

## Republic of India

### Consulting Services (Feasibility Study) for the support of the National Capital Region Planning Board (NCRPB) - Phase II.

#### PRE-QUALIFICATION FOR CONSULTANCY SERVICES (FEASIBILITY STUDY)

#### ADDITIONAL PROGRAM INFORMATION

##### 1. Project Information

Programme Description: While Indian urban growth is impressive and population rose dramatically, provision of urban services and amenities has fallen woefully short. Substantial deficiencies in water supply and sewage disposal as well as waste management infrastructure lead to environmental destruction. India's National Capital Region is especially concerned by the described phenomenon due to a population increase by 50% per decade since 1950. Hence, the National Capital Region Planning Board (NCRPB) was created in the 1980s to systematically develop the region. NCRPB's biggest challenges on the way to expand its infrastructure financing and to make it more efficient are:

- (i) institutional build-up concerning internal procedures and organisation, project development know-how, especially in the field of structuring urban projects in a public private partnership mode (PPP);
- (ii) diversification of financing instruments and funding sources in order to professionalize and scale up the financing business of NCRPB;
- (iii) capacity building within urban local bodies (ULBs) focussing on project development and implementation, since a stronger integration of small and low income municipalities in NCRPB's funding activities is envisaged.

The design of the current project shall promote efficient and innovative instruments of urban infrastructure financing including accompanying NCRPB on its way to a 'financier of relevance and planner of significance' and to concentrate on the implementation of efficient and innovative environmental approaches.

The projects' overall objective is the improvement of environment protection and preservation of natural resources as well as the reduction of poverty and the improvement of the living conditions of the population in urban and industrial areas. In this regard, the main project objectives are the following:

- (i) contribution to India's overarching urban sector development goals and decentralization reforms via improvement of sustainable urban infrastructure services by developing and scaling up NCRPB into a financier of high quality environmental urban infrastructure for the entire NCR.
- (ii) improvement of access to private and capital market funds by urban infrastructure projects through the strengthening of specialized financing intermediaries and structures as well as by strengthening the financial responsibility and project development, financing and implementation capacities of the ULBs and implementing agencies with a view to set the parameters for mobilisation of private capital in the urban sector.

The project is embedded in the *Cities Development Initiative for Asia* (CDIA), a joint cooperation of the German Federal Ministry for Economic Cooperation and Development (BMZ) and the Asian Development Bank (ADB) as well as other donors. ADB is currently preparing a credit line to the NCRPB. KfW and ADB are envisaging a parallel financing of their respective credit lines. The KfW programme should, thus, be designed in close reconciliation with the ADB TA and financing programmes and shall ensure a specialized focus area within the overall financing programme and visibility of the German support.

In a first feasibility study the general feasibility of the German Financial Cooperation support to the NCRPB was analysed and the financing programme as a parallel financing with the proposed ADB

credit line was prepared. Part of this study was an overview of projects eligible to be financed by NCRPB with KfW funds as well as their stage of preparation.

## **2. Project Executing Agency**

The National Capital Region Planning Board (NCRPB) will act as Project Executing Agency for the Feasibility Study.

## **3. Financing of Services**

Consulting Services will be covered by a German grant provided to NCRPB.

## **4. Consultancy Services**

In this second phase of the consulting services it is intended to enlarge the mentioned sub-project pipeline already developed in the course of the feasibility study – Phase I in preparation of the German Cooperation programme and to support the preparation of the pipeline projects up to a level ready for NCRPB financing.

An independent international consultant company experienced in environment related urban infrastructure investment and financing is therefore required to:

- complete the sub-project preparation based on the pipeline of the feasibility study – Phase I.
- identify, develop, design and prepare DPRs, including environmental and social analysis for tentative project volume of at least EUR 50 million; identify and prepare an additional pipeline of sub-projects for a tentative project volume of at least EUR 150 million. The identification of projects containing innovative environmental approaches and/or innovative financing models would be highly appreciated. Preferably, the preparation status of the candidate projects should be as advanced as possible and land and other rights problems should be solved already.;
- prepare proposal for accompanying measures for grant of EUR 1 million
- develop a regional project concept for municipal services and concrete sub project ideas taking into account the findings and recommendations of the latest regional master plan such as regional investment programs in the areas of water supply and waste management to be further developed and implemented as part of the TA component of the Project; identify and develop on this basis concrete sub project ideas.
- undertake financial feasibility analyses of identified sub-projects based on detailed project report (DPR) available, pre-feasibility and initial environmental assessments covering:
  - o comprehensive analysis of project level revenue (existing and potential), capital and operating cost under different scenarios;
  - o project level summary financial statements, including income and expenditure, balance sheet and cash-flow projections;
  - o key financial ratios / indicators, including extent of cost recovery, debt service to own revenue, debt service coverage ratio, subsidy if any, required from general budget of ULBs to make the project viable.

