

BIDDING DOCUMENT

**FOR LEASE OF
BERINMADHOO IN HAA ALIFU ATOLL
TO DEVELOP A TOURIST RESORT**

SAMPLE

**Ministry of Tourism, Arts and Culture,
Republic of Maldives**

07 October 2012

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SECTION I - INVITATION FOR BIDS (IFB)

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Invitation for Bids

Date: 07th October 2012

IFB N^o: MTAC/1-I-BID-01/2012

1. The Government of Maldives, represented by the Ministry of Tourism Arts, and Culture (the “**Ministry**”) hereby announces public tendering for the lease and development of tourist resort on the island of Berinmadhoo, in Haa Alifu Atoll (the “ **Island**”), a picture of the Aerial View of the Island is attached as Annex I of the Bidding Documents.
2. The Ministry now invites sealed Bids from eligible Bidders for the lease and development of a tourist resort on the Island. The Bidder may propose whether to develop a tourist on the Island.
3. The Island will be leased for a period of 50 (fifty) years pursuant to Section 8 of the Tourism Act (Law No. 2/99).
4. Interested parties may obtain further information, inspect and purchase the Bidding Documents from **07th [October 2012 up to the 21st October 2012, between 09:00 hours to 12:30 hours** at the following address:

Ministry of Tourism, Arts and Culture

5th Floor, Velaanaage

Ameer Ahmed Magu

Male’, Republic of Maldives

Telephone: + (960) 332 3224, Facsimile: + (960) 332 2512

Email: finance@tourism.gov.mv

Website: <http://www.tourism.gov.mv>

5. Bidding Documents may be purchased on submission of an application form to the address in IFB Clause 4. The application form can be collected from the Ministry or can be downloaded from the website of the Ministry, www.tourism.gov.mv.
6. The price of a set of Bidding Documents for Maldivian individuals or companies/partnerships registered in the Republic of Maldives with 100% Maldivian ownership shall be **MRf 2,000** (Two Thousand Maldivian Rufiyaa). The price of a set of Bidding Documents for all others shall be **US\$ 300** (Three Hundred United States Dollars). Payment for the bid document is non-refundable.
7. The following shall be submitted with the application form.:
 - a) A power of attorney granted to the person who will be signing the application form and tender documents (this shall not be applicable to individual bidders signing their application forms and their own tender documents).

- b) Documentary evidence of person or legal entity (Copy of national identity card or passport for individuals, copy of registration certificate for companies and partnerships).
 - c) Payment for the Bidding Documents as specified in Clause 5 of the IFB.
8. Upon payment for Bidding Documents, a receipt shall be issued which shall include the Bid Serial Number.
 9. The Bidding Documents and the Bid Serial Numbers are non-transferable.
 10. Each Bidder shall submit only one Bid for the the Island.
 11. A pre-bid meeting to provide information for interested parties shall be held at 14:00 hours **Sunday 14th October 2012** at the address in IFB Clause 4 or any other venue that the Ministry may announce.
 12. Bids must be delivered before 14:00 hours **on Sunday, 21st October 2012** to the address in IFB Clause 4 or any other venue that the Ministry may announce.
 13. Bids will be opened in the presence of Bidders or their representatives who choose to attend the event at 14:00 hours **on Sunday, 21st October 2012**, at the office of the Ministry or at any other venue that the Ministry may announce.
 14. The venue for the events pursuant to IFB Clause 11, 12 and 13 will be announced through media and posted on the website of the Ministry www.tourism.gov.mv. No further notification of the time, date and/or the venue for the events will be issued by the Ministry.

SECTION II - INSTRUCTIONS TO BIDDERS (ITB)

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Instructions to Bidders

A. INTRODUCTION

1. Background

The Government of Maldives, represented by the Ministry of Tourism Arts, and Culture (the “**Ministry**”) hereby announces public tendering for the lease and development of tourist resort on the island of Berinmadhoo, in Haa Alifu Atoll (the “**Island**”), a picture of the Aerial View of the Island is attached as Annex I of the Bidding Documents

2. Definitions

Unless the context otherwise requires, the following words and expressions shall have the following meanings:

“**Amendment**” means amendments brought to the Bidding Documents in accordance with Clause 8 of the ITB.

“**Application Form**” means the application form to be submitted to purchase a set of Bidding Documents together with all the documents required to be submitted with it.

