

BIDDING DOCUMENT



HOARAFUSHI TOURISM ZONE



For the lease of lands to develop Guesthouse



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SECTION I - INVITATION FOR BIDS (IFB)



Invitation for Bids (IFB) for the Lease, Development and Operation of Tourist Guesthouse in HA. Hoarafushi

IFB No: (IUL)247-EDSS/247/2021/1531

Date: 17th August 2021

The Secretariat of HA. Hoarafushi Council (the “Council”), representing the Government of Maldives, hereby announces Invitation for Bids (the “IFB”) for the Lease, Development and Operation of Tourist Guesthouses in HA. Hoarafushi Tourism Zone (the “Project”). For this Project the Council have allocated several lands (as per the Annex 1) under the Council’s jurisdiction from locations as per the Land Use Plan.

A total of 7 guesthouses are to be developed under this Project.

Interested parties may register to join for a virtual information session on 29th August 2021, 1300 hrs.

To register, interested parties shall email to the Council email address given below with the bidder/representative’s name and contact details on or before 2nd September 2021. 1400 hrs.

The Council welcome interested parties with the required financial and technical expertise to participate in this bid and submit the proposals on 9th September 2021, 1300 hrs. to the address specified by the Council.

For further information with regard to this bid announcement, and for the registration, please email to:

Secretariat of HA. Hoarafushi Council

info@hoarafushicouncil.gov.mv



Lease, Development and Operation of Tourist Guesthouse in HA. Hoarafushi.

Information Sheet

Key Dates

Proceedings	Date	Venue
Announcement date	17 th August 2021	Government Gazette
Inspect and Purchase Bidding	19 th August – 8 th September 2021	Council via email
Virtual Pre-Bid Meeting	29 th August 2021	Invitation will be sent via email
Clarification submission deadline	2 nd September 2021	Council via email
Answer to the Queries	5 th September 2021	Council via email
Bid Submission	9 th September 2021	TBD

1. Interested parties may obtain further information, inspect and purchase the Bidding Documents from **19th August 2021** up to the **8th September 2021**, between **08:00am – 12:00 pm** by registering (via Email) at the following address:

Secretariat of the Hoarafushi Council

HA. Hoarafushi

Republic of Maldives

T: +960 6500012

E: info@hoarafushicouncil.gov.mv

2. To purchase the Bidding Document, interested parties may send an email for the registration and the Council will provide the account details of the Council. The Bidder shall transfer the money to the said bank account and email the proof of payment.
3. The price of a set of Bidding Documents shall be **MVR 500** (five hundred). Payment for the bid document is non-refundable.
4. Upon payment for Bidding Documents, a receipt shall be issued which shall include the unique Bid Serial Number.
5. The Bidding Documents and the Bid Serial Numbers are non-transferable.
6. Each Bidder shall submit only one Bid for the preferred plot of land. However, should the bidder be interested in bidding for more than one plot of land, a separate bid must be submitted for each plot of land.



7. Bids must be submitted on **9th September 2021, 1300 hrs.** to the address decided by the Council.
8. Bids will be opened in the presence of Bidders or their representatives who choose to attend the event at **9th September 2021, 1300 hrs.**
9. The Venue of Bid Submission will be announced and informed to the registered parties by the Council.

End of the Document



SECTION II - INSTRUCTIONS TO BIDDERS (ITB)

Instructions to Bidders



Bid Document

Lease of Lands to Develop Guesthouses in HA. Hoarafushi

Instruction to the Bidders

1. Lands allocated for this Project

For the lease, development and operation of Tourist Guesthouse in HA. Hoarafushi, the Council have allocated 7 plots of lands (as per the Annex 1) under the Council's jurisdiction from locations as per the Land Use Plan.

Table 1: Land definitions and Land area;

Land number	Area	Annual Rent (\$)
LAND 24B	284.9440 sqm	569.89
LAND 24C	290.3581 sqm	580.72
LAND 24D	280.0850 sqm	560.17
LAND 24E	277.6364 sqm	555.27
LAND 24F	271.7957 sqm	543.59
LAND 24G	278.4229 sqm	556.85
LAND 24H	283.2827 sqm	566.57

If a bidder wishes to inspect the land before submitting their bid documents, they will be allowed to do so at their own expense.

2. Proposed Development

A total of 7 lands will be leased for this Project. Proposed development should consist of the following terms and conditions.

