



REPUBLIC OF KENYA
THE NATIONAL TREASURY & PLANNING

Telegraphic Address: 22921
Finance - Nairobi
FAX NO. 310833
Telephone: +254 2252299
Website: www.treasury.go.ke
When Replying Please Quote
Ref: TNT/014/2018 – 2019 Part "I" (22)

THE NATIONAL TREASURY
P O BOX 30007 – 00100
NAIROBI

14th September, 2018

TO ALL BIDDERS

RE: PROVISION OF TRANSACTION ADVISORY SERVICES ON MERGER OF INDUSTRIAL AND COMMERCIAL DEVELOPMENT CORPORATION, IDB CAPITAL LIMITED AND TOURISM FINANCE CORPORATION
TENDER NO. TNT/014/2018-2019
ADDENDUM II

The National Treasury has issued the following addendum to the tender for provision of transaction advisory services on merger of Industrial and Commercial Development Corporation, IDB Capital Limited and Tourism Finance Corporation

No.	Clarification/Information Required	Comments by National Treasury
1.	<p>We would like to seek a clarification on the academic requirements for the Team Leader. The RFP requires the team leader to have a Masters Degree in Finance, Economics, Accounting or equivalent, as well as a minimum of 5 years professional experience in mergers and acquisitions and relevant assignment.</p> <p>Please advise if any alternative qualification, such as Chartered Financial Analyst (CFA) would suffice for the Master's Degree qualification for the team leader.</p>	<p>The team leader qualification shall remain as indicated in the RFP document</p>
2.	<p>The RFP, on page 34, mentions that a merger team comprising of CEOs and Heads of Human Resources from 4 DFIs was constituted. However, the RFP mentions a merger of 3 DFIs. Please clarify how many DFIs we are looking at</p>	<p>3 DFIs only (Industrial and Commercial Development Corporation, IDB Capital Limited and Tourism Finance Corporation)</p>

No.	Clarification/Information Required	Comments by National Treasury
	as part of the ToR.	
3.	The RFP requires that only one CV be submitted for each position. For other key staff how many CVs are required (part 2 of the Evaluation Criteria, pg 15 of the RFP)?	One for each position
4.	There are points being awarded for capacity building (pg 15). How will this be scored since the nature of the assignment is transaction advisory?	Bidders should explore and propose initiatives for related capacity building
5.	What does the acronyms KDB (pg 35) and DBK (pg 37) stand for and how are the same related to the merger process?	This was clarified in addendum 1
6.	What if the legal / incorporation status of KDB and DBK?	Kenya Development Bank (KDB) isn't yet registered. DBK corrected to KDB, see addendum 1
7.	<p>Please clarify whether the merger structure will be in the form of establishment of a holding company or via amalgamation in light of the following statement (pg 36):</p> <p><i>To undertake valuation of the minority shareholders' shares to be transferred to KDB and to recommend the amount payable to each of the minority shareholders</i></p>	<p>All the assets of the three DFIs will be transferred to the new company KDB established.</p> <p>IDB Capital has 4 minority shareholders hence the need to value the shares of the IDB Capital.</p>
8.	The RFP mentions that the Merger Team prepared a roadmap and that the same is attached to the RFP as Annex 1 (see page 34 of the RFP). Please provide a copy of the same	Download addendum I dated 7 th September, 2018 at www.treasury.go.ke or www.tenders.go.ke
9.	The RFP mentions that the merged entities will seek to operate as a bank (see page 34, point 4 of the RFP). Some of the entities, such as ICDC, have equity interests in companies and real estate holdings. The Banking Act has provisions restricting the threshold of equity investments and real estate (see section 12 of the Banking Act). Please provide clarity whether the dealings of such investments are within the scope of the	Only the name "Bank" will be used. The new entity will not be a deposit taking institution.

