

TENDER NOTICE

TITLE: REQUEST FOR PROPOSALS FOR THE SALE OF LABOPHAR PHARMACEUTICAL PLANT (“Labophar”) LOCATED IN HUYE DISTRICT

1. As part of its vision to ensure sustainable economic development, the Government of Rwanda (“GoR”) wishes to promote and sustain the growth of the private sector by privatizing state owned assets and companies to the private sector, Government is launching the tender notice for Labophar.

Labophar Pharmaceutical Plant is located in Huye District, Southern Province. This property is owned by the Government of Rwanda and registered by National Land Registry (RLMUA) with a UPI number 4/04/08/04/6240, and managed by Rwanda Medical Supply. The plant was built for the purpose of providing enough quantity of generic essential medicines with great therapeutic effectiveness at affordable prices to all Rwandans.

2. On behalf of the Rwanda Medical Supply, the Rwanda Development Board (“RDB”), as the Government institution in charge of the privatization of state owned assets and state owned companies, is seeking to procure interested individuals, companies, and/or consortiums to purchase the Labophar Pharmaceutical plant through a fair and transparent competitive bidding process in accordance with Rwandan law and international best practice. Potential investors can bid on this attractive opportunity.
3. The purpose of this tender notice is to identify potential individuals, companies, and/or consortiums with the requisite technical and financial capacity to purchase and operate this Pharmaceutical Plant, as specified in the bidding documents (Request for Proposals (“RFP”). To obtain the RFP document, all interested bidders are advised to visit the RDB website and download the RFP under this link: <https://rdb.rw/labophar>

They can also contact this email address for any questions: labopharpharmaceuticalplant@rdb.rw

4. All interested bidders are hereby invited to submit their bids for the acquisition of the Labophar plant in accordance with the RFP. The RFP responses, which must be presented in one original and one duplicate copy, must be submitted, via hard copies or via email, to the address below:

Chief Executive Officer
Rwanda Development Board
KN 5 Rd, KG 9 Ave,
P.O. Box 6239,
Gishushu, Kigali, Rwanda
Emails: labopharpharmaceuticalplant@rdb.rw

5. The closing date & time for the submission of all bids is set for **June 22nd, 2022, 3:00 PM**, local time. Any bids received after the closing date & time will not be accepted.

Done at Kigali, on May 2022


Pacific TUYISHIME
Chief Investment Officer





Labophar Pharmaceutical Plant

**REQUEST FOR PROPOSALS FOR THE ACQUISITION
OF LABOPHAR PHARMACEUTICAL PLANT**

Title of the tender	Acquisition of Labophar pharmaceutical Plant
Date of issue	9th May, 2022

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**SUBJECT: REQUEST FOR PROPOSALS FOR THE ACQUISITION OF LABOPHAR
PHARMACEUTICAL PLANT**

1. BACKGROUND

1.1 The *Laboratoire pharmaceutique du Rwanda*, referred to as Labophar, is a pharmaceutical plant situated in the town of Huye District, Southern Province at 136 km from Kigali the capital of Rwanda. The property is near the main gravel road toward University of Rwanda/Huye campus. The facility is owned by the GoR and user is Rwanda Medical Supply Ltd (“RMS”) with UPI number 2/04/09/01/1042. The plant has two production lines, line I (Non-sterile) & line II sterile. Line I produces a variety of solid, semi-solid and liquid non-sterile drugs whereas line II produces infusion.

1.2 Labophar assets & Site works

Blocks	Composition & Description	Size (Sqm)
Block 1 (Non-Sterilizer)	Administration & Production Line	567.1 sqm
	Under ground floor: <ul style="list-style-type: none"> ○ Store, ○ production unit 	67.5 sqm
	Ground Floor: <ul style="list-style-type: none"> ○ Production Line ○ Hall ○ Washroom ○ Store ○ Bathroom 	456.4 sqm
	First Floor: <ul style="list-style-type: none"> ○ Offices ○ Bathroom ○ Control Local (production unit) ○ Laboratory for analysis quality ○ Hall ○ Store 	567.1 sqm
Block II (Sterilizer)	<ul style="list-style-type: none"> ○ Hall sterilizer 	
Block III (Usine II & Store)	<ul style="list-style-type: none"> ○ Production unit ○ Store ○ Offices ○ Bathroom 	697 sqm
Block IV (Container)	<ul style="list-style-type: none"> ○ Store 	160.2 sqm
Block V (Generator shed)	<ul style="list-style-type: none"> ○ Hall 	56 sqm
Block VI	<ul style="list-style-type: none"> ○ Washroom 	66 sqm
Block VII	<ul style="list-style-type: none"> ○ Workshop office ○ Office 	42.24 sqm
Block VIII	<ul style="list-style-type: none"> ○ 2 stores 	100.24 sqm

