



**GOVERNMENT OF THE REPUBLIC OF MALDIVES
MINISTRY OF HOUSING AND INFRASTRUCTURE**

REQUEST FOR PROPOSALS

(REF: RFP/2014/001)

DEVELOPMENT OF VACANT HOUSING PLOTS IN URBAN CENTER'S – PILOT PROJECT

**ISSUANCE DATE: 20TH MARCH 2014
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1 FOREWORD

Traditionally, allocation of land plots for housing has been the method adopted to solve housing issues in Maldives. However, the constraints associated with availability of financing for housing has impeded towards achieving a solution for housing needs of many families. The issues of vacant land plots remaining undeveloped for long periods have been identified as a challenge, specially in urban centres.

Kulhudhuffushi is the capital of ‘Haa Dhaalu Atoll’ and one of the biggest island in the northern part of the Maldives. Hanimaadhoo International Airport is about 20 km from the center of H.Dh Kulhudhuffushi. The economy of the island is strongly linked to Male’ and the islands of Haa Alifu, Haa Dhaalu and Shaviynai Atoll. According to the reports from the island council office, the population of H. Dh Kulhuduffushi is 9,220 by the end of the year 2013. Risk assessment report by UNDP in August 2009 shows that there were 1675 households with buildings in 2008. Some of these houses are vacant, However, as a result much of the land available is currently being used for housing and socio-economic infrastructure and facilities on the island.

The Ministry of Housing and Infrastructure (MHI) on behalf of the government of Maldives (hereinafter referred as “Client” in this Request for Proposal (RFP) document) desires to create a public or private partnership, by seeking a private-sector partner to develop the vacant housing plots in H.Dh. Kulhuduffushi, Republic of Maldives.

The purpose of RFP is to select private-sector partners (single providers or groups of partnering providers) to finance, construct, and deliver housing units in H.Dh Kulhuduffushi. This housing project is being implemented as a pilot project in order to find solution to vacant land issue and if successful, shall be carried out in other urban centres.

Interested party(s) shall submit proposals. The proposals submitted by the Proponents will be evaluated based on the terms, conditions and the criteria set in this document.

2 INVITATION TO SUBMIT PROPOSALS

The Government of Republic of Maldives invites you to respond our Request for Proposal (RFP) for the development of housing units in the islands of the country. We would like to request you to strictly adhere to the guidelines outlined in this document.

Submit Proposals to:	Housing Section Ministry of Housing and Infrastructure Ameenee Magu, Male' Tel: +960 3004 300, Fax: +960 3004 301 Email: housing@housing.gov.mv Copy to: Ibrahim.nizam@housing.gov.mv
Please Submit:	Two (2) printed, signed original proposals. Two (2) copies of the original proposals. One (1) CD-ROM containing electronic version of the proposal and any supporting documentation.

2.1 Compliance Statement

Proponents shall state that the offer is made in accordance with the Request for Proposal. Proponents who offer additional or alternative conditions shall clearly state those in their proposals.

2.2 Guidelines for Submitting a Compliant Proposal

As a direct response to this document, proponents must provide their detailed proposals for development of the housing units. Proponents should note that the construction/development/project details, standards and other statements on such provision and legislative compliance made by the proponent as part of their proposals will form a binding part of the final contract for the project.

It is important that proponents address all of the elements that are set out in Section 3. Proposals shall be well bound and shall contain a table of index for easy reference.

This Request for Proposal should not be construed as a commitment by the Client to contract with any particular proponent.

Any expenditure, work or effort undertaken during the tendering process is a commercial judgement for the proponent and is at the proponent's own risk and expense. The Client will not be liable for any costs incurred by any of the proponents.

The Client reserves the right not to accept any tender and to terminate the tendering process without awarding a contract. Proponents should be aware that it is unlikely that the Client will be in a position to go forward with any proposals that fails to meet the statutory and essential requirements, set out in Section 3.

The Client also reserves the right to issue supplementary documentation at any time during the tender process to clarify an issue or amend any aspect of this Request for Proposal.

Any additional documentation issued by the Client during the tender process shall be deemed to form part of this Request for Proposal and shall supersede any part of the Request for Proposal where indicated. The Client may also exercise the option to extend the tendering period and/or postpone the proposal submission date in the event that subsequent documentation is issued.

Except when specifically authorised by the Client, proponents shall not approach any member, officer or employee of the Client other than those identified in Clause 2.5 with a view to providing additional information in respect of any part of their submission or proposals or attempting to support or enhance their proposal evaluation.

Any such approach or attempted approach by a proponent may lead to the proponent's exclusion from the process. Any collusion between proponents may also lead to the exclusion of any of the proponents involved, at the discretion of the Client.

2.3 Evaluation of proposals

The Proposal will be evaluated by a ministerial committee. Points will be given to proposals according to the evaluation criteria in Section 5. All the proposals will be ranked in descending order based upon total score and the party who score highest points will be awarded the contract.

2.4 Language of Proposal

The proposal documents must be in written in English (UK).

2.5 Clarifications about RFP

During the RFP process, questions or clarifications about this RFP must be directed to:

Mr. Ibrahim Nizam
Housing Section
Ministry of Housing and Infrastructure.
Ameenee Magu, Male'
Tel: +960 3004 300, Fax: +960 3004 301
Email: ibrahim.nizam@housing.gov.mv

2.6 Communications

Except as provided in the preceding section relating to questions about this RFP, Proponents shall not contact any officers, employees, or team members of Client with respect to this RFP. Any oral communication with a Client employee concerning this RFP is not binding on Client and shall in no way alter a specification, term or condition of this RFP or any contract documents.

We look forward to your innovative proposals to assist the Maldives to develop the housing units in the islands of the Republic of Maldives.

3 DEVELOPMENT OF SOCIAL HOUSING UNITS

3.1 Introduction

This section sets out all the information that proponents will be required to submit as part of their proposal and explains the format that should be followed when doing so. Proponents will be required to explain their understanding of each of the requirements and elements detailed below and provide supporting information or documentation as part of their proposal. Proponents may be required to submit additional information as part of their proposals and this is also set out below.