“**Bid Closing Date**” means the last date on which a Bid will be accepted by the Government as specified in Clause 12 of the IFB.

“**Bid Closing Time**” means the deadline for submission of Bids on the Bid Closing Date as Specified in Clause 12 of the IFB.

“**Bid Opening Date**” means the date specified for opening of Bids in Clause 13 of the IFB.

“**Bid Opening Venue**” means the venue specified in Clause 4 of the IFB or the venue announced in accordance with Clause 14 of the IFB.

“**Bid Serial Number**” means the serial number issued by the Ministry pursuant to Clause 8 of the IFB.

“**Bid Validity Period**” means the Bid validity period defined in Clause 13 of the ITB.

“**Bid**” means all the documents specified in Clause 10 of the ITB submitted prior to the Bid Closing Time on Bid Closing Date.

"Bidder" means an individual or legal entity who submits a Bid in accordance with the Bidding Documents.

"Bidding Documents" means these bidding documents issued by the Ministry pursuant to its invitation for Bids under reference IFB N^o: MTAC/1-I-BID-01/2012 dated 07th day of October 2012 and more fully described in Clause 6 of the ITB.

"Detailed Evaluation" means the evaluation of Bids pursuant to Clause 22 of the ITB.

"Highest Evaluated Bid" means the Bid scoring the highest points in the Detailed Evaluation from amongst the Substantially Responsive Bids.

"IFB" means the section in the Bidding Documents under the heading of Invitation for Bids.

"ITB" means the section in the Bidding Documents under the heading of Instruction to Bidders.

"Late Bids" means Bids submitted after the Bid Closing Time on the Bid Closing Date.

"Lease Acquisition Cost" means the amount of money proposed by a Bidder to be paid to the Government to acquire the leasehold right of the Island which is the subject of this public tender announced by the Ministry through the Bidding Documents and which is envisaged to be granted to the Successful Bidder pursuant to the Lease Agreement.

"Lease Agreement" means the agreement that will be signed between the Successful Bidder and the Ministry for the Lease of the Island which is the subject of this public tender.

"Leaseholder" means the Successful Bidder who sign the Lease Agreement and holds the leasehold rights over the Island.

"Lease Rent" means the lease rent payable in relation to the Island, pursuant to the Section 7 of Tourism Act (Law No. 2/99).

"Notification of Award" means the notification issued by the Ministry to the Successful Bidder or the Second Highest Evaluated Bidder as the case may be.

"Resort or Tourist Resort" means all the buildings, installations, structures, facilities, machinery, equipment, tools, furniture, fixture and fittings, cutlery and crockery and linen forming part of or are directly associated with the operation and management of the resort.

"Island" means the island known as the island of Berinmadhoo in Haa Alifu Atoll in the Republic of Maldives and which includes the dry land and surrounding lagoon as demarcated in accordance with relevant applicable regulations and which is further identified by the maps annexed to this Bidding Documents.

“Second Highest Evaluated Bid” means the Bid scoring the second highest points pursuant to Clause 22 of the ITB from amongst the Substantially Responsive Bid.

“Second Highest Evaluated Bidder” means the Bidder who submits the Bid scoring the second highest points pursuant to Clause 22 from amongst the Substantially Responsive Bids.

“Substantially Responsive Bids” means a Bid that has been determined to be substantially responsive pursuant to Clause 21 of the ITB.

“Successful Bidder” means the Bidder who submits the Highest Evaluated Bid subject to Clause 22 of the ITB or the Bidder determined as the Successful Bidder pursuant to Clause 24.1.

“Third Highest Evaluated Bid” means the Bid scoring the third highest points pursuant to Clause 22 of the ITB from amongst the Substantially Responsive Bid.

“Third Highest Evaluated Bidder” means the Bidder who submits the Bid scoring the third highest points pursuant to Clause 22 from amongst the Substantially Responsive Bids.

