



MINISTRY OF TRADE, COMMERCE AND FOOD SECURITY

AMENDED REQUEST FOR PROPOSALS (RFP)

**SELECTION OF APPROPRIATE ENTITY TO OPERATE AND MANAGE
THE DAMBULLA TEMPERATURE AND HUMIDITY CONTROLLED
STORAGE.**

Ref- MOT/2024/RfP-01

Employer : **Food Commissioner**
 Department of Food Commissioner
 No 330, Union Place,
 Colombo 02

August 2024

Content

1.	Introduction	4
2.	Objectives	4
3.	Scope of Work	5
4.	Proposal Content.....	5
4.1	Financial Proposal.....	5
4.2	Technical Proposal.....	6
5.	Deadline for proposal	7
6.	Inquiries and Contact Information.....	7
7.	Revenue to Department of Food Commissioner	
7.1	Strategic Partnership	8
7.2	Flexible Solution.....	8
8	Eligibilities, Corporate Capability and Qualifications.....	8
9	Operations.....	9
10	Implementation and Staffing	9
11	Bid Securing Declaration & Performance Bond	
11.1	Bid Security.....	9
11.2	Performance Bond.....	9
12	Evaluation Criteria.....	10
13	Annex 01 (Format for Bid Security).....	11
14	Annex 02 (Design Criteria and Concepts).....	12
15	Annex 03 (Architectural Drawing).....	14

ABBREVIATIONS

EoI	Expression of Interest
RfP	Request for Proposal
MT	Metric Tons
PPE	Personal Protective Equipment

1. Introduction

The Ministry of Trade, Commerce and Food Security on behalf of Food Commissioner's Department is seeking Request for Proposal (RfP) for "Selection of Appropriate Entity to Operate and Manage the Dambulla Temperature and Humidity Controlled Storage Warehouse" which consists six (06) chambers with the full capacity of around 5000 MT to store fresh agricultural products.

The Small and Medium scale (SME) farmers specially those who cultivate fruits and vegetables face severe problems in post- harvest operations every year. Due to facilities available for processing, packing, packaging and storage are inadequate, the product fails to fetch a reasonable price to cover the cost of production. The low price specially during the season causes difficulties and losses for farmers which lead to socio political implications. The products are wasted as unconsumed, consumers are badly affected as they pay a high price for fruits and vegetables. Accordingly, Food Commissioner has been tasked to improve storage facilities for the farmer community to enabling to keep the fresh products longer with fresh quality and to minimize the price fluctuations. Further, the continuous supply of seasonal fruits and vegetable in the market can be guaranteed.

2. Objectives

The objectives are as follows:

Primary Objectives

- Safeguard the productions of the farmers.
- Safeguard the farmers from price fluctuations.
- To control the increase in the price levels faced by the consumer regularly for agricultural production.

Secondary Objective

- To generate rent income for the government of Sri Lanka by outsourcing the storage space.

3. Scope of Work

The following requirements to be met by the qualified entity before commencing the Operations of Dambulla Temperature and Humidity Controlled Storage warehouse.

- a. The Entity is fully responsible for the execution of operation and management of business.
- b. The initial agreement period will be for 10 years.
- c. The selected entity will get a grace period of six months from the beginning of operations as specified under the “**No 09- Operations**”.
- d. The Entity has to bear the cost of layout design to ensure an efficient flow of goods, with designated areas for ex: receiving, storage, picking, packing, etc.
- e. The Entity has to bear the cost for setup equipment and ensure all necessary equipment has been installed before the commencing the operations. (E.g. Crates, Pallets, forklifts, shelving, conveyor systems etc.)
- f. The Entity shall responsible for security measures (E.g. Install security system and establish protocols to protect inventory. (Camera system, access control etc.)
- g. The Entity should responsible for supplying utilities (Electricity, water etc.)

4. Proposal Content

Bidder shall submit both Financial and Technical proposals together with RfP in a separate envelope mentioning Selection of Appropriate Entity to Operate and Manage the Dambulla Warehouse.

4.1 Financial Proposal

- a. Capital Investment
- b. Detail of source of Project Funding (Cash in Hand, bank loans etc.)
(evidence need to be submitted)
- c. Properly described Comprehensive Business Plan for the operations -RfP.
- d. Cost estimation for the project
- e. Revenue projections for 10 years
- f. Annual and monthly basis return to the Ministry of Trade, Commerce and Food Security
- g. Any other related information.

