

The Government of the Republic of the Union of Myanmar

Ministry of Planning, Finance and Industry

Public -Private - Partnership Center (PPP Center)

Notification No 1 / 2020

1382 ME 1st Waning of Tawthalin

(2 October 2020)

Procedure for Competitive Tender Process of Unsolicited Proposals

Introduction

1. This notification is issued by the Public-Private-Partnership Center (PPP Center) under Ministry of Planning, Finance and Industry (MoPFI) for a private company or an organization or entity to apply for the competitive tender process of unsolicited proposals.

Scope

2. This Procedure shall apply for the projects with a value more than 2,000,000,000 MMK (two billion Myanmar Kyat).

Procedures

3. Unsolicited project proposals with a value more than 2,000,000,000 Kyats (2 billion Kyats) shall be processed as follows –

- a) Initial screening of Project Proposals
- b) Categorizing the processes
- c) Payment of the Fee for Assessment of Proposals
- d) Swiss Challenge Tender Process

Initial screening of Project Proposals

4. The implementing government agency (IGA) must screen to ensure that the project proposals are complied with the following requirements:

- (a) **Financial Capability** – Company registration information of the proposed private company / organization such as: company structure,

company registration, list of members of the board of directors and respective share holdings and also the financial information such as income declaration, sales revenue and financial statements shall be assessed.

- (b) **Business Experience** – Evidence of the experience of the proposed private company / organization in implementing similar projects shall be assessed.
- (c) **Completeness of Documents and Information** – The proposal shall be assessed as to whether it provides sufficient and appropriate documents in accordance with Chapter 5, Article 26, the Project Bank Notification, Notification No (2 / 2018) by the President’s Office of the Republic of the Union of Myanmar.
- (d) **Alignment with Strategy** - the linkage of the project to the National Strategic Action Plan and its benefit shall be assessed.

Categorizing the processes

5. After screening the project proposals according to Article (4) of this Notification, they shall be processed as follows:

- (a) **Reject the Proposal**
 - 1) The company information of the proposed private company / organization is weak and the assessment team is not confident as to the technical capability of the applicant.
 - 2) The proposed project is not in-line with the Myanmar Sustainable Development Plan (MSDP), national sectoral key projects, or specific Strategic Action Plans, the project is not economically viable or the project is not operationally, financially or legally feasible.

(b) Requesting Resubmission of the Project Proposal

- 1) The proposal shall be requested to be updated and resubmitted again and it will be assessed again by the assessment team in accordance with Article (4) of this Notification if the company information of the proposed private company / organization seems to be strong, the assessment team is confident of the technical capability of the applicant and the project is viable and feasible in terms of operational, financial and legal but the information provided is not sufficient for the assessment team to make a decision.
- 2) The financial projections, the commercial operational plans and the schedule and terms of the project implementation shall be developed if the proposed private company / organization is strong in terms of company information and industrial experience and the project initial screening approved that it is an important project for the nation.
- 3) The IGA and the proposed private company / organization are required to sign a “Project Development Agreement” in order to be able to prepare as above; either IGA or the proposed private company / organization will proceed with the preparation. The Swiss challenge winner or bid winner shall pay the costs in relation to the preparations mentioned above or the relevant government organization may bear the costs.
- 4) When the project financial and commercial information had been developed, the proposal will be resubmitted and assessed again by the assessment team according to this Notification.

(c) Direct Negotiation

- 1) The direct negotiation with the management of the implementing government agency shall be conducted if the proposed private company / organization is exceptionally qualified in terms of excellent reputation and proven international experiences in relative industry.
- 2) The directly negotiated projects shall be submitted to and seek approval from the Union Government in accordance with guidelines.

(d) Inviting Tenders

- 1) A tendering process for the proposal shall be conducted if the company information of the proposed private company / organization seems to be weak and the assessment team is not confident as to the technical capability of the applicant but the project itself is valid, relevant and in-line with and contributes to the National Strategic Action Plans.
- 2) The tender process must comply with the government guidelines, notifications and procedures on tendering.
- 3) Tendering process shall be conducted according to Articles (7), (8) and (9) of this procedure.

(e) Inviting Swiss Challenge Tender Processes

- 1) The IGA may conduct a Swiss Challenge Tender Process if the company information of the proposed private company / organization seems to be strong and the assessment team is confident as to the technical capability of the applicant.
- 2) The Swiss Challenge Tender Process shall be conducted although the project proposal may be weak but it is a strategic importance

project and the assessments regarding the project implementation, the project financial projections, project commercial operational plans and the schedule and terms of the project implementation have been sufficiently developed.

3) An advice from the PPP Center and the Project Bank's approval are needed for a project with value more than (2,000) million Kyats.

4) Swiss Challenge Tender Process shall be conducted in accordance with Articles (7), (8), (9) and (10) of this procedure.

6. The IGA shall communicate and inform the condition set out in Article (5) of this Notification which applies to the proposed private company / organization.

Payment of a Fee for Assessment of Proposals

7. After the initial screening by the IGA according to Article (4) and the IGA has decided to proceed with either a competitive tender or the Swiss Challenge Tender Process in accordance with Article (5), the proposed private company / organization must pay a Proposal Review Fee of Kyats (5,000,000) (Five Million Myanmar Kyats) to the IGA. The IGA shall reserve the expenses to obtain a consultant to assist in conducting the "Project Preparation" for the competitive tender or the Swiss Challenge Tender Process in accordance with the Financial Management Regulation of the Government of Myanmar.

8. The project shall not be taken into consideration by the IGA if the proposal review fee is not fully paid in accordance with Article (7).

9. When the proposal review fees are fully received in accordance with Article (7), the IGA shall inform the proposed private company / organization, by mail or e-mail, that the required process is either the competitive tender or the Swiss Challenge Tender Process.

Swiss Challenge Tender Process

10. The Swiss Challenge Tender Process must be implemented swiftly starting from when the “Business Case” and the Tender Proposals are requested. The IGA shall conduct the Swiss Challenge Tender Process as follow:

- (a) Advertising EOI in Newspapers
 - 1) In order for the interested private company / organization to submit EOI, the IGA shall advertise the EOI in newspapers and the last submission date for EOI must be clearly stated. The criteria for the initial screening of the project proposals shall be developed.
- (b) Preliminary Selection
 - 1) The preliminary selection of EOI shall be based on the criteria on the financial and industrial experience as stated in EOI.
- (c) “Non-Disclosure Agreement”
 - 1) The IGA shall request the interested private companies / organizations to sign a “Non-Disclosure Agreement” to ensure tender confidential information is not disclosed to others.
 - 2) The Request for Proposal (RFP) shall be issued only after the “Non-Disclosure Agreement” is signed by the responsible person of the respective private companies / organizations.
 - 3) When requesting the competitive tender proposals from other private companies / organizations, the respective IGA shall be aware not to harm the intellectual property of the primary proponent company / organization.
- (d) Requesting for Proposal (RFP) and Selecting
 - 1) The RFP and the final selection on Swiss Challenge Tenders shall be conducted in accordance with the Chapter (5) Section (26) and

(27) of the Project Bank Notification, Notification No (2 /2018) by
the President's Office, the Republic of the Union of Myanmar.

Soe Win
Chairman

Reference Number: PPP Center / Policy / 1 / (001 / 2020)

Date: 2 October 2020

By Order

Sett Aung
(Secretary)