MINUTES OF THE MEETING
(Conference Call)

Date of Meeting: April 24, 2020
Time of Conference Call: 3:00 p.m.

Conference Call Agenda: discussion of a bidding for legal entities and individual entrepreneurs on consulting services in assessing the needs for building up the institutional and human capacity of RSE KazVodKhoz, elaborating an RSE KazVodKhoz Development Strategy for 2020-2030 and preparing a Master Plan for development of a public-private partnership system in the water sector of the Republic of Kazakhstan.

I. For UNDP the Conference Call was attended by:
   • Yerlan Zhumabayev, the UNDP Project Portfolio Manager, Nur-Sultan;
   • Firuz Ibrogimov, the UNDP Projects Chief Technical Advisor, Nur-Sultan;
   • Nelly Perevertova, the UNDP Procurement Coordinator, Nur-Sultan;
   • Roman Kussainov, the UNDP Projects Expert, Nur-Sultan.

II. For prospective providers the Conference Call was attended by:
   • Representatives of KPMG;
   • Representatives of CSI.
   • Climate Resilience Water Supply Project, Uzbekistan
   • HYDROC Sustainable development consulting

III. Discussion/Questions:


Then the conference addressed the issues raised by the prospective service providers.

A) Question from the representatives of KPMG:
The Terms of Reference include a lot of large components; is it necessary to prepare a Development Strategy until 2030 as a final document? Is it necessary to involve in the project a manager with experience specifically in the water sector, or would experience in the agricultural sector do? What is the reason for the short analysis period of 4 weeks, are there any basic insights available for the water sector? What will the PR specialist work be focused on?
Answer from Roman Kussainov, UNDP expert:
The final document should include the Development Strategy in accordance with the standard requirements for development of state strategic planning documents. The segmentation and focus of the Terms of Reference on large sections is explained by the request of the national partner represented by RSE KazVodKhoz to focus on the development of key issues for such sector as the Water Market, public-private partnership (PPP), tariff setting, etc.
The short analysis deadlines were also set by the national partner to accelerate drafting the proposals for the strategic development of the water industry and RSE KazVodKhoz enterprise itself, they were also predetermined by the fact that RSE KazVodKhoz has had a number of insights identifying disadvantages and advantages, development potential that would support the prospective service provider.
The project team manager of the prospective service supplier should have experience in developing strategies, master plans, state programs, however, experience in the water sector, agriculture and environmental protection, that is related to the water sector specifics, would be an advantage.
The PR specialist will have to prepare proposals (plan or strategy) for managing the public communications of RSE KazVodKhoz and the water sector as a whole, while in the process of developing a development strategy, this specialist will have to publicly report on the work in order to involve the maximum of sector stakeholders.

Answer from Firuz Ibrogimov, the UNDP Chief Technical Advisor:
A PR specialist will have to prepare and the tasks and a working strategy of PR specialists of RSE KazVodKhoz and the water sector as a whole.
A working group on strategic development has been already created in RSE KazVodKhoz, therefore the prospective contractor and its experts will assist this working group.

Answer from Yerlan Zhumabayev, the UNDP Projects Manager:
It should be noted that the proposals developed as part of this work will contribute to the preparation of the State Program for the Water Resources Development. In other words, the State Program for the Water Resources Development will be formed on these proposals and strategies.

B) A question from the representatives of KPMG:
Will experience in elaboration of the development strategies be taken into account in the qualification of bidders?

Answer by Roman Kussainov, UNDP expert:
We will take into account experience not only in drafting development strategies, but also in development of laws and regulations, state programs and/or business plans, that is, experience in the preparation of strategic planning documents.

C) A question from the representatives of KPMG:
Do we need to develop draft laws and regulations or analyze and identify any lines of development in the area of laws and regulations?

Answer by Roman Kussainov, UNDP expert:
A list of laws and regulations that are required for development of the sector and the enterprise will have to be developed and the key components of these laws and regulations described.

D) A question from the representatives of KPMG:
What is the procedure for approving the deliverables?

Answer from Firuz Ibrogimov, the UNDP Chief Technical Advisor:
The work approval procedure is two-tiered. First, the work results should be agreed within the UNDP, then they are submitted to RSE KazVodKhoz to be considered by the working group. Once the deliverable are accepted at both levels, the work is paid for.

Answer from Yerlan Zhumabayev, the UNDP Projects Manager:
The main interaction will take place at the level of the UNDP and RSE KazVodKhoz.

Answer by Roman Kussainov, UNDP expert:
The comments on the report may be addressed both directly by the UNDP and RSE KazVodKhoz. When all the comments have been addressed by both organizations, the deliverables are submitted for payment.

E) A question from the representatives of KPMG:
Will the PR specialist develop an integrated financial development strategy?

Answer from Firuz Ibrogimov, the UNDP Chief Technical Advisor:
This specialist will develop proposals on public communications, including work with communities on the most important issues of development of the sector and RSE KazVodKhoz. The integrated financial strategy proper should be developed by the prospective contractor as a whole based on the results of work. The focus should be on achieving the financial and economic stability of RSE KazVodKhoz and the industry as a whole, taking into account such modern tools as PPP, Water Market and a balanced tariff policy. At the same time, the branches of RSE KazVodKhoz should be involved in the work.

Answer by Roman Kussainov, UNDP expert:
An integrated financial strategy is an individual deliverable that is not directly related to the PR specialist. The PR specialist should prepare recommendations on relations with the media, population, the KazVodKhoz branches and with all sector stakeholders. The PR specialist should be involved throughout all work on this strategy.

F) A question from the representatives of KPMG:
Is it possible to involve more experts in this work given that the deadlines are tight? Will the qualification concern the 11 experts in the Terms of Reference?

