Invest International

Terms of Reference

Consultancy for

Infrastructure Project Preparation

InvestInternational

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2 Dual Lots .... Fout! Bladwijzer niet gedefinieerd.

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Definitions

Beneficiary government	The government agency, ministry or department in the Beneficiary country that is requesting D2B or DRIVE (or both) funding from IIPP in relation to. Beneficiary government may also include a contracting authority, being the agency or department mandated by the Government to procure a Project (which is not necessarily the signatory of the Works contract).
Call Off Contract	Individual assignment contracted under the Framework which is awarded to an empanelled Contractor on basis of evaluated Proposals.
Concession Agreement	Concession Agreement or CA is a generic term for a contract within the context of a PPP. A Concession is only a form of PPP, however in the context of the Framework and procurement of infrastructure, it is used for describing the PPP-type of contractual arrangement between an Authority and a SPV (also referred to as Concessionaire), by opposition to a contractual arrangement for traditional procurement, usually based on a FIDIC model.
Consortium Member	A consulting firm that is empanelled jointly with a group of firms in association with a Lead Firm. In this TOR, the term consortium is not used to refer to a particular legal construction but to describe an association of firms irrespective of the legal arrangement between them and the Lead Firm.
Contractor	An entity which will be part of a panel for a given Lot under the Framework. The Contractor can be a single firm or entity; if the submission is done as a consortium or group of firms, the Contractor is the association represented by a designated (and duly empowered) Lead Firm.
D2B	Develop2Build, a development program of the Ministry of Foreign Affairs of the Netherlands executed by IIPP on behalf of the MoFA to fund studies and consultancy necessary for Project preparation prior to procurement of works.
DFI	Development Finance Institution. In this TOR, DFI is used in the context of a national development agency or bank (e.g., FMO, KfW, AFD, IFU, etc.), by opposition to Multilateral Development Banks (MDB), also referred to as IFI or International Financing Institution.
DRIVE	Development Related Infrastructure Investment Vehicle, a grant funding program of the Ministry of Foreign Affairs of the Netherlands executed by IIPP on behalf of the MoFA to provide government-to-government grant funding for public infrastructure projects.
EC	Engagement Committee. The EC is an internal body of Invest International which has authority to direct departments and teams to allocate time, resources and staff to a particular Project which may be of interest for Invest International. An approval of the EC to proceed is **not** a commitment to provide grant funding to a Project, which is subject to its own due-diligence procedure leading to an approval by the subsequent Investment Committee (IC).
Employer	In the context of FIDIC-based procurement, the Employer is the party that requests and receives the Works and defines the technical specifications and minimum performance standards. In the context of the Framework, the Employer is the governmental agency duly authorised to procure the Project and sign a contract on behalf of its government.