- 2.1. Each guesthouse must have a reception area and a breakfast serving area. However, auxiliary services, such as restaurant, laundry, spa ...etc., will not be mandatory at these premises.
- 2.2. All guesthouses should be in compliance with the Tourist Guesthouse Regulation and other relevant regulations of the Ministry of Tourism.



3. Submission of Proposal

- 3.1. Sole Proprietors, Partnerships & Companies are welcome to submit the proposals (Locals and foreigners are eligible)
- 3.2. Before the submission of proposal, the bidder shall inspect the plot of land and verify the suitability of the land for the purpose of building the guest house.
- 3.3. Bidders are allowed to submit their proposals for any number of lands; The bidder shall not be restricted on how many plots of Land they can win.
- 3.4. A separate proposal must be submitted for each land individually.
- 3.5. The Council has the right to label any proposal submitted without the necessary information as a “non-responsive proposal” and disqualify it.
- 3.6. It is compulsory for the bidders to clearly indicate the land they are interested in by mentioning the land number for that specific land. Land number stated in Table 1 of this document should also be written on the bid document envelopes. Failure to do so will void the submission.
- 3.7. If two or more parties score equally the highest points for a specific land, the winner shall be selected by a draw.

4. Duration & Annual Fee

- 4.1. Annual fee for the land area is US\$ 2 (two) per square meter. The land shall be leased for a maximum period of 50 years.

5. Lease Acquisition Cost (LAC)

- 5.1. The lease agreement shall be signed upon completion of payment of the LAC for the land.
- 5.2. LAC shall be paid within Fifteen (15) days of receipt of Award Letter.
- 5.3. The Land must be handed over to the successful bidder, and agreement shall be signed within five (5) days of completion of payment of LAC.



6. Grace Period and Completion of Work

- 6.1. The successful bidder shall be awarded a thirty (30) months' grace period, which is an 'annual fee' waive off period. However, mandatory government taxes are liable as per the tax regulations.
- 6.2. The construction of the guesthouses must be completed within eighteen (18) months upon execution of the agreement.
- 6.3. The annual land rent must be paid if the awarded party for the Project is unable to complete the construction stated in Clause 6.2. Additionally, they shall also pay a penalty amounting to the rate of annual fee incurred per day for each additional day as a consequence.
- 6.4. The penalty shall be calculated based on the annual fee in clause 5 and land area in clause 1.
- 6.5. If the party is unable to complete the construction of the guesthouses within the first 18 months' period, a time extension of additional 6 months shall be granted, based on the progress and performance of the bidder.
- 6.6. The progress and performance of the Project will be evaluated and monitored by a project manager appointed by the Council. The progress report must be submitted to the Council on a weekly basis. The Project must be completed within 24 months upon execution of the agreement. If the proposed Project has not been made operational within this time period, the Council has the right to seize back the Land
- 6.7. The compensation for any property built on the Land resulting from the cancellation of the Lease Agreement will be assessed by an independent valuer, and such a compensation will be decided through the Courts of Maldives.

7. Seizure of the land by the Council in the case that the development has not commenced

- 7.1. If the physical works at the land has not commenced within the first 6 months upon execution of the agreement, the Council has the right to seize back this land and any associated developments without any compensation to the leased party.
- 7.2. The development will be deemed as commenced only after the sites have been cleared and the construction work has started physically and are visible at the designated land area.
- 7.3. A reasonable time period shall be given for any unforeseen circumstances that may halt the commencement of the project.



8. Bank Guarantee

- 8.1. The bidder is required to submit a sum of MVR50,000 (fifty Thousand Maldivian Rufiyaa) as a Bank Guarantee, as per the format given in Annex 3, within 10 days of the Award Letter. The Agreement shall only be signed upon the submission of the aforementioned Bank Guarantee.
- 8.2. The Bidder shall submit a Bank Guarantee, issued by a reputable financial institution that is acceptable to the Maldives Monetary Authority (Annex 2) valid for 730 days. Bank Guarantees issued by a foreign financial institution shall be duly notarized.
- 8.3. If the construction works at site has not commenced within the first 06 months of the signing of the agreement, or the construction has not finished within 24 months as stated in clause 6, the Council has the right to seize back the allocated land, in addition to claiming the Bank Guarantee, as compensation for the losses incurred as a result of failure to complete the Project.

9. CSR Component

- 9.1. The minimum requirement of CSR payment is MVR 50,000 (Fifty Thousand Rufiyaa Only), with no ceiling amount.
- 9.2. The CSR amount shall be decided by the bidder which will be then evaluated by the Council as per clause 12.
- 9.3. CSR Payments of the winning parties shall be deposited to The Council, within 21 (Twenty-One) days of signing the Contract.