“Fourth Highest Evaluated Bid” means the Bid scoring the fourth highest points pursuant to Clause 23 of the ITB from amongst the Substantially Responsive Bid

3. General Conditions of Lease

- 3.1. Lease Rent for the Island will be fixed in accordance with the Clause 7 of the Maldives Tourism Act (Law No. 2/99) and relevant regulations made thereunder.
- 3.2. All Bidders are encouraged to inspect the Island and verify that the Island is suitable for the purpose for which the Island is tendered. Submission of a Bid for the lease of the Island shall be deemed as acceptance on the part of the Bidder that the Island is suitable for the purpose for which the Island is tendered. For the purpose to inform all Bidders, the Ministry notes that the Island was previously leased for the purpose of development and management of a tourist resort. However, the previous leaseholder notifies that the Island is having various issues such as severe beach erosion. The list of issues highlighted by the previous leaseholder are attached as Annex II of this Bidding Documents. The Ministry also note that the previous leaseholder has made substantial investment on the Island..
- 3.3. The Government shall not be liable for any claim by a bidder on the grounds that the Island is not suitable or appropriate for the resort development on any grounds. In the event if the Successful Bidder or the party who leases the Island wish to swap or relocate the Island to another, the Government will not entertain such request nor shall the Island be swapped and or relocated for any reason in future.

- 3.4. Bidders shall be required to propose to pay a Lease Acquisition Cost for the Lease of the Island. The minimum amount proposed as Lease Acquisition Cost shall be USD 500,000 (United States Dollars Five Hundred Thousands).
- 3.5. For the avoidance of any doubt, it is understood and agreed by the Bidder that any payment made as Lease Acquisition Cost shall not be refundable by the Government nor shall it be deductible from Lease Rent or any other rent or any other dues to the Government in the event the Lessee fails to perform its obligations under this Agreement or otherwise.
- 3.6. The Successful Bidder shall be determined based on the proposed total amount to be paid as Lease Acquisition Cost for the Island as specified in these Bidding Documents.
- 3.7. The period of lease of the Island shall be 50 (fifty) years from the date of signing the Lease Agreement.
- 3.8. Lease Rent for the Island shall be payable commencing from 36 (thirty six) months from the date of signing of Lease Agreement or the date of commencement of operation of the Resort or whichever happens earlier. Lease Rent for the Island shall be paid quarterly in advance as specified in the applicable regulations.
- 3.9. The Successful Bidder will be given 36 (thirty six) months from the date of signing the Lease Agreement for the completion of the development, construction of the Resort and commencement of operation.

4. Eligible Bidders

- 4.1. This Invitation for Bids is open to individuals, partnerships and companies, local and foreign. Individuals submitting Bids shall be at least 18 (eighteen) years of age on the Bid Opening Date.
- 4.2. Bidders, in the preparation of their Bids, shall not be associated with an employee of the Ministry. All Bidders shall complete the non-association clause in the Bid Form.

5. Cost of Bidding

- 5.1. The Bidder shall bear all costs associated with the preparation and submission of the Bid, and the Ministry will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process. However, upon submission of the Bid to the Ministry, the Bid will become the absolute property of the Government, and the Bidder will not have any right whatsoever to claim back any of the documentation or material comprising the Bid.
- 5.2. The Bidding Documents and/or the Bid Serial Number cannot be transferred to another party under any circumstances whatsoever.

B. THE BIDDING DOCUMENTS

6. Composition of the Bidding Documents

- 6.1. The contract terms are prescribed in the Bidding Documents. In addition to the Invitation for Bids, the Bidding Documents include:
- a) Aerial View of the Island (Annex I)
 - b) Issues highlighted by the previous leaseholder (Annex II)
 - c) Application Form to be submitted pursuant to the IFB
 - d) Instructions to Bidders (ITB)
 - i. Bid Forms: (Annex III Sample Form 1)
 - ii. Bid Security Form: (Annex IV Sample Form 2)
 - e) Any Amendments issued by the Ministry in accordance with the Bidding Documents.
- 6.2. The Bidder is expected to examine all instructions, forms, terms and conditions in the Bidding Documents. Failure to furnish all information required or to submit a Bid which is not complete in every respect may result in the Bid being determined non-responsive and disqualified.

7. Clarification of Bidding Documents

- 7.1. A prospective Bidder requiring any clarification of the Bidding Documents may notify the Ministry in writing at the address indicated in IFB Clause 4. All requests and clarifications issued by the Ministry shall be in writing. All requests for clarifications shall include the Bid Serial Number.
- 7.2. Prospective Bidders shall submit requests for clarification at least 3 (three) working days prior to Bid Closing Date.
- 7.3. All clarifications shall be sought and/or provided only as specified in this Clause 7 of the ITB. The Ministry shall not be responsible for any clarifications sought and/or provided in any other manner of whatsoever nature.

