



REQUEST FOR EXPRESSION OF INTEREST FORM

Services and Entertainment Center - Egaila

November 2014



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GLOSSARY

Consortium	Joint venture, partnership or other combination of international and/or Kuwaiti companies jointly participating as a Respondent
Developer	The successful bidder that enters into the Project Agreement with the Authority
EOI	Expression of Interest for the Project
Information	The information contained in this EOI or with respect to the information on which it is based or in respect to any written or oral information or representation given or made, or to be given or made, by the PTB or any of its advisers to any company or consortium or to its or their professional advisers, whether given or made prior to or after the issue of this EOI
KM	Kuwait Municipality
PPP	Public Private Partnership
PPP Guidebook	The "Guidebook for the Implementation of Public Private Partnership Projects in Kuwait" prepared and released by the PTB pursuant to article 12(3) of PPP Law No. 7/2008 (which is available at: http://www.ptb.gov.kw/en/PPP-Project-Guidebook)
PPP Law	Law No. 7/2008 and its amendments
Procurement Process	The procurement process for the Project including the EOI Stage, RFQ Stage and RFP Stage, including the intermediary bid submission (if any)
Project	The PPP project to design, build, finance, maintain and operate, and then subsequently transfer, the services and entertainment center in accordance with the Project Agreement
Project Site	The sites allocated for the Project as described in more detail in Paragraph 2.4



PTB	The Kuwait Authority for Partnership Projects, as established under the provisions of Law 116/2014, formerly referred to as the Partnerships Technical Bureau (PTB)
Request for EOI	The initial public announcement of the Project to initiate the EOI Stage during which competent Kuwaiti and international companies are invited to participate in the potential tendering of the Project to indicate their interest in the Project by submitting an EOI to the PTB



1. GENERAL INFORMATION

1.1. Request For the EOI

The State of Kuwait through the Kuwait Authority For Partnership Projects - formerly referred to as the Partnerships Technical Bureau - ("PTB"), in collaboration with Kuwait Municipality ("KM"), is planning the development of the "Service and Entertainment Center - Egaila" (the "Project"), through a Public Private Partnership ("PPP") in accordance with Law No. 7 of 2008, and its amendments. PTB thereby invites specialized companies to submit Expressions of Interest.

The purpose of this Request for Expression of Interest ("Request for EOI") is to invite competent Kuwaiti and international companies to participate in the potential tendering of the Project and request them to indicate their interest in the Project by submitting an Expression of Interest ("EOI") to the PTB.

1.2. Terms and Conditions

This EOI shall not commit nor bind the PTB or the KM whatsoever in having to proceed with the Project, nor shall it commit or bind any respondent. Both the PTB and the KM reserve the complete right to, at any time, disregard all EOIs, terminate the procurement process and proceed with the Project in some other manner or not at all, with no liability whatsoever.

Each respondent is solely responsible for all costs it incurs in the preparation of its EOI response, including, without limitation, all costs of providing information requested by the PTB and the KM, attending meetings and conducting due diligence. Under no circumstance will the KM, the PTB or any of its advisers, be liable for any costs or expenses borne by the respondent or any of its advisers in this process, nor shall it be liable for any damages or consequential damages whatsoever, which may arise out of the process.

The PTB and the KM reserves the right, in their sole and absolute discretion, to:

- a) Amend the scope of the Project, modify, cancel or suspend the EOI process or any or all stages of the procurement process, at any time for any reason;
- b) Waive a defect or irregularity in the form or content of any EOI;
- c) Re-advertise for new responses, call for tenders, or enter into negotiations for this Project or for work of a similar nature;
- d) Make any changes to the terms of business opportunity described in this EOI; and



- e) Extend, from time to time, any date, time period or deadline provided in this EOI.

All responses submitted to the PTB and the KM shall become the property of the PTB and the KM.

1.3. Disclaimer

All information contained in this EOI, including inter alia financial, geographical, commercial, legal and technical information, has been included for illustrative and indicative purposes only to assist companies and consortia in making their own evaluation of the Project. Each company or consortium of companies shall be solely responsible for satisfying itself as to the information required to submit an EOI for the Project.

