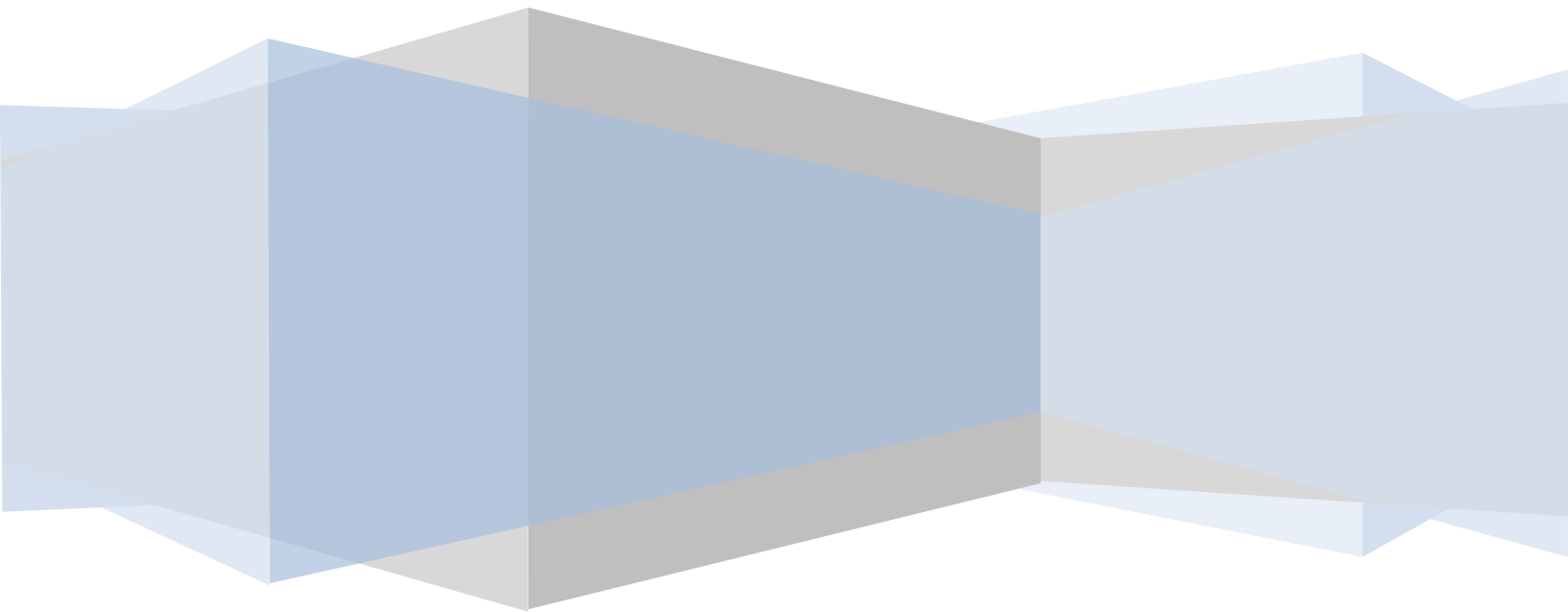




Request for Proposal

Cooperative Legislation for Bermuda



Bermuda Economic Development Corporation

www.bedc.bm

Sofia House, 48 Church Street,
Hamilton HM11, Bermuda

Telephone: (441) 292-5570
Fax: (441) 295-1600

BEDC – RFP 2020/01

February 4, 2020

Request for Proposals

Cooperative Legislation for Bermuda

1. Executive Summary

- 1.1 The Bermuda Government is desirous of creating a cooperative eco-system in Bermuda and as such, appointed a Director of Economic and Cooperative Development in February 2018 within the Bermuda Economic Development Corporation. Since that time, the Director has involved the Island in continuous cooperative education and public engagement initiatives aimed at raising the awareness, knowledge, and skills of cooperatives. Now, in order to shore up and progress the cooperative framework, the BEDC and the Government believe specific cooperative legislation is needed.
- 1.2 BEDC is requesting proposals from qualified legal persons and firms to research and develop a legal policy on Cooperatives leading to the creation of legislation for Bermuda so that cooperatives can be considered by entrepreneurs, companies, and business owners as a viable business model and legal structure for their enterprises.
- 1.3 The scope of services includes the following:
 - 1.3.1.1 Research and review of Bermuda's company/business legislation.
 - 1.3.1.2 Research and review of cooperative legislation internationally.
 - 1.3.1.3 Recommendations on policy and legislative provisions.
 - 1.3.1.4 Recommendations on amendments to existing legislation or the creation of new legislation.
 - 1.3.1.5 Drafting of legal policy document recommending the best legislative options, creating the legislation framework, and inclusion of the provisions which should be in the cooperative legislation.
 - 1.3.1.6 Drafting cabinet memorandum for approval of cooperative legislation and the drafting instructions required to create the act.
 - 1.3.1.7 Drafting legislative brief for debate of legislation by Bermuda's Parliament.
 - 1.3.1.8 Presenting draft legislation to the public for best inputs.

2. Submission Deadline

Vendor proposals must be submitted by **5:00 pm Friday, March 13th, 2020**. Proposals received after the deadline will be deemed non-compliant and will not be considered.

3. Proposal Submission

3.1 Proposals may be submitted via email to wspriggs@bedc.bm, with a copy sent to jstarling@bedc.bm. Emails that contain RFP proposal submissions should contain the following information in the subject line: **“Cooperative Legislation for Bermuda RFP – <Company Name>”**.

3.2 Proposals may also be mailed, or hand delivered to the following address:

**Bermuda Economic Development Corporation
Sofia House
48 Church Street
Hamilton HM 12
Bermuda
Attention: W. Spriggs**

3.3 All proposals and accompanying materials shall become the property of the BEDC upon receipt and will not be returned.