8. Amendments to Bidding Documents

- 8.1. At any time prior to the deadline for submission of Bids, the Ministry, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder may modify the Bidding documents through amendment(s).
- 8.2. All or any Amendments made to the Bidding documents pursuant to Clause 8.1 of the ITB shall be posted on the website of the Ministry, www.tourism.gov.mv prior to the deadline for Bid submission.
- 8.3. In order to allow prospective Bidders reasonable time in which to take the amendment(s) into account in preparing their Bids, or for any other reason, the Government at its discretion, may extend the deadline for the submission of Bids.

C. PREPARATION OF BIDS

9. Language of Bid

- 9.1. The Bid prepared by the Bidder, as well as all correspondence and documents relating to the Bid exchanged by the Bidder and the Government shall be written in English language with the exception of those in Dhivehi issued by the relevant authorities of the Government of Maldives. Any non-English Bid related documents, other than those in Dhivehi issued by the relevant authorities of the Government of Maldives, shall be accompanied by an authenticated English translation, which text shall prevail for the purposes of interpretation of the Bid.

10. Documents Comprising the Bid

- 10.1. The Bid prepared by the Bidder shall comprise solely of the following documentation and shall be submitted before the Bid Closing Time on the Bid Closing Date to the Bid Opening Venue:
 - a) Completed Bid Form in accordance with Form 1 in Annex III.
 - b) Bank Guarantee (Bid Security) furnished in accordance with Form 2 in Annex IV
 - c) Documentary evidence (Power of Attorney and Board Resolutions in case of companies) stating that the person signing the Bid has been duly authorized to bind the Bidder. (This shall not be applicable to individual Bidders signing their own Bids).
- 10.2. The Bidder shall complete and submit all the documents in ITB Clause 10.1. Any deviation from the requirements on submitting the above documents will be determined non-responsive and disqualified by the Ministry.

11. Bid Currency

11.1. Bid currency is the United States Dollar.

12. Bid Security

12.1. The Bidder shall submit a Bank Guarantee as Bid Security amounting to US\$ 50,000 (United States Dollars Fifty Thousand), issued by a reputable financial institution acceptable to the Ministry, in accordance with Form 2 in Annex IV of the Bidding documents, and valid for 60 (sixty) calendar days beyond the Bid Opening Date.

12.2. Any Bid not accompanied by a Bank Guarantee as Bid security in accordance with Clause 12.1 will be determined non-responsive and disqualified by the Ministry.

12.3. The Ministry may require the validity of the Bank Guarantee (Bid Security) to be extended, in which case Bidders will be required to submit a Bank Guarantee (Bid Security) with extended validity as requested by the Ministry.

12.4. The Bank Guarantee (Bid Security) of the Bidders shall be discharged or returned upon the Successful Bidder signing the Lease Agreement or annulment of the Bidding process pursuant to the clause 25.

12.5. The Government will forfeit the Bank Guarantee (Bid Security) if the Bidder:

- a) Withdraws its Bid during the Bid Validity Period; or
- b) Does not accept Amendments made to or correction of errors in the Bidding Documents in accordance with Clause 8 of the ITB; or
- c) If the Bidder, having been issued with Notification Award by the Ministry during the Bid Validity Period:
 - i. refuses to accept the award; or
 - ii. fails to fulfill the requirements pursuant to Clause 28 of the ITB; or
 - iii. fails to sign the Lease Agreement in accordance with Clause 29 of the ITB.

12.6. The Successful Bidder's Bank Guarantee (Bid security) will be discharged upon the Bidder signing the Lease Agreement as prescribed in Clause 29 of the ITB.

13. Period of Validity of Bids

13.1. Bids shall remain valid for a period of 90 (ninety) calendar days after the Bid Opening Date.

13.2. The Ministry may solicit the Bidder's consent to an extension of the Bid Validity Period. The request and the responses thereto shall be made in writing. A Bidder granting the request will not be required nor permitted to modify the Bid. However such Bidders may be required to extend the validity of the Bank Guarantee (Bid Security) if so required by the Ministry. The Bids of Bidders who decide not to accept any extension shall be rejected and their Bank Guarantees (Bid Security) shall be returned forthwith.

14. Format and Signing of the Bid

14.1. The Bidder shall bind all pages of the Bid in one volume.

14.2. The Bid shall be typed or written legibly in indelible ink and shall be signed by the Bidder or a person duly authorized to bind the Bidder to the Bid. All pages of the Bid, except for un-amended printed literature, shall contain the Bid Serial Number, and shall be initialed by the person signing the Bid.