It is the Consultants' responsibility to verify the scope of services indicated and to extend, reduce or amend it wherever deemed necessary according to the Consultant's professional judgement and the knowledge that will be acquired during preparation of the proposal.

The consulting services shall be performed over a period of approximately 6 months beginning in the last quarter of 2010 or first quarter of 2011.

## **5. Eligibility of Consultants**

The consultancy services will be carried out by an independent, qualified international consulting team involving a specialist in environmental management and urban infrastructure familiar with the necessary requirements (ESF, EIA, etc.) as well as a financial sector specialist. The consultants should be able to draw from a multidisciplinary and experienced team of urban finance, various engineering experts and policy experts and have a proven track record of preparing urban

infrastructure projects, preferably in India and also in other countries. The international consultant may form a consortium / joint venture with consulting companies in India with the International Consultant as leading firm. Participating consulting companies will not be excluded from participating in a possible tender for consulting services for the implementation of the program.

## 6. Prequalification Documents

The prequalification contest and the subsequent tender will be carried out in accordance to KfW's "Guidelines for the Assignment of Consultants in Financial Co-operation with Developing Countries" (Guidelines). The conditions of contract will be based on KfW's Guidelines and the corresponding Standard Contract Form. The Guidelines and the Standard Contract are available on the Internet:

[http://www.kfw-entwicklungsbank.de/EN\\_Home/Service/Online\\_Library/Gudlines.jsp](http://www.kfw-entwicklungsbank.de/EN_Home/Service/Online_Library/Gudlines.jsp)

Interested applicants are requested to prove their ability to perform the services by the presentation of evidencing documents which constitute the basis for the pre-selection of consultants (short-list: maximum of 5 applicants). The short-listed consultants will be invited to submit tenders for the provision of the requested services.

The pre-qualification documents in English language must comprise at least the following documents (vide Annex 3 of the Guidelines):

- Corporate profile and status;
- Evidence of financial resources of the international consulting company in relation to the volume of services required (**confirmation of guarantee line given by company's principal bank**; balance sheets and profit and loss accounts for the last three years);
- Legally binding signed declaration of undertaking from the applicant (all consortium / joint venture members, if applicable) in compliance with the sample provided in Appendix 1 to Annex 3 of the Guidelines;
- Relevant references from the last ten years to prove technical qualifications and experience abroad, in the region or country (maximum ten references per sector of operation; all consortium / joint venture members, if applicable);
- Curricula vitae of consultant's key personnel who will provide monitoring and back-up services from the home office (all consortium / joint venture members, if applicable);
- Statement of personnel structure (number and qualifications; (all consortium / joint venture members, if applicable);
- Declaration of intent regarding cooperation (all consortium / joint venture members, if applicable; name of lead company);
- Declaration on associated firms (all consortium / joint venture members, if applicable);
- Any further documents that provide relevant information on the financial status and technical qualifications and experience of the applicant.

The pre-qualification documents shall be submitted as hardcopy in one original to Director (A&F), NCRPB and one copy to **KfW**, 60325 Frankfurt am Main, Palmengartenstrasse 5-9, Department Financial and Private Sector Asia, Att. Ms. Carmen Colla, Phone: 0049-69-7431-4740, Fax: 0049-69 7431-3609, E-Mail: [Carmen.Colla@kfw.de](mailto:Carmen.Colla@kfw.de) not later than (5:00 pm on 10<sup>th</sup> December 2010).

## 7. Pre-selection Criteria

Only those applicants will be considered eligible whose financial resources are deemed by KfW / NCRPB to be adequate in relation to the volume of services required. Applicants who submit no or insufficient documentation on their financial capacities will not be included in the pre-selection.

The pre-selection of consultants will be based on the following criteria:

<b>Criteria</b>	<b>Points</b>
<b>1. Evidence of relevant Experience gained in the last 5 years</b> ( <i>experience of the firm</i> )	<b>45</b>
1.1 Experience in handling similar projects	20
1.2 Experience under various working conditions in developing countries	10
1.3 Experience in India, preferably in the same sector	15
<b>2. Suitability for this specific project</b> ( <i>experience of available experts</i> )	<b>55</b>
2.1 Assessment of available technical knowledge specific to this project	20
2.2 Assessment of the personnel structure in regard to tasks expected	15
2.3 Assessment of the key personnel in permanent employment and always available to monitor the team and provide back-up services from the home office	10
2.4 The form of the application documents: are they complete and related to the project?	10
<b>Total</b>	<b>100</b>

After having completed the evaluation of the pre-qualification documents, a short-list of consultants, which achieve 70 points or more, will be established. The list is, however, limited to the five best placed consultants. Short-listed firms will be invited to submit a technical and financial proposal. Consultants, who will not be pre-qualified, will be informed accordingly.