



REPUBLIC OF KENYA  
THE NATIONAL TREASURY AND ECONOMIC PLANNING

Telegraphic Address: 22921  
Finance - Nairobi  
FAX NO. 310833  
Telephone: +254 2252299  
Website: [www.treasury.go.ke](http://www.treasury.go.ke)

THE NATIONAL TREASURY  
P.O. BOX 30007 – 00100  
NAIROBI

When Replying Please Quote

Ref: PPPD/O&S/RFP/05/2024-2025

29<sup>th</sup> May, 2025

REF: REQUEST FOR PROPOSALS (RFP) FOR PROVISION OF CONSULTANCY SERVICES FOR TRANSACTION ADVISORY SERVICES FOR DEVELOPMENT OF TRANSMISSION LINES PROJECTS THROUGH SOLICITED PUBLIC PRIVATE PARTNERSHIPS PROJECTS.

RFP NO. PPPD/O&S/RFP/05/2024-2025

ADDENDUM V

The National Treasury and Economic Planning, has issued an addendum to the request for proposals (RFP) for provision of consultancy services for Transaction Advisory Services for Development of Transmission Lines' Projects through Solicited Public Private Partnerships Projects.

***Bidders are advised to download all five addenda and annexures, stamp them, and include them as part of their response. This demonstrates that the bidder is aware of all clarifications issued in relation to the RFP and has incorporated the contents of the addenda into their submission.***

All other terms and conditions remain the same.

**HEAD, SUPPLY CHAIN MANAGEMENT SERVICES  
FOR: PRINCIPAL SECRETARY/THE NATIONAL TREASURY**

**ADDENDUM V-RFP FOR TRANSACTION ADVISORY SERVICES FOR DEVELOPMENT OF TRANSMISSION LINES PROJECTS  
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S/No	Query	Clarification
1.	<p>According to the amended Annex 1 – Disbursement Criteria <i>“There shall be proportional reduction of payments in case fewer number of project(s) are taken up from the four projects and/ or if one of the project fails during the transaction process.”</i> We understand from this statement the transaction might be phased and/or some of the project component might be developed through EPC while other through PPP. Can you confirm financial proposal for “transaction services” for phase 2 should be for one transaction, regardless the number of projects included in the scope of the transaction? Can you please clarify what is meant by “proportional reduction” given the cost for the services will not significantly vary depending on the number of projects but are rather associated to the number of transactions.</p>	<p>On the number of transactions, the consultant is to advise on the most effective and efficient procurement strategy based on the findings of the feasibility assessment undertaken in Phase 1. For bidding purposes, the bidders are advised to assume all the four projects proceed to Phase 2.</p> <p>For bidding purposes, the bidders are advised to assume all the four projects proceed to Phase 2.</p> <p>The final cost for Phase 2 will be subject to the number of projects. If less than 4 projects advance to phase 2, then the cost for phase 2 is expected reduce, given that the related work will be reduced, and some overheads avoided. The methodology for cost revision will be discussed and agreed with the selected bidder during contract negotiation</p>
2.	<p>With reference to Section 8: Special Conditions of Contract, GC Clause 23.1, we respectfully request that KETRACO consider limiting the Consultant’s liability for direct loss or damage to 1x the total contract value, rather than the currently stated 2x.</p>	<p>The Consultant liability for direct loss or damage has been revised to be limited to 1X the contract value.</p>

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	The requirement for relevant experience to come from joint venture members supports the formation of specialist consortia. However, the current liability cap may deter smaller firms from participating, even where their expertise is essential for a consortium. A proportionate cap would support fair competition and allow more complete technically aligned joint ventures to form.	
3.	Please confirm that the Transaction Advisor must have performed the “project structuring, financial modelling, financial analysis, financial advisory, procurement, and negotiations” for the two (2) financially closed projects that it uses to meet this General Experience requirement, and that failure to do so would result in a reduction in the points (maximum 30) awarded pursuant to Reference to ITC Clause 22.1 (I) in Section 2 (B). Data Sheet in the RFP?	The experience requirements are as provided in the RFP.
4.	Please confirm that the experience of “project structuring, financial analysis, financial advisory, procurement, and negotiations of PPP or project financed energy sector projects” (i) must have been gained as part of the three (3) or more energy sector PPP projects listed to meet this Specific Experience	The experience requirements are as provided in the RFP.

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	<p>requirement, and (ii) that this requirement can be met by aggregating the Transaction Advisor's experience from the three (3) or more energy sector PPP projects listed for this Specific Experience requirement.</p>	
5.	<p>We noticed that Annex 5: sample feasibility report template has been provided as part of Addendum III. Can you please provide the following remaining annexes:</p> <ul style="list-style-type: none"> <li>• Annex 1: The Terms of Reference of Cadastral Survey, as mentioned in Task 1.5 Transmission Infrastructure Design and Site Due Diligence – Cadastral Survey in the ToR</li> <li>• Annex 2: The detailed scope of the ESIA work, as mentioned in Task 1.6 Environmental and Social Feasibility (a) Environmental and Social Impact Assessment (ESIA) in the ToR</li> <li>• Annex 3: The detailed scope of work required to undertake the RAP, as mentioned in Task 1.6 Environmental and Social Feasibility (b) Resettlement Action Plan (RAP) in the ToR and The detailed scope of work for the Social Safeguards Studies, as mentioned in Task 1.6</li> </ul>	<p>The requested annexures have been uploaded to further guide bidders in understanding the scope of works and provided any clarity needed. The uploads are in the following format:</p> <ul style="list-style-type: none"> <li>• Annex 6: The Terms of Reference of Cadastral Survey, as mentioned in Task 1.5 Transmission Infrastructure Design and Site Due Diligence – Cadastral Survey in the ToR.</li> <li>• Annex 7: The detailed scope of the ESIA work, as mentioned in Task 1.6 Environmental and Social Feasibility (a) Environmental and Social Impact Assessment (ESIA) in the ToR.</li> <li>• Annex 8: The detailed scope of work required to undertake the RAP, as mentioned in Task 1.6 Environmental and Social Feasibility (b) Resettlement Action Plan (RAP) in the ToR and the detailed scope of work for the Social</li> </ul>

