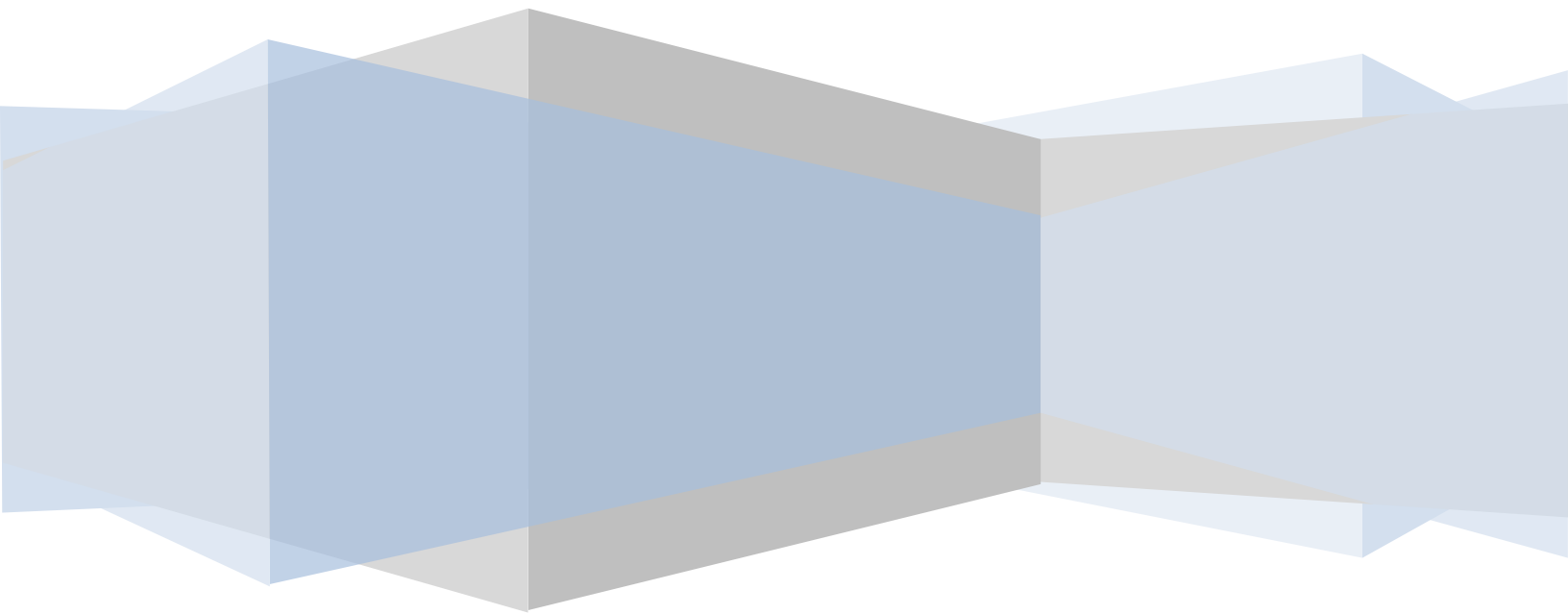




Request for Proposals

Developing an Alternative Financing Framework for Bermuda

Addendum to RFP Document





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BEDC – RFP 2016/01

March 23rd 2016

Addendum to RFP Document

Developing an Alternative Financing Framework for Bermuda

Questions Received

Q. What is the BEDC's overall vision, strategy and objectives? If the BEDC has a strategy document, we would be grateful to receive it.

A. BEDC's Vision is to be the foremost resource for small and medium business and community enterprise through the provision of effective technical guidance, financial assistance, useful relationship networks, pertinent business intelligence, and accurate and timely business and data-based policy advice.

A. BEDC's Core Values are as follows:

- Knowledgeable
- Progressive
- Supportive
- Professional
- Innovative

A. 2015–16 Operational Goals

1. Meet with and advise each Guarantee Client quarterly
2. Meet with and advise each Watch List Client monthly
3. Provide 6 BEDC Loan Guarantees
4. Provide 12 BEDC micro loan guarantees
5. Assist 8 SBCI graduates through the HUE Program to attain work
6. Assist in the development of 6 new businesses in the NEHEEZ
7. Assist in the development of 5 new businesses in the SGEEZ
8. Assist in the development of 4 new businesses in the SEEZ
9. Action agreed recommendations from the 5 year review of the North East Hamilton EEZ
10. Partner with Department of Planning to gain approval of NEHEEZ plan
11. Conduct the Retail Development Program annually
12. Partner with private sector to offer seminars to the Medium Sized Business sector
13. Implement 2 entrepreneurship curriculums & coordinate the training of BEDC officers

14. Successfully host and grow Global Entrepreneurship Week initiative and activities
15. Partnering with private sector stakeholders to offer 6 seminars (3 in EEZs and 3 centrally)
16. Gain approval for new Vendor Legislation and implement oversight of sector
17. Partner with the Office of Procurement to assist in supporting Government's goal of 20% spending with small businesses
18. Conduct business walk-about one day per week in each EEZ capturing up-to-date relevant information on state of the businesses
19. Present BEDC Audited Statements to the Legislature for FYE 2010 – 2014
20. Create revenue generation services plan for the BEDC Business Register
21. Recover 1% of Losses

