



**GOVERNMENT OF THE REPUBLIC OF THE PHILIPPINES
Public-Private Partnership Center of the Philippines**

**Pre-qualification of Consulting Firms under Indefinite Delivery Contracts
for the Establishment of a Panel of Consultants
for Resilient PPP Projects of Local Implementing Agencies**

REQUEST FOR EXPRESSION OF INTEREST

June 2019

ABBREVIATIONS

ADB	Asian Development Bank
CMS	Consultant Management System
CSRN	Consulting Services Recruitment Notice
EOI	Expressions of Interest
GOP	Government of the Philippines
IDC	Indefinite Delivery Contract
LGU	Local Government Unit
LGA	Local Government Agencies
LIA	Local Implementing Agencies
MPSS	Minimum Performance Standards and Specifications
PDMF	Project Development and Monitoring Facility
PPP	Public-Private Partnership
REOI	Request for Expressions of Interest
TA	Technical Assistance
TOR	Terms of Reference

**Establishment of a Panel of Consultants
for Resilient PPP Projects of Local Implementing Agencies**

REQUEST FOR EXPRESSION OF INTEREST

1. At the request of the Government of the Philippines (GOP) and with the PPP Center as the Implementing Agency, the Asian Development Bank (ADB) provided technical assistance through *ADB Technical Assistance 7796-PHI: Strengthening Public-Private Partnerships in the Philippines (ADB TA 7796)* to strengthen the enabling environment for public-private partnerships (PPP) by way of policy and regulatory framework improvement and capacity building of the government institutions involved in PPPs, establish long-term financing and risk guarantee mechanisms, and help develop a robust pipeline of bankable PPP projects through the provision of financial support from the Project Development and Monitoring Facility (PDMF).¹
2. The GOP also recognizes the essential role of the Local Government Units (LGUs)² and Local Government Agencies (LGA), i.e., local corporations, local state universities and colleges, and local economic zones, among others, in the success of its development programs. In line with this, the PPP Center launched its Local PPP Strategy on September 18, 2017. The Local PPP Strategy is the policy direction of the PPP Center to further expand and strengthen its support and technical assistance to LGUs and LGAs³ by providing PDMF support during project preparation activities, bid management, and project implementation, among others.⁴
3. To support the implementation of the Local PPP Strategy, the PPP Center has applied for and was granted assistance from both national and international institutions that would promote and develop projects of LIAs in compliance with national laws and international obligations.⁵ The PPP Center also gives particular focus on climate change adaptation/mitigation and disaster risk resiliency in line with the national policy to espouse sustainable development, to protect the climate system, to build national and local resilience to climate change-related disasters, and to cooperate with the global community in the resolution of climate change issues, including disaster risk reduction, among others.
4. In view of this strategy, the GOP requested from the ADB for a change in the existing ADB TA 7796 that would extend its completion period and provide additional PDMF funding for the development, preparation, and tender of climate change-adaptive and disaster risk-resilient PPP Projects of LIAs. Because of this new lineup of projects, a specific pool of consultants is needed; thus, the establishment of a new Panel [i.e., **Panel of Consultants for Resilient PPP Projects of Local Implementing Agencies** (the “**Panel**”)].

¹ The PDMF is a funding mechanism available to agencies/LGUs for developing bankable PPP projects and ensuring effective monitoring of project implementation.

²Local Government Unit (LGU) refers to provinces, cities, municipalities, and barangays. [cf. Section 1, Article X, 1987 Philippine Constitution].

³ LGUs and LGAs shall be collectively referred to as Local Implementing Agencies or LIAs.

⁴Preparation of pre-feasibility studies, feasibility studies, tender documents and PPP contract; providing assistance during the project approvals, management of the bidding process and project implementation.

⁵ Such as Republic Act No. 7279 (Climate Change Act of 2009), Republic Act No. 10121 (Philippine Disaster Risk Reduction and Management Act of 2010), Philippine Agenda 21, United Nations Framework Convention on Climate Change, Hyogo Framework for Action, etc.

5. The objective of the PPP Center in establishing the Panel is to have access to a pool of experts from specialized and highly technical consulting firms, having the necessary expertise and experience in developing:
 - a. resilient and environmentally sustainable projects particularly in renewable energy, water, sanitation, waste management, food security, flood control, housing and transportation system and related sectors;⁶ and
 - b. climate change adaptation and disaster risk management projects.
6. The scope of work of the prospective firms or association of firms in the Panel involves support during project preparation, bid management, and assistance during financial close of projects at the local and regional/sub-national levels.⁷
7. The selection process will have two stages. During the first stage (**pre-qualification stage**), the prospective firms or associations of firms shall be engaged under indefinite delivery contracts (IDC)⁸ on a non-commitment basis. Thereafter at the second stage (**call-down assignment stage**), the PPP Center will invite firms or associations of firms from the Panel⁹ to submit technical and financial proposals for evaluation before a project-specific consulting assignment is made and a contract for consultant's services is signed with the PPP Center. The detailed process for consultant selection is attached as **Appendix 1**.
8. The requirements during the pre-qualification stage and the detailed scope of work during the call-down assignment stage are outlined in the **Terms of Reference (TOR)** attached as **Appendix 2**. Given the size and nature of local and regional/sub-national projects, the Panel must also be willing to undertake the development of these projects according to the budget and duration of the assignment indicated in the attached Terms of Reference.
9. Eligible national and international consulting firms from ADB member countries are invited to submit *Expressions of Interest (EOI)* to be part of the Panel to be retained until December 31, 2022 on a non-commitment basis. Existing members of the PDMF Panel of Consulting Firms that meet the qualification requirements under the *Terms of Reference (Appendix 2)* are also invited to submit EOIs. Interested and eligible firms, whether members of the existing panels or not, are requested to submit their EOI using the **prescribed EOI template** attached as **Appendix 3**.
10. The deadline for submission of the EOIs and other pertinent documents is specified in the **Consulting Services Recruitment Notice (CSRN)** of ADB's **Consultant Management System (CMS)**. Interested consulting firms may submit their EOIs directly to the PPP Center or through the ADB CMS.
11. For **submissions to the PPP Center**, interested consulting firms may send EOIs using the prescribed template in Appendix 3, including all additional information/documents (e.g., cover letter including the name and contact information of the firm's designated representative, and details of the projects successfully completed indicated under Section E of the EOI template, among other requirements) by email or through courier at the following postal and email address by the due date and time.

