

THE PUBLIC PRIVATE PARTNERSHIP COMMISSION

TERMS OF REFERENCE FOR AN ADVISOR

TO

ASSIST IN CARRYING OUT FEASIBILITY STUDIES FOR VARIOUS PPP PROJECTS THE PPP COMMISSION IS UNDERTAKING

1. Introduction

The Public Private Partnership Commission (PPPC) has in the pipeline a number of PPP projects in real estate, aviation, as well as municipal assembly projects. In line with the PPP Act 2011, all these PPP projects require feasibility studies to be undertaken prior to private sector invitation. The PPP Commission is working on feasibility studies for the various Government Ministries and Departments. Due to funding constraints the PPPC is carrying out feasibility studies in house using its personnel and those from the sponsoring departments and Ministries. These various projects require a lot of effort in order to come up with a feasibility study to assess the Project's viability. The PPPC does not have sufficient capacity and resources to carry out such feasibility studies; they require the assistance of some competent Consultant (individual) to assist these teams.

2. Advisory Services

The Public Private Partnership Commission wishes to recruit services of an advisor (individual) to work with the PPPC and Government Departments teams in carrying out feasibility studies for various PPP Projects it is undertaking. The advisor will assist with the required inputs into the feasibility studies, work as a lead advisor to the project team and also vetting and suggest improvements to what the PPPC and the Government Departments personnel has done. The Advisor will ensure that the output of the study has covered all aspects of the feasibility in line with the PPP Act 2011.

2.1 PPP feasibility study

The advisor will carry out a feasibility study to:

- determine whether the proposed PPP is feasible and is in the best interests of the nation explaining the strategic and operational benefits of the proposed PPP for that particular Department or entity
- consider the critical decision factors for implementing PPPs which include; affordability, value for money, and risk transfer as they will be applied at every stage of preparing for, procuring and managing the PPP agreement
- set out the proposed allocation of financial, technical and operational risks between the institution and the private party

Through the feasibility study the advisor and the local team from PPPC and Government Department should demonstrate the affordability of the PPP project and the impact on resulting payments to made. (capital, operational and maintenance). The Feasibility study will include detailed assessment of the following key issues:

- The needs analysis
- The technical solution options analysis
- PPP options
- General Project due diligence –
- Market assessment
- Legal due diligence
- Financial due diligence
- Value people assessment
- Risk assessment and mitigation.
- Economic valuation
- Develop the Procurement Process documents (Request for proposal document and draft contract)

The final product will be three separate reports as acceptable feasibility studies results for each project comprising of

1. The feasibility study report with and executive summary
2. RFP document
3. Draft contract
4. Power point presentation of the reports

5: SCOPE OF WORK WILL INCLUDE THE FOLLOWING

To achieve the required results the Advisor will among other things carry out the following

1. Hold meetings with Technical Staff to advise the Structuring of the Project in terms of Concept and acceptability,
2. Review of Local PPP laws to formulate ideal PPP Structure for each project
3. Will advise the local team (PPPC and Government Departments) how preparation of Financial Feasibility Report including PPP structuring, financial statements, financial indicators, financial modelling is done. He will advise how the team should proceed developing the feasibility studies, will highlight the required issues and work with the team in developing the feasibility studies for a specific number of days as will be agreed
4. Work with the team in preparation of Financial Feasibility Report giving them tasks and deadlines for submission of information
5. The local team will continue as advised and once the local team has finished its initial draft, they will send this to the advisor who will give his input and advise on what should be done.
6. The technical Advisor will then send the document back to the local team who shall incorporated the changes as recommended by the Advisor

7. Final feasibility study report will be owned by the PPPC and ready for submission to the Ministry of Finance

6. Consultant Qualification (Required skills and experience)

The assignment is for an individual who can demonstrate adequate skills in either finance, legal, project management, and PPP knowledge and experience. The advisor will have a minimum of 10 years' experience in feasibility studies advisory services for public entities projects and hold at least Master's degree of the relevant field.

7. Proposed PPP Project

The Projects that the advisor will assist the PPPC will vary according to the Ministry and Government entities it is from. These will be given and discussed with the Consultant for each task order.

8. Selection of the consultant

The selection will be individual (Consultant) selection based on their qualification and experience. The most qualified and experienced consultant will be invited for contract negotiation.

The Consultant will be required to submit their CVs which should show their qualifications and relevant experience to this task.

9. Methodology of the Exercise

The contract will be a task order based where each task will be agreed with the client, in terms of the tasks to be done, duration and effort. This will be agreed and signed by the client before the Consultant start his work. The tasks for each task order will depend on the Ministries and Government departments which will be sponsoring the projects at that particular time. At the end of each the task the Consultant will be paid for that particular task.

10. Level of Effort and Duration

The estimated total effort for the assignment will be 250man days for duration of 3 years. These include field (done local) and at home. Depending on the number of Projects to be covered, the figures given here are estimates.

11. Payment Structure

Payment will be done at the completion of each task order. The task order will have to be signed by the Client after completion of the tasks agreed for that task order. Each task order may have its own format of payment as will be greed during the raising it.

11 Consultant Obligation

The Consultant should be self-sufficient to carry out the exercise and have his / her own computers etc.

12 Client Obligation

The Client will provide relevant documents that are its possession and will facilitate in linking the Consultant with the local teams that they will be working with.

13 Reporting Arrangements

The advisor will report to the Chief Executive Officer

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