



GUIDELINES

MANAGEMENT OF UNSOLICITED PROPOSALS



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



About this framework

These Guidelines aim to provide institutions with operational guidance to manage unsolicited bid proposals pursuant to National Treasury Regulation 16.11-16.15.

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Acronyms / Abbreviations

AA	Accounting Authority
AO	Accounting Officer
NTR 16	National Treasury Regulation 16
PCN	Project Concept Note
PFMA	Public Financial Management Act
PI	Procuring Institution
PPP	Public Private Partnerships
RfP	Request for Proposal
RfQ	Request for Qualification
TA	Transaction Advisor
USP	Unsolicited Proposal
VfM	Value for Money

Glossary

Term	Definition
Development Fee (Refer 16.14 of NTR)	Fees payable by the PI to the USP proponent for the costs incurred by the proponent in relation to the development of the feasibility study. These fees will cover the cost of preparation of the Feasibility Study for the USP project as per provisions of NTR 16.4. It is determined based on the Review Fee viz the cost for preparation of the Feasibility Study by the TA appointed by the PI. The Development Fees are payable if and after the financing agreement for the PPP project is signed by the senior lenders.
Review Fee (Refer 16.12.3 of NTR)	Fees payable by the USP proponent to the PI to fund the cost of engagement of a TA for preparation of an independent feasibility study for the USP project as per provisions of NTR 16.4. The Review Fees are determined based on the bids received by the PI for the procurement of a TA. They shall be limited to the cost of preparation of the Feasibility Study by the appointed TA. The PI will be responsible for funding the cost of the PPP procurement of the project. The Review Fees are payable after registration of the USP by the National Treasury as a PPP project and after signing of the Statement by the USP proponent.
Validity Period (Refer 16.12.2 and 16.12.4)	The period during which the PI is prohibited from initiating a project/service identical or similar to the USP or register any other USP for the same or similar subject matter as the USP. The USP proponent is not permitted to submit the same or similar project to another PI during the validity period.
Statement to be signed by USP proponent (Refer 16.11.6)	The Statement includes relevant terms and conditions with respect to confidentiality and Intellectual Property Rights, Review Fee, the Proponent's rights during the development of a Feasibility Study, the payment of a Development Fee when applicable, and the USP Validity Period.
USP proponent	"proponent' means any private sector party, whether natural or juristic, that prepares and submits a USP, excluding a person prohibited in terms of regulation 16.15"
Unsolicited Proposal	"unsolicited proposal' or 'USP' means an unsolicited proposal prepared by a proponent and submitted in terms of regulation 16.11 to the institution for the development of a PPP project by the institution".

1. INTRODUCTION

1.1. Objectives and application of the USP Guidelines

National Treasury commissioned a comprehensive review of the Public-Private Partnerships (PPP) legal and regulatory framework falling under the Public Financial Management Act (PFMA) (1999), the Municipal Financial Management Act (MFMA) (2003), and other related legislation.

The review was initiated in 2019 and completed in 2021. The findings indicated that there was no need for a complete overhaul of the PPP legal and regulatory framework as there were good aspects that compare well with international benchmarks. Nonetheless, there were critical gaps and challenges that needed to be addressed to improve the PPP operational environment. The review recommended changes to improve the PPP policy, legal and regulatory framework; strengthen institutional arrangements; and improve the reporting of fiscal risks and contingent liabilities. The changes would drive higher confidence and investment in PPPs as well as greater private-sector participation. The implementation of recommendations was initiated in 2022.

The amendments to the National Treasury Regulation 16 (NTR 16) applicable to national and provincial spheres were gazetted on 7 February 2025 and took effect on 01 June 2025.¹ Amendments to Municipal Regulation 309 are expected to follow in due course.

One of the key amendments relates to providing a clear framework for receiving and processing PPP Unsolicited Bid Proposals (“USPs”) together with incentives to ease entry for the private sector. This is covered by addition of Regulation 16.11 to 16.15: PPP Unsolicited Bid Proposals. The table below presents highlights of the specific amendments pertaining to USP Guidelines.

Table 1.1 Highlights of the amendments pertaining to USP Guidelines

DESIGN A CLEAR FRAMEWORK FOR UNSOLICITED PROPOSALS AND MAKE IT EASIER FOR THE PRIVATE SECTOR TO PURSUE PROJECTS UNDER CLEAR RULES AND INCENTIVES	
Regulation 16.11: Defining the qualification criteria of the USP, and the acceptance criteria for the USP to be developed as a PPP.	• Ensure the entire value chain is regulated in relation to USPs for PPP projects. • Clarify the roles, responsibilities and incentives for proponents of USPs. • Provide clear management and oversight rules for accounting officers and treasuries
Regulation 16.12: Registration of the USP as a PPP project in line with Treasury Regulation 16.3 and explains how the cost of developing the USP PPP is to be funded (the review fee).	
Regulation 16.13: Procurement of the USP PPP to follow the current Treasury Regulation 16.5 and 16.6.	
Regulation 16.14: Prequalification of the USP PPP – consideration of the two-stage process to incentivise the proponent for initiating the USP PPP and incentives (development fee) if the proponent is not selected as the preferred bidder.	
Regulation 16.15 – Proponents prohibited from submitting USPs.	

1

<https://www.treasury.gov.za/legislation/regulations/Amendments%20to%20PFMA%20Treasury%20Regulation%2016%20Notice.pdf>

"proponent" means any private sector party, whether natural or juristic, that prepares and submits a USP, excluding a person prohibited in terms of regulation 16.15"²

"unsolicited proposal" or 'USP' means an unsolicited proposal prepared by a proponent and submitted in terms of regulation 16.11 to the institution for the development of a PPP project by the institution".

These Guidelines provide operational guidance on the application of NTR 16 as it relates to the receipt, evaluation and contracting of USPs. The corresponding provisions of NTR16 are reproduced throughout the USP Guidelines (in grey).

1.2. Importance of USPs

Traditionally, governments engage the private sector in infrastructure development through a public sector-initiated process with the projects known as publicly initiated projects. However, in instances where a private party initiates the proposal for an infrastructure or service without explicit government invitation, it is termed as an unsolicited proposal, representing an exception to the principle of public initiative.

USPs offer several advantages to governments, including the following:

- They provide opportunities for the private sector to innovate in addressing public infrastructure and service needs that may not have been identified by the government. Private providers of technology may have more knowledge about potential solutions to infrastructure challenges than public officials. Allowing these entities to present their ideas may generate smarter and more sustainable and cost-effective solutions.
- The interest shown by the proponent in the project signals its viability, thus enhancing the likelihood of successful implementation.

Nonetheless, USPs carry potential challenges. They can allow the private sector to influence the government's infrastructure priorities, potentially aligning them with specific private interests. Additionally, as a service proposal originates from a single private party, there is a risk of monopolistic pricing. Therefore, the reception, evaluation, and development of PPP projects stemming from USPs are subjected to clear and well-defined processes designed to safeguard their integrity. Subjecting USPs to the same process of approvals and oversight as provided for publicly initiated projects is imperative for objective transparent assessments and ensuring Value for Money (VfM).

1.3. Guiding Principles of the USP Guidelines

1.3.1. Probity

Government seeks to conduct its commercial dealings with integrity. The assessment of USPs must be fair, open and demonstrate the highest levels of probity consistent with the public interest, maintaining fidelity to VfM and be subjected to competitive tension. The assessment of USPs must be conducted through the application of established probity principles that aim to assure all parties of the integrity of the decision-making processes. These principles are outlined in this section:

² This definition replaces the existing definition of private party in NTR16

Maintaining impartiality

Fair and impartial treatment must be a feature of each stage of the assessment process. The process should feature a clearly defined separation of duties and responsibilities between the assessment and approval functions.

Public Interest

The assessment of whether a USP project is in the public interest should consider government policy, infrastructure plans and the procuring institution's (PI) strategic objectives. If the PI believes that other project solutions or actions may better address the societal need, it should either reject the USP project or propose amendments to align it with public interest needs. The public-interest criteria should reflect a government's growth policies and development plans.

Value for Money and Affordability

The criteria used to assess the fiscal affordability of publicly initiated PPPs should also be applied to USPs. The government needs to assess the direct and contingent liabilities associated with the USP and determine whether these can be adequately managed throughout the PPP contract term.

Fair Market Pricing

Like publicly initiated PPP projects, USP projects are more likely to generate a fair market price when they are procured in a competitive bidding manner that attracts more than one bidder. Therefore, all USPs should be subjected to a competitive bidding process.

Accountability and Transparency

Accountability and transparency are related concepts. The demonstration of both is crucial to the integrity of the assessment.

Accountability requires that all participants be held accountable for their actions. The assessment process will identify responsibilities, provide feedback mechanisms and require that all activities and decision making be appropriately documented.

Transparency refers to the preparedness to open a project and its processes to scrutiny, debate and possible criticism. This also involves providing reasons for all decisions taken and the provision of appropriate information to relevant stakeholders.

Managing Conflicts of Interest

In support of public interest, transparency and accountability, the government requires identification, management and monitoring of conflicts of interest. Proponents must be required to disclose any current or past relationships or connections that may unfairly influence or be seen to unfairly influence the integrity of the assessment process.

Maintaining Confidentiality

In the assessment of USP there is need for high levels of accountability and transparency. However, there is also a need for some information to be kept confidential, at least for a specified period of time. This is important to provide participants, and in particular the USP proponent, with confidence in the integrity of the process.

1.3.2. USP Costs

NTR 16 sets the principle according to which the USP proponent is responsible to cover all costs it incurs associated with the USP submitted³. Further, the USP proponent must pay to the PI a Review Fee⁴ to cover the costs incurred by the PI to engage a TA to undertake the feasibility study. The Review Fee amount depends on the complexity/nature and the scale of the USP PPP project. Further consideration is given in the section 4.1.

Should the USP proponent not be selected further to the procurement of the project, and the project reaches financial close it will be entitled to the reimbursement of a Development Fee⁵ by the PI. The Development Fee will cover the cost of preparation of the Feasibility Study for the USP. It is determined based on the Review Fee viz the cost for preparation of the Feasibility Study by the TA appointed by the PI.

1.3.3. Exclusivity during validity of the USP

For the duration of the validity period of the USP, as set forth in section 16.12.4 of the NTR16;

- The PI is not permitted to initiate a competing feasibility study or recognise a USP for the same project by another proponent.
- The USP proponent is not permitted to submit the same or similar project to another PI.

1.4. Organisation of the USP Guidelines

These Guidelines aim to provide institutions with operational guidance to manage USPs pursuant to NTR16.11-16.15. The Guidelines are organised as follows:

- Chapter 1: Introduction
- Chapter 2: Summarises the roles and responsibilities of the various stakeholders involved in the process.
- Chapter 3: Provides guidance on receipt and evaluation of USPs by the PI.
- Chapter 4: Provides guidance on the activities related to the registration of the USP and signing of statement confirming the terms and conditions of USP by the USP proponent.

The steps and activities during the remaining phases of the project are identical to solicited (publicly initiated) PPP projects. However, there are some additional activities which are specific to USPs that the following chapter provide guidance on.

- Chapter 5: Feasibility study
- Chapter 6: Procurement

³16.11.7 All costs incurred by the proponent in the preparation and submission of a USP must be borne by the proponent.

⁴16.12.3 The proponent must pay the institution a review fee to enable the institution to fund the costs of the transaction advisor in terms of regulation 16.3.1(d), read with regulation 16.12.1.

⁵16.14.2 If in response to a request for proposal issued for the procurement of the USP as a PPP project, the proponent submits a compliant proposal and is not selected as the preferred bidder and the project reaches financial close, the proponent is entitled to the payment of a development fee by the institution, as a contribution by the institution for the costs incurred by the proponent in relation to the development of the feasibility study for the proposed PPP project.

- Chapter 7: Contracting and Management of PPP Agreement

2. SUMMARY OF ROLES AND RESPONSIBILITIES

2.1. USP proponent

The roles of the Proponent are to:

- Submit the USP to the PI in accordance with the prescribed standards in these Guidelines.
- Respond to clarifications during USP evaluation.
- Submit a Statement confirming the terms and conditions, Review Fee and validity period of the USP as per the NTR 16.11.6.
- Pay the Review Fee to the PI.
- Participate in the procurement process in the manner described in these Guidelines.

2.2. Procuring Institution

The institution is required to:

- Issue an Acknowledgement of Receipt of the USP.
- Evaluate the USP in the manner described in these Guidelines.
- Inform the USP proponent regarding the acceptance or rejection of the USP including reasons thereof.
- Prepare an application for registration of the USP as a PPP project with the National Treasury.
- Prepare a Statement confirming the terms and conditions, Review Fee and validity period of the USP.
- Allocate the Review Fee to prepare and procure the USP as a PPP project.
- Undertake feasibility and procurement of the project in the manner described in these Guidelines.
- Inform the USP proponent about the progress of the project during the feasibility study.
- Refund the Development Fee to the USP proponent should the USP proponent not be selected as the preferred bidder and the project reach financial close.

All other responsibilities remain the same as that for publicly initiated PPP projects, as set out in NTR16 and as elaborated in the PPP Manual.

2.3. National Treasury

The National Treasury is required to:

- Review and register the USP as a PPP project.

All other responsibilities remain the same as that for publicly initiated PPP projects, as set out in NTR16 and as elaborated in the PPP Manual.