ESIA	Environmental and Social Impact Assessment.
FIDIC	*Fédération Internationale des Ingénieurs-Conseils* is the professional organisation formulating international standards for construction technology and consulting engineering. It produces the contractual models and templates referred to as FIDIC contracts.
Financing	Temporary cash inflows assigned to a Project to cover a funding mismatch (in time) such as debt and equity. Financing is to be repaid overtime, usually with a return to the financier providing finance.
FS	Feasibility Study.
Framework	The Framework Agreement for Consulting Services for Public Infrastructure procured by IIPP for the Services.
Funding	Source of inflow consumed in a Project to offset its costs, such as revenue or government contributions in grants and subsidies. Funding does not need to be repaid overtime.
GA	Grant Arrangement. A GA is a contractual engagement of IIPP for committing any DRIVE (or D2B) funds. A GA can only be entered with a public, governmental counterpart (i.e., the Beneficiary government).
IC	Investment Committee. The IC is an internal body of Invest International. The IC gives approval for committing the various funding instruments managed by Invest International B.V. (including the D2B and DRIVE programs), on basis of which an entity of Invest International B.V. can enter a committed engagement. In the case of DRIVE (or D2B), such contractual engagement is in the form of a GA and can only be entered with a Governmental counterpart (i.e., the Beneficiary government).
IESG	Impact, Environmental and Social Governance.
IIPP	Invest International Public Programmes B.V., a division of Invest International in charge of managing and deploying the D2B program of the MoFA.
IM	Investment Manager (from IIPP).
Integrated Project Management	Integrated Project Management shall be understood as the expertise and experience of the Candidate in leading project development undertaking which go beyond managing consulting assignments, where the Candidate also take ownership in initiating a (phase of a) project and bringing it to execution in cooperation with other stakeholders (such as Authorities, financiers, and contractors).
KYC	Know Your Customer. KYC (within the context of the banking sector) is an internal procedure to verify the identity, suitability, and risks involved with maintaining a business relationship with a customer, suppliers, or contractual partner.
Lead Firm	In the case of a joint submission in consortium or a group of firms, the party which is mandated to represent and legally bind all parties jointly apply to the Framework is the Lead Firm. If submission is made as a sole entity, please refer to the definition of Contractor.
Lot	A part of the Framework tendered together with other parts to create a panel of Contractors. A Lot is based on different requirements and panels can differ between Lots.
MDB	Multilateral Development Bank.
MoFA	Ministry of Foreign Affairs of the Kingdom of the Netherlands.
M&E	Monitoring & Evaluation (in relation to impact and outcome).

MOFTDC	Minister of Foreign Trade and Development Cooperation of the Kingdom of the Netherlands, a Minister without portfolio of the Dutch Government under the MoFA of the Kingdom of the Netherlands. MOFTDC is mandating Invest International to manage and implement the D2B and DRIVE grant programs.
NbS	Nature-based Solutions. Sometimes referred to as “building with nature”. A NbS is a technical approach to building an infrastructure asset that is inspired by processes and functioning of Nature. A NbS is typically chosen for achieving greater resilience (to climate change) while yielding equal or higher societal, environmental, and economic benefits than traditional, “grey”-infrastructure solutions.
Project	The broader infrastructure project prepared by a Beneficiary government (or a contractor in the case of a USP) for which a Call Off Contract is necessary to realise or complete the required studies and plans.
Proposal	A Proposal is submitted by Contractors in response to an invitation to tender for a Call Off Contract. A Proposal comprises a Technical Proposal and a Financial Proposal.
SCBA	Social Cost-Benefit Analysis, an economic appraisal of an infrastructure project.
Services	Consulting services and studies prepared by specialised consulting firms which are empanelled in the Framework and that can be procured by IIPP by mean of Request for Proposal, restricted to Contractors that have been included in the Framework’s panel.
Tender Documents	Set of documents to procure a Call Off Contract issued to empanelled Contractors which contains all necessary forms and information, including an invitation letter, for Contractors to prepare and submit a Proposal for a particular Call Off Contract.
Tender Guide	Element of the Tender Documents which contains the instructions and procedure, for Contractor to submit a Proposal, and provide the framework and principles for evaluation of Proposals and award.
ToC	Theory of Change.
TOR	Terms of Reference.
USP	Unsolicited Proposal. Project which is initiated by a private contractor or developer. USP may be a PPP or traditional, FIDIC-based, as it refers to a mode of procurement where the Beneficiary government has not initiated the Project development but is the recipient of the Project. May be referred to as Privately Initiated Project in some legislations.
VGF	Viability Gap Funding.
Works	Works refer to the goods and services that are typically procured for the realisation of infrastructure projects, such as design, construction, commissioning, operations, or maintenance of public infrastructure assets. This Framework is not eligible for procuring Works.