3.2 Information Required from Proponents

The overall scope of this project includes construction of the housing units and associated Private Villas and Villa infrastructure.

3.2.1 Essential Requirements for Social Housing Units

1. The developer is required to finance and/or construct and deliver the required housing units. Hence the proponent is required to confirm in the proposal that this essential requirement will be fulfilled to the minimum requirements / specification given in Appendix A. As stated in Appendix A, the developer may also propose to improve upon the specifications provided in this document. In such case, any improvements to the minimum specifications shall be clear stated in the proposal.
2. The development of housing units must take place at an agreed upon time frame. The Government of Maldives expects a minimum of 500 Housing units to be constructed within a 24 month period from the award of Contract
3. Design of the housing units shall be carried out in consultation with Ministry of Housing and Infrastructure (MHI) and the island communities. (Both in-situ and pre-fabricated construction are accepted as alternative construction technology for the housing units.)
 - a. Monthly material testing and quality monitoring must be carried out by the contractor, and this information shall be provided accordingly, including concrete compression tests.
 - b. A monthly progress report shall be submitted by the contractor.
 - c. Materials, fixtures and fitting used on exterior wall and surfaces shall be whether proof external finishing materials including fixtures and fittings.
 - d. All the major materials, fixtures and fittings with their specification shall be approved prior to installation/application.
4. The housing units shall be an individual housing units

Minimum requirements for the housing units is given in Appendix A.

Government will provide Land Use Plans (LUP) of islands, for which they are available. For islands without existing LUPs, the Developer shall prepare LUPs in consultation with the Ministry of Housing and Infrastructure, and the island community.

3.2.2 Additional Facilities

As stated in Section 4 of this document, additional points will be awarded for proposals that offer to develop additional facilities on the islands where the housing units are built. Therefore, it is required that the proponents state in their proposals any additional facilities he/she proposes to develop along with the housing units and the required social infrastructure. The proponent may choose additional facilities from the following list.

- a. Community centre with a library, meeting hall, small café, postal service, public toilets etc.
- b. Fish market
- c. Market for local produce
- d. Additional class rooms and a library for the primary/secondary school
- e. Additional 12-bed ward (with a nurse's station) to the existing Health Centre or Hospital
- f. Outdoor sports arena with basketball court, volleyball court, tennis court, soccer field, changing rooms, toilets, spectator stands, etc.
- g. Commercial area with shop space, pedestrian walkways, children's play area, outdoor seating, green landscaping, etc.

The proponent must understand that an item in the above list may not be needed on a certain island, while it may be very desirable on another. Hence, any additional facility proposed will be confirmed at the negotiation stage and in discussion with the island community.

4 CONTENTS AND FORMAT OF THE PROPOSALS

4.1 Documents to be submitted with the Proposals

The proposals submitted shall have all the requirements stated in this Section (Section 4 – Documents to be submitted with the Proposals) along with the following information.

1. Cover Letter

The cover letter for the proposal must be signed by an authorized person who has the authority to bind the Proponent to a Contract.

2. Executive Summary

An executive summary of the proposal stating the number of the housing units proposed to be built and the island proposed for private villa development.

3. Financial plan

The financial plan or the financial arrangements (developer finance and user finance), indicating the proposed typology and cost of a housing unit to the beneficiaries

Minimum requirements for the housing units are given in Appendix A

4. Terms stated in Sections 2, 3.2 and Contractual terms and conditions in this Request for Proposal

All of the terms and conditions stated in the RFP under the above said clauses shall be included in the Proponents proposal.

5. Additional qualification clause, if any from the proponent

If the proponent requires adding terms, such terms shall be separately attached with the proposal.

5. Housing units specifications, Implementation Plan, Financial plan, Quality Plan

If the proponent requires adding terms and improving on the minimum requirements / specifications, such shall be clearly stated in the corresponding sections of the proposal.

6. Information about the Proponent's, technical and financial capacity and experience

Provide information about the Proponents technical capacity and experience of similar projects.

Provide financial statements to indicate financial strength of the company to execute a project of this nature.

Provide proof and information on the arrangement for developer finance and user finance.

Provide also documents to support the financial arrangements made in the plan.

Submit company profile including projects of similar nature carried out by the Proponent with clearly stating current business and commitments.

If the proponent is a consortium, supporting documents and documents explaining the details and nature of the consortium should be submitted.

4.2 Proposal Forms

4.3 Declaration of Adherence (For Individuals)

*Minister of Housing and Infrastructure
Government of Maldives
Ameenee Magu
Male’, Republic of Maldives*

Dear Sir:

Re: Submission of Proposal for the Development of (No. of housing units) in the Maldives.

I, _____, a citizen of the _____, National Identity Card Number/Passport No. _____, residing at _____, (the “**Proponent**”), hereby submit four (4) four copies (one original and three copies) of the Proponent’s Proposal. By submitting this Proposal I hereby agree with the terms and conditions detailed in Part 6 of this Document.

In the case that the Proponent is declared the winner of the Proposal, the Proponent agrees to be bound by the terms and conditions set out in the Guidelines. This commitment shall cease to be of any effect upon the earlier of (a) signing of the MOU with another Proponent, and (b) six months from the date hereof.

Dated _____

Name: _____

Title: _____

4.4 Declaration of Adherence (For Companies)

*Minister of Housing and Infrastructure
Government of Maldives
Ameenee Magu
Male', Republic of Maldives*

Dear Sir:

Re: Submission of Proposal for the Development of (no. of housing units) in the Maldives.

I, _____, hereby submit on behalf of _____, a company incorporated under the laws of [insert jurisdiction] (the “Proponent”), four (4) four copies (one original and three copies) of the Proponent’s Proposal. By submitting this Proposal I hereby agree with the terms and conditions detailed in Part 6 of this Document.