2.4. PPP Unit⁶

PPP Unit is required to:

- Participate in the USP Evaluation Committee for evaluation of the USP and assist the PI in preparation of the USP Evaluation Report.
- Review the PI's notification to the Proponent for acceptance/ rejection of the USP.
- Review the PI's determination of the Review Fees, Validity Period and Development Fees.
- Review the Statement prepared by the PI confirming the terms and conditions, Review Fee and validity period of the USP, prior to notification to the USP proponent.
- Review the application prepared by the PI for registration of USP as a PPP Project.
- Advise on the necessity of the TA before the PI undertakes the feasibility study. Where necessary, the PPP Unit may also assist the PI in undertaking the procurement process for the TA.

All other responsibilities remain the same as for publicly initiated PPP projects, as set out in NTR16 and as elaborated in the PPP Manual.

3. RECEIPT AND EVALUATION OF THE USP

This chapter of the Guidelines pertains to the following NT Regulations:

16.15 Proponents prohibited from submitting USP

16.15.1 Proponents that are listed on the National Treasury database of the list of restricted suppliers is prohibited from submitting to an institution a USP for the development of a PPP.

16.15.2 A proponent, director or officer of the proponent convicted of an offence-

(a) related to professional conduct;

(b) in terms of section 214(1)(a), (b) or (c) of the Companies Act, 2008 (Act No. 71 of 2008); or

(c) in terms of section 12 or 13 of the Prevention and Combating of Corrupt Activities Act, 2014 (Act No. 12 of 2004),

is prohibited from submitting a USP for the development of a PPP to an institution."

16.11 Unsolicited bid proposal for PPP project

16.11.1 A proponent that intends to develop a PPP project must, in the format determined by the National Treasury, submit a USP to the institution responsible for the institutional function that the PPP project relates to.

16.11.2 For a USP to qualify for consideration by an institution, the PPP project proposed must, in addition to meeting the criteria for a PPP:

(a) fall within the strategic sectors or pursue the objectives relating to the institutional function; and

(b) add value to the design, development and cost effectiveness of service delivery.

16.11.3 An institution is not obliged to accept a USP submitted by a proponent solely on account of the USP complying with regulation 16.11.2.

16.11.4 A USP must be prepared in a manner that enables the institution to evaluate the USP and decide

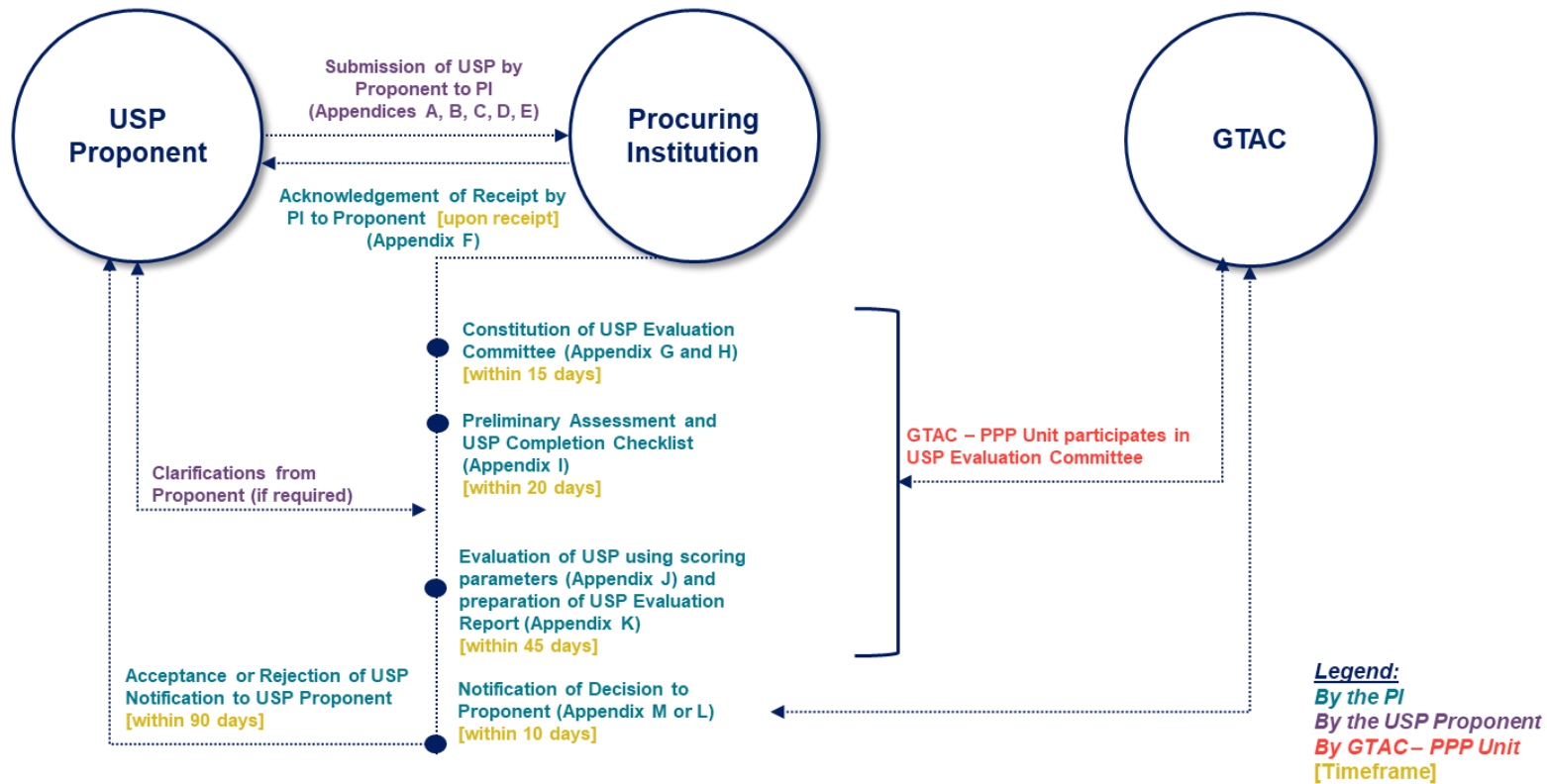
⁶ PPP Advisory Unit' means the PPP Unit within the Government Technical Advisory Centre, or any functionary delegated or instructed in terms of section 10(1)(a) of the Act to perform a power entrusted, or duty assigned, to the National Treasury by regulation 16.

on whether to accept the USP and register the development of the USP with the relevant treasury or whether to reject the USP.

16.11.5 The accounting officer or accounting authority of an institution must-

- (a) evaluate the USP;*
- (b) decide whether the institution accepts the USP and the proposed PPP project to be developed pursuant to the USP; and*
- (c) notify the proponent of the decision and the reasons for the decision.*

Figure 3-1: Process map for receipt and registration of USP



3.1. USP proponent

3.1.1. Who can submit a USP

A USP may be submitted by:

- Private Party, whether natural or juristic (as defined in NTR16.1)⁷.
- Such Private Party may be a sole applicant, or a consortium of applicants duly registered in their country of incorporation.

3.1.2. Who is prohibited from submitting a USP

As per regulation 16.15, the following are not eligible to submit a USP: Organisations listed on the National Treasury database of the list of restricted suppliers.

- A Proponent, director or officer of the Proponent convicted of an offence-
 - (a) related to professional conduct;
 - (b) in terms of section 214(1)(a), (b) or (c) of the Companies Act, 2008 (Act No. 71 of 2008); or
 - (c) in terms of section 12 or 13 of the Prevention and Combating of Corrupt Activities Act, 2014 (Act No. 12 of 2004).

The USP proponent will confirm that they are not a prohibited proponent in terms of the Regulations and Act as per template provided in Appendix A.

3.1.3. USP proponent's capability

The USP proponent shall provide details of their strength and capability. Some illustrative parameters include:

- USP proponent's composition and structure.
- Skill and experience of relevant organisations and key subcontractors.
- Construction.
- Operations.
- Advisors.
- Suppliers.
- Strength of covenant between relevant organisations and key subcontractors and respondent.
- Financial and market standing.
- Ability to raise debt and equity.

A template for USP proponent's details is provided in Appendix C.

⁷ **'proponent'** means any private sector party, whether natural or juristic, that prepares and submits a USP, excluding a person prohibited in terms of regulation 16.15

3.2. USP form and content

16.11.1 A proponent that intends to develop a PPP project must, in the format determined by the National Treasury, submit a USP to the institution responsible for the institutional function that the PPP project relates to.

For a PI to consider a USP, the USP proponent shall accompany its submission with the following:

- Declaration by USP proponent as provided in Appendix A.
- Project Concept Note (PCN) in the manner described in Appendix B.
- USP proponent details as provided in Appendix C.
- Declaration of Interest in Appendix D.
- Declaration of the proponent's past supply chain practices in Appendix E.

The objective of the above documents is to ensure that the USP has all the relevant information, data and documents to enable the PI to evaluate the USP against the criteria defined in Section 3.6.

3.2.1. Declaration by USP proponent

The Declaration by the USP proponent is a formal statement submitted by the USP proponent and all its consortium members to the PI. It confirms several key points regarding the constitution of the USP proponent, including:

- The USP proponent and its consortium members are private parties, not controlled by the Government of South Africa.
- They are duly registered in their country of incorporation as a company or corporation.
- They are not listed on the National Treasury database of restricted suppliers.
- They have no convictions related to professional conduct, the Companies Act, or the Prevention and Combating of Corrupt Activities Act.
- They are not in liquidation and have no negative citations.

The declaration also includes a confirmation that the USP proponent will not contact any member of the PI during the evaluation period, except when asked to provide clarifications in writing. It specifies the authorised person to act and respond to clarifications on behalf of the USP proponent. These are vital to facilitate independent evaluation of the USP by the PI.

3.2.2. Project Concept Note

The PCN provides details on the project to assist the PI to understand the project and its value additions for the PI.

The PCN template includes several sections, such as:

- **Project Profile:** This section includes the project name, type (greenfield or brownfield), objective, estimated cost, geographic location, expected start and end dates, project life, implementing agency, principal accounting officer, official

contact details, appraising authority, thematic area, focus area, policy objective, sustainable development goals, project impact towards climate commitment, resilience, and impact on gender.

- **Project Background:** This section provides a situational analysis, problem statement, relevance of the project idea, and justification for the need for the proposed project.
- **Scope of the Project:** This section describes the scope of the project, key outputs/outcomes, public sector responsibilities, private sector responsibilities, and project details.
- **Project Implementation Plan:** This section outlines the sequence of activities over time, monitoring and evaluation framework, risk and mitigation measures, project sustainability, project stakeholders and collaborators, and project readiness.
- **Financial Analysis:** This section provides a breakdown of the estimated capital cost of the project, estimated annual project disbursement plan, proposed private sector funding percentage, proposed PI contribution percentage, and any other public sector support.
- **Economic analysis:** This section provides a clear economic rationale for the project by providing a socio-economic analysis that quantifies the economic costs and benefits to determine the economic viability and sustainability of the project.

3.2.3. USP proponent Details

This section summarises the information contained in the USP proponent's Information and Qualification Form, which is used to evaluate the USP proponent's qualification for the project.

The template includes several key sections, such as:

- **USP proponent and their contribution to the project:** This section requires the USP proponent to provide details of their contribution to the PPP project, along with information about consortium members, if applicable.
- **Business plan and track record:** This section asks for details about the entities proposed to handle construction, operations, maintenance, and other activities under the PPP project, along with their corresponding successful experience relevant to the project.
- **Technical capability:** This section requires the USP proponent to provide details of their technical capability, focusing on technology experience and the strength of EPC partners.
- **Prior experience of similar projects:** This section asks for details of the USP proponent's prior experience in handling similar projects.
- **Financial capability:** This section requires the USP proponent to demonstrate their financial capability, expressed in terms of balance sheet strength or evidence of mobilising project financing for projects of similar scale and complexity.

The template also includes a checklist of documentary requirements to establish the qualification of the USP proponent for unsolicited proposals.

3.2.4. Declaration of Interest

The template (refer Appendix D) outlines the requirements for the USP proponent, to declare their positions and interests when submitting a USP. This is to prevent

allegations of favouritism. The text includes a questionnaire that must be completed and submitted with the bid, asking for details such as the USP proponent's full name, identity number, position in the company, company registration number, tax reference number, and VAT registration number. It also asks if the USP proponent or any connected person is presently employed by the state, has conducted business with the state in the past twelve months, or has any relationship with a person employed by the state who may be involved in the evaluation or adjudication of the bid. The USP proponent must declare any interests and certify the correctness of the information provided, with the understanding that false declarations may result in action being taken against them by the state.

3.2.5. Declaration of the proponent's past supply chain engagements practices

The template provided in Appendix E serves as a declaration by USP proponents, having undertaken all reasonable steps to combat the abuse of the supply chain management system.

3.2.6. Submission of USP

The USP including the mandatory documents listed above must be submitted at the office of the relevant PI. It should include the original and 4 copies, along with a soft copy.

3.3. Step 1: Receipt of USP by PI

- **Acknowledgement of USP:** The institution receiving the USP should issue an Acknowledgement of Receipt of USP as provided in the template Appendix F. The acknowledgement must specify an indicative timeline by when the PI will inform the USP proponent of its decision to accept or reject the USP. It is suggested that this be within [90] days from the date of acknowledgement. The PI must endeavour to complete the evaluation of the USP within this timeframe.
- **Confidentiality of the USP:** It will be the responsibility of the PI to ensure the confidentiality of the information submitted in the USP during the evaluation of the USP. The circulation of the USP should be limited to the Evaluation Committee nominated by the Accounting Officer (AO) or Accounting Authority (AA). The contents of the USP should not be disclosed to any other members of the PI or any third parties outside of the PI.
- **Confirmation of USP alignment with PI's function:** The PI will review whether the USP refers to a project for which it has the institutional function. In case it does not, it will inform the USP proponent that the evaluation will not go further.
- **Response to USP proponent:** The acknowledgement should state that the PI will inform the USP proponent on whether the USP has been accepted or rejected by the PI and forwarded for registration with the National Treasury. The indicative timeline for this response is within [90] days of issue of an Acknowledgement letter. During this time, the PI must endeavour to complete all Steps 1 to 5 as described in Section 3.3 to 3.7.

