national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

RFQ001-2025: APPOINTMENT OF A LAW FIRM TO STRUCTURE THE NATIONAL TREASURY'S INFRASTRUCTURE POOLING VEHICLE FOR A PERIOD OF SIX (06) MONTHS

CLOSING DATE: 25 AUGUST 2025

VALIDITY PERIOD: 90 DAYS

1 BACKGROUND

The National Treasury is increasing its efforts to fund critical infrastructure projects central to the Republic's strategic goals as part of South Africa's ongoing commitment to economic growth and development.

The Infrastructure Fund (the "IF") was established pursuant to a Memorandum of Agreement (MoA) dated 17 August 2020, entered into between the Development Bank of Southern Africa (DBSA), National Treasury (NT), Department of Public Works and Infrastructure (DPWI) - Infrastructure South Africa (ISA). The Infrastructure Fund was established as a mechanism for blended finance instruments for public sector projects to increase the overall investment in public infrastructure and to accelerate infrastructure implementation.

It is in that regard that the National Treasury in collaboration with the Infrastructure Fund (the IF), aims to develop an infrastructure pooling vehicle to accelerate the delivery of large-scale infrastructure projects across the country. This initiative addresses persistent challenges in the infrastructure ecosystem, such as inadequate financing arrangements, poor technical capacity, and complex regulatory frameworks. The infrastructure pooling vehicle aims to crowd in private and concessional finance, reduce regulatory complexities, and enhance project delivery efficiency.

2 PROJECT BRIEF

Established in 2016, the Budget Facility for Infrastructure (BFI) aims to address constraints in the implementation of prioritized national projects, facilitating access to long-term finance and technical assistance through collaboration with Development Finance Institutions (DFIs), Multilateral Development Banks (MDBs), and the private sector. The BFI serves as a specialized structure for committing fiscal resources to public infrastructure spending, ensuring rigorous project assessment and fostering public-private partnerships.

The BFI has identified a suite of projects aimed at stimulating economic activity, promoting social equity, and providing sustainable value to South Africa. In addition, the BFI guidelines emphasize project readiness, financial viability, and the ability to secure private and concessional financing, which aligns with NT's broader objective to leverage non-governmental capital for infrastructure development

The objective is to appoint a suitably qualified law firm (the "Service Provider") to design, document, and implement a compliant Infrastructure Pooling Vehicle that crowds in private, concessional, and MDB capital for the National Treasury (NT). The infrastructure pooling vehicle will serve as a Funding Platform, incorporating mechanisms such as blended finance solutions, concessional loans, and private sector investments.

The legal structure of the infrastructure pooling vehicle must comply with the provisions of the Public Finance Management Act No. 1 of 1999 (PFMA). The structure of the infrastructure fund should be designed to allow for swift implementation and ensure that it can be operationalized efficiently without unintended delays.

3 SCOPE OF WORK

The appointed law firm will be required to provide the following services:

- Legal Structuring of the Funding Platform
  - Advise on the structure and legal validity of the proposed infrastructure pooling vehicle, including the formation of a holding company (Holdco) and subsidiary companies (Subcos) to handle different asset classes as well as the risk profiles.
  - Propose legal mechanisms for ring-fencing the Funding Platform, ensuring that it is not subject to consolidation risk with NT or other government entities.
  - Ensure that the legal structure complies with the relevant provisions of the PFMA.
- Legislative and Regulatory Reform
  - Provide recommendations on any required legislative changes or new regulatory frameworks necessary to support the establishment and functioning of the Funding Platform, including but not limited to compliance with PFMA, Financial Advisory and Intermediary Services Act, and Banks Act.
  - Ensure adherence to the Preferential Procurement Policy Framework Act and other procurement legislation.
- Governance and Management
  - Design a robust governance framework for the Funding Platform, including the development of terms for a Shareholder Trust and management structures, but not limited to the Board of Directors, Committees, and third-party service providers.
  - Advise on contractual relationships between NT, IF, project sponsors, and not limited to implementing agents, including the role of the Infrastructure Finance and Implementation Support Agency (IFISA).
  - Keep abreast of amendment on ongoing regulatory requirements and ensure that ongoing full compliance is adhered to
  - Advise on structural fees and any other relevant information
- Financing Arrangements

- Develop a bankable documentation package for the Funding Platform, not limited to shareholder agreements, asset/investment management services agreements, as well as other related legal documents.
- Ensure flexibility for the Funding Platform to issue various financial instruments, not limited to debt securities, concessional loans, infrastructure bonds, and guarantees.
- Provide legal support in securing commitments from various financing sources not limited to Development Finance Institutions (DFIs), Multilateral Development Banks (MDBs), and private investors, as well as ensuring adequate credit enhancements.