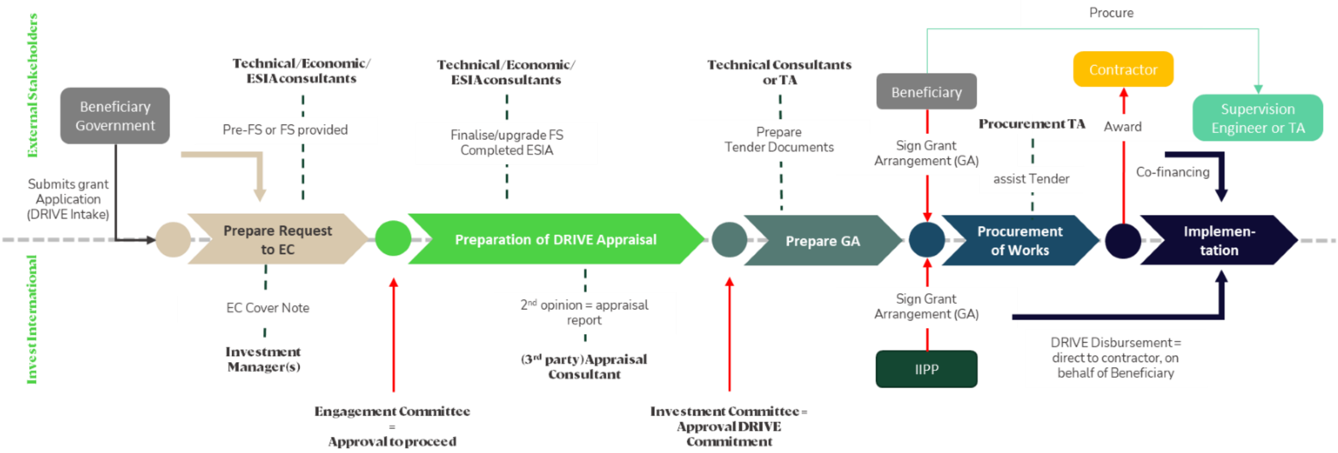
1 Background information

The development of an infrastructure Project requires a wide range of preparatory studies, on basis of which organizations and governments can evaluate the relevance of the Project and the compliance with their requirements in terms of feasibility, sustainability, viability and compliance with environmental and social safeguards; for reference, Invest International requires the submission of ESIA for Project it funds and finances to be prepared according to IFC Performance Standards [1](as per DRIVE policy rules). Both D2B and DRIVE are grant instruments which can be used to fund preparation studies as well as preparation of tender documentation (as DRIVE TA) for procurement of Works and services, while DRIVE is a funding instrument for Works itself and affiliated technical assistance. Projects funded by DRIVE shall comply with a set of requirements in terms of technical feasibility, economic and financial viability, institutional sustainability, additionality, and environmental and social management in conformity with the IFC Performance Standards. Moreover, DRIVE-funded projects are preferably procured through integrated contract models, in the form of a design and build, design, build and maintenance of design, build, finance and maintenance, and shall aim at promoting private sector involvement.

Under its current mandate, Invest International is developing its practice and understand of alternative procurement routes, with the primary objective to accelerate the implementation of impactful infrastructure projects. Under these new strategic directions, Project preparation studies which may be available when Beneficiary government apply for grant funding can often require complementary studies to fulfil the requirements of Invest International internal committees and, as case may be, partnering donors and financiers. For example, the Contracting Authority may require a new version of SCBA, the formulation of an additional technical solution that integrates a Nature Based Solution (NbS), a project-specific cash flow model or the completion of an ESIA; such studies which would not require a complete restart of the pre-FS and FS phase but can be procured as a ring-fenced assignment by a 3rd party to bridge the required information gap.