Whilst the information contained in this EOI has been prepared in good faith, it does not purport to be comprehensive nor does it purport to have been independently verified. Neither PTB nor its employees, agents, or advisers make any representation or warranty express or implied, with respect to the veracity, adequacy, accuracy, reasonableness, or completeness of the information contained in this EOI or with respect to the information on which it is based or in respect to any written or oral information or representation given or made, or to be given or made, by the PTB or any of its advisers to any company or consortium or to its or their professional advisers, whether given or made prior to or after the issue of this EOI (collectively, the "Information").

The PTB, its employees, agents and its advisers hereby expressly disclaim any and all liability arising out of or in relation to the Information (including in relation to omissions therefrom) and in respect of the use of and/or reliance on such Information by companies or consortia and/or its or their advisers. Companies and consortia should make their own investigations, projections, conclusions and consult their own advisers to independently verify the information contained in this EOI and to obtain any additional information that they might require prior to responding to the EOI.



2. PROJECT BACKGROUND

2.1. Overview of Al-Ahmadi's Services and Entertainment Offerings

The area surrounding the project site comprises ~13% of Kuwait's total population. It is expected to serve ~407,626 individual in 2015, reaching ~781,054 in 2037. Most services and entertainment developments in that area are relatively small, falling short in satisfying the residents' demands. Even though the area surrounding the project site accommodates ~25% of the Al-Ahmadi governorate's residents, it only entails 9% of the governorate's commercial developments as well as 2% of its entertainment developments. Given the shortage in commercial and entertainment outlets in the Al-Ahmadi governorate, residents commonly seek required services in nearby districts.

2.2. Introduction to the Project

The Government of the State of Kuwait, in its Development Plan 2010 – 2014, has adopted PPP programs to develop public infrastructure projects, introducing private capital and expertise in sectors otherwise under Government control.

In line with this plan, the PTB and the KM have embarked on a path to involve the private sector in supporting the State of Kuwait to meet its demand for mixed-use developments. Thus, the PTB and the KM plan to develop a top-notch service and entertainment center to serve Al-Ahmadi district in Kuwait.

The project involves the design, finance, construction, operation, and maintenance of the services and entertainment center in the Egaila area in Kuwait, throughout a 27-year period, in addition to a 3-year construction period. Upon project completion the services and entertainment center will be transferred to the Government. In line with the State of Kuwait's strategy to promote and support increased private sector participation in infrastructure development, and in accordance with the PPP Law (Law No. 7 of 2008 regulating public private partnerships, and its amendments, the "PPP Law"), the PTB aims to procure the facility through a PPP.

The new services and entertainment center is envisaged to be designed, built, financed, operated, maintained, and transferred by capable private sector investors/developers who have international and/or regional experience in developing and managing similar projects.



2.3. Project Scope

It is intended that the Project will broadly follow international standards for mixed-use development PPP projects, with refinements to address the Kuwaiti environment.

Therefore, the project scope will include the design, finance, construction, operation, maintenance, and transfer of the services and entertainment center in Egaila.

The “Services and Entertainment Center - Egaila” is intended to serve both the residents of the area as well as the nearby community.

The project has been allocated a total land area of 85,500 m². The total area is intended to be divided into:

1. **A Fresh Food Market** with a total area of 20,000 m², comprising:
 - A vegetables and fruits market
 - A meat market
 - A fish market
 - Service areas
 - Parking (*No less than 230 parking spaces to serve market visitors and employees*)

2. **A multi floor recreational, cultural, commercial, and sports center** with an allowable build-up area of 112,400 m² (*spread over four floors: basement, ground, first, and second floors*), and a rentable area not more than 65,500m², distributed into the below listed activities. Each floor should have its own adjoined parking level, with an overall capacity to accommodate not less than 3,600 parking spaces.

