

Annex 1: Sample Terms of Reference

This Annex provides five sample terms of reference covering different sectors and different types of projects.

(1) Power sector regulation

Privatization of Acadia's Electricity System

Scope of Work for Regulatory Development and Tariff Modeling

Background

Acadia, a small state and former Portean colony with about 1.2 million inhabitants, has decided to privatize its electricity sector. The Department of Energy (DOE) is planning to sell its transmission and distribution assets to strategic, institutional and/or private investors. The new industry structure will allow for the development of IPPs in Acadia to sell electricity to the new utility and directly to major users. There are currently no generation assets in Acadia as the DOE purchases its power from a grid that is interconnected with bordering states. Insufficient power has resulted in load-shedding and pent up demand among Acadia's industrial, tourism and residential communities.

In advance of the transaction, the African Development Bank is managing several areas of technical assistance to strengthen the ability of the state government to conduct the privatization and regulate the privatized entity. Following a business and investment plan already conducted by the firm Sigmund & Pumpkin, the African Development Bank intends to retain a utility economics consulting firm to design an electricity tariff for Acadia and to design and help implement a new regulatory framework for the sector. The following proposal outlines the goal of the project, the purpose of the technical assistance, the work plan and deliverables that should be conducted as part of these studies as well as the bidding criteria that will be used to select the appropriate firm.

Goal of the Privatization

By allowing the private sector to invest in and manage the electric utility, the Department of Energy expects to increase the availability of affordable electricity to the domestic and industrial consumers of Acadia. Reliable access to electricity in turn will lead to increased opportunities for economic development, job creation, and poverty alleviation.

Purpose of the Technical Assistance

The two related objectives of this assignment are to establish a regulatory framework for the electricity sector and to design a sustainable and efficient tariff schedule. To support this objective, the consultant is expected to provide training to local counterparts, allowing them to develop the skills required to assist the future regulator and to share their experience on further power sector reform initiatives throughout the region.

Work Plan

The following section sets out the tasks to be undertaken by a utility consulting firm, in conjunction with an international lawyer, to implement a regulatory framework in

the context of the sector's imminent privatization and then to design a workable tariff for Acadia's electricity sector.

Phase I: Electricity Regulatory Design

In order to develop a regulatory framework that will allow the State of Acadia to monitor and negotiate with a private owner of Acadia's electricity system, the African Development Bank will retain a utility economics consulting firm, in conjunction with a utility lawyer and an Acadian economics consulting firm, to conduct the tasks outlined below:

- a) *Review of Acadia's Regulations (Weeks 1 to 3):* Review existing regulatory framework as it applies to the Department of Energy (DOE) including the responsibilities and relationships of relevant government entities at different levels, in order to identify the opportunities, issues and constraints that would/could arise with the introduction of private participation in the system/commercial company's activities;
- b) *Review of Regional Regulatory Frameworks (Weeks 1 to 3):* Review the most relevant regulatory arrangements applicable from other states in the region and other sectors in Acadia; identify lessons learned and evaluate the strengths and weaknesses of the approaches used; review other states' arrangements for multi-sectoral regulation;
- c) *Regulatory Needs Assessment (Weeks 2 to 6):* For the private participation transaction structure being developed by IFC, assess the need to modify each element of the existing regulatory framework;
- d) *IPP Licensing and Direct Sales Plan (Weeks 4 to 6):* Suggest a plan for allocating licenses for future IPPs with the State of Acadia, and the permissibility of these IPPs to contract with captive industrial buyers vis-à-vis selling to the grid;
- e) *Recommended Modifications (Weeks 5 to 7):* Work with the team of international and domestic lawyers to specify ways in which the regulatory framework should be modified to ensure the future viability of the sector, including what types of laws or decrees need to be passed, if any, and what form of new regulatory bodies need to be established; recommend an outline of modifications if framework is to be expanded to include other sectors;
- f) *Allocation of Regulatory Responsibilities and Institutional Design (Weeks 6-10):* The consultant will define any new regulatory functions and responsibilities and prepare a blueprint for how these would be allocated to existing and/or new entities. This includes defining the institutional arrangements for any new regulatory framework to perform effectively, including staffing, management, operating procedures, salary standards, job descriptions, equipment and other resources required by the regulatory body being established.
- g) *Time Schedule (Weeks 10-11):* Recommend approval steps and time frame necessary to implement the proposed framework of changes.

**Phase II: Regulatory Seminar and Tariff Design:
(Begins at completion of Phase I)**

- a) *Dissemination (Weeks 1 to 2):* Prepare and present findings on recommended regulatory structure and the nature of independent regulation to government officials in Acadia. This seminar will be developed in conjunction with the African Development Bank ESMAP and the PSDPP. Contribute findings to any presentation or article material being prepared by ESMAP/PSDPP as part of the African Development Bank's internal dissemination practices.
- b) *Future Training and TA Recommendations (Weeks 1 to 3):* Prepare recommendations on the requirements for technical assistance support and training for any proposed regulatory institution and how the costs for this and for the day-to-day operations of such institutions will be met. Provide clear indication of role of Acadian-counterparts in future training and regulatory development.
- c) *Review of Current Tariffs (Weeks 1 to 3):* Review existing and historic tariffs for different categories of customers including an assessment of the extent and reasons for previous non-payment of bills to determine the basis for tariff setting, any cross-subsidies and subsidies given, the relationship between tariffs and costs (marginal vs. average), the tariff adjustment process and treatment of financial and social objectives. In addition, prepare an assessment of the adequacy of existing tariffs to cover estimated costs and support future requirements;
- d) *Demand Forecasting (Weeks 2 to 4):* With the technical consultant, taking into account existing electricity demand forecasts, convert existing long-term demand forecasts under different sets of assumptions, into forecasts by category of customer and other agreed upon profiles;
- e) *Estimate Future Average Tariffs (Weeks 4 to 8):* Prepare a projection of a future average cost recovery tariff, according to the tariff structure recommended in the Regulatory component described below. The tariff schedules should be based upon the three capital expenditure scenarios (high, medium and low). This will be used to assist the Government of Acadia in selecting the optimal tariff/expenditure mix. In case industrial users are given the right to purchase directly from IPPs, the tariff model should allow for a sensitivity analysis to determine the impact on the average tariff.
- f) *Propose Tariff Schedules (Weeks 7 to 10):* Design a tariff schedule that reflects the different customer categories that will be served by the privatized utility. The tariff should take into consideration the poor's ability to pay, the impact of industrial users being served directly by IPPs, and must demonstrate the energy efficiency objectives of tariff setting. Review any elasticity analysis or willingness/ability to pay studies that have been conducted in Acadia to estimate the maximum tariff level consumers could theoretically bear. If such analysis is not available, discuss this issue with key stakeholders to estimate highest practicable level of tariff and feasible time schedule for increasing the tariff, if necessary. Prepare alternative tariff schedules that "soften" any increase in tariffs (by deferring returns, timing expansions, extending the duration of the license, or through any other means available) and present options to Government of Acadia.

- g) *Reconciliation of Recommendations with Other State Tariff Structures (Weeks 10 to 11)*: Co-ordinate with on-going African Development Bank funded work on power sector tariff issues in Acadia and attempt to reconcile any inconsistency in outcomes. The consultant should also review the industry and agricultural tariff cost studies that the African Development Bank and the UK's DFID are jointly carrying out elsewhere in the region. If differences can not be reconciled, explain source of difference in written memo form to Government of Acadia and the African Development Bank team.
- h) *Review of Private Contract Document (As document is prepared - 1 week)*: Review and comment on relevant sections of the draft private contract document especially as it relates to tariff setting, cross-subsidies, restrictions on immediate cost recovery (through ramped up tariffs, etc.) or any other issues that relate to the expected revenues of the business.

Deliverables

Phase I: Electricity Regulatory Design

Regulatory Review (Week 3):

Brief paper describing the status of the regulatory arrangements that exist in law and in practice in Acadia. Should include discussion of the national requirements for regulation as well as the precedence set in other states.

Regulatory Needs Assessment and IPP Licensing Plan (Week 6):

Description of regulatory or legislative changes required to modify each element of the existing regulatory framework, and specific treatment of impact of IPP policy as described in 4.2.d) above.

Proposed Regulatory Framework (Week 10):

A plan for implementing necessary changes to the regulatory framework in order to ensure the future viability of the sector should be proposed. This should also include the institutional recommendations described in 4.1.f).

Reconciliation of Recommendations with those elsewhere in the region (Week 12):

Memorandum explaining any differences between the proposed regulatory framework and tariff structure and those elsewhere in the region.

Phase II: Tariff Design (Begins after Phase I Completion)

Dissemination (Week 2):

Prepare and offer seminar as discussed in 4.2.a) above.

Future Training and TA Recommendations (Week 3):

Prepare recommendations on the requirements for technical assistance support and training for proposed regulator.

Tariff Structure Review (Week 4):

Brief paper describing the status of the current tariff in Acadia. Should include a discussion of any current willingness and ability to pay analysis conducted to date or the stakeholders' view on acceptable tariff levels.

Results of Tariff Model (Week 9):

The preliminary results of the tariff model should be presented with discussions of the average tariff and alternative "shapes" of the tariff over time.

Proposed Tariff Schedule (Week 10):

A full tariff schedule as discussed in 4.2 f) above should be presented.

Review of Private Contract Document (when contract/license is prepared):

Commentary on tariff-related sections of draft private contract document.

Duration

It is expected that the regulatory analyses will last about 10 weeks and the tariff work about another 11 weeks.

Resources

It is expected that the consulting firm will form a consortium with an Acadian firm. The lead international advisor will provide a project manager with several years experience in the privatization and regulation of electric utilities, as well as two to three staff with regulatory and institutional strengthening experience and one with proven tariff modeling capabilities. The Acadian firm should provide at least one manager and one analyst to work with the lead consultant. On the regulatory component, the consortium will be asked to work with an international utility lawyer, who will be appointed directly by the IFC/CFS. The lawyer will provide input on required changes to the laws of the State of Acadia in order to accommodate the recommendations made by the consulting firm.

Evaluation Criteria for Phase II Work

- Curriculum vitae of proposed staff: 30%
- Firm Experience in Electricity Privatization, Regulation and Tariff Design: 20%
- Relevant Firm Experience in the region: 15%
- Proposed Approach to Capacity Building of Local Counterparts to Provide Future Regulatory and Tariff Development Assistance: 10%
- Proposed Approach (understanding of and elaboration on above Work Plan): 15%
- Proposed Management Plan (time allocations and use of senior staff): 10%

Firm qualifications should include at least the following information: Client name and contact information, dates of assignment, approximate budget, names of staff involved, location of lead office, description of work completed.

Level of Effort

The consultancy is estimated to require approximately 190 persons-days for international consultants and 125 person-days for local consultants. The bidder should present a management plan that delineates, through bar charts, the expected time that each proposed consultant will spend on the project and how much of that time will be spent in Acadia. The bids should also contain fees for each consultant built up from his/her daily rates and the number of days each corresponding consultant is committed to the project. Traveling and other out-of-pocket expenses should be broken out by trip and by consultant. Any additional costs should be included and a total cost for fees and expenses should be provided.

(2) **Multimodal transport strategy**

Nayshinstate Infrastructure Summary Survey

Terms of Reference for Transport Specific Consulting Services

1. Background

1.1 Infrastructure Summary Survey

The Ministry of Transport and Public Works of the Republic of Nayshinstate, with support from the Inter-American Development Bank (IDB), is currently conducting an analysis, called an Infrastructure Summary Survey (ISS), of the current and potential role of the private sector in the Nayshinstate's infrastructure. While many regulatory, legal, financial and institutional issues surrounding private involvement in infrastructure are cross-sectoral, the ISS will address sector specific issues in power, water, telecommunications and transport.

The transport annex of the ISS sets out to summarize the current and potential role of the private sector in all modes of transportation in Nayshinstate. It will combine data collected by the IDB in its latest transport sector strategies with original analysis to be conducted under this consultancy. It is intended that analysis of the transport sectors will be completed and updated by the ISS team in the winter of 1997 supported by inputs from specialized consultants.

1.2 Definition of Transport Infrastructure

For the purposes of the Infrastructure Summary Surveys, transport infrastructure eligible for private sector participation is defined according to two major criteria:

- Permanence or immobility of the assets, reflecting the characteristics of a natural monopoly; and
- Reasonable potential for user fees that provide cost recovery of at least operations and maintenance costs, if not capital costs.

Because of the first criterion, ports and airports are analyzed in the ISS whereas shipping lines and airlines are not. Light and heavy rail systems will be analyzed in terms of both track and rolling stock since both components of the business are often owned, managed and operated by one institution. As a result of the second principle, toll roads and bridges in high volume industrial areas and on inter-city routes are considered potential sources of private sector participation, whereas rural and intra-urban roads are not.

1.3 Current PPI Arrangements for Transport in the Nayshinstate

To date, the Government of Nayshinstate has acted to involve the private sector in transport in several ways, including BOT projects, a consideration of the privatization of existing assets, franchises and joint-ventures, Build-Lease-Transfer contracts, and two or three concessions or long-term leases.

At first glance, this program seems comprehensive given the scope of alternative schemes being considered and the number of modes of transport that are involved.

However, when viewed project by project it is clear that relatively few initiatives have been implemented and of those underway, the relationship between the government and the private sector does not necessarily represent an optimal division of risk and responsibility.

2. Objectives of the ISS and the Consultancy

The objectives of the ISS are to assist the private sector to understand what has been accomplished to date in Nayshinstate as part of private sector's role in transport and utility service provision and what opportunities remain for future investment in infrastructure. The ISS will also raise crucial regulatory, legal, institutional and financial issues affecting infrastructure investment so that the Government of Nayshinstate can enact policies which encourage operational efficiency, financial responsibility and economic growth through greater private sector involvement in transport and utilities. The consultancy described herein will support this effort by assisting the ISS team in defining and analyzing the transport-specific opportunities for private sector participation in Nayshinstate and analyzing those issues which impact investment in all modes of transport.

3. Scope of Work

The transportation related analysis that is to be conducted by the consultant will be carried out under the direction of the transport specialist from the ISS team. Specific work steps will include the following:

3.1 *Analysis of the roles of municipalities and Local Government Units (LGUs) in implementing BOT and privatization schemes*

The following analysis should be conducted for the four or five most active LGUs or local municipalities

- Likelihood of LGU/local municipalities to decentralize themselves from port or airport sector agencies;
- Financial capability of local port or airport to exist as a stand-alone facility;
- Capacity of LGUs/municipality to conduct privatization: (1) Institutional structure of agencies responsible for privatization/greenfield development process for each mode of transport and description of human resource capability (staff sizes and educational backgrounds). (2) Regulatory responsibilities, if any, and capacity of those agencies to carry out regulatory functions, for each mode of transport.
- Existing projects outside of Woodland, the capital city, in all transport infrastructure sectors. Analysis should include: (1) description of type of investment (lease, concession, BOT, privatization, etc.); (2) bidding approach (unsolicited, closed or open "Swiss" challenge, or open competitive bidding); (3) breakdown of equity and financing including role of foreign participants; (4) obligations of investors; (5) risks or guarantees assumed by LGU or other public entities; (6) agreed upon tariff levels; and (7) role of national entity in negotiating or guaranteeing project.
- Relationship of four or five major non-Woodland municipalities/LGU's with corresponding national transport agencies and the impact of this relationship on the likelihood of decentralization.

3.2 *Review of laws and regulations impacting PSP in transport infrastructure*

The consultants will review all laws and decrees that govern PPI in the transport sector as a whole or in each mode of transport. The following matrix provides a basic guideline for the policy and legal issues that need to be addressed.

Point of Analysis \ Sector	Ports	Airports	Heavy Rail	Light Rail	Toll Roads	All Modes
Legal support for increased PSP in transport						
1. Laws and decrees applicable	1.	1.	1.	1.	1.	1.
2. Challenges to any proposed reforms	2.	2.	2.	2.	2.	2.
3. Political and societal support for reforms	3.	3.	3.	3.	3.	3.
4. Other likely or possible future policies	4.	4.	4.	4.	4.	4.
Objectives of PSP initiatives						
1. Primary legislation	1.	1.	1.	1.	1.	1.
2. Other public documents	2.	2.	2.	2.	2.	2.
3. Concerns of non-governmental stakeholders.	3.	3.	3.	3.	3.	3.

The consultants should pay particular attention to laws that restrict entry (for foreigners or any new investors), impact cost recovery or otherwise define tariffs, refer to commercial, political or exchange rate guarantees, or define what is an acceptable investment, either in existing assets or for greenfield projects.

3.3 *Mapping of institutional relations and processes for privatization*

Currently, the Ministry of Finance provides diagrams that map the BOT process in general as well as the privatization process for all sectors of the economy involved with PSD. These diagrams represent the generic de jure process, but do not describe the de facto experiences of bidders for projects in each sector. The consultant is asked to provide diagrams for each sector that demonstrate how the different government agencies and bidders interact, as well as the time schedule and procedures involved with bidding, project approval, selection of firms, and implementation.

3.4 *Impact of Right of Way issues on private investment opportunities in transport*

The consultant will review the Government's commitments to financing and executing Right of Way obligations for privately financed projects in toll roads, light and heavy rail as well as new ports and airports or expansions to existing facilities. This will include potential commitments from proposed projects such as the commuter rail initiative. The analysis will include:

- Review of existing laws and procedures involving involuntary resettlement and a comparison of actual practices with laws and procedures;
- A summary of those projects that are (1) under construction, (2) planned and (3) potential according to resettlement requirements (numbers of families per project; calculation of the costs).
- Description of the impact of Right of Way obligations on financial viability of projects according to (1) ability of Government to finance its commitments; (2) concerns of equity partners/financiers to back projects requiring large Government commitments to resettlement and property claims; and (3) reluctance of lending agencies (multilateral or bilateral) to support projects with debt or guarantees.

3.5 *Analysis of cost-recovery potential for the Nayshinstate's transport infrastructure*

The consultant will analyze historic and current financial information from the transport infrastructure SOEs to determine their ability to cover costs. The focus of the analysis should be on those areas which are currently causing a drain on the finances of the national budget but which could benefit from private sector involvement:

- *Airports*: The financial performance of the major international airports. Focus on sources of revenue (terminal rents, landing fees, parking, warehousing, concessions) and major cost categories, including the status of outstanding investments;
- *Railways*: The financial performance of the rail operator, broken out by cargo services, passenger services, land rentals and non-core businesses;
- *Ports*: Financial performance of the operator, broken out, if possible, by: (1) domestic general cargo/container facilities, (2) international general cargo/container facilities, (3) bulk handling facilities;
- *Toll Roads*: Percentage of Department of Transport's budget and absolute cost of funding maintenance, rehabilitation and expansion of those roads which are being considered for private toll operations; changes in the cost of maintaining the franchises as a result of toll joint-ventures; impact on national and local budgets as a result of future BOT highway, bridge and toll road joint ventures.

4. Duration and Level of Effort

The duration of the project will be approximately 14 weeks from mobilization of the consultants and it expected to begin within 2 weeks of the contract signature.

The schedule for the work will be negotiated with the consultant, but is expected to include approximately:

- 3 person weeks in the field over a 2 week duration to interview and survey private sector investors and relevant government officials;
- 3 to 4 person weeks of desk work to conduct necessary analysis over a 2 week duration; and
- 1 person week to complete analysis and present written conclusions to IDB ISS team:

5. Selection Criteria

Firms/consortia are requested to submit both a technical and financial proposals. The selection method will be based on both cost and quality where the final score will be a weighted average of the technical and financial proposal scores. A weight of 90% will be attached to the technical proposal and 10% attached to the financial proposal.

6. Submission Information

The original and five copies of the technical and financial proposals should be sent to the following address:

The Ministry of Transport and Public Works
Lender Road
Nayshinstate.

All envelopes should be marked for the attention of the Multimodal Transport Strategy unit and should arrive by 1300 hrs, 19th September 2001.

(3) Water regulation

Terms of Reference

*Regulatory Framework for Private Participation in Water and Sanitation
Ceteria Water Sector*

1. Background

The South Pacific Bank for Reconstruction and Development has prepared a technical assistance (TA) loan (with a small emergency investment component) to be co-financed by the South Pacific Development Bank. The purpose of the loan is to:

- strengthen the recently established water sector regulatory framework;
- improve the managerial and operational efficiency of Ceteria Water And Sewerage Company (WASCO), the public water utility, through private sector participation; and
- improve water supply reliability in the North and the Damsforth system in the South through urgently needed capital investments in the short term, and through the eventual concessioning of the water utility.

Despite years of efforts to improve the performance of the public water company through conventional institutional strengthening programs and twinning arrangements, the water company continues to perform poorly, with unreliable supply of water, low coverage of sewerage, poor financial performance, and low level of capital investment. Considering the large investment backlog and poor operating performance of WASCO, the Government of Ceteria has decided to introduce private sector participation in the water sector through a concession agreement.

In March 1999, the Government of Ceteria passed into law The Water & Sewerage Act which redefines the roles and responsibilities of the public water utility (WASCO) and prescribes a regulatory and operating framework for the development of Ceteria's water sector. While the Water & Sewerage Act is a positive step forward in creating a new operating and regulatory environment for water supply and sewerage services, some ambiguity and inconsistencies will remain until the Law is further defined and the regulatory institutions strengthened. Concerns over the Act's treatment of key regulatory and policy concerns include, but are not limited to, the following themes:

- *Regulatory independence:* The current Act does not include necessary tools for distancing policy makers from the RWSS, and does not provide a secure funding source or access to technical support for regulatory decisions.
- *Policy setting responsibility:* The Act mixes responsibility for sectoral policy making among the regulator, the government and the operator.
- *Environmental and health-related regulatory responsibilities:* Under the current arrangements, the RWSS may be required to assume water resource management responsibilities while responsibility for adherence to water quality standards remains unclear;

- *Concessioning arrangement:* The Act does not define the future role of WASCO, its relationship to the private operator, the governmental signatory of a concession agreement or the principles of private sector provision; and
- *Licensing regime:* The Act does not provide a clear process for the provision of licenses for water sector operators.

2. Objective

The Objective of the consultant's services is to strengthen Ceteria's regulatory framework in order to facilitate significant and sustainable private sector participation in the water and sewerage sector while protecting the interests of Ceteria's consumers. This objective will be achieved through implementation of the following tasks:

- (a) A review of all relevant laws, statutes, regulations, and licenses related to the respective roles and responsibilities of the Government of Ceteria, the Regulator of Water & Sewerage Services (RWSS) and the Water and Sewerage Company (WASCO), in the interim period before the concession as well as for the period of private sector operation.;
- (b) The design of institutional structures and arrangements that clarify the appropriate roles, responsibilities, staffing needs, funding sources, and legal, statutory, or licensing requirements of the regulator (RWSS), a secretariat (or advisory council) to support the regulator, and the current and future water operator.
- (c) Presentation to the Government of Ceteria describing the legislative and/or administrative measures needed to formalize the regulatory institutions and arrangements that will provide a secure investment environment for the future operator and a fair system of protection for all consumers. This would include recommendations on the need to repeal, amend, expand, clarify and/or modify current primary and enabling legislation, regulations, statutes and licenses;
- (d) Drafting of all laws, regulations, statutes or licenses required to legitimize the appropriate regulatory institutions and arrangements;
- (e) Design of a training program for regulators and secretariat staff that will allow them to fulfill their responsibilities once the concessionaire is in place.

3. Scope Of Work

3.1 Review Of Current Regulatory Framework

The consultants will conduct a thorough review of all relevant laws, regulations, statutes and licenses pertaining to regulation, policy making, operations and private sector participation through the concessioning of WASCO. The review will be carried out in consultation with the legal representative from the Attorney General's Office and the Project Management Unit. The areas that require particular attention include, but are not limited to, the following:

3.1.1 Institutional Roles and Responsibilities:

Regulator of Water & Sewerage Services(RWSS), the current operating company (WASCO), future operating company/companies, and any relevant government ministries. Issues of particular concern include:

- Regulatory independence: The consultant will review the legal conditions under which the RWSS commissioners are selected, appointed, removed from office, provided with funding and given access to technical support.
- Responsibility for sector-wide policy making: While the Water Act establishes the RWSS as a regulator, it also seems to grant the RWSS an unusual authority to set sector-wide policies¹⁴. The consultant should review the allocation of policy-setting authorities among the RWSS, Ministry, and other relevant government bodies according to the Water and Sewerage Act and other relative legislation in Ceteria.
- Responsibility for introducing private sector: The Water Act may be interpreted as granting the RWSS decision-making authority regarding the introduction of private sector participation in water supply and sewerage services¹⁵. The Consultant should clarify the RWSS's role in initiating private sector participation. The Consultant should also clarify if a separate license from the RWSS is required for WASCO's sub-licensees or for the new operator.
- Responsibility for formulation of tariff formula, level and structure: The Consultant should clarify the respective roles of the RWSS, the government and the operator in defining the nation's tariff level, formula and structure¹⁶.
- Service obligation: The Consultant should clarify the specific service obligations of WASCO¹⁷ as well as the obligations of the future operator;
- Water resource management and conservation: The Consultant should clarify the allocation of roles and responsibilities for allocating and regulating water resources and setting conservation standards including the government, the regulator and the operating company's responsibility in conserving, redistributing or otherwise augmenting water resources¹⁸;
- Quality of service: The consultant should clarify the current allocation of responsibilities for setting water quality standards, and for monitoring, reporting and enforcing those standards.

3.1.2 Identification of Obstacles for PSP:

The Consultant will review Ceteria's relevant laws and statutes (including the Public Utilities Act, the Water and Sewerage Act of 1999, and any relevant corporation, investment, property or tax laws or statutes) and identify any provisions or gaps that may present obstacles to the successful concessioning of WASCO.

¹⁴ See Articles 3 and 4.

¹⁵ See Articles 6 and 35.

¹⁶ See Articles 4 (b) and 32.

¹⁷ See Article 13.

¹⁸ See Article 9 (1)(2)

3.1.3 Review of Interim License for the Operations of WASCO:

The Consultant will review the interim license for WASCO's operations to determine any flaws or gaps which could be remedied quickly and to identify any obstacles the interim license may create for the future concessioning program.

3.2 Institutional Design of the Regulator and Definition of Roles and Responsibilities

3.2.2 Definition of the Regulatory Roles and Responsibilities:

The Consultant will define essential roles and responsibility of the regulatory bodies necessary for successful oversight of the water sector. The Consultant should recommend the RWSS's responsibilities with regard to:

- Determining and monitoring the operator's tariff setting procedure;
- Setting, advising or responding to policy makers on appropriate performance criteria including service coverage, quality standards, environmental standards and customer relations;
- Collecting information and monitoring the operator's performance;
- Imposing sanctions for non-performance;
- Arbitrating disputes that may arise between the operator and its customers;
- Allocating water resources: The Consultant should recommend amendments to current practice where the RWSS issues water use licenses for those abstracting water within control areas while no licenses are required for abstraction of water outside of controlled area.

3.2.3 Design of the Regulator's Organizational Structure:

The Consultant will define the organizational structure of the RWSS and related bodies to ensure its independence and accountability in performing the responsibilities determined in the task above. The Consultant should make specific recommendations on:

- Appropriate use of a secretariat or advisory body to provide commissioners with support in all technical matters;
- Funding sources, i.e., the options for funding the work of RWSS through license fee paid operator and/or direct levies on customers. This should include estimates for the budget requirements of the RWSS and its secretariat;
- Appointment criteria based on professional expertise and absence of conflict of interest;
- Job descriptions for each member of the Regulator and its Secretariat;
- Composition of the Regulator and its Secretariat;
- Fixed and staggered tenures and transparent rules on the removal of regulators;
- Competitive salaries for Secretariat;
- Transparent and timely decision making processes;
- Consultation procedures such as public hearings with relevant stakeholders;
- Dispute resolution mechanisms;
- Independent audits of the RWSS's annual activities.

The institutional design should be inclusive of the potential for eventually transferring some degree of regulatory responsibility—particularly that assigned to the Secretariat—to a regional regulatory body. The analysis for the potential of regional regulation should include the need for power regulation, and the potential for multi-sectoral regulation at the regional level.

3.3 Recommendations To Improve Current Legal And Regulatory Framework

3.3.1 Identifying the Mechanisms for Regulatory Strengthening:

The consultant will provide recommendations that define i) need for changes to primary legislation; ii) the extent that decrees, statutes or implementing rules and regulations can be used to fill the gaps in the current regulatory structure; and iii) the extent to which clarifications to the framework can be placed inside of licenses, concessions and other contractual tools. In establishing such principles, the Consultant should confer with the legal representative from the Attorney General's Office and consider the current capacity within the relevant ministries and the RWSS to interpret broad principles.

3.3.2 Presentation to Government on Recommended Changes:

Once the review and the institutional design work have been completed, the consultants should present the full recommendations to changes in the regulatory structure to the Government. In order to make perfectly clear the degree to which different tools can be used to correct the regulatory framework, presentation should include summarizing matrices such as the one below:

	Organization and Responsibilities of Current WASCO	Organization and Responsibilities of Future WASCO	Organization and Responsibilities of RWSS	Organization and Responsibilities of Government Agencies	Other Institutions
New primary legislation					
Legislative amendments					
Regulations					
Licenses					
Others Mechanisms					

The presentation must include an analysis of how the recommended regulatory structure could be transferred to a regional body with particular attention to the need for minimizing further legal or statutory changes.

3.4 Drafting of Changes to Regulatory Framework

3.3.3 Once the government has agreed on the approach recommended in the Consultant's Presentation, the Consultant will begin drafting all necessary documents, beginning with primary legislation (if required), including:

- Draft necessary amendments to the Water and Sewerage Act of 1999 as well as any other primary legislation;
- Draft necessary implementing rules and regulations to define the roles and responsibilities of the regulator, the operator and other relevant agencies; and
- Outline the main articles of the new operating license and concession agreement for the future concessionaire.

3.5 Training Needs Assessment

3.5.1 Assessment of Skill Requirement and Recommendation on Training Options:

The Consultant will determine the skills required to meet the outputs necessary for the regulatory agency; assess what training is required to develop those skills; and provide a series of options for delivering the training.

Since staff are not yet in place for the agency, it is impossible to know exactly what training each staff member will require. Consequently, the consultant should develop a framework that will allow the agency staff to assess their existing skills against the agency's needs and then consider the options for meeting any skills gap.

Options for delivering the training should include international courses, regional and local training plus tailored in-house courses and on-the-job training. Any option should be assessed in terms of the cost-benefit trade-off provided so that agency staff can make appropriate decisions about the most cost-effective way of meeting the skills gap.

3.6 Workshops in Ceteria

3.6.2 Workshop for Government and Commissioners:

The Consultant will prepare and present findings on the recommended regulatory structure and the nature of independent and accountable regulation and discuss the training requirements and options with the members of the RWSS and other relevant government officials of Ceteria.

4 Outputs

The Technical Assistance program described above will result in the following outputs:

4.1 Inception Report on the Current Roles and Responsibilities in Ceteria's Water Sector.

4.2 Institutional Design Recommendations

4.3 Presentation to Government on Recommended Changes to Regulatory Framework

4.4 Draft Changes to the Regulatory Framework:

- Draft Amendments to the Water and Sewerage Act of 1999 and any other primary legislation;
- Draft Implementing Rules and Regulations required to establish the recommended regulatory framework;
- Outline of License and Concession Agreements

4.5 Report on Training Needs and Options for Regulatory Skill Development: This report will consist of the following:

- Analysis on the skill requirements and training need for the RWSS and its Secretariat; and
- Suggestion on appropriate training options for these bodies.

4.4 Workshops in Ceteria:

The Consultant will hold a workshops in Ceteria for commissioners, government officials, key WASCO staff and potential Secretariat staff to present and discuss:

- The role and activities of independent and accountable regulators, skill requirements for such regulation, and available training options; and
- Necessary legislative and administrative changes to ensure the regulators' independence and accountability, as well as the process for transferring the regime to regional regulation.

5 Management Plan

5.1 Qualifications

The assignment is for a team led by a senior utility regulation specialist supported by an international lawyer(s) expert in world standards in water laws and regulations, a local lawyer(s) familiar with workings of Ceteria's legal system and supporting regulatory analyst(s). The regulation specialist should have extensive experiences with designing infrastructure regulatory systems and be familiar with best practices for institutional arrangements for water resource management and the economic regulation of potable water supply. The international lawyer should have expertise in water-related laws. The local lawyers should be familiar with the constitution, administrative laws, and other laws of Ceteria relevant to this assignment.

5.2 Levels of Effort

The consultancy is estimated to require approximately 59 person/weeks in total, including 21 person-weeks for senior and junior regulatory specialists, 16 person-weeks for international lawyers, 16 person-weeks for local lawyers, and 6 person-weeks for analytical support and training specialists.

5.3 Duration

It is expected that the consultancy will last about 16 weeks.

6 Proposal structure and scoring criteria

6.1 Type of Contract and Budget

As mentioned in the attached Data Sheet, the type of contract will be a Fixed Budget. The maximum budget allowed (including all fees, expenses, taxes and any other cost to the consultant) will be US\$xxxxx. The financial proposal from the firm with the highest scoring technical proposal will be opened at a Public Opening (date to be announced). If the financial proposal has been calculated without error (rates, levels of effort, fees, expenses, per diem, taxes, etc.) and does not exceed the dollar amount above, then that firm will be invited to enter into negotiations with the Government of Ceteria to carryout the consultancy.

6.2 *Technical Proposal*

The Technical Proposal should contain:

- a brief background on the proposed consulting team specifying the degree to which the firms and individuals have collaborated on past assignments;
- a proposed approach or work plan that elaborates and/or improves upon the approach and outline provided in these ToR;
- a management plan that relates the team members to the tasks to be performed and describes each team member's planned contribution to the analysis in person/days in Ceteria and at home and according to task;
- firm qualifications of each corporate member of the consortium;
- full cv's of each individual consultant who is proposed;
- Gantt or bar charts detailing the duration of each task and the involvement of individuals over time.

6.3 *Financial Proposal*

The Financial Proposal should contain:

- Fee breakdown: Daily rates and numbers of days, by task, of each member of the consulting team
- Expenses: All meals, hotel, travel, incidentals, communication, production, facilities and other expenses anticipated for the project;
- Calculation of total cost.

6.4 *Threshold for opening of Technical bid*

Technical Threshold to Reach Opening of Financial Proposal: 80 points

6.5 *Proposal evaluation*

The technical proposal will be scored as follows.

- Proposed Approach (value added of work plan, originality)
15 points (15%)
- Proposed Management Plan (levels of effort, use of key staff, field time, previous experiences working as a team, appropriateness of assignments)
10 points (10%)
- Firm Experience
25 points (25%) of which:
 - Utility/water regulation, legal development 15 points (15%)
 - Small scale systems regulation 5 points (5%)
 - South Pacific experiences 5 points (5%)
- Curriculum Vitae Of Proposed Staff
50 points (50%) of which:
 - Regulatory specialist 20 points (20%)
 - International lawyer 20 points (20%)
 - Local lawyer 10 points (10%)

Consultants will be judged according to their knowledge and expertise in development of a regulatory framework for private participation in water sector; in drafting legislation and administrative orders; in institutional arrangements for water

resource management and water supply; in sectoral and regional regulation; and in training needs assessment.

As a whole, the team will also be judged according to its combined experience and complementary skills in conducting thorough analysis such as that described in these Terms of Reference. This will allow one team member's functional skills or regional experience in the South Pacific, for example, to compensate for other team members who may offer different skills.

Consultants are asked to provide references for all past projects listed on curriculum vitae and in the statement of firm qualifications. All firm qualifications should be seven years old or less.

6.6 Submission information

The original and 3 copies of the technical proposal as well as the original and 3 copies of the financial proposal should be sent in separate envelopes to the following address:
Ministry of Finance and Planning
Office of State Reform
12 Dryer Lane
North Island
Republic of Ceteria
Attention: Water regulatory proposal

Proposals must arrive at the Office of State Reform no later than 1500 hours on 1 December 2001.

(4) Power sector reform

Ghoreit: Power Sector Restructuring and PSP Strategy

Preparation of Restructuring & Privatization

Implementation Plan

Terms of Reference for Consultancy Services

Introduction

The Government of Ghoreit is undertaking the structural reform and privatization of its utilities sectors. Substantial reforms have been implemented in telecommunications, with the introduction of a Second National Operator and the impending privatization of the incumbent operator. The next sector due for comprehensive reform is electricity. The Government has been considering options for reform and is now seeking a consulting firm to recommend a specific restructuring program and implementation plan.

Objectives of this Engagement

The goal of this engagement is to develop a realistic privatization Implementation Plan that outlines the most viable long-term structure for Ghoreit's electricity sector. The plan will be based upon a thorough review of existing documentation, meetings with key stakeholders within Ghoreit, site visits to review existing and future facilities, an investors' survey that takes into consideration the market's level of interest and preferred structure, and the international experience of the consulting firm. The Implementation Plan will be presented, discussed, accepted or revised, and approved at a conference in London that includes senior Ghoreitian officials. Following the conference, the consultants will conduct de-briefing meetings with stakeholders in Ghoreit and will prepare terms of reference for other areas of technical assistance and transaction support.

Since the over-all objective of the reform program is to expand affordable and reliable electricity service to Ghoreit's citizenry, the consultancy must take into consideration the implications of the dispersed population and rural communities of Ghoreit. In this context, the right of the state as sole electricity provider, even outside of the main cities, must be considered as part of the privatization process.

Electricity Sector Background

The existing sector is dominated by the state-owned utility, the Ghoreitian Electricity Board (GEB). The vast bulk of the power is provided by a single dam that was built over fifty years ago with a current capacity of 400 MW. The financial and operational performance of GEB has been poor. Current problems include high system losses, low revenue collection rates, high accounts receivable, and poor quality service. Only about 10 percent of Ghoreit's 20 million citizens has access to electricity.

GEB's poor performance, combined with the policy preference for private provision of infrastructure services, has led the Government to examine options for reform, a process which started five years ago.

In addition, the Government has been negotiating with a number of private developers to establish new dams as independent power projects. The technical, financial and environmental analysis and documentation negotiations are at various stages of development.

Scope and Organization of Work

The work will be conducted in several steps outlined below:

I. Work Plan

Step 1. Ghoreit (Week 1)

Hold discussions with Government staff to discuss prioritization of issues. Focus on determining what is the optimal long-term structure of the sector and what role the private sector can play in the delivery of electricity. Privatization Action Plan will address the following key issues:

- Sequencing of privatization, for commercial operations, transmission, and existing generation
- *Strategy for future generation expansion, by IPPs and at existing sites*
- Costs and benefits of disaggregation
- Likely impact on tariffs of privatization and sectoral restructuring options
- Best approach to privatization for each component or bundled portion of the system (leases, concessions, sale of assets, BOTs)

Step 2. Home office (Week 1)

Review key sectoral documents prior to departure including

- Laws and regulations
- Existing Strategic Plan
- Reform Options Paper
- Load Forecasts and other available technical papers

By middle of first week, leave for Ghoreit

Step 3. Home office (Weeks 1-3)

Conduct Investors' Survey

- Approximately 20 international strategic investors to be interviewed
- 3 page background sheet on sector to be prepared by consultant
- 1 page questionnaire and background sheet to be faxed to investors
- Questions will focus on:
 - Level of interest in investing over-all
 - Level of interest in investing under different industry structures
 - Level of interest in investing given different approach
- Responses shall be tallied, analyzed and presented in Steps 7 & 8.

Step 4. Ghoreit (Weeks 1 - 3)

Interview stakeholders and other consultants

Step 5. Ghoreit (Weeks 2 - 3)

Review facilities

- Existing generating, dispatch and selected distribution sites
- Likely locations for future generating capacity

Step 6. Ghoreit (Weeks 3 - 4)

Review status of current reform initiatives and negotiations

Step 7. Home office (Weeks 4 - 5)

Prepare recommendations in presentation format that address the alternatives available for private sector participation in Ghoreit's electricity sector

Step 8. London or Ghoreit (end Week 5)

Deliver presentation to senior government officials and WB attendees (See Outputs (1) below)

Step 9. London or Ghoreit (Week 6)

Participate in workshop to discuss/agree upon recommended approach

Step 10. Ghoreit (Week 6)

Draw up Implementation Plan for agreed upon approach (See Outputs (2) below)

Step 11. Ghoreit (Week 7-8)

Hold follow-up stake holder meetings to present Implementation Plan and build consensus

Step 12. Home office (Week 6-8)

Draft TORs for next set of technical studies and privatization support (See Outputs (3) below)

Outputs

The key outputs will be (1) the presentation in London on the Recommended Sector Structure and Approach to Privatization; (2) the follow-up Implementation Plan; and (3) the draft Terms of Reference.

(1) Recommended Sector Structure and Approach to Privatization

This presentation will consist of the following components:

- Results of sector review, including:
 - a stakeholders' analysis
 - observations and conclusions from document review
 - observations and conclusions from site visits

- Results of Investors' Survey
- Recommended industry structure
- Recommended approach to privatization

(2) Implementation Plan

The consultant will be responsible for coordinating the outcome from the meetings in London and producing a short and practicable Implementation Plan, that includes the modifications (if any) to their recommended industry structure and approach to privatization, as well as a time schedule for implementation and a matrix of responsibilities.

(3) Draft Terms of Reference

In order to assist the Government to continue with the process of privatization, the consultant will be asked to produce draft terms of reference for the next phases of work. These components will be defined by the approved recommendations and may be grouped differently, but are likely to include the following components:

- Privatization Implementation Consultancy
 - Asset valuations
 - Likely average tariff modeling under different scenarios
 - Drafting of legal changes and contractual documents
 - Transaction support

Aside from these physical outputs, the consultant will be expected to conduct an investor's survey, a number of stakeholder meetings, and to facilitate the finalization of the Implementation Plan as described in the Work Plan above.

Working Arrangements

The consultants will be employed by the Enterprise Development Project and report to the Director of the Privatisation Agency within the Ministry of Finance. The consultant will work closely with the Power Sector Reform team, which is comprised of individuals from the Ministries of Finance, Natural Resources and other key stakeholders. The Privatisation Agency will ensure that the consultant has all necessary information, contacts and meetings needed to perform the assignment.

Level of Effort

Due to the urgent nature of this work, it is envisaged that the small team of consultants with hands-on experience in electricity sector restructuring and privatization will work on this project from mid-June to mid-August 1998. Over the course of 8 to 9 weeks, the contract will provide for approximately 21 man-weeks of consultancy for three individuals. The two senior members of the team will spend considerable time in Ghoreit.

The team should include,

- Project Director with expertise in electricity sector planning, restructuring and privatization
- Senior Project Staff Member with expertise in electricity sector finance and/or operations
- Junior Project Staff Member with experience in utility investor surveying and infrastructure privatization

Evaluation Criteria

Consultants will be selected on the following criteria:

- Curriculum vitae of proposed staff: 50%
- Proposed Approach (elaboration and improvements on above Work Plan): 15%
- Proposed Management Plan (time allocations and use of senior staff): 10%
- Firm Experience in Electricity Sector Privatization and Restructuring: 15%
- Firm Experience in Infrastructure Privatization in the region: 10%

Consultants will be judged according to their knowledge of the issues surrounding electricity industry structure, experience with restructuring and privatizing small to mid-sized systems in developing countries, and operational or financial experience in the power sector. As a whole, the team will also be judged according to its combined experience and complementary skills in conducting quick and thorough electricity sectoral restructuring studies such as that described in this Terms of Reference. This will allow one team member's operational skills, experience working in the region, or surveying experience, for example, to compensate for other team members who may offer different skills.

Consultants are asked to provide references for all past projects listed on curriculum vitae and in the statement of firm qualifications.

Technical Proposal Contents

The Technical Proposal should contain:

- a brief background on the proposed consulting team specifying the degree to which the firms and individuals have collaborated on past assignments;
- a proposed approach or work plan that elaborates on the approach and outline provided in this ToR;
- a management plan that relates the team members to the tasks to be performed and describes each team member's planned contribution to the analysis in person/days and according to task;
- firm qualifications of each corporate member of the consortium;
- full cv's of each individual consultant who is proposed;
- Gantt or bar charts detailing the duration of each task and the involvement of individuals over time.

Total Points of Technical Proposal: 100

The technical proposal will be scored as follows.

Evaluation Criteria

Consultants will be selected on the following criteria:

- Proposed Approach (value added of work plan, originality)
10 points (10%)
- Proposed Management Plan (levels of effort, use of key staff, field time, previous experience working as a team, permanent staff status, appropriateness of assignments)
15 points (15%)

- Firm Experience
25 points (25%) of which:
 - Utility/power sector regulation, legal development - 15 points (15%)
 - Small scale regulation - 5 points (5%)
 - Regional experience - 5 points (5%)
- Curriculum Vitae Of Proposed Staff
50 points (50%) of which:
 - Regulatory specialist - 20 points (20%)
 - International lawyer - 20 points (20%)
 - Local lawyer - 10 points (10%)

Consultants will be judged according to their knowledge and expertise in development of regulatory framework for private participation in the power sector; in drafting legislation and administrative orders; in institutional arrangements for regulation; and in training need assessment.

As a whole, the team will also be judged according to its combined experience and complementary skills in conducting thorough analysis such as that described in this Terms of Reference. This will allow one team member's functional skills or regional experience, for example, to compensate for other team members who may offer different skills.

Consultants are asked to provide references for all past projects listed on curriculum vitae and in the statement of firm qualifications. All firm qualifications should be seven years old or less.

(5) Rail Sector

Strategy for Pilot PSP in Rail sector

Terms of reference for technical assistance

1. State Railways of Growthland (SRG)

The State Railways of Growthland (SRG) is the state-owned enterprise with primary responsibility for rail services in Growthland. At present, SRG is directly responsible for services over a network of 5200 km of track. It employs 30,400 staff and serviced 70.2 m passenger and 20.23 m freight ton per annum in 1999. Operating revenue in the financial year ended 1999 was GrDollars 6,342 million. In 1998, SRG provided 3.3 % of the services to passengers using public transport in Growthland (all modes) and 1.8 % of the freight ton carried. Road transport dominates the transport sector with bus and car for passengers and truck for freight leading the way. In 1999, Government spend on maintenance and new roads was GrDollars 49,205 million.

2. Challenges facing SRG

SRG faces a number of challenges. It is currently operating at a significant annual deficit of approximately GrDollars 4 billion. Fares have been frozen for some time and there is currently no clear policy or funding mechanism to support rail services. It is not currently viewed as a preferred method of travel for passengers nor is it competitive with road hauliers for freight business.

Significant investment is needed in both track and rolling stock in order to improve service quality. Current service levels are deemed poor and are declining. Manning levels and quality of existing personnel are also pressing issues facing the railway. Government does not have the allocated resources to rectify this position.

3. The Reform Process

In response to these challenges, SRG supported by the Growthland Government and the Regional Development Bank, has instituted a policy of major reforms with the aim of creating a sustainable and customer focused railway service which can contribute effectively to Growthland's wider transport needs. This process commenced with the appointment of advisers in April 1999 to address the short term cash flow crisis facing the SRG. Subsequently, a consortium of specialist advisers was appointed in March 2000 to formulate long term strategy and structural options for reforming SRG and introducing Private Sector Participation (PSP). These advisers completed their work in November 2000. All initiatives under the umbrella policy of reforms are being led by a senior agency called reporting directly to Cabinet called the Office of Economic Reform and Infrastructure Privatization (OERIP). The Transport Committee of the OERIP is overseeing all rail, port, airport, metro and toll road initiatives in close collaboration with the relevant line ministries.

Government is now ready to implement a comprehensive program of restructuring, focusing on the establishment of commercially focused and operated business units and simultaneous piloting of PSP with a focus on implementing significant change within the next two years. As a start, introduction of a pilot program of PSP is scheduled to be implemented within 6 months of year 2002. In order to proceed to fast track PSP immediate restructuring of the whole industry has been identified as the main priority.

4. Objectives of this Consultancy

The primary objectives of this consultancy are to:

- Identify a core business unit eligible for pilot PSP initiative;
- Set out the plan for conducting the pilot PSP initiative.

Required deliverables are set out in more detail below.

5. PSP Fast-track Option

As mentioned above, the Growthland Government intends to implement full-fledged PSP as soon as the SRG restructuring is finalized. In order to achieve this goal the Government has decided to pursue a dual track approach to reform. This involves overall restructuring of SRG's businesses with a parallel strategy involving the piloting of certain services for earlier PSP with the medium term goal of introducing full PSP. Fast track introduction of PSP is expected to take place as a priority in a core business defined as rolling stock operations of passengers and or freight, or bundled track and rolling stock operations of a line or segment of SRG.

It is envisaged that the pilot PSP schemes will involve significant risk transfer to the private sector—such as through a concession or sale—whilst delivering efficiency gains on both financial and operational performance.

The Consultant will be required to assess and advise on the selection of fast track candidate business units and to assist SRG to carry out the pilot privatization as part of this phase of the study. This will involve developing transparent selection criteria for selecting the aspects of SRG to be privatized and supporting viability analysis from a financial, commercial, operational and marketing perspective. The output will be a strategy for delivering a significant portion of SRG's above rail business or a key segment into the private sector within 9 months of the completion of this study.

6. Regulatory and Legal Arrangements

A separate Terms of Reference has been issued for the establishment of a regulatory structure the rail sector of Growthland. It will be the responsibility of the consultant hired under these Terms of Reference to coordinate with the other advisors and ensure that a regulatory arrangement will be delineated that will serve the fast-track privatization program without interfering in the long-term arrangements. This coordination will be facilitated by the Office of Economic Reform and Infrastructure Privatization's Transport Committee.

7. Outputs

Specific deliverables will include:

- development of selection matrix for identifying fast-track targets;
- support to management in selecting fast-track candidate(s);
- action plan for introduction of PSP;
- framework tender documents, including a preliminary information memorandum;
- timetable for tendering;
- checklist of tender documents; and
- ToR for appointment of transaction advisers to manage tender/concession process.

At the end of this work module SRG should be in the position to launch a tender process at the earliest opportunity for the selected fast-tracked businesses. This module will not involve the actual tendering process which will form the core of the next phase of work to be covered in a separate ToR the formulation of which (with the specific objective of meeting the nine month deadline referred to above) will, however, form part of this assignment.

8. Management Plan

Qualifications

The assignment is for a team led by a senior rail sector specialist supported by industry financial and operational analyst(s) as well as a PSP specialist. The senior sector specialist should have extensive experiences with defining operational arrangements for railroads and with best practices for institutional arrangements for private operators. The financial analysts and PSP should hold the requisite skills to model the different business units and determine the appropriate unit to be spun-off. The PSP specialist should have extensive experience in the design of privatizations and concessions so as to facilitate the strategy design once the unit has been selected.

Duration and Levels of Effort

It is expected that the consultancy will last about 18 weeks from mobilization to completion. The consultancy is estimated to require approximately 60 person/weeks in total, including 10 person-weeks for the lead sector specialist, 20 person-weeks for operational specialists; 22 person-weeks for financial specialists and 8 person-weeks for the PSP expert.

9. Proposal Structure and Scoring Criteria

Type of Contract and Budget

As mentioned in the attached Data Sheet, the selection method will be Quality and Cost Based.

After the technical bids have been ranked, all firms/consortia with technical proposals scoring over 80 percent will be invited to participate in the Public Opening of the financial proposals. At that stage, the Financial Scores will be calculated and added to the technical scores according to the following weighting:

- Technical Proposal: 85 %
- Financial Proposal: 15%

If the financial proposal of the firm with the highest combined score has been calculated without error (rates, levels of effort, fees, expenses, per diem, taxes, etc.), then that firm will be invited to enter into negotiations with the Government of Growthland to conduct the consultancy.

Technical Proposal

The Technical Proposal should contain:

- a brief background on the proposed consulting team specifying the degree to which the firms and individuals have collaborated on past assignments;
- a proposed approach or work plan that elaborates and/or improves upon the approach and outline provided in these ToR;
- a management plan that relates the team members to the tasks to be performed and describes each team member's planned contribution to the analysis in person/days in Growthland and at home and according to task;
- firm qualifications of each corporate member of the consortium;
- full cv's of each individual consultant who is proposed;
- Gantt or bar charts detailing the duration of each task and the involvement of individuals over time.

Financial Proposal

The Financial Proposal should contain:

- Fee breakdown: Daily rates and numbers of days, by task, of each member of the consulting team
- Expenses: All meals, hotel, travel, incidentals, communication, production, facilities and other expenses anticipated for the project;
- Calculation of total cost.

Proposal evaluation

The technical proposal will be scored as follows.

- Proposed Approach (value added of work plan, originality)
15 points (15%)
- Proposed Management Plan (levels of effort, use of key staff, field time, previous experiences working as a team, appropriateness of assignments)
10 points (10%)
- Firm Experience
25 points (25%) of which:
 - Rail operations and management 10 points (15%)
 - Financial and operational modeling of railroads 5 points (5%)
 - Privatization experience (in transport, and in region) 10 points (10%)
- Curriculum Vitae Of Proposed Staff
50 points (50%) of which:
 - Lead rail operations specialist 17 points (20%)
 - Operational specialist/s 11 points (20%)
 - Financial specialist/s 11 points (20%)
 - PSP Specialist 11 points (10%)

10. Submission information

The original and 3 copies of the technical proposal as well as the original and 3 copies of the financial proposal should be sent jointly in separate envelopes to the following address:

Office of Economic Reform and Infrastructure Privatization
Ministry of Finance Complex
Capital City
Republic of Growthland
Attention: Transport Committee: Rail PSP

Proposals must arrive at OERIP no later than 1700 hours on 12 January 2002.

Annex 2: Sample Evaluation Form¹⁹

The evaluation report includes five sections:

- Section I. A Short Report Summarizing the Findings of the Technical Evaluation;
- Section II. Technical Evaluation Report—Forms;
- Section III. A Short Report Summarizing the Findings of the Financial Evaluation;
- Section IV. Financial Evaluation Report—Forms;
- Section V. Annexes:
 - Annex I. Individual Evaluations;
 - Annex II. Information Data Monitoring;
 - Annex III. Minutes of the Public Opening of the Financial Proposals;
 - Annex IV. Copy of the Request for Proposals;
 - Annex V. Miscellaneous Annexes – Ad Hoc.

The report can be used for all methods of selection though it mainly addresses Quality- and Cost-Based Selection, each section contains a note indicating the data and forms that are to be provided for the other methods of selection.

For complex, specialized assignments, borrowers may wish to obtain assistance from consultants to evaluate proposals. Such consultants or individual consultants may be financed under the relevant loan, credit, or grant.

¹⁹ Based on World Bank evaluation requirements.

CONSULTANT EVALUATION REPORT

Country [insert: name of country]

Project Name [insert: project name]

Loan/Credit No. [insert: loan/credit number]

Title of Consulting Services [insert: title]

Date of Submission [insert: date]

Section I. Technical Evaluation Report—Text²⁰

- 1. Background** Include a brief description, context, scope, and objectives of the services. Use about a quarter of a page.
- 2. The Selection Process (Prior to Technical Evaluation)** Elaborate on information provided in Form IIA.

Describe briefly the selection process, beginning with the advertising (if required), the establishment of the shortlist, expressions of interest, and withdrawals of firms before proposal submissions. Describe major events that may have affected the timing (delays, complaints from consultants, key correspondence with the Bank, Request for Proposals (RFP), extension of proposal submission date, and so on).

Use about one-half to one page.
- 3. Technical Evaluation** Describe briefly the meetings and actions taken by the evaluation committee: formation of a technical evaluation team, outside assistance, evaluation guidelines, justification of subcriteria and associated weightings as indicated in the Standard Request for Proposals; relevant correspondence with the Bank; and compliance of evaluation with RFP.

Present results of the technical evaluation: scores and the award recommendation.

Highlight strengths and weaknesses of each proposal (most important part of the report).

 - (a) **Strengths:** Experience in very similar projects in the country; quality of the methodology, proving a clear understanding of the scope of the assignment; strengths of the local partner; and experience of proposed staff in similar assignments.
 - (b) **Weaknesses:** Of a particular component of the proposal; of a lack of experience in the country; of a low level of participation by the local partner; of a lack of practical experience (experience in studies rather than in implementation); of staff experience compared to the firm's experience; of a key staffer (e.g., the team leader); of a lack of responsiveness; and of disqualifications (conflict of interest).

Comment on individual evaluators' scores (discrepancies).

Items requiring further negotiations.

Use up to three pages.

²⁰ Section I applies to Quality- and Cost-Based Selection (QCBS), Quality-Based Selection (Quality-Based), Fixed-Budget Selection (Fixed-Budget), and Least-Cost Selection (Least-Cost). Provide appropriate information in the case of Selection Based on Qualifications (Qualifications) and Single-Source Selection (SS).

Section II. Technical Evaluation Report—Forms ²¹

Form IIA. Technical Evaluation—Basic Data
Form IIB. Evaluation Summary—Technical Scores/Ranking
Form IIC. Individual Evaluations—Comparison (Average Scores)

Form IIA. Technical Evaluation - Basic Data

2.1 Name of country _____

Name of Project _____

2.2 Client:

(a) name _____

(b) address, phone, facsimile _____

2.3 Type of assignment (pre-investment, preparation, or implementation), and brief description of sources

2.4 Method of selection²² : QCBS ____ Quality-Based ____
Fixed-Budget ____ Least-Cost ____
Qualifications ____ Single-Source ____

2.5 Prior review thresholds: US\$ _____

(a) Full prior review US\$ _____

(b) Simplified prior review (notice)

²¹ Section II applies to Quality- and Cost-Based Selection (QCBS), Quality-Based Selection (Quality-Based), Fixed Budget Selection (Fixed-Budget), and Least-Cost Selection (Least-Cost). Supply appropriate data in cases of Selection Based on Qualifications (Qualifications) and Single-Source Selection (Single-Source) in Form IIA.

²² See Guidelines.

2.6 Request for expressions of interest²³:

(a) publication in *United Nations Development Business* (UNDB)²⁴ Yes _____ No _____

(b) publication in national newspaper(s) Yes _____ No _____

(c) number of responses _____

2.7 Shortlist:

(a) names/nationality of firms/associations (mark domestic firms and firms that had expressed interest) 1. _____
2. _____
3. _____

(b) Submission to the Bank for no-objection Date _____

(c) Bank's no-objection Date _____

2.8 Request for Proposals:

(a) submission to the Bank for no-objection Date _____

(b) Bank's no-objection Date _____

(c) issuance to Consultants Date _____

2.9 Amendments and clarifications to the RFP (describe)

2.10 Contract:

(a) Bank Standard Time-Based Yes _____

(b) Bank Standard Lump Sum Price adjustment: Yes _____ No _____

(c) other (describe) Yes _____
Price adjustment: Yes _____ No _____

2.11 Pre-proposal conference: Yes _____ No _____

(a) minutes issued Yes _____ No _____

²³ Required for large contracts (see Guidelines).

²⁴ Indicate whether expressions of interest advertised in Web or hardcopy edition of UNDP.

2.12 Proposal submission:	Points
(a) two envelopes (technical and financial proposals)	Yes _____
(b) one envelope (technical)	Yes _____
(c) original submission	Date Time _____
(d) extensions(s)	Date Time _____
2.13 Submission of Financial Proposal	Location _____
2.14 Opening of Technical Proposals by selection committee	Date Time _____
2.15 Number of proposals submitted	_____
2.16 Evaluation committee ²⁵ :	1. _____
Members' names and titles (normally three to five)	2. _____
	3. _____
2.17 Proposal validity period (days):	
(a) original expiration date	Date Time _____
(b) extension(s), if any	Date Time _____
2.18 Evaluation Criteria/subcriteria ²⁶ :	
(a) Consultants' experience	
(i) _____	Weight _____
(ii) _____	Weight _____
(b) methodology	
(i) _____	Weight _____
(ii) _____	Weight _____

²⁵ It is important that evaluators be qualified.

²⁶ Maximum of three subcriteria per criterion.

(c) key staff

(i) individual(s)

(A) _____ Weight _____

(B) _____ Weight _____

(C) _____ Weight _____

(ii) group(s)

(A) _____ Weight _____

(B) _____ Weight _____

(C) _____ Weight _____

(d) training (optional)

(i) _____ Weight _____

(ii) _____ Weight _____

(e) local input (optional)

(i) _____ Weight _____

(ii) _____ Weight _____

Consultants' names

Technical scores

1. _____

2. _____

3. _____

4. _____

2.20 Evaluation report:

(a) submission for no-objection

Date _____

Form IIB. Evaluation Summary

Technical Scores/Ranking

Consultants' names	[Insert name of Consultant 1]	[Insert name of Consultant 2]	[Insert name of Consultant 3]	[Insert name of Consultant 4]
Criteria	Scores	Scores	Scores	Scores
Experience				
Methodology				
Proposed staff				
Training				
Local input				
Total score^a				
Rank				

a Proposals scoring below the minimum qualifying score of [number] points have been rejected.

Form IIC. Individual Evaluations—Comparison

Consultants' Names	[Insert name of Consultant 1]	[Insert name of Consultant 2]	[Insert name of Consultant 3]	[Insert name of Consultant 4]
Criteria	Scores	Scores	Scores	Scores
Experience				
Methodology				
Key staff				
Training				
Local input				
Total				

a. A, B, C, and D = scores given by evaluators; AV = average score, see Annex (f).

Section III. Financial Evaluation Report—Award Recommendation—Text²⁷

[The text will indicate:

- (a) any issues faced during the evaluation, such as difficulty in obtaining the exchange rates to convert the prices into the common currency used for evaluation purposes;
- (b) adjustments made to the prices of the proposal(s) (mainly to ensure consistency with the technical proposal) and determination of the evaluated price (does not apply to Quality-Based (Quality-Based), Selection Based on Qualifications (Qualifications), and Single-Source Selection (Single-Source));
- (c) tax-related problems;
- (d) award recommendation; and
- (e) any other important information.

Taxes are not taken into account in the financial evaluation whereas reimbursables are.]

²⁷ Applies to QCBS, Fixed-Budget, and Least-Cost. For Quality-Based, Qualifications, and Single-Source provide relevant information as indicated.

Section IV. Financial Evaluation Report—Award Recommendation—Forms

Form IVA. Financial Evaluation—Basic Data

Form IVB. Adjustments—Currency Conversion—Evaluated Prices

Form IVC. QCBS—Combined Technical/Financial Evaluation—Award Recommendation

Form IVD. Fixed-Budget and Least-Cost Selection—Award Recommendation

Form IVA. Financial Evaluation—Basic Data

4.1	Bank's no-objection to technical evaluation report (Quality-Based, Qualifications, Single-Source)	Date	_____		
4.2	Public opening of financial proposals	Date	Time	_____	
	(a) Names and proposal prices (mark Consultants that attended public opening)	1.	_____		
		2.	_____		
4.3	Evaluation committee: members' names and titles (if not the same as in the technical evaluation - Quality-Based, Qualifications, Single-Source)		_____ _____		
4.4	Methodology (formula) for evaluation of cost (QCBS only; cross as appropriate)	Weight inversely proportional to cost	_____		
		Other	_____		
4.5	Submission of final technical/financial evaluation report to the Bank (Quality-Based, Qualifications, Single-Source)	Date	_____		
4.6	QCBS	Consultant' Name	Technical scores	Financial scores	Final scores
	(a) Technical, financial and final scores (Quality-Based: technical scores only)	_____	_____	_____	_____
	(b) Award recommendation	_____			

²⁸ Applies to QCBS, Fixed-Budget, and Least-Cost. For Quality-Based, Qualifications, and Single-Source, provide relevant information as indicated.

4.7 Fixed Budget and Least-Cost	Name	scores	prices	prices
(a) Technical scores, proposal and evaluated prices	_____	_____	_____	_____
(b) Award recommendation	_____	_____	_____	_____
(c) Fixed budget best technical proposal within the budget	Name:			
	Name:			
(d) Least Cost: Lowest evaluated proposal above minimum qualifying score	Name:			

Form IVB. Adjustments—Currency Conversion—Evaluated Prices²⁹

Consultants' Names	Proposals' prices ^a		Adjustments ^b	Evaluated price(s)	Conversion to currency of evaluation ^c		Financial scores ^d
	Currency	Amounts (1)			Exchange rate(s) ^e (4)	Proposals' prices (5) = (3)(4) (6)	
			(2)	(3) = (1) + (2)			

- a. Comments, if any (e.g., exchange rates); three foreign currencies maximum, plus local currency.
- b. Arithmetical errors and omissions of items included in the technical proposals. Adjustments may be positive or negative.
- c. As per RFP.
- d. 100 points to the lowest evaluated proposal; other scores to be determined in accordance with provisions of RFP.
- e. Value of one currency unit in the common currency used for evaluation purposes, normally the local currency (e.g., US\$1 = 30 rupees). Indicate source as per RFP.

²⁹ For Quality-Based, Qualifications, and Single-Source, fill out only up to column 3.

