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Memo. No. MPA/DTM/0131(4)/2013-889

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## **INVITATION FOR PREQUALIFICATION**

## FOR

## DEVELOPMENT OF TWO JETTIES AT MONGLA PORT ON PUBLIC-PRIVATE PARTNERSHIP (PPP) BASIS

The Mongla Port Authority (MPA) under Ministry of Shipping intends to select, under the authority of the Government of the People's Republic of Bangladesh (GOB), potential applicant(s) for Financing, Development, Operation and Maintenance of "**Two Jetties at Mongla Port**". The Project will be implemented on a Public-Private Partnership (PPP) basis in accordance with the "Policy and Strategy for Public-Private Partnership (PPP) 2010" published on August 2, 2010 by the Prime Minister's Office, Government of the People's Republic of Bangladesh. Total cost of the project has been estimated to be approximately US\$ 50 million.

Bangladesh has two seaports –Chittagong and Mongla. Total cargo handled by these ports was 43.5 million MT during 2011-12 out of which Chittagong Port handled around 94% and Mongla Port handled the remaining 6%. The country has experienced average GDP growth of over 6% over the last 5 years. This has been reflected by the continuous growth of 'import and export of the country which has averaged at 15% per annum.

Mongla Port is located about 131 km inland from the Bay of Bengal on the Pussur river at its confluence with Mongla River. The port was designed to cater for 11 concrete jetties. Mongla Port Authority constructed five jetties (J5, J6, J7, J8 and J9) in the year 1976 to 1978. At the same time pile driving works for jetties J3 and J4 were completed and these jetties as well as Jetties J1, J2, J10 and J11 were earmarked for future expansion.

It is of national strategic importance to ensure the vibrant operation of multiple ports to meet the nation's increasing import and export requirements. Therefore, GOB has taken active steps to revitalize Mongla port to handle the increased volume of cargo. These efforts have already resulted in the volume of traffic in Mongla Port to double over the last four years (2009-2012). As part of this initiative, GOB through the Mongla Port Authority has decided to develop and operate the two partially completed jetties (J3 and J4) through PPP.

The MPA intends to select a private partner to develop the project on a PPP basis, whereby the private partner undertakes to construct, finance, operate and maintain the various elements of the project for a fixed period of time on the basis of a Concession Agreement entered into with MPA, at the end of which all assets will be transferred to MPA at no cost along with all site improvements, infrastructure, fixtures, fittings and equipment.

The private partner will be selected through an International Competitive Bidding. Applicants who can apply are proprietorship firms, partnerships, and companies registered in joint stock companies. Interested applicants may collaborate with other eligible entities (whether local or overseas) to enhance their qualification by forming a joint venture (JV) or consortium. The JV or consortium must be registered either in Bangladesh or in an eligible foreign country.

Applicants interested in the project are requested to submit an "Application for Prequalification". The PQ document will be available at the office mentioned below, upon payment of a non-refundable fee of Bangladesh Taka 8000 (eight thousand) or US\$ 100 (one hundred) through a demand draft or pay order issued by a bank. The demand draft or pay order must be in the name of the "Chairman, Mongla Port Authority, Mongla, Bagerhat, Bangladesh". The PQ document may be purchased in the name of an individual investor, a joint venture / consortium or any of its members.

This project may be eligible for financing under Investment Promotion and Financing Facility (IPFF) project of Bangladesh Bank which is funded by the World Bank.

A Pre-Application meeting for this project with interested applicants has been scheduled to be held on 25 May 2013. Details are set out in the PQ document. Pre-registration required for attending the IPM. Interested investors are required to get the registration form either at <u>www.pppo.gov.bd</u> or <u>www.mpa.gov.bd</u>.

The closing date for the receipt of completed Application for Prequalification will be: 3.00 pm (Bangladesh Standard Time) on 16 June 2013.

The Application for Prequalification must be sent in a sealed envelope at the office mentioned below by pre-paid mail, courier, or authorized person(s) and be clearly marked as **"Application for Prequalification for the Development of Two Jetties at Mongla Port through PPP"**. Under no circumstances, the MPA will be held responsible for late delivery or loss of the Application for Prequalification sent by mail or courier. Interested applicants may obtain further information from the MPA website at <u>www.mpa.gov.bd</u>.

Applicant(s) shall bear the cost incurred in preparation and submission of Application for Prequalification to MPA. MPA shall not in any way be responsible for the costs incurred by the Applicant(s).

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