



Ministry of Finance

**Request for Information [RFI]
For sugar corporation pre-privatization
process**

Title: RFISUGARCORP2019



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SECTION I – INSTRUCTIONS

INTRODUCTION

The Ministry of Finance of the Federal Democratic Republic Government of Ethiopia (the “Ministry”) and Ethiopian Sugar Corporation with collaborative effort invites sealed responses to this Request for Information (RFI) aimed at completing the necessary pre-privatization activities to fully or partially privatize the Sugar Corporation assets in the form of 13 sugar projects that are currently either fully completed and in production or partially completed. In order to incorporate inputs from the private sector, this RFI has been published to facilitate information gathering from interested parties that previously shown interest to acquire Sugar Corporation properties and new prospective buyers in a structured and transparent format.

OBJECTIVES

The objectives of the RFI are:

1. **Market sounding to identify interested potential investors.**
2. **To identify which sugar project investors are interested in.**
3. **Obtain information on the preferred mode of private sector participation in the Sugar Corporation i.e. full/partial privatization or Public Private Partnership (PPP).**
4. **To identify investors approach for the source of capital and the investment structure for the acquisition.**

This RFI is issued as a means of general approach discovery to complete the necessary steps for pre-privatization activities, and for information gathering only. **This RFI is for planning purposes only and should not be construed as a competitive solicitation nor should it be construed as an obligation on the Ministry’s or Sugar Corporation part to enter into any contractor make any purchase. This RFI is not an invitation for privatization or a PPP process; it is only to initiate the private sector participation process.** Based on information provided by respondents to this RFI, the Ministry will determine the form and mode to engage the private sector in a competitive tender process in line with Ethiopian government Laws and regulations.

No purchases will be made as a result of this request.



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SCHEDULE OF EVENTS

RFI Issued:	April 15, 2019
Written Inquiries Deadline:	April 26, 2019
Submittal Deadline:	May 24, 2019

Submittal Location:

Minister's Office at the Ministry of Finance 4thFloor Room Number 404

Or by email RFI2019@mofed.gov.et or RFI2019SUGARCORP@gmail.com

Electronic submittal is preferred using the above two email addresses.

OBTAINING A COPY OF THE RFI

All documents and information involving this RFI process are available from the Ministry's website, the Ethiopian Sugar Corporation website and the Public Enterprises Holding and Administration Agency's website.

www.mofed.gov.et

www.ethiopiansugar.com

www.mope.gov.et

PREPARATION OF RESPONSE

All information shall be submitted in accordance with the instructions provided in this document. No submittal shall be altered, amended or withdrawn after the specified submittal due time and date.

It is the responsibility of all respondents to examine the entire RFI and seek clarification of any requirement that may not be clear and to check all responses for accuracy before submitting a response. Respondents are strongly encouraged to:

- A. Consider applicable laws and/or economic conditions that may affect cost, progress, performance, or furnishing of the products or services.
- B. Study and carefully correlate respondent's knowledge and observations with the RFI document and other related data.



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C. Promptly notify the Ministry's office of all conflicts, errors, ambiguities, or discrepancies which a respondent has discovered in or between the RFI document and such other related documents.

The Ministry does not reimburse the cost of developing, presenting or providing any response to this RFI. Responses submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. The respondent is responsible for all costs incurred in responding to this RFI. All materials and documents submitted in response to this RFI become the property of the Ministry and Sugar Corporation and will not be returned.

ADDENDA

Any changes to this document will be in the form of an addendum, which will be available at: the Ministry's website, the Ethiopian Sugar Corporation website and the Public Enterprises Holding and Administration Agency's website.

SUBMISSION OF INFORMATION

Respondents shall submit the required information to the Ministry's office on or prior to the deadline indicated in the Schedule of Events. Contents must be in a sealed envelope and addressed or electronically to the following address with the information indicated below.

Electronic submittal is preferred using the below two email addresses.

BY EMAIL: RFI2019@MOFED.GOV.ET

OR

RFI2019SUGARCORP@gmail.com

BY POST: MINISTER'S OFFICE AT THE MINISTRY OF FINANCE 4TH FLOOR ROOM NUMBER 404

The following information should be noted on the outside of the envelope:

Respondent's Name

Respondent's Address (as shown on the Certification Page)

RFI Title



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WITHDRAWAL OF SUBMITTAL

At any time prior to the RFI due date and time, a respondent (or designated representative) may withdraw the submittal by submitting a request in writing and signed by a duly authorized representative. Facsimiles, telegraphic or mailgram withdrawals shall not be considered.