In the case that the Proponent is declared the winner of the Proposal, the Proponent agrees to be bound by the terms and conditions set out in the Guidelines. This commitment shall cease to be of any effect upon the earlier of (a) signing of the MOU with another Proponent, and (b) six months from the date hereof.

Dated _____

Name: _____

Title: _____

5 FINANCING PLAN

Please note that the primary concern and objective of the project is to provide the people of H.Dh Kulhuduffushi with good quality housing units. As such, the following payment options are outlined for the investor as part of this project:

5.1.1 Financing Option 1

The land for the housing units will be provided for free and the proponent may earn an income stream from the housing units by renting/selling them to the public. The beneficiaries of the housing units shall get a minimum of 25 years to pay back the cost of the housing units. Developer(s) that require earlier return period of the investment shall model the project in such a way that this is achieved with the beneficiaries having reasonable period to pay back the cost of their units. For this, the Developer may opt to associate with a mortgage bank/institution(s) that would provide loans for the beneficiaries. Government of Maldives (GOM) would encourage financial institutions to facilitate user finance for the beneficiaries. GOM envisages that the existing banks and finance institutions would facilitate finance for those who could prove their repayment capacity. GOM also encourages the developers to partner with mortgage finance institutions.

GOM expects the beneficiaries of these housing units have to pay 20% to 30% of the monthly household income as a monthly payment towards repayment of the cost of these units. Hence, GOM would facilitate housing assistance to those who have a shortfall in their monthly repayment.

Proponents must provide details of financing arrangements for both development finance and user finance. The proposal shall also show the expected pricing of the housing units and the amount the buyers would have to pay monthly against the cost of the unit.

Under this option, the developer will be given land for private villas on uninhabited islands (Clause 9.1.1) as follows:-

- a) As per Clause 9.1.1 , Private Villa development land will be let on a leasehold basis for a period of 50 years and for a concessional rate of twenty five United States Dollars per feet squared (USD 25.00 per 1 sq.ft.) for the 50 year period. This amount can be paid in equal instalments over a period of 10 years.

5.1.2 Financing Option 2

Under this option, the investor may propose to give the housing units free of cost to the government in return to a waiver on the price of land (i.e. USD 25 per sqft rate) for development of Luxury Villas. In other words, the proponent may hand over to the government the required social housing units of quality that the government finds acceptable free of charge, and the government will waive the payment of USD 25 per sqft for the Luxury Villas.

Under this option, the proponent forgoes the right to earn an income from the social housing units.

Terms of lease will be the same as those described in 5.1.1

5.1.3 Financing Option 3

This option is open to developers who have an existing contract with Ministry of Housing and Infrastructure under the Private Villa Model to develop housing units against Private Villa development. Through this option, instead of awarding additional Private Villa land, the proponent will have the opportunity to add forty nine (49) years to the lease period of the Private Villa land awarded under the existing contract of the date that ends the 50 year lease period under the existing contract.

Term of lease will be the same as those described in 5.1.1.

6 IMPLEMENTATION PLAN

Implementation plan and schedule should be proposed.

7 INSURANCE MECHANISM

Proponents must provide details of the arrangement to be put in place for third party liability insurance in respect of their performance of the contract including the construction of the housing units and the delivery of building material to the site. The proponent would be required to submit insurance certificate before signing the contract.

Proponent shall also submit details of arrangements, if any, planned to facilitate insurance of the housing units by the beneficiaries / buyers, upon completion of the housing units.

8 QUALITY PLAN

Proponents should provide details of arrangements to be put in place in order to maintain the level of quality of the housing units developed under this project. Proponents shall also offer a statement on how they intend to manage quality aspects of the construction of the units.

9 INCENTIVES FOR DEVELOPERS

9.1 Private Villa Development

This project offers to the proponents to develop 10 private villas for every 100 housing units developed under this project. The product shall be awarded as a private villa and upon conclusion of the development; the owner shall be issued with a registry which reflects his right to occupy the villa on a lease basis for a period of 50 years. The owner of the private villa shall be entitled to a residency visa for an agreed length of time.

The total plot area allocated for development of a private villa is 20,000 sq. ft. (twenty thousand feet squared). Out of these 20,000 sq.ft., 10,000 sq.ft. of land will be within the Environmental Protection Zone (EPZ)¹ of the island and hence, no construction is allowed and removal trees limited within this area, except for a pathway to the beach. Each plot allocated for development of private villa will have the adjacent beach dedicated for the buyer of the villa. The land allocated for the development of the private villas will have the following development controls;

a. Total plot area per villa:	20,000 sq. ft.
b. Maximum built-up area: (building foot print area)	5,000 sq. ft.
c. Allowable height:	Two storey plus terrace
d. Other provisions:	Uncovered swimming pool, uncovered sports area and a garden shed can be constructed outside the built-up area
e. Utilities and services	Mode of provision of required utilities and services (like power, water, sewer connection, gas, waste disposal, etc.) to the villas to be decided based on the location (the island) and in negotiation with the Regional Utility Companies.
f. Villa Infrastructure	Additional 20,000 sqft shall be given to the Developer for each 100 housing units developed for the construction of the Villa Infrastructure.

9.1.1 Location of Private Villas

- a) The Investor is offered an uninhabited island for development of private villas in exchange for developing the required housing units in H.Dh Kulhuduffushi under Financial Option 1 and 2 (5.1.1 and 5.1.2 respectively).

The proponents will be given the option of locating their private villas on islands identified by the Government of area between 15-20 hectares, or negotiating with the government to locate their private villas on islands or properties of their own choice. In all of the above cases, the developer will not be awarded a lease over the whole uninhabited island, but will be awarded separate leases for demarcated and distinct plots on the island. The government will have the right to allocate other parts of the island for other uses although a contractual assurance shall be afforded to the developers so that Government will not allocate the remaining portions of the island for incompatible uses – such as industrial uses.

Investors will also be provided with additional space for public facilities (laundry, meeting area, back offices...etc) to be approved in consultation with the government and as part of the proposal. The total footprint area to be awarded for these facilities will be 10,000 sq ft of built-up area for each 100 housing units that is developed.