#	Non-exhaustive Activity List	Max Allowed % of Rentable Area
1	Recreational Area: <ul style="list-style-type: none"> ▪ Cinemas ▪ Children playground ▪ Junior playground 	30%
2	Cultural Area: <ul style="list-style-type: none"> ▪ Heritage hall ▪ Multi-purpose hall (men & women) ▪ Music Hall ▪ Theatre 	25%
3	Commercial Area: <ul style="list-style-type: none"> ▪ Restaurants ▪ Cafes ▪ Commercial stores 	25%
4	Sports Center: <ul style="list-style-type: none"> ▪ Ice-skating hall ▪ Bowling hall ▪ Children’s health club ▪ Women’s health club ▪ Men’s health club 	15%



5	Management and Services Area: <ul style="list-style-type: none"> ▪ <i>Management offices</i> ▪ <i>Meeting room</i> ▪ <i>Electrical service room</i> ▪ <i>Security room</i> 	5%
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Investor's Responsibilities

It is intended that the private sector's responsibilities will include the following core services:

- Finance, design, build and maintenance of projects infrastructure
- Procurement, installation, commissioning, and maintenance of projects components
- Design, build and maintenance of projects supportive facilities and services
- Projects operation and administration
- Provision and external finance to fund the above
- Transfer project upon project completion

2.4. Project Site

The project site is located in the Egaila area, which is located in Al-Ahmadi governorate. The project site is bound by the Fintas commercial area from the north and the east, the Private Universities area from the south, and the Jaber AL- Ali area from the west. The project site's location is also known under the name "Fintas Commercial and Administrative Center". The KM has allocated an area of 85,500m² for the project.

The proposed site is suitable for the development of the Egaila Services and Entertainment Center, and required infrastructure connections will be possible for the facility.

The approximate Project site coordinates (area corners) are as follows:

Point Label	KTM Easting , Northing	UTM (39) Easting , Northing
1	509062.05 , 228073.14	217298.241 , 3230275.088
2	509101.38 , 227824.79	217331.240 , 3230025.669
3	509122.12 , 227809.70	217351.600 , 3230010.046
4	509407.05 , 227872.59	217638.208 , 3230065.676
5	509423.09 , 227897.67	217654.894 , 3230090.353
6	509388.71 , 228114.76	217626.048 , 3230308.377
7	509377.27 , 228123.07	217614.817 , 3230316.981



Location of the Project in the Egaila Area

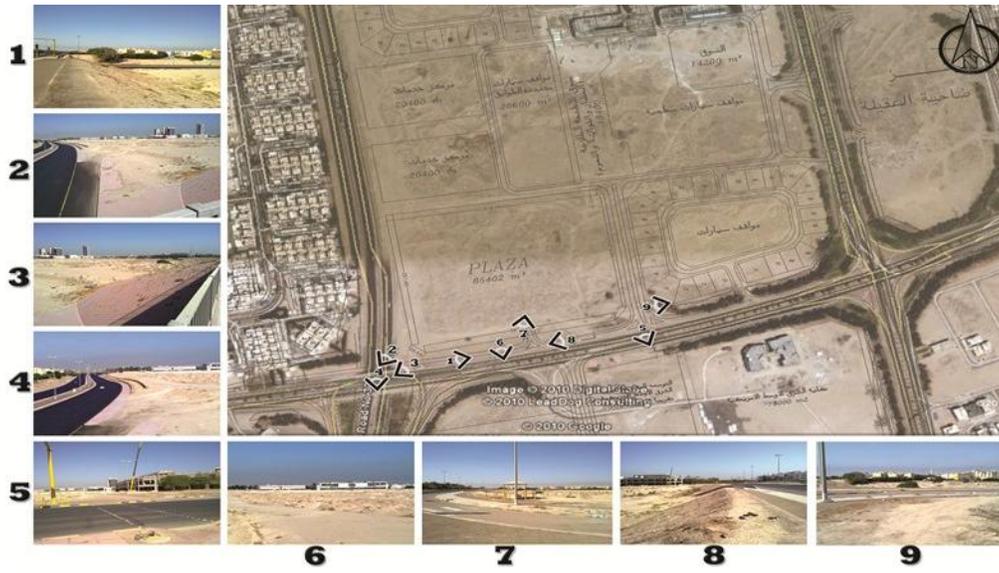


Borders of the Project Site





Detailed Representation of Project Site





3. THE LEGAL ENVIRONMENT FOR PPPs IN KUWAIT

3.1. The PPP Law

The key legislation which establishes the legal framework in Kuwait for PPP Projects is the PPP Law: Law No. 7/2008 regulating Public Private Partnerships (also amending provisions of Law No. 105/1980 on the regulation of public domain), and its amendments. The Executive Regulations of the PPP Law, Decree No. 256/2008, further elaborates on the provisions of the PPP Law.

