

THE GOVERNMENTS OF THE REPUBLIC OF BURUNDI, REPUBLIC OF RWANDA AND UNITED REPUBLIC OF TANZANIA

Dar Es Salaam-Isaka-Kigali/Keza-Musongati (DIKKM) Railway Project

Provision for the Financing, Design, Construction, Operation, Maintenance of the DIKKM Railway under a Public Private Partnership (PPP) Model

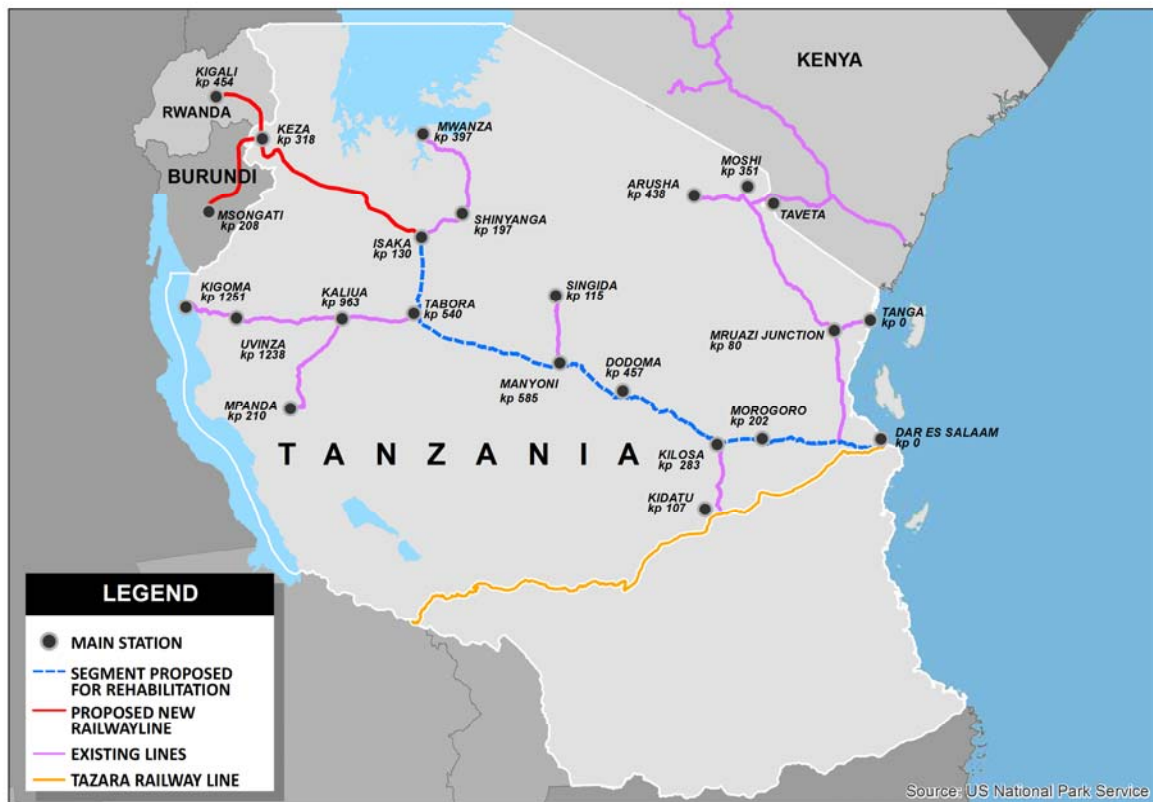
REQUEST FOR EXPRESSIONS OF INTEREST (EoI)

1. Background

The Governments of the Republic of Burundi, Republic of Rwanda, and United Republic of Tanzania (the Partner States) have developed a strategy for active participation and involvement of the private sector in infrastructure development, operations, and maintenance through Public Private Partnerships (PPP).

The Governments of the Republic of Burundi, Republic of Rwanda, and United Republic of Tanzania (the Partner States) have jointly agreed to construct a new standard gauge railway line from Dar es Salaam to Isaka to Kigali with a link to Burundi that will run from Keza to Musongati via Gitega. The new railway line will: reduce transport costs in, and improve the competitiveness of, the three Partner States; contribute to reduction of poverty, offer easy and affordable access to the Dar es Salaam Port, accelerate the economic development and exploitation of un-tapped natural resources and provide a sustainable competitive advantage for the movement of goods in the region.

The DIKKM Railway is a high priority project within the framework of the East African Railway Master Plan. The new railway line will be built primarily for freight trains though passenger trains will also be operated and connect Dar es Salaam to Isaka (970 km plus or minus realignment for Standard Gauge) to Kigali (494 km) and Keza to Musongati (197 km). The existing Isaka Inland Container Depot (ICD) is now the transfer point between rail and road transport for traffic between Tanzania and Rwanda/Burundi/DRC. The following map shows the approximate route.



Source: Feasibility Study prepared by Canarail/GIBB. Maps from the US National Park Service.