3.4. Step 2: Constitution of USP Evaluation Committee by PI

- **Constitution of USP Evaluation Committee:** Upon receipt of the USP, the AO/AA of the PI should constitute a USP Evaluation Committee within [15] days. Where an

Evaluation Committee or an equivalent structure exists for PPPs within the PI, this structure will be responsible for evaluating the USPs. Where such a structure does not exist, the following provides guidance to constitute a suitable Evaluation Committee.

The USP Evaluation Committee should comprise a minimum of three officials and no more than five officials of the PI. The USP Evaluation Committee should include officials with expertise in technical subject matters, finance, economics and procurement. The PPP Unit will nominate or provide one or more of their official(s) to be a member(s) of the Evaluation Committee. The USP Evaluation Committee must also include an official under whose purview the geographic location of the project is (in case applicable).

- **Code of Conduct and Declaration of Interest:** Each member of the USP Evaluation Committee should sign the Code of Conduct as provided in the template for [Code of Conduct for USP Evaluation in Appendix G] and sign the Declaration of Interest as provided in the in Appendix H. Where an equivalent document is signed or is binding for the existing PPP structure in charge of evaluating the USPs, this process can be avoided.

In the event of any conflict of interest being declared at any stage, the chair should recuse the relevant member from further participation on the Committee and nominate a substitute.

3.5. Step 3: Completeness and compliance assessment of USP by PI

- **Preliminary assessment components:** The USP Evaluation Committee should first conduct a **preliminary assessment of the USP to confirm the following:**
 - USP is accompanied by the PCN and Declaration as provided above.
 - USP is not already under consideration: USP cannot be related to a project (traditionally procured or PPP) already under development by the PI [checklist as presented in Appendix I shows the USP is complete].
- **If the completeness and compliance assessment fails:** the USP Evaluation Committee recommends that the USP should not be considered for further evaluation unless the gaps are minor and it recommends requiring the USP proponent to provide missing information.
- **Indicative timeframe:** The completeness and compliance assessment should be completed within [20 days].

3.6. Step 4: USP Evaluation by the PI

Definition: "'strategic sectors' means one or more sectors that the National Treasury identifies as strategic sectors and listed in National Treasury's guideline regulating the preparation, submission and evaluation of USPs.

16.11.2 In addition to meeting the criteria for a PPP- (a) fall within the strategic sectors or pursue the objectives relating to the institutional function; and (b) add value to the design, development and cost effectiveness of service delivery.

16.11.5 The accounting officer or accounting authority of an institution must – a) evaluate the USP; (b) decide whether the institution accepts the USP and the proposed PPP project to be developed pursuant to the USP [...].

- **Scoring of the USP:** The USP Evaluation Committee should score the USP based on the guidance provided in Appendix J. Only USPs which meet the Pass criteria and receive a score of 10 or more (out of a total of 15) should be recommended for acceptance by the AO/AA.
- **USP Evaluation Report:** The USP Evaluation Committee should prepare a USP Evaluation Report as per the template provided in Appendix K.
- **Indicative Timeframe:** The USP Evaluation should be completed within [45] days.

The USP Evaluation Committee should discuss matters pertaining to the evaluation of the USP with the PPP Unit before finalising the USP Evaluation Report.

Clarifications from USP proponent

The USP Evaluation Committee may seek clarifications from the Proponent during the USP Evaluation. All correspondence should be in writing with responses sought within [5] days.

The USP proponent, while responding to clarification, may provide reference to documents/material already submitted to the PI. However, no additional information should be received by the PI at this stage in a way that may result in cost increases and change of proposal submitted.

3.7. Step 5: Notification of decision to USP proponent

16.11.5 The accounting officer or accounting authority of an institution must – [...] (c) notify the proponent of the decision and the reasons for the decision.

The AO/AA of the PI should consider the USP Evaluation Report and notify the USP proponent of its decision and the reasons thereof after consultation with the PPP Unit. The decision can be one of two options, presented below:

- **Acceptance of USP** confirming that:
 - The USP meets the completeness and compliance criteria; and
 - The USP scores over the minimum score of 10 on the USP Evaluation Criteria

Template for the Notification of Acceptance of the USP is provided in Appendix M.

- **Rejection of USP** indicating:
 - The USP does not meet the completeness and compliance criteria; and

- The USP scores less than minimum score of 10 on the USP Evaluation Criteria; and
- The USP proponent is not entitled to any kind of reimbursement for the costs incurred to prepare its USP.

Template for the Notification of Rejection of a USP is provided in Appendix L.

The PI should submit the draft notification for review to the PPP Unit before issuing it to the USP proponent.

3.8. Disclosures for Receipt and Evaluation of USPs

Ensuring transparency is vital for the management of USPs. The following measures must be implemented by the National Treasury and PIs.

3.8.1. Disclosures by National Treasury

- It is recommended that the USP Guideline be uploaded on the National Treasury's website.

3.8.2. Disclosures by PI

It is recommended that the PI discloses by means of uploading a notification on its website (or the website of its parent Ministry or Department) the following during the different stages of the USP evaluation process.

- The PI must disclose the name of the USP, the name of USP proponent and the date on which the PI issues the Acknowledgement Letter to the USP proponent (as per Step 1 - Section 3.3), within [10] business days of issue of the Acknowledgement Letter to the USP proponent.
- The PI must disclose whether it has accepted or rejected a USP, within [10] days of issue of notification of its decision (as per Step 5 - Section 3.7) to the USP proponent.

4. REGISTRATION OF USP

This section of the Guidelines pertains to the following NT regulations:

16.11.6 If a proponent's USP is accepted by the institution-

- (a) the accounting officer or accounting authority must register the development of the feasibility study for the PPP project proposed in the USP by the proponent with the relevant treasury; and
- (b) the proponent must submit a statement in the manner determined by the National Treasury stating which protection, confidential, proprietary, or otherwise, is claimed in relation to its USP and the PPP project to be developed pursuant to the USP.

16.11.7 All costs incurred by the proponent in the preparation and submission of a USP must be borne by the proponent.

16.12 Registration of proposed PPP project

16.12.1 Upon accepting the USP, the accounting officer or accounting authority must in writing notify the relevant treasury of the USP and comply with regulation 16.3 for the inception of the proposed project as a PPP.

16.12.2 Before the development of the feasibility study for the proposed PPP project, the accounting officer or accounting authority must inform the relevant treasury of the period for which the unsolicited proposal is valid for consideration which must be equivalent to a reasonable period required to develop a feasibility study and processing of approvals contemplated in regulation 16.4.

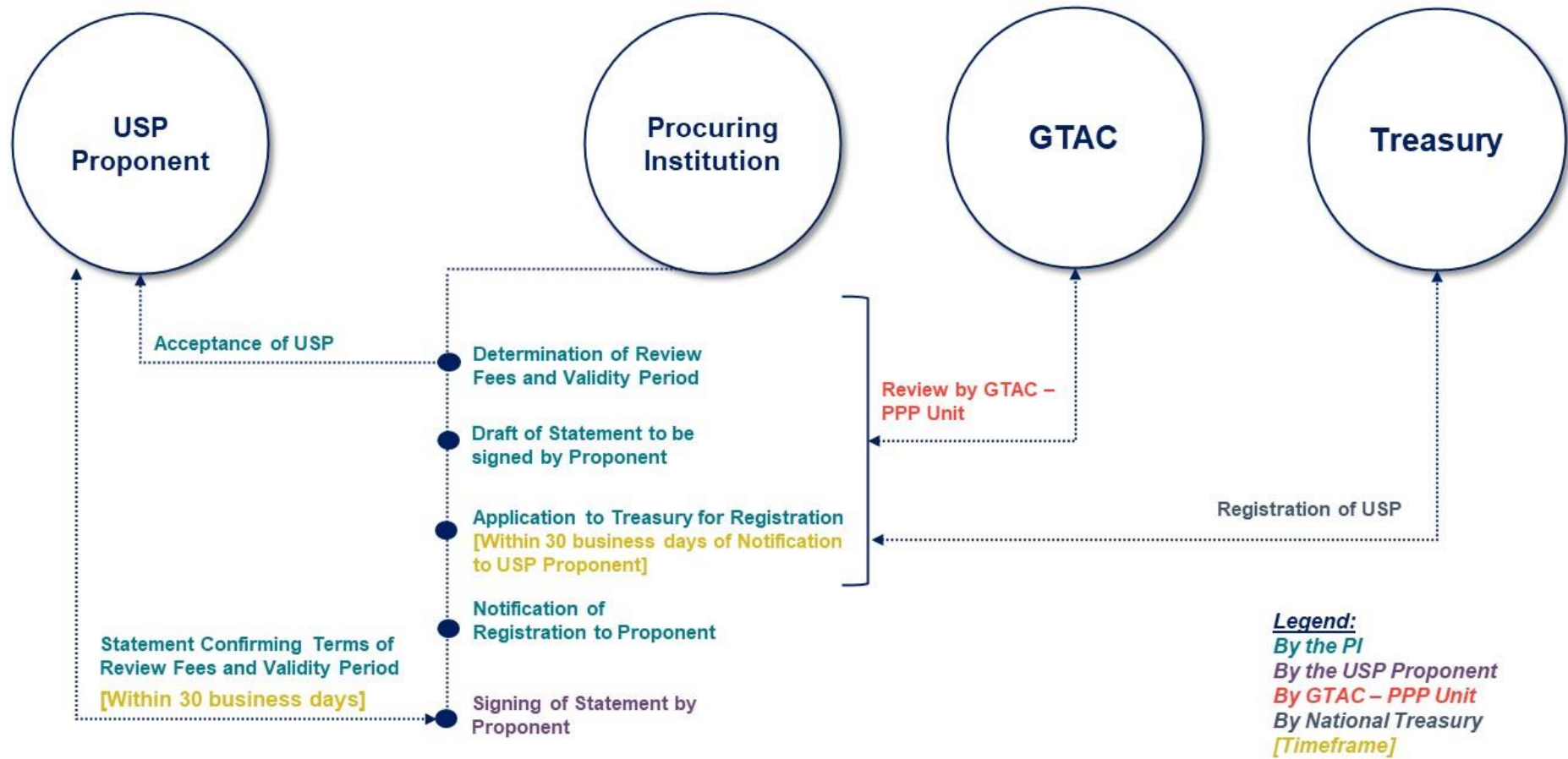
16.12.3 The proponent must pay the institution a review fee to enable the institution to fund the costs of the Transaction Advisor in terms of regulation 16.3.1 (d), read with regulation 16.12.1.

16.12.4 For the duration of the validity period of the unsolicited proposal in terms of 16.12.2, the institution may not-

- (a) carry out a feasibility study or unrelated feasibility study for the proposed PPP project or recognise a USP for the same project by another proponent; and
- (b) use the review fee for purposes other than the purpose contemplated in regulation 16.12.3

A process map to guide this step is presented in Figure 4-1.

Figure 4-1: Steps for Registration of USP



4.1. Step 1: Determining the Review Fee, the Development Fee and Validity Period

4.1.1. Considerations for Review Fee

The Review Fee should be sufficient to cover the costs for preparation of a Feasibility Study in terms of NTR 16.4 by a TA.

The Review Fee will be determined based on the bids received by the PI for the procurement of a Transaction Advisor. It shall be limited to the cost of preparation of the Feasibility Study by the appointed TA. The PI will be responsible for funding the cost of the PPP procurement of the project.

The Statement to be prepared by PI under Step 2 (Section 4.2) clearly state that the USP proponent is required to pay the Review Fees to the PI within a stipulated time after the PI issues a Letter of Award to the TA as described under Step 5 (Section 4.5). The PI will notify the amount and stipulated time period by way of a written letter to the USP proponent.

4.1.2. Considerations for Validity Period

16.12.2 the period for which the unsolicited proposal is valid for consideration [...] must be equivalent to a reasonable period required to develop a feasibility study and processing of approvals contemplated in regulation 16.4.

16.12.4 For the duration of the validity period of the unsolicited proposal in terms of 16.12.2, the institution may not- (a) carry out a feasibility study or unrelated feasibility study for the proposed PPP project or recognise a USP for the same project by another proponent; and (b) use the review fee for purposes other than the purpose contemplated in regulation 16.12.3.

During the Validity Period, the PI must not initiate, prepare or procure a project/service identical or similar to the USP or register any other USP for the same or similar subject matter as the USP (cf. NTR 16.12.4). The USP proponent is not permitted to submit the same or similar project to another PI during the validity period.

To determine the Validity Period, the PI should consider the following elements:

- The Validity Period should be sufficient to cover time required to comply with all steps provided in NTR 16.3-16.4⁸. This would include inter alia duration from engagement of TA, preparation of the Feasibility Study and granting of Treasury Approval :l.
- Determination of the Validity Period can be informed by international and national benchmarks, including the average time taken from PPP project registration with relevant Treasury and the completion of the Feasibility Study.
- The PI shall seek the inputs of the PPP Unit to estimate the Validity Period, based on previous experience of developing comparable PPP projects in South Africa.

The Validity Period will be an input for the Statement to be prepared by PI under Step 2.

