

Request for Expression of Interest

Request for Expressions of Interest for
Food Security Terminal at Hamad Port
Public Private Partnership
Programme

November 2023

Table of Contents

Disclaimer	3
Terms and Conditions	3
1. General Information	4
1.1 Introduction.....	4
1.2 Invitation to Expression of Interest.....	4
2. Overview of the developed food commodity terminal	5
3. Qatar's national food security requirements.....	7
4. Overview of anticipated Project commercial terms and Contractual Structure.....	8
4.1 Project anticipated commercial terms	8
5. Procurement Process and its Indicative Timelines	10
6. Capabilities required from the private sector	11
7. EOI Submission Instructions	12
7.1 Expression of Interest	12
7.2 Information Sought	13

Disclaimer

All information contained in this Request for Expression of Interest (“EOI”), including any technical information, has been included for indicative purposes only to assist companies and consortia in making their own assessment of the proposed project to be implemented as a Public Private Partnership (“PPP”), hereinafter referred to as the “Project”, and shall not constitute or form part of any offer or invitation to make an offer or a contract in relation to the Project.

Whilst the information contained in this Request for EOI has been prepared in good faith, it does not purport to be comprehensive or independently verified. Neither Ministry of Commerce and Industry nor its representatives, employees, agents or advisers shall be understood as making any representation or warranty, whether express or implied, with respect to the veracity, adequacy, accuracy, reasonableness or completeness of the information contained in this Request for EOI or with respect to the information on which it is based or in respect to any written or oral information or representation given or made, or to be given or made, by Ministry of Commerce and Industry or any of its advisers to any company or consortium or to its or their professional advisers, whether given or made prior to or after the issue of this Request for EOI (collectively, the “Information”). Interested parties are invited to make their own investigations in relation to the Information and shall form their own views as to what information is relevant to them in making their own assessment of the Project.

Ministry of Commerce and Industry, its representatives, employees, agents and its advisers hereby expressly disclaim any and all liability arising out of, or in relation to, the Information (including in relation to omissions therefrom) and in respect of the use of and/or reliance on such Information by companies or consortia and/or its or their advisers.

The disclaimer shall remain in full force and effect independently from any Project agreement or any other documentation that may be concluded in respect of the Project.

Terms and Conditions

This Request for EOI does not purport to commit or bind Ministry of Commerce and Industry in any manner whatsoever to proceed to the Request for Proposal (“RFP”) stage or to the awarding of a contract. Ministry of Commerce and Industry reserves its absolute right to disregard all EOIs and to terminate at will, the competitive selection process at any time and for any reason whatsoever, and may, at its discretion, proceed with the project in some other manner, with no liability towards any party whatsoever.

Each respondent is solely responsible for all costs and expenses it incurs in the preparation of its EOI response, including without limitation all costs and expenses relating to the provision of information requested by Ministry of Commerce and Industry, attending meetings and conducting any due diligence. Under no circumstances will Ministry of Commerce and Industry or any of its representatives or advisers be liable for any liabilities, costs or expenses borne by the respondent or any of its advisers pertaining to the EOI process, nor shall they be liable for any damages or consequential damages whatsoever, which may result from the EOI process.

Ministry of Commerce and Industry reserves the right, in its absolute discretion, with no liability whatsoever to decide the following:

- a. amend the scope of the Project, modify, cancel or suspend the EOI process or any or all stages of the procurement process, at any time and for any reason whatsoever.
- b. waive a defect or irregularity in the form or content of any EOI;
- c. re-advertise for new responses, call for tenders, or enter into negotiations for this Project or for work of a similar nature;
- d. make any changes to the terms of business opportunity described in this Request for EOI; and
- e. extend, from time to time, any date, time period or deadline provided in this Request for EOI.

All responses submitted to Ministry of Commerce and Industry shall become the property of Ministry of Commerce and Industry immediately upon such submission.

1. General Information

1.1 Introduction

In response to the 2008 food crisis in Qatar, the State of Qatar established the Qatar National Food Security Programme aiming to maintain a high level of food security for Qatar. The Food Security Department at the Ministry of Municipality has established the stockpile levels of various staple food commodity items for human consumption (Wheat, Edible Oils, Rice, Sugar) as well as food items for animal consumption (Soya Beans, Corn, Barley, and Bran) that should be available for Qatar on demand when needed.

A food commodity terminal was developed at Hamad Port to serve the requirements of the national food security programme. The terminal includes assets necessary for the transport, storage, and processing of food commodities. The capacity of the developed food commodity terminal exceeds the food security requirements of the state of Qatar; as such, the excess capacity of the terminal will be available for the local and international private sector to utilize.