⁶ Consistent with the UCCRTF IG Specific Eligible Criteria 11.4 Urban Solid Waste Management, Drainage and Flood Management Projects, 11.9 Climate-resilient Urban Water Management Projects, 11.10 Urban Climate Change Resilient Housing and Transportation System Projects and 11.11 Low Carbon and Climate Resilient Development Projects.

⁷ Projects submitted, proposed or developed by LIAs such as local government units (LGUs) and Local Government Agencies (LGAs) e.g. local corporations, local state universities and colleges, local economic zones, among others.

⁸ Indefinite Delivery Contracts are used when the client needs to have quick and continuing access to "on call" specialized advisory services for a particular activity, the extent and timing of which cannot be defined in advance.

⁹ The request for proposals shall be issued to at least three (3) members of the Panel.

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12. For **submissions through ADB CMS**, interested consulting firms are likewise requested to submit EOIs using the prescribed template in Appendix 3. Additional information/documents (e.g., cover letter including the name and contact information of the firm's designated representative, and details of the projects successfully completed as indicated under Section E of the EOI template, including those beyond the provision in the template, among other requirements) can be attached to the EOI submitted through the CSRN.

List of Appendices

- Appendix 1.** Consultant Selection Process
Appendix 2. Terms of Reference
Appendix 3. Expressions of Interest (EOI) Template

Establishment of a Panel of Consultants for Resilient PPP Projects of Local Implementing Agencies

CONSULTANT SELECTION PROCESS

The selection process shall be made by the PPP Center in accordance with the ADB Guidelines on the Use of Consultants (2013), and shall follow a two-stage selection process:

Stage 1: Pre-qualification

On the basis of the Expressions of Interest (EOI) submitted by the firms or association of firms in response to the “Request for EOI” (REOI), the PPP Center will shortlist firms or association of firms that shall constitute the **Panel of Consultants for Resilient PPP Projects of Local Implementing Agencies** (the “Panel”). The firms or associations of firms under the Panel will be engaged under Indefinite Delivery Contracts (IDCs)¹ until December 31, 2022, from the date of signing of the IDC. This stage involves the pre-qualification, selection and retention (without commitment) of qualified consultants. An IDC based on the template of ADB under ADB TA 7796 shall be entered into by the PPP Center and each of the pre-qualified members of the Panel. No retainer fees or any other amount shall be payable to said pre-qualified members of the Panel under the said IDCs. The PPP Center, at its discretion, may update or reconstitute the Panel at any time and for whatever purpose it may see fit.

Stage 2: Call-Down Assignment

From the Panel engaged under IDCs, the PPP Center will invite firms or association of firms² to submit technical and financial proposals. The selection shall be made on a competitive basis, using a fixed budget selection (FBS) method,³ which will require the evaluation of a technical proposal on the basis of a project-specific terms of reference. The PPP Center shall sign a call-down assignment contract (lump sum contract)⁴ with the selected consultant for a specific project, with the *conformé* of the concerned Local Government Unit (LGU)⁵/ Local Government Agencies (LGA).⁶

¹Indefinite Delivery Contracts are used when the client needs to have quick and continuing access to “on call” specialized advisory services for a particular activity, the extent and timing of which cannot be defined in advance. In accordance with *ADB’s Guidelines on the Use of Consultants (2013)*, the consulting firms shall be pre-qualified and retained under IDCs without any commitment. As and when the services of the consultants are required, a Consultant will be selected from among the pre-qualified Consultants and a call-down assignment contract shall be signed.

²The request for proposals shall be issued to at least three members of the Panel pursuant to Technical Assistance (TA) 7796-PHI: Strengthening Public-Private Partnerships in the Philippines.

³Under the fixed budget selection method, the RFP shall indicate the available budget, define the “minimum” qualifying mark for the “quality” as 750 points out of a possible 1,000 points, and request firms to submit their best technical and financial proposals in separate envelopes, at the same time, and within the budget. Evaluation of all technical proposals shall be carried out first. Then the financial proposals of firms meeting the “minimum” qualifying mark shall be opened in public and prices shall be announced. Proposals that exceed the indicated budget shall be rejected. The consultant who has submitted the highest ranked technical proposal among the remaining proposals shall be selected and invited to negotiate. Should negotiations fail, the borrower or ADB shall (2013), is based on the quality of the technical proposal and cost of the services to be provided (Clause 2.26 of the *ADB’s Guidelines on the Use of Consultants (2013)*).

⁴As defined under Clause 2.48 of the *ADB’s Guidelines on the Use of Consultants (2013)*, a Lump Sum Contract is used for assignments in which the content, duration of services and the required output of the consultants are clearly defined. This includes simple planning and feasibility studies, environmental studies, detailed design of standard or common structures, service delivery assignments, and preparation of data processing systems. Prices shall include all costs and cannot be negotiated. Payments are linked to outputs, such as reports, drawings, bill of quantities, bidding documents, and software programs.

⁵Local Government Unit (LGU) refers to provinces, cities, municipalities, and barangays. [cf. Section 1, Article X, 1987 Philippine Constitution].