4.1.3. Considerations for the Development Fee

⁸ NTR 16 Regulation

16.3 Project inception

16.4 Feasibility study - Treasury Approval I

16.14.2 If in response to a Request for Proposal issued for the procurement of the USP as a PPP project, the proponent submits a compliant proposal and is not selected as the preferred bidder and the project reaches financial close, the proponent is entitled to the payment of a development fee by the institution, as a contribution by the institution for the costs incurred by the proponent in relation to the development of the feasibility study for the proposed PPP project

The Development Fee will cover the cost of preparation of the Feasibility Study for the USP. It should be determined based on the Review Fee viz the cost for preparation of the Feasibility Study by the TA.

The Development Fee will be payable by the PI to the USP proponent if the following conditions are satisfied:

- The Preferred Bidder is not the USP proponent, and
- The PPP project achieves financial close i.e. the financing agreements are signed by the senior lenders to the project.

The Development Fee will not be payable by the PI to the USP proponent in the following instances:

- If the USP proponent does not participate in the procurement of the USP project; or
- If the USP proponent fails to submit a compliant proposal in response to the procurement of the USP project; or
- If the procurement fails for any reason i.e. a Preferred Bidder is not identified, except if the procurement failure is caused by the PI; or
- If the project fails to reach financial close.

4.2. Step 2: Develop Statement to be signed by USP proponent

16.11.6 If a proponent's USP is accepted by the institution [...] (b) the proponent must submit a statement in the manner determined by the National Treasury stating which protection, confidential, proprietary, or otherwise, is claimed in relation to its USP and the PPP project to be developed pursuant to the USP.

The PI must prepare a draft Statement to be signed by the USP proponent. The Statement shall include the following:

- **Confidentiality and Intellectual Property Rights:**
 - All intellectual property rights related to the USP and the potential PPP project, including but not limited to patents, trademarks, copyrights, and trade secrets, remain the property of the USP proponent during the feasibility and procurement process. Thereafter, in case the USP proponent is the Preferred Bidder, the provisions of the PPP agreement with respect to such matters will apply.
 - Rights of the PI to use, reproduce and distribute any intellectual property necessary for the evaluation of the USP.
 - Duty of the PI to maintain confidentiality of the USP contents regarding any proprietary technology or product, commercial and financial aspects.
- **Costs and Expenses:**

- All costs incurred in the preparation and submission of the USP to be borne by the USP proponent.
- Stating the basis and remittance of Review Fee to the PI.
- **Feasibility Study and Development:**
 - The feasibility study, procurement process and further development of the project to be undertaken by PI in the manner prescribed in NTR16.
- **Procurement and Pre-Qualification:**
 - Clarifying that the USP proponent will be automatically pre-qualified and shortlisted to submit a bid proposal.
 - Clarifying that the USP proponent would need to submit a proposal in line with the requirements of the Request for Proposal issued for the PPP project and compete with other bidders.
- **Payment of Development Fee:**
 - Clarifying the terms of payment of the Development Fees.
 - Clarifying the circumstances in which the USP proponent would forgo the development fees.
- **Validity Period:**
 - Clearly stating the validity period during which the PI will not initiate a project/service identical or similar to the USP or register any other USP for the same or similar subject matter.

A Template for this Statement is included in Appendix N.

The PI shall submit the Draft Statement for review to the with PPP Unit before registering the USP with the treasury.

4.3. Step 3: Registration with National Treasury

16.11.6 If a proponent's USP is accepted by the institution- (a) the accounting officer or accounting authority must register the development of the feasibility study for the PPP project proposed in the USP by the proponent with the relevant treasury.

16.12.1 Upon accepting the USP, the accounting officer or accounting authority must in writing notify the relevant treasury of the USP and comply with regulation 16.3 for the inception of the proposed project as a PPP.

16.12.2 Before the development of the feasibility study for the proposed PPP project, the accounting officer or accounting authority must inform the relevant treasury of the period for which the unsolicited proposal is valid for consideration [...]

The indicative timeline for application for registration of the USP as a PPP is within [10] days of notification of PI's decision to the USP proponent (refer section 3.7), the PI should apply to the National Treasury for registration of the USP as a PPP project.

The PI should include the following when applying to the National Treasury:

- Copy of the USP submission including:

- Declaration by USP proponent
- Project Concept Note (PCN)
- USP proponent Details
- Copy of the USP Evaluation Report.
- Copy of the Notification issued to the USP proponent regarding the decision of the PI.
- Copy of all correspondence with USP proponent regarding the USP Evaluation.
- Copy of the Draft Statement to be signed by USP proponent, which has been reviewed by PPP Unit.

The PI shall submit the draft application for review to the PPP Unit before submitting the application to the treasury for registration of the USP as a PPP project.

4.4. Step 4: Finalisation and Signature of the Statement

- **Update Draft Statement to be signed by USP proponent:** If the relevant Treasury has provided recommendations related to the content of the Statement, and in particular the Validity Period and/or Review Fee, the PI should update the Draft Statement to be Signed by USP proponent.
- **Notify USP proponent:** The PI should provide the Statement to the USP proponent and include instructions to sign the ‘Statement to be signed by USP proponent’ within an indicative timeline of [30] days of issuance of the notification. A template is included in Appendix O.
- **Upon receipt of signed Statement USP proponent:** Upon receipt of signed Statement from the USP proponent, the PI must issue an Acknowledgment Letter to the USP proponent – a template for which is provided in Appendix P and comply with NTR16.3 for the inception of the proposed project as a PPP.⁹
- **Project Inception:** The PI will proceed as per the provisions of NTR16.3¹⁰, following the Guidelines provided in Module 3 of the PPP Manual.

Failure of USP proponent to remit Review Fee and sign the statement

In case the USP proponent fails to remit the Review Fee and/or submit the signed statement:

- The PI will inform the USP proponent of the rejection of their USP
- The PI will be free to pursue the project without any liability towards the USP proponent.

A template of the Rejection Letter is provided in Appendix Q

⁹ As per the provisions of NTR16 issued in 2001, and as amended in 2005 and 2025, and National Treasury PPP Practice Note Number 02 OF 2004 (i.e. PPP Manual).

¹⁰ NTR 16.3 Project inception

16.3.1 As soon as the institution identifies a project that may be concluded as a PPP, the accounting officer or accounting authority must in writing-

(a) register the PPP with the relevant treasury;

(b) inform the relevant treasury of the expertise within that institution to proceed with a PPP;

(c) appoint a project officer from within or outside the institution; and

(d) appoint a transaction advisor if the relevant treasury so requests.

4.5. Step 5: Payment of Review Fees by the USP proponent

After the signature of the Statement by the USP proponent, and registration of the USP as a PPP project by the National Treasury, the PI will engage a TA in terms of NTR 16.12.2.

The PI shall notify the USP proponent by way of a written letter within [7] days of issuance of Letter of Award to the TA stating the following:

- Review Fee payable by the USP proponent. This shall be limited to the cost of preparation of the Feasibility Study by the appointed TA.
- Timeframe within which such payment is to be made by the USP proponent.

4.6. Disclosures for Registration of USPs

It is recommended that the National Treasury discloses the USP as a PPP project (Unsolicited Proposal) which has been registered by the National Treasury, within [15] days of registration of the USP.

5. FEASIBILITY STUDY

This section of the Guidelines pertains to the following NTR regulations:

16.13.1 Upon registration of a USP as contemplated in regulation 16.12, the institution must develop and submit a feasibility study to the relevant treasury for approval in terms of regulation 16.4¹¹.

The PI shall independently undertake the development of a thorough feasibility study following the prescription as set out in the National Treasury PPP Practice Note Number 02 of 2004, Module 4 Feasibility Study (i.e. PPP Manual).

The Feasibility Study is vital for:

- making the investment decision, independent of the USP proponent's submission
- assessing project's affordability and long-term implications of the PPP project including fiscal commitments and contingent liabilities impact
- assessing the economic viability, sustainability and impacts of the project
- assessing risk transfer i.e. technical, operational and financial risk to the private party
- compliance with the provisions of Treasury Regulation 16 to the PFMA, Treasury Approval :I for the feasibility study.

The process of preparation of Feasibility Study will include inter alia:

- STAGE 1: THE NEEDS ANALYSIS
 - Part 1: Demonstrate that the project aligns with the institution's strategic objectives
 - Part 2: Identify and analyse the available budget(s)

¹¹ As per the provisions of NTR16 issued in 2001, and as amended in 2005 and 2025, and National Treasury PPP Practice Note Number 02 OF 2004 (i.e. PPP Manual).

- Part 3: Demonstrate the institution's commitment and capacity
- Part 4: Specify the outputs
- Part 5: Define the scope of the project
- STAGE 2: THE SOLUTION OPTIONS ANALYSIS
- STAGE 3: PROJECT DUE DILIGENCE
- STAGE 4: VALUE ASSESSMENT
 - Part 1: Construct the base PSC model
 - Part 2: Construct the risk-adjusted PSC model
 - Part 3: Construct the PPP reference model
 - Part 4: Construct the risk-adjusted PPP reference model
 - Part 5: Sensitivity analysis
 - Part 6: Demonstrate affordability
 - Part 7: Initial value-for-money test
 - Part 8: Make the procurement choice
 - Part 9: Verify information and sign off
- STAGE 5: ECONOMIC VALUATION
- STAGE 6: PROCUREMENT PLAN
- STAGE 7: SUBMIT THE FEASIBILITY STUDY REPORT
- STAGE 8: REVISITING THE FEASIBILITY STUDY (if required)

5.1. Notification of updates to USP proponent

It is recommended that the PI updates the USP proponent on the progress of its proposed project, at the following stages through a written letter (template in Appendix R):

- Signing contract with TA.
- Receipt of Treasury Approval: I.
- If the PI wishes to discontinue the project at any time and explanation of reasons thereof.

6. PROCUREMENT

This section of the Guidelines pertains to the following NTR regulations:

16.13.2 Pursuant to the feasibility study contemplated in the USP obtaining Treasury Approval: I, regulations 16.5 and 16.6 apply to the procurement of a PPP project to be developed pursuant to the feasibility study.

The procurement for a USP Project process shall comply with and follow the requirements set out in the National Treasury PPP Practice Note Number 02 of 2004 (i.e. PPP Manual), Module 5 PPP Procurement, with the following additions specific to USPs.

6.1. Notification of updates to USP proponent

It is recommended that the PI updates the USP proponent on the progress of its proposed project, at the following stages by way of a written letter (template in Appendix R):

- Publication of Request for Qualification (RfQ).
- Publication or Issuance of Request for Proposal (RfP).
- Receipt of Treasury Approval II:B.
- Receipt of Treasury Approval III.
- Reaching of Financial Close if the USP proponent is not the preferred bidder but is eligible to the reimbursement of the Development Fee.
- If the PI wishes to discontinue the project at any time and explanation of reasons thereof.

6.2. Step 1: Preparation of bidding documents

16.14.3 The Development Fee, referred to in regulation 16.14.2, must be processed and treated as a pass-through cost from the preferred bidder that is appointed, as specified in the procurement document for the proposed PPP project.

The RfQ and RfP must be prepared in accordance with the National Treasury PPP Practice Note Number 02 of 2004 (i.e. PPP Manual), Module 5 PPP Procurement, the Standardised PPP provisions and Standard Bidding Documents issued by National Treasury. The documents must clearly state that:

- The project is being procured under the provision of NTR16 as an Unsolicited Proposal.
- The RfP and Draft PPP Agreement must state that a Development fee of the value [xx] will be payable by the Preferred Bidder to the PI before Financial Close. The payment of the Development Fee must be stated as a Condition Precedent to Financial Close.

6.3. Step 2: Pre-qualification

16.14.1 If a PPP project developed pursuant to the feasibility study contemplated in the USP is procured through a bidding process that includes a pre-qualification stage, the proponent must be automatically pre-qualified and be shortlisted to submit a bid proposal in response to the procurement documentation.

The AO/AA will notify the USP proponent about the publication of RfQ and proposed timelines for the procurement process.

The USP proponent accepts to be automatically shortlisted in the Statement to be signed by USP proponent (Appendix N).

6.4. Request for Proposal

The AO/AA will ensure that the RfP is issued to the USP proponent at the same time as other shortlisted and/or pre-qualified bidders. The USP proponent will submit a bid in

the same conditions as other bidders and will benefit from no advantage at the proposal stage as compared to other bidders.

- The RfP must state that a Development Fee of the value [xx] will be payable by the Preferred Bidder to the PI before Financial Close.
- The payment of the Development fee to the PI must be stated as a Condition Precedent to Financial Close in the Draft PPP Agreement.

7. CONTRACTING AND MANAGEMENT OF PPP AGREEMENT

This section of the Guidelines pertains to the following NTR regulations:

16.14.2 If in response to a request for proposal issued for the procurement of the USP as a PPP project, the proponent submits a compliant proposal and is not selected as the preferred bidder and the project reaches financial close, the proponent is entitled to the payment of a development fee by the institution, as a contribution by the institution for the costs incurred by the proponent in relation to the development of the feasibility study for the proposed PPP project

In contracting and management of PPP Agreement for a USP Project, the PI and the USP proponent shall comply with and follow the requirements set out in NTR16.6 onwards and National Treasury PPP Practice Note Number 02 of 2004 (i.e. PPP Manual), Module 6: Managing the PPP Agreement, with the following additions in case the USP proponent is not the Preferred Bidder. If the USP proponent is the Preferred Bidder, the contracting and management of the PPP Agreement will be undertaken according to the regulations set forth for publicly initiated projects.