- 1.3 On behalf of Rwanda Medical Supply, the Rwanda Development Board (“**RDB**”), as a Government institution in charge of the privatization of state-owned assets, RDB is seeking to procure interested individuals, companies and/or consortiums to purchase the Labophar pharmaceutical plant from the GoR, through a fair and transparent competitive bidding process in accordance with Rwandan law and international best practice.
- 1.4 All interested individuals, companies and/or consortiums are hereby invited to submit their Bids for the acquisition of the aforementioned medical plant in accordance with this Request for Proposals (“RFP”).

2 SUBMISSION OF THE BIDS

- 2.1 Bids may be submitted via hard copies or via email.
- 2.2 For Bids submitted in hard copies, each Bid shall contain three sealed envelopes prepared under the following conditions:
- Eligibility Requirements Documents envelope with two copies (one original and one copy). The envelope should be clearly marked “**Eligibility Requirements Documents**”.
 - Technical Proposal envelope with two copies (one original and one copy). The envelope should be clearly marked “**Technical Proposal**”.
 - Financial Proposal envelope with two copies (one original and one copy). The envelope should be clearly marked “**Financial Proposal**”.
- 2.3 The Proposals shall be marked “Original” and “Copy” as appropriate.
- 2.4 The Bid Comprising Eligibility Requirements Documents envelope, the Technical Proposal envelope, and the Financial Proposal envelope shall be provided in a single sealed outer envelope or package on which appears the name, address, and contact information of the Bidder and the following title clearly indicated: “**Tender for the acquisition of Labophar, Pharmaceutical Plant**”
- 2.5 For Bids submitted via email, each Bid shall contain the following documents:
- Eligibility Requirements Documents with two copies (one original and one copy). The document should be clearly marked “**Eligibility Requirements Documents**”.
 - Technical Proposal with two copies (one original and one copy). The document should be clearly marked “**Technical Proposal**”.
 - Financial Proposal with two copies (one original and one copy). The documents should be clearly marked “**Financial Proposal**”.
- 2.6 The documents shall be marked “Original” and “Copy” as appropriate.

- 2.7 The required format for all documents submitted via email is **PDF** format.
- 2.8 The Bid Comprising Eligibility Requirements Documents, the Technical Proposal, and the Financial Proposal shall be sent in an email on which appears the name, address, and contact information of the Bidder and the following title of the email clearly indicated as: "**Tender for the acquisition of Labophar Pharmaceutical Plant**"
- 2.9 All Bids shall be prepared in English, and must be submitted in hard copies or email, to the address below:

Chief Executive Officer
Rwanda Development Board
KN 5 Rd, KG 9 Ave,
P.O. Box 6239,
Gishushu, Kigali, Rwanda
Email: labopharpharmaceuticalplant@rdb.rw

Bidders may also contact the above email address for any questions.

- 2.10 The closing date & time for the submission of all Bids is set at **June 22nd, 2022, 3PM, local time**. Any Bids received after the closing date & time will not be accepted.
- 2.11 For Bids submitted via email, all Bidders are advised to request for reply of confirmation of receipt via email, to ensure that their Bids have been successfully delivered and received.

3 PURPOSE AND SCOPE OF THE TENDER

- 3.1 This tender is for the sale of Labophar facility including its assets on as is basis.
- 3.2 All interested individuals, companies and/or consortiums are hereby invited to submit their Bids for the acquisition of **Labophar Pharmaceutical Plant**"

in accordance with these Requests for Proposals.

- 3.3 RDB will select the winning Bidder in accordance with the method of selection specified herein.