⁶Local corporations, local state universities and colleges, and local economic zones, among others

**Establishment of a Panel of Consultants
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TERMS OF REFERENCE

I. INTRODUCTION

1. In its endeavor to attract private investment in infrastructure and implement PPPs, the Government of the Philippines (GOP), with the help of the Asian Development Bank (ADB) Technical Assistance (TA) 7796-PHI: Strengthening Public-Private Partnerships in the Philippines,¹ has established the Project Development and Monitoring Facility (PDMF). The PDMF is a revolving fund that is used to engage, among others, consultants for the following services:
 - (a) Assistance during project preparation and in the management of the bidding process for solicited projects;
 - (b) Support in management of the bidding process for unsolicited projects;
 - (c) Assistance in preparations for securing project approvals;
 - (d) Probity advisory; and
 - (e) Independent review and monitoring during PPP project implementation.
2. ADB TA 7796 provided augmentation for the PDMF to enable timely recruitment of international and national consultants to help develop a robust pipeline of and successfully promote well-structured and bankable climate change adaptive and disaster risk resilient PPP Projects.
3. Local Government Units (LGU)²/Local Government Agencies (LGA)³ seeking PDMF support shall identify and conceptualize potential climate change-adaptive and disaster risk-resilient PPP projects and submit applications and other necessary project details to the PPP Center. Once a project is deemed eligible for PDMF support and the proposal for funding is approved by the PDMF Committee,⁴ the PPP Center shall execute a Technical Assistance Agreement (TAA)⁵ with the concerned LGU/LGA (collectively, LIA) and proceed with the recruitment of consultants.
4. The selection process for the engagement of consultants shall be in accordance with the *ADB Guidelines on the Use of Consultants (2013)*, and will be conducted in two (2) stages: (a) the first stage (**pre-qualification stage**), when firms or association of firms are pre-qualified and engaged under indefinite delivery contracts (IDC)⁶ on a non-commitment basis; and (b) the second stage (**call-down assignment stage**), when the PPP Center will invite firms or association of firms⁷ from the Panel to submit technical and financial proposals for evaluation before a project-specific consulting

¹At the request of the GOP, the ADB has provided technical assistance (TA7796-PHI) to strengthen the enabling environment for PPPs (policy and regulatory framework improvement and capacity building of the government institutions involved in PPPs), establish long-term financing and risk guarantee mechanisms, and help develop a robust pipeline of well-structured, bankable PPP projects. TA Report can be accessed at <http://www.adb.org/Projects/project.asp?id=45515>.

²Local Government Unit (LGU) refers to provinces, cities, municipalities, and barangays. [cf. Section 1, Article X, 1987 Philippine Constitution].

³Local corporations, local state universities and colleges, and local economic zones, among others

⁴Created under Executive Order 136, series of 2013 to approve applications for PDMF Support

⁵Agreement entered into by and between the PPP Center and the agency/LGU upon approval of the PDMF Committee which outlines the obligation of the agency/LGU for the PDMF support

⁶Indefinite Delivery Contracts are used when the client needs to have quick and continuing access to "on call" specialized advisory services for a particular activity, the extent and timing of which cannot be defined in advance.

⁷The request for proposals shall be issued to at least three members of the Panel.

assignment is made and an assignment contract or contract for consultant's services is signed with the PPP Center.

5. In 2017, the PPP Center established three (3) panel of consultants to support PPP projects in terms of project preparation and transaction advisory, probity advisory and implementation monitoring or independent consultant services. These panels are the following:
 - (a) Panel of Project Preparation and Transaction Advisory (PPTA) Consultants, composed of twenty-two (22) firms/ associations of international and national consulting firms;
 - (b) Panel of Probity Advisors (PA), composed of six (6) firms/ associations of international and national consulting firms; and
 - (c) Panel of Independent Consultants (IC), composed of ten (10) firms/ associations of international and national consulting firms.

Each association consists of a lead firm which partners with other international or national firms to meet the requirements of the scope of services. The existing Panel members are engaged and retained under IDC, without commitment, until March 31, 2021.

II. OBJECTIVE OF THE ASSIGNMENT

6. The objective of this pre-qualification process is to establish a new panel of consultants [i.e., **Panel of Consultants for Resilient PPP Projects of Local Implementing Agencies** (the "**Panel**")], with expertise and experience in the development of bankable PPP Projects related to climate change adaptation/mitigation and disaster risk resiliency, which are implemented by LIAs. This pre-qualification exercise is intended to enable the PPP Center to have access to a pool of climate change and disaster resiliency experts from specialized and highly technical consulting firms.

III. PARTICIPATION OF EXISTING PANEL MEMBERS

7. Existing panel members (i.e., panels of PPTA, IC, and PA) are allowed to participate in this pre-qualification exercise by submitting an EOI and by complying with the same requirements stated under Section IV of this TOR. If, after evaluation, the existing panel members are found to meet the qualification requirements, a new IDC with an effectivity period of until December 31, 2022 will be signed by and between their associations through the lead firms and the PPP Center.

IV. QUALIFICATION REQUIREMENT FOR PRE-QUALIFICATION (STAGE 1)

8. A prospective firm/association of firms may associate with other firms through joint ventures (JV) and/or sub-consultancies to enhance their qualifications to meet the qualification requirement under this TOR. The association may also include additional firms having legal and finance expertise. However, only the technical expertise i.e., expertise in determining/evaluating the appropriate technical solution, technical analysis, preparation/assessment of compliance to the minimum performance standards and specifications (MPSS), preparation of technical design, among others, will be evaluated. Association of firms submitting EOIs must nominate the technical firm as the lead firm of the association. In relation to this, participating firms/association of firms must submit the following, as may be applicable:

- (a) Certificate of Incorporation of the lead member
 - (b) Certificate of Incorporation of the JV member (for each member)
 - (c) Certificate of Incorporation of the Sub-Consultant (for each sub-consultant)
 - (d) Letter of Association and Sub-Consultancy Contract / Joint Venture Agreement for the Joint Venture applying for the pre-qualification stage
9. Firms/associations of firms should have relevant and proven work experience (i.e., on the technical aspect) in the development of infrastructure projects related to climate change adaptation/mitigation and disaster risk resiliency, including understanding of local climate change implementation issues and knowledge of local laws. Experience on similar projects implemented through PPP will have additional merit.
- For purposes of evaluating the EOIs under this pre-qualification process, similar projects related to climate change adaptation/mitigation and disaster risk resiliency include renewable energy, water, sanitation, waste management, open/green spaces, food security, flood control, disaster risk management, green building/cities, resilient housing and transportation system and related sectors.⁸
10. Firms/associations should demonstrate their country-specific knowledge and project-related experience in similar areas having geographic and climatic conditions (e.g., weather, climate, natural disaster risks, vulnerabilities, among others) as the Philippines. Similar project-related experience in the Philippines will have additional merit.
11. Firms/associations of firms should have a readily available pool of experts with expertise on climate change adaptation/mitigation and disaster risk resiliency projects.
12. Participating firms/association of firms (all members of the association), must be incorporated in ADB member countries, the list of which is available at <https://www.adb.org/countries>.
13. Firms/associations of firms must demonstrate its financial capability to undertake the consulting assignment during the 2nd Stage or the Call-Down Assignment Stage. In case of joint ventures, any of the members may submit documents or financial statements proving financial capability. In the case of sub-consultancy, only the lead firm is required to submit the required documents or financial statements showing financial capability. For purposes of determining eligibility and evaluating the EOIs under this empanelment process, financial capability shall refer to having positive net worth for the past three (3) years preceding the EOI submission date as evidenced by the submitted audited financial statements.
14. A prospective firm/association of firms may submit details of its ISO Certification (9001:2015, quality management system) and/or adherence to an ethics code (applicable only to the lead firm). Firms having ISO 9001:2015 certification will have additional merit.
15. The criteria to be used for this prequalification exercise are attached as **Annex 1**.

⁸ Consistent with the UCCRTF IG Specific Eligible Criteria 11.4 Urban Solid Waste Management, Drainage and Flood Management Projects, 11.9 Climate-resilient Urban Water Management Projects, 11.10 Urban Climate Change Resilient Housing and Transportation System Projects and 11.11 Low Carbon and Climate Resilient Development Projects.

V. **INDICATIVE SCOPE OF SERVICES, DURATION OF THE ASSIGNMENT, BUDGET, TERMS OF PAYMENT AND EXPERTISE REQUIRED DURING STAGE 2: CALL DOWN ASSIGNMENT**

Scope of Services

16. The scope of services shall include, but not necessarily be limited to, the following:

(a) **Preparation of a pre-feasibility study.** Preparation of a project pre-feasibility study, which could include, among others, the following: (i) project rationale and legal basis; (ii) technical description of the project; (iii) initial financial and economic analysis and proposed cost-recovery mechanism; (iv) initial environmental and social/gender assessment; (v) preliminary risk analysis and required government support, if any; (vi) proposed implementation modality; and (vii) tentative implementation plan.

(b) **Preparation of project feasibility study and development of PPP options.** Preparation of a project feasibility study or validity assessment/updating of existing feasibility study and overall assessment of PPP options depending on the results of the following in-depth research: (i) economic analysis, (ii) project rationale, (iii) project cost estimates, (iv) technical design, (v) institutional analysis, (vi) value for money (VfM) analysis from a project viability point of view that shall include determination of financial internal rate of return (FIRR), debt service coverage ratio (DSCR) and other applicable financial ratios, (vii) preliminary financial model and financing plan, (viii) evaluation of PPP options including a recommendation on the PPP modality to be followed, (ix) development of a risk allocation matrix with clear risk management tools, and assessment of contingent liabilities arising from the project; and (x) any other related tasks as proposed by the consultant and agreed upon by the PPP Center and the IA.

To facilitate the conduct of all the aforementioned tasks and to enable the preparation of the Final Feasibility Report, the consultants shall undertake a formal market sounding exercise. The market sounding exercise shall be conducted with select private sector stakeholders to determine the initial acceptability of the project as a PPP. This will include assessing and, where possible, resolving issues raised by the private sector for the project to proceed to the next stage as well as matters raised that will require detailed evaluation during the feasibility assessment stage.

(c) **Project delivery option and project structuring.** Based on the information and analysis in the pre-feasibility/project feasibility study: (i) identify the best implementation option for the project; (ii) carry out value for money (VfM) analysis or its equivalent; (iii) conduct project risk analysis; (iv) develop a contract structure; (v) prepare a financing plan [including options for attracting financing and/or guarantees from domestic and international financial institutions (IFIs)]; (vi) propose best-value bidding parameters; and (vii) provide detailed timelines for the bid process.

(d) **Support in project approvals.** Provide all the required assistance in securing project approvals (i) prepare all required documents, such as project evaluation (PE) forms, among others; (ii) conduct preparation meetings and briefings; and (iii) assist in addressing all issues and concerns until the approval is accorded.

- (e) **Assistance during the management of the PPP bidding process and transaction, as well as preparation of contractual documentation.** The consultants will undertake preparation and finalization of (i) bid documents (request for qualification and request for proposal) and contractual agreements; (ii) project pre-bid consultations; (iii) bidder qualification and bid evaluation criteria; (iv) monitoring and evaluation frameworks; (v) required due diligence documents for potential debt providers and guarantors (if IFI financing or guarantee is involved, then compliance with IFI policies and procedures, including on safeguards); (vi) institutional arrangements; and (vii) assistance with the bid process (e.g. setting up of data room for prospective bidders, issuance of all bidding-related notices/requests, conduct of pre-bid conferences, conduct of bidding, responding to queries, pre-qualification of bidders), bid evaluations, and contract negotiations, expected to lead to the award of the proposed project to a bidder. The consultant shall also assist in the drafting of the TOR for the procurement of an independent consultant (IC) who will be engaged by the IA for supervision during project implementation and/or operation.
- (f) **Assistance until financial close.** The consultants shall provide all the required assistance until the financial close of the Project (or for a period of 180 days from the effective date of the contractual agreements signed with the private sector proponent or the concessionaire, whichever is earlier).

