

UPDATED VERSION



MINISTRY OF FINANCE
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**Terms of Issue for Disposal of
Governmental Objective Fish Quota to the Highest Bidder
FREEZER HAKE**

Circular No: MOF/03/08

March 2021

ISSUE DATE: 18 March 2021



PROSPECTUS
FOR DISPOSAL OF GOVERNMENTAL OBJECTIVE FISH QUOTA TO THE HIGHEST BIDDER:
AN ISSUE BY BID OF
4,784 METRIC TON (MT) OF FREEZER HAKE

REPUBLIC OF NAMIBIA
(Issued under Section 3(3) of the Marine Resources Act, Act No 27 of 2000 as amended
and secured upon the revenue and assets of the Republic of Namibia)

MINISTRY OF FINANCE
PRIVATE BAG 13295
WINDHOEK

DETAILS OF THE ISSUE:

PURPOSE: To raise revenue for Government expenditure.

TENDER CONDITIONS:

The Ministry of Finance and Ministry of Fisheries and Marine Resources invites bidders for 4,784 **metric ton (MT) of Freezer Hake** on the following conditions:

- 1 Namibian registered companies will receive a minimum of 50% of the total allocation on offer, while the remaining 50% will be allocated as waterfall from highest remaining bids. The Table below gives a breakdown of the split of wet Hake between Namibian and International bidders.

Bidders	Freezer Fish
Namibians Only (50%)	2,392 MT
Non Namibians (50%)	2,392 MT

- a) Bids must be in multiples of 100 metric ton with a minimum price of **N\$8,000** per MT of **Freezer fish**. Bidding entities should quote a price to the nearest two decimal places.
- b) Bids are to be submitted in a sealed envelope and deposited in the bid box on the attached prescribed Bid Form at the Ministry of Finance, Windhoek by **10:00** on **16 April 2021** at the Head Office Building, Molkte Street, 5th floor, Room 5.23 or scanned and emailed to fishquota.auction@mof.gov.na.
- c) The Ministry of Finance shall not accept bids that are submitted after the deadline. Thus, Bidders must confirm telephonically whether or not their bids have been received on the following telephone number **+264 61 209 2175/2704** or email to **info.fishquota@mof.gov.na**



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d) Bid Security Deposit

- (i) Each bidder shall furnish a Bid Security Deposit equal to the Reserve Price per MT multiplied by the Volume of MT applied for. The deposit is payable into the State Account ACC 165000 at the Bank of Namibia and the respective proof of payment for the bid security deposit should accompany the bid submission.
- (ii) The bid security deposit is non-refundable for successful bidders and will be netted against the total amount payable for the quota awarded.
- (iii) For unsuccessful bidders, the bid security deposit will be refunded within 7 days, following the announcement of the auction results.

OR

e) Security Guarantee

- (i) Each bidder shall furnish a Bank Guarantee equal to their Bid Price per MT multiplied by the Volume of MT applied for. The guarantee must be issued by a local banking institution licensed by the Bank of Namibia.
 - (ii) The Bank Guarantee will serve as commitment to settle the amount payable once successful. The Government will call on the guarantee for the full amount payable for successful bidders.
- f) All bids without corresponding proof of payment for bid Security Deposit or a Bank Guarantee will be deemed unsuccessful.
- g) **ALLOTMENT** of the bids will be determined by the Ministry of Finance as soon as possible following the closure time of the auction. Quota will be allocated to the highest bidders at their bid-price, descending from highest to lowest, until the full 11,164 MT have been allocated, or the reserve price has been reached. Bidders that submit bids below the lowest clearing price or the reserve price, will be deemed unsuccessful. Should there be multiple bidders at the lowest clearing price, these bidders will receive a pro-rata allocation.
- h) The Minister of Finance will not allot bids below the reserve price, nor allot the residual quotas through any other means should the reserve price not be met for the full 11,164 MT on offer.



- i) For bidders that opt for a Bid Security Deposit, the outstanding amount between the deposit and the bid amount, is payable by successful bidders into the State Account ACC 165000 at the Bank of Namibia not later than **10:00** on **07 May 2021**.
- j) The full Auction Results will be announced by end of May 2021.
- k) Upon receipt of the full amount payable in respect of an accepted bid, a Letter of Award of the allotment for the quota amount in MT will be issued by the Minister of Fisheries and Marine Resources.
- l) The Minister of Fisheries and Marine Resources shall allocate the quota to the successful bidder after the submission of the notification of award from the Ministry of Finance together with the proof of payment received from the Bank of Namibia.
- m) Successful bidders who fail to settle the amount payable as per the bid allotment will forfeit the bid security deposit advanced to participate in the auction or the bank will be liable for the amount on which they issued the bank guarantee.