4 ELIGIBILITY REQUIREMENT DOCUMENTS

- 4.1 The Eligibility Requirement Documents shall comprise the items and documents indicated below:
- a) A letter of application drafted in accordance with the model in Exhibit 1;
 - b) Bidder Information Form – complete the form in Exhibit 2;
 - c) General information on the company profile including main business, country(ies) of establishment and operation and company's business activities;

- d) Audited financial statements of the years 2019, 2020, and 2021, and current (audited or unaudited) financial statements of 2022.
- e) A bid security of US\$ 50,000 from a local or international bank.
- f) Copy of company registration certificate of the bidding company.
- g) Articles of association (if any);
- h) Power of attorney designating the person/(s) able to act in the name and on behalf of the bidding company in the scope of this tender, including making any undertakings in the name and on behalf of the bidding company;
- i) A declaration from the legal representative of the bidding company indicating the name and address of each shareholder of the bidding company, the number of shares of the bidding company's share capital which are subscribed and paid up by each of the shareholders and the voting rights which each shareholder enjoys;
- j) A signed statement by a duly authorized representative of the bidding company attesting the company is in good financial order, is not bankrupt, is not having their affairs managed by a court, has not entered into an arrangement with its creditors, or has not suspended its business, or similar or related situations;

4.2 Bidders may also include additional information deemed relevant that they wish to communicate to the evaluation committee.

5 TECHNICAL PROPOSAL

5.1 The objective of the tender, under the Technical Proposal is:

- a) To obtain a private investor to run the Labophar pharmaceutical plant
- b) In order to ensure achievement of the intended objective, the Technical Proposal should comprise the items listed below:
 - a) Bidder should clearly indicate the strategies and the actions to be undertaken to run the plant.
 - b) Provide a detailed business and investment plan highlighting ability and actions to revamp and upgrade the facility, the proposed capital investment and projections on jobs to be created;
 - c) The above plan should include a profile of the development project, with the estimated/committed cost, sources of funding and the respective timeline.
 - d) Provide details of key organizational strengths of the Bidder in medical experience.
 - e) Provide a highlight of the corporate governance practices of the Bidder.

- f) Provide a robust operational plan covering all the major aspects of the facility/plant operations. This should include but not limited to business objectives, goals, strategies, forecasts and activities to be carried out for the successful operation of the business. In addition, **the equity structure and sources of funds should** be clearly indicated.
- g) Provide the company details or policies of the Bidder with regard to asset management, repairs and maintenance that shall be applicable to the pharmaceutical plant.
- h) Provide a clear marketing strategy for the positioning of the plant on the domestic, regional and countrywide markets.
- i) Considering the excellent location of the facility/plant, the marketing strategy should not only strongly focus on the selling medicines but also cooperate with medical schools through offering the internships.
- j) The Bidder's Human Resources Management practices and policies e.g. training programs, methods and the training plans that complement the overall business strategy should be provided.
- k) Include a summary of historical successes.
- l) Ensure that the manufacturing plant's Information Technology meets the clients demands in terms of financial reporting and drugs supply chain
- m) Highlight the company's policy on product development to constantly to be able to compete with importation products and meet the international standard improve capacity in existing facility, external expansion and services in order to meet the needs and exceed expectations of clients and protect the market share.
- n) Provide a history of product development successes.
- o) Indicate key strengths in constantly reinventing business processes to keep pace with the ever-changing environment with the goal of providing innovative, high-quality products.
- p) Provide the details of the quality control practices by the Bidder that shall be applicable to the plant.

5.2 Bidders may also include additional information deemed relevant that they wish to communicate to the evaluation committee.

6 FINANCIAL PROPOSAL

6.1 The Financial Proposal shall be drafted in accordance with the model letter in Exhibit 3 below.

6.2 It shall specify the total amount offered for the purchase of Labophar Facility in Rwandan Francs (RWF)

7 Visit to the FACILITY

- 7.1 Potential Bidders may organize visits to factory to inspect the plant and collect all pertinent information for their due diligence and the preparation of their Bids.
- 7.2 Such visits should be arranged with the help of RDB &RMS team who shall arrange for facilitation of the visits. The contact details for arrangement of site visits are as follows:

Beingana Geoffrey, Strategic Advisor in Rwanda Medical Supply, Tel: +250784073751

- 7.3 All direct and indirect costs pertaining to these visits will be the sole responsibility of the potential Bidders.

8 LANGUAGE

The Eligibility Requirements Documents, Technical Proposal and the Financial Proposal must be drafted in English.

9 COST OF BIDDING

The Bidder shall bear all costs associated with the preparation and submission of its Bid, and RDB shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

10 DATE FOR SUBMISSION OF BIDS

- 10.1 The deadline for the submission of bids is **[June 22nd, 2022], 3 PM, local time**.

