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The Government of Malta

Ministry for Home Affairs and National Security

- PUBLIC SERVICE CONCESSION

- INDIVIDUAL INVESTOR PROGRAMME

- SUBMISSION REQUIREMENTS DOSSIER

The Fee for this Dossier is EUR 125.00

Publication Date: 21 June 2013

The Public Service Concession

The purpose of this Public Service Concession ("PSC") is for the Government of Malta, acting through the Ministry for Home Affairs and National Security ("Government"), to outsource the design, set-up, implementation and operation as well as international promotion of a Individual Investor Programme ("IIP") which allows for the grant of citizenship to foreign individuals who contribute through investment or otherwise to the economic development of Malta by entering into a Public Services Concession Contract ("Contract").

To this effect, the Government is seeking to engage the most suitably qualified and experienced company ("Concessionaire") to take over the design, set-up, implementation, operation and global promotion of the IIP ("Project"), in accordance with the applicable laws of Malta for a period of 10 years, with two possibilities of extending this term by a further period of 5 years for each extension. Furthermore, the Contract shall contain performance clauses which would allow the Government to terminate the Contract earlier than the initial period if the targets set by Government are not met.

The Concessionaire will be able to offer services to the Government and/or to third party applicants to the IIP ("IIP Applicants") in line with the Contract, which the Government will negotiate and finalize with the successful bidder.

In submitting a bid hereunder ("Bid"), the bidder ("Bidder") accepts in full and its entirety the contents of this submission requirements dossier ("Dossier"), including the Terms of Reference and subsequent instructions and clarifications issued by the Government. Bidders are expected to review and examine carefully and comply with all instructions, forms, contract provisions and specifications contained in this invitation to submit a Bid.

Procedures for submitting Bids set forth herein are referred to as the "Bid Procedure".

The Concessionaire will be engaged for the sole purpose of providing the services described herein.

An evaluation committee appointed by the Government ("Committee") will review and assess all Bids according to the procedures and criteria contained herein.

The fee for this dossier is EUR 125 and all Bidders interested to receive this Dossier will be required to enter into a Confidentiality Agreement prior to receiving this Dossier.

1. Background: Attracting Individual Investors by means of Citizenship and the Model Envisaged for the Republic of Malta.

The Government, mindful of stimulating foreign direct investment in Malta, desires to set-up and implement an IIP in order to increase the level of capital inflow into the country.

The concept of attracting individual investors through offering fast-tracked citizenship (also referred to as "Citizenship-by-Investment") involves valid and internationally recognized and sustainable economic policies that can play a vital role to drive and attract substantial foreign direct investment to the country.

At different times over the past few decades, various countries around the world have operated programmes that officially permit the acquisition of citizenship primarily on the basis of investment. The types of investments typically encountered include, inter alia, loans to governments, investments in permitted investment vehicles (including shares of designated private and/or companies and limited partnerships), contributions to national development (including infrastructure) funds and investment in designated real estate development projects.

A number of countries in different continents have passed laws or adjusted their laws and regulations to attract international private investors through granting residence and/or citizenship rights. If properly designed and carefully managed, such programmes can attract significant foreign investment capital, as well as consumer spending and secondary investments in the country. This creates important economic multiplier effects far beyond the initial investments and, ultimately, becomes a significant source of revenue for the country.

The Government envisages a "Citizenship-by-Investment" model that is solely based on a non-refundable contribution to a National Development Fund (or similar Fund) and the payment of Government fees. The Bidders will have to demonstrate their ability to assess the situation for the Republic of Malta and advise the Government on the appropriate levels of contribution and Government fees to be charged, procedures and requirements, and include indicative projections in their Bid that should realistically reflect the potential investment that may be generated by the programme..

2. Contract Objectives

The Government is seeking to concede rights for the design, set-up, implementation, operation and international promotion of an IIP to a qualified and experienced Concessionaire that must have proven expertise and prior experience in the field of citizenship-by-investment, including the design, implementation and international promotion of such programmes.

The objectives of the Contract shall be as follows:

- a) to strengthen the international competitiveness of Malta via the implementation of the IIP;
- b) to attract immediate foreign investment via the financial contribution required under the IIP;
- c) to broaden the revenue sources for Malta in the medium and long term; and
- d) the IIP and its legal and administrative implementation have to ensure that citizenship will only be granted to IIP applicants who meet in full the international standards of due diligence as far as their character, lawful activities, personal background and source of funds are concerned.

The Contract seeks to establish and ensure the due implementation of the aforesaid objectives by means of the involvement of and the cooperation with the Concessionaire.

In submitting their Bids, Bidders should be mindful that, while attracting substantial foreign direct investment is a major objective under the IIP, it is important to safeguard the reputation of Malta and respect its wider obligations by applying a well developed framework of operation, well defined regulations and guidelines, including, without limitation, those relating to due diligence, the contracting with representatives for IIP applicants and marketing of the IIP internationally.

3. Terms of Reference

3.1 Contract

a. The Government will enter into a Public Service Concession Contract ("Contract") with the Concessionaire to design and implement, as well as operate and promote the IIP for the Republic of Malta, with the stated objective to stimulate foreign direct investment, whereby for a defined contribution to the country, citizenship will be granted by the Government on the basis on national legislation, once the proposed IIP is approved by Government, without requiring prior residence, and subject to other terms and conditions that the Government may decide upon.

b. Upon execution of the Contract, the Concessionaire will immediately commence conducting research, both with regard to the legal requirements in Malta as well as evaluating the local and international requirements in order to prepare a concrete proposal and recommendations as to levels of investment that would be advisable, the structure of the IIP, the processes and the required legislative changes. The Concessionaire, in close cooperation with the Government, will create a detailed action plan and timelines.

c. To ensure a coherent handling of the set-up and administration of the IIP as well as international placement and promotion thereof to the highest possible standards, the Government will grant to the Concessionaire exclusivity in regard to the services set forth in the Contract during the term and any renewal thereof under the Contract.

d. To ensure positive performance under the Contract, the Government shall include performance clauses that would allow the Government to terminate the Contract earlier than the initial term if the performance targets were not to be reached.