Development of the Private villas must not be preceded by the development of Housing Units. The right to occupy a Private Villa will only be provided upon the proponent making available the required level of social housing unit. As such, 1 private villa can only be occupied when 10 housing units have been made available to the public/government.

Investors who propose to develop the housing units will be allowed leased rights for these properties for duration of 50 years.

- b) Investors who propose to develop the housing units under the financial option 3 (5.1.3) will be allowed additional lease rights of the existing private villa land for duration of 49 years.

9.2 Specific Notes:

Upon completion of the Private Villa development as per clauses 9.1.1., the owner may apply for a guesthouse permit, which will be granted on the existing guesthouse regulations. Once the guest permit is issued, the owner will have the right to commercial use of his villa. He may sell it to third parties and they shall visit as tourists to the Maldives and can stay at the 'private villa – guest house'

Any taxes applicable to guesthouses (such as business profit tax and ad valorem tax) shall apply to the commercial use of the property.

10 EVALUATION SYSTEM FOR ASSESSMENT OF PROPOSALS

The proposal process is designed in a manner that proposals received on each 1st and 3rd Monday of the month will be the cut-off date for submissions and re-opening date.

Two approaches are to be followed for evaluating the proposals. In the case where two proponents submit proposals for the same Private Villa Island (for comparative bids), a technical evaluation is to be done as detailed in Clause 10.1.

10.1 Technical evaluation (80)

The technical evaluation is based on the strength of the company and quality and level of provisions offered for the package or packages.

Division of points for technical proposal is as follows:

Type of allocation	Points
Experience of the company (establishment)	15
Strength of the partners/consortium offered <i>Experience, financial strength, level of expertise of the company, partners and/or consortium</i>	15
Development of required housing units and proposed infrastructure <i>15 points will be awarded for proponents proposing to develop 500 housing units to the minimum requirements given in this document. The remaining 5 points to be allocated for those who propose additional infrastructure which shall be finalized in negotiation with the Government</i>	15
Implementation plan (program of works) <i>Points for this element will be based on the completion time, mobilization time, and the modality proposed</i>	20
Insurance Plan <i>Full points for those that proposes insurance as proposed in this document</i>	5
Carbon neutral and Environment friendliness <i>Points for this element will be awarded based on the degree of considerations to carbon neutrality and environment friendliness in terms of design (use of natural lighting and ventilation), construction (material used), etc.</i>	10

The total points scored in this section will be scaled to match total score allocated.

10.2 Responsiveness Evaluation

For proposals that are received sporadically allocation of scores as prescribed in Clauses 10.1 may not be deemed necessary, as a comparative analysis cannot be done. This is to be decided by majority consent of the evaluation team. In such cases the following approach to the evaluation should be applied.

- a) A responsiveness evaluation to be conducted based on the requirements identified in Clauses 3-8 of this document
- b) Proposals that are declared responsive will be moved to a negotiations stage
- c) If a proposal is declared non-responsive the parties will be informed as such in writing.

10.3 Additional Consideration

The first and third Monday of each Month shall be the cut-off date for submissions and re-opening date. If two proponents propose for the same private villa island, at two different evaluation quarters of the month, then the proposal that was submitted in the first quarter shall be given the priority to go ahead.

11 CONTRACTUAL TERMS AND CONDITIONS

11.1 Definitions (“neighbourhood area concept” – need to define this)

“Authority”	Means any government, whether central or local and any minister, Department, office, commission, delegate, instrumentality, agency, board, authority or other organ whether statutory or otherwise of the Government of the Maldives.
“Business Day”	Means any day that is not a Friday, Saturday or a Public holiday in the Maldives
“Client”	Means the Ministry of Housing and Infrastructure, or the government authority who acts on behalf of the Maldives.
“Developer”	Means the party who would sign the contract with the client to develop the housing units, required infrastructure and additional facilities in the island
“Individual Housing Unit”	Means a house that share the back wall with an identical house. An Individual Housing Unit/house will have un-built area in the front and the sides of the land allocated for the house.
“Private Villa”	Means a house developed on a 20,000 square feet of plot with high quality finish targeted for high income households. The private villas developed under this project will only be sold at leasehold basis for a period of 50 years.
“Community Consultation”	Means discussing with the island community and/or community representatives like the Island Council or Island Development Committee.
“Additional Facilities”	Means the facilities which the developer may opt to develop at his/her discretion for the socio-economic benefits of the island community. A list of possible facilities is provided in 3.3.2 of this document.
“Commencement Date”	Means the date of Handover of the clear, unencumbered and lawful possession of the project sites to the developer. For the Private Villa Development and the Commencement Date means the date of the handover of the clear, unencumbered and lawful possession of the Private Villa land.

<p>“Completion Date”</p>	<p>Means the date of completion of construction of the housing units</p>
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11.2 Duration of the Contract

Subject to the provisions contained later in this Contract for earlier termination, this Contract will continue for a period of Fifty (50) years from the Commencement Date.

11.3 Minimum requirements for the housing units

The Developer shall construct the housing units to at least the minimum requirements given in Section 3.2.1 and 3.2.2 of this document. Any improvements proposed and agreed by the Developer to the given minimum requirements, shall form part of this contract and the amended requirements shall be strictly adhered to by the developer.

11.4 Specifications and Standards

Building standards and specifications generally used for Government construction projects shall be the minimum specifications followed for the construction of the housing units. The Developer will, at all times during the currency of this Contract, implement and observe this Clause.

11.5 Cost of housing units

The maximum cost of a housing unit to be charged by the Developer shall be in accordance with cost structure and repayment modality agreed between the Developer and the Client. Increase in the costs of labour and material for the construction of the housing units shall not entitle the Developer to increase in the cost of the housing units. The land allocated for the construction of the housing units will be given free of charge, which will ultimately be transferred to the buyers / beneficiaries of the housing units.