Duration of the Assignment

17. It is estimated that the above services would be required over a period of around 12 to 22 months from the date of commencement of the services (depending on the complexity and stage of development of the project). Please refer to the table below:

Activity	Estimated Duration^(a) (in Months)
Preparation of the Pre-Feasibility Study	1-2
Preparation of the Feasibility Study	3-4
Project Approval	1-4
Bid Process Management	4-6
Financial Close	3-6

^(a) The actual timeline of the assignment contract may vary depending on the nature, complexity and stage of development of the project.

The actual time schedule for the services will be indicated for each assignment in the Request for Proposal (RFP) documents at Stage 2. The detailed work plan submitted as part of the technical proposal for the assignment shall be discussed and agreed with the PPP Center and the respective LGUs/LIAs before signing the call-down assignment contract or the contract for consultant's services.

Budget for the Assignment

18. Considering that PPP projects implemented by LGUs/LGA are relatively small in scale, it is estimated that the assignment contract will have an estimated value, ranging from **USD 300,000.00 to USD 1,500,000.00, inclusive of taxes.** The actual value of assignment contract may vary depending on the nature, complexity and stage of development of the project.

Terms of Payment

19. The consultants will be paid on a lump-sum basis. The total fees shall be paid based on various milestones achieved. The payment shall be released by the PPP Center based on the approval of the outputs delivered by the consultants. The detailed structure of the payment milestones, including the maximum timeframe for such release by the PPP Center, shall be prescribed in the Request for Proposal (RFP) documents for Stage 2. The indicative milestones for payment are shown below.

- (a) Submission of inception report;
- (b) Approval of the pre-feasibility study;
- (c) Approval of the final feasibility study, including the agreed financial model;
- (d) Approval of the tender documents and draft PPP contract;
- (e) Completion of bid evaluation and determination of winning bidder;
- (f) Signing of concession or other agreement with the prospective private sector proponent or concessionaire; and
- (g) Financial close of the project.

Expertise Required

20. The team will include qualified personnel such as experts on environmental management, climate change, disaster resiliency, public-private partnerships, project preparation and appraisal, financial modeling/structuring, investment promotion, economic and financial analysis, risk analysis, procurement, policy, and legal issues. The consultants will be required to be available at all times when their services are needed, even if on short notice. The consulting firms shall have sufficient qualified personnel and resources to provide all necessary professional, technical, and expert services necessary to accomplish the services required under the IDC within the prescribed time.

21. Depending on the nature and complexity of the project and the scope of services required, the requirement of various national and international consultants will be prescribed in the RFP for the Stage 2: Call-Down Assignment. The team composition and indicative scope of work and deliverables for each required area of expertise are indicated below:

- (a) **Team Leadership.** The expert will generally be responsible for the coordination of all inputs of the team; submission of all reports; facilitation of meetings and stakeholder consultations; and liaison with the PPP Center and the relevant LGU/LGA. The team leader is generally responsible for:
 - i. drafting the inception report and progress reports, updating the agreed work program, and providing timely information to the PPP Center on contract administration issues;
 - ii. managing the team of experts to ensure integrated monitoring of the agreed work program;
 - iii. coordinating the inputs of team members according to the agreed work plan, advising the team members of changes to the work plan, and monitoring their activities and other project commitments to ensure appropriate priority and timely delivery of the assigned task;
 - iv. ensuring that the outputs of team members are in accordance with the contractual terms of reference and the client's quality expectations;
 - v. ensuring smooth implementation of the internal quality assurance mechanism;
 - vi. managing project scheduling and ensuring all contracted deliverables are

- vii. submitted in a timely manner; and
- vii. monitoring the concessionaire's plans and programs for the development and construction of the project prior to their implementation, to ensure conformity with the approved final drawings and/or architectural and engineering plans, specifications and procedures.

(b) **Climate Change and Disaster Risk Resiliency Expertise.** The expert/s will provide assistance, specifically in:

- i. identifying relevant climate change projections and disaster risks that should be considered as design criteria and input to the technical / engineering aspects of resilient infrastructure projects;
- ii. incorporating necessary measures in the project design and in the operations and maintenance (O&M) plan for low-carbon emission project implementation;
- iii. planning and development of climate change adaptation and disaster risk management projects;
- iv. preparation, development, and review of tender documents, such as but not limited to the formulation of the MPSS for disaster risk resiliency and climate change adaptation and mitigation;
- v. determination the most cost-effective technical, engineering, and disaster risks resilient solutions; and
- vi. conduct of project risk analysis and financial and economic modelling to consider disaster risk and climate change shocks and stresses, such as flood, drought, and the like.

(c) **Environmental Management Expertise.** The expert/s will provide assistance, specifically in the:

- i. conduct of environmental impact assessment (EIA) compliant with the Philippines laws and regulations as well as with the IFI's requirements.⁹:
- ii. preparation of the appropriate type of EIA Report based on EMB-DENR's screening and scoping requirements for Environmental Compliance Certificate (ECC) application, if covered and Certificate of Non-Coverage (CNC), if not covered.
- iii. coordination with the social expert for the facilitation of the conduct of necessary processes in relation to the ECC application process / IFI requirements such as in conducting public consultations, disclosing the project plan to affected persons and local non-government organizations to get their views and their concerns on the potential environmental impacts (both positive and negative) and mitigation measures;
- iv. identification of facilities, equipment, and other environmental management measures that should be integrated in the project design based on the results of the EIA and the ECC; coordination with the infrastructure and finance specialist; and preparation of the corresponding cost estimate and funding sources options for integration in the presentation of the total project cost;
- v. assistance in the development of environmental performance standards and indicators within the framework of the PPP projects' monitoring and evaluation (M&E) system;

⁹ To attract financing or implementation of the PPP projects. For example, ADB's environmental sustainability requirements can be found in ADB. 2009. *Safeguard Policy Statement*. Manila.

