

TERMS OF REFERENCE
Department of Macroeconomic Affairs (DMEA)
Ministry of Finance (MoF), Royal Government of Bhutan

Post Title: Hiring of Consultant/firm to review and amend Public Private Partnership Policy 2016
Organization: Ministry of Finance, Thimphu, Bhutan
Duty Station: Thimphu

1. BACKGROUND

The Royal Government of Bhutan (RGOB) in its 10th Five Year Plan (2008-2013) embarked on Public Private Partnership (PPP) to foster economic growth to leverage private sector resources for sustainable infrastructure development. With the World Bank's support, Bhutan approved a PPP Policy during the 98th session of the Lhengye Zhungtshog (Council of Ministers) held in March 2016 and drafted PPP Rules & Regulations. RGOB is interested in expanding the use of PPP modalities, which will continue to be an important priority. The PPP Policy of March 2016 outlines the general framework for developing and implementing PPP projects.

However, there was very limited interest received from the implementing agencies to implement project on PPP model. Some of the feedbacks received during the stakeholder meetings on less projects being initiated by the implementing agencies was due to lengthy approval process and need to simplify the policy. Therefore, the need to simplify the policy and make it user friendly to encourage innovative financing for implementation of infrastructure project though PPP was recognized as a crucial approach to solve the problems/challenges.

2. OBJECTIVES OF HIRING CONSULTANT

- a. The objective is to hire international consultant to review and amend PPP Policy 2016.
- b. To streamline the process and make policy user friendly.

3. DELIVERABLES/ SPECIFIC OUTPUTS EXPECTED FROM CONSULTANT

- 3.1 Undertake a comprehensive review of the PPP Policy 2016 including legal, regulatory, and institutional arrangements to assess key issues and challenges in the operationalization of the current policy.

- 3.2 Mapping of regional and global good practices. A thorough review of good PPP policy and implementation practices across countries with similar socio-economic and institutional context as Bhutan to draw experiences from.
- 3.3 Conduct a minimum of three (3) rounds of stakeholder consultations relevant stakeholders—relevant government agencies, financial institutions, and private sector to identify issues/challenges in implementing PPP policy and propose solutions to address the issues in the new policy.
- 3.4 Submit and present a detailed work plan (implementation plans/strategy, methodology, resources, costing) to DMEA.
- 3.5 Submit draft reviewed and amended PPP Policy 2016 following the detailed review including incorporating recommendations and feedbacks from stakeholders.
- 3.6 Present the draft policy to PPP Steering Committee (PSC) and Gross National Happiness Commission (GNHC) for approval.
- 3.7 Incorporate comments from PSC, GNHC and finalize the document.
- 3.8 Consultant to prepare relevant documents for approval of PPP Policy by Lhengye Zhungtshog and incorporate comments from the Cabinet until approved.
- 3.9 Identify capacity building needs of MOF/agencies responsible for implementing the new PPP Policy and conduct all advocacy/ training & workshop program.
- 3.10 Submit final report to DMEA.

4. QUALIFYING AND SELECTION CRITERIA

The candidate shall be required to demonstrate the following academic and professional backgrounds:

4.1. Qualifying Criteria:

- 4.1.1. S/he shall have a master's degree in development economics, social science, legal, finance, business administration or related field and specialization in PPP with at least 10 years of relevant PPP experience.
- 4.1.2. S/he will have strong legal expertise and solid understanding of PPP development and particularly in reviewing PPP Policy.
- 4.1.3. A qualified PPP practitioner with experience in establishing PPP programs and PPP Projects in various sectors with at least 5 years' experience.
- 4.1.4. Experienced in advising on infrastructure projects in one of the infrastructure sectors and, in particular, infrastructure projects involving the private sector.
- 4.1.5. Expertise in how the PPP operate in Bhutan.
- 4.1.6. The International consultant have to lead as the Team Leader.

In addition to technical requirements, s/he will demonstrate an ability in similar past assignments.

4.2. Selection/Evaluation Criteria

Selection of the consultant/firm to be based on Quality and Cost Based Selection (QCBS) for selection criteria, sub-criteria, and point system for the evaluation of the proposals.

| Criteria | | Points |
|--|---|------------|
| Experiences on similar program/projects in the region (10) | | 10 |
| Methodology | <ul style="list-style-type: none"> • Technical approach and methodology (10) • Work Plan (10) • Organization and staffing (10) | 30 |
| Team composition | Educational qualifications/experience <ul style="list-style-type: none"> • Team Leader (40) • Staff (20) | 60 |
| Total | | 100 |

Eligibility Criteria

Company profile and Audited Accounts for atleast last one year is to be provided.

* The number of points to be assigned to expertise shall be determined considering the following sub-criteria and relevant percentage weights:

Educational qualifications/experience and adequacy for the assignment, as explained below:

| Team Composition | Qualification/Experience |
|------------------|---|
| Team Leader (40) | i. Minimum qualification: Master's degree in development economics, social science, legal, finance, business administration or related field (25%) ii. Minimum of 10 years of relevant experience in similar assignment/programs (60%) <ul style="list-style-type: none"> • More than 10 years (100 points) • More than 8 years (50 points) • More than 5 years (25 points) • Upto 5 Years (10 Points) iii. Global experience (10%) and regional experience (5%) |

| | |
|------------|---|
| Staff (20) | <ul style="list-style-type: none"> i. Master in business administration/finance (25%) ii. Minimum 5 years of experience in similar assignment/program (65%) <ul style="list-style-type: none"> • More than 5 years (100 points) • More than 4 years (50 points) • More than 3 years (25 points) • Upto to 3 years (10 points) iii. Excellent communication and writing skills in English(10%) |
|------------|---|

Note: Only consultant firm qualified (75%) in the technical criteria will be further rated for the financial assessment. Selection will be then based on 70% for technical rating and 30% for financial rating.

Kindly provide details substantiated by adequate documents to prove the above criteria.

5. PROJECT DELIVERABLES AND TIMELINE:

It is anticipated that the assignment will take upto 50 running days to complete and will require the following deliverables. Deliverables and timelines are as follows:

| Mile stone | Activities | Timeline |
|----------------------------------|---|---|
| Review and Amend PPP Policy 2016 | <ul style="list-style-type: none"> a. Consultant to review and amend PPP Policy 2016. b. Submit a detailed work plan (implementation plans/strategy, and methodology). c. Consultant to conduct three (3) rounds of stakeholder consultations. Logistic will be done by MoF. d. Consultant to submit draft reviewed PPP Policy 2016 after incorporating recommendations and feedbacks. e. Consultant to conduct all advocacy program on new PPP Policy. f. Consultant to provide workshop /training on PPP | To initiate assignment after seven (7) days from signing contact. |

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| Assignment completed | Submit final report to MoF upon the full completion of the assignment. | Report submission |
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*All activities must be approved by the MoF before moving to next step.

6. PAYMENT SCHEDULE:

The payment will be made as per the following schedule:

| Payment Milestone | % of Contract Value |
|--|---------------------|
| On acceptance of the assignment | 10% |
| Submission of inception report | 10% |
| Submission and presentation | 10% |
| Submission of draft PPP Policy | 30% |
| On acceptance of final reviewed PPP Policy and completion report | 40% |

*The payment will be done in Bhutanese Ngultrum (Nu.) and TDS & other applicable taxes will be deducted from the remuneration amount as per existing government rules. The rates quoted by the interested consultant shall be on lump sum basis and include all associated expenses related to the delivery of the services.