3.2 Services

The Concessionaire shall be responsible for providing the following services:

- a) a detailed and comprehensive plan to the Government, setting forth investment/contribution options under the IIP, including the specific and detailed requirements for each option;
- b) legal and administrative set-up and implementation of the IIP, including provision to the Government of checklists, flowcharts and ancillary matters detailing the proposed work, implementation schedule, action plans and timelines;
- c) the international marketing of the IIP, including the provision of an international marketing plan to the Government;
- d) expert opinion to the Government with respect to the expected financial and other benefits and possible adverse aspects of IIP;
- e) proposed plan for the contracting of the Concessionaire with representatives of applicants under the IIP (such as lawyers or other client representatives);
- f) screening IIP Applicants, including due diligence procedures and provision of a comprehensive due diligence plan to the Government;

g) reviewing and processing applications under the IIP up to the point of submission of the file to Government for consideration to grant or decline citizenship; and

h) dealing with any escrow arrangements that may need to be put in place until the final grant of citizenship to successful applicants.

The list of services hereinbefore described is given to assist Bidders to quote. The requirements stated herein are provisional and, after the award, the Concessionaire may be required to increase or decrease the scope or availability of service. Accordingly, the fact that the foregoing list of services has been set forth should not be taken to mean that, after the award, the Concessionaire shall not contract for any additional or less services, or will not be required to increase or decrease the scope or frequency of the services detailed herein.

The Concessionaire should also ensure that the timeliness and quality of the services are such as to achieve the requirements of this Public Services Concession realistically and that the service delivery meets the service standards for processing IIP applications set forth in the Contract.

3.3 Employees and Subcontractors

The Concessionaire shall ensure that with regard to any of its employees and sub-contractors located in Malta the Concessionaire will comply with the laws and regulations in Malta.

3.4 Reporting

The Concessionaire shall maintain full and complete records that reflect the total operation under the Contract and make these available for review by the Government upon request. Reports shall also be presented to the Government periodically in a format acceptable to the Government.

The Concessionaire shall keep or cause to be kept at its office, original documents relating to the performance of the Concessionaire's duties, including a system of office records, suitable books of control and accounts, all required reports, and any additional information and records reasonably required by the Government. Such records would be subject to review by Government, also as part of the public audit processes that Government is statutorily subject to, or equivalent.

4. Key Principles of the Financial Plan

In submitting the Bid, the Bidder should note the following key principles that will regulate its Concession over the term of the Contract:

- a) The Concessionaire shall not be conferred with any rights other than those set forth in the Contract.
- b) The Government will not pay any public money to the Concessionaire for the services described herein, but rather the Concessionaire will receive its remuneration, directly or indirectly, from application and/or due diligence fees from IIP Applicants (see Subsection 5.8 of this Dossier).
- c) The Concessionaire will be allowed economic freedom in the operation of the services described herein and in the Contract, to the extent set forth in the Contract.
- d) The Concessionaire will bear the economic risk of incurring the upfront and ongoing costs and expenses relating to the design, implementation, operation and international promotion of the IIP.

5. Submission Requirements

Bids in response to this invitation to Bid will be considered and evaluated in accordance with the Submission Requirements, as set forth in this Dossier.

Bidders shall organize their Bids, as set forth in the subsections below. Responses should be of sufficient length and detail so as to demonstrate that the Bidder has a thorough understanding of the requirements, as requested by the Government for the execution of the Contract. This Dossier is intended as an indicative guideline.

All submission requirements listed below must be addressed in sufficient detail. Bidders shall provide a detailed description of how they intend to fulfil the requirements of the Contract in order to demonstrate they have a) a clear understanding of this Dossier; and b) the capacity and capability to carry out the obligations set forth herein.

Bids that do not address all submission requirements of this Dossier shall be considered non-responsive and may be rejected.

Submissions shall be organized in the following format and sequence:

5.1 Cover Letter

A letter on the official letterhead of the Bidder, signed by one or two duly authorized officer(s) to bind the Bidder, offering the terms specified in this Dossier, and committing to enter into the Contract, subject to the terms, conditions and provisions of this Dossier.

5.2 Executive Summary

An Executive Summary, not exceeding 2,500 words, which provides, in concise terms, a summary of the Bid and the Bidder's overall understanding of the Project and its goals as well as an explanation of the Bidder's proposal to achieve such goals. This summary should include, inter alia, the following:

- a) A brief background of the Bidder;
- b) Summary biographies of the key personnel of the Bidder who will work on the Project;
- c) Bidder's qualified opinion of the technical and operational requirements and key issues important to achieve the objectives of this Public Services Concession, thus demonstrating the Bidder's understanding of this Project;
- d) An explanation of the assumptions and risks and affecting the execution of the Contract; and
- e) A brief description of the services the Bidder proposes to provide to the Government.

5.3 Organizational Profile

Bidders must provide a detailed profile of their company. If a Bidder intends to have services provided by sub-contractors, these need to be clearly identified, and it will be mandatory for the Bidder to act as the lead contractor for all service delivery, as specified in this Dossier.

The following information must be included:

- i. The full legal name and address of the entity that submits this Bid, including those of any sub-contractors.
- ii. Identification of the parent company;
- iii. Statement whether the subject entity is a partnership, corporation, or other form of business organization;
- iv. Name of jurisdiction (state, province and country) in which the entity is incorporated or organized and copy of Certificate of Incorporation, if appropriate;
- v. A Certificate of Good Standing, Memorandum and Articles of Association and by-laws or equivalent corporate documents;
- vi. Description of the Bidder's corporate schematic, including an organization chart depicting the Bidder's general corporate organization structure. The Bidder shall specify the subsidiary or subsidiaries, branch office(s) or affiliate(s) that will perform or assist in performing the services set forth herein;
- vii. The names of the Bidder's senior management team, including role of each such member;
- viii. The key persons who will be involved in the implementation and operation of the Project;
- ix. The name, title, mailing address, e-mail address, telephone numbers (office and mobile) of the Bidder's authorized representative.

