

ADDENDUM 1: EXPRESSION OF INTEREST FOR ACQUISITION OF TRANSACTIONAL ADVISORY SERVICES FOR THE DEVELOPMENT KAMPALA STORAGE TERMINAL (KST).

1. Introduction

Uganda National Oil Company Limited (UNOC) is requesting for Expressions of Interest (EOI) for the Acquisition of Transactional Advisory Services for the Development of Kampala Storage Terminal (KST). Government through the Ministry of Energy & Mineral Development (MEMD) acquired 299.18 acres of land for the development of a greenfield storage terminal for petroleum products- Kampala Storage Terminal (KST) located North-West of Kampala. MEMD has since mandated UNOC to take forward the development and operation of the terminal. UNOC intends to undertake this assignment in a Joint Venture with a strategic partner (s). UNOC together with the strategic partner will carry out feasibility studies, detailed engineering design, seek and obtain permits and approvals, construction and operation of a 60 million litres storage facility in the 1st Phase that will be expanded as per demand in the next phases. UNOC is therefore desirous of engaging the services of qualified firm/Consortium of Firms to offer Transactional Advisory (TA) services' in procuring and engagement of a strategic partner (s). UNOC intends to hold up to 51% participating interest in the project, and will evaluate alternative financing options for its share, as may be proposed by interested Joint Venture Partners.

UNOC together with the Strategic Partner will undertake engineering designs, commercial studies, permit and approval process, construction and operation of KST. KST will be developed as a phased storage terminal. The first phase of KST will comprise of a 60 million litre storage capacity and the subsequent phases will be determined by the market demand. UNOC is therefore desirous of engaging the services of a qualified firm to offer Transactional Advisory Services for the KST Project.

2. Purpose

This request for EOI will assist Uganda National Oil Company Limited to identify capable and experienced firms to provide Transaction Advisory Services on the KST Project. The firm/Consortium of Firms will provide advice on the development of Business models, financing structure /framework, ownership structure and bankability of the project including the ability to source funds for the project. The firm will also participate in the identification and negotiation of the legal requirements for the project.

3. Scope of the assignment

- The scope of the transaction advisory services will include the following;
- The Commercial and financial structuring of KST project.
 - Specialist legal & tax advisory services
 - Advisory on the selection of UNOC's Strategic Partner including preparation of Terms of References (TORs), Information Memoranda, and term-sheets for key financing and commercial agreements.
 - Advisory on Financial modelling
 - Documenting and valuation of UNOC's sweat equity contribution to the project.
 - Advisory during commercial negotiations

4. Tasks to be Accomplished by the Transaction Advisor

Specifically, the Transaction Advisor shall be required to provide the following detailed services:

- Advise UNOC in the design and implementation of the commercial and financial conceptual elements of the KST Project, including the following specific aspects:
 - The ownership, commercial and financing structure for KST, including but not limited to:
 - JV Structure and Arrangements, financing requirements and options.

- The Optimal Involvement of downstream Oil Marketing Companies ("OMCs") in the transaction and in the ownership structure.
 - Financing of UNOC's equity contribution requirements of UNOC's financing.
- Provide Legal advisory services and negotiate all legal aspects an agreements required for the successful implantation of the project, from EOI stage up to selection of a JV Partner.
 - EOI preparation for selection of strategic partner. This will include the following key elements:
 - Terms of Reference
 - Information Memoranda
 - Throughput Agreement(s) and supporting OMC Term Sheets (to be included in the RFP)
 - Shareholders Agreements
 - Financing Requirements
 - Financial Modelling and Form Sheets. This will involve assisting UNOC in the development of a robust and dynamic financial model for the KST project.
 - Sweat Equity. Advise and assist in documenting and estimating UNOC's sweat equity contribution to the project
 - Commercial Negotiations and Closing, including pre-qualification and bid evaluation.
- 4.2 Provide advice and assistance to KST Transaction team from KST transaction inception through to Final Investment Decision ("FID") and / or Financial Close (whichever is the later), through close engagement with:
- Working with UNOC Transaction Team,
 - Working with UNOC Senior Management,
 - Working with wider Government of Uganda stakeholders (e.g. Ministry of Energy, ERA, Ministry of Finance, etc.) to progress the transaction.
- 4.3 Advise on/propose financing options for the project, recommend and rank optimal financing options for the project. UNOC intends to hold up to 51% participating interest in the project and will evaluate alternative financing options for its share, as may be proposed during the selection of a JV Partner.

