall bear all expenses and costs incurred in relation to this EOI and the submission of any bid at either stage of the EOI. Neither MBL nor any of their respective employees or representatives shall reimburse or otherwise be responsible for any costs incurred during the EOI and bidding process. The information provided herein should not be considered as a promise or certification of the final decision of MBL. MBL reserve the right to modify any aspect of the Project.

8.6. MBL shall be entitled to publish depersonalized replies to the queries and requests for additional information or clarification (if any) received from the interested parties till the end of the business day of 22nd October 2018.

<u>Annex 1</u> <u>Form of Expression of Interest</u> <u>Date xxxxxxxxxxx</u> To Deputy General Manager (Procurement), MBL

Dear Sir,

In reference to EOI number xxxx dated xxxx issued by you for inviting the interest for construction of houses and associated infrastructures for resettlement of community under Urban resettlement at Mboza, Moatize District, we hereby submit our interest to participate in the referenced project we confirm that we have requisites experiences and financial capability to complete the job successfully. Our details are given bellow.

- 1. Name, registered address & operational office address of the Applicant.
- 2. Name & designation of the concerned officer to whom all references shall be made.
- 3. Website:

- 4. Telephone:
- 5. E-Mail:
- 6. Chief Executive
- 7. E-mail:
- 8. Telephone:
- 9. Total number of Employees:
- 10. Type of the Organization (Public Sector /Limited/Private limited/Partnership/ Proprietary /Society/Any other.)
- 11. Locations and addresses of Offices, and operational locations (enclose the list):
- 12. Name & address of local representative, if any :
- 13. Category of Applicants
- a) Individual Company

b) Consortium consisting of 1. _____, 2.____, 3.____ out of which ______ is delegated to be the leader of the consortium and area of responsibility is as bellow.

1	Area
2	Area
3	Area

(Consortium Member Name)

(Area of Responsibility)

In case of individual company, certificate of incorporation, certified copy of memorandum & articles of association, tax registration certificate and declaration of commencement activities are enclosed.

In case of consortium, Copy of Consortium Agreement stating leader of the consortium and role of each member of the consortium is enclosed. Further in respect of each consortium members the following are also enclosed:

Document Type	Member 1	Member 2	Member 3
(a) Certificate of			
incorporation			
(b) Certified copy of			
member and article			
of association			
(c) Tax registration			
(d) Declaration of the			
commencement of			
activities			

Sl.	Name	Name of Project	Project	Duration	of Contract	Value of the	Remarks
No.	and Address of the	Owner/Authority and Contact Details	Description (Brief Scope of	Date of Award the	Date of Completion	Project (USD)	
	Project	Details	work)	Contract	Project		
1							
2							
3							
4							
5							
6							
7							
8							
9							

14. Details of construction Projects executed:

NOTE:

- Contract orders and completion certificates for each project enclosed.
- In case of consortium, details for Project executed of all members of the consortium to be mentioned.

15. Financial Information

NOTE:

• Audited annual report/financial statement for last five years are enclosed (In

Year	Net worth	Annual Turnover	Annual Profit/Loss
2013			
2014			
2015			
2016			
2017			

case of consortium, financial information and audited annual report/financial statement for all members to be enclosed).

16. We declare that we are capable to issue Bank Guarantee of 1,500,000 (one million and five hundred thousand American dollars) in the form of various guarantees on bid submission.

17. List of Permits, Consents, and	Approvals in possession.
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Sl. No.	Name	of	Permit,	Issuing	Date of Issue	Validity
	Consent, Approval		Authority			
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						

13		
14		
15		
16		
17		
18		
19		
20		

Copy of Permits, Consents, and Approvals in possession is enclosed.

We commit to obtain all balance permits, consent, approvals, within 30 calendar days from issue of LOI to operate according to the Mozambican legislation, norms and rules.

Sl. No.	Type of Equipment	Qty	Year of	Capacity	Type of
			Make		Ownership ⁽¹⁾
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					

18. Equipment List to be allocated to this project.

⁽¹⁾ Type of Ownership: Own equipment, rental equipment or other.

Our plan to mobilize balance equipment and resources to start the job within one month from the date of signing of contract is enclosed.

19. We are already registered and established in Mozambique and we declare that we have not been prohibited to trade in Mozambique under judicial or penal sentence and we do not own debts to tax or social security. In this connection, non-bankrupt declaration issued by judicial court "Certificado de Quitação" from tax authority and "Certidão de INSS" are enclosed.

Or,

We are presently not registered and established in Mozambique.

Declaration signed by at least two company's directors and duly certified by our company secretary in respect of the following is enclosed:

- (a) The company is not black listed by the Mozambican Government;
- (b) The company is not bankrupt;
- (c) The company is not facing any legal, criminal procedures against it
- 20. We already have ALVARÀ of 7th class in possession as per Mozambican law for construction as per enclosed certificate. We also have consultancy ALVARÀ to conduct the water studies and detailed design as per enclosed certificate/we plan to engage a suitable consultant to the water studies and detailed design.

Or,

We commit to obtain ALVARÀ of 7th class as per the Mozambican law within one month from issuing of EOI. We have consultancy ALAVÁ______

Thanking you

Yours sincerely

(Name, Designation) (Company Stamp)