5.3.1 Organization Chart Specific to Project

Bidders should include an organizational chart with names, showing the managerial, supervisory and other key personnel who will be employed by the Bidder to work on the Project. The chart should include the position and title of each such individual as well as their job descriptions. If the positions have not yet been filled, the Bidder should state this. The chart should also indicate the reporting structure.

5.3.2 Backup Staff

The Bidder should include a list of backup staff who will be involved in the Project or who may be called upon to assist or replace primary individuals working on the Project. Backup staff should be clearly identified as such.

5.4 Experience and Expertise of Bidder and Personnel

The Bidder shall describe its experience and expertise in providing advice and/or services in citizenship-by-investment programmes, including, without limitation, the design, set-up, implementation and operation as well as international promotion of such programmes.

Bidders are to include information on the following in their Bids:

- a) Relevant experience in the field of citizenship-by-investment. The Bidder must have a minimum of five (5) years of overall experience in providing services in this field, evidenced by a portfolio of projects similar to the IIP, to which the Bidder has provided services over at least the past five (5) years; and
- b) Detailed biographies should be submitted for the managerial, supervisory and key personnel who will be utilized by the Bidder in carrying out the services described herein. These should include current accreditations, licenses, certifications and relevant qualifications, and the specific experience of these individuals in working on similar projects; and
- c) In the event that the Bidder must hire or otherwise engage managerial, supervisory and/or key personnel, if awarded the Contract, it must include a recruitment plan for such personnel. This will demonstrate that the Bidder will be able to deliver the services described herein within a reasonable timeframe.

5.5 Financial Standing

The Bidder shall provide proof of its financial capacity and ability to undertake and successfully carry out the responsibilities under the Contract. To satisfy this requirement, the Bidder shall submit appropriate information together with the Bid, which may include a statement of solvency from its auditors or bankers or similar documentation (to be provided as APPENDIX 5).

5.6 Management Plan

The Bid must include a management plan, which shall contain all of the following:

- a) A description of the overall approach which the Bidder will take to commence its services and implement its responsibilities described herein;
- b) Methodology-Description of how the Bidder intends to accomplish the work set forth in this Dossier, including the following:
 - i. A brief description of the resources that will be committed to this Project;
 - ii. A brief about managing its budget;
 - iii. Discussion about the Bidder's approach to work with sub-contractors, if any.
- c) Confirmation that the Concessionaire will provide the services described in this Dossier, within the specified service standards; and
- d) Formal policies and procedures the Bidder intends to introduce and maintain while managing the IIP, and which are in line with local and international standards and the legislation and regulations of Malta.

The Bidder's Management Plan should provide insight into the Bidder's ability to successfully perform the services under the Contract. This Plan should be designed to convince the Government that the Bidder's plans and approach are realistic, attainable and appropriate and that its Bid will lead to successful performance and achievement of the objectives set forth in the Contract.

5.7 Preparation and Project Implementation Period

The Bidder will be given a preparation period to fulfil the conditions in the Contract. Accordingly, Bidders shall set out the time period which they require prior to the commencement of services set forth in the Contract. Points shall be awarded to Bidders, based on the length of the preparation period proposed by them, as it is important for the Government that the implementation and launch of the IIP will not be unduly delayed.

5.8 Proposed Fee Structure

5.8.1 Government Application Fees and Due Diligence Fees

Bidders must indicate the fees they suggest be charged to conduct due diligence to verify the background of IIP Applicants and the application they suggest be charged by the Government for applications under the IIP.

5.8.2 Fees Payable to the Concessionaire

Bidders must indicate the fees payable to them for providing the services in the Contract. This cost shall be recovered from the application fees and/or due diligence fees on applications by IIP Applicants and/or the contribution made by IIP Applicants to a National Development Fund or similar fund under the IIP.

6. Instructions to Bidders and Guidelines for Submissions

6.1 Submissions

In submitting their Bids, Bidders must respect all the provisions in this Dossier. Unless otherwise provided in this Dossier, failure to submit all the required information and documentation within the deadline specified may lead to disqualification of the Bidder.

Submission of a Bid indicates acceptance of all terms and conditions contained in this Dossier, which terms and conditions will apply to the Contract, if the Bidder is awarded the Contract.

A party may only participate in one Bid, and only individually and not as a partner, joint venturer or member of a consortium as the government wishes to contract with only one firm due to the sensitivity and specialized nature of an IIP. However, some services may be subcontracted by the Bidder to suitably qualified and experienced sub-contractors and this must be declared accordingly.

Submission or participation by a Bidder in more than one Bid will result in the disqualification of all those Bids in which the particular Bidder is involved.

A Bid shall include a valid power of attorney or authorization, as applicable, giving the signatory the authority to bind the Bidder and sign the Bid on its behalf and act as a point of contact between the Government and the Bidder for the purpose of this Bid.

6.2 Notes to Bidders: Correct Form of Submission

- a) All documents must be presented in a clearly organized manner;
- b) The main Bid documents must be supplied in English. For supporting documents, if not in English, any supporting documentation must be accompanied by an English translation by a certified translator;
- c) The person signing the Bid formally guarantees the truthfulness and accuracy of all statements made;
- d) The accuracy of the information their completeness and supporting documentation will be taken into account in the evaluation;

6.3 Preparation of Bids

A sealed envelope or packet marked "Citizenship-by-Investment PSC" must include two copies of the Bid, with one marked "Original" and the other marked "Copy", together with another copy in electronic format (PDF documents only), submitted on a one write CD. In the event of any discrepancies between the electronic version and the printed version, the printed version marked "Original" will prevail.

