



**Ministry of Finance**  
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**CLARIFICATION 4**

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ނަންބަރު No:	TES/2024/G-006	
ޕްރޮޖެކްޓް Project:	Installation of 10 MWp grid-tied floating solar photovoltaic systems in Addu city under Design, Build, Finance, Own, Operate and Transfer (DBFOOT) Basis	
ޖުމްލަތު Issued Date:	21 <sup>st</sup> November 2024	
ސަފްހާ ގެ އަދަދު No. of Pages: - 03	ބީ.އޯ. ގެ އަދަދު BoQ: -00	ޖަހާފައިވާ ޝަވަޅުތައް Drawings: -00

Please include this clarification when submitting the bid. ބިދު ހުށަހަޅާ ފަހަރު މި ޤަޞްދު ހިމާނުވާން ޖެހޭނެއެވެ.

- **Answers for the queries are attached with this Clarification.**



ނަންބަރު  
**Name: Fathimath Rishfa Ahmed**

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**Signature:**

Sl. No.	Bidder's Clarification	Response
1	<p>According to the below articles, The bidder wants to know that how is the MIGA guarantee for the project based payment like payment of the electricity? Or The MIGA have the options for IPP developers to choose like “the payment of electricity”, and the FENKA and GOM will cooperate to support bidder to get this guarantee from MIGA? Detail please refer to the quote below:</p> <p>Refer to “Clarification 1 Issued on Oct 13th 2024,: SI NO.4, The owner’s response Item 2: Mentioning MIGA Guarantee for aspects such as project based payment guarantee”</p> <p>but Refer to</p> <p>Tender documents:</p> <p>“PART 2 – Employer’s Requirements</p> <p>PART A- Overview A2, The overall ARISE investment program structure, Item 2, World bank Support, MIGA guarantees would be proposed to Bidders to cover non-commercial risks such as: (a) termination risk through its breach of contract coverage, (b) transfer restriction and currency inconvertibility, (c) expropriation, and (d) war and civil disturbance risk.</p> <p>and</p> <p>PPA And IA, Refer to IA agreement:</p> <p>“ARTICLE 1 DEFINITIONS AND INTERPRETATIONS, the</p> <p>“Guarantee” means political risk insurance to be provided to the Seller by the Multilateral Investment Guarantee Agency pursuant to the Contract of Guarantee, for the purposes of guaranteeing certain payment obligations of the Government under this Agreement, as well other non-commercial risk(s) ”</p> <p>Please clarify whether the payment of PPA was in the scope of the guarantee of MIGA?</p>	<p>Bidder to note:</p> <p>PPA based payment security will be ensured through 6 months pre-funded escrow account. For this, provisions for escrow account drawdown and replenishment is provided in the PPA, backed with Government of Maldives (GoM) guarantee in case of off-taker default.</p> <p>Clarification 1 Issued on 13<sup>th</sup> October 2024,: SI NO.4 states - "Termination payment guarantee for off-taker default; complemented by MIGA guarantee". Bidder is requested to kindly check the response issued by MCCEE.</p> <p>Please note MIGA guarantee is optional for Bidders for Political Risk Insurance, Credit Risk Coverage, etc. More details on MIGA guarantee can be referred to in the term sheet provided with the bid document as well as the MIGA website.</p>



<p>2 Our partner company has inquired with the World Bank regarding the MIGA guarantee, below please find their response. Please note that without this guarantee, taking part in this tender is not feasible as long as payments are to be made in MVR. We therefore strongly advise to change this and enable payments in USD, otherwise we will not be able to participate.</p>	<p>Please note that although Invoice payments will be in Maldivian Rufiyaa (which is due to laws of Maldives), this will be equivalent of the Bidder's USD denominated tariff, and further, currency conversion support for the same is assured by the GoM under the Implementation Agreement. Currency conversion risk to developer is effectively addressed in this manner, and thus addresses the specific concern raised here. These provisions for support in currency conversion to USD has been detailed out in the Implementation Agreement. Bidder is requested to refer to the Implementation Agreement for further details.</p> <p>MIGA provides four covers under the political risk insurance program, namely; i) transfer restriction and currency inconvertibility (TR); ii) breach of contract; iii) expropriation; and iv) war and civil disturbance.</p> <p>As of now the TR cover is off-cover but the rest of the three covers are available for investors.</p> <p>The assessment of risk covers and their availability are conducted periodically and depending on the timing of the conclusion of the guarantee contract, previously unavailable covers can be offered again to investors.</p>
<p>3 Escrow account and tariff buy-down in USD or in MVR?</p>	<p>Tariff buy-down would be provided in USD. Escrow account will hold 6 months of invoice payment in MVR equivalent of the quoted tariff in USD.</p>