Eventually, such services shall enable the Contracting Authority to obtain all necessary input to stimulate high quality preparation of a Project with the core objective to make it eventually eligible for DRIVE funding, but also to streamline its internal process in preparing a DRIVE Appraisal. A DRIVE Appraisal is an internal document compiling the recommendation of investment managers (IM) to Invest International's Investment Committee (IC) which independently approves investments and commitment of Invest International's instruments (which include public programs but also debt financing products, which can be combined to offer 100% financing solutions to Beneficiary governments). A DRIVE Appraisal is primarily based on the result of consulting studies, but also require an independent review by a 3rd party appraiser to give unbiased opinion on the project's rationality and eligibility for DRIVE. Eligibility is related, among other requirements, to relevance for development, additionality (non-commercial viability), technical sustainability, economic viability, financial sustainability, consistency with Beneficiary government's policies, program and priorities or value for money. The following illustration summarises the DRIVE grant evaluation and approval process and which stakeholders are involved:

[1] Performance Standards (ifc.org)



Note: the above procedure applies equally for traditional, FIDIC-based procurement as well as PPP-based procurement, although the nature of input documentation and tender process for Works may differ per Project

Finally, in some cases the Contracting Authority may seek to obtain particular expertise to support the implementation of its strategic ambitions or address some operational resources constraints, for which the Contracting Authority may contract specialized Consulting Services at its own costs.

To fulfil these objectives, the Contracting Authority is publishing this Framework Agreement for Consulting Services for public and healthcare infrastructure (hereafter the Framework Agreement) to empanel a range of qualified consulting firms or Consortia. The Framework Agreement focuses on studies and services in the core sectors [2] of Invest International. The Framework Agreement covers Project preparation services, which have the wider scope in the Framework Agreement and may be deployed at any stage of the DRIVE application and implementation process and appraisal services, mainly contracted in relation to the contracting authority's internal DRIVE appraisal process for submission to the Investment Committee for approval to enter into a Grant Agreement with Beneficiary governments.

Candidates are encouraged to familiarize themselves with the current DRIVE policy rules as published in January 2023, available at the following link:
Staatscourant 2023, 35 | Overheid.nl > Officiële bekendmakingen (officielebekendmakingen.nl)

For sake of clarity, the Contracting Authority is not automatically procuring Consulting Services for each Project, which shall first and foremost be procured and contracted by the Beneficiary. In some cases, however, Beneficiaries may request that the Contracting Authority performs the procurement of studies for resources constraints, speed, or particular circumstances; this Framework Agreement is to be used in such circumstances where the Contracting Authority is the procuring entity on behalf of the Beneficiary's administration. The Contracting Authority is then the contractual counterpart, typically (but not automatically – in the case of a DRIVE TA contribution for example) operating under the provision of a Grant Arrangement (GA) with the Beneficiary.

This Framework Agreement is not intended to procure detailed design and engineering contracts, which are typically large amounts and shall remain the responsibility of the Beneficiary government to procure (with or without funding from DRIVE).
Under the Framework Agreement, empanelled ed Contractors will be solicitated for individual Call Off Contracts, on basis of Tender Documents which includes the TOR, Tender Guide, and prescribed forms. The Tender Documents will describe the underlying Project and the objective of the services to be procured under a Call Off Contract.

[2] https://investinternational.nl/sectors/

2 Scope of Works

2.1 Preparatory Studies Services (lot 1 and 2)

The following services will be procured through the Framework Agreement. The assumption is that preparation studies where IIPP is involved as Contracting Authority ideally, but not exclusively, may involve multiple components (competences) in an integrated consulting assignment:

Integrated Project Management

- Leading and delivering consistent and fully integrated advisory and studies.
- Integrating challenges and opportunities of the institutional setting into the project management.
- Taking ownership and perform assignments autonomously (in stakeholder management, in communication and in dissemination).
- Managing risks on various levels (from individual sub-components to entire project) as an integral part of project management.
- Creating buy-in from beneficiaries and (other) key stakeholders.
- Pro-actively proposing innovative technical, financial and/or institutional solutions.