- 10.2 All documents prepared in English should be addressed and delivered to:

**Chief Executive Officer
Rwanda Development Board
KN 5 Rd, KG 9 Ave,
P.O. Box 6239,
Gishushu, Kigali, Rwanda
Email: labopharpharmaceuticalplant@rdb.rw**

- 10.3 Only the Bids submitted by the deadline to the specified address will be considered. Bids received after the deadline shall not be accepted and shall be returned to the Bidder.
- 10.4 Bids shall be submitted by a Bidder or his representative. A receipt indicating the date and time of submission shall be issued to him/her. For Bids submitted via email, all Bidders are advised to request for reply of confirmation of receipt via email, to ensure that their Bids have been successfully delivered and received.

10.5 A Bid submitted to RDB is final and may no longer be retrieved by the Bidder or its shareholders or any other representative even if submitted before the deadline.

11 BID SECURITY

11.1 The Bidder shall furnish as part of its bid, a Bid security of Fifty Thousand United States Dollars (US\$ 50,000) from a local or international bank.

11.2 The Bid security should be substantially in accordance with Model Exhibit 4 below and should be submitted in its original form; copies will not be accepted.

11.3 The Bid security shall be payable upon written demand by RDB in the event the condition in clause 11.6 below is invoked.

11.4 The Bid security should remain valid for a period of 3 months beyond the validity period of the Bids.

11.5 The Bid security of unsuccessful Bidders shall be returned as promptly as possible upon the successful Bidder signing of the asset sale & purchase agreement (and any other ancillary agreements thereto).

11.6 The Bid security of the successful Bidder shall be forfeited if the successful Bidder withdraws or fails to sign the asset sale & purchase agreement (and any other ancillary agreements thereto).

12 OPENING OF THE BIDS

12.1 The Bidder or its authorised representative may attend the opening of the Bid envelopes. The meeting for such opening shall take place on [the 5th floor at RDB] office, or any other date and time that may be officially communicated by RDB.

12.2 Each Bid shall be opened in and must be checked that it comprises three sealed envelopes or documents: Eligibility Requirements Documents, Technical Proposal, and Financial Proposal.

12.3 The envelopes or document containing the Eligibility Requirements Documents and the Technical Proposals shall then be opened and an inventory of each envelope or document shall be taken.

12.4 The envelopes or document containing Financial Proposals shall remain sealed and securely stored. This will be opened, after examination and evaluation of the Eligibility Requirements and Technical Proposals at a date to be set subsequently.

12.5 The operations effected during the opening of the envelopes shall be noted in minutes describing notably the procedure followed, the bids opened, and the content of the Eligibility Requirement documents and each Technical Proposal.

13 PROCESSING AND EVALUATION OF THE TECHNICAL PROPOSAL

13.1 The examination and evaluation of bids will be conducted by the Bid evaluation committee.

- 13.2 The purpose of the processing shall be to verify that the applications submitted contain the documents required by this document and the Bidder meets the conditions referred to in Section 4, Section 5, and Section 6 above.
- 13.3 The Bid evaluation committee may, but is not bound to, request for any complementary information from a Bidder concerning its Eligibility Requirement Documents and Technical Proposal. The committee may also require any of the Bidders to make an oral presentation of its application.
- 13.4 RDB may conduct due diligence including site visits in a view to establish the financial, technical and organisational capabilities/credibility of the qualified Bidders.
- 13.5 The qualified Bidders shall facilitate RDB to carry out this due diligence exercise.
- 13.6 Bidders shall be scored taking into consideration the following general criteria and guidelines:

№	Criteria and guidelines for scoring	Points
1.	<p>Bidder’s General Capability and Experience in the sector</p> <ul style="list-style-type: none"> a) Quality of proposal b) Bidder’s general capability/company profile. c) Experience in the sector. d) Waste management plan e) Willingness to continue the production of Morphine oral Suspension f) Ability and or Ability to produce IV fluids (Normal Saline, Linger lactate and Dextrose) 	/30
2.	<p>Value addition</p> <ul style="list-style-type: none"> g) Strategies and the actions to be undertaken for the company and manufacturing Level for the products h) Packaging of the produced drugs. i) Facility repairing plan j) Level of clear business and investment plan highlighting ability and actions to revamp and upgrade the Facility k) Operational plan covering all the major aspects of the facility operations. l) Contributing to the education of university students mostly in the field of Pharmacy, Chemistry and related sciences. m) Marketing strategy for the positioning of the facility on the regional and country market. n) Company’s product research and development to constantly improve existing products, services and supply chain in order to meet the needs, exceed expectations of clients, and protect the market share. 	/40