5. Specific Experience in similar projects

The Transaction Advisor shall demonstrate involvement in similar projects- in terms of scope and scale, to KST. This specific experience shall include the following as a minimum:

- Downstream transportation and storage projects.
- Financial advisory services
- Transaction advisory services

6. Core Transaction Advisory Team

The Transaction Advisor shall propose a core transaction advisory team with diverse specialized experience in successful closure of similar deals. The team shall have specific experience in transaction advisory services. The team should comprise but not be limited to the following professionals;

Professional	Qualifications	Experience
Commercial Expert/Lead Advisor	Minimum of Bachelor's Degree in Engineering or Business. Professional qualifications in Finance or business (ACCA, CFA, or other related field	A minimum of 20 years of experience in undertaking commercial aspects in the oil and gas industry (Upstream or Midstream or Downstream) with a track record of advising clients on transactions related to project development, Project Financing (equity and debt), trading, from a reputable institution.

Financial Expert	Minimum of Bachelor's Degree in Finance or any other related field Current certificate of qualifications (ACCA, CFA, or other related qualifications)	A minimum of 10 years of experience in Oil and Gas Industry, management or consultancy services of similar or related projects.
Tax Expert	Minimum of Bachelor's Degree in Law, Finance, or other relevant field.	A minimum of 10 years of experience with proven track record of advising clients on tax issues on high value transactions in the oil and gas (upstream, midstream or downstream sectors).
Legal Expert	A minimum of a Bachelor's Degree in Law.	A minimum of 10 years' experience in Oil and Gas industry (Upstream or Midstream or Downstream) or a busy corporate entity of high repute advising clients on transactions related to project development, Project Financing (equity and debt), trading, litigation and arbitration, qualification to practice law from a reputable institution.
Downstream Business expert	A Master's degree in Engineering, Industrial Chemistry, Business Administration or related disciplines.	A minimum of 10 years' experience in managing bulk supply and or storage of petroleum products.

7. Out puts/ deliverables on the assignment

The key outputs of this assignment shall be a Final Investment Decision (FID) and Financial Closure of the project before the fourth (4th) quarter of 2019. Achieving the above timelines shall be a key aspect of the assignment.

8. Eligibility Requirements

In order to facilitate the evaluation of the Expressions of Interest (EOI), potential providers are requested to submit the following information to UNOC;

- Company Profile
 - Certificate of Incorporation or its equivalent
 - Income Tax Clearance certificate or its equivalent
 - Description of experience in executing similar assignments in the last five years.
- The information required includes;
- Name of the client organization
 - Name, telephone and email address of the contact person.
 - Details of completed projects
 - Project duration
 - Project budget
 - Reference letters from the clients of the potential Provider or copies of the contracts or purchase orders.
 - Overview of the methodology and profile of the team to carry out the assignments.
 - Authorized Company Representative i.e
 - Name
 - Title
 - Telephone
 - Fax

v. Email address of the individual(s).

9. Correspondence/Inquiries

Any inquiries to Uganda National Oil Company Limited (UNOC) concerning this Request for EOI shall be submitted to the **The Head Procurement & Logistics, Uganda National Oil Company, Plot 15, Yusuf Lule Road, 1st Floor, P. O. Box 36316, Kampala. Telephone: 256 (0) 414 – 231 921.** All correspondence to UNOC shall be in writing and signed by the authorized representative. Correspondence may be sent by fax or email however; such correspondence shall be regarded as advance information to be followed by the **ORIGINAL** copy.

10. Submission of the EOI

- Potential Providers shall submit two sets of documents (one **ORIGINAL** and **ONE COPY**) in a sealed envelope clearly marked "Expression of Interest for provision of transactional Advisory services to UNOC acquisition of a Strategic partner (s) for the Kampala Storage Terminal (KST)", by **Monday, 5th November 2018 at 10.00am EAST African Time** addressed to **The Head Procurement and Logistics, Uganda National Oil Company Limited (UNOC), Plot 15 Yusuf Lule Road , P.O. Box 36316, Kampala** In the event of any discrepancy between the 'ORIGINAL' and the COPY, the original shall prevail.
- The potential Providers should clearly mark their envelopes with their names and contact details.
- The sealed envelope(s) should be delivered at the address above and clearly marked 'EOI for provision of transactional advisory services to UNOC acquisition of a Strategic partner (s) for the Kampala Storage Terminal (KST)'.
- Providers who may wish to courier their EOI should allow for sufficient time to ensure timely receipt of their EOI.
- EOI sent by email or fax shall not be considered for evaluation.
- Any submission made after the close of submission shall be rejected.
- Uganda National Oil Company Limited reserves the right to accept or reject any submission and is not bound, committed nor obliged to shortlist any provider who has expressed interest.

11. Schedule of Events

Activity	Date
Publish EOI notice	Thursday 11th October 2018
EOI Bid Closing	Monday 5th November 2018, 10.00am EAST African Time
EOI Opening	Monday 5th November 2018, 10.30am EAST African Time
Evaluation of EOI	Tuesday 6th November 2018 – Monday 19th November 2018
Communication of short-listed Firms and issuance of RFP.	Friday 30th November 2018

Uganda National Oil Company Limited reserves the right to alter the Schedule of Events. Alterations shall be communicated to Bidders in writing. This EOI can be downloaded from National Content > Tenders on Website (www.unoc.co.ug)