14.3. Any interlineations, erasures or overwriting shall be valid only if they are initialed by the person signing the Bid.

15. Sealing and Marking of Bids

15.1. The Bidder shall prepare and submit one original of the Bid in a sealed envelope.

15.2. The envelope shall:

- a) Be addressed to the Ministry at the address given in Clause 4 of the IFB.
- b) Bear the name "Bid for the lease of the Island to develop Tourist Resort in Berinmadhoo, Haa Alifu Atoll", and the statement; "**DO NOT OPEN BEFORE [time], [date]**" to be completed with the Bid Closing Time and the Bid Closing Date.
- c) The envelope shall also indicate the name, address and the Bid Serial Number of the Bidder. The Bid Serial Number shall be placed at the top right hand corner of the envelope.

15.3. If the envelope is not sealed and marked as required by ITB Clause 15, the Ministry will assume no responsibility for the Bid's misplacement or premature opening.

D. SUBMISSION OF BIDS

16. Deadline for Submission of Bids

- 16.1. Bids must be received by the Ministry at the address specified under Clause 4 of the IFB or at any other venue that the Ministry may announce, and no later than 48 (forty eight) hours before the the Bid Closing Time on the Bid Closing Date.
- 16.2. The Ministry may, at its discretion, extend the Bid Closing Date and/or the Bid Closing Time by Amendment to the Bidding Documents, in which case all rights and obligations of the Ministry and Bidders previously subject to the deadline will thereafter be subject to the deadline as amended.

17. Late Bids

- 17.1. Bids will not be accepted by the Ministry after the Bid Closing Time on the Bid Closing Date.

18. Modification and Withdrawal of Bids

- 18.1. The Bidder may modify or withdraw the Bid after the Bid's submission provided that written notice of the modification, including substitution or withdrawal of the Bid, is received by the Ministry 48 hours prior to the Bid Closing Time on the Bid Closing Date.
- 18.2. The Bidders' modification or withdrawal notice shall be prepared, sealed, marked and submitted in accordance with Clause 14 and 15 of the ITB.
- 18.3. No Bid shall be modified or withdrawn after the Bid Closing Time on the Bid Closing Date.

E. OPENING AND EVALUATION OF BIDS

19. Opening of Bids by the Ministry

- 19.1. The Ministry shall open all Bids in the presence of Bidders or their representatives, who choose to attend the event, at the Bid Closing Time on the Bid Closing Date. The Bidders or their representatives who are present shall sign a register evidencing their attendance.
- 19.2. The Bidders' names, Bid modifications or withdrawals, and such other details as the Ministry, at its discretion, may consider appropriate, will be announced and or displayed at the Bid opening.

- 19.3. No Bid shall be rejected at Bid opening, except for Late Bids, which shall not be accepted by the Ministry or in any case be returned unopened to the Bidder pursuant to ITB Clause 17.1.

20. Clarification of Bids

- 20.1. During evaluation of the Bids, the Ministry may, at its discretion, ask a Bidder for a clarification. The request for clarification and the response shall be in writing, stating a time to respond and no change in any financial aspects of the Bid shall be sought, offered or permitted.

21. Preliminary Examination

- 21.1. The Ministry will examine the Bids to determine whether they are complete, whether any computational errors have been made, whether the required documents have been furnished, whether the documents have been properly signed, and the Bids are generally in order.
- 21.2. Arithmetical errors will be rectified on the following basis. If there is a discrepancy between the unit value and the total value that is obtained by multiplying the unit value and the variable, the unit value shall prevail and the total value shall be corrected. If there is a discrepancy between words and figures, the amount in words shall prevail.
- 21.3. The Ministry may waive any minor informality, nonconformity or irregularity in a Bid, provided such waiver does not prejudice or affect the relative ranking of any Bidder.
- 21.4. Prior to the detailed evaluation, pursuant to ITB Clause 22, the Ministry will determine Substantially Responsive Bids in accordance with the Bidding Documents. For purposes of these Clauses, a Substantially Responsive Bid is one which conforms to all the terms and conditions of the Bidding Documents.