INQUIRIES

In order for written inquiries to be addressed, they shall be received by April 26, 2019, by 5:00 p.m. local Addis Abeba time and emailed to RFI2019@MOFED.GOV.ET OR RFI2019SUGARCORP@GMAIL.COM. Inquiries received will then be answered in an addendum and published at the Ministry's website, the Ethiopian Sugar Corporation website and the Public Enterprises Holding and Administration Agency's website.

PUBLIC RECORD

All submittals in response to this RFI shall become the property of the Ministry and become a matter of public record available for review pursuant to Ethiopian law.

If a respondent believes that a specific section of its response is confidential, the respondent shall isolate the pages marked confidential in a specific and clearly labeled section of its response. The respondent shall include a written statement as to the basis for considering the marked pages confidential including the specific harm or prejudice if disclosed and the Ministry Legal Office will review and make a determination.

SECTION II - SCOPE

Request for Information

Please note the questions that are included in this RFI are a starting point and should not restrict interested parties to include information and strategies that may be beneficial and pertinent to the privatization process. Ministry of Finance, a designee of the government to overlook the pre-privatization process and execution of transactions will review submissions and communicate subsequent actions. Please see an attachment to this RFI to elaborate your answers to the below questions.

1. Please provide the following information of your company:
 - Name of the Company
 - Registered address/country of origin
 - Year of registration
 - Contact name (Name & job title of person handling this RFI with the Ministry of Finance)
 - Company email, website address, tele phone, fax number and other details



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- Please attach any relevant information about your company as an appendix to this document. Information should, at a minimum, illustrate the capacity of the company to engage in the private participation process of sugar estates.
2. Are you involved in the sugar or sugar related activities? What are your core business competencies? (Brief statement of what your company does – 100 to 200 words maximum mentioning your experience and your plans for the future). If you are thinking to enter the sugar market through this opportunity, please mention what consideration you take to make this decision.
 3. Please explain in full details of ownership of your company and its affiliations.
 4. Provide your company's summary financial performance and financial statements for the past five years clearly showing the turnover, profitability, asset base and debt structure.
 5. Out of the 13 sugar projects indicate the project you are interested in. [If your company is interested in more than one sugar project, please indicate as per your preference]
 6. Which part of the project assets you prefer to invest?
 - Allocated sugarcane farmland for the project with the consideration of the irrigation system for each project
 - sugarcane factory
 - Ethanol factory of the project
 - The entire project assets (allocated farmland, sugarcane factory, the project ethanol factory or other assets which are stated in the portfolio)
 7. What mode of transaction would you prefer?
 - Full privatization
 - Partial privatization. If so, please indicate the percental structure you would prefer to go forward.
 - PPP e.g. Management contract, Operations and maintenance etc.
 - Does your company have interest in any different acquisition strategy than mentioned in the above? If yes, please elaborate further on your submittal.
 8. What is your acquisition-financing plan? Debt, equity or both. If you use both, what percentage of debt to equity ratio you plan to use?
 9. Please elaborate the methods and the source of your capital. If you have other strategies you would like to implement or suggest for this process that you think suitable, please explain on your submittal.
 10. Do you want to invest alone or you have co-investor/s? If yes, please give detailed profile of your co-investor/s, and how does the investment structure will look like? Please provide detailed information if this is the case.
 11. Is your investment long term with the strategic view of the sugar market in Ethiopia, or you want buy the asset/s and sell it in the near future to exit the market?
 12. After acquisition, would you prefer to export your products or sell it for the local market?
 13. After completing the acquisition of your preferred project asset/s, do you want to be involved in the hiring process of executive management, operation or administration team? Or you want to train the local people or you want to restructure the entire management system depending which factory you want to acquire?



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- 14. Do you have similar experience of this kind of acquisition/greenfield investment or joint venture in other country? If yes, please explain your experience how you carry it out and other details which you think important to be covered in this process.
- 15. Does your company have any prior experience in Ethiopia?
- 16. In order to participate in the privatization process in Ethiopia, are there any legal or regulatory hurdles that restrict or prohibit your company's participation?

SECTION III – SUBMITTAL

RESPONDENT INFORMATION AND AUTHORIZATION

Respondent certifies they have read and fully understands this RFI.

Authorized Signature _____

Printed Name and Title _____

Date _____

Company Name _____

Address _____

City, State and Zip _____

Code _____

Telephone _____

Number _____

Company's Fax _____

Number _____

Email Address _____