Answer by Roman Kussainov, UNDP expert:
You may involve more experts, there are no limitations in this matter. Qualification will go for 11 most representative experts.

G) A question from the representatives of KPMG:
Do we need to develop 2 general PPP concepts or a detailed study aiming to create templates for 2 PPP projects with an investment plan, business plan and other elements?
As to PPP, a full study of two projects in the PPP is needed. RSE KazVodKhoz has facilities planned to be transferred under PPPs. Two specific projects will have to be prepared during this work. We need both a financial model and a marketing section. As an output, two proposals should be ready for transfer of the projects to PPP.

Answer from Firuz Ibrogimov, the UNDP Chief Technical Advisor:
RSE KazVodKhoz launches the PPP development department. RSE KazVodKhoz has already developed the concepts in collaboration with the PPP center. Therefore, it is very important to develop exactly two ready PPP templates/projects for RSE KazVodKhoz. The current laws on PPPs development need to be analyzed for readiness to such work. We need two standard package proposals for PPP. Once the RSE KazVodKhoz entities to be transferred to PPPs are determined, it will be necessary to develop a comprehensive package of documents, i.e. “template”, which RSE KazVodKhoz will be using as a base and template for managing the PPP activities.

H) A question from the representatives of KPMG:
What deliverables need to be developed as an output?

Answer from Firuz Ibrogimov, the UNDP Chief Technical Advisor:
Three documents will need to be developed: strategy/concept proposals for development of the water sector as a whole for the state program, a development strategy and an integrated financial strategy of development of RSE KazVodKhoz, and PPP booklets.

I) A question from the representatives of KPMG:
Is it necessary to hold 2 public hearings and 3 online workshops in all 9 regions of Kazakhstan? Should this be held within 4 months of the ToR period?

Answer by Roman Kussainov, UNDP expert:
It is necessary to hold 2 public hearings and 3 online workshops for all 9 regions of Kazakhstan, where the branches of RSE KazVodKhoz are present and irrigation water supply is provided. This is required to obtain a feedback from all sector entities and inform the branches of RSE KazVodKhoz about the planned directions of development of the enterprise and the industry as a whole.

Answer from Firuz Ibrogimov, the UNDP Chief Technical Advisor:
A prospective service provider will need to develop a program of workshops and public hearings. Once approved by the UNDP, this action plan will be submitted for RSE KazVodKhoz approval, where the responsible parties and personnel will also be determined. Then the prospective service provider directly contacts the responsible parties and personnel and arranges for the workshops and public hearings.

J) A question from the representatives of KPMG:
A question concerning the bidding documents. What supporting documents are required for the project team?

Answer from Nelly Perevyortova, the UNDP Procurement Coordinator:
The requirements for the documents are set forth in Appendix 2, namely in form 2.a, where section A contains a detailed description of the documents confirming the provider’s qualification, section
B describes the proposed methods for the provision of the services and section C describes the qualifications of the provider's key personnel with the provision of relevant documents. Describe the company profile including your work experience as per the list. Use the table or list of clients for similar services required by the UNDP to describe the reputation. Describe the contract objectives, duration of the works and the cost of services for the last 2 years. For personnel, provide copies of diplomas, CVs and certificates, as well as written confirmation from each employee that (s)he will be available for work throughout the contract period. Appendix 2 b is a form for submitting a Financial Bid, which must be submitted as a separate file and password protected at the time of submission. The password to the Financial Bid should not be provided to the UNDP until a request is received from Meruert Bolyssayeva, Irina Yurchinskaya or Nelly Perevyortova, a UNDP representative.

K) A Question from the representatives of KPMG:
A question on submission of a bid. If the bid is filed by a consortium, will the bidder qualification requirements cover the qualifications and experts of both firms included in the consortium?

Answer from Nelly Perevyortova, the UNDP Procurement Coordinator:
It is necessary to provide documentary evidence of the legal registration of the consortium. Indicate the company where such expert is from to confirm the experience of this expert. Indicate clearly the experience and qualifications of each company in the areas required for this bidding.

K) A Question from the representatives of KPMG:
Can a letter of intent be a consortium registration confirmation, confirming that the subcontractor is authorized to propose its specialists and the qualifications of the main company in this bidding?

Answer from Nelly Perevyortova, the UNDP Procurement Coordinator:
Such approach is allowed at the time of bid submission (the letter must specify which is the leading company representing the interests of the consortium. In the future, the UNDP will enter into a contract with this company for the provision of the services, in the event that the consortium is acknowledged as the successful bidder). If the prospective service supplier is awarded this contract, it will have to provide a consortium agreement in the future.

M) A question from the representatives of KPMG:
Is the draft contract presented in the bidding documents complete or is it just a part of the contract?

Answer from Nelly Perevyortova, the UNDP Procurement Coordinator:
The contract is standard. A copy is attached to the Minutes.

N) A question from the representatives of KPMG:
Will a contract that has been entered into this year but not yet completed be qualifying in terms of work experience with foreign companies?

Answer from Nelly Perevyortova, the UNDP Procurement Coordinator:
Current contracts will be taken into account in qualification.

O) A question from the representatives of KPMG:
A question regarding the terms of the contract and progress reporting. What is the difference between the contract term and the deadlines of expected outputs?

Answer by Roman Kussainov, UNDP expert:
There are expected outputs - where the ToR deliverable deadlines are specified. At the same time, there is a term of the contract, when the obligations of the service provider are valid, this is the time when comments can be addressed and the reports get approved.

Firuz Ibrogimov, the UNDP Projects Chief Technical Advisor has summarized the discussion and informed that if any additional questions arise, the prospective service providers can contact UNDP by the e-mail specified in the bidding documents.