7.1. Notification of updates to USP proponent

The AO/AA will notify the USP proponent at the following stages through a written letter (Refer template in Appendix R):

- Receipt or Rejection of Treasury Approval III.
- Reaching Financial Close.
- Failure to achieve Financial Close.

7.2. Achievement of Financial Close

The AO/AA would be responsible for payment of Development Fee to the USP proponent within [30] days of receipt of the Development Fee from the appointed Private Party if it is not the USP proponent.

A template for notification by PI to the USP proponent is provided in Appendix S.

A template for acknowledgement of receipt of Development Fees by the USP proponent is provided in Appendix T.

7.3. Failure to Financial Close

In case the PPP project fails to achieve financial close, the AO/AA should inform the USP proponent that the project has failed to achieve financial close.

Appendix A

DECLARATION BY USP PROPONENT

Legal Basis: Section 16.11.2 to 16.11.5 of NTR

DECLARATION BY USP PROPONENT

Date:

To:	From:
[Procuring Institution]	[Date]
[Address]	[Recipient's Name]
[Post Office Box number]	[Recipient's Title]
[City/Town, Post Code]	[Recipient's Company]
[Email Address]	[Address]
[Phone Number]	[Post Office Box number]
	[City/Town, Post Code]

[USP NAME] – [NAME OF USP PROPONENT]

Dear Recipient:

1. We, [USP proponent] and all its consortium members, hereby submit our [USP name] to [PI name].
2. We, [USP proponent] and all its consortium members, confirm that:
 - We (and all members of our consortium) are a Private Party, i.e. an entity where the majority shareholding (controlling interest) is not held by Government of South Africa.
 - We (and all members of our consortium) are duly registered in our country of incorporation as a Company or a Corporation .
 - We (or any member of our consortium) are not listed on the National Treasury database of the list of restricted suppliers.
 - Any proponent, director or officer of the proponent convicted of an offence-
 - (a) related to professional conduct;
 - (b) in terms of section 214(1)(a), (b) or (c) of the Companies Act, 2008 (Act No. 71 of 2008); or
 - (c) in terms of section 12 or 13 of the Prevention and Combating of Corrupt Activities Act, 2014 (Act No. 12 of 2004)
 - As on date of submission, we have not filed for liquidation/bankruptcy.
3. We understand that we are not to contact any member of the PI during the period of evaluation of USP, except when asked to provide clarifications in writing.

4. We confirm that we will submit responses in writing only, and that no additional material or information will be considered by the PI except as contained in our original USP submission via this letter.
5. We confirm that we have submitted a similar USP to the following other South African Institutions:

NAME OF INSTITUTION	ADDRESS OF INSTITUTION	AO/AA

6. We have attached proponent's current SARS Tax Clearance Certificate and, in the case, where the proponent is a consortium or joint venture, a current SARS Tax Clearance Certificate for each member thereof.
7. We have submitted a declaration of interest containing the particulars set out in Standard Bid Document (SBD) 4, issued by the National Treasury.
8. We have submitted a declaration of the proponents past supply chain practices containing the particulars set out in SBD 8, issued by the National Treasury; and
9. We confirm that the offering of the unsolicited proposal was not as a result of any non-public information obtained from officials of the relevant institution or any other institution.
10. We confirm that the following is the Authorised Person to act and respond to clarifications on behalf of the [USP proponent].

Name of Authorised Person:

Designation of Authorised Person:

Email Address

Telephone Number

11. We understand that the information in this USP is for evaluation by the PI. The PI is not bound to accept this proposal. We understand that we will be required to submit a full proposal as part of the procurement process launched by the PI.

Thank you.

Yours's sincerely,

Signature:

Name of Authorised Person:

Designation of Authorised Person:

Date:

Place:

Enclosed:

- Project Concept Note
- 2. USP proponent Details
- 3. Feasibility Study
- 4. Financial Model
- 5. [.....]

Appendix B

USP PCN SUBMISSION FORMAT

Legal Basis: Section 16.11.2 to 16.11.4 of NTR

PROJECT CONCEPT NOTE TEMPLATE FOR UNSOLICITED PROPOSALS

National Treasury Regulations 16 (NTR16 Amendments)

Project ID (once registered by National Treasury):	<i>System generated number (to be completed by NT)</i>
Date of Receipt:	<i>To be completed by NT</i>

SECTION 1: PROJECT PROFILE				
Project Name:		<i>Example, "Mbombela affordable housing and recreation project"</i>		
Type of Project:		<i>Whether Greenfield or Brownfield?</i> <i>If the project seeks to create new infrastructure, facility or service, please state greenfield.</i> <i>If the project seeks to upgrade or rehabilitate an existing infrastructure, facility or service, please state brownfield.</i>		
Project Objective:		<i>Example,</i> <i>The objective of the Mbombela housing project is to provide affordable housing and recreation center within Mbombela municipality.</i>		
Estimated Project Cost (ZAR/USD):		<i>State the total capital cost of the project.</i>		
Project Geographic Location including geospatial information i.e., GPS Coordinates <i>(Insert additional rows as required for investment projects with multi-locations)</i>				
No.	Province	Municipality	City/Town/Village	GPS Coordinates
1.				
2.				
Project expected start date:		<i>Project Planned execution start date</i>		
Project expected end date:		<i>Project Planned execution end date</i>		

Project Life:	<i>Project construction and operational life/duration. E.g., 30 years</i>
Implementing Agency:	<i>Name of PI</i>
Principal Accounting Officer:	<i>Chief Director, Chief Executive Officer, or the most senior administrative head responsible for producing outputs.</i> <i>Public Finance Management Amendment Act, No. 29 of 1999</i>
Official Contact Details:	<i>Provide email, telephone number, postal and physical address</i>
Appraising Authority:	<i>Sector Department</i>
Thematic Area /Development:	<i>As stated in the NDP or Sector Plan</i>
Focus Area:	<i>As stated in the NDP or Sector Plan</i>
Policy Objective:	<i>As stated in the NDP or Sector Plan</i>
Sustainable Development Goal(s):	<i>As stated in the SGD(S)</i>
Project Impact towards Climate Commitment	<i>Demonstrate how your projects will impact the environment and how the negative impact would be addressed</i>
Is your project resilient?	<i>Demonstrate the resilience of your project to the climate/environmental conditions</i>
Project Impact on Gender	<i>Indicate how your project would impact gender roles and how it intends to mainstream and address gender related issues</i>

SECTION 2: PROJECT BACKGROUND

1. Situation Analysis

Provide a background to the project idea:

- Briefly describe the current situation that rationalises the project;*
- Briefly describe past and ongoing interventions to address the situation.*
(quote official statistics including past trends to support your narrative, where applicable)

2. Problem Statement (this falls in line with the Logical Framework)

Provide details of the problem to be addressed in terms of challenges, constraints, and gaps:

- Nature of the problem;*
- Scope of the problem (How widespread or the magnitude of the problem);*
- State the likely causes and effects of the problem both direct and indirect;*

3. Relevance of the Project Idea (Indicate the sector's policy objectives for Medium-Term Development Plan (MTDP) that specify the key policy objectives and strategies)

Justify the need for the proposed project by:

- Linking the project to the Medium Term National / Integrated Development Plan (IDP), the Policy Objective and strategic goals that the proposed project is expected to contribute to;*

- b. *Linking the proposed project to Sector strategic objectives and strategies by describing the sector outcomes that the project is expected to contribute to;*
- c. *Showing the need for the project by analysing and describing the quantitative indicators of demand for the services or goods to be delivered by the project using readily available information, and demonstrate the linkage between the problem identified and the project;*
- d. *Showing the linkage between the project and other ongoing initiatives or interventions in the sector.*

SECTION 3: SCOPE OF THE PROJECT

Describe the scope of the project by defining the boundaries of the project in terms of the deliverables of the project or the work that needs to be accomplished to deliver the product, service or result required. Here the project scope must be specific. To be clearer, you may also state what is excluded from the scope. All the deliverables must be identified.

Key Outputs / Outcomes:

Example

- Development affordable housing (xx units with average area of xx square meters)
- Development of recreation centre (xx square meters) including gymnasium, all-purpose hall, shops and medical clinic.

Public sector responsibilities:

Example:

- Provision of land [xxxx] square meters at [location]
- Facilitating approvals and permits

Private sector responsibilities:

Example:

- Design and construction of affordable housing (xx units with average area of xx square meters) over a period of two years
- Design and construction of recreation centre (xx square meters) including gymnasium, all-purpose hall, shops and medical clinic.
- Upkeep and maintenance of facilities for a period of 15 years.
- Development of access road (approximately 500 meters dual carriage way) to link project location to city street [name/location]

SECTION 4: PROJECT DETAILS

1. Institutional Mandate

Describe how the project is linked to the mandate of the institution.

(Any established legislature that mandates the institution to carry out this project)

2. Management of the Project

Demonstrate the technical, managerial, and financial capacity of USP proponent to deliver the project. This can also be better expressed by showing previous experience in handling similar projects of the same magnitude and implementing team capacity i.e., engineer, financial expert, legal expert, etc. and that have been carried out before)

3. Project Implementation Plan

Describe the sequence of activities over time which should set clear benchmarks and timelines that can be used to track the overall project from project preparation to execution. What is your forecast in terms of the pre-investment phase

4. Monitoring and Evaluation

Indicate the institutional framework for monitoring project progress at the construction and operational level.

5. Risk and Mitigation Measures

Describe the potential risks that can derail the project, the likelihood of occurrence, the impact of such risks and strategies for mitigating them (preliminary)

NO	Identified Risk	Risk allocation (Public/Private/ Shared)	Likelihood of occurrence (Likely/Less Likely)	Impact on the project (High/Moderate/ Low)	Mitigation measure(s)
1					
2.					
3.					
4.					

6. Project Sustainability

Describe how the project will continue providing the intended services and benefits to the beneficiaries after the project is completed.

Describe how ownership will be fostered among stakeholders.

Include anticipated annual operations and maintenance costs and the source of financing.

(After assets are built, indicate what plans are in place to sustain its operation and maintenance)

7. Project Stakeholders and Collaborators

Describe the stakeholders that the project must constantly engage and their level of influence and interest, among others.

NO.	Identified Stakeholder	Role/Contribution to the project <i>(In favour/Against/Neutral)</i>	Level of Influence <i>(High/low)</i>	Potential Impact on project <i>(High/low)</i>	Intervention Measure
1.					
2.					
3.					
4.					

8. Project Readiness (Information available as on date of submission of USP)

a. *Whether a feasibility study and financial model has been prepared? If so, the Proponent is required to append these to the PCN.*

b. *If applicable, detail of project site – land required, current ownership, current land use.*

c. *Whether USP proponent has undertaken consultations with any government agencies and stakeholders will be involved in the preparation of the Project and what roles will they play in project development and approval?*

9. Financial analysis

A. Provide a breakdown of the estimated capital cost of the project

Item	Description	Cost (ZAR)	Source of Funding
1	<i>Detailed design</i>		
2	<i>Civil Works</i>		
3	<i>Equipment (purchase/installations)</i>		
4	<i>Others</i>		
Total			

Estimated total project cost in USD: US\$.....(*Indicate date and FX rate*)

B. Estimated Annual Project Disbursement Plan (ZAR)

FY 1	FY 2	FY 3	FY 4	FY 5
Total (ZAR)	Total (ZAR)	Total (ZAR)	Total (ZAR)	Total (ZAR)

In the case of Public-Private Partnership

i. Proposed Private Sector Funding % _____

ii. Proposed public sector / PI Contribution % _____

iii. Any Other public sector support (*guarantees, subsidies, etc*) _____

Prepared by: _____

(Head, Unsolicited Proposal Proponent)

Signature: _____

Date: _____

Appendix C

USP PROPONENT'S DETAILS

USP PROPONENT INFORMATION AND QUALIFICATION FORM

Legal basis: NTR 16.11

Objective: To provide relevant information to aid the procuring institution evaluate the USP proponent's qualification to enter in their proposed PPP project with the government

Official Project Name

1. USP proponent and their corresponding equity infusion

1.a. USP proponent

Proposed amount of contribution to the proposed PPP project

1.b. Consortium members, if applicable

Proposed amount of contribution per member to the proposed PPP project

2. Business plan and track record

2.a. Who is/are the entity/ies proposed to handle the construction activities under the proposed PPP project?

Corresponding successful experience relevant to the proposed PPP Project

2.b. Who is/are the entity/ies proposed to handle the operations under the proposed PPP project?

Corresponding successful experience relevant to the proposed PPP Project

2.c. Who is/are the entity/ies proposed to handle the maintenance activities under the proposed PPP project?

Corresponding successful experience relevant to the proposed PPP Project

2.d. Who is/are the entity/ies proposed to handle the other activities under the proposed PPP project?

Corresponding successful experience relevant to the proposed PPP Project

(Disclose also the specific activity to be undertaken per entity)

3. Technical capability (focus on technology experience and strength of EPC partners in proponent);

).

4. Prior experience of similar projects

5. Financial capability (Based on Audited Annual Financial Statements of Lead Member)

CHECKLIST OF DOCUMENTARY REQUIREMENTS TO ESTABLISH THE QUALIFICATION OF THE PRIVATE PROPONENT FOR UNSOLICITED PROPOSALS

The following documents and information are required to be submitted:

Answer the gaps below. Is the document submitted? (Yes, No, or N/A)

For all entities listed in the Private proponent Information and Qualification Form

1. Valid Companies and Intellectual Property Commission (CIPC) registration (or foreign equivalent)
2. Latest proof of nationality (e.g., general information sheet (or foreign equivalent) for corporations, passport/birth certificate for individuals)
3. List of key personnel (and their corresponding experience)
4. Certification under oath indicating that the entity:
 - a. is not included in blacklists issued by any government agency;
 - b. has not been found by final judgment to be liable for violating the Anti-Money Laundering Act or for violating statutes that carry the penalty of disqualification from participating in tenders for government contract; and
 - c. has no pending case filed against it by the government or by it against the government, or, should there be any, that such cases shall not impact the capability of the prospective Private Partner to carry out its obligations under the PPP Project.