11.6 Cost of Private Villas

The Developer may set the price of Private villas at any level and may change the price at any time. Developer may sell the villas in both local and the international market. The land allocated for development of private villas will be sold to the Developer at concessional rate and at leasehold basis for a period 50 years. Hence, the Developer shall sell the villas on leasehold basis for a maximum period 50 years.

11.7 Project Review Committee (PRC)

11.7.1 PRC Meetings

As soon as possible after signing of this Contract, a Project Review Committee (PRC) comprising of the authorized representatives of the Developer and the Client shall be formed. PRC shall meet at least once every month, and in addition, it shall meet on fourteen (14) days written notice of either the Client or the Developer.

11.7.2 Matters to be considered

The Review Committee may consider any matter pertaining to this Contract, the speed of project delivery, the quality and methodology of construction, any matter reasonably raised by the island community and to recommend any changes to them.

11.8 Status of Developer

The Developer is not an employee or agent of the Client. No employee, agent or contractor of the Developer is an employee, agent or contractor of the Client. The Developer will not represent or hold out that the Developer is an employee, agent or representative of the Client. The Developer will not permit any employee, agent or contractor of the Developer to represent or hold out that any such person is an employee, agent or contractor of the Client.

11.9 Insurance and indemnity

The Developer shall be responsible for, and shall indemnify the Client against all claims and liabilities for death or personal injury or loss of or damage to property, which may arise out of or in consequence of the performance or non-performance of this Contract by the Developer. Without prejudice to its liability under this Clause, the Developer shall, at its own expense insure, as per law, against any liability for death or personal injury or loss of or damage to any property which may arise out of or in consequence of the performance or non-performance of this Contract.

11.10 Obligation to the Developer's Employees

The Developer shall comply with all the relevant labour Laws applicable to the Developer's Personnel, including Laws relating to their employment, health, safety, welfare, immigration and emigration, and shall allow them all their legal rights. The Developer shall require his employees to obey all applicable Laws, including those concerning safety at work.

11.11 Progress reporting

The progress reporting arrangements, which will form part of the contract, will focus on the speed and quality of delivery and any issues or obstacles affecting the delivery. These reports shall be discussed at PRC meetings. However, failure to comply with the terms of the contract entitles the Client to exercise a number of remedies (which may, in the worst case scenario, result in contract termination).

Progress of the works will be monitored and supervised by authorised representatives of the Client and the Community. Reports of such personnel will be forwarded to the Developer and discussed at PRC meetings to bring necessary changes or take necessary action.

11.12 Registration of the housing units

The Developer shall handover the housing units to the buyers / beneficiaries after necessary registration of the property at the local authority. Client will provide necessary assistance in getting these properties registered.

11.13 Marketing and Publicity

1. The Developer may opt to carry out necessary marketing and publicity in order to reach the prospective buyers, in accordance with the laws and regulations of Maldives. Such information shall be shared in the PRC meetings.
2. The Developer shall acquire necessary approvals from relevant authorities for marketing and publicity.

11.14 Fine for not meeting the time agreed Timetable

The Developer will be entitled to pay a fine of one per cent (1%) of the cost of the house for every seven day delay up to a maximum of 10% of the cost of construction of the all the housing units in the package(s), unless the delay is approved by PRC.

11.15 Allocation of costs

The Developer will be responsible for all costs associated with construction of the housing units and will be entitled to all revenues. For the avoidance of doubt, the Developer may opt to carry on with the management of properties with a fee charged on to the buyers of the properties or handover the management to the buyers.

11.16 Variation

The parties acknowledge that there may, in addition to the reviews provided for in Clause 5.11, be changes to the conditions and requirements applying to a component of the project or otherwise to this Contract during the term of this Contract. The parties agree to meet, discuss and endeavour to negotiate in good faith any changes which are proposed by either party. Any changes that are mutually agreed will be placed in writing and signed by or on behalf of each party.

11.17 Confidentiality

All information supplied by Client in connection with the Request for Proposal shall be treated as confidential by proponents except that such information may be disclosed for the purpose of obtaining sureties and quotations necessary for the preparation and submission of the proposal.

11.18 Time of completion

Subject to any requirement in the Contract as to completion of any section of the Works before completion of the whole, the whole of the Works shall be completed in accordance with agreed program of works. The total duration includes weekly rest days, official holidays, and days of inclement weather.

11.19 Joint and several liability

If the Developer constitutes (under applicable Laws) a joint venture, consortium or other unincorporated grouping of two or more persons:

- a) These persons shall be deemed to be jointly and severally liable to the Client for the performance of the Contract;

- b) These persons shall notify the Client of their leader who shall have authority to bind the Proponent and each of these persons; and
- c) The Proponent shall not alter its composition for legal status without the prior consent of the Client.

11.20 Conflict of interest

No officer, employee or agent of the Client who exercises any functions or responsibilities in connection with the planning and carrying out the Project, nor any immediate family member, close business associate or organization which is about to employ any such person, shall have any personal financial interest, direct or indirect, in the Developer or in this Contract and the Developer shall take appropriate steps to assure compliance.

The Developer covenants that in the performance of this Contract, no person having any conflicting interest shall be employed.

11.21 Force Majeure

11.21.1 “Force Majeure” means any of the following events to the extent that they are uninsurable:

- (a) war, civil war, armed conflicts or terrorism; or
- (b) nuclear contamination unless the Developer and/or any Subcontractor is the source or cause of the contamination; or
- (c) chemical or biological contamination of any of the facilities related to the Route from any of the events referred to in Clause

11.21.2 Consequences of Force Majeure

- (a) Subject to Clauses (b)(i) and (ii) the Party claiming relief shall be relieved from liability under this Contract to the extent that by reason of the Force Majeure event it is not able to perform all or a material part of its obligations under this Contract.
- (b) Where a Party is (or claims to be) affected by an event of Force Majeure:
 - (i) it shall take all reasonable steps to mitigate the consequences of such an event upon the performance of its obligations under this Contract, resume performance of its obligations affected by the event of Force Majeure as soon as practicable and use all reasonable endeavours to remedy its failure to perform; and
 - (ii) it shall not be relieved from liability under this Contract to the extent that it is not able to perform, or has not in fact

performed, its obligations under this Contract due to its failure to comply with its obligations under sub-Clause(b)(i).