№	Criteria and guidelines for scoring	Points
3.	<p>Other activities which increase the productivity, competitiveness and economic returns</p> <p>a) Facility administration b) Technology transfer/structure c) Employment, training programs and skills transfer d) Corporate social responsibilities e) Strength of audited financial statements f) Environmental issues</p>	/20
4.	General presentation/ Compliance	/10
	TOTAL	/100

13.7 Only the technical Bids that will have scored at least 70% will be qualified for consideration of the financial proposals.

13.8 Qualified Bidders shall be officially informed by RDB. Such communication will indicate the date, time and place set for the opening of the Financial Proposals of the qualified Bidders.

13.9 The Financial Proposals of Bidders which have not qualified technically shall be returned to the Bidders concerned without being opened.

14 EVALUATION OF THE FINANCIAL PROPOSALS

14.1 The opening of the Financial Proposals shall be conducted by the bid evaluation committee after the notification of the technically qualified Bidders.

14.2 Labophar Facility shall be sold to the Bidder whose bid has been deemed the most competitive and has met all tender conditions, **subject to meeting the RDB reserve price.**

14.3 RDB reserves the right to negotiate with qualified Bidders to improve their financial proposals.

14.4 The operations effected during the session shall be noted in minutes describing notably the procedure followed, the number of Financial Proposals opened, and the financial consideration amount offered.

15 OVERALL ASSESSMENT AND AWARD OF LABOPHAR PHARMACEUTICAL PLANT

15.1. The overall assessment will combine the technical proposal score and the financial proposal.

15.2. The Bidder who successfully passes the Technical Proposal Assessment (at least 70%) and has the highest Financial Proposal will be successful Bidder, subject to meeting the RDB reserve price.

15.3. RDB reserves the right to reject all Bids if no Bid is satisfactory or if no Bids meets the RDB reserve price.

16 NOTIFICATION OF AWARD

Following the selection of the preferred Bidder, the preferred Bidder will be notified of the official decision to be awarded the right to purchase the facility.

17 EXECUTION OF THE TRANSACTION DOCUMENTATION

17.1 Following notification of award to the successful Bidder, RDB, other concerned stakeholders, and the successful Bidder shall negotiate and enter into the asset sale & purchase agreement, and any other required agreement concerning the sale and purchase of the facility.

17.2 If the Successful Bidder fails to enter into the relevant agreements referred to above, this failure shall constitute sufficient grounds for annulment of the award and forfeiture of the Bid Security. RDB may, in its discretion, award the Sale of Labophar Facility to the second ranked Bidder.

18 AMENDMENT OF THE BIDDING DOCUMENTS

18.1 The Bid evaluation committee may, at any time, amend the conditions and rules set forth in the bidding documents. Such amendments may be effected not less than ten (10) working days prior to the deadline for submission of the Bids.

18.2 In order to give potential Bidders the time necessary to take into consideration any amendments or clarifications, RDB may postpone the deadline.

19 CONFIDENTIALITY

19.1 The information provided in the Bidding documents as well as all the documents of the Bidding documents are confidential. The potential investors and their representatives shall not broadcast them or reveal their contents to third parties, whether or not they actually submit a Bid.

19.2 The potential investors guarantee that any possible partners they may contact shall comply with this obligation.

20 RIGHTS RESERVED

20.1 RDB reserves the right not to select any of the companies that have submitted a Bid and not to provide any reason(s) thereof.

20.2 The Bidder is responsible for appraising the information provided and gathered in the context of this tender for bids, and is solely responsible for any conclusions it may draw therefrom.

EXHIBIT 1
MODEL LETTER OF APPLICATION

Date: _____

[Bidder's Head-Note]

Re: Tender for Acquisition of Labophar Pharmaceutical Plant
To: **Chief Executive Officer**
Rwanda Development Board
Kigali, Rwanda

Dear CEO,

Having carefully examined the Request for Proposals, including the Annexes, the receipt of which is hereby acknowledged, we, the undersigned, hereby tender in our Bid to purchase the aforementioned Labophar Pharmaceutical Plant, in accordance with the Request for Proposals.