Any misrepresentation in the certification under oath shall be a ground to disqualify the private proponent.

5. Full disclosure of its pending cases, if any, whether by it against the government or filed against it by the government
6. Any misrepresentation in the certification under oath shall be a ground to disqualify the private proponent.
7. Documentary proof that the entity have successfully undertaken project/s similar or related to the proposed project
8. If the entity is a cooperative, proof of registration with Companies and Intellectual Property Commission (CIPC).

FOR THE PRIVATE PROPONENT OR CONSORTIUM

9. Letter testimonial from a financial institution (authorised by Financial Sector Conduct Authority (FSCA) to transact in South Africa, or has an investment grade foreign currency credit rating from a reputable agency which has an outstanding rating on the Republic of the South Africa) attesting that:
 - a. The private Proponent or members of the consortium are banking with them; and
 - b. The private Proponent and/or members of the consortium are in good financial standing and/or qualified to obtain debt financing from such financial institution to

finance the PPP Project equivalent to the value of the debt requirement in the proposal.

10. In case of a consortium, an undertaking, in favor of the Implementing Agency, by all consortium members binding themselves to be jointly and severally liable for the obligations of the Private Partner under the PPP Contract, if awarded.

Such undertaking shall include a provision that if members of the consortium organise themselves as a corporation registered under South African laws, such corporation shall execute such an undertaking binding itself to the rights and obligations of the Private Partner under the PPP Contract, which shall substitute or be in lieu of the undertaking submitted by the members or participants of the consortium.

11. If undecided on a specific contractor and/or nominated entities:
 - a. shortlist of contractors and/or nominated entities; and
 - b. corresponding statement of willingness to participate in the project and capacity to undertake the requirements of the project.

FOR ENTITIES WHO WILL INFUSE EQUITY IN THE PROPOSED PPP PROJECT

12. Audited financial statements for last three years of USP proponent (Lead Member)

FOR ENTITIES HANDLING ANY CONSTRUCTION ACTIVITY

13. Valid Construction Industry Development Board (CIDB) registration (or foreign equivalent)
14. Current SARS Tax Clearance Certificate and in the case where the proponent is a consortium or joint venture, a current SARS Tax Clearance Certificate for each member thereof
15. Declaration of interest containing the particulars set out in Standard Bid Document (SBD) 4, issued by the National Treasury.
16. Declaration of the proponents past supply chain practices containing the particulars set out in SBD 8, issued by the National Treasury.

Appendix D

DECLARATION OF INTEREST

Legal Basis As per SBD 4 (SCM)

1. Any legal person, including persons employed by the state*, or persons having a kinship with persons employed by the state, including a blood relationship, may make an offer or offers in terms of this invitation to bid (includes a price quotation, advertised competitive bid, limited bid or proposal). In view of possible allegations of favouritism, should the resulting bid, or part thereof, be awarded to persons employed by the state, or to persons connected with or related to them, it is required that the USP proponent or his/her authorised representative declare his/her position in relation to the evaluating/adjudicating authority and/or take an oath declaring his/her interest, where:
 - the USP proponent is employed by the state; and/or
 - the legal person on whose behalf the bidding document is signed, has a relationship with persons/a person who are/is involved in the evaluation and or adjudication of the bid(s), or where it is known that such a relationship exists between the person or persons for or on whose behalf the declarant acts and persons who are involved with the evaluation and or adjudication of the bid.
2. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.
 - 2.1 Full Name of USP proponent or his or her representative: _____
 - 2.2 Identity Number: _____
 - 2.3 Position occupied in the Company (director, shareholder etc): _____
 - 2.4 Company Registration Number: _____
 - 2.5 Tax Reference Number: _____
 - 2.6 VAT Registration Number: _____

* “State” means –

- a. any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No. 1 of 1999);
- b. any municipality or municipal entity;
- c. provincial legislature;
- d. national Assembly or the national Council of provinces; or
- e. Parliament.

2.7 Are you or any person connected with the USP proponent YES / NO
presently employed by the state?

2.7.1 If so, furnish the following particulars:

Name of person / director / shareholder/ member:

Name of state institution to which the person is connected:

Position occupied in the state institution:

Any other particulars:

2.8 Did you or your spouse, or any of the company's directors / YES / NO
shareholders / members or their spouses conduct business
with the state in the previous twelve months?

2.8.1 If so, furnish particulars:

2.9 Do you, or any person connected with the USP proponent, have any relationship (family, friend, other) with a person employed by the state and who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.9.1 If so, furnish particulars.

2.10 Are you, or any person connected with the USP proponent, aware of any relationship (family, friend, other) between the USP proponent and any person employed by the state who may be involved with the evaluation and or adjudication of this bid?

YES / NO

2.10.1 If so, furnish particulars.

2.11 Do you or any of the directors /shareholders/ members of the company have any interest in any other related companies whether or not they are bidding for this contract? YES/ NO

2.11.1 If so, furnish particulars:

DECLARATION

I, THE UNDERSIGNED (NAME).....

CERTIFY THAT THE INFORMATION FURNISHED IN PARAGRAPHS 2.1 TO 2.11.1 ABOVE IS CORRECT.

I ACCEPT THAT THE STATE MAY ACT AGAINST ME IN TERMS OF PARAGRAPH 23 OF THE GENERAL CONDITIONS OF CONTRACT SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature: _____

Name of Authorised Person: _____

Designation of Authorised Person: _____

Name of USP proponent: _____

Date: _____

Place: _____

Appendix E

DECLARATION OF THE PROPONENTS PAST SUPPLY CHAIN PRACTICES

1. This Standard Bidding Document must form part of all USPs.
2. It serves as a declaration to be used by institutions in ensuring that when goods and services are being procured, all reasonable steps are taken to combat the abuse of the supply chain management system.
3. The bid of any USP proponent may be disregarded if that USP proponent, or any of its directors have
 - a. abused the institution's supply chain management system;
 - b. committed fraud or any other improper conduct in relation to such system; or
 - c. failed to perform on any previous contract.
4. In order to give effect to the above, the following questionnaire must be completed and submitted with the bid.

ITEM	QUESTION	YES	NO
4.1	Is the USP proponent or any of its directors listed on the National Treasury's database as companies or persons prohibited from doing business with the public sector? (Companies or persons who are listed on this database were informed in writing of this restriction by the National Treasury after the audi alteram partem rule was applied).		
4.1.1	If so, furnish particulars:		
4.2	Is the USP proponent or any of its directors listed on the Register for Tender Defaulters in terms of section 29 of the Prevention and Combating of Corrupt Activities Act (No 12 of 2004)? To access this Register, enter the National Treasury's website, [www.treasury.gov.za] (http://www.treasury.gov.za), click on the icon "Register for Tender Defaulters" or submit your written request for a hard copy of the Register to facsimile number (012) 3265445.		
4.2.1	If so, furnish particulars:		
4.3	Was the USP proponent or any of its directors convicted by a court of law (including a court outside of the Republic of South Africa) for fraud or corruption during the past five years?		
4.3.1	If so, furnish particulars:		

ITEM	QUESTION	YES	NO
4.4	Was any contract between the USP proponent and any organ of state terminated during the past five years on account of failure to perform on or comply with the contract?		
4.4.1	If so, furnish particulars:		

CERTIFICATION

I, THE UNDERSIGNED (FULL NAME)

CERTIFY THAT THE INFORMATION FURNISHED ON THIS DECLARATION FORM IS TRUE AND CORRECT.

I ACCEPT THAT, IN ADDITION TO CANCELLATION OF A CONTRACT, ACTION MAY BE TAKEN AGAINST ME SHOULD THIS DECLARATION PROVE TO BE FALSE.

Signature: _____

Name of Authorised Person: _____

Designation of Authorised Person: _____

Name of USP proponent: _____

Date: _____

Place: _____

Appendix F

ACKNOWLEDGEMENT LETTER FOR RECEIPT OF USP

Legal Basis: Section 16.11.2 and 16.11.3 of NTR

[To be prepared for each USP proponent by the Procuring Institution receiving a USP]

ACKNOWLEDGEMENT LETTER

Date:

To:

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

From:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

Re: [USP Name] [USP proponent Name]

Dear [Recipient's Name],

This is to confirm that your unsolicited proposal titled "[USP Name]" has been received by [Procuring Institution] on [Insert Date of Acknowledgement] and will now undergo evaluation

We will notify whether your USP has been accepted or rejected, and whether it will be forwarded for registration with the [Relevant Treasury], within [xx] business days.

Sincerely,

[Name of Receiving Officer]

[Designation]

[Procuring Institution]

Appendix G

CODE OF CONDUCT FOR USP EVALUATION COMMITTEE

[This code of conduct is to be signed by members of USP Evaluation Committees appointed by institutions to evaluate USP bids]

1. BACKGROUND

In terms of the Constitution of the Republic of South Africa, 1996, section 217: When an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in accordance with a system which is fair, equitable, transparent, competitive and cost-effective.

This code of conduct is issued by National Treasury to instil standards of integrity, ethical conduct, and professionalism in the South African government's adjudication and evaluation of all procurement undertaken by institutions governed by Treasury Regulation 16 to the Public Finance Management Act, 1999 (PFMA), in relation to public private partnerships (PPPs). It is to be applied by institutions in the evaluation of USP Bids.

Every member of USP evaluation Committee appointed by an institution to act on behalf of the state in the adjudication and evaluation of these bids is required to sign this code of conduct before receiving bids. In addition, each member has to sign the attached declaration of interest form once the institution has announced and recorded the identities of the bidding parties.

2. THE AIMS OF THE CODE

This code of conduct does not address every possible situation that may arise. It also cannot serve as a substitute for the responsibility of the accounting officer/ authority and the bid evaluation Committee members to:

- exercise sound judgment
- act with exceptional standards of moral integrity
- abide by all applicable laws.

This code of conduct is intended to:

- confirm the member's commitment to all its prescripts
- guide members who are faced with ethical dilemmas in an increasingly complex operational environment
- provide a reference for disciplinary and/or prosecuting procedures if a member is found guilty of fraud or corruption
- serve as a public commitment by the institution to the highest standards of ethical and professional conduct in the evaluation of bids.

2. BREACHING THE CODE

A member will be found guilty of breaching the code of conduct if he or she:

- contravenes or fails to comply with any provision in it
- when declaring interests, wilfully gives incorrect or misleading details.

In these cases, a member will be liable for disciplinary action in terms of public service regulations to the Public Services Act, 1994 and may also be liable for criminal prosecution.

The accounting officer/authority, acting on his or her own or on a complaint by any person, may investigate any alleged breach of this code by a member of an evaluation Committee and may withdraw the member from the Committee during the investigation.

3. DEFINITIONS

“Family member” means a parent, sibling, child or spouse of a member;

“Member” means a person appointed by the accounting officer/authority to a bid evaluation Committee, either as the chairperson, or as an ordinary member or secretariat, for purposes of conducting the evaluation of either TA bids or PPP bids as a representative of the institution;

“Privileged or confidential information” means any information:

- determined by the institution to be privileged or confidential
- discussed in closed session by the bid evaluation Committee
- which if disclosed would violate a person's right to privacy
- declared to be privileged, confidential or secret in terms of any law, including, but not limited to, information contemplated in sections 34(1); 35(1); 36(1); 37(1)(a); 38(a); 39(1)(a); 40 or 43(1) of the Promotion of Access to Information Act, 2000.