All submissions must be delivered either personally the person delegated by the Bidder, or by a courier company, to the Government at the address specified herein.

It is the responsibility of Bidder to ensure that the original and copy are identical.

6.4 Content of Bid

The submission must comprise the following duly completed documents, inserted into a single, sealed envelope (unless their volume necessitates more than one envelope, in which case the envelopes must be clearly marked to indicate, for example, 1 of 2 envelopes):

Volume A: Submission Format

1. Cover letter (5.1)
2. Executive Summary (5.2)
3. Organizational Profile (5.3)
4. Qualifications and Experience of Company and Personnel (5.4)
5. Financial Standing (5.5)
6. Management Plan (5.6)
7. Preparation and Project Implementation Period (5.7)

Volume B: Appendices

1. Financial plan (APPENDIX 1)
2. PSC Form (APPENDIX 2)
3. Bidder's Statement on Conditions of Employment (APPENDIX 3)
4. Overview of Bidder's Personnel (APPENDIX 4)
5. Financial Statement (APPENDIX 5)
6. Bid Bond (APPENDIX 6)

Volume C: Documentary Requirements

Please note: Bidders are to consult Section 5 (Submission Requirements) for a comprehensive explanation of the information required.

1. Background of the Bidder
2. Biographies of the key personnel of the Bidder who will work on the Project
3. Bidder's understanding of the Project
4. Risks and assumptions affecting the execution of the Contract

5. Services proposed by the Bidder
 6. Detailed profile of Firm/Company
 7. Names of the Bidder's senior management team, including role of each such member
 8. Biographies of the key persons who will be involved in the implementation and operation of the Project
 9. Contact details of the Bidder's authorized representative(s);
 10. List of backup staff
 11. Sub-contractor management
 12. Description of experience and expertise in citizenship-by-investment programmes during last five (5) years
 13. Examples of representative past projects
 14. Recruitment plan for any additional personnel required
 15. Contact details of main bankers of Bidder
 16. Potential contribution options under IIP
 17. Indicative forecast figures for revenue flows under IIP, under different assumptions regarding the financial contribution that would be payable by applicants that are considered in item 16 above
 18. Commencement and implementation approach
 19. Methodology for carrying out the work
 20. Bidders role and responsibilities in IIP
 21. Provision of services within stated milestones
 22. Service standard for processing of applications under IIP
 23. Formal policies and procedures to be introduced and maintained
 24. Resources committed
 25. Service availability
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- 6.5 Bid Bond

The bid bond is set at EUR 12,000 and must be an original and valid guarantee presented in the form specified in APPENDIX 8. The guarantee must be issued either by a local bank in Malta or by an internationally recognized bank located in the country where the Bidder is located, who assumes responsibility for claims and payments to the amount as stated above. It must remain valid up for a term of one hundred and eighty (180) calendar days from the final closing date set for the submission of Bids. The bid bond must be issued in favour of the Government of Malta.

The bid bond is intended as a pledge that the bidder will not retract his offer up to the expiry date of the guarantee and, if successful, that he will actually proceed and enter into a Contract on the terms and conditions stated in this Dossier.

Should the Bidder (i) withdraw its Bid before the above-mentioned validity date, or (ii) if selected, refuse to enter into the Contract or (iii) make a fraudulent submission/s in its Bid, the amount of the Bid Bond shall be forfeited in favour of the Government of Malta as minimum liquidated damages.

Bid bonds provided by Bidders who have not been selected shall be released immediately after the signing of the Contract with the preferred Bidder. Likewise, the Bid bond of the preferred bidder shall be released on the signing of the Contract.

Bids that are not accompanied with the mandatory Bid Bond by the Closing Date for the submission of Bids will be automatically disqualified.

6.6 Sealing and Marking of Bids

Sealed Bids are to be submitted either by a courier company or hand delivered to the Government at the following address:

Ministry for Home Affairs and National Security
201, Strait Street, Valletta VLT 1433

Bids must be received by the Government at this address no later than 12 noon Central European Time on Wednesday 31st July 2013.

The sealed envelope or packet containing the bid should be marked 'INDIVIDUAL INVESTOR PROGRAMME BID - ATTENTION MR KEVIN MAHONEY' and should also indicate clearly the name of the bidder.

All Bidders must provide proof of delivery to the Government. The onus will be on Bidder to show that the Bid was duly delivered.

Bids submitted by any other mode of delivery will not be considered. Late submissions shall be automatically disqualified.

The Government shall not be responsible or liable for any costs incurred by Bidders in the preparation of Bids, including any presentations, meetings, interviews or subsequent negotiations that may be requested or required.

6.7 Timetable

The following schedule has been established for this Bid Procedure.

Publication Date: 21 June 2013

Deadline for requests by Bidders for any clarifications: 15 July 2013

Last date on which clarifying Addenda shall be issued to Bidders: 18 July 2013

Deadline for submission of Bids: 12 noon Central European Time of 31 July 2013

It is Government's intention to select and notify the preferred bidder by 12 August 2013. It is Government's wish that contract negotiations should commence immediately afterwards, with a view to finalize a contract by 30 August 2013.

The dates following submission of bids are subject to change due to any appeal proceedings.

6.8 Clarifications

Bidders may submit questions regarding their Bid in writing to the Government via e-mail to: kevin.mahoney@gov.mt up to the deadline date specified in Subsection 6.7 hereof. The Government will respond to all questions from Bidders and revise this Dossier, if necessary, by e-mail.

The Government may, at its discretion, extend the deadline for submission of Bids to give Bidders sufficient time to take the addenda clarifying the contents of this Dossier into account when preparing their Bids. In such cases, all rights and obligations of the Government and the Bidder regarding the deadline date(s) set forth herein will be subject to the new date(s) set by Government.

Any interpretation, correction or change of this invitation to Bid will also be made by way of an addendum to this Dossier which will be emailed to bidders. Interpretations, corrections or changes made in any other manner will not be binding and ought not be relied upon by Bidders.