- (c) The Party claiming relief shall serve written notice on the other Party within two (2) Business Days of it becoming aware of the relevant event of Force Majeure. Such initial notice shall give sufficient details to identify the particular event claimed to be an event of Force Majeure.
- (d) A subsequent written notice shall be served by the Party claiming relief on the other Party within a further five (5) Business Days which shall contain such relevant information relating to the failure to perform (or delay in performing) as is available, including (without limitation) the effect of the event of Force Majeure on the ability of the Party to perform, the action being taken in accordance with Clause (b)(i), the date of the occurrence of the event of Force Majeure and an estimate of the period of time required to overcome it (and/or its effects).
- (e) The Party claiming relief shall notify the other as soon as the consequences of the event of Force Majeure have ceased and when performance of its affected obligations can be resumed.
- (f) If, following the issue of any notice referred to in Clause (d), the Party claiming relief receives or becomes aware of any further information relating to the event of Force Majeure (and/or any failure to perform), it shall submit such further information to the other Party as soon as reasonably possible.
- (g) During the continuance of any event of Force Majeure which occurs on or after the Service Commencement Date the Unitary Payment payable in respect of such period shall be reduced to an amount equivalent to the Unitary Payments payable in respect of those Services that are available to the Institution during such period after taking account of the effects of such event of Force Majeure.
- (h) The Parties shall endeavour to agree any modifications to this Contract which may be equitable having regard to the nature of an event or events of Force Majeure.

11.22 Governing laws, regulations and standards

This Contract shall be governed by and construed in accordance with the laws, regulations and standards in force in the Republic of Maldives.

11.23 Dispute resolution

11.23.1 General

- (a) Referable Disputes

The provisions of this Clause 5.23 shall, save where expressly provided otherwise, apply to any dispute arising in relation to or in connection with any aspect of this Contract between the Parties.

(b) Internal Referral

- (i) If a dispute arises in relation to any aspect of this Contract, the Parties shall attempt in good faith to come to a Contract in relation to the disputed matter, in accordance with the following informal process:
 - (aa) all disputes shall first be referred to a meeting of the Project Review Committee and
 - (bb) if the Parties have been unable to resolve the dispute within five (5) days of referral to the PRC, either Party may refer the dispute for a decision by the Client and the Developer.
- (ii) In attempting to resolve the dispute in accordance with the provisions of this Clause (b), the Parties shall (and shall procure that their employees and representatives shall) use reasonable endeavours to resolve such dispute without delay by negotiations or any other informal procedure which the relevant representatives may adopt. Those attempts shall be conducted in good faith in an effort to resolve the dispute without necessity for formal proceedings.
- (iii) Any dispute which has not been resolved by the Client and the Developer within five (5) days of the dispute being referred to them (or any longer period agreed between the Parties) shall be treated as a dispute in respect of which informal resolution has failed.

(c) Performance to Continue

No reference of any dispute to any resolution process in terms of this Clause shall relieve either Party from any liability for the due and punctual performance of its obligations under this Contract.

(d) Litigation

- (i) Save where any dispute has been expressly referred for determination in terms of Clause 11.23.1, if informal resolution of any dispute has failed, then the dispute may be referred to litigation in the courts by either Party.
- (ii) Neither Party is limited in any proceedings before the court to the information, evidence or arguments used in the informal attempts to resolve the dispute.

11.24 Notices

A notice or other communication required or permitted to be given by a party to another party shall be in writing and:

- (a) delivered personally to the address of the recipient stated in this contract;

- (b) properly addressed to the recipient as stated below and posted, postage pre-paid;
or
- (c) sent by facsimile transmission.

11.25 Termination

11.25.1 Immediate Termination by the Client

The Client may immediately terminate this Contract by notice in writing to the Developer if:

- (a) The Developer assigns or purports to assign this Contract or any part of it contrary to the provisions of this Contract;
- (b) The Developer goes into liquidation, either voluntarily or compulsorily, or is dissolved or has a receiver appointed in respect of all or any part of its assets or income or has a provisional liquidator, controller or administrator appointed with respect to it or enters into any composition or arrangement with its creditors or if by operation of law any form of compulsory administration or control of its business and affairs is imposed upon the Developer (but the Client will, without any binding legal commitment and without prejudice to the Client's rights of termination, give favourable consideration to any request for the permanent or temporary continuation of this Contract in any case where the Client considers that the happening of an event referred to in this sub-clause will not preclude the Developer from continuing to complete the construction of the units and social infrastructure, and continuing to comply with all of its obligations under this Contract);
- (c) The Developer fails to deliver the housing units, or a substantial part of delivery of the units, unless the failure is as a result of Force Majeure.

11.25.2 Termination by Either Party

Either party may terminate this Contract, within 90 days, by giving notice in writing to the other party if the other party is in breach of this Contract and fails to remedy that breach within 30 days.

11.25.3 Payment or properties upon termination

- (a) Upon termination of this Contract, the Developer shall within 25 days, hand over to the Client:
 - All the housing units including land (at whatever stage of construction they maybe)
 - Any other land or island he has been awarded under this contract

- The sites (including any land area given temporarily material storage, labour housing, etc.) and demobilize from the sites,
- (b) Upon termination of this Contract, within 60 days, make all payments due to the Client, other service providers and his employees.
- (c) In the event of termination, no party shall attempt jeopardize efforts to continue the construction process. Both parties shall make maximum effort to continue without any interruption in transferring the remaining works to another developer.

11.25.4 Accrued Rights

Any expiry or termination of this Contract is without prejudice to and does not affect the accrued rights of any of the parties arising in any way out of this Contract up to the date of expiry or termination.