3.4 All conditions contained within this RFP shall be considered accepted by vendors that participate in this solicitation.

3.5 All information submitted with the RFP will be kept confidential. The BEDC is not obligated to award orders or contracts to vendors that participate in the RFP process.

3.6 Provisions of this RFP and the contents of the successful proposal may be included in the final contract.

4. Vendor Response Requirements

4.1 A description of BEDC’s vision of the BEDC branding and marketing campaign is set forth in the Statement of Requirements included in this RFP. The Project Scope is also included in the RFP. Vendors should contemplate and incorporate the details of both the Project Scope and Statement of Requirements in their proposal submissions.

4.2 **Submissions must include the following information:**

4.2.1 **Project Methodology** – A description of the proposed approach for the system design, installation, internet service provision, and the monitoring, maintenance and upkeep processes and/or phases must be included. The description should set-out the methodology for elicitation, analysis, documentation and validation of project requirements, as well as the processes that will be used to coordinate the design, development, tests and production implementations.

- 4.2.2 **High Level Project Plan** – This will show how the vendor proposes to approach the project and will comply with the cost schedule referred to in paragraph 4.2.5 below.
- 4.2.3 **Proposed Partnering/Subcontracting Plan** – The name, address and payroll tax id number of any proposed partner/subcontractor must be included. Additionally, the proposal must identify specific tasks, if any, that will be assigned to the subcontractor(s). The BEDC reserves the right to evaluate and refuse the use of any subcontractor.
- 4.2.4 **Proposed Responsibilities of the BEDC** – A list of any proposed tasks/expectations of the BEDC must be included in the proposal.
- 4.2.5 **Cost** – A statement of the total estimated costs for Cooperative Legislation creation, implementation, and support must be provided. The cost statement should include, but not be limited to, a breakdown of hourly and daily rate(s) billable in Bermuda dollars and an estimated number of hours and days through completion of the project. A cost schedule must be included that contains a breakdown of phases and tasks associated with the time and costs. If the proposal excludes costs related to certain requirements and/or services, a detailed description of said items and an explanation as to why they were omitted must be provided.
- 4.2.6 **Social and Economic Factors** – The proposal must include the information on the percentage of workforce that is Bermudian.
- 4.2.7 **Signature** – The proposal must contain the signature of a duly authorized officer or agent of the company submitting the proposal.
- 4.2.8 **Confirmation of Non-Collusion** – The proposal must contain a Certification of Confirmation of Non-Collusion signed by a duly authorized officer or agent of the company submitting the proposal.

