

MINISTRY OF TRANSPORT

GHANA PORTS AND HARBOURS AUTHORITY

REQUEST FOR EXPRESSION OF INTEREST

International Competitive Tender

CONCESSION TO BUILD-OPERATE-TRANSFER OF GAS HANDLING FACILITY
PORTS OF TEMA AND TAKORADI

Ghana is fast becoming the trade and commercial hub of the West African sub-region in accordance with the development strategy of the Ghanaian government. Ghana's commercial seaports, the Ports of Tema and Takoradi [the Ports], built primarily for the export of raw materials such as cocoa, manganese, bauxite and timber products, have in the last few years, witnessed significant positive changes in maritime trade with the rest of the world.

Container traffic through the ports grew from about 0.35m-TEUs in 2004 to about to a little over 0.9m-TEUs in 2016, in the face of limited vessel facilities at the ports. Total cargo traffic through the ports is about 19.4million metric tonnes, as of Dec. 2016, which reflects vessel calls in excess of 650 full cellular container vessels, 26 multipurpose container vessels, 170 roro vessels, and others covering large fishing vessels, dry mineral bulk and refrigerated cargo in 2016. On the average, the Ports discharged over 600 imported vehicles per working day into the Ghanaian economy over the last five years. Particularly for the Port of Takoradi, the influx of oil & gas services supply and shuttle vessels has increased the vessel call counts for significantly.

Ghana's economy has also been boosted by the growth in the petroleum (oil and gas) sector with continually increasing demands for port facilities for oil services vessels, the repair of oilrigs, and the reconfiguration of the maritime facilities within the Ghanaian coastal front for the medium to long-term projected demands. Further to these demands is the proliferation of energy plants to meet the increasing energy demands for Ghana. Liquid products other than gas, as of the end of 2016, fuel major electricity power production units in Ghana. The demand for gaseous fuels has brought into focus the need to develop handling facilities in the Ports of Tema and Takoradi.

Under democratic governance with the supremacy of the rule of law to all persons as its strength, the Port of Tema, in particular, has become the preferred port of call along the West Coast of Africa by cruise vessels and other noncommercial vessels.

The positive signs of continued growth in the Ghanaian maritime trade have validated studies embarked upon by the GPHA over the past decade. In a deliberate response to the growth, the upgrade and expansion of the facilities at the Port of Tema begun in 2015. Expansion works in the Port of Takoradi began in 2013 in tandem with other important foundational programmes for the development of future new seaports for Ghana.

Further to the above, the Ministry of Transport, acting through the Ghana Ports and Harbours Authority [GPHA] as the implementing agency and as part of the Commercial Plan to Upgrade and Expand the Ports, proposes to Develop Gas Handling Facility for each port to handle products such as Liquefied Natural Gas (LNG), Liquefied Petroleum Gas (LPG), Compressed Natural Gas (CNG), etc., [**The Project**].

GPHA is a self-sustaining statutory organization mandated by law to plan, develop, build, manage and operate seaports in Ghana. In accordance with its mandate and in line with the requirements of sound commercial management and obedience to the law, the GPHA has maintained up-to-date financial records within international financial accounting standards by reputable international auditors and is currently

preparing its financial statements in accordance with the new International Financial Reporting Standards [IFRS]. GPHA has also kept faith with all its previous lenders including the European Union and private banks and intends to sustain and develop this enviable standard.

The vision within the **Project** is the creation of a Gas Handling Facility, primarily for LNG, in each of the Ports of Tema and Takoradi. Details regarding the types of products, regasification units, storage vessels, etc., are expected to be presented by the successful contractor / concessionaire when required to do so. Both Ports have prepared concept drawings and indications of the proposed facilities. Basic marine works will involve dredging, construction of quay walls (or berthing structures), breakwater extension (in the case of Tema), etc. The successful contractor / concessionaire shall be expected to provide the needed superstructure elements of loading arms and transmission pipelines from the Berth to the nearest on-land storage / consumption center in collaboration with other agencies. It is also the intention of the Project to award the operation of the terminal to the builder under a Concession term in the order of 25years.