Each addendum published by the Government will constitute a part of this Dossier.

It is the Bidders' sole responsibility to ensure that they have received and reviewed all addenda prior to submitting their Bids.

6.9 Late Bids

All Bids received after the deadline for submission specified in this Dossier will be retained by the Government. However, such late Bids will be rejected and will not be evaluated by the Government. No liability will be accepted by the Government for late submission of Bids.

6.10 Alteration and Withdrawal of Bids

Bidders may alter or withdraw their Bids by written notification prior to the deadline for submission set forth in this Dossier. No Bid may be altered after such deadline. If Bids are withdrawn, the Bid Bond will be payable.

Bidders may not transfer or assign its Bid or any part thereof, share or interest therein, directly or indirectly, to any other person or entity.

6.11 Opening of Bids

It is intended that bids will be opened by the Evaluation Committee the day after the deadline for submission of Bids.

At the Bid opening, the names of the Bidders and such other information as the Government may deem to be appropriate will be published on the following link: <http://mhas.gov.mt>

The Evaluation Committee will then verify that the Bid Bond submitted complies prima facie with the requirements set out in this document.

After the opening of the Bids, no information regarding the review, evaluation, or comparison of Bids or decisions about the award of the Contract may be disclosed prior to notification of the award.

6.12 Checking of Bids

Before commencing detailed analysis of the Bids, the Committee will check each Bid to ensure that it:

- has been properly signed;
- includes the required documents
- complies with the requirements of this Bid Procedure.

An admissible Bid is one that conforms to the requirements set forth in this Dossier, with no substantial deviations or reservations. Substantial deviations and reservations include those which restrict the rights of the Government or which would unfairly affect the competitive position of other Bidders.

If a Bid does not comply with the requirements of this Dossier, it will be rejected by the Committee when assessing its admissibility.

Admissible Bids will be checked for arithmetical errors by the Committee. These errors will be corrected as follows:

- where there is a discrepancy between the amounts in figures and in words, the latter will prevail
- where there is a discrepancy between a unit price and the total amount derived from the product of the unit price multiplied by the quantity, the former will prevail.

The amount(s) stated in the Bid will be adjusted by the Committee in the event of an error, and the Bidder will be bound by that adjusted amount. In this regard, the Committee will communicate the revised amount to the Bidder.

6.12 Clarification of Bids

When checking and comparing Bids, the Committee may ask a Bidder to clarify any aspect of the Bid.

Such requests, and the responses to them, must be made by e-mail. All correspondence should be addressed to the Permanent Secretary, Mr Kevin Mahoney. Bidders may in no circumstances alter or try to change the price or content of the Bid, except to correct arithmetic errors discovered by the Committee when analyzing the Bids.

6.13 Bid Evaluation Process

All Bids received by the deadline date and meeting the submission requirements established in this Bid Procedure shall be reviewed and evaluated by a Committee that will be nominated by the Government.

An evaluation of Bids will be made to ensure that Bid procedural requirements and the mandatory specifications included in this invitation to Bid are satisfied.

The Committee will check the administrative compliance of bids, in accordance with Subsection 7.1 hereof.

The Committee shall have the right to seek clarifications or rectifications from Bidders to enable a proper evaluation of any Bid.

Bids that have been considered administratively compliant shall be evaluated for admissibility using the Selection Criteria as outlined in Subsection 7.2.

In exceptional circumstances, the Committee reserves the right to accept Bids that are not fully compliant with this invitation to Bid, but only where the deficiencies do not affect materially the requirements of this invitation to Bid and the contents of the Bid.

Bids considered as technically compliant shall be evaluated using the Award Criteria in Subsection 7.3.

The Committee will establish which is the most advantageous Bid, commensurate with the Award Criteria, as set out in Subsection 7.3 hereof, by awarding and adding up the established Points for each compliant Bid. The Committee will make recommendations to the Government on the selection of the preferred Bidder, ranking each Bidder in terms of the highest score obtained.

The ranking and aggregate score of the compliant Bids will be published on the following link <http://mhas.gov.mt>

6.14 Notification of Preferred Bidder

Once the ranking and score of the compliant Bids are published as above, the Government will notify to all Bidders the outcome of the selection process.

Following the publication of the name of the preferred Bidder, the Appeals procedure set forth in Subsection 6.15 will apply.

The preferred Bidder will be notified by a conditional letter of intent that its Bid is the preferred Bid and that it is the Government's intent to proceed for Contract negotiation and finalization, provided that no appeal is instituted by one of the unsuccessful Bidders. The successful Bidder will be required to enter into a Contract with the Government and the finalized Contract shall reflect these negotiations.

6.15 Appeals

Any Bidder concerned who is aggrieved by the award by the Government, may, within ten (10) running days from the date of its notification in writing of the identity of the preferred bidder together with the outcome of the evaluation process file a letter of objection, together with a deposit, with the

Government, clearly setting for any reason(s) for its complaint. Such a notice of objection shall only be valid if accompanied by a deposit of EUR 5,000. The letter of the complaining Bidder will be brought to the attention of the preferred Bidder.

Appeals shall also be, on pain of nullity, submitted in writing (4 Hard Copies) and shall be received within the allowed time period at the following address:

Ministry for Home Affairs and National Security
201, Strait Street, Valletta VLT 1433

The sealed envelope containing the letter of objection should be marked 'INDIVIDUAL INVESTOR PROGRAMME OBJECTION – ATTENTION MR KEVIN MAHONEY'.

All appeals will be reviewed by a review board, comprised of three independent persons appointed by the Government ("Review Board").

After the expiry of the period allowed for the submission of an appeal, the Government shall deliver the letter of complaint, the deposit receipt and all documents relating to the appeal to the Review Board, which shall review the matter in a fair and equitable manner and shall decide the matter within a reasonable period of time. In its deliberation, the Review Board shall have the authority to obtain, in any manner and from any person it deems appropriate, any other information not already provided. The Review Board shall determine the complaint by upholding or rejecting it. The written decision of the Review Board shall be sent to the relevant parties.

