

Privatization & Public Enterprises Supervising Agency
Invitation to Prospective Business Partners
For Expression of Interest

The Privatization & Public Enterprises Supervising Agency (PPESA) is an autonomous government office which is entrusted with the tasks of privatizing, supervising, guiding, supporting and controlling state-owned enterprises to render them competitive & profitable and thereby enabling them to play significant roles in the implementation of the country's Growth & Development Strategy.

Accordingly, PPESA invites capable domestic/foreign private/public companies to express their interest to develop **Ethiopian Mineral Development Share Company (EMDSC)** by concluding Joint Venture contracts with the Agency.

The requirements & conditions are as indicated below:

1. Preparation & submission of detail business plan based on the checklist given;
2. Submission of best offer for EMDSC based on our indicative value;
3. Submission of Legal Establishment Documents, Statement of Legal Capacity, 3 years Audit Reports and Company Profile of the partner;
4. Full understanding and compliance to Ethiopian investment & mining laws;

Partners must also be legally established companies having operated at least for three years in similar or related businesses. Information & explanations can be availed to partners upon request. **Partners that submit an excellent business plan and offer best value for EMDSC would be preferred.**

Interested parties, either individually or as a consortium should submit their Expression of Interest (EoIs) and all the documents indicated above to:-

Privatisation & Public Enterprises Supervising Agency
P.O. Box 11835
Addis Ababa, Ethiopia

Each business plan and state property value submitted must be clearly marked on the outside indicating the public property chosen to work with, i.e. EMDSC.

The **EoIs** should provide the full name of the company, the contact person, postal address, telephone, fax number & e-mail address; company profiles need to indicate information on ownership structure of the company, capital, turnover, markets, manpower etc....

EoIs including all the documents specified above must be received by mail at the address stated above or by bringing them physically only during the working hours before the end of the deadline, which is **January 30, 2013**.

Business plans & state property value submitted after the deadline will not be acceptable. Short listed partners will be contacted within 2 weeks from the closing date.

PPESA reserves the right to cancel the offer partially or fully without any preconditions.

Contact: Partnership Team, Ethiopian Investment Agency Bld., 5th Floor, Room 505, Tel. +251 115 50 94 46.



Profile of Ethiopian Mineral Development Share Company (EMDSC)

No.	Items	Description																				
1.	Location	- Head Office: Addis Ababa, Ethiopia - Production Site: Kenticha (550 km from Addis Ababa)																				
2.	Area (Land Size)	- Mineral exploration & prospecting license area = 369.147 KM ² - Tantalum mining license area = 5.34 KM ² at Kenticha & 4.45 KM ² at Bupo Kilkile - Industrial minerals mining license area = 19.08 KM ²																				
3.	Date of Establishment	2000 as Share Company																				
4.	Main Type of Products	<ul style="list-style-type: none"> • Tantalum Concentrate (<i>Major product</i>) • Kaoline, Quartz, Feldspar, Dolomite. 																				
5.	Infrastructures, Facilities & Services	<ul style="list-style-type: none"> • Road access to the Kenticha mining and process plant (Gravel road of about 60 Kilometer from Shakisso to the production site of tantalum and ceramics milling is plant.) • Shakiso Laboratory Division • Analytical laboratory equipment for exploratory samples/core samples:- <ul style="list-style-type: none"> - Atomic Absorption Spectrometry - Fire Assay - Geo-chemical (whole rock) Analysis - X-ray Flourimetry (XRF) • Exploration services equipment facilities (core drilling, geophysical survey & surveying, etc...) • Communication facility (radio communication between head office and mine area operational units/offices) • Other employee related facilities: <ul style="list-style-type: none"> - Guest house for travelling/field personnel - Clinic and amenities; lightening, multi-channel TV services, etc... - Supplies/product warehousing (large size depots) at Shakisso - Gemstone cutting shop and sales outlet 																				
6.	Sales Turnover	USD 15 Million on average																				
7.	Number of Permanent Employees	475																				
8.	Address	<ul style="list-style-type: none"> • Tel. 251 116 - 66 22 90 / 251 116 62 83 36 • Fax. 251 116 - 18-71-43/ 251 116 63 22 91 																				
9.	Capacity (ton/annum)	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Product</th> <th>Designed</th> <th>Attainable</th> <th>Attained</th> </tr> </thead> <tbody> <tr> <td>Tantalum</td> <td style="text-align: center;">215</td> <td style="text-align: center;">215</td> <td style="text-align: center;">206</td> </tr> <tr> <td>Kaoline</td> <td style="text-align: center;">7,500</td> <td style="text-align: center;">7,500</td> <td style="text-align: center;">4,502</td> </tr> <tr> <td>Feldspar, Quartz & Dolomite</td> <td style="text-align: center;">10,00</td> <td style="text-align: center;">10,000</td> <td style="text-align: center;">3,890</td> </tr> <tr> <td>Dolomite from Mine</td> <td style="text-align: center;">120,000</td> <td style="text-align: center;">120,000</td> <td style="text-align: center;">78,727</td> </tr> </tbody> </table>	Product	Designed	Attainable	Attained	Tantalum	215	215	206	Kaoline	7,500	7,500	4,502	Feldspar, Quartz & Dolomite	10,00	10,000	3,890	Dolomite from Mine	120,000	120,000	78,727
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Partnership Proposal on EMDSC:-

- Major objective of the partnership is to expand & develop tantalum & other industrial products, upgrading the mining capacity, establishing high value adding processing facilities especially for tantalum.
- Other more important objectives would be:-
 - ~ Export of products;
 - ~ Introduction of modern technology & systems;
 - ~ Investment to ensure high value addition & export marketing;
 - ~ Transfer of know-how and skill, etc...
- The mode of partnership is Joint Venture where PPESA contributes EMDSC as a going concern for the value it is worth and the partner will inject the necessary equity capital required to implement the business plan.
- Partners are required to prepare detail business plan and submit the same together with a price offer based on the indicative value of EMDSC, which is USD 253,121,613.
- Based on the in-kind contribution of PPESA & the equity contribution of the partner the subscribed capital of the new Company and the shareholding of the parties shall be determined.
- Indicative value of EMDSC shall be disclosed only to potential partners who have submitted expression of interest.
- Short project brief prepared by EMDSC should be looked into to see what is a minimum project requirement.

