

## MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT

## **Procurement Policy Office**

Level 8, Emmanuel Anquetil Building, Port Louis, Mauritius

Ref: F/PPO/ 4/12/B

## **BOT Circular No 1 of 2016**

From: Director, Procurement Policy Office

To: Heads of Public Bodies

## **Embarking on Build Operate Transfer Projects**

The Build Operate Transfer Projects Act proclaimed on 5 April 2016 provides for a legal framework for the execution of projects under Build Operate Transfer (BOT) agreements. A copy of the Act is available on PPO's website: <a href="http://ppo.govmu.org">http://ppo.govmu.org</a>

- 2. The Act defines a BOT Project as "a project based on the granting of rights, under a BOT agreement, to a private party, to build, set up, own, operate, rent, lease, finance, modernise, manage, maintain or develop, and to transfer the undertaking, in accordance with the BOT agreement and includes any agreement which may provide for a project based on BOOT (Build, Own, Operate and Transfer), DBFOT (Design, Build, Finance, Operate and Transfer) or MOT (Modernise, Own/Operate and Transfer) models."
- 3. A BOT Projects Unit has been set up in the Procurement Policy Office as per the Act to deal with BOT projects. A flow-chart of the 10-Step Process leading to the conclusion of a BOT agreement is at Annex. A BOT Guidance Manual detailing the BOT process is being finalised and will be released shortly.
- 4. To trigger the BOT project process, public bodies have to identify potential BOT projects satisfying, *inter alia*, a combination of the following criteria prior to submitting the identified BOT project to the BOT Projects Unit for registration:
  - (i) Customer service will be improved through the project;
  - (ii) The project will generate third party revenue;
  - (iii) Private funds will be raised through the BOT project;
  - (iv) Services will be expanded to a broader range of end users;
  - (v) The BOT arrangement will bring innovation;
  - (vi) Risks not effectively managed by the public sector will be transferred to the private sector; and/or

- (vii) The BOT arrangement as an alternative to traditional procurement has the potential to reduce the cost of delivering the service/ infrastructure under the project.
- 5. Public bodies may carry out the BOT feasibility study once they have registered their projects with the BOT Unit.
- 6. The contact details for the BOT Projects Unit are as follows:

BOT Projects Unit Procurement Policy Office 8<sup>th</sup> Floor, Emmanuel Anquetil Building Port Louis

Telephone: 2012514/3760

e-mail address: botunit@govmu.org

BOT Projects Unit Procurement Policy Office 28 April 2016