Services Required

The GPHA proposes to execute the Project through International Competitive Tendering for the Development and Operations of the Gas Facility. Each facility (Port of Tema or Port of Takoradi) shall be treated separately and independent from the other.

The central part of this tender would be the call for **Credit facility** to be provided by tenderers / concessionaire who may, given the right conditions, on-lend such facilities to GPHA towards the payments for the detailed design and construction of the works, installation of equipment and operations of the Terminal. However, it is most preferred that Tenderers / Entities may elect to provide Funding directly to the Project under a pure BOT structure, without recourse to GPHA and within acceptable terms and conditions for the governing Concession Agreement and related investment recovery plan. In the preferred option, the successful concessionaire shall retain rights and responsibilities for the detail execution of infrastructure and the operations of the terminal.

Requests for Technical and Financial Proposals (Business Plans) / Invitation to Tender would be issued to only shortlisted entities.

Request for Expression of Interest

GPHA now invites interested and competent entities (contractors, investors, gas facilities' terminals developers and operators) to state their **Expression of Interest** to participate in the tender process for the Project. Interested applicants must provide the following information in their statement of interest, amongst others:

1. Details of applicants' specific experience in the execution (development, operations) of similar facilities within the last decade or more, including the two largest similar projects executed satisfactorily in recent times;
2. Summary of Financial Statement of the entity(ies) for the last two fiscal years indicating annual turnover and/or the value of the relevant investments completed or financed and/or committed successfully within the decade. In the case of joint venture applications, the parties shall submit for each entity within the joint venture;
3. An overview of existing market share and/or clientele base within the supply chain of such a Project, over the last decade;
4. Organizational structure indicating management structure and general staffing levels. This may include the summary of qualifications and relevant experiences of the key personnel within the company structure or joint venture. Detailed CVs are not required at this stage;
5. Indication of the ability to **Finance** the **Engineering / Commercial** proposals with the **Procurement**

of adequate funds to support the **Project's** contracts, providing detailed references to similar past successful financial transactions. By submitting such information the applicant grants GPHA the full right to conduct the required due diligence on the applicant;

6. Interested applicants may elect to associate to submit their interests and to tender, if shortlisted. All members of associations, joint ventures, etc., shall submit the needed information, where applicable as complimentary to the other members. In addition, a joint application letter, nominating the leading entity and power of attorney should be submitted under such cases.
7. A letter of undertaking to the GPHA, indicating that the information presented is true and accurate and may be verified at the sole discretion of GPHA, and also that entity(ies) intend to cooperate throughout the procurement process;

The GPHA is not bound to accept any application and reserves the sole right to reject any or all applications without professing any reasons whatsoever to any or all applicants for a selection, rejection or cancellation.

Interested entities may obtain clarifications at the address below, by email, between the hours of 9:00GMT and 16:00GMT from Monday through Friday, excluding public holidays.

Expressions of Interest (EOIs) should be delivered to the address stated below on or before **10:00GMT of Wednesday, 20th September 2017**. EOIs may also be delivered by encrypted electronic means in PDF or Microsoft Word that will allow for printing only, provided they are adequately marked and readable. E-mailed EOI submissions shall not be accepted. It is advised that submissions should be physically delivered to the address provided and signed for by a staff of the office of the Director General.

The outer envelopes of submissions (printed and/or electronic copies) shall be clearly marked with:

- a. **Port of Tema OR Port of Takoradi** (depending on the site interest). Applicants who may be interested in both Ports shall submit separate EOIs independent of each other.
- b. **“EOI-BOT-4-LNG”**,
- c. *The name of the applicant, or the lead partner in the case of associations.*

Addressed to: **The DIRECTOR-GENERAL**
Ghana Ports and Harbours Authority
GPHA Towers, 9th Floor;
Tema Harbour, Tema, GAR, Ghana.

Email for clarifications:

to: pasare-ansah@ghanaports.net
cc csackey@ghanaports.net
cc: kofori@ghanaports.net

Only Shortlisted applicants will be invited to submit full proposals for further consideration. This invitation is issued in accordance with the procedures set out in the Public Procurement Authority guidelines of Ghana and successful tenderers will be selected in accordance with the said guidelines.

PAUL ASARE ANSAH
AG. DIRECTOR-GENERAL
GPHA.