

REQUEST FOR EXPRESSIONS OF INTEREST | CONSULTING SERVICES

Country Office Bahamas CCB/CBH

Selection # as assigned by e-Tool:	BH-T1087-P002
Selection Method:	Competitive Selection
Country:	Bahamas
Sector:	Infrastructure (Energy and Transport)
Funding TC:	BH-T1087
Projects related:	Energy BH-L1048 (Reconstruction with Resilience in the Energy Sector in The Bahamas) Transport BH-L1041 (Airport Infrastructure Program)
TC name:	Legal and Financial Structuring of Infrastructure and Growth Investment Platform (IGIP): The National Infrastructure Fund (NIF) and the Sovereign Wealth Fund (SWF)

Description of Services:	Technical assistance to support The Government of The Bahamas (GOB) develop the legal and financial structuring of the National Infrastructure Fund (NIF) and the Sovereign Wealth Fund (SWF).
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The Inter-American Development Bank (IDB) is providing technical support to The Government of The Bahamas develop the Infrastructure and Growth Investment Platform (IGIP) which includes among other activities the development of a National Infrastructure Fund (INF) and a Sovereign Wealth Fund (SWF). The IDB intends to contract the consulting services ("the Services") to provide technical assistance in the development of these instruments, as described in this Request for Expressions of Interest.

Expressions of interest must be delivered using the IDB Portal for Bank Executed Operations (<http://beo-procurement.iadb.org/home>) by March 18, 2021, 5:00 P.M. (The Commonwealth of the Bahamas Time).

Eligible consulting firms will be selected in accordance with the procedures set out in the Inter-American Development Bank: [Policy for the Selection and Contracting of Consulting firms for Bank-executed Operational Work](#) - GN-2765-4. All eligible consulting firms, as defined in the Policy may express an interest. If the Consulting Firm is presented in a Consortium, it will designate one of them as a representative, and the latter will be responsible for the communications, the registration in the portal and for submitting the corresponding documents.

The IDB now invites eligible consulting firms to indicate their interest in providing the services described below in the draft summary of the intended Terms of Reference for the assignment. Interested consulting firms must provide information establishing that they are qualified to perform the Services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Eligible consulting firms may associate in a form of a Joint Venture or a sub-consultancy agreement to perform the activities under the draft summary of the intended Terms of Reference. Such association or Joint Venture covering all aspects of the scope of work shall appoint one of the firms as the representative and to act as single point of contact with the IDB.

Interested eligible consulting firms may obtain further information during office hours, 9:00 AM to 5:00 PM (The Commonwealth of The Bahamas Time) by sending an email to Alberto Elizalde (albertoel@iadb.org), in copy to Augusto Bonzi (abonzi@iadb.org) and Maria Eugenia Roca (mariaero@iadb.org).

Inter-American Development Bank

The Bahamas Country Office

Attn: Alberto Elizalde, Augusto Bonzi and Maria Eugenia Roca

Address: IDB House, East Bay Street

P.O. No. N-3743

Nassau, Bahamas

Web site: www.iadb.org**Draft Summary – Intended Terms of Reference**

The Consulting Firm or Consortium (i.e., legal and financial consultancy firms) will develop the legal and financial structuring of two components of the IGIP aiming at maximizing private capital mobilization into infrastructure sectors that will support economic growth through recovery and reconstruction activities post-hurricane Dorian and post-COVID-19 pandemic. The IGIP framework is consistent with the Economic Recovery Committee (ERC) recommendation to "Make substantial investments in critical infrastructure by leveraging state assets and partnering with the private sector."¹

A National Infrastructure Fund (NIF). The entity will be structured as a Master Fund or "Fund-of-Funds" - a pooled investment funds that invests in sector specific funds. The sector specific funds will reflect the prioritized sectors (i.e., renewable energy, growth fund for Family Islands, and food security fund). The proposed preliminary structure of the NIF is: (a) to have the core promoters and shareholders of the asset management entity for infrastructure development in Bahamas represented in the Master Fund (i.e., Government of Bahamas, Development Financial Institutions, and the Private Sector Fund Manager), and (b) to reflect in each one of the sector specific funds the private sector group of investors (local and foreign) whose interest are aligned in the specific sector. The entity will include the best practice corporate governance features of other projects (such as the APD experience with private sector management, private sector ownership majority, reserve matters for the GOB, etc.), as well as public offering for the equity participation of the Bahamian general public.

A Sovereign Wealth Fund. To be able to fund the GOB's participation in the NIF structure, the IGIP envisages using asset recycling and monetization mechanisms of under-utilized public sector assets in Bahamas.² Via these mechanisms, the GOB will be able to divest, lease, joint venture or pledge a portion of its under-utilized assets generating new cash flows which would be used to fund NIF activities. The initial proposal is to initiate the public sector asset recycling and monetization activities with the GOB's real estate assets. Later, additional public sector assets (different than real estate assets) could be added. The IGIP framework proposes the creation of a real estate development fund (in the form of a real estate investment trust, REIT) to recycle and monetize public sector assets. The REIT would be a mechanism and conduit to fund government's participation in a concept of a Sovereign Wealth Fund (SWF). It is envisaged the SWF could make investments in the NIF and/or directly in the Sector Specific Fund.

¹ Full report available at the [following link](#).

² Under-utilized assets are assets that do not generate adequate cash flows for the owner (i.e., lease payment, property taxes, profit sharing, etc.).

Preliminary deliverables. The structuring of both the NIF and the SWF will include the following preliminary activities which will be finalized at the issuance of the request for proposal (RFP): (i) Amendments and new structure needed to adapt the Sovereign Wealth Fund Act of 2016, to the requirements of the IGIP, (ii) Draft of the Bylaws, (iii) Governance Structure, (iv) Business Plan (including financial simulation model), (v) Information Memorandum for potential investors (private sector), (vi) Draft of Shareholders Agreements (i.e., master fund, sector fund, and real estate investment trust), and (vii) Draft Management Agreement with the Fund Manager (s) (i.e., master fund, sector fund, and real estate investment trust).

In addition to these deliverables, the Consulting Firm will deliver a Final Report summarizing the findings and key recommendations for successful implementation of the IGIP. This report should include one or more visual presentations of the legal and financial structuring of the IGIP. The visual presentations should be user friendly catering to general stakeholders in Bahamas, in order for the GOB to use it as part of a general public communication campaign.

The timeline to complete the deliverables, including the Final Report, is estimated to last 9 months from the contract signing date. The IDB intends to issue the Request for Proposal (RFP) under the contract condition of Lump Sum with payments linked to specific outputs.

Preliminary qualifications. The RFP will define later the specific qualifications expected of the consulting firm or consortium, but it is envisaged that this work will require solid legal and financial experience in similar previous works, and comprehensive knowledge of the legislative and public sector in The Bahamas with the ability to engage all local stakeholders in The Bahamas during development of the activities and deliverables.

It is expected that the legal and financial advisory team would bring significant experience in: (i) corporate and public law in the establishment of investment funds, equity funds and debt funds; (ii) structuring public and/or private investment funds, infrastructure funds and equity and debt funds; (iii) structuring of project finance / infrastructure finance transactions; (iv) both local and international capital markets; (v) track record developing financial simulation models; (vi) knowledge and practical experience in Bahamas Stock Exchange; (vii) strong communication abilities; and (viii) understanding of the local Bahamian economy.

As described above in the [Policy for the Selection and Contracting of Consulting firms for Bank-executed Operational Work](#) - GN-2765-4 consulting firms may be represented in a Consortium.