10. Proof of Funds/Finance

- 10.1. Proof of finance should be submitted along with the proposal.
- 10.2. The acceptable form of documents as proof of finance are as follows:
 - i. Bank statement of the past 2 years, from a bank operating in the Maldives or international bank which is accepted by the Maldives Monetary Authority (MMA); OR



- ii. Audited Financial Statements of the past 2 years. Audit should be prepared by a registered Auditor at Maldives Inland Revenue Authority – MIRA.

11. Documents required to be submitted

11.1. Each party may submit only one bid for each desired land.

11.2. Bids should be submitted in 2 envelopes.

i. Envelope 1

- Business Registration Certificate
- GST Registration Copy (If applicable)
- MIRA Tax Clearance Copy (Issued after 31st April 2021)
- Latest Company Profile Sheet (by the Ministry of Economic Development)
- Board Resolution (if a company) on participating in the Bid including the person authorized for signing related documents and communications
- Power of Attorney authorizing the person to submit the Bid on behalf of the Bidder.
- Proof of Funds / Finance (Refer to 10.2). Bank statements can be submitted as a scanned soft copy (CD/Pen Drive).
- Copy of Payment receipt of Bid document

ii. Envelope 2

- Bid Form

11.3. Both envelopes must be clearly labeled with the following information:

Lease of Lands to Develop Guesthouses in HA. Hoarafushi

Bid Serial Number:
Land Number:
Bidder Name:
Bidder Address:

12. Evaluation Criteria

	Lowest benchmark	Highest marks awarded
Acquisition fee	1000 USD (One Thousand United States Dollars)	40
CSR	MVR 50,000	60



13. Contacting the Council

- 13.1. Any effort by a Bidder to influence the Council 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 Council in respect of its action(s) or decision(s) under this Clause.

14. Signing of Contract

- 14.1. At the same time as the Council notifies the successful Bidder that his/her Bid has been accepted, the Council shall issue to the Successful Bidder an Award Letter which provides conditions to be fulfilled by the Successful Bidder.
- 14.2. The Council shall provide the Successful Bidder the draft Lease Agreement.
- 14.3. The Successful Bidder shall sign the Lease Agreement upon fulfillment of all the conditions in Award Letter, the Council shall then execute the Lease Agreement with the Successful Bidder.

15. Clarification of bids

- 15.1. Queries raised during the pre-bid meeting shall be answered within the duration of the meeting. Any unanswered queries, along with any additional questions, must be sent to the Council via email on or before 2nd September 2021. This includes all interested parties, regardless of not attending the pre-bid meeting.
- 15.2. All queries submitted shall be answered via email by the Council on 5th September 2021.
- 15.3. During evaluation of the Bids, the Council 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.
- 15.4. Enquiries of unsuccessful bidders will be answered within a week. The request for clarification and the response shall be in writing.

16. Format and Signing of the Bid

- 16.1. The Bidder shall bind / staple all pages of the Bid in Envelope 1.



- 16.2. The Bid shall be typed or written legibly in indelible ink and shall be signed in every page by the Bidder or a person duly authorized by a Power of Attorney/Board Resolution by the Bidder.
- 16.3. Any interlineations, erasures or overwriting shall be valid only if they are initialed by the person signing the Bid.

17. Sealing and marking of Bids

- 17.1. The Bidder shall prepare and submit Two sealed envelopes.
- 17.2. The envelopes shall be labelled as per Clause 11.3
- 17.3. Bear the label and the statement; “DO NOT OPEN BEFORE **9th September 2021, 1300 hrs.**”
- 17.4. If the envelope is not sealed and marked as required by the Bid Document Clause 11.3 & 17, the Council will assume no responsibility for the Bid’s misplacement or premature opening and in such instances, the bid shall be disqualified immediately.

18. Submission of Bids

- 18.1. Bids should be submitted, on **9th September 2021, 1300 hrs.**
- 18.2. Venue shall be informed by the Council via Email
- 18.3. Bids must be received by the Council at the address specified under Clause 1 of the IFB or at any other venue that the Council may announce, before the Bid Closing Time on the Bid Closing Date.
- 18.4. The Council 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 Council and Bidders previously subject to the deadline will thereafter be subject to the deadline as amended.
- 18.5. All bids shall remain valid up to a period of 60 days from the Submission Date (**9th September 2021, 1300 hrs.**)



19. Opening of Bids

- 19.1. All bids shall be opened in presence of all the bidders after **9th September 2021, 1300 hrs.**
- 19.2. If any documents mentioned in clause 11.2 (i) are missing, the bid shall be disqualified and in such a circumstance, Envelope 2 will be returned to the bidder unopened.