A study on the DIKKM Railway Project by Canarail/GIBB was completed in 2014 on behalf of the Partner States to update and consolidate previous studies carried out in 2009 by DB International and BNSF. The focus of the Canarail/GIBB study was to optimise alignments to reduce capital expenditure, re-evaluate potential traffic and revenues, estimate capital expenditure and operations expense, propose the required institutional and legal framework needed for implementation and define the possible PPP options. In addition, the study investigated the benefits and drawbacks of three (3) different gauge options (meter, cape and standard), to allow direct comparison.

The Canarail/GIBB study analysed existing and potential traffic flows and arrived at the following traffic projections for a 30 year time period.

2020	2025	2030	2040	2050
10 MTA	12 MTA	13 MTA	17 MTA	19 MTA

MTA= Million Tonnes per Annum

Preliminary financial analyses indicate that the project is financially viable (using tariffs that are significantly lower than the present trucking tariffs). In terms of economic benefits the DIKKM will also decongest the roads from extensive use by truck use carrying heavy and bulky consignments from Dar es Salaam Port to neighbouring countries and thus save road maintenance costs, vehicle wear & tear and have positive effects on accidents and loss of life.

2. Investors Brief

An “Investors Brief “providing additional data on the project (including PPP options considered in the feasibility study) is available to potential investors upon application via the DIKKM website at www.dikkmrail.com..

3. Transaction Advisor

CPCS of Canada has been engaged by the Partner States as transaction advisor for the DIKKM transaction.

4. Scope of Responsibilities

The Partner States acting through the Rwanda Transport Development Agency (“RTDA”) are seeking Expressions of Interest from suitable qualified and experienced firms (single company, consortium or joint venture) which have the capacity to finance, design, construct, operate, maintain (or some combination of those responsibilities) the 1,661 km DIKKM Railway under a PPP arrangement as follows:

1. Finance, design & build:
 - A new line from Dar es Salaam to Isaka (approximately 970 km)
 - A new line from Isaka to Kigali (494 km)
 - A new line from Keza-Musongati (197 km)
2. Procure and install operating equipment & systems (including signalling) and rolling stock
3. Operate & Maintain the complete railway

5. Required Information

Interested entities are requested to provide information showing their legal status, professional capabilities and experience in the financing, design, construction, operation and maintenance of railways, preferably within a PPP model. At a minimum, this information should include the following for the entity expressing interest (company or each member of any consortium or joint venture)

1.	<i>General</i>
a	Profile, background, physical location and contact details (email, website, correspondence address, telephone, Skype and Fax numbers). Key contact person at the Bidder;
b	Provide information about the structure of the Bidding Entity (or intended structure) through the provision of supporting letters of association or intention to be a part of the Bidding Entity (Certificates of Incorporation, Articles of Association, other relevant documentation)
c	Provide information about the ownership structure (or planned ownership structure) of the bidding entity, including names of major shareholders and percent of shareholding of participants in the bidding entity
2	<i>Financial</i>

a	Provide independently audited and certified financial statements covering the past three (3) years
b	Demonstrate ample financial resources for the project with comfort letter(s) from recognized financial institution(s) (details of loan agreements, line of credit, indentures and other debt instruments, etc.)
c	Envisaged Guarantee requirements if any
3	<i>Technical</i>
a	Provide details of experience with the financing, development, construction, start-up operation and maintenance of similar project(s) in Africa and elsewhere
b	Identify how the different roles will be accomplished by the bidder/consortium i.e. civil construction, track & railway systems, rolling stock, operations & maintenance and experience in these roles.
c	Description of the Key members of the proposed team for the Project (with CVs)
d	Details of Railway Operating Permits, contracts, etc.
e	Any other information which would be relevant in evaluating the respondent's ability to carry out the DIKKGMM Project under the proffered PPP structure
4	<i>PPP Arrangement</i>
a	Description of the preferred PPP structure to be transacted and the reason for choosing that modality;
b	Description of how all requirements of the Project under the preferred PPP structure (above) can be delivered by respondents and indications of what gaps remain to be filled.

6. Procurement guidelines

This request for EoI is issued jointly by the Partner States in accordance with the guidelines of the Rwanda Public Procurement Act for procurement of investors.

7. Process Leading to Request for Proposals (RfP)

After receipt of the EoIs, telephone interviews will be scheduled with some or all of the respondents. An evaluation of the EoIs will be performed, and a short list selected of the potential private partners. Thereafter, a Request for Proposals (RfP) will be issued to the shortlisted entities.

8. Submission of the EoI

Entities interested in participating in the planned solicitation process should submit two copies of their sealed EoI (in English) marked " EoI in Development and Implementation of the Dar es Salaam-Isaka-Kigali/Keza-Musongati Railway Project under a PPP Model" to:

The Director General,
Rwanda Transport Development Agency
P.O. Box 6674
E-mail: info@rtda.gov.rw

No later than 11:00am on Friday, 14th August 2015