22. Evaluation and Comparison of Bids

- 22.1. The Ministry shall evaluate and compare Substantially Responsive Bids.
- 22.2. The evaluation of a Bid will exclude and not take into account any additional documentation or information other than those specifically requested in the Bidding Documents.
- 22.3. Bids will be evaluated based on the proposed total amount to be paid as Lease Acquisition Cost (100 points). The Bidder proposing the highest total amount as Lease Acquisition Cost shall be given 100 points. Points for other Bidders proposing Lease Acquisition Cost shall be prorated accordingly.
- 22.4. The amount paid as Lease Acquisition Cost shall not be refundable nor shall it be deductible from any payments to be made by the Successful Bidder to the Government.

23. Determining the Highest Evaluated Bid

- 23.1. The Bid scoring the highest points subject to Clauses 21 and 22 of the ITB and shall be determined as the Highest Evaluated Bid.
- 23.2. Subject to Clause 22 of the ITB, if more than one Bidder has scored the highest points, the Bidders whose scores are tied shall be allowed to submit a second proposal in the form provided in the Bid Form in Annex III. The total amount proposed by a Bidder in the second submission shall not be less than the total amount proposed in the Bidders initial proposal. The Bidder who then proposes to pay the higher amount as Lease Acquisition Cost shall be determined to be the Successful Bidder.
- 23.3. Bidders whose scores are tied as specified in Clause 23.2 of the ITB shall be given three working days to submit a second proposal. Submission of proposals pursuant to this Clause shall be subject to the terms and conditions of these Bidding Documents. A time and venue for the submission pursuant to this Clause shall be determined by the Ministry and informed to the relevant Bidders 48 (forty eight) hours prior to the deadline for the second submission.

F. AWARD OF CONTRACT

24. Award Criteria

- 24.1. The Government will choose as the Successful Bidder, the Bidder whose Bid has been determined to be the Highest Evaluated Bid from amongst the Substantially Responsive Bids.

25. Government's Right to Annul the Bidding Process

- 25.1. The Government reserves the right to annul the whole Bidding process or the Bidding for the island and reject all Bids or all Bids for the island at any time prior to the issuance of the Notification of Award, without thereby incurring any liability to the affected Bidder(s) or any obligation to inform the affected Bidder(s) of the grounds for the Government's action.
- 25.2. No claim, demand, action or legal proceedings shall lie against the Ministry in respect of its action(s) or decision(s) under Clause 25.1 of the ITB or the rejection of any Bid by the Ministry in accordance with the Bidding Documents.

26. Notification of Award

- 26.1. Prior to the Notification of Award, the Ministry will check the information and documentation provided with the Application Form pursuant to IFB Clause 7 to determine their validity. Any incorrect or invalid information or documentation provided may lead to disqualification of the Bid.

- 26.2. Prior to the expiration of the Bid Validity Period, the Government will notify the Successful Bidder in writing, that the Bid has been accepted.
- 26.3. In the event the Successful Bidder fails to or is unable to fulfill the conditions contained in the Notification Award or declines to accept the Notification of Award, the Notification of Award issued to the Bidder shall be deemed terminated.
- 26.4. Where the Notification of Award is terminated in accordance with Clause 26.3 of the ITB, the Ministry shall issue Notification of Award to the Second Highest Evaluated Bidder.
- 26.5. Any Notification of Award to the Second Highest Evaluated Bidder, shall be subject to the terms and conditions as that of the Notification of Award to the Highest Evaluated Bidder and subject to the terms and conditions of these Bidding Documents.
- 26.6. In the event the Second Highest Evaluated Bidder fails to or is unable to fulfill the conditions contained in the Notification Award or declines to accept the Notification of Award, the Notification of Award issued to the Second Highest Evaluated Bidder shall be deemed terminated.
- 26.7. Where the Notification of Award is terminated in accordance with Clause 26.6 of the ITB, the Ministry shall issue Notification of Award to the Third Highest Evaluated Bidder.
- 26.8. Any Notification of Award to the Third Highest Evaluated Bidder, shall be subject to the terms and conditions as that of the Notification of Award to the Highest Evaluated Bidder and subject to the terms and conditions of these Bidding Documents.
- 26.9. In the event the Third Highest Evaluated Bidder fails to or is unable to fulfill the conditions contained in the Notification Award or declines to accept the Notification of Award, the Notification of Award issued to the Third Highest Evaluated Bidder shall be deemed terminated.
- 26.10. Where the Notification of Award is terminated in accordance with Clause 26.9 of the ITB, the Ministry shall issue Notification of Award to the Fourth Highest Evaluated Bidder. Any Notification of Award to the Fourth Highest Evaluated Bidder shall be subject to the terms and conditions as that of the Notification of Award to the Highest Evaluated Bidder and subject to the terms and conditions of these Bidding Documents. In the event the Fourth Highest Evaluated Bidder fails to or is unable to fulfill the conditions contained in the Notification Award or declines to accept the Notification of Award, the Notification of Award issued to the Fourth Highest Evaluated Bidder shall be deemed terminated. This process will be continued until any further Highest Evaluated Bidder, who has been issued a Notification of Award, accepts such Notification of Award and fulfill the requirement stipulated in the Clause 28.

