



REPUBLIC OF CYPRUS
MINISTRY OF TRANSPORT, COMMUNICATIONS AND WORKS

**Limassol Port Commercialisation Transaction
MTCW /LP1/2015**

Date: 07/07/2015

Subject: Responses to clarification requests submitted by Interested Parties regarding the Invitation for Expression of Interest (“IEoI”) for the commercialisation of the activities of Limassol Port.

Issue number: 3

#	Reference to the IEoI	Question	Response
1	n/a	<p>The Invitation specifies that the Interested Party must “have been directly operating at least two container terminals with a combined annual traffic of at least 500,000 TEUs”. The word “directly” is used throughout. Can a holding company be used as the “Interested Party” with volumes of wholly owned subsidiaries counted towards satisfaction of the technical criteria by that Interested Party? This will also be relevant for the technical criteria in respect of Lots 2 and 3.</p>	<p>An Interested Party may rely on the economic and financial standing and technical capacities of any of its Affiliates. In this case, the Interested Party shall evidence that it will have at its disposal the material and human resources necessary for the implementation of the Concession Agreement by providing a letter/declaration signed by such Affiliate that it shall place all necessary material and human resources at the disposal of the Interested Party. In such a case the Affiliate should furnish the information and documents stipulated in Sections 3 & 4 of Annex A, B & C respectively of the Invitation in order to demonstrate that it has the aforesaid economic and financial standing and technical capacities.</p> <p>Affiliate means, in relation to the Interested Party, any other person who, directly or indirectly is in control of, or controlled by, or is under common control with, the Interested Party (and for the purposes of this definition, "control" means the power, directly or indirectly; (i) to vote, or direct the voting of more than 50% of the voting rights of such person or (ii) to direct or cause the direction of the management and policies of such person, whether by</p>



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			<p>contract or otherwise).</p> <p>N.B: This applies to all three Lots.</p> <p>A template for the Declaration of Affiliates can be found attached below</p>
2	n/a	<p>Can an Operator rely on the credentials of its affiliates, where “affiliate” means any entity controlled by (“daughter company”), in control of (“parent company”) or under common control with (“sister company”), the Operator?</p>	<p>An Interested Party may rely on the economic and financial standing and technical capacities of any of its Affiliates. In this case, the Interested Party shall evidence that it will have at its disposal the material and human resources necessary for the implementation of the Concession Agreement by providing a letter/declaration signed by such Affiliate that it shall place all necessary material and human resources at the disposal of the Interested Party. In such a case the Affiliate should furnish the information and documents stipulated in Sections 3 & 4 of Annex A,B & C respectively of the Invitation in order to demonstrate that it has the aforesaid economic and financial standing and technical capacities.</p> <p>Affiliate means, in relation to the Interested Party, any other person who, directly or indirectly is in control of, or controlled by, or is under common control with, the Interested Party (and for the purposes of this definition, "control" means the power, directly or indirectly; (i) to vote, or direct the voting of more than 50% of the voting rights of such person or (ii) to direct or cause the direction of the management and policies of such person, whether by contract or otherwise).</p> <p>This applies to all three Lots.</p> <p>A template for the Declaration of</p>



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3	n/a	<p>Scenario: Company A is the parent company and Company X is the subsidiary of Company A :</p> <p>Company X is unlikely to meet financial criteria and Company A is able to demonstrate the necessary requirement. Both companies are concerned with the following scenarios:</p> <p>Company X is keen to participate in the EOI with financing by Company A, besides forming consortium, please advise the feasibility of the following:</p> <ol style="list-style-type: none"> a. Company A and Company X to take part in this EOI as parent/subsidiary without breaking down participation %, where Company A is likely to provide financing (either through Company A or Company X) and Company X to be the lead operator <ol style="list-style-type: none"> i. Will there be a need to state the respective role during EOI stage for example terminal operator and financing party? ii. Will MTCW require audited reports for both Company X and Company A? Will Company A's audited reports be sufficient? b. Company X to take part solely and to demonstrate <u>financial</u> ability with Company A's audited reports (as parent company) and demonstrate <u>technical</u> ability by Company X c. Company A to take part solely and to state Company X as subsidiary where Company X will be involved in port 	<p>An Interested Party may rely on the economic and financial standing and technical capacities of any of its Affiliates. In this case, the Interested Party shall evidence that it will have at its disposal the material and human resources necessary for the implementation of the Concession Agreement by providing a letter/declaration signed by such Affiliate that it shall place all necessary material and human resources at the disposal of the Interested Party. In such a case the Affiliate should furnish the information and documents stipulated in Sections 3 & 4 of Annex A, B & C respectively of the Invitation in order to demonstrate that it has the aforesaid economic and financial standing and technical capacities.</p> <p>Affiliate means, in relation to the Interested Party, any other person who, directly or indirectly is in control of, or controlled by, or is under common control with, the Interested Party (and for the purposes of this definition, "control" means the power, directly or indirectly; (i) to vote, or direct the voting of more than 50% of the voting rights of such person or (ii) to direct or cause the direction of the management and policies of such person, whether by contract or otherwise).</p> <p>N.B: This applies to all three Lots.</p> <p>A template for the Declaration of</p>