Technical Studies

- Technical pre-feasibility studies such as basis of design, technical assessment, and indicative feasibility assessment.
- Technical feasibility studies as a conceptual or preliminary design, technical costs estimates and formulation of technical solutions and scenarios.
- Multi-criteria analysis for technical alternatives comparison and selection.
- Demand assessment for social services.
- Diagnostic of current situations and formulation of improvement plans.
- Demand and traffic studies, including modelling (as case may be).
- Technical modelling and simulations (e.g. coastal morphology modelling, traffic modelling, hydrological modelling, hazard and risk modelling, EPANET modelling etc.).
- Institutional analysis and stakeholders' assessment and engagement.
- SDG Impact assessment (in particular SDG 8 & 13)3.
- Technical surveys (e.g. bathymetric, geological, traffic mapping, integrity testing etc.).
- Urban planning and integrated land use planning and design.
- Prepare independent reviews and second opinions on technical studies, proposed designs or BoQ which may be used in IIPP internal evaluation process.
- Preparing TOR for Supervision Engineer / Employer's Representatives.
- Formulation of technical specifications, Works Requirements, or Employer's requirement for tender documentation.

[3] The mandate of Invest International focuses on creating impact in relation to **SDG 8** and **SDG 13**, for which the organization is required to report on particular KPIs to its shareholders. Besides SDG 8 and 13, request may also relate to Invest International secondary SDGs, namely 2, 3 and 6.

Financial and Economic Studies

- Preparation of Cost-Benefit Analyses, for determining economic viability returns and metrics; this includes, at minimum, formulation of project situations and identification, mapping, and quantification of direct and indirect (incremental) economic benefits.
- Willingness and Affordability to Pay analyses.
- Preparation of spreadsheet based SCBA models.
- Financial Business Case assessment / valuation.
- Commercial Business Case assessment / valuation.
- Prepare independent reviews and second opinions on financial, economic, and commercial studies which may be used in IIPP internal evaluation process.
- Preparation or rebuild/upgrade of cash-flow models.
- Financial models' quality review and (non-legal) audit.
- Discounted Cash Flow (DCF) analysis and project valuation.
- Financial appraisal of project and identification of Viability Gap Funding (VGF).
- Institutional analysis and stakeholders' analysis.
- Indicative Project structuring and financing optimisation.

Impact and Environmental & Social Studies

- Prepare Theory of Change (ToC) for projects.
- Determine and assess the expected impact of projects for defined impact parameters and formulate related monitoring requirements and plans.
- Environmental Scoping and Preparation of TOR for ESIA.
- Preparation of a complete ESIA and ESMP. ESIAs commissioned in relation to a DRIVE funding must be prepared according to Invest International's IESG policy[4]. DRIVE 2023 policy rules require projects follows IFC Performance Standards.
- Field surveys and investigations (in relation to preparations of an ESIA).
- Mobilisation of local expertise and complying with national (EIA) requirements.
- Prepare Stakeholders Engagement Plans.
- Prepare Land and Resettlement and Livelihood Restoration Policies and Plans (including surveys).
- Prepare or formulate Monitoring & Evaluation frameworks (E&M), processes and or plans for projects.
- SDG assessment:
  - SDG 8: including direct/indirect jobs supported, wages and workforce assessment, contribution to local economy, gender/youth opportunities.
  - SDG 13: including Green House Gases (GHG) emissions assessment, carbon shadow pricing.
  - Specific SDG's related to the sector and objectives of project.
- Contribution to Dutch economy: number and value of jobs supported.
- Identification and valuation of climate-resilient and sustainable alternatives (focus on NbS).

Procurement Expertise (applicable for PPP or non-PPP/FIDIC)

- Preparing procurement strategies and Procurement Plans (either PPP or non-PPP).
- Preparing procurement documentation for works.
- Acting as technical procurement adviser or transaction adviser in support to a procuring authority (for instance under a Technical Assistance contract) at any stage of a procurement process (prequalification, evaluation of proposals, contract negotiations, review and advice on Q&A and clarifications to bidders).
- Drafting Head of Terms of a Concession Agreement (in case of PPP-based procurement).
- Drafting data sheets and particular conditions (i.e. Employer's requirements) in relation to a FIDIC contract (in case of a non-PPP procurement).