- Tax and Financial Considerations
  - Advise on tax structuring and regulations to minimize the tax burden of the Funding Platform, including appropriate capitalization methods.
  - Evaluate the suitability of specific financial instruments, not limited to subordinated debt and infrastructure bonds, in enhancing the attractiveness of the Funding Platform to investors.
- International Jurisdiction and Compliance
  - Provide advice on the appropriate jurisdiction for establishing the Funding Platform to enhance its attractiveness to international investors while mitigating bureaucratic delays. This is not limited to evaluating jurisdictions with streamlined processes, for setting up the Special Purpose Infrastructure Vehicle (SPIV).

Table 1: Work Stream Matrix Table

#	Work-stream	What the Service Provider Will Do	Key Outputs / Deliverables	Indicative Duration*
1	**Vehicle Design & BFI Ring-fencing**	Draft the optimal legal form (HoldCo + SPIV/SubCos) and ring-fencing features to keep liabilities off the sovereign balance sheet.	• Legal options memorandum• Recommended structure diagram• Ring-fencing opinion	Week 1 - 4
2	**PFMA & Regulatory Compliance**	Map all statutes (Banks Act, FAIS,	• Compliance matrix• Written confirmation of applicable statutes	Week 2 - 6

		PPPFA, Companies Act).	and HQLA status of instruments, securitization laws etc	
3	**Governance Framework**	Draft shareholder-trust deed, board charter, committee ToRs and service-provider agreements (asset manager, administrator, custodian).	• Governance manual• Draft trust deed & charters	Week 4 - 8
4	**Financing & Offering Documents**	Produce the suite of bankable documents enabling the vehicle to issue debt/bonds, blended-finance instruments or guarantees.	• Template Information Memorandum• Programme agreement (PD, subscription, agency, security, inter-creditor)	Week 6 - 14
5	**Tax & Jurisdiction Advice**	Provide a comparative analysis of domestic vs. offshore jurisdictions; recommend tax-efficient path.	• Jurisdiction & tax structuring report	Week 8 - 12
6	**Legislative / Policy Amendments (if any)**	Draft proposed wording for any required statutory amendments or new regulations.	• Draft amendment bill or regulation annex	Week 10 - 16
7	**Stakeholder Engagement &**	Facilitate workshops with NT, IF, DFIs/MDBs; refine	• Workshop slide-decks• Consolidated	Continuous (Week 1 - 24)

	Capacity-Building	docs based on feedback; provide ad-hoc opinions.	issues-log & resolutions	

4 MINIMUM REQUIREMENTS

Only qualified and experienced bidders will be considered; the following requirements must be met:

- The bidder must be an established legal firm with global reach and proven experience and understanding of requirements in structuring infrastructure financing vehicles, if applicable.
- The bidder must demonstrate the substantial understanding of legal requirements and regulations governing structuring infrastructure financing vehicles, if applicable.
- The bidder must list and demonstrate substantial expertise in large-scale infrastructure financing, specifically in Africa and preferably South Africa, with successful experience in public-private partnerships (PPPs).
- Substantially demonstrate and list experience in working with multiple financing instruments and complex intercreditor arrangements, including DFIs, MDBs, institutional investors, and commercial lenders.
- Substantially demonstrate and list experience in advising on compliance with South African public finance and procurement regulations, as well as international best practices.
- Substantially demonstrate knowledge in South African history, politics, economics, regulations for the purpose of drafting but not limited to legal opinion of a corporate law nature.
- The bidder must provide comprehensive CVs and copies of qualifications including relevant projects and experience, and the specific roles of each member of the proposed team.
- The bidder must provide any comments on the scope of services and suggested improvements to enhance the outcome of the project.
- If the law firm is domiciled outside of RSA, written confirmation of employees working during RSA work hours, this will ensure they are available to assist National Treasury with pertinent matters.

NB: Should a bidder not meet the minimum requirements, not responsive to the all the requirements of the project they will be deemed as non-responsive and will be disqualified.