4. CODE OF CONDUCT

I, [insert name of member of USP evaluation Committee], acting in my capacity as member of the [insert name of institution] evaluation Committee for the adjudication and evaluation of

[USP – Name] received on [insert date] from [insert USP proponent's name] hereby undertake:

- a. to act at all times with fidelity, honesty, integrity and in the best interests of the state and the general public it serves
- b. to diligently perform the duties of a member efficiently, effectively and strictly in accordance with the rules of bidding and bid evaluation, as set out in the bid documentation and according to all relevant instructions given by the institution
- c. to properly prepare for and attend each meeting of the USP evaluation Committee, and failing this to withdraw as a member
- d. to act at all times in accordance with the relevant legislation and regulations, including the public service regulations, the PFMA, National Treasury regulations, and directives given by the institution

- e. specifically, to comply with the Code of Conduct for the Public Service, in Chapter 2 of the public service regulations
- f. to recognise the public's right to access to information in the interests of administrative justice
- g. to take the utmost care in ensuring that there is reasonable protection of the records of the institution and all bid documentation
- h. not to misuse the position or privileges of a member, or privileged or confidential information obtained as a member
- i. to carry out duties with the skill and care expected from a person of knowledge and experience, and to exercise due judgement
- j. not to unfairly discriminate against any USP proponent on the grounds of race, gender, ethnic or social origin, colour, sexual orientation, age, disability, religion, political persuasion, conscience, belief, culture or language
- k. not to abuse any position in the public service to promote or prejudice the interest of any political party or interest group
- l. to give the Auditor-General all the information and explanations it requires to carry out its functions
- m. to report to the appropriate authorities any case of fraud, corruption, nepotism, maladministration and any other acts which constitute an offence, or which are prejudicial to the public interest, arising during the bid evaluation Committee proceedings
- n. to declare, diligently, accurately and honestly in the declaration of interest, all personal and/or business interests that I or a family member may have in any business of any USP proponent, and to willingly abide by any decision of the chairperson of the bid evaluation Committee or the accounting officer/authority to withdraw as a member of the Committee because of this
- o. to be open and honest about all decisions and actions taken regarding the USP evaluation, and to give clear reasons for these, which can be accurately recorded
- p. not to make any dishonest allegations about any USP proponent
- q. not to make any false or misleading entries into the records of the USP evaluation Committee
- r. to make no contractual commitments related to the bid, to any USP proponent, on behalf of the institution
- s. to proactively protect privileged or confidential information of the USP evaluation Committee from theft, unauthorised disclosure or inappropriate use, and specifically:
 - not to respond to any queries relating to the USP evaluation on behalf of the institution, unless expressly authorised in writing by the accounting officer/authority to do so

- not to speak to or correspond carelessly with any person (fellow member, colleague, friend, family member or otherwise) on any matter related to the USP evaluation
- t. not to request, solicit or accept any reward, gift or favour in return for voting or not voting in a particular way on any matter, or for disclosing privileged or confidential information
- u. not to accept or agree later to accept, any 'kickbacks' in the form of money, favours, inappropriate gifts or anything else of value from a member of the public, government, a political or social movement, or any stakeholder or potential stakeholder which is or may be viewed as aimed at influencing or directing my evaluation of the bids
- v. to disclose immediately to the chairperson or the accounting officer/authority any attempted inducement or offers of perks that may be construed as aimed at influencing or directing the evaluation of the bids
- w. to report to the chairperson of the Committee any invitations to any kind of entertainment by any party that may be construed as being associated in any way with the outcome of the bid evaluation
- x. not to vote at, attend or participate in any other way in any meeting or hearing in relation to any matter before the bid evaluation Committee, if any interest prevents me from carrying out my member functions in a fair, unbiased and proper way in accordance with this code of conduct.

Signed: _____

Date: _____

[signature of member] [insert date]

Witnessed: _____

[signature of witness]

Appendix H

TEMPLATE DECLARATION OF INTEREST STATEMENT FOR USP EVALUATION COMMITTEE

The table below shows the details of the USP proponent, including the names of all the consortium members, who has submitted the USP to [insert name of institution] for [USP Name] on [insert date of receipt of USP as per acknowledgement receipt issued to USP proponent].

As a member of the USP Evaluation Committee, you are required to declare any interest, as far as you are aware that you have, in the USP proponent and their consortium member companies.

An interest includes, but is not limited to:

- your shareholding in the USP proponent or any of its consortium member companies. Clearly indicate the extent of your shareholding and links to this bid.
- family members, friends or associates employed by the USP proponent or any of its consortium members. Clearly indicate the extent of this relationship and links to this bid.
- family members, friends or associates' shareholding in the USP proponent or any of its consortium members. Clearly indicate the extent of their shareholding and links to this bid.
- family members, friends or associates contracted to provide services to a bidding company or any of its consortium members. Clearly indicate these individuals' links to this USP.
- you, or any of your family members, friends or associates receiving, or in agreement to receive, any gifts, favours, payments, sponsorships, subsidies, or any other benefits from the USP proponent or any members of any of the consortia, within the last 12 months of the date of this declaration.
- any other personal interest that may reasonably be deemed relevant to protecting the integrity of the USP evaluation.

NAME OF USP PROPONENT / CONSORTIUM MEMBERS	INTEREST (YES OR NO)	EXTENT OF INTEREST (IF ANSWERED YES)

I, [insert name of member], a member of the USP evaluation Committee for the [PI name] - [USP name] declare that the above information is true and correct to the best of my knowledge. I declare further that in the event of any such interests arising during the course of USP evaluation, these shall be promptly and accurately declared in writing to the accounting officer/authority.

Signed: _____ Date: _____

[signature of member] [insert date]

Witnessed: _____

[signature of witness]

Appendix I

COMPLETENESS CHECKLIST FOR USPS

This checklist should be completed by the PI and accompany the USP PCN when the project is submitted to National Treasury for registration.

Legal Basis: Section 16.11.2 to 16.11.5 of NTR

Objective: To identify whether the USP has sufficient information to be evaluated based on the UPS Evaluation Matrix.

Instructions:

- 1) In column D of the matrix below, provide summary of the USP to the extent that it will aid the detailed evaluation of the Procuring Institution (PI).
- 2) In case a listed parameters does not apply to the project concerned, indicate "Not applicable" in the fourth column of the table below.
- 3) Details of the parameters provided in the matrix below must be consistent with the Project Concept Note submitted by the USP proponent.

Official Project Name:

Parameters for the proposed PPP project

GROUP NO. (A)	ITEM NO. (B)	PARAMETERS (C)			SUMMARY OF USP TO THE EXTENT THAT WILL AID THE DETAILED EVALUATION (D)
1	1.1	Scope of the project	Construction	Outline the assets that are proposed to be constructed	
	1.2		Supply	Outline the goods or services that are proposed to be supplied	
	1.3		Operation	Outline whether operations be part of the scope and which activities will be operated by USP proponent	
	1.4		Maintenance	Outlines whether maintenance will be part of the scope and which assets will be maintained by USP proponent	
	1.5		Capacity augmentation/expansion/extension	Outline whether capacity augmentation/expansion of the system be part of the scope. If yes, what augmentation/expansion activities are included?	
	1.6				
	1.7		Financing	Outline the capital investment plan and proposal for financing.	
	1.8			Specify if the PI will be responsible for payment of any assets or services and/or funding the project.	
2	2.1	Estimated Project Cost	Estimated Project Cost	Summarise overall project cost and its key components based on the definition in NTR16	

GROUP NO. (A)	ITEM NO. (B)	PARAMETERS (C)			SUMMARY OF USP TO THE EXTENT THAT WILL AID THE DETAILED EVALUATION (D)
3	3.1	Contractual arrangement	Contractual arrangement	Outline the proposed contract structure proposed by USP proponent	
4	4.1	Term	Contract duration	Outline the proposed contract duration in terms of months or years	
	4.2		Contract effectivity	Outline when the construction of asset or service provision commence.	
5	5.1	General performance standards and targets	Capacity	Outline the proposed scale of asset or service E.g., No. of affordable housing units	
	5.2		Quality performance specifications (focused on users of infrastructure)	Outline the level of service, quality performance specifications of the project e.g., Energy Efficiency rating for buildings / 24-hour helpdesk for consumer complaints)	
	5.3		Gender equality, disability, and social inclusion (GEDSI) specifications	List the GEDSI-related features/specifications of the project E.g., Breast-feeding room, PWD access (for airport or rail)	
	5.4		Other safeguards-related performance standards and targets	E.g., Environment, climate change and sustainability considerations, health and safety standards	

GROUP NO. (A)	ITEM NO. (B)	PARAMETERS (C)			SUMMARY OF USP TO THE EXTENT THAT WILL AID THE DETAILED EVALUATION (D)
6	6.1	Obligations related to construction & supply of assets	Delivery of project site/right-of-way (ROW)	Outline whether any land or asset is to be provided by the government.	
	6.2				
	6.3		Assets to be constructed/supplied by the private Proponent	Of the total assets to be constructed (see Item No. 1.1 above), outline which assets shall be constructed by the private Proponent	
	6.4			Of the total assets to be supplied (see Item No. 1.2 above), outline which assets shall be supplied by the private Proponent	
	6.5		Assets to be provided by the implementing agency	What assets shall be provided or services supplied by the PI Outline how the government will be compensated.	
7	7.1	Obligations related to operation	Assignment of responsibility for operations	Of the operations in Item No. 1.3, which shall be under the private Proponent's responsibility?	
	7.2			Shall the above include commercial operations? If yes, what shall be allowed?	
	7.3			Of the operations in Item No. 1.3, which shall be under the implementing agency's responsibility?	

GROUP NO. (A)	ITEM NO.	PARAMETERS			SUMMARY OF USP TO THE EXTENT THAT WILL AID THE DETAILED EVALUATION
	(B)	(C)			(D)
8	8.1	Revenues going to the private Proponent	Fees, tolls, charges paid by users	Outline the project revenues that will go to private proponent Identify the user charges at the start, their revision process and who would approve the user charges.	
	8.2		Other sources of revenues	What other sources of revenues, if any, shall be granted to the private Proponent	
9	9.1	Revenues going to the implementing agency	Share in private Proponent's revenues	Outline the project revenues that will be received by the PI	
10	10.1	Other key parameters	xxx	xxx	
	10.2		xxx	xxx	

Appendix J

USP EVALUATION SCORING GUIDANCE

Legal Basis: Section 16.11.2 to 16.11.5 of NTR

S.NO.	CRITERIA	INDICATIVE KEY QUESTIONS	HIGH SCORE 3	MEDIUM SCORE 2	LOW SCORE 1 OR 0	WEIGHTAGE
1	Strategic Alignment / Community need / Government priority	Does the USP falls within the strategic sectors or pursue the objectives relating to the institutional function? Is the proposal consistent with the Government's plans and priorities?	Not applicable			Pass / Fail
2	Innovation and/or Value addition	Does the USP add value to the design, development and cost effectiveness of service delivery? What are the net socio-economic benefits of the USP (the status quo should be defined)?	a. The USP provides an alternative and more cost-effective solution to an infrastructure or service need. b. The USP will have socio-economic benefits (e.g. increased access to service or increase in income potential or time and cost savings) that outweigh the costs (e.g. temporary loss of jobs).	a. The USP will enhance the provision of existing infrastructure or service in a cost-effective manner. b. The USP will have socio-economic benefits that outweigh the costs. These have been qualitatively defined in the PCN but not quantified.	a. The USP will enhance the provision of existing infrastructure or service but at a high price to end-users. - 1 b. The USP will have high social costs which will not be outweighed by the benefits. - 0	20%

S.NO.	CRITERIA	INDICATIVE KEY QUESTIONS	HIGH SCORE 3	MEDIUM SCORE 2	LOW SCORE 1 OR 0	WEIGHTAGE
			These have been quantified and described in the PCN.			
3	Level of Project Preparation or Maturity	Is the USP well developed and includes a feasibility study which includes technical, legal, environmental, and commercial/financial feasibility analysis?	PCN accompanied by Feasibility Study which is complete in all respects and is accompanied by a Financial Model.	PCN accompanied by Feasibility Study but does not address some elements required for feasibility stage such as: - Environment and Social assessment - Excel-based Financial Model - Legal and institutional analysis	a. PCN completed - 1 b. PCN is incomplete - 0	20%
4	Affordability and risk allocation	Does the USP require Government funding, or for the Government to purchase proposed services? Does the USP require the Government to acquire land?	a. USP does not require any government support b. USP does not require land acquisition	a. USP requires land to be acquired. b. USP does not require government support in terms of cash contribution	a. USP requires land to be acquired but does not involve resettlement cost, and government support in terms of cash contribution - 1 score b. USP requires land to be acquired which involves significant resettlement cost and government support in terms of cash contribution – 0 score	20%
5	Ease of Implementation	Does the proposal have a high degree of technical complexity such that it can be delivered only by the USP proponent?	a. The USP is independent from the realisation of other/related projects. b. The USP is low in complexity – involves	a. The USP is dependent on another/related projects of the same PI.	a. The USP is highly complex – involves more than 8 components of infrastructure and/or service and is spread	20%

S.NO.	CRITERIA	INDICATIVE KEY QUESTIONS	HIGH SCORE 3	MEDIUM SCORE 2	LOW SCORE 1 OR 0	WEIGHTAGE
		What is the scale of the USP in terms of estimated project cost? Is the USP dependent on other projects and ancillary services? What are the potential environmental and ecological impacts of the USP?	less than five components of infrastructure and/or service and is limited to a specified region. c. The USP has no adverse environmental and ecological impacts.	b. The USP is of medium complexity – involves 5-6 components of infrastructure and/or service and is spread across multiple locations within the same province. c. The USP has some adverse environmental and ecological impacts for which mitigations strategies have been defined in the USP.	across different parts of the country – 1 score. b. The USP is dependent on another/related projects which are yet to be commissioned by a different PI, and has several adverse environmental and ecological impacts for which mitigations strategies have not been defined in the USP – 0 score	
6	Capacity and capability of the Proponent	Does the USP proponent demonstrate that it has the technical competency and experience to successfully deliver the project? Will the USP proponent depend on third parties to deliver major components of the USP?	a. USP proponent has demonstrated track record of delivering 3 or more similar projects. b. USP proponent is of sound financial standing with a turnover greater than two times the estimated project cost of the USP for each of the last 3 consecutive years. c. All components of the project will be delivered by the USP proponent and its consortium members.	a. USP proponent has delivered 2 similar projects. b. USP proponent is of sound financial standing with a turnover greater than the project cost of the USP for each of the last 3 consecutive years. c. Components delivered by third parties is less than 25% of the entire project in terms of project cost.	a. USP proponent has delivered 1 similar project and will require subcontractors to deliver less than 50% of the project elements - 1 score b. USP proponent has no previous experience and will require subcontractors to deliver more than 50% of the project elements – 0 score	20%

Appendix K

TEMPLATE OF USP EVALUATION REPORT

Legal Basis: Section 16.11.2 to 16.11.5 of NTR

Name of USP:

Name of USP proponent:

Date of Acknowledgement of USP:

Date of USP Evaluation Report:

1. Members of the Bid Evaluation Committee:

S.NO.	NAME OF MEMBER	DESIGNATION

2. Preliminary assessment:

PRELIMINARY ASSESSMENT CRITERIA	RESPONSE (YES OR NO)
USP is accompanied by the PCN and Declaration of Conflict of Interest as provided above.	
USP is not already under consideration by the PI	

3. Completeness checklist for USPs – Append completed checklist to Bid Evaluation Report.

4. USP Evaluation Score:

S.NO.	CRITERIA	EVIDENCE TO SUPPORT SCORE (ILLUSTRATIVE EXAMPLE)	SCORE
1	Strategic Alignment / Community need / Government priority	a. USP falls within the strategic sectors or pursue the objectives relating to the institutional function – “Affordable housing is a core function of the PI.” b. USP consistent with the Government’s plans and priorities – “The USP is consistent with NDP.”	Pass / Fail

S.NO.	CRITERIA	EVIDENCE TO SUPPORT SCORE (ILLUSTRATIVE EXAMPLE)	SCORE
2	Value addition	a. The USP provides an alternative and more cost-effective solution to an infrastructure or service need. – “The USP seeks to create 200 affordable housing units and has a credit assistance plan at below the market rate of interest (average of last 10 years) to assist potential homeowners.” b. The USP will have socio-economic benefits (e.g. increased access to service or increase in income potential or time and cost savings) that outweigh the costs (e.g. temporary loss of jobs). These have been quantified and described in the PCN. – “The USP will lead to cost savings over ZAR 150,000 for potential homeowners. The USP will also provide value added services such as a recreation centre for homeowners.”	Out of 3
3	Level of Project Preparation or Maturity	PCN accompanied by Feasibility Study which is complete in all respects and is accompanied by a Financial Model.	Out of 3
4	Affordability and risk allocation	USP does not require any government support or land acquisition.	Out of 3
5	Ease of Implementation	a. The USP is independent from the realisation of other/related projects. b. The USP is low in complexity – involves less than two components and is limited to a specified region – “The USP involves development of Affordable Housing Units and Recreation Centre. It also seeks to provide facility management and maintenance services for a period of 15 years.” c. The USP has no adverse environmental and ecological impacts – “The infrastructure developed under the USP will have Net Zero emissions /climate impact.”	Out of 3
6	Capacity and capability of the proponent	a. USP proponent has demonstrated track record of delivering more than 10 similar projects – “List of 10 projects of comparable size” b. USP proponent is of sound financial standing with a turnover greater than four times the estimated project cost of the USP for each of the last 3 consecutive years – “The USP proponent’s turnover was more than ZAR 200 million which is greater than four times the estimated project cost of ZAR 50 million of the USP, in each of the last 3 consecutive years.” c. All components of the project will be delivered by the USP proponent and its consortium members – “All components will be delivered by the USP proponent and its consortium members”	Out of 3
		Total Score	(out of 15)

Based on the above, we recommend that the USP be [accepted / rejected] because:

- The USP [meets/does not] the Preliminary assessment criteria
- The USP is [complete/incomplete] in all respects based on the Completeness Checklist.
- The USP scores [more than / less than] out of a total score of 15 on the USP Evaluation Criteria.

Appendix L

TEMPLATE LETTER OF REJECTION OF USP AFTER E VALUATION.

Legal Basis: Section 16.11.5 of NTR

[To be prepared for each USP proponent by the Procuring Institution based on the evaluation of USPs submitted and the resultant recommendations.]

Rejection Letter

Date:

To:

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

From:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

Re: [USP Name] [USP proponent Name]

Dear [Recipient's Name],

Thank you for submitting your unsolicited proposal titled "[USP Name]" to [Procuring Institution]. We appreciate the time and effort you put into your proposal.

After careful consideration, we regret to inform you that we will not be moving forward with your proposal at this time. This decision was made based on the following:

PARAMETER	PI REASONS
Preliminary Assessment	• USP submission was not accompanied by PCN • USP Submission was not accompanied by signed declaration • USP is already being pursued by PI
Completeness of USP submission	• USP was found deficient on the following respects:
Evaluation of USP	• USP scored less than the minimum passing scored required viz. 10 out of 15.

Thank you

Sincerely,

[Name of AO/AA]

[Designation]

[Procuring Institution]

Appendix M

TEMPLATE LETTER OF ACCEPTANCE OF USP AFTER EVALUATION

Legal Basis: Section 16.11.5 of NTR

[To be prepared for each USP proponent by the Procuring Institution based on the evaluation of USPs submitted and the resultant recommendations.]

Acceptance Letter

Date:

To:

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

From:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

Re: [USP Name] [USP proponent Name]

Dear [Recipient's Name],

We are pleased to inform you that your unsolicited proposal titled "[USP Name]" has been accepted by [Procuring Institution Name]. After careful review, we found your USP as meeting the criteria for acceptance of USPs [Insert relevant reasons for USP acceptance].

We will now forward your USP submission for registration to the National Treasury.

Please note that this notification is not an award. Upon registration of the USP by the National Treasury as a PPP project, we will issue a written statement with terms and conditions. Please note that the requirements of the NTR16 shall govern all subsequent phases of the USP's consideration, and the USP proponent is bound to comply with all such dictates.

Thank you for your interest in collaborating with us.

Sincerely,

[Name of AO/AA]

[Designation]

Appendix N

[PROCURING INSTITUTION] TEMPLATE FOR STATEMENT TO BE SIGNED BY USP PROPONENT

Legal Basis: Section 16.11.6 of NTR

Date:

To:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

From:

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[USP Name] – [Name of USP proponent]

Dear Recipient:

I, [Name of Representative], representing [Name of the USP proponent Company], hereby acknowledge and agree to the following terms and conditions in relation to the Unsolicited Proposal (USP) for [Description of USP] and the potential Public-Private Partnership (PPP) project to be developed pursuant to the USP:

1. CONFIDENTIALITY AND INTELLECTUAL PROPERTY RIGHTS:

- All intellectual property rights related to the USP and the potential PPP project, including but not limited to patents, trademarks, copyrights, and trade secrets, remain the property of the USP proponent during the feasibility and procurement process. Thereafter, in case the USP proponent is the Preferred Bidder, the provisions of the PPP agreement with respect to such matters will apply.
- The procuring institution will be granted a non-exclusive, royalty-free license to use, reproduce, and distribute any intellectual property necessary for the evaluation and implementation of the USP and the PPP project.
- There shall be no disclosure of any confidential information to third parties without prior written approval from the USP proponent with respect to any proprietary technology or product, commercial and financial aspects.

2. COSTS AND EXPENSES:

- All costs incurred in the preparation and submission of the USP are to be borne by the USP proponent.
- The Review Fee will be determined based on the bids received by the PI for the procurement of a TA. It shall be limited to the cost of preparation of the Feasibility Study by the appointed TA.
- We undertake to pay the Review Fee upon notification by the PI within the stipulated time.

3. FEASIBILITY STUDY AND DEVELOPMENT:

- The feasibility study, procurement process and further development of the project will be undertaken by the Procuring Institution in the manner prescribed in NTR16.

4. PROCUREMENT AND PRE-QUALIFICATION:

- We understand that if the PPP project is procured through a bidding process that includes a pre-qualification stage, that we will be automatically pre-qualified and shortlisted to submit a bid proposal.
- We understand that we would need to submit a proposal in line with the requirements of the Request for Proposal issued for the PPP Project.

5. PAYMENT OF DEVELOPMENT FEE:

- We understand that if we submit a compliant proposal at the RfP stage and are not selected as the preferred USP proponent and the project reaches financial close, that we would be entitled to the payment of a Development Fee by the Procuring Institution, as reimbursement for part of the costs incurred by the proponent in relation to the development of the feasibility study for the proposed PPP project by the TA and will be the same as the Review Fee.
- Such fees will be paid within [30] business days from the date on which the Financial Close has been certified by the PI.
- We understand that that we will not be entitled to payment of Development Fees in the following cases:
 - If we do not participate in the procurement, or participate but failed to submit a compliant proposal;
 - If the procurement fails for any reason except if the procurement failure is caused by the procuring institution;
 - If the project falls to reach financial close.

6. VALIDITY PERIOD:

- We understand that our USP will be valid until [insert date], or achievement of Financial Close, whichever is earlier. During this period, the [Procuring Institution] will neither initiate any project/service identical or similar to the USP nor register any other USP for the same or similar subject matter as the USP.
- Please note that this Statement is not an award. Upon receipt of the signed Statement, the PI will proceed with the PPP project as per the requirements of the NTR16 which shall

govern all subsequent phases of the USP's consideration, and the USP proponent is bound to comply with all such dictates.

- The provisions of this Statement will become effective upon payment of the Review Fee by us to the PI within the time stipulated in the PI's notification.
- By signing this Statement, [USP proponent Name] confirm understanding and acceptance of the terms and conditions outlined above.

Signature: [Name of the Representative of USP proponent]

[Title] [Company Name and Address]

[Date]

Appendix O

TEMPLATE FOR NOTIFICATION OF REGISTRATION TO USP PROPONENT

Legal Basis: Section 16.11 and 16.12 of NTR

Date:

To:

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

From:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

Re: [USP Name]] [USP proponent Name]

Dear [Recipient's Name],

We are pleased to inform you that the USP has been registered with the National Treasury as a PPP project, to be prepared and procured as per the provisions of NTR 16.

Please sign the attached Statement to confirm your acceptance of conditions for the process forward and remit the Review Fee of [xx] as indicated within [20] business days of issuance of this Notification, failing which the USP will stand rejected.

Please contact the undersigned in case of any questions.

Thank you.

Sincerely,

[Name of AO/AA]

[Designation]

[Procuring Institution]

Appendix P

TEMPLATE LETTER ON RECEIPT OF SIGNED STATEMENT FROM USP PROPONENT

Acknowledgement Letter

Date:

To:

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

From:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

Re: [USP Name]] [USP proponent Name]

Dear [Recipient's Name],

We acknowledge receipt of the signed Statement and review fees via your letter dated [xxx].

We will now proceed with the development of the PPP project as per the provisions of NTR16.

Thank you for your interest in collaborating with us.

Sincerely,

[Name of AO/AA]

[Designation]

[Procuring Institution]

Appendix Q

TEMPLATE LETTER OF REJECTION OF USP AFTER REGISTRATION

Legal Basis: Section 16.11.5 of NTR

Date:

To:

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

From:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

Re: [USP Name] [USP proponent Name]

Dear [Recipient's Name],

This is with reference to our letter reference [xx] dated [xx] regarding the Statement to be signed by yourselves [USP proponent name] and/or remit the review fees within [xx] days i.e. on or before [date].

We regret to inform you that since you have [failed to sign the statement and/or remit the review fee] that your USP has been rejected.

We further wish to state that the PI will be free to pursue the project without any liability towards [USP proponent name].

Thank you

Sincerely,

[Name of AO/AA]

[Designation]

[Procuring Institution]

Appendix R

TEMPLATE LETTER OF NOTIFICATION OF UPDATES TO USP PROPONENT

Date:

To:

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

From:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

Re: [USP Name] [USP proponent Name]

Dear [Recipient's Name],

This is with reference the captioned [USP].

We would like to inform you of the following updates regarding the process [Select whichever is applicable from the following table]:

MILESTONE	DATE
Signing of contract with Transaction AdvisorTA	
Receipt of Treasury Approval :I	
Publication of Request for Qualification (RfQ)	
Publication or Issuance of Request for Proposal (RfP)	
Receipt of Treasury Approval :IIB	
Negotiation with Preferred bidder	
Receipt of Treasury Approval III	
Achievement of Financial Close	
Failure to Achieve Financial Close	

This is for your information only.

Thank you

Sincerely,

[Name of AO/AA]

[Designation]

[Procuring Institution]

Appendix S

TEMPLATE LETTER FOR NOTIFICATION OF DISBURSAL OF DEVELOPMENT FEES TO USP PROPONENT

Legal Basis: Section 16.14 of NTR

Date:

To:

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

From:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

Re: [USP Name]] [USP proponent Name]

Dear [Recipient's Name],

This is with reference the captioned [USP].

We would like to inform you that:

- The Financing Agreement for the [PPP project name] with the Senior Lenders has been signed.
- The Private Party [Name of Private Party] has remitted the Development Fees of [XX ZAR] to the [Name of PI].
- The [PI] has issued the attached Proof of Payment of the Development Fees dated [Insert Date] in discharge of our responsibility under NTR 16.14.

Please provide a receipt for the remittance of the Development Fees of [XX ZAR] in the format attached within [5] days of date of this letter.

Thank you

Sincerely,

[Name of AO/AA]

[Designation]

[Procuring Institution]

Attached:

Appendix T

ACKNOWLEDGEMENT OF RECEIPT OF DEVELOPMENT FEES BY THE USP PROPONENT

Legal Basis: Section 16.14 of NTR

Date:

To:

[Procuring Institution]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[Email Address]

[Phone Number]

From:

[Date]

[Recipient's Name]

[Recipient's Title]

[Recipient's Company]

[Address]

[Post Office Box number]

[City/Town, Post Code]

[USP Name] – [Name of USP proponent]

Dear Recipient:

We confirm that we have received a sum of [xx ZAR], as a full and final payment for the Development Fees as envisaged under NTR 16.14 with respect to the captioned project.

Thank you.

Yours's sincerely,

Signature:

Name of Authorised Person:

Designation of Authorised Person:

Date:

Place:

GUIDELINES

**MANAGEMENT
OF UNSOLICITED
PROPOSALS**

Private Bag X115, Pretoria, 0001 | 40 Church Square, Pretoria, 0002 | Tel: +27 12 315 5944 | Fax: +27 12 406 9055 | www.treasury.gov.za



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA