

# Deadline extended

**Request For Proposal (RFP) To Design, Establish, And Manage a Tailored Financing Framework for Zambian-Owned Mining Service Providers.**

**Date of Issue: 26 December 2025**  
**Proposal Submission Deadline: 23:59hrs – 01 February 2026**

## **Executive Summary**

The Government of the Republic of Zambia has enacted The Geological and Minerals Development (Local Content) (Preference for Goods and Services in the Mining Sector) Regulations, S.I. No. 68 of 2025 (the “**Local Content Regulations**”) whose primary objective is to ensure that citizen-owned and citizen-empowered companies (the “**Local Companies**”) have enhanced opportunities for supply of goods and services into the mining sector.

First Quantum Minerals Zambia (“**FQM Zambia**”) is committed to working with the Government to ensure that the Local Content Regulations are a success. The Local Content Regulations are not merely a compliance matrix but a strategic investment in the future of Zambia’s mining and production industries. Of particular interest is the opportunity that the Local Content Regulations provide in ensuring meaningful, long-term formalization, growth and industrialization of the Local Companies.

FQM Zambia operates two major mining operations, being Kansanshi Mine in Solwezi and the Trident Mine in Kalumbila. We also operate the Kalumbila Multi-Facility Economic Zone situated just next to our Trident operations where suppliers are actively encouraged to set up manufacturing and warehousing operations as part of the broader push to industrialise the North-Western Province and create a hub for mining supply both locally and for export. Currently, our payment cycle is payment made in full within 30 days of receipt of a valid invoice, with invoicing only being done when the goods are delivered and accepted or when the services are completed. As part of the implementation of the Local Content Regulations, FQM Zambia has recognized a funding gap that Local Companies face when supplying goods and services.

The purpose of this RFP is to obtain financing structure proposals from financiers within the market who can work with Local Companies to provide innovative financing options to Local Companies enabling them to fully provide the goods and services under the Local Content Regulations. The solutions we are hoping to elicit from the market, provide capital to the Local Companies through at least one of the following product lines:

1. Invoice Financing
2. Order Finance
3. Industrial Term Loans

FQM Zambia is open to additional product line from the market provided that they achieve the overarching concept and assist Local Companies in meeting their capital needs. There is a strong focus on achieving system integration and being able to consolidate compliance data.

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## **Scope of Financial Services**

Proposals must cover at least one of the product lines above, with preference being given to entities capable of providing more than one product line. Bidders are encouraged to provide detailed information on the product offering, especially where new concepts are proposed.

The proposed solutions must be scalable, accessible and user-friendly for Local Companies

### ***A. Invoice Financing***

- Bidders must provide a proposal for reverse factoring.
- Risk (and the pricing of the risk) must be based on FQM Zambia's credit rating and not the credit rating of the individual Local Companies.
- A real time platform for Local Companies, FQM Zambia and the Bidder to verify approved invoices.
- A system with an API capable of integration into Pronto, Basware or SAP Ariba will be an added advantage

### ***B. Order Finance***

- Should be capable of providing the Local Company with capital prior to delivery of the goods or services (i.e. before an invoice is raised).
- Security provided through an FQM Zambia Purchase Order (general PO Terms attached to this RFP)
- Bidders must provide proposals that achieve this financing requirement without additional collateral from FQM Zambia
- Bidders that request no variation from the Purchase Order Terms will be preferred
- A system with an API capable of integration into Pronto, Basware or SAP Ariba will be an added advantage

### ***C. Industrial Term Loans***

- Term loan solutions must facilitate long-term investment in equipment, infrastructure, and capacity building.
- Primary focus of the investment will be in the Kalumbila MFEZ.
- Where applicable, the investment by the Local Company may be underwritten by a contract for supply of the manufactured goods/services to FQM Zambia operations

## **Submission and Evaluation**

Bidders must have Zambian market presence and may bid either individually or as a consortium. The following institutions are invited, either as sole/primary bidders or part of a consortium:

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1. Commercial banks and Financial Institutions with local Zambian market presence and supply chain finance expertise;
2. Non-Financial Institutions with the requisite expertise and understanding of capital raising and disbursement;
3. FinTech Partner specialising in providing digital solutions with the necessary supportive infrastructure to capture the necessary data and provide Eligible Entities access to finance.

## ***Submission Requirements***

Please ensure that all submission documents are sent in a single email to [zmlegalservicestenders@fqml.com](mailto:zmlegalservicestenders@fqml.com) before the submission deadline. All emails must not be more than 15mb in size – bid documents may be compressed into a ZIP Folder

## *Evaluation Criteria*

| #        | Category                                  | Question / Information Requested  | Response Format  |
|----------|---|---|--|
| <b>A</b> | <b>Regulatory Status</b>                  | Confirm licensing under the Banking & Financial Services Act / FSP category.  | Attach certificate / Yes/No                              |
|          |   | Confirm compliance with Bank of Zambia prudential standards (capital, liquidity, provisioning).                           | Yes/No + detail  |
|          |   | Confirm AML/CFT compliance under FIC requirements.  | Yes/No   |
| <b>B</b> | <b>Geographical Presence</b>              | Do you have a <b>branch/office in Solwezi?</b>  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
|          |   | Do you have a <b>branch/office in Kalumbila?</b>  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
|          |   | If no, how will SMEs in these districts be served?  | Short answer   |
| <b>C</b> | <b>Product Lines Required</b>             | Ability to provide <b>invoice financing (reverse factoring)</b> priced on <b>FQM credit rating</b> , not SME credit risk. | Yes/No + detail  |
|          |   | Ability to provide <b>order finance</b> secured solely by an FQM Purchase Order.  | Yes/No   |
|          |   | Ability to provide <b>industrial term loans</b> for equipment/infrastructure, especially in Kalumbila MFEZ.               | Yes/No   |
|          |   | Additional SME-friendly product offerings aligned to Local Content SI.  | List   |
| <b>D</b> | <b>Digital Platform &amp; Integration</b> | Real-time platform for invoice verification & SME interaction.  | Yes/No   |
|          |   | API integration with <b>Pronto, Basware, SAP Ariba.</b>   | Yes/No   |
|          |   | Ability to consolidate compliance, vendor data & transaction history.   | Yes/No   |

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|   |                                    |   |                                 |
|---|------------------------------------|---|---------------------------------|
| E | Risk & Responsible Lending         | Is risk pricing linked to <b>anchor buyer (FQM)</b> rather than SME risk profile?   | Yes/No                          |
|   |                                    | Do you use <b>cash-flow-based lending</b> for SMEs?   | Yes/No                          |
|   |                                    | Outline safeguards to prevent over-indebtedness (responsible lending practices).  | Short response                  |
| F | Operational Capacity & Experience  | Previous experience offering supply chain finance in Zambia or regionally.  | Yes/No + examples               |
|   |                                    | Average turnaround time for SME credit decisions.   | Days                            |
|   |                                    | Experience financing mining-sector suppliers.   | Yes/No                          |
| G | Monitoring, Reporting & Compliance | Ability to provide quarterly KPIs: capital mobilised, ownership data, cost of capital, default rates.                             | Yes/No                          |
|   |                                    | Ability to track job creation, supplier growth, localisation impact.  | Yes/No                          |
| H | Capacity Building                  | SME training programmes (financial literacy, compliance, loan readiness).   | Yes/No                          |
|   |                                    | Willingness to co-develop SME capacity building with FQM.   | Very likely / Likely / Unlikely |
| I | Affordability & Pricing Structure  | Provide detailed breakdown of <b>interest rate structure</b> (base rate, risk margin, fees, penalties).                           | Short table                     |
|   |                                    | Is pricing flexible based on anchor-buyer credit enhancement (FQM) instead of SME collateral?                                     | Yes/No                          |
|   |                                    | Are there <b>hidden or indirect costs</b> (processing fees, facility fees, monitoring fees)?                                      | Yes/No + detail                 |
|   |                                    | Provide indicative <b>effective annual cost of capital</b> for each proposed product (reverse factoring, PO finance, term loans). | % ranges                        |
|   |                                    | Ability to structure <b>affordable pricing</b> through risk layering, blended finance, credit guarantees, or partnerships.        | Yes/No + approach               |
| J | Partnership & Execution Model      | Proposed partnership model (anchor finance, consortium model, fintech integration).   | Short proposal                  |
|   |                                    | Key requirements needed from FQM for fast deployment.   | List                            |
|   |                                    | Expected timeline to launch pilot programme.  | Weeks/Months                    |
|   |                                    | Lead contact for partnership development.   | Name & contact                  |

Proposals will be evaluated using a Quality and Cost-Based Selection (QCBS) method, with a preference for demonstrable impact as per the adjudication proposed below:

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| Criterion                          | Weight (%)  | Key Focus of Evaluation  |
|------------------------------------|-------------|--|
| Technical Approach & Innovation    | 30%         | Proposed structure with unique value proposition, platform capability, any experience working with FQML or any other large corporate's services and goods provider, and speed of working capital disbursement. Any additional information that would support the application should be included  |
| Monitoring and Reporting           | 20%         | The framework for tracking and reporting Key Performance Indicators (KPIs) to FQML on a quarterly basis. These should be details of the proprietors of the Eligible Entities, total capital mobilised, average cost of capital by product, and portfolio performance (default rates). Tracking of the impact on the economy through job creation, migration of services and expansion into value addition within Zambia. Mode of integration into the FQML system. |
| Risk Layering & Affordability      | 30%         | Depth of risk mitigation through partnerships, collaboration, quality of internal check & balances, and securitisation structures that may be resultant of an effective interest rate (affordability), and robustness of PO Securitisation risk mitigation (exposure cover).   |
| Capacity Building & Sustainability | 10%         | Other added services that would ease the operations of the Eligible Entities especially for MSMEs and SMEs with an intent of facilitating the growth of these entities.  |
| Financial Proposal (Cost of Fund)  | 10%         | Fees, and the overall cost of capital passed onto the Eligible Entities  |
| <b>Total Score</b>                 | <b>100%</b> |  |

FQM Zambia reserves the right to modify the adjudication criteria as it deems fit.

*All queries regarding this RFP must be submitted in writing to: [zmlegal@fqml.com](mailto:zmlegal@fqml.com) clearly marked as Query: RFP Financial Services*