



**LOCAL GOVERNMENT & HTP DEPARTMENT
GOVERNMENT OF SINDH**

**RESPONSES TO QUERIES AND ADDENDUM TO
REQUEST FOR PROPOSAL**

**Hiring of Consultants for Feasibility Study & Transaction Advisory Services
for**

URBAN ROAD INITIATIVES IN KARACHI

April 2020

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THE CONTENTS OF IMPORTANT NOTICE AS PROVIDED IN THE REQUEST FOR PROPOSAL DATED 25TH MARCH 2020 (“RFP”) SHALL ALSO BE APPLICABLE TO THIS DOCUMENT.

RESPONSES TO QUERIES AND AMENDMENTS IN THE RFP

Following are the answers / clarifications/amendments in response to the questions / queries raised by the interested / potential bidders during the pre-bid meeting held on Monday, 6th April 2020, and subsequently sent through email(s), in respect of the Request of Proposals dated 25th March 2020 issued by the Local Government Department, Government of Sindh in relation to the captioned project.

S#	QUESTION / QUERY	ANSWER / CLARIFICATION /AMENDMENT
1	Scope and limits of the surveys and investigations be further defined so that all bidders quote the prices following same extent of scope.	<p>For projects of similar nature where multifaceted infrastructure is to be built, thorough feasibility study is needed to provide a stronger base for the recommendations and to ascertain the overall viability of the project. Consequently, during the feasibility stage, all the required tests and surveys are performed in sufficient manner to prepare basis of preliminary construction requirements, cost estimates and other technical aspects of the project.</p> <p>We believe that the scope of surveys and investigations have been described in an unambiguous manner in the Section 5.3.1.1.</p>
2.	Bathymetric survey might not be required in sub project 2 as the alignment is completely on the land side	Requirement of bathymetric survey for Sub-Project 2 may be required as, the decided/recommended alignment of this project may potentially be proposed by the Technical Consultants along with the sea. The consultants are recommended to price-in this requirement accordingly.
3.	Usually environmental and social surveys and studies are carried out by individuals or specialized companies. Such specialized companies are generally associated with the technical consultants as sub consultants. It is therefore requested that experience of sub consultants for specialized works be considered for evaluation. As otherwise large consortium will have to be formed.	<p>Sub-contracting is not allowed for the environmental and social surveys and studies since, given the nature of the Sub-Projects, environmental and social assessment contribute to a notable segment of the overall scope of work. It is also highlighted that the environment and social aspects have been included in the evaluation criteria and the respective surveys are also included in payment milestones.</p> <p>Moreover, we understand that sub-contracting leads to double taxation and may increase overall cost of the consultancy services.</p>

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4.	Consortium Agreement as required might be difficult to arrange at this stage, owing to the lock down situation. It may be asked once the contract is awarded.	<p>The requirements of a Consortium Agreement, as provided under section 2.26 of the RFP shall be complied with. However in case, where any international firm(s) is part of a Consortium, we understand that it will not be possible for them to send an authorized signatory/representative to Karachi, Pakistan and sign the Consortium Agreement on the local non-judicial stamp paper. Therefore, in case of any international firm(s) being part of a Consortium, the Consortium Agreement printed on Lead Member / Consultant's letter head, complying with the requirements of section 2.26 of the RFP, duly signed by all the parties to the agreement, will be acceptable.</p> <p>Furthermore, for the sake of clarity, it is submitted that the Consortium Agreement thus provided by potential bidders, must encapsulate all the elements as mentioned in section 2.26. In other words, the form and style of the Consortium Agreement is the potential bidders prerogative, however the substance must encapsulate all the elements mentioned in section 2.26.</p>
5.	Owing to the lock down situation, coordination and preparation of documents is quite difficult. Date of submission of the proposals is requested to be reconsidered. At least 15 days extension in submission deadline need to be considered.	The query has been duly noted and bid submission deadline has been extended to 11 th May 2020.
6	The RFP requires a bid security (1% of bid price). However, there is no bid security form with the bid in the RFP. This form is needed, for lead firm's bank to correspond with local in Pakistan.	As provided in section 2.1 of the RFP, the Bid Security is to be made in the form of a financial guarantee, pay order or bank draft issued by a scheduled commercial bank operating in Pakistan. In case a Bidder submits Bid Security in the form of financial guarantee, a standardized form of the bank guarantee complying with all the requirements of RFP related to Bid Security (amount, validity period, etc.) will be acceptable.