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		consultancy and in the future, potential port operations. Demonstrate <u>financial</u> ability with Company A's audited reports (as parent company) and demonstrate <u>technical</u> ability by Company X	Affiliates can be found attached below
4	n/a	For the Representative, it is understood that the Representative shall have the authority to act as the primary contact for, and represent the Interested Party in, all matters relating to the Process. Will it be possible to add on another project in-charge who will be primarily supporting this project?	Yes although the Authority will have the Representative as main point of contact.
5	n/a	Technical Eligibility Criteria for Lot 3 refer to the handling of "general cargo". Does this include only conventional general cargo and ro-ro cargo or does it also include containerized general cargo (handled at a multi-purpose terminal). Please clarify.	It may be considered to include containers (or the weight of general cargo in containers) handled by equipment other than ship to shore container gantry cranes.
6	n/a	<p>The Interested Party is a legal entity owned by an Immediate Parent, which in turn is owned by an Ultimate Parent. Although financial statements are available for the Interested Party for 3 years, consolidated financial statements are only available for the Immediate Parent for the last 2 years, since the entity was not incorporated before that. Can you please confirm that the following information would, in principle, address the eligibility requirements set out in the Invitation for Expressions of Interest:</p> <ul style="list-style-type: none"> - Certification of Personal situation criteria for the Interested Party for the last 5 years for mandatory grounds for exclusion, and 3 years for discretionary grounds for exclusion - Annual consolidated financial statements for the Immediate Parent for the last 2 years (financial criteria) - Technical information for the Interested Party for the last 3 years (technical criteria) 	<p>Please refer to section 3.1.1. (a) (iii) of Annex A, B and C respectively.</p> <p>Also note that:</p> <p>An Interested Party may rely on the economic and financial standing and technical capacities of any of its Affiliates. In this case, the Interested Party shall evidence that it will have at its disposal the material and human resources necessary for the implementation of the Concession Agreement by providing a letter/declaration signed by such Affiliate that it shall place all necessary material and human resources at the disposal of the Interested Party. In such a case the Affiliate should furnish the information and documents stipulated in Sections 3 & 4 of Annex A, B & C respectively of the Invitation in order to demonstrate that it has the aforesaid economic and financial standing and technical</p>



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			<p>capacities.</p> <p>Affiliate means, in relation to the Interested Party, any other person who, directly or indirectly is in control of, or controlled by, or is under common control with, the Interested Party (and for the purposes of this definition, "control" means the power, directly or indirectly; (i) to vote, or direct the voting of more than 50% of the voting rights of such person or (ii) to direct or cause the direction of the management and policies of such person, whether by contract or otherwise).</p> <p>N.B: This applies to all three Lots.</p> <p>A template for the Declaration of Affiliates can be found attached below</p>



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FORM 1
TEMPLATE FOR THE DECLARATION OF AFFILIATES

To: Government of the Republic of Cyprus
Ministry of Transport, Communications and Works

Subject: Limassol Port Commercialisation - Expression of Interest for Lot [X]

*Regarding the above subject, <Name of Entity> certifies that in the event that the Contract is awarded to <Name of Interested Party>, we will place at his disposal the necessary resources in relation to <description of technical/professional ability and/or financial/economic input in the Contract>. **

Yours sincerely,

Name of Principal Contact:

Company Name:

Signature:

Position :

Date:

*The technical and/or economic and financial resources that will be at the disposal of the Interested Party for the execution of the Contract should be explicitly detailed.