



## THE GOVERNMENT OF THE REPUBLIC OF ZAMBIA

### INVITATION TO PREQUALIFY FOR THE INVESTMENT OPPORTUNITY IN AN AGRO-BUSINESS CORE VENTURE IN NANSANGA FARM BLOCK, SERENJE, ZAMBIA

The Government of the Republic of Zambia has embarked on the commercialisation of Farm Blocks in the country by making land available for large scale agro-business investments. Government is seeking for a joint venture partner to develop 11,921 hectares of land as a Core Venture in the Nansanga Farm Block. The Government, through the Zambia Development Agency ("ZDA") in collaboration with the Multi-Sectoral Committee of the Farm Block Development Programme, now invites interested eligible private sector parties to submit applications to partner with Government for the purpose of developing the Nansanga Farm Block Core Venture.

#### Investment Opportunity

The qualifying private party will partner with Government to co-own and develop the Core Venture through a Special Purpose Vehicle ("SPV") to be established as a Joint Venture ("JV").

#### Synopsis of Nansanga Farm Block

- 100,000 ha of land for agriculture development activities called the Nansanga Farm Block.
- Located in Central Zambia, off the Great North Road, about 450km from the Capital, Lusaka. Easy access to domestic and export markets
- Existing backbone infrastructure: 103 km of 33 KV and 66 km of 11 KV power lines; 151 km of access roads and three bridges; and three (3) dams for benefit of the small and medium farms. **NB:** None of the three (3) dams is in the Core Venture.
- 11,921 ha comprising Two (2) large farms of 9,350 ha and 2,571 ha, collectively called the "Core Venture" to be developed by the JV;
- About 350 small and medium size farms of various sizes to serve as units for out-grower scheme(s)

#### Business Model of the Joint Venture (JV)

- The JV will develop infrastructure within the two farms under the Core Venture
- The JV will undertake its own primary agriculture activities in the core venture
- The JV will support the development of the small and medium scale farmers through an out-grower scheme(s) for viable agro-activities preferred by the JV
- The JV will establish agro - processing plants for value addition for farm produce targeted at both domestic and international markets.

#### Prequalification Documentation

Prequalification documentation shall be made available on receipt of a signed confidentiality and non-disclosure agreement (NDA). The NDA is available on request from ZDA. Prequalification documentations include:

- Prequalification application form
- Information Memorandum for Nansanga Farm Block
- Soil Survey Report and other agriculture related information

#### Payment of Non-Refundable Application Fee

Prospective bidders will be required to pay a non-refundable application fee of US\$5,000 or ZMW32,500 prior to their submission of the pre-qualification application form.

#### Prequalification Criteria

Entities that meet the following criteria will be pre-qualified:

- Experience:
  - (a) Large scale agriculture development
  - (b) Establishment and management of out-grower schemes;
- Technical capability:
  - (a) Minimum 10,000 ha agro - business operations
  - (b) Establishment of value addition processing units;
- Financial capacity: Minimum of US\$20m shareholders' equity for private operations or a minimum market capitalisation of US\$100m for listed companies.

Applications may be submitted by individual corporations or consortia. Consortia must have a lead partner interested in not less than 50% of the equity in the consortium, which is capable of fulfilling the above criteria on its own.

Applications and supporting documentation must be deposited in a designated tender box at the main reception area of the ZDA by no later than 15:00 hour's local time on 10<sup>th</sup> April, 2015. Submissions should be in five (5) hard copies, one of which must be an original. **NB: Late submissions will not be accepted.** Bids will be publicly opened soon after 15:00 hours on 10<sup>th</sup> April, 2015, local time. The bids should be submitted to:

The Director General  
Zambia Development Agency  
Privatisation House, Nasser Road  
P. O. BOX 30819  
LUSAKA, ZAMBIA

Kindly note this is a prequalification stage only. At the next stage, shortlisted bidders will be issued with the Request for Proposals and will be requested to submit development plans and shareholding structure for the JV.

For further information, please contact:

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*The ZDA reserves the right to amend or alter any terms or aspect of the invitation process including documents and forms distributed, at any time.*