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7.	<p>We feel that the evaluation criteria is not discriminating enough and would not enable PPP Unit to differentiate between a good team and a less good team. We feel that the PPP Unit should be able to score CVs on the relevance of the experience (and not only on the number of years) and that more weight should be given to the quality of the understanding of the assignment and the proposed methodology (currently 5/100 points)</p>	<p>It is clarified that PPP Unit is the not the Procuring Agency. The evaluation has to be undertaken by the Consultant Selection Committee notified by the Procuring Agency, i.e. Local Government and HTP Department, Government of Sindh.</p> <p>We understand that, higher score may be assigned to proposed methodology and quality of understanding of the assignment. However, this may be justified in case of complex nature of projects or where no precedent transactions have been executed previously in the same sector. Government of Sindh has undertaken PPP initiatives related to inter-city roads and highways. Though, the project of ‘Urban Road Initiatives’ would comprise development of road network / structures within the city of Karachi, we understand that the features of these Sub-Projects will not be dissimilar to the precedent PPP initiatives since the overall technical/financial/legal aspects of these Sub-Projects would not differ much.</p> <p>Furthermore, assessment of ‘understanding of assignment’ and ‘proposed methodology’ is purely subjective in nature since it is based on the steps to be taken by the bidder in future. Correspondingly, lesser weightage has been given to these criteria.</p> <p>Note: Please note that, ‘Understanding of the Assignment’ and ‘Proposed Methodology’ presented by any Bidder in its Technical Proposal, shall not be more than 1,000 words and 5,000 words, respectively.</p>

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8.	<p>The RFP calls for some requirements that may not be possible due to the COVID-19 situation:</p> <ul style="list-style-type: none"> • Notarized power of attorney (2.16.1) • Hard copy submission of the proposals (2.16.4) • Affidavit to be attested by oath commissioner (2.18.3) • Consortium agreement in certified true copy (2.26.1) <p>On that basis, is it possible to waive these requirements and any other issue requiring hard copy, certified, or notarized submissions, and instead request an electronic submission of our proposals?</p>	<p>2.16.1 – Notarization of power of attorney is required to assess the genuineness of the document. It is a compulsory requirement.</p> <p>2.16.4 – This is a compulsory requirement as per Rule 24 of the Sindh Public Procurement Rules which requires that the bidders need to submit their proposals ‘by mail or by hand’ and in the manner specified in the bidding documents (i.e. RFP).</p> <p>2.18.3 – Attestation of affidavits is required to assess the genuineness of the document. It is a compulsory requirement.</p> <p>2.26.1 – Please refer to response to query number 4</p>
9.	<p>The lead firm in our case is a foreign firm, given the time needed to understand the assignment, formulate a methodology coordinate a work plan with the different firms and team members, and procure a bid security and getting all above mentioned documents signed, attested and physically sent to Pakistan via courier, the deadline to submit the proposal seems rather tight. On that basis, we would like to request an extension to the deadline to submit proposals.</p>	<p>Please refer to response of query number 5.</p>
10.	<p>The terms of payments are not friendly for consultants. PPP Unit can keep 50% payment for the technical study unchanged however reshuffle this 50% by introducing a 20% payment milestone at inception level and readjusting rest of the 50% payment.</p>	<p>It is again clarified that PPP Unit is the not the Procuring Agency.</p> <p>Amendment in Section 2.27 of the RFP</p> <p>The query has been duly noted and table of ‘schedule of deliverables and fee distribution’ as provided in section 2.27 of the RFP shall stand amended to read as provided in the revised table attached as Annexure-A.</p> <p>It is further clarified that the Bidders need to submit the ‘Form FIN-2 (Summary of Costs)’ according to the revised table.</p>
11.	<p>The time needed for Technical Feasibility Study needs to be increased without reducing time allocated for EIA/LARP.</p>	<p>Please refer to response of query number 10.</p>