5 SPECIFIC GOALS

The Preferential Procurement Regulations 2022 were gazetted on 4 November 2022 (No. 47452) with effect from 16 January 2023. The 80/20 preference points systems will

be applied in accordance with the formula and applicable points provided for in the respective status level contributor tables in the Regulations.

For this tender, the tenderer will be allocated points based on the goals stated and should be supported by proof / documentation stated in Table 3 below. Specific goals for the tender and points to be claimed are indicated in the table below:

Table 2: Specific Goals allocation table

#	Specific goals	Score	Required proof / documents to be submitted for evaluation purposes
1.	**The company owned by Youth.** • 100% company owned by Youth = 5 points • 75% - 99% company owned by Youth = 3 points • 60% - 74% company owned by Youth = 2 point • 51%- 59% company owned by Youth = 1 point • 0 - 50% company owned by Youth = 0 point	5 points	Proof of claim as declared on SBD 6.1 (one or more of the following will be used verifying the tenderer's status: • Company Registration Certification / document (CIPC) • Company Shareholders certificate • Certified identification documentation of company director/s • CSD report/ CSD registration number (MAAA number) • B-BBEE Certificate of the tendering company. • Consolidated B-BBEE certificated if the tendering company is a Consortium, Joint Venture, or Trust (Issued by verification agency accredited by the South African Accreditation System).
2.	**The company owned by Historically Disadvantaged Individuals (HDI) (Black).** • 100% company owned by HDI (black) = 5 points • 75% - 99% company owned by HDI (black) = 3 points • 60% - 74% company owned by HDI (black) = 2 point • 51%- 59% company owned by HDI (black) = 1 point	5 points	

#	Specific goals	Score	Required proof / documents to be submitted for evaluation purposes
	• 0 - 50% company owned by HDI (disabled) = 0 point		
3.	**The company owned by HDI (Women).** • 100% company owned by HDI (women) = 5 points • 75% - 99% company owned by HDI (women) = 3 points • 60% - 74% company owned by HDI (women) = 2 point • 51%- 59% company owned by HDI (women) = 1 point • 0 - 50% company owned by HDI (women) = 0 point	5 points	
4.	**The company owned by HDI (people who are disabled).** • 100% company owned by HDI (disabled) = 5 points • 75% - 99% company owned by HDI (disabled) = 3 points • 60% - 74% company owned by HDI (disabled) = 2 point • 51%- 59% company owned by HDI (disabled) = 1 point • 0 - 50% company owned by HDI (disabled) = 0 point	5 points	

Note to organs of state: 80/20 preference point system is applicable, corresponding points must also be indicated as such.

***Note to tenderers: The tenderer must indicate how they claim points for each preference point system.*)**

NB: Points will be allocated based on % ownership to the Company (main tendering entity). Please attach proof/ required documents

6 DELIVERABLES

Amongst others, the appointed advisor will be expected to deliver the following outputs:

- A detailed legal and governance, operational framework for the funding vehicle, including the Shareholder Trust structure.
- Draft legal documents including shareholder agreements, asset management agreements, and other necessary legal documents.
- A detailed report on required legislative reforms, if any, to enable the establishment of the funding vehicle.
- A comprehensive advisory report on tax structuring, financing arrangements, jurisdictions and credit enhancement mechanisms.
- Continuous engagement with stakeholders, including conducting workshops and providing regular updates to NT and IF on the progress of the project and troubleshooting where necessary.
- A comprehensive statement of qualifications, including relevant projects and experience, and the specific roles of each member of the proposed team.

7 TERMS AND CONDITIONS

The Bidder should note that the RFQ is fully subjected to the terms and condition of the previous panel **(NT012-2021 DOMESTIC PANEL)** including the criterion used for prequalification. Bidders need to familiarise themselves and comply with the previous set rules.

8 FEE PROPOSAL

A detailed fee proposal in South African Rands (ZAR), including discounted hourly rates and an overall capped fee for the purpose of evaluation.

9 CONFIDENTIALITY

All proposals must be treated as highly confidential, and no part of the ToR or information obtained during this project should be disclosed to unauthorized persons.

10 SUBMISSION DEADLINE

Proposals must be submitted no later than **25 AUGUST 2025** to the following address: NTAdministrativetenders@treasury.gov.za. Any inquiries should be directed to NTAdministrativetenders@treasury.gov.za.

For further enquiries please contact Terry.Msomi@treasury.gov.za; Sipho.Bhanisi@treasury.gov.za
and Cc the team on DebtIssuanceandManagment@treasury.gov.za