Form IVC. QCBS — Combined Technical/Financial Evaluation — Award Recommendation

Technical Evaluation	Technical Evaluation			Financial Evaluation		Combined Evaluation	
	Technical scores $S(t)$	Weighted scores $S(t) \times T$	Technical rank	Financial scores $S(f)$	Weighted scores $S(f) \times F$	Scores $S(t) T + S(f) F$	Rank
Award recommendation To highest combined technical/financial score. Consultant's name: _____							

Form IVD. Fixed-Budget and Least-Cost Selection — Award Recommendation³⁰

Consultants' names	Fixed-Budget Selection		Least-Cost Selection	
	Technical scores	Evaluated prices	Technical scores	Evaluated prices
Award recommendation	To best technical score with evaluated price within budget. Consultant's name:		To lowest evaluated price above minimum qualifying score. Consultant's name:	

³⁰ Fill in appropriate part of form.

Section V. Annexes³¹

Annex I. Individual Evaluations

Form V Annex I(i). Individual Evaluations

Form V Annex I(ii). Individual Evaluations — Key Personnel

Annex II. Information Data Monitoring

Annex III. Minutes of Public Opening of Financial Proposals

Annex IV. Request for Proposals

Annex V. Miscellaneous Annexes—Ad Hoc

³¹ Annex I applies to Quality-Based, Fixed-Budget and Least-Cost. For Qualifications and Single-Source, it is replaced by a review of the strengths and weaknesses of the proposal, which may be amended by one or several evaluators.

Annex I (j). Individual Evaluations

Consultant's name: _____

Criteria/Sub-Criteria	Maximum Scores	Evaluators					Average Scores
		1	2	3	4	5	
Experience							
-							
-							
-							
Methodology							
-							
-							
-							
Key Staff							
-							
-							
-							
Transfer of Knowledge (Training ^a)							
-							
-							
-							
Participation by Nationals ^a							
-							
-							
-							
Total	100						

a. If specified in the RFP

1. Evaluator's Name: _____ Signature: _____ Date: _____
2. Evaluator's Name: _____ Signature: _____ Date: _____
3. Evaluator's Name: _____ Signature: _____ Date: _____
4. Evaluator's Name: _____ Signature: _____ Date: _____
5. Evaluator's Name: _____ Signature: _____ Date: _____

Annex I(ii) Individual Evaluations—Key Personnel

Consultant's Name: _____

Key Staff Names a	Maximum Scores	General Qualifications ()b	Adequacy for the Assignment ()b	Experience in Region ()b	Total Marks (100)	Scores
Total						

a. Sometimes evaluations are made by groups instead of individuals. Each group (e.g. financial group) has a weight. The group score is obtained by the weighted scores of the members of the group. For example, the score of a group of three individuals scoring a, b, and c would be $ax + by + cz$ with x, y, and z representing the respective weights of the members ($x + y + z = 1$) in this group.

b. Maximum marks as per RFP

Name of Evaluator: _____ Signature: _____ Date: _____

Annex II. Information Data Monitoring

5.1 Loan/credit/grant

- (a) number _____
- (b) date of effectiveness _____
- (c) closing date _____
- (i) original _____
- (ii) revised _____

5.2 General Procurement Notice

- (a) first issue date _____
- (b) latest update _____

5.3 Request for expressions of interest³²:

- (a) publication in *United Nations Development Business* (UNDB) _____ Date _____
- (b) publication in national local newspaper(s) _____ Name of newspaper(s) and date(s) _____

5.4 Did the use of price as a factor of selection change the final ranking?³³ Yes _____ No _____

5.5 Did the use of "local input" as a factor of selection change the technical ranking?³⁴ Yes _____ No _____

³² Required for large contracts (see Guidelines).

³³ Compare technical rank with rank in Form IVC.

³⁴ Figure out technical scores with and without "local input" (Form IIB).

Annex III. Minutes of Public Opening of Financial Proposals³⁵

MINUTES

[The minutes should indicate the names of the participants in the proposal opening session, the proposal prices, discounts, technical scores, and any details that the Client, at its discretion, may consider appropriate.]

All attendees must sign the Minutes.]

³⁵ Annex III applies to QCBS, Fixed-Budget, and Least-Cost.

Annex 3: Format of Technical and Financial Proposals (from World Bank)

Technical Proposal

FROM: _____ TO: _____

Sir/Madam:

Subject: *Hiring of Consultancy Service for*

Regarding Technical Proposal

I/We _____ Consultant/Consultancy firm herewith enclose a Technical Proposal for selection of my/our firm/organization as Consultant for _____

Yours faithfully,

Signature _____

(Authorized Representative)

Full Name _____

Designation _____

Address _____

Firm's References

Relevant Services Carried Out in the Last Five Years which Best Illustrate Qualifications

Using the format below, provide information on each reference assignment for which your firm, either individually as a corporate entity or as one of the major companies within a consortium, was legally contracted.

Assignment Name:		Country:
Location within Country:		Professional Staff Provided by Your Firm:
Name of Client:		No of Staff:
Address:		No of Staff Months:
Start Date (Month/Year):	Completion Date (Month/Year):	Approx. Value of Services (in Current USD):
Name of Associated Firm(s), if any:		No of Months of Professional Staff Provided by Associated Firm(s):
Name of Senior Staff (Project Director/Coordinator, Team Leader) involved and functions performed:		
Narrative Description of Project:		
Description of Actual Services Provided by Your Staff:		

Approach Paper on Methodology Proposed for Performing the Assignment:

etc

Comments/Suggestions of Consultant:

On the Terms of Reference (TOR):

- 1.
- 2.
- 3.

etc.

On the data, services and facilities to be provided by the Client indicated in the TOR:

- 1.
- 2.
- 3.

etc.

Format of Curriculum Vitae (CV) For Proposed Key Staff

Proposed Position: _____

Name of Firm: _____

Name of Staff: _____

Profession: _____

Date of Birth: _____

Years with Firm: _____ Nationality: _____

Membership in Professional Societies: _____

Detailed Tasks Assigned: _____

Key Qualifications:

[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations. Use up to half a page.]

Education:

[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended and degrees obtained. Use up to a quarter page.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organization, title of positions held and location of assignments. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use up to three-quarters of a page.]

Languages:

[Indicate proficiency in speaking, reading and writing of each language: excellent, good, fair, or poor.]

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these biodata correctly describe myself, my qualifications and my experience.

Date:

Signature of Staff Member or authorized official from the firm
Day/Month/Year

Work Plan and Time Schedule for Key Personnel

Name	Position	Reports Due/Activities	Months (in the form of a Bar Chart)												Number of Months			
			1	2	3	4	5	6	7	8	9	10	11	12				
																	Subtotal (1)	
																		Subtotal (2)
																		Subtotal (3)
																		Subtotal (4)

Full Time:
Part Time:

Reports Due:
Activities Duration

Yours faithfully,

Signature

(Authorized Representative)

Full Name

Designation

Address

Composition of the Team Personnel and the Task which would be assigned to each Team Member

1. Technical/Managerial Staff

Name	Position	Task Assignment

2. Support Staff

Name	Position	Task Assignment

Work Plan/Time Schedule

1. Field Investigation

Items of Work/Activities	Monthly Program from date of assignment (in the form of a Bar Chart)											
	1	2	3	4	5	6	7	8	9	10	11	12

2. Completion and Submission of Reports (as indicated under Appendix B enclosed with General Conditions of Contract)

Reports	Date
1. Inception Report	
2. Interim Progress Report	
(a) First Status Report	
(b) Second Status Report	
3. Draft Report	
4. Final Report	

Financial Proposal

FROM: TO:

Sir/Madam:

Subject: *Hiring of Consultancy Service for*

Regarding Price Proposal

I/We _____ Consultant/Consultancy firm herewith enclose the Price Proposal of my/our firm/organization as Consultant for _____

Yours faithfully,

Signature

(Authorized Representative)

Full Name

Designation

Address

Schedule of Summary Price Proposal

Name of Activities	Currency	Amount	
		In Words	In Figures
Total Amount			

Breakdown of Summary Price

For Activity N°: _____ Name: _____

Price Component	Currency	Amount
Remuneration for basic services		
Out-of-pocket expenses		
Computer software cost		
Miscellaneous expenses		
Subtotal		

Note:

The above form is to be filled up separately for each activity mentioned in Appendix 2, page 2 of 7.

Consolidated Summary for Remuneration in Respect of Basic Services

For Activity No: _____ Name: _____

Name	Position	Staff-Months	Monthly Rate	Total Amount Expected to be Paid
Total				

Note:

1. Breakdown of the cost and charges for monthly rates is indicated in Appendix 2, page 5 of 7.
2. This form is to be filled out separately for each activity mentioned in Appendix 2, page 2 of 7.

Out-of-Pocket Expenses

For Activity No: _____ Name: _____

S. No	Nomenclature	Unit	Quantity	Unit Price	Total Amount
1.	Return flights between and	Trip			
2.	Miscellaneous travel expenses	Trip			
3.	Subsistence allowance	Trip			
4.	Local transportation costs ¹				
5.	Office rent/accommodation/clerical asst.				
Total					

Note:

This is to be filled out separately for each activity mentioned in Appendix 2, page 2 of 7.

¹ Local transportation costs are not included if local transportation is being made available by Client. Similarly, in the Project site, office rent/accommodations/clerical assistance costs are not to be included if being made available by Client.

Computer Software Costs
(Inclusive of Licensing of Software)

S1 No	Software	Amount
1.		
2.		
3.		
4.		
Total		

Miscellaneous Expenses

For Activity No: _____ Name: _____

S. No	Nomenclature	Unit	Quantity	Unit Price	Total Amount
1.	Communication costs between _____ and _____ (telephone, telegram, telex)				
2.	Drafting, reproduction of reports				
3.					
4.					
5.					
Total:					

Note:

This is to be filled out separately for each activity mentioned in Appendix 2, page 2 of 7.