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12	<p>Clause 16.20 of Draft Agreement Clause says that consortium member cannot participate for any forthcoming job in same project during the execution phase from any side or in any independent position. It is requested that being advisor of the project from GOS side this condition should restrict the advisor not to take any position with concessionaire only and not include any independent roles.</p>	<p>It is clarified that the concessionaire (project company) may not hire the services of the Consultants directly and/or on exclusive basis. However, the Consultants may potentially be engaged by the concessionaire and Government of Sindh in any joint arrangement.</p>
13.	<p>There is no payment milestone on submission of inception Report.</p> <p>In order to complete the feasibility study of three sub projects there are four types of surveys to be carried out, where significant direct costs are involved, these are Traffic survey Topographic survey Bathometric survey Deep & subsoil survey</p> <p>It is requested that 10% payment should be allocated upon the submission of inception report so that direct cost expense partially should be met or alternatively mobilization advance of 15% be allowed on insurance guarantee.</p>	<p>Please refer to response of query number 10.</p>

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14.	<p>Mode of Payment plan showing 20% payment till completion of Feasibility study.</p> <p>Due to involvement of surveys described above major cost will be consumed till completion of feasibility study which may around 40% of the fee while as per proposed mode of payment in the RFP consortium will get only 20% payment which shows shear imbalance in the payment plan and also in view of the clause 16.8.3 & 16.8.5 of draft agreement if GOS decides to terminate the project under clause 16.8.2(e) then GOS is liable to pay under clause 16.8.5 as per MODE OF PAYMENT in the agreement, so for the consortium there will be no course of recovery for their consumed cost in the sub project. It is requested therefore a modified balance mode of payment shall be introduced to compensate the consortium at every stage of the progress.</p> <p>Alternatively GOS may also keep the direct cost head separate (as quoted by bidder) from mode of payment and release the payment on completion and submission of every investigation/survey report.</p>	Please refer to response of query number 10.

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15.	<p>In the evaluation criteria 10 projects from each have been asked from the EIA and LARP consultant to obtain full marks.</p> <p>All three sub projects are green field projects and development of the concept and preliminary design of these sub projects are the main components of entire study which will pave way for the other consortium members to work further on these approved sub projects. If we see the evaluation criteria it has been asked from the Technical, Financial and Legal consultants to show three or more projects in order to obtain full marks while contrary to this from EIA and LARP consultant RFP is demanding 10 projects from each consultant to get full marks. We understand that EIA and LARP do not have such an important role at this stage for the selection of Advisor and can be eliminated from the evaluation criteria and can be engaged as sub consultant at the later stage.</p> <p>You may consider prescribing a minimum criterion for engaging such firms and the selected advisor can bring in two-three quotations from such firms and GoS can directly select the EIA/LARP service provider. This quotation can be obtained once technical feasibility is complete and at that stage the scope of EIA and LARP will be clearer and would also allow realistic pricing – in our view it would reduce GoS’s overall outlay. In order to smoothen out the procurement process, you can consider keeping a provisional budget for EIA/LARP (common for all bidders) and once the preferred bidder is engaged and has completed the technical feasibility, it can obtain the quotations and the provisional amount will be actualized.</p>	Please refer to response of query number 3.
16.	<p>Same project different categories?</p> <p>Please clarify if one project submitted for Transaction Advisory category (signed concession) can also be used for the RFP/Bid documents and feasibility categories? A project in which concession has been signed would go through all three categories.</p>	It is affirmed that a project presented for evaluation in one category will also be allowed to be presented in other categories of experience section.

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17.	<p>Use of international credentials and corresponding team. Based on our read of the RFP, we understand that if a firm is using credentials of its international affiliate, than the aforesaid affiliate firm's relevant team members would be evaluated for the purposes of CVs and after award, those same team members would be required to work on the project. Please confirm.</p>	<p>It is affirmed that in case a Bidder use experience / credentials of an international firm, it needs to present the personnel of such international firm in its proposal. Also, in case the same bidder is selected as Preferred Bidder, it is required to assign the same personnel for the consultancy services.</p> <p>Following sections have been taken from RFP and Draft Consultancy Agreement, and have been reproduced for reference and further clarification:</p> <p>REQUEST FOR PROPOSAL</p> <p><i>2.2.6 If a Consultant is qualified/selected on the strength of experience of a foreign company, requisite Key Professional Staff from that foreign company shall be fielded along with other Consortium members.</i></p> <p>2.23 Availability of Key Professional Staff <i>The consultant must submit CV for each required Key Professional Staff. Moreover, the Key Professional Staff team will be made an integral part of the Consultancy Services Contract...</i></p> <p>DRAFT CONSULTANCY AGREEMENT</p> <p><i>13.2 The Assignment Team shall be composed of the following:</i> <i>(c) Individuals mentioned in the RFP i.e. the CVs of those who were evaluated for the award of the Bid;</i></p>
18	<p>Scope of Work is not clear for Link Road for Korangi and Expressway from Mauripur Road to Y Junction.</p> <p>What would be the approximate length of the link road?</p>	<p>The overall need assessment and project background of all the Sub-Projects have been elaborated in section 5.1.1 of RFP. For preparation of Proposal, the Bidders may use this preliminary need analysis and perform suitable studies / site visits to further develop the most suitable option(s) for the Sub-Projects.</p>