The PPP Law combines the objective of attracting private-sector participation based on competitive and transparent rules with the social objective of ensuring that the economic benefits of private investment are shared with Kuwaiti citizens.

Interested parties are advised to familiarize themselves with details of relevant laws governing PPP projects in Kuwait, some of which may be found at <http://www.ptb.gov.kw/en/Legislation>, together with the content of the PPP Project Guidebook which may be found at <http://www.ptb.gov.kw/en/PPP-Project-Guidebook>. The PPP Project Guidebook was prepared by the PTB pursuant to Article 12(3) of the PPP Law and is based on best practice and international experience. It is intended to inform and guide public entities and private investors interested in undertaking PPP projects.

3.2. The PTB

The PTB is the Kuwait Government agency responsible for the implementation of the PPP program and is in charge of the financial, commercial, and technical evaluation of PPP projects. Established under Article 12 of the PPP Law, it is involved in all phases of a project, from inception to financial close. As established under the provisions of Law 116/2014, the PTB is now to be referred to as the Kuwait Authority for Partnership Projects.

3.3. The KM

The KM is an independent organization with juristic personality. The general purpose of KM, as outlined under article 2 of Law No. 5 of 2005 regarding Kuwait Municipality, is to undertake the endorsement of structural plans, lands' surveys, organization of cities, villages, suburbs, regions and islands and their beautification, provided they are within the general plan of the State and the authenticated budget. Under article 2, KM also undertakes the safeguarding of the public



health through the assurance of the safety of foodstuffs, the safekeeping of public comfort, of cleanliness, environmental safety and protection of the environment.



4. EOI SUBMISSION INSTRUCTIONS

4.1. Expression of Interest

Interested parties with a track-record of extensive and relevant experiences in similar engagements are requested to submit an EOI with the information sought in Section 4.3 of this document. The PTB is interested in receiving an EOI from parties with expertise in:

- a) the design, construction, operation and maintenance of mixed-use developments or similar projects; and
- b) raising or providing funding for mixed-use developments (especially services and entertainment centers) on a limited recourse basis.

Assuming that the PTB proceeds with procurement of the Project, parties that submit an EOI will be notified of the next stage (this stage will also be advertised to the market).

The PTB understands that interested parties in the Project may wish to form a consortium, but at the stage of this Request for EOI, interested companies and firms may respond individually and demonstrate the expertise of their primary activity (-ies).

4.2. Format of Submission

Interested parties are required to submit their EOI in electronic format (MS Word or PDF files), by e-mail to the following e-mail address: egailasec@ptb.gov.kw and by formal letter to the following address: Touristic Enterprises Company Building, 2nd floor, Al-Shuweikh Administrative Zone, Al-Jahra Street.

EOI responses shall be submitted by **12:00PM (Kuwait time)** on the **18th of February 2015**. The PTB reserves the right, at its discretion, not to consider late responses, with no liability whatsoever.

Questions about the Project and the EOI should be submitted to the above mentioned e-mail by **12:00PM (Kuwait time)** on the **7th of January 2015**. The PTB will compile all the questions received and their answers and e-mail them to all the parties that submitted questions by the **25th of January 2015**. Interested Parties in receiving the compiled document (and who did not raise any questions) should express this interest by e-mail **prior to the 7th of January 2015**.



4.3. Information Sought

EOIs shall be completed in English (not to exceed 8 A4 pages) and contain the following information together with a covering letter of interest prepared on headed letter paper and signed by an authorized signatory(ies):

Name of Company:
Company Overview <i>(including brief company history):</i>
Legal status <i>(including whether or not listed on the Kuwait Stock Exchange):</i>
Address and Point of Contact:
Key activities:
Reasons for interest in the Project:
History of Involvement in Similar Projects <i>(Locally and Internationally):</i>
Comments on the Project <i>(500 words max):</i>