20. Late Bids

- 20.1. Bids shall not be accepted by the Council after the Bid Closing Time specified on clause 18.1.

21. Modification and Withdrawal of Bids

- 21.1. No Bid shall be modified or withdrawn after the Bid Closing Time on specified on clause 18.1.

22. Notification of Award

- 22.1. The notification of award shall be given within 7 days upon completion of bid evaluation by the Council.
- 22.2. Prior to the Notification of Award, the Council will check the information and documentation provided to determine their validity. Any incorrect or invalid information or documentation provided may lead to disqualification of the Bid.
- 22.3. Prior to the expiration of the Bid Validity Period, the Council will notify the Successful Bidder in writing, that the Bid has been accepted.
- 22.4. 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.
- 22.5. Where the Notification of Award is terminated, the Council shall issue Notification of Award to the Second Highest Evaluated Bidder.
- 22.6. 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.



- 22.7. In the event of equal scores for both highest Evaluated Bidders, the Council shall proceed with a draw to determine the winning bidder, among the two Bidders.
- 22.8. The bidder shall not demand for any exchange or extension of the Plot of Land submitted in the proposal after the Notification of Award.

23. Definitions

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

“Council” means the Secretariat of HA. Hoarafushi council.

“Notification of Award” means the award letter given by the Council to the successful bidders whose bid substantially conforms to the requirement set forth on Bid Document.

“Amendment” means amendments brought to the Bidding Documents.

“Bid Closing Date” means the last date on which a Bid will be accepted by the Council.

“Bid Closing Time” means the deadline for submission of Bids on the Bid Closing Date.

“Bid Opening Date” means the date specified for opening of Bids in Bid Form.

“Bid Serial Number” means the serial number issued by the Council.

“Bid Validity Period” means the Bid validity period defined in Clause 18.5.

“Bid Document” means this bid document issued by the Council pursuant to its invitation for Bids under reference IFB No: (IUL)247-EDSS/88/2021/2 dated 4th May of 2021.

“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.

“Lands” means 7 (seven) plots of lands, duly marked in Table 1 of ITB within the tourism zone of HA. Hoarafushi. The Map of the Lands are attached in Annex I (Tourism Zone).

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

“Lease Agreement” means the agreement that will be signed between the Successful Bidder and the Council for the Lease of the Land which is the subject of this tender.

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

“Project” means the lease, development and operation of Tourist Guesthouse in HA. Hoarafushi tourism zone.

“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.