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19.	It is mentioned on page 34 that the link route will connect to the Motorway M9. Will the Employer provide the design of Malir Expressway Project?	<p data-bbox="1144 197 2141 405">During the course of Assignment, in case if it is considered that the design of Malir Expressway is needed to strengthen the feasibility study of Sub-Project 1, the Procuring Agency will provide necessary guidance and support to the Consultant in obtaining the relevant document. However, it is highlighted that Consultant is responsible to validate all the documents / information obtained from any third party and shall retain responsibility for information created as part of the engagement.</p> <p data-bbox="1144 437 2141 469">For further clarification, please refer 11.6 and 11.7 of Draft Consultancy Agreement.</p>
20.	The title of proposal refers to the feasibility of the project. However, as mentioned in the TOR of Phase-1, various detailed studies and preliminary design is required. Please clarify.	The query is not clear. However, as per our understanding, response to query number 1 answers the question.
21.	Please inform what data is available with the Employer so as to make an informed assessment of the efforts required in data collection which may have a financial implication.	As stated in the RFP that the Consultants shall be responsible to undertake all relevant surveys needed for preparation of feasibility study reports. It is further clarified that the Procuring Agency shall provide guidance and facilitation to the Consultants in obtaining copies of any prior studies that have been conducted.
22.	Refer Clause 5.3.1, feasibility study shall be conducted for each sub-project and each sub-project has extensive scope of work. Clause 2.27 mentions 3 months for feasibility study which is very short since a lot of primary data collection (topographic surveys, geotechnical investigations, traffic studies) will need to be carried out. It is suggested that the technical feasibility time be increased to minimum five (5) months.	Please refer to response of query number 10.
23.	Refer to Clause 2.27 (Schedule of Deliverables), wherein the first payment is made after the submission of Technical Feasibility Report. This may please be revised as a lot of upfront cost for surveys (topographic, GT, traffic) and surveys for EIA (social assessment etc.) will be borne by the selected Consultants.	Please refer to response of query number 10.
24.	Refer to Clause 2.27 (Schedule of Deliverables), it is suggested that payment percentage for Phase-I be increased to at least 60% since major effort will be undertaken at this stage.	Please refer to response of query number 10.

S#	QUESTION / QUERY	ANSWER / CLARIFICATION / AMENDMENT
25.	Refer to Clause 5.3.1 .1 (xiii), please clarify what is meant by outline structural design of bridge?	Outline design of bridge means all such preliminary design drawings required to arise with the cost estimates.
26.	Do we have to prepare plans other than roads such as electrical plans?	The feasibility study shall comprise all components of the Sub-Projects required to make it comprehensive (inclusive of all the allied utilities complete in all aspects).
27.	It is suggested that Technical I Financial ratio for Quality and Cost Based (QCBS) system be changed to 90:10.	Not agreed
28.	<p>Please clarify, whether Consortium Agreement is required at Proposal Submission stage or not?</p> <p>It is suggested that MoU among the parties highlighting the role of each consultant should suffice at this stage.</p>	Please refer to response of query number 4.
29.	Refer Clause 5.2 .2, it is stated that the Government reserves the right to end the transaction advisory at any stage of the assignment. We understand that consultant shall be paid for services provided up to that stage. Please confirm.	It is confirmed that the Consultants shall be paid for the services that have been duly accepted by the Procuring Agency. Please refer 16.8.5 of Draft Consultancy Agreement.
30.	Please clarify the need/purpose of Administration Building and what will be building size?	It is anticipated that the concession term of all the Sub-Projects would be 20-30 years and the administration building(s) would be required. The purpose of the administrative building is to house the project management team that will handle the day to day affairs of the project during the O&M stage. Size and location of the administrative building(s) will be determined by the Consultants during the feasibility stage as per their proposals.
31.	Under evaluation criteria (page 48), what does it mean by Advisor from Public Sector Client?	Consultancy experience of public sector clients like government departments, agencies, authorities, state-owned enterprises will only be considered for evaluation. Experience of consultancy services performed for private sector players including bidders, concessionaires, developers, etc. will not be considered for scoring.
32.	Please clarify the reason for fixing age limits of various key staff?	Members of the Key Professional Staff are expected to be available for various meetings, conferences, site surveys and public hearings. Age limits have been set to ensure that the selected persons have the required vitality to proactively participate.