- vi. propose measures, framework, standards and structures that will enhance the project's eligibility to access green financing¹⁰ and other similar financing facilities;
 - vii. assistance in securing the required government environmental clearances, permits, and approvals; and
 - viii. Evaluation of the capacities of the LGUs/LGAs to implement mitigation measures, and where necessary, recommend capacity improvement training programs to address any capacity gaps.
- (d) **Infrastructure Design and Engineering Expertise.** The expert/s will prepare or review the design of required infrastructures/facilities and provide advice on value engineering for the optimal layout, building capacity projections, and cost estimates of both in the construction, if any, and building management/maintenance. Specifically, this expertise will include but not be limited to:
- i. assistance in the preparation or review of the construction (if any), supply, installation, and operation and maintenance performance standards;
 - ii. assistance in the review of bid and contract documents of the building components of related PPP projects, including Invitation to Bid, Instruction to Bidders, and Draft Contracts; and
 - iii. preparation of conceptual design and MPSS taking into consideration disaster resiliency and the effective management of environmental and social impacts of the project.
- (e) **Social Sector Expertise.** The expert/s will ensure adequate due diligence on the project's social impacts consistent with the country's social and gender¹¹ safeguard policies.¹² To fulfill this, the expert will, among others, do the following:
- i. undertake baseline social analysis including poverty, employment, gender equality and other relevant social parameters for the entire country and the specific LGU affected by the project;
 - ii. conduct analysis of the social impacts of the project in terms of the following:
 - displacement (physical and economic);
 - potential positive impacts such as employment, procurement opportunities, shared infrastructures;
 - negative impacts such as environmental stress to communities, health impacts, disruption of Indigenous Peoples (IPs) practices, impacts on culture & cultural resources preservation;
 - iii. coordinate with the environmental expert to align activities on investigations and consultations with affected persons, beneficiaries, and government institutions;
 - iv. prepare social impact management and development plan based on existing regulatory frameworks for incorporation into the project design, costing and M&E, to include the following, as may be applicable:
 - resettlement and/or compensation/livelihood restoration options for the displaced;
 - management of impacts on IPs;

¹⁰ Consistent with the Securities and Exchange Commission Memorandum Circular No. 12, Series of 2018 (*Guidelines on the Issuance of Green Bonds under the ASEAN Green Bonds Standards in the Philippines*), and other applicable or similar green financing-related issuances.

¹¹ The Government requires all projects, including infrastructure projects, to be gender responsive. This is ensured through application of NEDA Guidelines "Harmonized Gender and Development Guidelines for Project Development, Implementation, Monitoring and Evaluation", which contain a checklist for gender-screening projects at various stages of preparation and implementation. These guidelines are available at <http://www.neda.gov.ph>.

¹² In doing so, the consultant shall be also guided by the social/gender and safeguard requirements of the IFIs, which, in one way or another, might be attracted to financing or implementation of the PPP projects. For example, ADB's gender requirement can be found in ADB. 1998. *Policy on Gender and Development*. 11 June. Manila. (Doc. R74-98. Revision 1, Final.) Similarly, ADB's requirements on indigenous people and resettlement can be found in ADB. 2009. *Safeguard Policy Statement*. Manila.

- protection and consideration for vulnerable groups such as persons with disabilities (PWD), senior citizens, children and the poor including proposed poverty reduction programs;
 - culture and heritage preservation;
 - gender equality /responsiveness and women empowerment; and
- v. assess the IA's capacity to undertake social impact due diligence, impact monitoring, and mitigation measures implementation (e.g., resettlement implementation);
- (f) **Deal/Bid Management.** The expert/s shall be the primary point of contact of bidders, the PPP Center, and the LGU/LGA during the bidding process. The tasks of the Deal/Bid Manager shall include but not be limited to the following:
- i. preparation and implementation of the bid implementation plan by being responsible for the over-all coordination and day-to-day management of the whole bid process;
 - ii. administration and management the virtual data room;
 - iii. conduct of market sounding, pre-bid conference, and one-on-one sessions with the bidders;
 - iv. management of the bidding process, including marketing, pre-bid meetings, identification of potential bidders, bidder query responses, bidder qualification and evaluation criteria development; and
 - v. management of all project and bidding process documentation and post-bid monitoring frameworks.
- (g) **Project Finance Expertise.** The expert/s shall develop a financial model, incorporating an appropriate PPP modality. Based on the technical (engineering) evaluation, the project finance expert shall also assess projected expenditures (capital, operations, provisions) and revenues for reasonableness, accuracy and compliance with project objectives. In doing so, the consultant will, among others, carry out the following tasks:
- i. develop an appropriate base case financial model with suitable assumptions;
 - ii. recommend a suitable PPP modality for the project;
 - iii. ascertain the potential acceptability of the recommended PPP structure by the investors and potential lenders;
 - iv. recommend a suitable bankable financing plan for the recommended PPP structure, including appropriate debt equity ratios, loan tenures and rates for project viability, and required government grant support;
 - v. identify appropriate funding sources, including government grant funds, commercial debt and equity funds, financing, credit enhancement, or guarantee products of the IFIs, private sector financing and their likely terms and conditions, and incorporate them in the base case financial model;
 - vi. propose measures, framework, standards and structures that will enhance the project's eligibility to access green financing¹³ and other similar financing facilities;
 - vii. test all key assumptions against financial model outputs, including the financial internal rate of return and debt service coverage ratio;
 - viii. assess contingent liabilities arising from the project;
 - ix. assess project financial management capacity;¹⁴ and
 - x. provide inputs related to the Philippine taxation system, tax exemptions and tax incentives, financial accounting systems and the domestic insurance

¹³ Consistent with the Securities and Exchange Commission Memorandum Circular No. 12, Series of 2018 (*Guidelines on the Issuance of Green Bonds under the ASEAN Green Bonds Standards in the Philippines*), and other applicable or similar green financing-related issuances.