5. Pre-submission Information

All inquiries regarding this RFP must be made by email with “**Cooperative Legislation for Bermuda**” in the subject line, by **Wednesday, February 12, 2020**. Please send all inquiries to wspriggs@bedc.bm with a copy to jstarling@bedc.bm. All vendors will be notified of the inquiries, without identifying the source, along with the response provided by the BEDC.

6. Vendor Responsibility

It is the responsibility of the vendor to ensure that it has a thorough understanding of the instructions and requirements set forth in this RFP. If additional information or clarification is needed, questions should be submitted in writing as described in section 5 above.

7. Amendments

Prior to the submission deadline, the BEDC may modify, amend or revise any guidelines and/or requirements within this RFP. The BEDC will notify all vendors in writing of any change(s) to the RFP, including any change to the submission deadline and/or any subsequent date for new submissions.

8. Evaluation Process

- 8.1 All proposals submitted to the BEDC will be evaluated in a two-stage process. The first stage will result in a short list of prospective vendors. The short-listed vendors may be asked to attend an interview and present their proposals before the BEDC RFP scoring committee.
- 8.2 Proposals will be evaluated based on responsiveness to the requirements of this RFP as well as the quality and effectiveness of the proposal.
- 8.3 It is anticipated that the successful vendor will be selected by **Friday March 20, 2020**. All vendors who submitted proposals will be notified of the identity of the successful vendor.

9. Contract

Execution by the successful vendor of a contract that outlines the terms, scope of work and costs will be required. The project will initiate after the contract has been fully executed. The BEDC shall incur no costs or liability to any vendor prior to initiation of the project. All contracts are subject to a final review by the BEDC advisory committee and/or Board of Directors.

10. Product of Service – Copyright

All work and rights to work produced, developed or acquired by the vendor under the contract, including ownership of any copyrights to work produced under the contract, shall be transferred to and become the exclusive property of BEDC, and all materials developed or acquired under the contract shall be delivered to BEDC not later than the termination date of the contract. The vendor and BEDC acknowledge that the compensation paid to the vendor is due consideration for transfer of ownership of any copyrights for work produced under the contract.

11. Acceptance and Authority to Cancel the RFP

The BEDC will not be obliged to accept the lowest price or any of the proposals submitted during this process. Each vendor acknowledges and agrees that the BEDC will have no liability or obligation to any vendor, except to the vendor awarded a contract, if any. The BEDC reserves the right to cancel this RFP without any obligation or reimbursement for cost, materials or time allocated to vendor response preparation.

12. References and Qualifications

Before awarding a contract, the BEDC reserves the right to require the vendor to submit evidence of qualifications it deems appropriate. This evidence may include references from prior customers, information regarding business ownership and financial soundness and relevant technical experience of the vendor.

13. Delivery

13.1 A public notice will be posted in the paper twice, on our website, and on the Government’s Official Gazette online portal. This RFP can be downloaded from our website and the Official Gazette. The RFP will also be sent out via email through our Business Register. In addition, it will be delivered via email directly to companies upon request.

14. General

- 14.1 All proposals will be considered final upon receipt. No additions, deletions, corrections or adjustments will be accepted after submission.
- 14.2 Proposals received after the submission deadline will be deemed non-compliant and categorized as a “NO BID”. The time stamp for proposals submitted electronically will be that of the BEDC mail server. It is the vendor’s responsibility to allow sufficient time for electronic transmission and/or physical delivery of their proposal.
- 14.3 Following award and acceptance of the final contract, payments will be made in accordance with the terms and conditions set forth in the final contract.

15. Project Authorities

Executive Sponsor	Erica Smith, Executive Director of BEDC
Contract Authority	William Spriggs, Economic and Cooperative Development Director
Project Driver	Jonathan Starling, Economic and Cooperative Development Officer

16. Summary of Key Dates

Request for Proposals published	Tuesday, February 4, 2020
Deadline for inquiries	Wednesday, February 12, 2020 5:00pm (AST)
Submission Deadline	Friday March 13, 2020 5:00 pm (AST)
Vendor selection (this date subject to change and respondents will be notified accordingly)	Friday March 20, 2020 5:00 pm (AST)

