



GOVERNMENT OF GUYANA (GOG) MINISTRY OF NATURAL RESOURCES (MNR)

REQUEST FOR PROPOSALS (RFP)

ASSIGNMENT TITLE: Design, Finance and Construction of a 30,000 barrel/day Oil Refinery

REFERENCE NO.: GOG/MNR/2022/DFC/OR-1

In response to numerous expressions of interest, the Government of Guyana (GoG) invites proposals from interested Parties for the design, finance, and construction of a 30,000 barrel per day (b/d) oil refinery, to be located on land provided by the GOG at the mouth of the Berbice River in the vicinity of "Crab Island." In order to be considered, all interested parties must respond to this RFP. The Government expects construction to start by H1-2023 with project completion no later than 2-years after start date.

The GOG shall provide:

1. Adequate land at the mouth of the Berbice River for the venture (estimated to be 30 acres)
2. Generous fiscal incentives for the project including a 10-year tax holiday
3. Supply of feedstock (oil) from the GOG share of profit oil at market prices
4. Access to the domestic market for sale of refined products (if desired)

This project will be strictly financed and owned 100% by the private sector. GOG will not have any ownership or investment interest in the project.

As part of the submission, proposals should contain the following:

- I. Developer's capability and credibility to execute such a project. Submissions should include (a) detailed track record of similar projects completed showing role played in design, financing, and construction, date of project start, date of completion, capacity (b/d), and total budget (b) evidence of financial ability, including last 3 years of audited Financial Statements, and (c) details/evidence of financing for this project from own resources or third-party resources.
- II. Clear written agreements among the parties listed above including breakdown of proposed shareholding, lead investors/shareholders, and if a consortium, evidence of a legally binding consortium agreement for this project.
- III. Site plan for land required (estimated at 30 acres) showing planned utilization and layout of facilities, including storage, and connections to sea or river to allow loading/offloading of crude and finished products. Plan should also show connections to existing road infrastructure for movement of tankers and other vehicles, to and from site.
- IV. Summarized and detailed project schedule including Gantt and accompanying narrative, broken down into pre-development, construction, and operations. Clear descriptions of all key infrastructure works, that will be undertaken by the project including marine/river infrastructure, and on-shore site development, should be provided. Timetable should include key milestones for (a) Financial Close and (b) Commercial Operations and Commissioning.
- V. Project costs (lump sum) detailing all capital costs (broken down into sufficient detail), financing costs, supervision costs, development costs, and all other costs to date of commissioning/commercial operations. Project costs should allocate breakdown mix of foreign and local costs against (a) materials (b) labour (c) equipment (d) services (e) other.
- VI. Project structure diagram. Parties should confirm if a Special Purpose Company (SPC) will be created in Guyana and all key contracts and contract parties for the project. All permits, licenses, and permissions, required by law should be stated including timeframe for start and completion of these processes.
- VII. Business Plan, including financing projections (income statement, cash flow, balance sheet), over a 20-year period from start of operations, and a summary market study showing planned distribution of the refined products. Business Plan should clearly show the separation of fixed costs and variable costs and detail allocation of expected margin per barrel of refined product:
(a) in-bound logistics from FPSO, (b) operating costs (c) outbound logistics, and (d) capital cost recovery.
- VIII. List of draft legal agreements required to conclude an agreement including sample drafts or summary of key terms.
- IX. Proposed capital structure for financing including related details, such as weighted average cost of capital (WACC), debt/equity mix, cost of equity, cost of debt, and financial flows over the life of the project.
- X. Details of proposed local content, including sub-contractors, % of project costs that will be locally sourced, and supporting details of same.

The response to this RFP will be used to determine a capable partner that will be selected to work with the Government to complete the project based on (i) the timeframes stipulated and (ii) evidence of financial and technical ability (iii) response to other requirements of this RFP.

All interested persons should register with the Ministry of Natural Resources. Questions or clarifications should be received as early as possible but no later than ten (10) working days of the closing deadline. Responses to questions will be issued only to registered parties. A virtual workshop will be held with registered parties no later than 3 weeks prior to the Closing Deadline.

Interested Parties shall bear all costs associated with the preparation and submission of their response to this Request for Proposals (RFP).

Further information can be obtained by email at jmckenzie@nre.gov.gy or from the following address: **Permanent Secretary, Ministry of Natural Resources, 96 Duke Street, Kingston, Georgetown, GUYANA**; Tel: (592)-231-2510;

Responses to the RFP must be delivered in hard copy (2 original and 1 copy) and soft copy (2 flash drives) not later than 900 hrs (9:00am) on **Tuesday December 13, 2022 (Closing Deadline)** into the Tender Box to the **National Procurement and Tender Administration Board (NPTAB)** at the address below:

**The Chairman, National
Procurement and Tender Administration Board
Ministry of Finance,
Main & Urquhart Streets,
Georgetown, Guyana**

The GoG is not bound to accept any response to this RFP and reserves the right to select any Party(ies) for any specific element of the RFP and to annul the process at any time without further direction, without thereby incurring any liability to the affected interested parties.

**Permanent Secretary,
Ministry of Natural Resources**