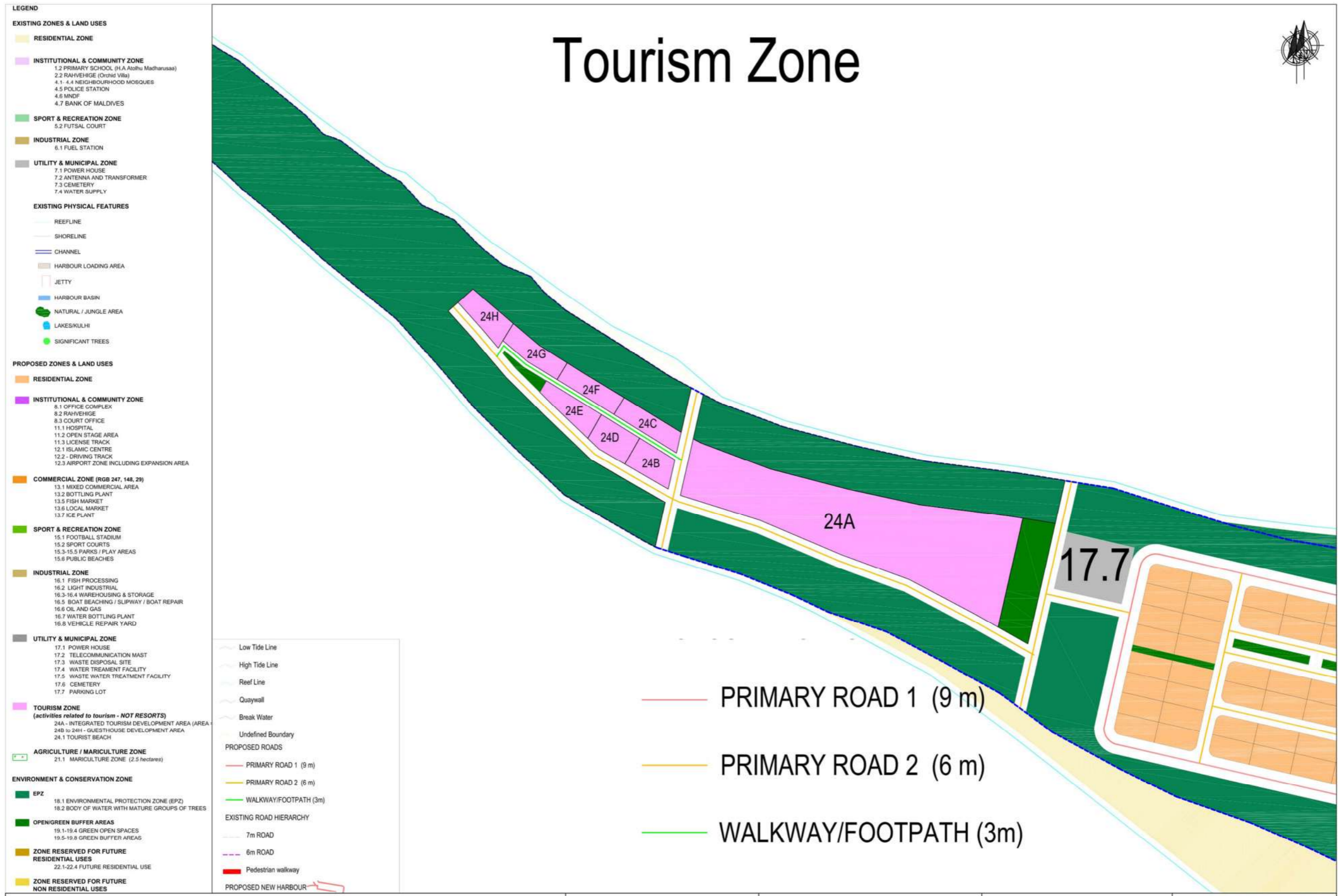
“Successful Bidder” means the Bidder who submits the Highest Evaluated Bid subject to Clause 22 of the ITB.



