

**RFP 90721 - Project: Lead Arranger services provider for the issuance of the Blue Peace Bond for the Gambia River Basin Development Organization (OMVG)**

**QAs, 29 August 2022**

	<b>Question</b>	<b>Answer</b>
1	<p>Partners in our proposed consortium who have significant experience as an Arranger for multiple large-scale bond issuances have expressed that their current practice regarding professional fees is to charge based on a percentage of the nominal amount size ( a sliding scale ) and not time and rate based(i.e. a set fee). <b>Would a financial proposal be accepted that is success-based, based on a minimum percentage of nominal raised</b>, and may therefore deviate from the format of Form G, Table 1 and Table 2, and we can submit our own proposal breakdown? All external service providers, legal fees, auditors fees, printing, listing fees, roadshow fees however, will be quoted on a set-fee basis.</p>	<p>Please follow Form G. At the same time, please take into consideration that the contract is based on success fee agreed, which should be all inclusive. As noted in page 30 of the RFP, the bid is expected to include any key factors that could affect the pricing, either positively or negatively. In the financial proposal:</p> <ul style="list-style-type: none"> <li>• Bidders should provide an itemized breakdown of the expenses they estimate would be incurred in connection with the bond issuance, including advisory/success fee, all legal fees, auditors’ fees, costs of printing, any registration or listing fees, roadshow expenses, and all other out-of-pocket expenses.</li> <li>• Identify the party expected to bear each expense item.</li> <li>• The expenses regarding each of the intermediary/partners may be quoted on lump sum basis inclusive of all expenses.</li> <li>• For every fee proposed, please describe any condition attached (if any).</li> </ul> <p>Bidders may propose an alternative compensation scheme different from what UNCDF requests in the RFP, provided that :</p> <ul style="list-style-type: none"> <li>• The pricing scheme requested by the RFP is already fully met, such that the alternative payment scheme remains a mere alternative and not the primary option; and</li> <li>• The Bidder understands that the proposed alternative payment scheme shall be subject to the review and evaluation by UNCDF, and that UNCDF is not obliged to accept the alternative payment scheme. This is why it is important to comply with the originally requested payment scheme, so that if</li> </ul>

		<p>UNCDF rejects the proposed payment scheme, the bidder may still be qualified for an award if the offer is responsive and the originally required payment scheme is fully met.</p>
2	<p>How is the Proposal Security fee returned if the submitted proposal is unsuccessful?</p>	<p>Once the contract is fully executed with one bidder, UNCDF will issue an email to all bidders informing them that the bidder is fully released from the obligations under the proposal security since UNCDF will not be liquidating any portion of the amount in the proposal security. The said email communication shall be final and executory. Should the bidder and its bank need further communications beyond the said email, UNCDF shall provide them with the document that will satisfy the bidder’s bank, within what the UNCDF rules will allow.</p>
3	<p>Would a consortium with minimum average annual turnover for the last 3 years <u>below \$20 m be automatically disqualified/fail?</u></p> <p>While we understand this is a minimum requirement, several financial institutions segregate their revenues for compliance and tax-optimization purposes. If our partners in the consortium <b>were allowed to submit parent/sister company financial data, this minimum would easily be exceeded</b></p>	<p>Indeed, the RFP noted this as a minimum requirement: Minimum average annual turnover of USD 20 Million for the last 3 years. The RFP says “For JV/Consortium/Association, all Parties cumulatively should meet requirement.”</p>
4	<p><i>“Net income over the past 2 years should be equal or higher than the price proposal submitted” (Financial Standing)</i></p> <p><i>“This contract will be based on the success fee agreed, which should be all inclusive” (Form G)</i></p> <p>Please see above quotes. The price proposal submitted is based on the success fee, which is an uncertainty at present due to the size of the model portfolio (which is unknown) and related bond issuance size being unknown. <u>Will a consortium be automatically disqualified if net income is less than the price proposal submitted?</u></p>	<p>We confirm these are minimum requirements: (i) Net income for the past 2 years should be equal or higher than the price proposal submitted;(ii) Form G, page 44 also says “contract will be based on the success fee agreed, which should be all inclusive.”</p> <p>For JV/Consortium/Association, all Parties cumulatively should meet requirement.</p>
5	<p>“Current ratio should be at least 1.0 or higher.”</p>	<p>This is a minimum requirement The RFP says current ratio should be at least 1.0 or higher.”</p>

<p>“For JV/Consortium/Association, all Parties cumulatively should meet requirement. Does the current ratio for the consortium as a whole, or for each individual partner need to at least 1.0 or higher?</p> <p>Would the consortium be automatically <u>disqualified if one of the consortium members current ratio is below 1.0?</u></p>	<p>Please note “For JV/Consortium/Association, all Parties cumulatively should meet requirement.”</p>
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