We agree to abide by this Bid, which consists of the Eligibility Requirements Documents, the Technical Proposal and the Financial Proposal (each as defined in the Request for Proposals), which will remain valid during the entire Bid validity period as set forth in the Request for Proposals, and it shall remain binding upon us and may be accepted by you at any time before the expiration of that period.

If our Bid is accepted, we undertake to finalize in good faith and execute the asset sale & purchase agreement and any ancillary agreements thereto without any reservation or limitation, in conformity with the Request for Proposals, as soon as possible after the notification of award.

Until a formal asset sale & purchase agreement is prepared and executed between us, our Bid, together with your written acceptance thereof and your notification of award, shall constitute a binding contract between us.

We understand that you are not bound to accept any Bid you may receive.

We acknowledge and agree that the RDB will not be responsible for any errors or omissions on our part in preparing this Bid, and we hereby irrevocably undertake to indemnify the RDB fully in connection therewith.

We are responsible for any and all costs, expenses and losses incurred in the preparation and submission of our Bid. The RDB shall not compensate us for any such costs, expenses or losses regardless of the outcome of the bidding process.

[signature]

In the capacity of _____*[position]*

Authorized to sign this Bid Application for _____*[name of Bidder]*

EXHIBIT 2
BIDDER INFORMATION FORM

[The Bidder shall fill in this Form in accordance with the instructions indicated below. No alterations to its format shall be permitted and no substitutions shall be accepted.]

Date: [insert date (as day, month and year) of Bid Submission]

Tender No.: [insert number of tender notice]

1. Bidder's Legal Name [insert Bidder's legal name]
2. Bidder's Country of Registration: [insert actual country of registration]
3. Bidder's Year of Registration: [insert Bidder's year of registration]
4. Bidder's Legal Address in Country of Registration:[insert Bidder's legal address in country of registration]
5. Bidder's Authorized Representative Information Name: [Insert Authorized Representative's name] Address: [Insert Authorized Representative's Address] Telephone/Fax numbers: [Insert Authorized Representative's telephone/fax numbers] Email Address: [Insert Authorized Representative's email address]
6. Please attached Bidder's company certificate of incorporation and full information memorandum, including list of all shareholders and company directors.

2. BIDDERS

2.1. Form of Bidder

2.1.1. Bidders may not change their composition from the time of their submission of their Bid to RDB, without the prior written consent of the RDB. In application of the foregoing:

- (a) a single legal entity Bidder may not transform itself into a Consortium;
- (b) a Consortium may not add or subtract members; and
- (c) a Consortium may not change its Lead Member,

without the prior written consent of the RDB.

2.1.2. The RDB shall be entitled to withhold its consent if it considers that the proposed change would constitute a material deviation

Consortium Agreement

2.1.3. A Bidder in the form of a Consortium shall submit its Consortium agreement, signed by the legal representatives of all its members. The Consortium agreement shall contain at least the following information:

- (i) each member's binding commitment to the Consortium;
- (ii) identification of the member that will assume the role of Lead Member on behalf of the other members;
- (iii) irrevocable power for the Lead Member to represent the Consortium and bind all its members in connection with the Bidding Process.

**EXHIBIT 3
MODEL FINANCIAL PROPOSAL LETTER**

NB : This letter is the sole document constituting the Financial Offer. It must be completed by all Bidders in conformity with the model below.

[Bidder's Head-Note]

Re:Tender for Acquisition of Labophar Pharmaceutical Plant –Financial Offer

**To: Chief Executive Officer
Rwanda Development Board
Kigali, Rwanda**

Dear CEO,

In the scope of the tender documents issued by RDB dated....., for the acquisition of Labophar Pharmaceutical Plant,

Having carefully examined the Request for Proposals, including the Annexes, the receipt of which is hereby acknowledged, we, the undersigned, hereby offer [(.....*Insert Amount in Words*.....) **United States Dollars (US\$.....*Insert Amount in Figures*.....)] as financial consideration for the acquisition of Labophar Pharmaceutical Plant.**

We undertake to pay this sum in U.S. Dollars within [*Insert time period for payment*] following notification of award and signature of the asset sale & purchase agreement.