The Ministry of Commerce and Industry (MoCI) is planning to develop a PPP project (“Project”) under which MoCI as the Contracting Authority will award a concession to a private sector company/company to utilise, operate, and maintain the terminal. The Concessionaire may be an established private sector company, a consortium of companies, or a newly established Joint Venture between an international private sector company and a local Qatari partner. The objectives of MoCI from such a partnership are to:

- a. Achieve the requirements of Qatar’s national food security strategy.
- b. Preserve the quality of the terminal assets through proper operation and maintenance.
- c. Maximize the return to the public sector in its investment in the terminal.

Ensuring national food security is of paramount importance, and it’s a cornerstone of the project’s objectives. While we hold the highest regard for safeguarding the State and its food security, we also understand the need for this project to be commercially viable and appealing to potential private sector partners.

With this in mind, we warmly invite all interested parties to offer their insights and proposals on how we can effectively reconcile and strike a balance between the requirements of national food security and the commercial aspects of this project. We believe that collaborative solutions will not only fortify our food security but also create a thriving and sustainable venture for all stakeholders involved. Your expertise and innovative approaches are crucial in achieving this dual objective. We look forward to your valued contributions which can be added in response to this EOI as part of section 7.2.

1.2 Invitation to Expression of Interest

The purpose of this Request for EOI is to invite competent Qatari and international companies and consortia to express their interest in said Project by submitting an EOI as per the terms set out herein.

2. Overview of the developed food commodity terminal

The Food Commodity terminal consists of specialized facilities for the processing, manufacturing, and storage of rice, sugar, and edible oils.

There will be a need to retrofit some of the existing facilities to meet the national food security requirements as those requirements include commodities other than the three commodities the terminal was envisioned to store and process.

The following are further details of the terminal facilities.

Table 2.1 List of the facilities under the Project's Scope

Rice Storage facility	Sugar Storage Facility																								
<ul style="list-style-type: none"> • Total Capacity – 360,000 MT • <u>Concrete Storage Silos</u> <ul style="list-style-type: none"> ○ Total number of silos is 51 with a total storage capacity of approx. 290,000MT. • <u>Storage Warehouse</u> -There are two storage warehouses (double and triple module) to store Rice. <ul style="list-style-type: none"> ○ The total area of double module warehouse is 10,000 m², and its storage capacity is approx. 28,000 MT. ○ The total area of triple module warehouse is 15,000 m², and its storage capacity is approx. 44,000 MT. 	<ul style="list-style-type: none"> • The sugar facility comprises 2 warehouses (WH1&2) which are designed on the highest industry standards to maintain the quality/shelf life of the refined sugar for a minimum of 2 years. • It has a capacity of 346 MT per day for distribution to the market. • Warehouse 1 has a total area of 15,000 m² and a storage capacity of 120,000MT. Warehouse 2 is spread over 21,000 m² and has a storage capacity of 65,000 MT. 																								
Edible Oil Facility																									
<ul style="list-style-type: none"> • The total number of tanks used in the facility is 44 where 36 tanks will be used for long-term storage and 8 tanks will be used for the final product. • 4 different types of oils: Sunflower, Corn, Palm, and Olive oil. • Bottling Capacity of 326 MT per day ready for distribution to the market. • Oil Warehouse capacity is approx. 13,000 MT. • The total storage capacity of oil tanks will be 120,000 MT, as per the table below: 																									
<table border="1"> <thead> <tr> <th>Tank Size</th> <th>Quantity (Nos.)</th> <th>Height</th> <th>Capacity (MT)</th> </tr> </thead> <tbody> <tr> <td>20m dia</td> <td>20</td> <td>16.3 m</td> <td>91,888</td> </tr> <tr> <td>14.2m dia</td> <td>10</td> <td>16.3 m</td> <td>23,140</td> </tr> <tr> <td>4.5m dia</td> <td>6</td> <td>16.3 m</td> <td>1,396</td> </tr> <tr> <td>5m dia</td> <td>8</td> <td>7.9 m</td> <td>1,110</td> </tr> <tr> <td>Total</td> <td>44</td> <td></td> <td>117,534</td> </tr> </tbody> </table>		Tank Size	Quantity (Nos.)	Height	Capacity (MT)	20m dia	20	16.3 m	91,888	14.2m dia	10	16.3 m	23,140	4.5m dia	6	16.3 m	1,396	5m dia	8	7.9 m	1,110	Total	44		117,534
Tank Size	Quantity (Nos.)	Height	Capacity (MT)																						
20m dia	20	16.3 m	91,888																						
14.2m dia	10	16.3 m	23,140																						
4.5m dia	6	16.3 m	1,396																						
5m dia	8	7.9 m	1,110																						
Total	44		117,534																						