4.2 Technical Proposal

- a. **Warehouse Layout and Design** (Flow of goods including receiving, storage, picking, packing, space allocation for shelves, aisles, workstations and safety exits and emergency routes.
- b. **Inventory Management System** (Software selection and integration. Barcode/RFID technology for tracking, Inventory control procedures.
- c. **Material Handling Equipment** (Selection of forklifts, pallet jacks, conveyors, etc. Maintenance schedules and training for operators.
- d. **Safety and Compliance** (Safety standards, Emergency response plans, Personal Protective Equipment (PPE) requirements)
- e. **Environmental Controls** (Temperature and humidity considerations for sensitive goods, waste management and recycling practices.
- f. **Security Systems** (Surveillance cameras and access control, Alarm systems and inventory protection measures)
- g. **Power and Utilities** (Electrical requirements for equipment, Lighting plans and energy efficiency measures)
- h. **Communication Infrastructure** (Wi-Fi networks for operations and inventory systems, Communication tools for staff coordination)
- i. **Operational Procedures** (Standard Operating Procedures (SOPs) for all activities, Training programs for staff on processes and equipment)

4.3 Procedure for Selection and Award

- a. The sealed RfP document should be submitted on /before at 3.00p.m. on 10th September 2024 and that will be evaluated by Technical Evaluation committee.
- b. The most technically and financially capable and the higher revenue margin proposed entity to the government will be selected.
- c. The successful entity will be informed in writing and need to be entered into a contract agreement with the Food Commissioner's Department.
- d. The decision of the Ministry Procurement Committee will be the final.

5. Deadline for proposal

Properly sealed RfP Documents (with Soft copies in PDF format,CD) in separate envelopes should be sent through registered post or by hand with the top left-hand corner of the envelope written **“Selection of Appropriate Entity to Operate and Manage the Dambulla Temperature and Humidity Controlled Storage Warehouse-RFP”** and addressed to the Chairman, Ministry Procurement Committee, Ministry of Trade, Commerce and Food Security, Mezzanine Floor, No 492, R A De Mel Mawatha. Colombo 03 on or before at 03.00p.m. on 10th September 2024. Qualified EoI applicants’ RfP will be opened in later on. Time and date will be announced to the entities in writing.

6. Inquiries and Contact Information

All inquiries regarding this RfP including requests for additional information or clarification and proposed modifications or amendments to the RfP must be submitted in writing to contact details given below. All inquiries must be received in official working hours in weekdays before at 4.00p.m. on 03rd September 2024. Each inquiry must include the inquirer’s name, telephone number and email address. Each inquiry should begin by referencing the RfP page number and section to which it relates.

Department of Food Commissioners will attempt to provide any assistance or additional information of a reasonable nature that may be requested by interested parties. Telephone calls will not be accepted regarding this RfP.

Contact Details:

- | | |
|---|--|
| • Food Commissioner | • Chief Accountant |
| Department of Food Commissioners | Ministry of Trade, Commerce &
Food Security |
| Tel: +94 112 304049 | Tel : +94 112 110577 |
| Email- foodcommissioner@gmail.com | |

All contact with persons employed by the Department of Food Commissioners except for the contact persons named above with respect to this RfP shall be prohibited. Improper contact may constitute grounds for rejection of your proposal.

7. Revenue to Department of Food Commissioner

Accordingly, the **revenue** shall be clearly indicated in the proposal with following options,

1. Monthly payment to Department of Food Commissioner Expected amount per month is Five (05) Million	
2. Annual fix amount	
3. Any other revenue to the Department of Food Commissioner	

7.1 Strategic Partnership

An Entity which understands the prospective investing needs and the government policies, and one who collaboratively guides and maintains a strong relationship in order to perform successful operations to achieve the objectives of the Department of Food Commissioner.

7.2 Flexible Solution

The proposed solution should be implemented and deployed by adhering to best industry standards & practices. It must also be able to accommodate future enhancements with a minimal impact to the existing operations as well.

8 Eligibilities, Corporate Capability and Qualifications

The prospective entity must comply with following requirements:

1. Copies of Business Registration certificates should be submitted
2. The Entity shall show the capability to operate and Manage the said warehouse
3. The Entity should have proven demonstrable experience
4. The Entity should have minimum annual turnover of LKR 100 million in each of last three (03) years. Respective sections of the Audited Financial Statements should be submitted as documentary evidence.

9 Operations

The Entity should disclose organizational structure and the staffing plans for the said task. All the details and their respective timelines should be specified in advance and be able to provide immediate response & support to any issues that arise. **The selected entity should implement their operations within six months of time period of the awarding the contract.**

10 Implementation and Staffing

The Successful Entity should follow Project Management practices in all aspects and stages implementation and operations of the systems and services as per the contract.

11 Bid Security and Performance Bond

11.1 Bid Security

- RfP shall be included “Bid Security” using the form included in Annex -01 Bid security shall be valid until 10th January 2025.
- The amount and currency of Bid Security shall be “Sri Lankan Rupees One Hundred Thousand (Rs. 100,000.00)”
- The Bid Security shall be issued in favor of “Secretary, Ministry of Trade, Commerce and Food Security.”
- Bid Security in the form of an unconditional Bank Guarantee.

11.2 Performance Bond

The Entity shall provide an irrevocable and unconditional performance security of 10% after notification of contract award.

12 Evaluation Criteria

Selection of an entity for award will be based on an evaluation of proposals against investment, marketing capacity, sustainability, business experience, technical competency, operational capability and overall return to the Department of Food Commissioner.

The examination, evaluation, comparison and post qualification of RfP documents to be received will be done by the recommendation of Technical Evaluation Committee and the approval of Ministry Procurement Committee.

The final approval of awarding the contract will be done by the Ministry Procurement committee, the Ministry of Trade Commerce and Food Security.