Yours faithfully,

[signature]

In the capacity of _____*[position]*

EXHIBIT 4
MODEL BID SECURITY (BANK GUARANTEE)

[The Bank shall fill in this Bank Guarantee Form in accordance with the instructions indicated]

.....
[Bank's Name, and address of issuing branch or office]

Beneficiary:.....*[Name and address of client]*

Date:.....

BID GUARANTEE No.:.....

We have been informed that *[Name of Bidder]* (hereinafter called "the Bidder") has submitted to you its bid dated..... (Hereinafter called "the Bid") for the acquisition of Labophar Pharmaceutical Plant .

Furthermore, we understand that, according to your conditions, bids must be supported by a bid guarantee.

At the request of the Bidder, we *[name of Bank]* hereby irrevocably undertake to immediately pay you any sum or sums not exceeding in total an amount of \$ 50,000 (Fifty Thousand United States Dollars) upon receipt by us of your first demand in writing accompanied by a written statement that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder:

- a. has withdrawn its Bid during the period of Bid validity; or
- b. having been notified of the acceptance of its Bid by RDB during the period of bid validity, fails or refuses to execute the contract.

This guarantee will expire (a) if the Bidder is the successful Bidder, upon our receipt of copies of the contract signed by the Bidder and the Government or (b) if the Bidder is not successful Bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder of the name of the successful bidder; or (ii) thirty (30) days after the expiration of the bid validity period.

Consequently, any demand for payment under this guarantee must be received by us at the office on or before that date.

.....*[Name, Position, signature(s) and stamp of the authorised bank official(s)]*



LABOPHAR-MEDICAL FACTORY

Information guide for the privatization

APRIL , 2022



Located in Southern Province, Huye District.



LABOPHAR MEDICAL FACTORY

Close to:

- UR Huye Campus
- Medical college/UR
- CHUB-BUTARE

Distance from Kigali-Huye:

127km & 3Hr'drive by a Car
Land Size: 9442SQM



Non-sterile drugs (Tablets, Intravenous sterile fusion fluids capsules, ointments...)



Potential to add other lines of production

High imports of Pharmaceutical products in Rwanda

Fluids mainly Imported

Imports of medicinal Products

Pharmaceutical products imports
\$ 260M in **5**, Years

Products	Annual Cost in (USD)
Normal Saline (Nacl)	691,986
Linger	298,760
Dextrose 5% 500ml	127,552
Dextrose 50% 100ml	9,471
Dextrose 10% 250ml	20,393

Pharmaceutical Market is huge with no local competition



Available Pharmacies & Hospitals



Number of Hospitals: 1954

Number of Pharmacies:808

1. Retail Pharmacies: 664
2. Wholesale Pharmacies:144



Number of Pharmacies:808

1. Retail Pharmacies: 664
2. Wholesale Pharmacies:144

Human workforce:

Licensed Pharmacists: 1,132

The investment code provide many incentives to the Investors.

Preferential Corporate income tax

Export incentives

Immigration Incentives

Non fiscal Incentives

Relevant for Labophar

Preferential corporate income tax rate of 0%

An international company which has its headquarters or regional office in Rwanda and invest the equivalent of \$10M

Preferential corporate income tax rate of 3%

Pure Holding Companies(\$1M), SPVs(\$1M), Collective Investment Schemes(\$1M), Global Trading(\$10M), and IP companies(\$10K)

Preferential corporate income tax rate of 15%

Investor operating in mass transport, energy production, **manufacturing**, ICT & **e-mobility**

Corporate income tax holiday of 7 years

A registered investor investing an equivalent of \$50M and contributing at least 30% in form of equity

Export incentives

Banded CIT discount based on meeting 2 export thresholds,

- 30%-49% exports= 25% CIT
- ≥50% exports= 15% CIT

Talent Attraction & Immigration incentives

- 2 year entrepreneurship visa for Start-up
- 2 year talent visa for Qualifying international students
- An Investor who invests 250k may recruit 3 foreign employees without necessarily demonstrating that their skills are lacking

Non-fiscal incentives

- Upon fulfilling all tax obligations in Rwanda, an investor shall be allowed to repatriate the following
 - Capital; profits derived from business activities; debt and interest on foreign loans; proceeds from the liquidation of investment
 - Any other assets of an investor
- Quick business and investment online registration
- Assistance with tax-related services and exemptions
- Assistance with access to utilities (water & electricity)
- Assistance with obtaining visas and work permits
- One stop Center that provides notary services, migration, etc
- Provision of aftercare services to fast-track project implementation
- Regardless of the origin of investor, all business sectors are open to private investment
- For further: <https://rdb.rw/why-rwanda/investment-incentives/>