A. 2015-16 Strategic Goals

1. Implement external training curriculum for officers
2. Develop and prototype model startup, SME business, and social enterprise advisory & financial assistance services programmes
3. Compile and analyse data and feedback from clients in order to drive policy and organisational changes
4. Institute an internal office operations/procedures manual
5. Develop and provide opportunities for cross-training and work-shadowing of BEDC staff
6. Allocate staffing resources to achieve the multiple service areas
7. Research flexi-time and alternative working models aimed at providing more office hour options for clients to access services while ensuring work/life balance for staff
8. Gain BEDC Board and Government's approval to increase BEDC's level of financial autonomy.
9. Increase youth entrepreneurship opportunities in schools and other forums in order to promote entrepreneurship as a viable career
10. Research the opportunities to provide resources to a diverse group of entrepreneurs so that they may hone their fiscal management and business operational skills
11. Establish a new brand for BEDC
12. Increase visibility of BEDC in the community
13. Develop legislation that makes it compulsory for small, medium and EEZ businesses to register with BEDC
14. Create a public interface for the Business Register
15. Develop alternate financing options for BEDC clients
16. Facilitate opportunities for local SMEs to take advantage of America's Cup 35 business prospects

A. See attached documents.

Q. To what extent is the BEDC open to alternative approaches to achieve the RFP's objectives? In other words, if our suggested approach differs from that set out in Section 4. Work scope of the RFP, will that be acceptable to the BEDC?

A. BEDC is open to all proposals, suggestions, and recommendations as long as they achieve the goals/objectives of the RFP and meet the deliverables (Section 5) in the RFP.

Q. Provide the following information on the Loan Guarantee programme in 2015 to date, Number applied, Number accepted, Individual amount of loans secured and amount guaranteed by BEDC, Reasons for loans not approved including amount

A. See chart below.

January to December 2015	Total
1. Advisory Clients	
# of individual Client Advisory Meetings Held in 2015	777
2. Loan Guarantees	
# of Clients interested in Loan Guarantee Product	95
# of New Loan Guarantees Approved	1
# of New In Principle Loan Guarantees Approved	1
Total # of Loan Guarantees as at Dec 31 st 2015	35
Bank Loan value supported by current Loan Guarantees as at Dec 31 st 2015	\$5,034,920
Initial value of current Loan Guarantees when approved	\$1,989,806
Total \$ value of current Loan Guarantees as at Dec 31 st 2015	\$1,546,968
% of utilised Loan Guarantee capacity as at Dec 31 st 2015 (\$6,000,000 capacity)	26%
% of current Loan Guarantee Clients remaining in business	83%
Business Sectors – retail, restaurant, trucking, personal care, healthcare, education, entertainment, senior care, landscaping, automobile, security, IT, transportation, fitness, marine, home goods, construction	

A. Majority of loans not approved for lack of information/application not filled out fully, credit history issues, industry/business sector concerns, lack of collateral, or cash flows not supporting bank loan repayment.

Q. Information on Micro Loans in 2015 to date. Number applied for, Number accepted, Individual amount of loans secured, Reasons for loans not approved including amount.

A. See chart below.

3. Micro Loans	
# of Clients interested in Micro Loan Product	55
# of Micro Loans Approved	9
Total # of Micro Loans as at Dec 31 st 2015	15
Bank Loan value supported by current Micro Loans as at Dec 31 st 2015	\$139,100
Initial value of current Micro Loans when approved	\$139,000
Total \$ value of current Micro Loans as at Dec 31 st 2015	\$62,977
% of Utilised Micro Loan Capacity at Dec 31 st 2015 (\$100,000 capacity)	63%
# of Micro Loan Clients remaining in business	85%
% of current Micro Loan Clients remaining in business	83%
Business Sectors – retail, restaurant, trucking, personal care, education, entertainment, automobile, security, water, hospitality/tourism, green sector, e-business	

Q. Success rate of businesses that have received loans and guarantees through BEDC in past 3 years. Number of businesses, Value of loans, Business sector

A. See chart below.

At Dec 31 st 2013	
• Loan Guarantees	57
• Bank Loans	\$8,327,210
• Value of Loan Guarantees	\$3,337,649
• Loan Guarantee clients still in business	96%
At Dec 31 st 2014	
• Loan Guarantees	46
• Bank Loans	\$6,537,710
• Value of Loan Guarantees	\$2,505,649
• Loan Guarantee clients still in business	89%
At Dec 31 st 2015	
• Loan Guarantees	35
• Bank Loans	\$5,034,920
• Value of Loan Guarantees	\$1,989,806
• Loan Guarantee clients still in business	83%

A. BEDC's client pool is diverse and covers all business sectors as listed above including legal and financial sector.

Q. Results from the latest Stakeholder Survey

A. See attached document.

Q. Would there be a continued financial relationship with stakeholders with consultant firm if proposal is accepted or is the proposal costing for the review, recommendations, and meet and greet only?

A. No continued financial relationship is envisioned once the deliverables have been achieved.

Summary of Key Dates (amendments in red)

Request for Proposals published	Tuesday February 23rd, 2016 9.00 am (AST)
Deadline for inquiries (amendment in red)	Friday March 11th, 2016 5.00 pm (AST) Monday March 28th, 2016 5.00 pm (ADT)
Submission Deadline (amendment in red)	Friday April 8th, 2016 5.00 pm (ADT) Mondy April 18th, 2016 5.00 pm (ADT)
Vendor selection (this date subject to change and respondents will be notified accordingly)	Friday May 6th, 2016 5.00 pm (ADT)