12 APPENDICES

Appendix A: Minimum requirements/ specifications for the housing units

Appendix B: Proponents Details

APPENDIX A:

Minimum requirements and Specifications for the housing units

Introduction:

These minimum requirements are given as a guideline to the developer. Developer could choose to make improvements on the requirements and specifications provided below. The proposal shall consist of description of specifications to the level given below with modifications / improvements proposed by the proponent, if any.

Types of housing

- 1- Individual housing units

Specific Notes:

- Monthly material testing and quality monitoring must be carried out by the contractor, and this information shall be provided accordingly, including concrete compression tests.
- A monthly progress report (sample provided) shall be submitted by the contractor.

Minimum requirements/ specifications for the housing units

- Materials, fixtures and fitting used on exterior wall and surfaces shall be whether proof external finishing materials including fixtures and fittings.
- All the major materials, fixtures and fittings with their specification shall be approved prior to installation/application.

Additional Facilities

The details of the various packages including the names of the islands in the Atoll where the housing will be developed, the number of housing units to be developed in each of the islands and the minimum required social infrastructure to be developed on the island are attached in Annex 1.

As stated in Section 4 of this document, additional points will be awarded for proposals that offer to develop additional facilities on the islands where the housing units are built. Therefore, it is required that the proponents state in their proposals any additional facilities he/she proposes to develop along with the housing units and the required social infrastructure. The proponent may choose additional facilities from the following list.

- a. Community centre with a library, meeting hall, small café, postal service, public toilets etc.
- b. Fish market
- c. Market for local produce
- d. Additional class rooms and a library for the primary/secondary school
- e. Additional 12-bed ward (with a nurse's station) to the existing Health Centre or Hospital
- f. Outdoor sports arena with basketball court, volleyball court, tennis court, soccer field, changing rooms, toilets, spectator stands, etc.
- g. Commercial area with shop space, pedestrian walkways, children's play area, outdoor seating, green landscaping, etc.

The proponent must understand that an item in the above list may not be needed on a certain island, while it may be very desirable on another. Hence, any additional facility proposed will be confirmed at the negotiation stage and in discussion with the island community.

Description of minimum requirements

Type of House	Bedroom(s)	Toilet(s)	Sitting, Kitchen and Dining	Laundry Space
<p>1. <u>Individual housing units</u></p> <p>These semi-detached houses shall be of double floor and a roof.</p> <p><u>Floor</u></p> <ul style="list-style-type: none"> • Sitting, Dining, Kitchen and laundry area. • 03 bedrooms (one master room & two small room). • 02 toilets (one attached & one common). <p><u>Roof</u></p> <ul style="list-style-type: none"> • A Timber framed sloped roof shall be provided with lysaght or equivalent profiled covering. • Minimum total floor area shall be 90 sqm. • There must be specified setbacks provided at the front and rear side. 	<p><u>Area & dimensions:</u></p> <ul style="list-style-type: none"> • Minimum size of a bedroom shall be 10 - 11 sqm. • Minimum clear height (floor to ceiling height) for all areas shall be 2.7m. <p><u>Finishes:</u></p> <ul style="list-style-type: none"> • Walls shall have preparatory sealer and two coats of emulsion paint finish as specified by the manufacturer. • Ceiling shall be smoothed and finished with preparatory sealer and two coat of emulsion paint as specified by the manufacturer. • Floors shall be of ceramic Tile finish. 	<p><u>Area & dimensions:</u></p> <ul style="list-style-type: none"> • Minimum size of a toilet shall be 2.2 sqm. (approximately 1.2mx1.8m inside) • Minimum clear height (floor to ceiling height) for toilets shall be 2.4m. <p><u>Finishes:</u></p> <ul style="list-style-type: none"> • Interior of walls shall have ceramic wall tiling up to 1.8m high from floor fish level. The rest of the walls may be paint finished with preparatory sealer and two coats emulsion paint finish as specified by the manufacture. • A suspended ceiling, concealing the plumbing pipeline shall be smoothed and finished with preparatory sealer and two coats emulsion paint as specified by the manufacturer. • Floors shall be of ceramic tile finish. 	<p><u>Area & dimensions:</u></p> <ul style="list-style-type: none"> • Sitting, Kitchen, and Dining & laundry area must be placed in ground floor • Minimum area for sitting area shall be 9 sqm. • Minimum clear height for shall be 2.7m. • Minimum area for Kitchen & Dining shall be 12 sqm. (Preferably separated area for Kitchen) <p><u>Finishes:</u></p> <ul style="list-style-type: none"> • Walls shall have preparatory sealer and two coats of emulsion paint finish as specified by the manufacturer. • Ceiling shall be smoothed and finished with preparatory sealer and two coat of emulsion paint and as specified by the manufacturer. • Floors shall be of ceramic tile finish. 	<p><u>Area & dimensions:</u></p> <ul style="list-style-type: none"> • Laundry space shall be provided to accommodate one washing machine and ironing space. • Minimum clear height (floor to ceiling height) for shall be 2.4m. <p><u>Finishes:</u></p> <ul style="list-style-type: none"> • Walls shall have ceramic wall tiling up to 1.8m high from floor finish level. The rest of the walls may be paint finished with preparatory sealer and two coats emulsion paint finish as specified by the manufacturer. • A suspended ceiling, concealing the plumbing pipeline shall be smoothed and finished with preparatory sealer and two coats emulsion paint as specified by the manufacturer. • Floors shall be of ceramic tile finish.