GENERAL CONDITIONS OF ISSUE:

2 Bid Authorisation:

- The bidding document shall be signed by an authorised person of a bidding entity.
- In the event of a Joint Venture (JV); an agreement or letter of intent shall be signed by all parties involved in the JV. This could be an undertaking signed by all parties stating that:
 - (i) all parties shall be jointly and severally liable and,
 - (ii) nominating a representative who shall have the authority to conduct all business for and on behalf of any and all the parties of the JV during the bidding process.

- 3 The fishing quotas awarded under the bid may be tradable in the secondary market.



- 4 The Minister of Fisheries and Marine Resources will ensure that the terms and conditions applicable to the exploitation of marine resources, as indicated under 6 below, in terms of the Marine Resources Act, Act 27 of 2000 are complied with.
- 6 **Statutory Requirements**
- 6.1 **Fishing period:** commences upon issuance of quota by the Minister of Fisheries and Marine Resources, and ends on 30th September 2021.
- 6.2 The marine resources should be harvested by a fishing vessel licensed in accordance with section 40 of the Marine Resources Act, Act 27 of 2000 and in particular section 40 (3) which shall take into account the number of Namibian citizens operating in such a vessel which shall not be less than ninety percent (90%). The Minister may also impose such further conditions as the Minister may determine.
- 6.3 The Minister of Fisheries and Marine Resources will designate the successful bidders to catch the awarded quota over the harvesting period.
- 6.4 The hake quota allocation to the highest bidder is subjected to the Government Notice No. 158 on the imposition of levies on marine resources and Government Notice No. 159 determination of quota fees: Marine Resources Act, 2000.
- 6.5 Fees are payable to the Fisheries Observer Agency at a rate determined at 0.9% on all catches.
- 6.6 Successful bidder(s) must comply with the provisions of the Marine Resources Act, 2000 and Regulations relating to the exploitation of marine resources, 2001.
- 6.7 Successful bidder(s) must comply with the provisions of the Income Tax Act and VAT Act.
- 7 Successful bidders will be required to abide to any other statutory requirements.
- 8 **NB:** Bids should be accompanied by a proof of payment of N\$1 000 administrative fee, non-refundable.





REPUBLIC OF NAMIBIA

BID FORM

BID FOR DISPOSAL OF GOVERNMENTAL OBJECTIVE FISH QUOTA TO THE HIGHEST BIDDER:
AN ISSUE BY BID OF
11,164 METRIC TON (MT) OF FREEZER HAKE

DATE: 18 March 2021

MINISTRY OF FINANCE
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COMPLETE IN BLOCK LETTERS OR TYPE

In terms of the abovementioned Prospectus I/we hereby bid for an amount of.....Metric Ton, in words.....of the abovementioned Fish Quota, or for any lesser MT that may be allotted, for which I/we offer a price of N\$.....(to the nearest five decimal places), in words (.....)

In the event of my/our bid being accepted I/we agree to pay the amount due in conformity with the terms of the Prospectus.

The Deposit shall be made to State Account ACC 165000 at the Bank of Namibia on or before 16 April 2021 not later than 10:00.

The final settlement amount shall be made to State Account ACC 165000 at the Bank of Namibia on or before 07th May 2021 not later than 10:00.

In the case of joint venture and partnerships the bid form must be signed by all the bidders and/or all the partners.

When the Bid form is signed under power of attorney, the original power of attorney must be lodged with the bid form at the Ministry of Finance for noting.

All alterations on the bid form, other than the deletion of alternatives, must be authenticated by the bidder's full signature.

Award to be made in the name(s) of the following:

Full name and Title

Postal Address

Email Address

Kindly indicate if the bidder is Namibian registered or International

Signatures of bidder(s):

Bidder's Telephone No:
Date: 2021

Contact Person:
Email Address:

FOR OFFICE USE ONLY

NOMINAL	AMOUNT	ALLOTTED
N\$.....		
<hr/>		
BID PRICE N\$	PREPARED BY:	
<hr/>		
QUOTA ISSUED:..... CHECKED BY:		