Project Scope

1. Introduction

- 1.1 The Bermuda Economic Development Corporation (BEDC) was established in 1980 as a joint venture between the Bermuda Government and three banks: Butterfield Bank, Bank of Bermuda, and Bermuda Commercial Bank. Its key objective is to assist the development of a strong, well-managed and successful small and medium business sector in Bermuda by providing existing and potential small and medium business owners with a broad range of business advice and financial assistance.
- 1.2 During its first decade of operation, the BEDC provided general start-up guidance, bookkeeping advice and loan guarantees that served as collateral for bank loans for persons who may have otherwise been declined by a Bank. In the early nineties, as the small business landscape changed and grew from “mom and pop operations” to employing more persons, competition grew, and market demands became more complex. BEDC began to offer low cost quarterly seminars and workshops to enable entrepreneurs to educate themselves on relevant topics such as managing cashflow; controlling expenses and overhead; and developing marketing plans and communication strategies.
- 1.3 Over the years BEDC has counselled thousands of Bermudians on starting, expanding, winding up, restructuring, buying, and/or selling a business. An average of 700 private business advisory sessions on an annual basis is offered covering numerous types of businesses. BEDC’s free confidential counselling is offered one-on-one and has, in many cases, ended in the production of a business plan and a BEDC Loan Guarantee used to start a new business. To date, BEDC has supported in excess of \$20,000,000 (twenty million dollars) in bank loans through the Loan Guarantee Program, directly assisting close to four hundred businesspersons.
- 1.4 BEDC currently offers multiple products to assist entrepreneurs and business owners, but its financial products are based on providing Grade A sovereign guarantees for traditional bank loans and most recently, a line of credit through Department of Customs.
- 1.5 Through research with its stakeholders, entrepreneurs and business owners, want access to alternative business models to start, sustain, and grow businesses other than Partnerships, LTD or LLC models. In addition, entrepreneurs are looking for alternatives to access financing to launch a business and the Cooperative models does this.
- 1.6 The BEDC recognises this and it is seeking proposals from qualified respondents interested in providing the services as described in this request for proposals (“RFP”). The Bermuda Government is desirous of creating a cooperative ecosystem in Bermuda and as such in order to shore up the cooperative framework, the BEDC and the Government believe specific cooperative legislation is needed. The successful vendor will develop a response for the proposed project scope outlined below.

2. Project Objective and Concept

- 2.1 BEDC is requesting proposals from qualified legal persons and firms to research and develop a policy on Cooperatives leading to the creation of cooperative legislation for Bermuda, so that cooperatives can be considered by entrepreneurs, companies, and business owners as a viable business model and legal structure to consider.
- 2.2 The successful vendor will develop a response for the proposed project scope outlined below.

3. Problem/Opportunity

- 3.1 An opportunity exists to create alternatives to the current business models currently available to companies, businesses, and entrepreneurs.
- 3.2 As per the Bermuda Economic Development Corporation Act 1980, the BEDC has the ability to guarantee up to 6 times its current capitalisation of \$1.65 million. That means that at any one time the BEDC can carry a total of \$9.9 million in loan guarantees.
- 3.3 BEDC has seen its guarantee portfolio contract as a result of the challenging economy and a scale back of traditional bank/debt financing. Clients have expressed that they are unable to gain traditional bank financing. Clients have also expressed their desire to have access to alternatives options. The cooperative model is viewed as an alternative option to build a business and raise capital in Bermuda.
- 3.4 The proposal should seek to address all elements of Section 4 - Work Scope below.

4. Work Scope

The qualified firm will propose a solution that would best meet the BEDC's stated goals.

4.1 Review of the current legislative environment

The proposal should review Bermuda's current legislative environment with regards to business structures and formation options with the goal of introducing cooperative legislation to the Island. This should be conducted in comparison to best-practice internationally.

4.2 Policy Recommendations

The proposal should include developing a policy document underpinning cooperative legislation and make recommendations on what provisions should be included.

4.3 Legislative Recommendations

The proposal should make recommendations for any new or amended legislation for achieving the proposed and should speak to what should be maintained, what should be amended or discarded, and what new options should be introduced. There should be an explanation of these options and assessment of the pros and cons of each.

In addition to the above, the drafting of cabinet memorandum for approval of cooperative legislation, the drafting of instructions to create the act as well as the drafting of the legislative brief for debate by Bermuda's Parliament will also be required.