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33.	It is stated that no escalation shall be paid. The Taxes /Duties levied after the proposal submission date shall be paid by the Employer. Please confirm.	It is affirmed that no escalation shall be paid.
34.	Bridge and structures will be designed for 80 years or 50 years. Please clarify.	Section 5.3.1.1(A)(xx)(a) of the RFP mentions that the bridges and structures will be designed for at least 80 years. However, the same section suggests that these are tentative design parameters for the roads and bridges and will be revised and updated by the Consultants based on the findings of the feasibility study.
35.	Please clarify scope / extent of services required for utility relocation part of the project.	<p>As stated in the RFP document, the Consultants shall be responsible to undertake all relevant surveys needed for preparation of feasibility study reports. Once the alignment of the projects have been approved by the Procuring Agency, the Consultant shall carry out the necessary surveys along the route to highlight the number of utilities encountered in the ROW of the Sub-Projects and the need / remedial measures to strengthen / protect or relocate the utility(ies). It is further clarified that preparation of land and utility folders are the responsibility of the Consultants as it has been mentioned in section 5.3.1.1(A)(xvi) of RFP.</p> <p>Please note that gaining NOCs from utility companies and supervising utility relocation will be the responsibility of the concessionaire.</p>
36.	It is requested to extend the proposal submission date to April 30, 2020 due to the current unprecedented conditions which make it impossible for us to plan a site visit to prepare a comprehensive proposal.	Please refer to response of query number 5.
37.	Section 2.16.1 mentions that all pages of the original Technical and Financial Proposals will be initialed by an authorized representative of the Consultants (Individual Consultant) or Lead Member in case of Consortium. Please clarify.	<p>This requirement pertains to submission of Proposals. Any Bid not adhering with the submission requirements will be regarded as incompliant bid and will not be assessed for scoring. Additionally, to ease the process of evaluation of Proposals, the Bidders are required that each page of the Proposal shall be numbered in ascending order. The submission requirement is further clarified and elaborated hereunder:</p> <p><i>'All pages of the Technical Proposal and Financial Proposal shall be initialed by the Bidder's authorized representative and be page numbered in ascending order.'</i></p>

ANNEXURE A

Revised Table of Schedule of Deliverables and Fee Distribution

Phase-1: Feasibility Study and Tender Development		Timeline *	Payment
1	Inception Report	One week	-
2	Technical Feasibility Study <i>(shall cover 5.3.1.1 of ToRs)</i>	4 months	30%
3	Environment and Social Impact Assessment <i>(shall cover 5.3.1.2 of ToRs)</i>	5.5 months	10%
4	Financial Viability Assessment Report and PPP Options Analysis Report <i>(shall cover 5.3.1.3 and 5.3.1.4 of ToRs)</i>	6 months	05%
5	Legal and Regulatory Assessment Report <i>(shall cover 5.3.1.5 of ToRs)</i>	6 months	05%
6	Structuring and drafting the Tender and Contract <i>(shall cover 5.3.2.2 of ToRs)</i>	8 months	10%
			60%

Phase-2: Tender Management		Timeline *	Payment
7	Investor Solicitation and Marketing of Procurement Package <i>(shall cover 5.3.2.1 and 5.3.2.3 of ToRs)</i>	9 Months	05%
8	Submission of Bid Evaluation Report <i>(shall cover 5.3.2.4 of ToRs)</i>	11 Months	10%
9	Issuance of Letter of Award/Acceptance <i>(shall cover 5.3.2.5 of ToRs)</i>	12 Months	05%
			20%

Phase-3: Contract Execution and Financial Closure		Timeline *	Payment
10	Transaction negotiation and Signing of Concession Agreement <i>(shall cover 5.3.3.1 of ToRs)</i>	13 months	10%
11	Financial Close <i>(shall cover 5.3.3.2 of ToRs)</i>	18 months	10%
			20%

**The timeline is from signing of Consultancy Services Agreement for each deliverable*