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		Safeguards Studies, as mentioned in Task 1.6.
6.	The first phase of the project will require aerial surveys and geotechnical investigations, and other field activities that will need to be pre-financed, whose cost far exceeds the first payment of 5% upon delivery of the Inception Report. We therefore kindly request that an Advance Payment of 30-40% of the Phase 1 amount be included in the payment schedule.	Disbursement criteria revised and uploaded to reallocate and provide milestone payment for Inception report to be 10%. Please refer to the updated Disbursement Criteria reuploaded as Annex 9 – Disbursement Criteria which serves to replace Annex 1.
7.	Kindly provide the budget allocated for this project, as this information will be extremely helpful in preparing comprehensive and accurate cost estimate	Bidders are encouraged to propose financial submissions that reflect the technical complexity and requirements outlined in this RFP.
8.	Kindly clarify whether the Consultant is expected to establish an office in Kenya for both phases of the project.	It is not a requirement for the Consultant to establish an office in Kenya.  However, as indicated under Part 10 ( <i>Institutional Arrangements and Counterpart Assistance</i> ) of the Terms of Reference within the RFP document, the Consultant will be responsible for providing all necessary facilities and logistical support for its staff.
9.	We note in Clause 25.2 of the Data Sheet that “for the evaluation, the Procuring Entity will include separate items of: (a) all local identifiable indirect taxes such as	As responded under Item 16 in Addendum II, for evaluation purposes, all proposals shall be assessed exclusive of taxes.

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	sales tax, excise tax, VAT, or similar taxes levied on the contract's invoices; and (b) all additional local indirect taxes on the remuneration of services rendered by experts." Please note that this provision to include VAT in the evaluation is likely to penalize Kenyan companies (and their local subconsultants) that must pay VAT – and favour foreign companies that will not pay VAT (this is due to the recent changes between the (Kenyan) Finance Act 2022 and 2023 and the Supreme Court stay order on 20/08/2024). We request that the procuring entity consider excluding Kenyan VAT from the evaluation	Nonetheless, the financial forms must clearly indicate all applicable taxes relevant to the proposal. During contract negotiations, the Procuring Entity will itemize the applicable taxes and include them as a separate line in the Contract amount. The Contract will also specify which taxes are to be paid directly by the Consultant and which will be withheld and paid by the Procuring Entity on behalf of the Consultant.
10.	You have recently shared Annex 5 – Template for Feasibility Study Reports for Transmission Lines Developed through PPP Framework, in which you mention “to be used as a guide and is not meant to be prescriptive”. Please better clarify which points must be addressed in the Feasibility Study, and which points will be addressed in the PPP partner's own proposal.	As responded under Item 15 in Addendum III, all points that must be addressed are outlined in Section 32 the PPP Act, 2021 and have been indicated out in the Terms of Reference section of the RFP Document.
11.	On page 69 of the RFP, under Aerial Survey & Mapping, it is stated; “The TA will be expected to undertake aerial survey and mapping for the defined	The preferred width of the corridor is 2 Km. Bidders are requested to refer to Annex 6 which details the Aerial Mapping and Cadastral Survey

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	line route for the projects". Please clarify the preferred width of the corridor, to be covered by the aerial survey and mapping.	requirements further.
12.	Please provide an indication of performance security that will be required (if any).	No, Performance Security is not applicable in this RFP. However, as stipulated in the RFP under General Conditions of the Contract Clause 24, the Consultant will be required to obtain Professional Liability Insurance with a minimum coverage equivalent to the total ceiling amount of the Contract.
13.	Please also advise if it is a qualifying criterion that the Team Lead/PPP Expert, Financial PPP Expert and legal PPP Expert must have experience in the financial closing of PPP projects and / or transmission projects. The issue is not the experience in PPP projects. This issue is with the requirement for PPP and transmission projects that have reached financial close. In Africa there are not many PPP and transmission projects that have reached financial close due to the fact that these kinds of projects are new to the market and accordingly, there are not many firms which have reached financial close when it comes to PPP and transmission projects	The expertise expectations of the key experts are as provided under Section 6.2 of the Terms of Reference.

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	specifically and many potential bidders are, therefore, unable to provide the required experience.	
14.	Could you please share all the coordinates (X, Y) of the transmission lines if available?	The coordinates will be shared with the selected bidder after contract execution. A map of Kenya uploaded has been uploaded as Annexure 3 indicating the locations of the transmission lines.
15.	Appendixes	Bidders are advised to download all five addenda and annexures, stamp them, and include them as part of their response. This demonstrates that the bidder is aware of all clarifications issued in relation to the RFP and has incorporated the contents of the addenda into their submission.
16.	We request an extension of the tender submission date to Friday 20 <sup>th</sup> June 2025. We kindly request a three-week time extension for submitting the proposal.	RFP Closing Date remains 13 <sup>th</sup> June 2025 at 11:00 Hrs.  The period for providing clarifications shall be closed on 30 <sup>th</sup> May 2025 at 11:00 Hrs