It should speak to a timeline for implementation including phasing and also speak to the role and impact on stakeholders. This should also include a proposed budget for implementation.

5. Deliverables

It is expected that the vendor(s) bid package should provide costs for the following deliverables (at a minimum or explain variations to this listing). Costs should be broken down for each deliverable. The final date for the deliverables will be negotiated after the successful vendor is selected and prior to a contract being signed.

- a) A proposal for cooperative legislation based on the feedback obtained from BEDC Board, Staff, and Stakeholders including:
 - a. A policy document on viable options in Bermuda's context.
 - b. Legislative amendments or creation if needed.
 - c. Implementation of the policy and legislation.
- b) A schedule/timeline of key stages in proposal development and timeline for delivery.
- c) A final presentation to the BEDC.
- d) Ability to conduct at least 2 public presentations if needed.
- e) Ability to provide updates at regular intervals to the BEDC and reviews at each critical stage with BEDC.
- f) Any other documents/information to enhance the work of the BEDC in this area.

6. Contacts

It is anticipated that the following contacts may need to be consulted via email during the development of vendor responses; all inquiries that materially impact the RFP process will be posted on BEDC's website with the subject RFP.

William Spriggs—Economic & Cooperative Development Director wspriggs@bedc.bm

Jonathan Starling—Economic and Cooperative Development Officer jstarling@bedc.bm

About the BEDC

BACKGROUND

The Bermuda Economic Development Corporation (BEDC) was established in 1980 as the Bermuda Small Business Development Corporation (BSBDC). This joint venture between Bermuda's banks and the Government was formed to actively assist the development of a strong, well-managed and prosperous small business sector in Bermuda. In 2011, the BSBDC Act was amended to expand its remit. As a result the BSBDC changed its name to BEDC to encompass its expanded legislation. Under the new legislation the Corporation performs the following functions:

- a. the granting of loans or other forms of financial assistance, to assist persons in establishing, carrying on or expanding small businesses, medium-sized businesses and entities within economic empowerment zones;
- b. the provision of technical advice or assistance to persons who are seeking or who are granted financial assistance;
- c. to operate and manage markets;
- d. to oversee and manage the development and implementation of the economic empowerment zones; and
- e. the maintenance of a Register of Small Businesses, Medium-Sized Businesses and Economic Empowerment Zone Business Entities,

Under the BEDC Act 2011, a "Small business" is defined as: Bermudian – owned and managed, operating locally, having an annual gross payroll not exceeding five hundred thousand dollars (\$500,000) and having annual sales revenues of less than one million dollars (\$1,000,000).

Under the BEDC Act 2011, a "medium sized business" is Bermudian owned & owner operated – business enterprise with at least three of the following attributes:

- a. Gross annual revenues between \$1 million and \$5 million
- b. Annual payroll between \$500K and \$2.5 million
- c. A minimum of 11 and a maximum of 50 employees
- d. In operation for a minimum of 10 years
- e. Net Assets of less than \$2.5 million

PRODUCTS AND SERVICES PROVIDED BY THE BEDC

Loan Guarantee Programme: While not a bank, the BEDC will consider acting as a guarantor for a portion of a bank loan for small businesses that appear viable and where the creditworthiness of the borrower is sound. As guarantor of last resort, the BEDC can guarantee up to 65% of the agreed loan amount to a maximum of \$200,000.

Micro Loan Programme: The BEDC will offer a 100% guarantee on up to \$20,000.00 loans to qualified applicants. The Micro Loan is designed to assist start up and businesses with inventory purchases and/or capital items directly related to increasing sales or services.

Letter of Credit: BEDC has partnered with HM Customs and has allocated \$200,000 in funds annually to be used to facilitate lines of credit in amounts up to a maximum of \$10,000 to assist

businesses in importing goods for retail sale in Bermuda. The BEDC will offer a 100% guarantee letter of credit to assist qualified applicants in securing a HM Customs Line of Credit to defer payment of duty

Management of established Economic Empowerment Zones and related products (Payroll Tax, Customs Duty Deferral)

In order to encourage and attract businesses to start up in an EEZ the BEDC has developed concession products to reduce the cost of taxes and customs duty.