[4] Invest-International-IESG-Policy-2022.pdf (investinternational.nl)

- Design of / Technical Assistance to Procuring Authorities regarding tender evaluation methods and systems with emphasize price/quality optimisation, EMAT (in Dutch EMVI) principles and qualitative-focused evaluation frameworks which captures elements such as quality of proposal, sustainability, risk management or innovation.
- Preparation of Value for Money and Affordability analyses.
- Independent Price Check.
- Prepare independent reviews and second opinions on procurement documents or contract terms which may be used in IIPP internal evaluation process.
- Organisation and reporting of Market Soundings with private parties.
- Conduct post-contract implementation Value for Money evaluations.

2.2 Review and appraisal Services (lot 1 and 2)

Apart from services for carrying out studies by the Consortium itself, services for reviewing and appraisal of studies or other documents produced by other parties are also procured. These services are procured to assess the quality, consistency, completeness and value of these studies and documents before they are used for important steps and decision making in the entire project development and implementation/construction process. An important part of the review and appraisal services is for supporting appraisal process of IIPP necessary for its Investment Committee (IC) review and approval. These services for this appraisal process are procured for IIPP's internal use only (not on behalf of a Beneficiary government).

The reviewing and appraisal services include the following:

- Review and appraise integration of different study components of a project (e.g. technical, financial/economic, ESG, procurement).
- Review and appraise consistency between different components/perspectives of a multi-disciplinary/integrated study or document.
- Identify gaps between different studies and documents that together provide the input for an appraisal or other important decision for a project.

2.3 Relevant sectors where assignments will be carried out

The assignments under this Framework Agreement, take place mainly in the following sectors:

Lot 1: Public Infrastructure

- Water, Transport and Waste, including (but not limited to):
    - WASH (Water Sanitation and Hygiene), ranging from bulk water supply, transmission, and distribution down to (waste) water treatment and sanitation.
    - Coastal, waterways and water management and flood defence infrastructure. A particular attention will be given to experience in projects related to Nature-Based Solutions (NbS).
    - Urban resilience to rapid (Urban) development and climate change: integrated measures against flooding, droughts, heat stress.
    - Climate adaptation: measures in the fields above to increase resilience against impact of climate change.
    - Marine and hydraulic infrastructure.
    - Logistics and Transport.
    - Waste related public utilities such as waste management projects, focused on recycling and circularity.

- Renewable Energy, including (but not limited to):
    - Solar power
    - Wind power
    - Tidal power
    - Geothermal power
    - Hydro power
    - Green (or Blue) Hydrogen
    - Waste-to-Energy projects

- Agri-food and Agriculture, including (but not limited to):
    - Distribution centres
    - Irrigation
    Cold Chain logistics

Lot 2: Healthcare Infrastructure, including (but not limited to):

- Public Health
- Architecture with experience in healthcare
- Hospital management/organization
- HVAC
- Biomedical systems and facilities
- Laboratory facilities
- Health IT/informatics
- Health Economics or similar experience.

2.4 DRIVE eligible countries

Most of the projects under this Framework Agreement will be executed in one of the eligible countries for DRIVE:

Algeria	Ethiopia	Mali	South Africa*
Angola	Ghana*	Morocco*	South Sudan
Bangladesh*	India*	Moldova	Sudan
Benin	Indonesia*	Mozambique	Suriname
Burkina Faso	Iraq	Niger	Tanzania
Burundi	Ivory Coast*	Nigeria*	Tunisia
Chad	Jordan	Palestinian Territories	Uganda
Colombia*	Kenya*	Rwanda	Ukraine*
Democratic Republic Congo	Lebanon	Senegal*	Vietnam*
Egypt*	Libya	Somalia	Zimbabwe

*Countries marked with *are Combination ("combi") countries*