¹⁴For reference purposes, ADB financial management guidelines can be used. See ADB. 2005. *Financial Management and Analysis of Projects*. Manila.

market and its products.

- (h) **Economic Analysis.** The expert will undertake project economic analysis to provide an economic cost–benefit analysis on the proposed project. The analysis should include the following:
- i. sector assessments, demand-supply for public services, opportunity cost implications, projected project benefits and impacts;
 - ii. project economic rationale in comparison with alternative options, and indicators for project performance monitoring; and
 - iii. realistic economic rates of return for the project under various scenarios.¹⁵
- (i) **Legal Expertise.** The expert will develop a policy and institutional analysis on the selected PPP modality, and assist in the bidding process, project documentation and evaluation. Specifically, this analysis will include but not be limited to:
- i. conducting a policy and institutional assessment to ascertain the validity and viability of the proposed PPP structure for the project;
 - ii. assessing the LGU's capacity to manage the project once operational;
 - iii. recommending institutional measures to improve the capacity and governance of the LGU and to ensure efficient management of project assets after PPP project completion;
 - iv. developing “bankability” measures for the proposed PPP project structure, such as fee payment mechanisms, preconditions for a private operator to fulfill in meeting service obligations, default and risk clauses, and step-in rights of government;
 - v. assisting in the bidding process management through documentation preparation, including request for qualification, request for proposal, contractual agreements between project sponsor and winning bidder, as well as in developing bidder instructions, bid qualification parameters and bid evaluation criteria, bidding process schedules, and undertake stakeholder consultations;¹⁶ and
 - vi. providing advice on country-specific legal experience of PPP projects in the sector, judiciary-related, legal and regulatory issues pertaining to the project, legal perspective on special privileges and incentives available for PPP projects, and on accessing concessional financing options available for PPP projects from the public sector, and other country-specific legal knowledge.
- (j) **Other Sector Specific Expertise.** The expert will complete the sector-specific technical validation of project design and cost estimates through, but not limited to, implementation of the following tasks:
- i. updating the pre-feasibility studies' technical analysis to confirm the technical validity/viability of the project, including verifying assumptions such as population coverage, loss levels, national policy guidelines, current and projected demand levels for project outputs, design criteria and standards, capacity, and prevailing topographical and other conditions;
 - ii. verifying quantities and rates for major civil works, equipment, construction and supervision consulting, and other input items;
 - iii. verifying or developing projected operation and maintenance costs for the project on a whole-of-life basis;
 - iv. reviewing or quantifying costs and benefits from the project, and confirming

¹⁵For reference purposes, ADB guidelines on economic analysis of projects can be used. See ADB. 1997. *Guidelines for the Economic Analysis of Projects*, February. Manila.

¹⁶in accordance with the Philippine BOT Law (Republic Act No. 6957, dated 9 July 1990, as amended by Republic Act no. 7718, dated 8 May 1994) and IRRs, NEDA Joint Venture Guidelines and other legislation.

- v. the project design on a least-cost basis in financial and economic terms; and assisting in the project's financial and economic analysis with inputs on project rationale, project costs (capital expenditures, operations, maintenance), required contingency levels, and any other information as requested.

**Establishment of a Panel of Consultants
for Resilient PPP Projects of Local Implementing Agencies**

EVALUATION CRITERIA

Criteria			Weight
A	Similar Project Experience	<p>Number of assignments completed in the development of similar projects related to climate change adaptation/mitigation and disaster risk resiliency, as described in Section IV (9) of the TOR, for the last 10 years.</p> <p>PPP project experience on similar assignment will be given additional merit.</p>	50%
B	Regional/Country Experience	<p>Number of assignments completed in areas having similar geographic and climatic conditions (e.g., weather, climate, natural disaster risks, vulnerabilities, among others) as the Philippines as described in Section IV (9) of the TOR., for the last 10 years.</p> <p>Similar assignments completed in the Philippines will be given additional merit.</p>	20%
C	Nature of the Firm/ Organization and Key Personnel	<p>Number of available experts with expertise on environmental management, renewable energy, climate change, disaster risk resiliency, flood control, and other relevant expertise.</p> <p>Submission of ISO Certification (9001:2015, quality management system) and/or adherence to an ethics code will be given additional merit.</p>	30%



Expression of Interest (EOI) Consulting Firms

Project Number	
Project Name	
Project Country	

I. Consulting Firm Information

CMS No. ¹ / date:	Country of Incorporation: ²
Consultant Name:	Acronym:
EOI Submission Authorized by:	Position: Email: Tel. No.:

Associations (Joint Venture or Sub-consultancy)

CMS No. ¹	Consultant	Acronym	Country of Incorporation ²	Joint Venture (JV) or Sub-consultant	EOI Submission Authorized By	Position

Present the rationale for and benefits of working in association (JV or Sub-consultant) with others rather than undertaking the assignment independently (as appropriate). Describe the proposed management and coordination approach of the association and the role of each firm.

I confirm that:

- Documentation regarding our corporate structure including beneficial ownership has been attached.
- Documentation regarding our Board of Directors has been attached.
- A written agreement to associate for the purpose of this Expression of Interest has been signed between the consortium partners and has been attached.

Once your team is shortlisted and invited for submission of the Proposal, it is not permissible to transfer the invitation to any other firm, such as Consultant's parent companies, subsidiaries and affiliates. The Client

¹ If already registered on ADB's Consultant Management System (CMS). CMS registration is not mandated under EA-administered selection.

² The lead consultant must submit a copy of the Certificate of Incorporation of itself and of each JV member and sub-consultant through VII. EOI Attachments.

will reject a Proposal if the Consultant drops a JV member without the Client's prior consent, which is given only in exceptional circumstances, such as debarment of the JV partner or occurrence of Force Majeure.³

II. Assignment Specific Qualifications and Experience

Please provide relevant project information in Section E below.