	<p><u>Services:</u></p> <ul style="list-style-type: none"> • Adequate lighting must be provided for each room. (preferably two light points) • A fan and three socket outlets shall be provided for each room (one 15A socket shall be provided at 2.4m height for possible future air-conditioning need). <p><u>Ventilation:</u></p> <ul style="list-style-type: none"> • Each room shall have window(s), with the opening area equal to 15% of the floor area of the room. • In places where balcony is used, doors for balcony access must be considered as opening for ventilation. 	<p><u>Services:</u></p> <ul style="list-style-type: none"> • Adequate lighting must be provided for each toilet (preferably one light point). • All relevant fixtures (WC, wash basin, muslim shower, water tap, etc.) must be provided. • Water connection must be provided to relevant toilet fixtures. <p><u>Ventilation:</u></p> <ul style="list-style-type: none"> • Each toilet shall have window(s), with the opening area equal to 10% of the floor area of the toile. 	<p><u>Services:</u></p> <ul style="list-style-type: none"> • Adequate lighting must be provided for the entire area. • Fans and sockets outlets at relevant location shall be provided for the general home appliances at sitting, kitchen and dining area. • Kitchen fixtures, such as sink, bench, cupboards, etc. must be provided. • Water connection must be provided to relevant kitchen fixtures. <p><u>Ventilation:</u></p> <ul style="list-style-type: none"> • Each space shall have window(s), with the opening area equal to 15% of the floor area of that space 	<p><u>Services:</u></p> <ul style="list-style-type: none"> • Adequate lighting must be provided (minimum one light point). • Ground water connection shall be provided • Weather proof two socket outlets (13A) shall be provided. <p><u>Ventilation:</u></p> <ul style="list-style-type: none"> • Laundry space shall have window(s), with the opening area equal to 10% of the floor area.
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Appendix B

Proponent's Details

1.	Name of Proponent	
2.	Business address	
3.	Telephone Numbers	
4.	Fax number	
5.	E-mail address	
6.	Name of person authorised to act in respect of the Proposal	
7.	Relationship / position of authorised person with Proponent	
8.	Mobile phone number and address for the authorised person	
9.	E-mail address for authorised person	
10.	Land line phone number, fax and address of authorised person	
11.	Legal status of Proponent (is it a private company, public company, partnership, individual person etc.)	
12.	State place of incorporation / registration of Proponent / jurisdiction and laws under which registered / incorporated.	
13.	Company Number and Registered Office and address or if not a company other registration details	
14.	If Proponent is a foreign Party specify if statutory approvals that have been applied for / obtained or pending from GoM or other bodies.	
15.	If a company list the name and addresses of individual shareholders and name, registered offices and Company numbers of companies holding more than 5% of the issued share capital and shareholding.	

16.	State which (if any) of the registered shareholders are legal owners holding the shares on their own behalf or on behalf of others who the beneficial owners are.		
17.	Provide name and address of individual beneficial owners of shares in Proponent and name, registered offices and Company numbers of company beneficial owners.		
18.	If there are controllers of the Proponent (a controller is a person in accordance with whose wishes the Proponent / directors / shareholders is accustomed to act) provide the name, father's name and address of such persons.		
19.	If the Proponent is not a company provide names, and addresses of (a) owners (b) controllers in accordance with whose wishes the Proponent acts.		
20.	Details of directors of the Proponent if it is a company.		
21.	Details of management team		
22.	Auditor's name and contact point		
23.	Lawyer's name and contact point		
24.	Banker's name and contact point		
25.	List names, qualifications and addresses of advisors to the Proponent on this transaction	Financial:	
		Legal:	

		Other:	
26.	Brief History of Proponent		
27.	Details of main business activities, nature of business, locations		
28.	Number of employees full time / part time / permanent / seasonal		
29.	Profit (Net Profit, Profit after tax)		
30.	Net Worth based on estimated market values of assets and liabilities. Net Worth is defined as equity share capital + free reserves and surplus (excluding revaluation reserves)		
31.	Details of borrowings, with terms, security and interest rates and debt service ratios and coverage.		
32.	Is or has the Proponent or any of its promoters / significant shareholders (above 5% shareholding) / directors or controllers or connected persons been insolvent or bankrupt or in the course of winding up or subject of proceedings for declaration of insolvency or bankruptcy, or entered into an arrangement with creditors or any other similar proceedings.		
33.	Has the Proponent or any promoters / significant shareholders (above 5% shareholding), directors or controllers or connected persons been subject to criminal court proceedings / engaged in grave professional misconduct / engaged in corruption including the offering or receipt of inducements of any kind / subject to investigations or inspections by relevant bodies such as Anti-Corruption Commission, Capital Market Development Authority, Tax Authority / equivalent bodies elsewhere.		
34.	Has the Proponent or any promoters / significant shareholders (above 5% shareholding), directors or controllers or connected persons failed to fulfil obligations relating to the payment of taxes or social security contributions, provident fund contributions in Maldives or equivalent obligations in another jurisdiction.		
35.	Are any proceedings / investigations / inspections of the type mentioned at 34 - 36 pending		
36.	If there are matters arising from 34 -36 please provide full details with an explanation. GoM shall be free to make whatever enquiries are necessary to establish if the Proponent is a fit and proper person eligible to participate in the Proposal Process		

37.	Details of debentures issued by Proponent	
38.	Details of charges over / pledges, hypothecation / other encumbrances over fixed assets, current assets, investments etc.	
39.	Details of guarantees by the Proponent on behalf of others or by others on behalf of the Proponent	
40.	Details of off-balance-sheet liabilities	
41.	Details of all contingent liabilities that, if materialized, have or would reasonably be expected to have a material adverse affect on the business, operations (or results of operations), assets, liabilities and/or financial condition of the Proponent.	
42.	Ratio of current assets: current liabilities	
43.	If the Proponent is an individual, list the business assets owned, including shares in other companies with current market value of the shares, or cash from other businesses.	
44.	Briefly describe ability and experience in raising capital funds for investment and plans in this regard for the project in the Maldives. The Party is required to come up with an investment plan for the proposal. Considerations will be given to the applicant who proposes most favourable investment plan. The Party must provide the most comprehensive and far reaching investment proposal for development. All these investments must be underwritten by the PPP business model and no burden (either in the form of sovereign guarantee or otherwise) will be taken by GoM. It should be agreed that the investments will be non-reimbursable. The fundamental developmental milestones (all necessary developmental investments in pursuit of the project objectives and outcomes) must be included in the investment proposal.	