Figure 2.2 Masterplan of the facilities under the Project's Scope

Please refer to the attached Appendix 1 – Food Security Terminal Masterplan

3. Qatar's national food security requirements

The following two tables outline the minimum food security requirements of the state of Qatar for the Food Security Terminal:

Table (1):

Food Commodities for Human Consumption	Stockpile Quantities required to be stored in the Food Security Terminal Silos (in metric tons)
Wheat	32,000
Food oils	10,000
Rice	36,500
Sugar	10,000
Total	88,500

Table (2):

Food Commodities for Animal Feed	Stockpile Quantities required to be stored in the Food Security Terminal Warehouses (in metric tons)
Soya beans	10,054
Corn	16,837
Barley	8,928
Bran	17,786
Total	53,605

The terminal's storage capacity far exceeds the national food security requirements of the state of Qatar (as noted in Sections 2 and 3 above). It is therefore requested from the respondent to identify and suggest innovative methods of utilizing the excess capacity to ensure the return to the public sector in its investment in the terminal is maximized.

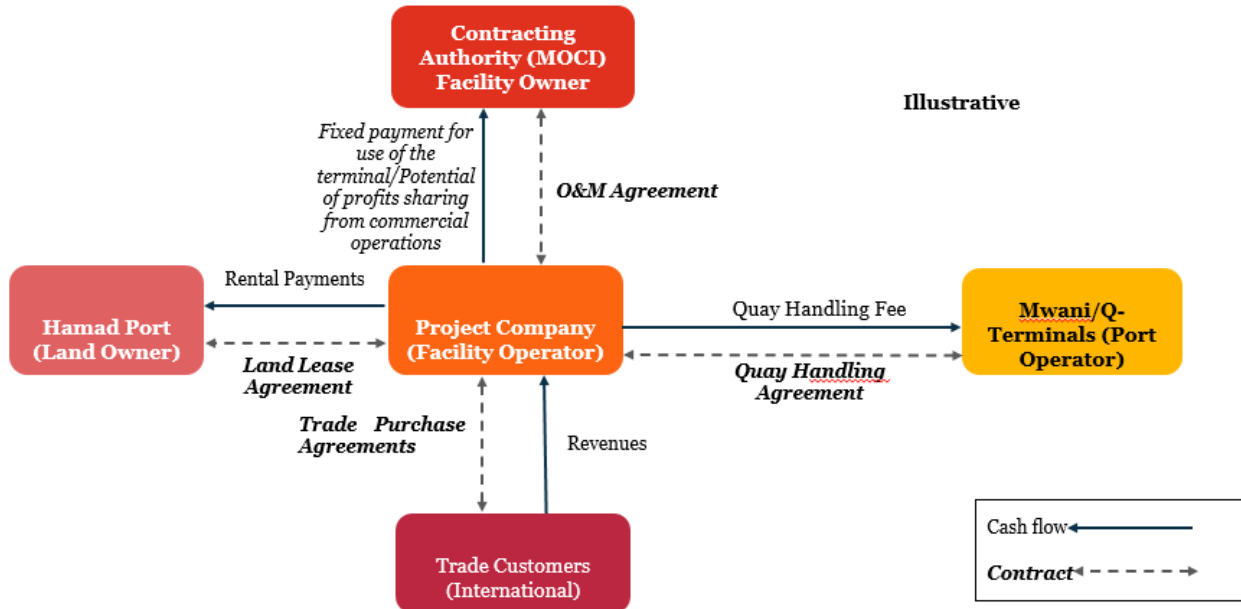
4. Overview of anticipated Project commercial terms and Contractual Structure

4.1 Project anticipated commercial terms

Feature	Details
Rights and obligations of the Concessionaire	<ol style="list-style-type: none"> 1. The right to use the terminal assets for his commercial operations. 2. The obligation to: <ol style="list-style-type: none"> a. Manage the national food security commodities stock to ensure that the storage duration of any of the stock commodities does not exceed its shelf life and each of the food security commodity quantities is always available on demand. b. Maintain and operate the terminal assets. c. Have and operate a trading desk, qualified trading team and trading risk management team in Qatar. d. Follow the state guidelines for trade diversification (where economically feasible) e. Meet the minimum expected trading turnover and minimum utilization level of reserves. f. Proactively support the development of value-adding commodity processing industry in the country
The rights and obligations of the Contracting Authority	<ol style="list-style-type: none"> 1. Retain ownership rights to the terminal assets. 2. Purchase the initial stock of the food security commodities. 3. Undertake and fund needed works capital investments, those include: <ol style="list-style-type: none"> a. Repurposing silos to change their commodity type as required to meet the national food security commodity requirements. b. Undertaking investments needed to allow the terminal to serve as re-export terminal.
The Payment Mechanism	<ol style="list-style-type: none"> 1. The remuneration of the Concessionaire will be the net of the following cash flows: <ol style="list-style-type: none"> a. The payment due to the Contracting Authority by the Concessionaire as remuneration for utilizing the terminal assets other than those reserved as food security assets. b. The payment due to the Concessionaire for his O&M expenses. 2. Relevant payments will be subject to indexation. 3. The remuneration will be performance-based. As such, penalties will apply for not meeting stipulated KPIs.
Duration	<p>10 years or more.</p> <p>Respondents to this EOI may propose their preferred concession duration as a part of the response to section 7.2, for MoCI's consideration.</p>
Service Requirements	<ul style="list-style-type: none"> • Will be output specifications based. • KPIs and minimum requirements will be defined for the performance of the Concessionaire on his various obligations.
Guarantee	<ul style="list-style-type: none"> • Performance Bond • Parent Company Guarantee
Termination	Balanced termination clauses will be stipulated.