- 26.11. In the event the final and or the last Highest Evaluated Bidder who has been issued a Notification of Award fails to or is unable to fulfill the conditions contained in the Notification Award or declines to accept the Notification of Award, the Ministry shall annul the Bidding process.
- 26.12. Any Bidder whose Bid has been rejected pursuant to any Clause of the ITB shall indemnify and hold the Ministry harmless from any and all claims, demands and/or action that may arise directly or indirectly from or in connection with the rejection of the Bid by the Government.

27. Contacting the Ministry

- 27.1. Subject to ITB Clause 20, no Bidder shall contact the Ministry or any of its employees on any matter relating to the Bid, from the Bid Closing Time to the time the Ministry issues Notification of Award to the Successful Bidder.
- 27.2. Any effort by a Bidder to influence the Ministry in its decisions on Bid evaluation, Bid comparison, or contract award may result in the rejection of the Bidder's Bid. Furthermore no claim, demand, action or legal proceedings shall lie against the Ministry in respect of its action(s) or decision(s) under this Clause.

28. Payment of Lease Acquisition Cost

- 28.1. Within 30 (thirty) calendar days of receipt of Notification of Award by the Ministry and prior to signing of the Lease Agreement, the Successful Bidder shall pay the Ministry the amount proposed to be paid as Lease Acquisition Cost as specified in the Bidding Documents. Where the Second Highest Evaluated Bidder or the Third Highest Evaluated Bidder or the Fourth Highest Evaluated Bidder is issued with Notification of Award pursuant to ITB Clause 26.4 or 26.7, 26.10, 15 (Fifteen) calendar days shall be given to fulfill the requirement stipulate in this Clause. Where any further Highest Evaluated Bidder, is issued with Notification of Award pursuant to ITB Clause or 26.10, 7 (Seven) calendar days shall be given to fulfill the requirement stipulate in this Clause.
- 28.2. In the event the Bidder fails to sign the Lease Agreement in accordance with Clause 29 of the ITB or fails to perform its obligations under the Lease Agreement the payment made pursuant to ITB Clause 28.1 shall not be refundable.

29. Signing of Contract

- 29.1. At the same time as the Ministry notifies the successful Bidder that its Bid has been accepted, the Ministry will send the Bidder the Draft Lease Agreement, incorporating all agreements between the parties, and effecting the necessary and appropriate changes to the Draft Lease Agreement.
- 29.2. The Successful Bidder shall sign the Lease Agreement within 7 (seven) calendar days of fulfilling the requirements of the Clauses 28.

ANNEX I – AERIAL VIEW OF THE ISLAND



**ANNEX II - ISSUES HIGHLIGHTED BY THE PREVIOUS
LEASEHOLDER**

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



**MINISTRY OF TOURISM, ARTS AND CULTURE
REPUBLIC OF MALDIVES**

Date: 07th October 2012

**REPORT ON THE ISSUES RAISED BY THE PREVIOUS LEASEHOLDER OF BERIMADHOO IN
HAA ALIFU ATOLL**

Beach Erosion and Physical Condition of the Island

- Severe erosion on the western and northern side of the island with loss of land. Overall approximately 7% of land area was lost due to erosion (comparison of area inside beach toe from November 2007 and November 2010 survey)
- Due to soil erosion, rubble and beach rocks are visible around the island.
- Beach area is highly variable due to monsoons.
- The island lacks sufficient beach and lagoon area.

Damage to Structures Built on the Island

- Some of the beach front pavilions constructed was damaged due to erosion.