ANNEX I
Tourism Zone



Tourism Zone



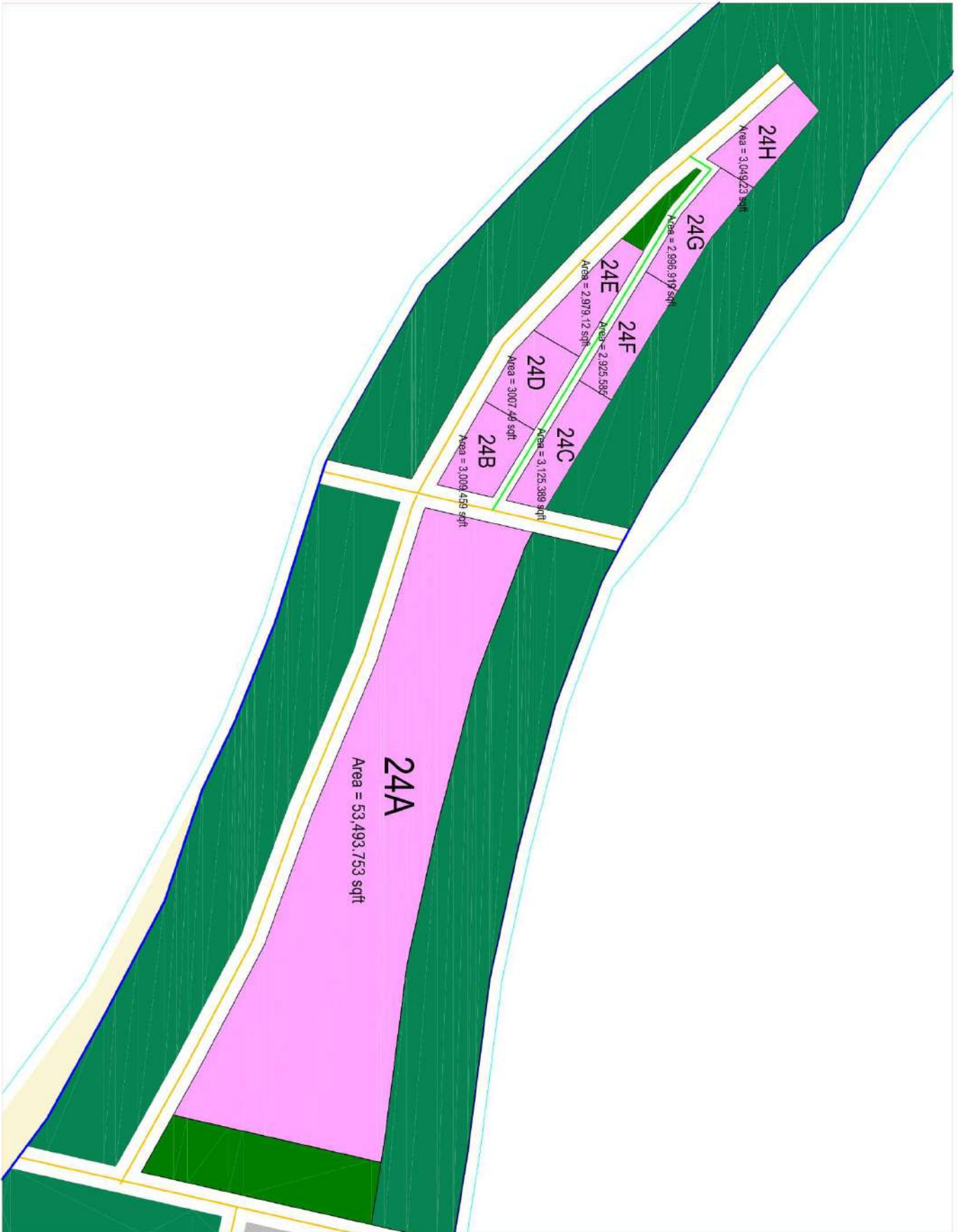
HOARAFUSHI ISLAND COUNCIL

TITLE:
LAND USE PLAN

PROJECT:
MASTER PLAN

DRAWN BY : AF
CHECKED BY : AJ

SCALE: 1 : 15000
DATE: 22 DEC 2019





ANNEX II

Bid Form

Date: -----

IFB No: -----

To: Secretariat of HA. Hoarafushi Council

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 No: (IUL)247-EDSS/247/2021/1531 the receipt of which is hereby duly acknowledged, I/we, the undersigned, offer to lease, develop and operate the Tourist Guest House (Guest House).

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

I/We undertake, if our Bid is accepted, to develop and operate a guesthouse on the Land specified below in Ha. Hoarafushi, in accordance with the relevant laws and regulations and proposed to complete the CSR payment mentioned in bid document Clause 9 within a maximum period of 24 (Twenty- Four) months from the date of signing the Lease Agreement.

Land Number	
Proposed Acquisition Fee	US \$
Proposed Number of Housing Units	

I/We agree to abide by this Bid for a period of 60 (Sixty) calendar days from the Bid Opening Date and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

Lease, Development and Operation of Tourist Guesthouse in HA. Hoarafushi – (IUL)-----



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 any way been associated, in the preparation of this Bid, with an employee of the Secretariat of HA. Hoarafushi Council.

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 _____ 2021.

[name]

[signature]

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



ANNEX III

Bank Guarantee 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 Guest House in the Land of Lands of in Atoll pursuant to the Invitation for Bids IFB No: (IUL)247-EDSS/247/2021/1531 dated 17th August 2021 (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 Secretariat of HA. Hoarafushi Council (hereinafter called “the Council”) in the sum of Maldivian Rufiyaa for which payment well and truly to be made to the said Council, the Bank binds itself, its successors, and assigns by these presents. Sealed with the Common Seal of the said Bank this _____ day of _____ 2021.

THE CONDITIONS of this obligation are:

A. If the Bidder:

- i. withdraws its Bid during the period of Bid validity specified in the Bidding Documents; or
- ii. does not accept amendments made to or correction of errors in the Bidding Documents in accordance in the Bidding Documents; or

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

Lease, Development and Operation of Tourist Guesthouse in HA. Hoarafushi – (IUL)-----



iii. fails to sign the Lease Agreement in accordance with the Bidding Documents.

C. If the Bidder, fails to complete the Project within 24 months and the Council decides to seize back the land;

We undertake to pay to the Council the above amount upon receipt of its first written demand, without the Council having to substantiate its demand, provided that in its demand the Council 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 *730 calendar days after issuance of the Award Letter*, 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]