	Description	Marks allocated
1	Financial Capability	35
	Current Assets Cash and cash equivalents Accounts Receivables Non-Current Assets Property, Plant and Equipment Long term investments Current Liabilities Non-current Liabilities (Details of financing should be included. If it is loan from bank, evidence shall be submitted)	
2	Solutions proposed by the Entity (Business Plan etc)	20
3	Experience of the Entity to operate and manage warehouses for food category (Island wide network, Trade volume Etc.)	20
4	Human Resource Strength - Supply chain details shall be provided Warehouse Manager Temperature Control Technician Warehouse Operator Safety and Compliance Officer IT support Specialist etc	15
5	Readiness to operations (maximum six months period from the awarding)	10

13 Annex -01

Format for Bid Security

[This Bank Guarantee form shall be filled in accordance with the instructions indicated in brackets] ----- [Insert issuing agency's name, and address of issuing branch or office] -----

Beneficiary: -----*[insert (by PE) name and address of Employer/Purchaser]*

Date: -----*[insert (by issuing agency) date]*

BID GUARANTEE No.: ----- *[insert (by issuing agency) number]*

We have been informed that ----- *[insert (by issuing agency) name of the Bidder; if a joint venture, list complete legal names of partners] (hereinafter called "the Bidder")* has submitted to you its bid dated ----- *[insert (by issuing agency) date]* for the execution/supply *[select appropriately]* of *[insert name of Contract]* under Invitation for RfP No. -----.

Furthermore, we understand that, according to your conditions, RfP must be supported by a Bid Guarantee.

At the request of the Bidder, we ----- *[insert name of issuing agency]* hereby irrevocably undertake to pay you any sum or sums not exceeding in total an amount of ----- *[insert amount in figures] ----- [insert amount in words]*) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the bid conditions, because the Bidder:

- (a) has withdrawn its RfP during the period of bid validity specified; or
- (b) does not accept the correction of errors in accordance with the Instructions to Bidders of the RfP; or
- (c) having been notified of the acceptance of its Bid by the Employer/Purchaser during the period of bid validity, (i) fails or refuses to execute the Contract Form, if required, or (ii) fails or refuses to furnish the Performance Security, in accordance with the RfP.

This Guarantee shall expire: (a) if the Bidder is the successful bidder, upon our receipt of copies of the Contract signed by the Bidder and of the Performance Security issued to you by the Bidder; or (b) if the Bidder is not the successful bidder, upon the earlier of (i) our receipt of a copy of your notification to the Bidder that the Bidder was unsuccessful, otherwise it will remain in force up to ----- *(insert date)*

Consequently, any demand for payment under this Guarantee must be received by us at the office on or before that date. _____

[signature(s) of authorized representative(s)]

14 Annex -02

Design Criteria and Concepts

Stored Product	Fresh Vegetables (including Onions) and Fruits
Stored Condition	Independent Mechanically Controlled Temperature and Relative Humidity Conditioned in Each Chamber within Specified Variable Storage Parameter
Total Capacity	5,000 MT (5,000,000 kg) using Onions as the reference product
Stored Method	Double Deep Pallet Racking System with Plastic crates
Size of the Pallet	1,200mm x 1,000mm (Length x Depth) the Contractor must agree to comply with the foundation specifications, in a manner suitable for the proposed Pallet Racks and both Hand Pallet Trucks / Electric Reach Trucks as well as racking.
Size of the Crate	600mm x 400mm x 300-320mm (LxWxH). The crates should be both stackable and nestable.
Maximum Weight (net weight)	1,050kg per pallet and 30kgs per crate (produce only)
Total Pallet Positions	5,000 pallet positions
Racking Type	Steel Powder Coated - Double Deep Pallet Racking
Highest Racking Position	Should not exceed 10m
Space between Racks	Should be sufficient for un- interrupted movements of Pallet Reach Trucks but should not exceed 3.2m
Total No. of Temperature & Humidity Controlled Chambers	Six (6)
Estimated Usage of Land Area	75m x 75m
Storage Temperature Conditions inside each chamber (4States - Adjustable)	a.(0-5°C),b.(6-10°C), c.(10-15°C),d.(15°C-21°C)
Relative Humidity (within the chamber - adjustable)	35 – 95% [Humidifying & De-humidifying Both Functions to be included]
Required Temperature Conditions inside Ante Room (adjustable)	(0~20°C)
Required Relative Humidity inside the Ante Room (adjustable)	35 – 95% [Humidifying & De-humidifying Both Functions to be included]
Maximum Storage Period	Approximately 6 months
Average Storage Period	Approximately 3 months
Pallet Storage Mechanism	Electric Battery Powered Reach Trucks / Electrically Driven Forklifts

Pallet Stacking Mechanism	The Contractor should propose a method for stacking on the pallet with the crates, considering human capability.
Crates filling Mechanism	Manual by Labor
Reach Truck Equipment	Should be capable of operating within the specified isle space and reach a double deep racking position at a maximum 10m high rack with a weight of 1050 kgs of produce (excluding weight of pallets and crates).