Moosa Zameer Hassan

Deputy Director General

ANNEX III

Form 1: Bid Form

Date: -----

IFB N^o: MTAC/1-I-BID-01/2012

To: Ministry of Tourism, Arts and Culture, Republic of Maldives

Dear Sir/Madam,

Having examined the Bidding Documents including all addenda issued in connection with the Bidding Documents relating to the Invitation for Bids IFB N^o: MTAC/1-I-BID-01/2012 the receipt of which is hereby duly acknowledged, I/we, the undersigned, offer to lease, develop and operate the tourist resort [*delete where appropriate*].

The amount I/we thus propose to pay as **Lease Acquisition Cost** is as follows:
[Refer to Clause 3 of the ITB]

a) Lease Acquisition for the lease of the Island: *[amount in words and figures]*

I/We hereby declare that it is understood and agreed myself/us that any payment made as Lease Acquisition Cost shall not be refundable by the Government nor shall it be deductible from Lease Rent or any other dues to the Government in the event the Lessee fails to perform its obligations under the Lease Agreement.

I/We, hereby declare that I/we have checked or otherwise verified the suitability of the Island for the purpose for which the Island is tendered.

I/We undertake, if our Bid is accepted, to develop and operate a tourist resort on the Island of Berinmadhoo, Haa Alifu Atoll in accordance with the relevant laws and regulations and pay the amounts proposed as Lease Acquisition Cost in accordance with ITB Clause 28.

I/We agree to abide by this Bid for a period of 90 (ninety) calendar days from the Bid Opening Date under IFB Clause 13, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Until a formal Agreement is prepared and executed, this Bid, together with your written acceptance thereof and your Notification of Award, shall constitute a binding contract between us.

I/We confirm that I/we have not in anyway been associated, in the preparation of this Bid, with an employee of the Ministry.

I/We confirm that I/we have carefully read, understood and agree to all the terms and conditions of the Bidding Documents.

I/We understand that you are not bound to accept the highest or any Bid you may receive.

Date _____ 2012.

[name]
(Identity Card Number and Address
for individual Bidders;
or designation for legal entiy)

[signature]

Duly authorized to sign the Bid for and on behalf of _____

SAMPLE

ANNEX IV

Form 2: Bid Security Format

(Bank Guarantee)

Whereas [*name of Bidder*] (hereinafter called "the Bidder") has submitted its Bid (Serial Number) dated [*date of submission of Bid*] for lease and development of a Tourist Resort Berinmadhoo in Haa Alifu Atoll pursuant to the Invitation for Bids IFB N^o: MTAC/1-I-BID-01/2012 dated 07th October 2012 (hereinafter called "the Bid");

KNOW ALL PEOPLE by these presents that WE [*name of bank*] of [*name of country*], having our registered office at [*address of bank*] (hereinafter called "the Bank"), are bound unto the Government of Maldives represented by the Ministry of Tourism, Arts and Culture (hereinafter called "the Ministry") in the sum of United States Dollars for which payment well and truly to be made to the said Ministry, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this _____ day of _____ 2012.

THE CONDITIONS of this obligation are:

A. If the Bidder:

- i. withdraws its Bid during the period of Bid validity specified in Clause 13 of the Instructions to Bidders in the Bidding Documents; or
- ii. does not accept amendments made to or correction of errors in the Bidding Documents in accordance with Clause 8 of the Instruction to Bidders in the Bidding Documents; or

B. If the Bidder, having been notified of the acceptance of its Bid by the Ministry during the period of Bid validity:

- iii. refuses to accept the Award; or
- iv. fails to fulfill the requirements pursuant to Clause 28 of the Instructions to Bidders in the Bidding Documents; or
- v. fails to sign the Lease Agreement in accordance with Clause 29 of the Instructions to Bidders in the Bidding Documents.

We undertake to pay to the Ministry the above amount upon receipt of its first written demand, without the Ministry having to substantiate its demand, provided that in its demand the Ministry will note that the amount claimed by it is owing to the occurrence of any of the above conditions.

This guarantee will remain in force up to and including [*date:calendar days after Bid opening*], and any demand in respect thereof should reach the Bank not later than the above date.

This guarantee shall be governed by and construed in accordance with the laws of the Republic of Maldives.

This guarantee shall supersede all agreements between this Bank and the Bidder in relation to this Bid. If there are any inconsistencies between this guarantee and any other document exchanged between the Bank and the Bidder, the terms of this guarantee shall prevail.

[seal and signature of the bank/financial institution]