A. Technical Competence

Cross-referencing from your profile projects in Section E. Project References, highlight the technical qualifications of your entity/consortium in undertaking similar assignments. Provide details of past experiences working with similar project authorities.

B. Geographical Experience

Cross-referencing from your profile projects in Section E. Project References, present experiences in similar geographic areas.

C. Management Competence (Please answer each question in one paragraph of 3-5 sentences)

1. Describe standard policies, procedures, and practices that your entity has to assure quality interaction with clients and outputs. Please state if your company is ISO-certified.

³ Paras. 3 and 7, Section 1 of the Standard Request for Proposal (SRFP), ADB website.

2. How will your firm/consortium handle complaints concerning the performance of experts or quality of the reports submitted for this assignment? What internal controls are in place to address and resolve complaints?

3. How will you ensure the quality of your firm's/consortium's performance over the life of this assignment?

4. Describe standard policies, procedures and practices that your firm has put in place to avoid changes/replacements of personnel and to ensure the continuity of professional services once contracted.

5. Describe what social protection practices you have in place to safeguard the well-being of your proposed experts? Specifically describe arrangements you have in place for medical, accident, and life insurance coverage during the assignment.

D. Other Information (maximum of 500 words)

E. Project References

Please select most relevant projects to demonstrate the firm’s technical qualifications and geographical experience (projects for the last 10 years). The Consultant **must** submit the relevant details (e.g., scope of work and duration of engagement, etc.) of the projects listed in this section using the prescribe template (**Attachment 1**).

SN	Project	Period	Client	Country	Firm
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

(Please insert more rows as necessary)

III. Comments on Terms of Reference

IV. Comments on Budget Adequacy

V. Key Considerations in approaching this assignment (no more than 9,000 characters summarizing approach and methodology)

VI. Key Experts

List of experts is only required for Consultants’ Qualifications Selection (CQS). Attach CV of each expert.

SN	Name	Nationality	Position/Title	Expertise	Email
1					
2					
3					
4					
5					

(Please insert more rows as necessary)

VI. EOI Attachments

SN	Description
1	Details of Projects listed in Section E of this EOI template
2	Certificate of Incorporation of the lead member
3	Certificate of Incorporation of the JV member (for each member)
4	Certificate of Incorporation of the Sub-Consultant (for each sub-consultant)
5	Letter of Association
6	List of Experts
7	Audited financial statements of the lead member for the past two (2) years preceding the EOI submission date.
8	ISO Certification (9001:2015, Quality management)
9	Details of at least 3 Clients listed in SN6 of Part VII

(Please insert more rows as necessary)

VIII. Eligibility Declaration

We, the undersigned, certify to the best of our knowledge and belief:

- We have read the advertisement, including the terms of reference (TOR), for this assignment.
- Neither the consulting firm nor its JV member or sub-consultant or any of its experts prepared the TOR for this activity.
- We confirm that the project references submitted as part of this EOI accurately reflect the experience of the specified firm/consortium.
- We further confirm that, if any of our experts is engaged to prepare the TOR for any ensuing assignment resulting from our work product under this assignment, our firm, JV member or sub-consultant, and the expert(s) will be disqualified from short-listing and participation in the assignment.
- All consulting entities and experts proposed in this EOI are eligible to participate in ADB-funded, -supported and –administered activities.
- The lead entity and JV member or sub-consultant are NOT currently sanctioned by ADB or other MDBs. Neither the consulting firm nor the JV member or sub-consultant has ever been convicted of an integrity-related offense or crime related to theft, corruption, fraud, collusion or coercion.
- We understand that it is our obligation to notify ADB should any member of the consortium become ineligible to work with ADB or other MDBs or be convicted of an integrity-related offense or crime as described above.
- JV member or sub-consultant, including all proposed experts named in this EOI, confirmed their interest in this activity in writing.
- JV member or sub-consultant, including all proposed experts named in this EOI, authorized us in writing to represent them in expressing interest in this activity.
- None of the proposed consortiums are subsidiaries of and/or dependent on the Executing Agency or the Implementing Agency or individuals related to them.
- We understand that any misrepresentations that knowingly or recklessly mislead, or attempt to mislead may lead to the automatic rejection of the proposal or cancellation of the contract, if awarded, and may result in further remedial action, in accordance with ADB's Anticorruption Policy.

Details of Projects listed in Section E of the EOI

SN 1	
Project Title	
Project Description/Features	
Sector	
Project Cost	<i>[Refers of the cost of the Project (i.e., CAPEX +OPEX, as applicable)]</i>
Country Region	<i>[Refers to the Project location]</i>
Consulting Contract Start Date	<i>[Refers to the start of consultant's engagement for the consulting services]</i>
Consulting Contract Completion Date	<i>Refers to the end of consultant's engagement for the consulting services]</i>
Duration of Engagement (Continuous/ Intermittent)	<i>[Refers to the time-input (in months) provided for the project in relation to the consulting services]</i>
Contract Cost	<i>[Refers to the cost of consulting services]</i>
Client	<i>[in relation to the consulting services]</i>
Funding Source	<i>[in relation to the consulting services]</i>
Scope Consulting Services	<i>[Refers services provided in relation to the consulting contract]</i>
Experts Involved	<i>[Refers to the experts deployed for consulting services]</i>

SN 2	
Project Title	
Project Description/Features	
Sector	
Project Cost	
Country Region	
Consulting Contract Start Date	
Consulting Contract Completion Date	
Duration of Engagement (Continuous/ Intermittent)	
Contract Cost	
Client	
Funding Source	
Scope Consulting Services	
Experts Involved	

SN __	
Project Title	

Project Description/Features	
Sector	
Project Cost	
Country Region	
Consulting Contract Start Date	
Consulting Contract Completion Date	
Duration of Engagement (Continuous/ Intermittent)	
Contract Cost	
Client	
Funding Source	
Scope Consulting Services	
Experts Involved	

(Please insert more tables as necessary)