Technical advice: Our officers are experienced professionals who can provide business management advice on a variety of issues, including:

- a. Developing a business plan
- b. Bookkeeping/accounting
- c. Managing cash flow
- d. Inventory and stock controls
- e. Expense and overhead controls
- f. Developing marketing and communication strategies
- g. Relevant taxes and Government regulations
- h. Lease arrangements
- i. Insurance requirements
- j. Staffing issues/policies

Resource Library: the BEDC's library contains videos, CDs, books and periodicals, all focused on small business management issues such as business planning tutorials, strategic planning advice, customer service training and more.

Relationships: the BEDC has direct access to many organizations, professional groups and Government departments, which enables it to ensure that the advice provided is accurate and up to date. No question is considered unimportant and we are committed to assisting all entrepreneurs who seek guidance.

Existing Information

The Bermuda Economic Development Corporation holds and has access to existing information from a variety of sources in Bermuda, which could be utilised in the preparation of this study. They are as follows:

- A business register of thousands of businesses – approximately 800 are up to date
- Various stakeholder and client surveys indicating business needs
- Various workshop/seminar evaluations indicating business needs

Appendix A

CERTIFICATE OF CONFIRMATION OF NON-COLLUSION

Notes for the tenderer/bidder

The essence of Open Tendering is that the BEDC shall receive bona fide competitive Tenders from all persons Tendering. In recognition of this principle, all companies submitting a tender will be required, by way of the signature of the Company Principle, state their agreement to the statements below, which indicates that the tender has been submitted without any form of collusion.

The Certificate of Confirmation of Non-Collusion is a mandatory requirement from all bidders. Any bids submitted which do not include a signed copy of the Certificate will be wholly rejected and will not be included in the evaluation process.

If it is later found that the undertakings made below have been breached at any stage of the process, the bidder will be expelled from the process immediately. In the event that this is discovered after a contract award, legal action may be taken against the bidder and/or any party involved in the matter.

False submissions may also exclude the bidder, and any other person or company involved in collusion, from bidding for future contracts tendered by the BEDC.

Confirmation of non-collusion

I/We certify that this is a bona fide Tender, intended to be competitive and that I/We have not fixed or adjusted the amount of the Tender or the rates and prices quoted by or under or in accordance with any agreement or arrangement with any other person.

I/We confirm that we have not received any additional information, other than that contained within the tender pack, or supplementary information provided to all bidders.

I/We also certify that I/We have not done and undertake that I/We will not do at any time any of the following acts:

- (a) communicating to a person other than the tender administrator the amount or approximate amount of my/our proposed Tender (other than in confidence in order to obtain quotations necessary for the preparation of the Tender for insurance) or
- (b) entering into any agreement or arrangement with any other person that he shall refrain from tendering or as to the amount of any Tender to be submitted; or
- (c) offering or agreeing to pay or give or paying any sum of money, inducement, gift /hospitality or valuable consideration directly or indirectly to any person in relation to this tender.

Signed

Date _____

Printed Name and Title

Company Name

Date _____

Printed Name and Title

Company Name

Appendix B

CONSULTANT INFORMATION

1. CONSULTANT'S PAYROLL TAX NO.:

2. CONSULTANT'S SOCIAL INSURANCE NO.:

FINANCIAL STABILITY

We confirm that we, the undersigned, are conducting business as a proper legal entity and are not delinquent in making payments for outstanding debts for Government receivables such as Social Insurance contributions and Payroll Tax.

If in arrears that we have a signed agreed payment plan(s) and are making the payments as per the agreement.

SIGNED (Block Letters):

(Signature):

ON BEHALF OF:

(Company)

ADDRESS:

COMPANY FAX. NO.:

COMPANY EMAIL:

COMPANY PHONE NO.:

(Main/Cell)

DATED:

REQUEST FOR PROPOSALS FORM of TENDER

All sheets form part of the tender

LUMP-SUM BID

TO: EXECUTIVE DIRECTOR - BERMUDA ECONOMIC DEVELOPMENT CORPORATION

Having examined the tender documents as well as the relevant conditions affecting this work, we the undersigned, offer to complete the project for the sum of:

(Figures) **BD\$**

(Words) **Bermuda Dollars**

We agree to abide by this tender for sixty (60) calendar days from the date fixed for receipt of tenders and understand that you may accept/reject any bid you may receive.