The Manufacture and Build to Recover Program (MBRP)

I. Construction

- *VAT exemptions on imported construction materials N/A in EAC*
- *Duty exemptions for materials N/A in EAC (case-by-case review)*
- *VAT exemption on locally sourced construction materials*
- *VAT exemptions on constr. Materials sourced in EAC N/A in Rwanda*

III. Performance-Based

Tax credits off-setting 2021 PAYE & CIT:

- *Revenue/ Exports: 50k CIT tax credit per 1M RwF incremental revenue/ exports*
- *Jobs: 10% PAYE tax rate per add. Employee*

II. Manufacturing & Agro-processing

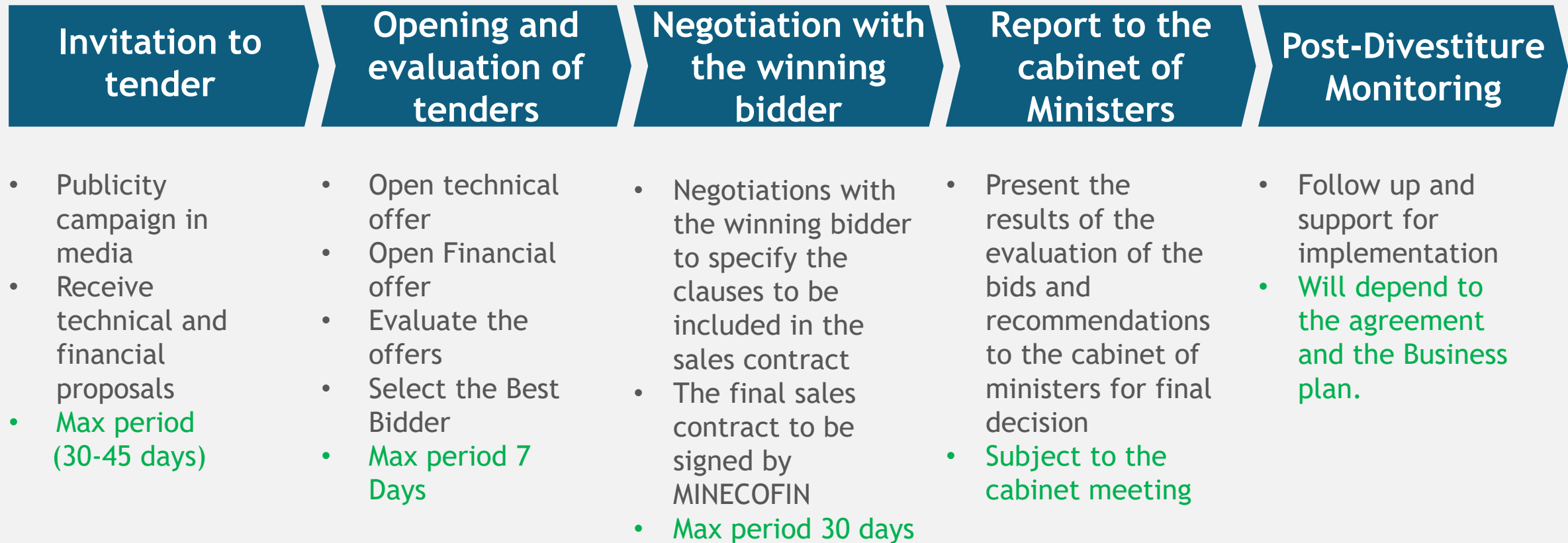
- *VAT exemptions for construction materials N/A in EAC*
- *Duty exemptions for materials N/A in EAC (case-by-case review)*
- *VAT exemptions on locally sourced constr. Materials*
- *VAT exemptions on constr. Materials sourced in EAC N/A in Rwanda*
- *VAT exemptions for machines & raw materials sourced domestically*

**Base: average (2018,2019,2020)*

Requirements:

- *Construction: Project with an investment >\$10M*
- *Manufacturing: \$1M minimum investment value*
- *Agro-processing; min of \$100,000 investment value*

RBW Privatization Process, **next** steps



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