An indicative contractual structure of the delivery model for the Project is illustrated below:

Figure 4.3 Indicative contractual structure



5. Procurement Process and its Indicative Timelines

The procurement process has been designed to deliver a transparent, efficient, practical and timely process for Ministry of Commerce and Industry. The procurement process is expected to consist of the following stages and follow the indicative timelines set out below. The following durations are approximations only and are subject to change according to the Ministry of Commerce and Industry's discretion and private sector feedback:

Stage	Approximate duration
EOI	60 days
RFP	150 - 180 days
Commercial Close	30 - 45 days
Financial close	30 days

6. Capabilities required from the private sector

The respondents to this EOI (the “Respondents”) shall note that at the RFP stage, they shall be required to provide evidence of their experience with projects of a similar nature as the Project including reference projects that are operational and/or currently under commissioning. Projects should include both international and regional projects wherever applicable.

The Respondent shall be requested to focus on projects conducted and implemented internationally, in the Gulf Cooperation Council (“GCC”), the Middle East, and North Africa (“MENA”) Region. In case of a consortium, the Respondent shall be required to clearly specify which of their consortium members have been involved in each of the case studies.

It is recommended that Respondents should be able to demonstrate the below indicative criteria. Specific information on these criteria is expected to be included in the responses to the RFP document and will be evaluated accordingly:

- strong track record in operating, maintaining, and utilising assets in a professional, efficient, reliable, safe, and secure manner.
- experience in delivering projects under a PPP type arrangement.
- sufficient key personnel with demonstrated experience in similar size & specific technical experience;
- International and regional experience in participating in similar projects.
- evidence of raising finance for similar projects; and
- be of a sound financial position.

7. EOI Submission Instructions

7.1 Expression of Interest

The Ministry of Commerce and Industry is interested in receiving EOIs with the information sought in Section 7.2 of this document from interested parties with a track-record of extensive and relevant experience in the operation and maintenance of assets or similar projects.

Assuming that Ministry of Commerce and Industry proceeds with the RFP stage, Respondents will be notified of the RFP stage and, where applicable, requested to obtain the RFP documents (this stage will also be advertised to the market).

Ministry of Commerce and Industry understands that Respondents may wish to form a consortium to bid for the Project, but at the stage of this Request for EOI, interested companies and firms may respond individually and demonstrate the expertise of their primary activities.

Respondents are required to submit their EOI in electronic format (MS word or PDF files), by email to the following address:

fstppp@moci.gov.qa

EOI responses shall be submitted by 1:00 PM (Qatari time) on 14 January 2024. The Ministry of Commerce and Industry reserves the right, at its discretion, not to consider late responses, with no liability whatsoever.

7.2 Information Sought

EOIs shall be completed in English (not to exceed 15 A4 pages) and contain the following information together with a covering letter of interest and Anti-Corruption and Confidentiality Declaration prepared on letterheaded paper and signed by one or several authorised signatory(ies):

Name of company/ potential consortium members:
Company/ potential consortium/ JV overview (including brief company history, key activities, major projects)
Legal status of company/ JV/ consortium lead (including the jurisdiction of its incorporation and whether or not listed on a stock exchange)
Address and point of contact (to include emails and phone numbers)
History of involvement in similar projects (describe similar projects completed including services provided, country and counterparty for each named project)
Question 1: If the EOI is submitted by a consortium, please advise what scope of the Project will be delivered by each consortium member
Question 2: What reservations, if any, do you have concerning the terms that were presented for the Project?
Question 3: What terms would you like to see in the Concession Project Agreement that were not mentioned or stipulated in this document?
Question 4: What innovative solutions, if any, would you potentially propose in terms of any technical specifications while noting that the part of minimum strategic food requirements cannot be changed or altered?