In determining complaints:

- a) The Review Board shall carry out a complete and detailed re-examination of the reasons brought forward by the Committee for discarding the unsuccessful Bid;
- b) The Chairman of the Review Board shall have the right to put appropriate questions to the Government as well as members of the Committee and the appellant and to have recourse to all pertinent information; and
- c) The Chairman of the Review Board shall also have the right to seek expert advice from outside the Government if he/she deems this to be useful.
- d) The Review Board shall decide the appeal within ten (10) running days from the date when the appeal proceedings are deemed to be closed.
- e) The Review Board shall also decide whether the deposit of five thousand euro (€5000) accompanied by the appeal shall be refunded to the appellant or forfeited in favour of the Government.

The procedure to be followed in submitting and determining complaints as well as the conditions under which such complaints may be filed shall be determined by the Review Board.

Decisions of the Review Board made under Subsection 6.15 hereof shall be final and the Government shall have the right to proceed with the negotiation procedure or the award of the Contract as soon as the decision of the Review Board is published on the following link <http://mhas.gov.mt> and notified to the interested parties.

Provided that in the event of an appeal which is upheld by the Review Board, the decision of the Review Board shall be published on the following link <http://mhas.gov.mt> and notified to the interested parties and the process shall revert back to the Evaluation Committee for any re-consideration in the light of the decision of the Review Board;

The decision shall be final and binding on Government and the aggrieved Bidder, shall not be afforded any further recourse.

6.16 Negotiations

Once the terms for appeal would be concluded, the Government shall invite the preferred Bidder to negotiate the finalization of the Contract.

In the event that the Contract is not successfully finalized with the first ranked Bidder for any reason, the Government reserves the right to enter into discussions, in order to award the contract, to the next best ranked Bidder, in accordance with the results of the evaluation process, or to start a new Bidding process.

6.17 Contract Signing

Pending the successful conclusion of the negotiations, the Government and the recommended Bidder will proceed to sign the Contract.

Within fifteen (15) calendar days of receiving the Contract (against acknowledgement of receipt) from the Government, the recommended Bidder will sign and date the Contract and return it to the Government. On signing of the Contract by the Government, the recommended bidder will become the Concessionaire and the Contract will enter into force.

If the recommended Bidder fails to sign and return the Contract and other required documentation within the prescribed 15 calendar days, the Government may consider the acceptance of the Bid to be cancelled, and the recommended Bidder will have no claim whatsoever against the Government. The Bidder whose Bid has been evaluated as the next most advantageous may then be recommended for award.

6.18 Right of Government to Accept or Reject any Bid

The Government reserves the right to accept or reject any bid and/or to cancel the whole Bid Procedure and reject all Bids at any time. The Government reserves the right to initiate a new invitation to Bid at any time during the entire process until a Contract is signed.

In the event of a Bid Procedure's cancellation, Bidders will be notified by Government. If the Bid Procedure is cancelled before the sealed envelope of any Bid has been opened, the sealed envelopes will be returned, unopened, to the Bidders.

Cancellation of this bid procedure may occur at any time, at the sole discretion of the Government, and for any reason, but in particular where:

- (a) The Bid Procedure has been unsuccessful, namely, where no qualitatively or financially worthwhile Bid has been received or there has been no response at all;

- (b) The economic or technical parameters of the Project have been fundamentally altered;
- (c) Exceptional circumstances or force majeure render normal performance of the Project impossible;
- (d) There have been irregularities in the procedure, and, in particular, where these have prevented fair competition; and
- (e) The preferred Bidder fails to finalize the Contract.

In no circumstances will the Government be liable for damages, whatever their nature (in particular, but not limited to, damages for loss of profits) or relationship to the cancellation of a Bid, even if Government has been advised of the possibility of damages. The publication of a contract notice does not commit the Government to actually implement the Project announced.

6.19 Ethics Clauses

The evaluation and appeal procedures are confidential. The Committee's decisions are collective and its deliberations are held in closed session. The members of the Committee are bound to secrecy. The Committee's reports and written records, in particular, are for official use only and may not be communicated to the Bidders or to any party other than the Government.

Any attempt by a candidate to obtain confidential information, enter into unlawful agreements with competitors or influence the Committee, the Government and/or any member, employee or officer thereof or the Government, during the process of examining, clarifying, evaluating and comparing, negotiating and adjudicating bids, will lead to the disqualification of its Bid and may result in administrative penalties.

Without the Government's prior written authorization, the Bidder and its staff or any other company with which the Bidder is associated or linked may not, even on an ancillary or sub-contracting basis, supply any services for the Project. This prohibition also applies to any other programmes or projects that could, owing to the nature of the Contract, give rise to a conflict of interest on the part of the Bidder.

When putting forward its Bid, the Bidder must declare that it has no particular link with other bidders or parties involved with other bidders.

The Concessionaire must, at all times, refrain from making public statements about the Project or services, without Government's prior approval. The Concessionaire may not commit Government in any way without its prior written consent.

The Bid(s) concerned will be rejected or the Contract terminated, if it emerges that the award or execution of a Contract has given rise to unusual commercial expenses. Such unusual commercial expenses are commissions not mentioned in the main Contract or not stemming from a properly concluded Contract referring to the main Contract, commissions not paid in return for any actual and legitimate service, commissions paid to a recipient who is not clearly identified or commissions paid to a company which has every appearance of being a front company.

Government reserves the right to terminate the Contract if corrupt practices of any kind are discovered at any stage of the award process. For the purposes of this provision, "corrupt practices" are the offer

of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract or implementation of a contract already concluded with Government.

A bid shall be disqualified in the event that the Bidder, or any constituent member thereof:

- (a) Is bankrupt or is being wound up, or whose affairs are being administered by the court, who has entered into an arrangement with creditors or who has suspended business activities or who is in any analogous situation arising from a similar procedure;
- (b) Is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding up or administration by the court or for an arrangement with creditors or of any other similar proceedings;
- (c) If the Government has sufficient proof that the Bidder is unable to pay its debts, account being taken also of contingent and prospective liabilities of the Bidder;
- (d) Has been convicted of an offence concerning its professional conduct by a judgment which has the force of res judicata;
- (e) Has been declared guilty of grave professional misconduct proven by any means which Government can demonstrate;
- (f) Is guilty of serious misrepresentation in supplying the information required in this Bid Procedure or has not supplied such information;
- (g) Was a party to a Public Contract which has terminated as a result of the default of the same;
- (h) Has not fulfilled the obligations relating to the payment of social security contributions in accordance with the laws of Malta or the country in which he is established;
- (i) Has not fulfilled obligations relating to the payment of taxes in accordance with the legal provisions of Malta or the country in which he is established;
- (j) Is subject of conviction by final judgement for one or more reasons listed below:
 - i. Participation in a criminal organization
 - ii. Corruption
 - iii. Fraud
 - iv. Money laundering or terrorism financing

In submitting their Bids, Bidders declare that none of the circumstances outlined above apply to them.

Furthermore, in submitting their Bids, Bidders acknowledge and accept that the Government may run probity checks about them with all the relevant competent authorities or third parties and, by making their Bid submission, they give their consent to the disclosure of information by any third parties requested by Government and accept that Government retains the right to disqualify a Bid if it has good and sufficient reason to believe that the Bidder to any of its constituent members or affiliated companies thereof is or are not of good repute.

6.20 Data Protection and Freedom of Information

Any information submitted in the framework of the bid procedure and/or subsequently included in the contract shall be protected pursuant to the data protection laws of Malta. Information shall be processed solely for the purposes of the performance, management and follow-up of the bid procedure and/or subsequent contact by the Government without prejudice to possible transmission to the bodies charged with a monitoring or inspection task in conformity with Maltese law.

7. Selection & Evaluation Criteria

7.1 Administrative Compliance

In order to be considered administratively compliant, bids must comprise the following duly completed documents and forms:

Cover Letter (5.1)

Executive Summary (5.2)

Organisational Profile (5.3)

Financial Standing (5.5)

Management Plan (5.6)

Preparation & Project Implementation (5.7)

Experience and Expertise of Bidder and Personnel (5.4)

Financial plan (APPENDIX 1)

PSC Form (APPENDIX 2)

Bidders Statement on Conditions of Employment (APPENDIX 3)

Overview of Bidder's Personnel (APPENDIX 4)

Financial Statement (APPENDIX 5)

Bid Bond (APPENDIX 6)

Bidders may be requested to either clarify/rectify any incorrect and/or incomplete documentation, and/or submit any missing documents.

Any rectifications requested by the Committee must be submitted within five (5) working days from notification. Failure to comply shall result in the Bid not being considered any further.

7.2 Selection Criteria

Bids that have been considered administratively compliant shall be evaluated for admissibility. Bidders will be short-listed, using the Selection Criteria outlined below, based upon their financial and economic eligibility, experience, technical capacity and resource availability:

The following lists the Selection Criteria and relevant sections in the Dossier:

Experience and Expertise of Bidder, Personnel and Key Expert Qualification 5.4

Availability of Back up Staff 5.3.2

Concessionaire's roles and responsibility 5.6

Resources committed 5.6

Financial standing 5.5

Policies and Procedures, in particular regarding Due Diligence/Compliance checks of Applicants under the IIP 5.6 (d)

Based on the bidders' proven technical capacity and track record, the Committee shall then classify the bidders as technically capable or not. The Bids of those Bidders that pass this classification as technically capable will thereafter be evaluated in accordance with the Award Criteria as per Subsection 7.3 below.

7.3 Criteria for Award

The Contract will be awarded to the most economically advantageous Bid from technically capable bidders satisfying the following award criteria. The following list includes all criteria that will apply and the corresponding maximum points that can be awarded for each criteria.

1. Overall approach to service delivery and project implementation: 5
2. Previous experience in setting-up all aspects of a Citizenship-by-Investment Programme: 15
3. Available resources (both human, capital and technological) to ensure performance in a timely manner, and the overall depth and experience of the Bidder's key staff: 10
4. Risk management and compliance policy and procedure, including the depth of the Bidder's understanding and practice of risk management, anti-money-laundering and other compliance issues and due diligence requirements applicable to such programmes: 20
5. Bidder's understanding of the global Citizenship-by-Investment marketplace, their recommendation of the right regulatory framework, a competitive investment/contribution threshold and the appropriate selection criteria for applicants: 15
6. Preparation and project implementation period proposed by Bidder and lead time to finalise the set up of the Programme and to be able to process the first application: 10

7. Reach and quality of the Bidder's international private client network and sufficiency of the Bidder's capacity to raise substantial funds under the programme. 10

8. Financial plan and projected revenues: 15

Total points: 100

APPENDIX 1 – Financial Plan

Bidders are requested to use the following format in proposing their financial plan:

1. A highlight of the potential contribution options under IIP (Volume C, item 16).
2. Indicative forecast figures for investment flows to a National Development (or similar) Fund Government under the IIP, for the options considered in 1 above, in Euros, for year 1 to year 5.
3. Indicative forecast figures for other revenue flows to Government under IIP, for the options considered in 1 above, inclusive of all taxes and charges, in Euros, for year 1 to year 5.
4. The set-up, promotional and ongoing operating costs that the bidder would commit to the project.

The financial plan should include all key underlying calculations/projections made by the Bidder.

No rectification of incorrect or incomplete documentation in the financial plan will be allowed.

APPENDIX 2 – PSC Form

Publication Reference: _____

Individual Investor Programme

A BID SUBMITTED BY

List here complete name and address details of entity that submits this bid

B PROPOSED SUBCONTRACTORS/ASSOCIATES

List here all services intended to be subcontracted and the complete names and address details of the subcontractors and their experience and qualifications

C CONTACT PERSON (for this bid)

List here name, telephone, fax, e-mail address and complete address details of the contact person for this Bid, who is duly authorized to act on behalf of the Bidder and to receive notices on behalf of the Bidder.

D BIDDER'S DECLARATION(S)

To be completed and signed by the bidder

In response to the invitation to bid for the above contract, we, the undersigned, hereby declare that:

1. We have examined, and accepted in full and in its entirety, the content of this PSC Dossier (including subsequent Clarifications Notes issued by the Government) for invitation to Bid Published on 21st June 2013. We hereby accept the contents thereto in their entirety, without reservation or restriction. We also understand that any disagreement, contradiction, alteration or deviation shall lead to our Bid not being considered any further.
2. We offer to execute services, in accordance with the terms of the PSC Dossier and the conditions and time limits laid down, without reserve or restriction.
3. The total offer of our submission is as represented in APPENDIX 1: Financial plan
4. This Bid is valid for a period of six (6) months from the closing date of submission of Bids.
5. We confirm that we are not participating in any other Bid for the same contract, whatever the form of the bidder
6. We are not bankrupt or under an administration appointed by the Court, or under proceedings leading to the declaration of bankruptcy. We also declare that we have not been convicted criminally, or found guilty of professional misconduct. Furthermore, we are up-to-date in the payment of social security contributions and other taxes.

7. We accept that we shall be excluded from participation in the award of this Bid Procedure if compliance certificates in respect of declarations made under Clause 7 of this declaration are not submitted by the indicated dates.
8. We agree to abide by the ethics clauses of the instructions to Bidders and, in particular, have no potential conflict of interests or any relation with other candidates or other parties in the Bid Procedure at any time of the submission of this application. We have no interest of any nature whatsoever in any other Bid in this procedure.
9. We will inform the Government immediately if there is any change in the above circumstances at any stage during the implementation of the contract. We also fully recognize and accept that any false, inaccurate or incomplete deliberately provided in this application may result in our exclusion from this and other contracts awarded by the Government of Malta.
10. Our submission for this invitation to bid has been made in conformity with the instructions to Bidders. We are attaching herewith all documentation requested in the instructions to Bidders, together with additional information and documentation detailing our bids and detailed description of the services to be provided as required by this PSC dossier.
11. The Committee may request rectifications in respect to incomplete/non-submitted information. We understand that such rectification/s must be submitted within five (5) working days, and that failure to comply shall result in our bid not being considered any further.
12. We further declare and undertake that in case our Bid is successful, we shall attend on the day at the time and place specified to us in writing by the Government for the purpose of negotiating the Contract. Should we fail to attend as requested or should we, in any manner, behave so as to preclude or delay the start of negotiations, it shall be the option of the Government not to proceed with the negotiations. We undertake to enter into good faith negotiations with the Government and we understand that the Government will be at liberty to terminate them in the case we do not cooperate in said negotiations.
13. We understand that the Government is not bound to proceed with this invitation to Bid, nor is it bound to accept any bid which may be submitted and shall not be obliged to give reasons for doing so. In this case the Government will not be liable for any expenses, express, implied or otherwise incurred. The Government incur no liability towards us should it decide to do so.
14. We understand that the contract and all matters arising and relating thereto shall be construed and dealt with in accordance with the Laws and regulations of the Republic of Malta.
15. The Concessionaire shall be bound to conform in all respects with all fiscal legislation and regulations and all other applicable legislation in Malta relating to its activity.

SIGNATURE OF BIDDER

In the capacity of

and authorized to sign

bids for and on behalf of

NAME AND SURNAME

ADDRESS

I.D. / Passport Number

PLACE & DATE

COMPANY

ADDRESS

TEL:

MOBILE:

FAX:

EMAIL:

COMPANY REGISTRATION NUMBER:

STAMP OF COMPANY:

APPENDIX 3 – Bidder’s Statement on Conditions of Employment

It is hereby declared that all employees engaged on this contract locally in Malta shall enjoy working conditions such as inter alia wages, salaries, vacation and sick leave, maternity and parental leave as provided for in the applicable employment legislation. Furthermore, we shall comply with all applicable laws of Malta as well as any other national legislation, regulations, standards and/or codes of practice or any amendment thereto in effect during the execution of the contract.

In the event that it is proved otherwise during the execution of the contract it is hereby being consented that the contract is terminated with immediate effect and that no claim for damages or compensation be raised by us.

Signature:

(the person or persons authorized to sign on behalf of the Bidder)

Date:

APPENDIX 6 - Bid Bond

[On the letterhead of the financial institution providing the guarantee]

Addressed to: Government of Malta

Whereas the Government of Malta has invited bids for a Public Services Concession, and
whereas..... [Name of bidder]

(hereinafter referred to as the Bidder) is submitting such a bid in accordance with such invitation, we
..... [Name of Bank], hereby guarantee to pay you on your first demand in
writing a maximum sum of € 12,000 Euros (twelve thousand Euros) in case the Bidder withdraws his
bid before the expiry date or in the case the Bidder, if successful, fails to enter into the contract.

The bid bond becomes payable on your first demand and it shall not be incumbent upon us to verify
whether such demand is justified.

This bid bond is valid for a period of one hundred and eighty (180) days from the closing date of bids,
and expires on the 27 January 2014. Unless it is extended by us or returned to us for cancellation
before that date, any demand made by you for payment must be received at this office in writing not
later than the above-mentioned expiry date.

This document should be returned to us for cancellation or utilisation or expiry or in the event of the
bid bond being no longer required.

After the expiry date and in the absence of a written demand being received by us before such expiry
date, this bid bond shall be null and void, whether returned to us for cancellation or not, and our
liability hereunder shall terminate.

Yours faithfully,

.....
(authorized signatories/bank managers)

.....

Date

