



## REQUEST FOR PROPOSAL (RFP)

NAME & ADDRESS OF FIRM	DATE: September 14, 2022
	REFERENCE: UNDP/RFP/25/2022

Dear Sir / Madam:

We kindly request you to submit your Proposal for **Preparation of Technical Guidelines and Manual for municipalities to develop bankable projects to be financed by Town Development Fund**. Please be guided by the form attached hereto as Annex 2, in preparing your Proposal.

Proposals may be submitted on or before **1700 hours (Nepal Standard Time), Friday, September 30, 2022 and via email to [procurement.np@undp.org](mailto:procurement.np@undp.org)**.

The technical and financial proposals should be in separate email messages mentioning the following subject lines:

Technical Proposal: UNDP/RFP/25/2022 - Technical Proposal- {Bidder's Name}

Financial Proposal: UNDP/RFP/25/2022 - Financial Proposal- {Bidder's Name}

Your Proposal must be expressed in the English, and valid for a minimum period of 90 days.

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files. The proposals submitted by email must be limited to a maximum of **25 MB** (each transmission) and no more than **6** email transmissions

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of the RFP and all other annexes providing details of UNDP requirements.

The Proposal that complies with all of the requirements, meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price shall be re-computed by UNDP, and the unit price shall prevail, and the total price shall be corrected. If the Service Provider does not accept the final price based on UNDP's re-computation and correction of errors, its Proposal will be rejected.

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty-five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP, herein attached as Annex 3.

Please be advised that UNDP is not bound to accept any Proposal, nor award a contract or Purchase Order, nor be responsible for any costs associated with a Service Providers preparation and submission of a Proposal, regardless of the outcome or the manner of conducting the selection process.

UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link:

<http://www.undp.org/content/undp/en/home/operations/procurement/business/protest-and-sanctions.html>


UNDP encourages every prospective Service Provider to prevent and avoid conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, cost estimates, and other information used in this RFP.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link :

[https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/files/attachment/page/pdf/unscoc/conduct\\_english.pdf](https://www.un.org/Depts/ptd/sites/www.un.org.Depts.ptd/files/files/attachment/page/pdf/unscoc/conduct_english.pdf)

Thank you and we look forward to receiving your Proposal.

Sincerely yours,

  
Ananda Ale  
2D6B5D402C114D6...  
Finance Analyst, UNDP  
9/14/2022

## Annex 1

## Description of Requirements

Context of the Requirement	As part of UNCDF's Municipal Investment Finance Programme implemented in partnership with the Town Development Fund this assignment has been prepared to secure the services of a consulting firm to prepare guidelines for municipalities to develop bankable projects. Developing investment-ready projects require significant planning and capacity which is inadequate at sub-national levels. Well-conceived projects and their selection can only be done through a proper mechanism in identification, appraisal, selection, and prioritization of projects. Given that there are inadequate bankable project proposals from sub-national governments, this assignment aims to establish a Technical Guidelines and a training manual which is intended to guide municipalities to develop bankable projects to access loan and grant from the Town Development Fund, which would include technical, economic and financial, environmental, social, Disaster Risk Reduction, legal and institutional aspects of the project.
Implementing Partner of UNDP	N/A
Brief Description of the Required Services	As mentioned in the ToR
List and Description of Expected Outputs to be Delivered	As mentioned in the ToR
Person to Supervise the Work/Performance of the Service Provider	National Programme Coordinator, UNCDF Programme Officer, UNCDF
Frequency of Reporting	<i>As needed and mentioned in the ToR</i>
Progress Reporting Requirements	<i>As needed and mentioned in the ToR</i>
Location of work	<input checked="" type="checkbox"/> At Contractor's Location
Expected duration of work	100 days
Target start date	October 2022
Latest completion date	January 2023
Travels Expected	Yes as per the ToR

Special Security Requirements	Compliance of COVID-19 guidelines
Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)	
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
List of similar assignments completed in the past for similar work mentioning value and period of the contract.	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Satisfactory completion certificates from at least two clients for similar assignments	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Company/firm's registration certificate, VAT registration certificate and Latest tax clearance certificate	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required
Latest audited financial statements including Balance Sheet and Profit & Loss Statements	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required

Names and curriculum vitae of: (i) Team Leader; (ii) Technical Expert and (iii) Finance Expert	<input checked="" type="checkbox"/> Required <input type="checkbox"/> Not Required												
Currency of Proposal	<input checked="" type="checkbox"/> Local Currency <i>Nepalese Rupees</i>												
Value Added Tax on Price Proposal	<input checked="" type="checkbox"/> must be inclusive of VAT and other applicable indirect taxes <input type="checkbox"/> must be exclusive of VAT and other applicable indirect taxes												
Validity Period of Proposals (Counting for the last day of submission of quotes)	<input type="checkbox"/> 60 days <input checked="" type="checkbox"/> 90 days <input type="checkbox"/> 120 days  In exceptional circumstances, UNDP may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.												
Partial Quotes	<input checked="" type="checkbox"/> Not permitted												
Payment Terms	<table border="1"> <thead> <tr> <th>Outputs</th> <th>%</th> <th>Condition for Payment Release</th> </tr> </thead> <tbody> <tr> <td>Submission and Acceptance of Inception report</td> <td>30%</td> <td rowspan="3">           Within thirty (30) days from the date of meeting the following conditions:            a) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and            b) Receipt of invoice from the Service Provider.         </td> </tr> <tr> <td>Submission and acceptance of Guidelines and Training Manual covering areas mentioned in the ToR-</td> <td>60%</td> </tr> <tr> <td>Dissemination workshop</td> <td>10%</td> </tr> </tbody> </table>			Outputs	%	Condition for Payment Release	Submission and Acceptance of Inception report	30%	Within thirty (30) days from the date of meeting the following conditions: a) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and b) Receipt of invoice from the Service Provider.	Submission and acceptance of Guidelines and Training Manual covering areas mentioned in the ToR-	60%	Dissemination workshop	10%
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Submission and acceptance of Guidelines and Training Manual covering areas mentioned in the ToR-	60%												
Dissemination workshop	10%												
Person(s) to review/inspect/ approve outputs/complete	<b>National Programme Coordinator, UNCDF</b> <b>Programme Officer, UNCDF</b>												

d services and authorize the disbursement of payment	
Type of Contract to be Signed	<input checked="" type="checkbox"/> Purchase Order <input checked="" type="checkbox"/> Institutional Contract
Criteria for Contract Award	<input checked="" type="checkbox"/> Highest Combined Score (based on the 70% technical offer and 30% price weight distribution) <input checked="" type="checkbox"/> Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criterion and cannot be deleted regardless of the nature of services required. Non-acceptance of the GTC may be grounds for the rejection of the Proposal.
Criteria for the Assessment of Proposal	<p><b><u>Technical Proposal (70%) – 700 points</u></b></p> <input checked="" type="checkbox"/> Expertise of the Firm - 105 points <input checked="" type="checkbox"/> Methodology, Its Appropriateness to the Condition and Timeliness of the Implementation Plan - 105 points <input checked="" type="checkbox"/> Management Structure and Qualification of Key Personnel – 490 points <p><b><u>Financial Proposal (30%) – 300 points</u></b></p> <p>To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.</p>
UNDP will award the contract to:	<input checked="" type="checkbox"/> One and only one Service Provider
Contract General Terms and Conditions <sup>1</sup>	<input checked="" type="checkbox"/> General Terms and Conditions for de minimis contracts (services only, less than \$50,000)  Applicable Terms and Conditions are available at:

<sup>1</sup> Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.

	<a href="http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html">http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html</a>
Annexes to this RFP	<input checked="" type="checkbox"/> Form for Submission of Proposal (Annex 2) <input checked="" type="checkbox"/> General Terms and Conditions (Annex 3) <input checked="" type="checkbox"/> Detailed TOR (Annex 4)
Contact Person for Inquiries (Written inquiries only) <sup>2</sup>	<p><i>UNDP Nepal</i>  <i>Procurement Unit</i>  <a href="mailto:query.procurement.np@undp.org">query.procurement.np@undp.org</a></p> <p>Written inquiries must be submitted mentioning RFP Ref: UNDP/RFP/25/2022, before seven days of submission deadline. UNDP shall respond to the inquiries by posting queries and responses in UNDP Website: <a href="http://np.undp.org/content/nepal/en/home/procurement.html">http://np.undp.org/content/nepal/en/home/procurement.html</a>. Inquiries received after the above date and time shall not be entertained.</p> <p>Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.</p>
Other Information <i>[pls. specify]</i>	<p>The Financial evaluation will be carried out only for the technically qualified submission that pass the minimum technical score of 70% (490 points) of the obtainable score of 700 points in the evaluation of the technical proposals.</p> <p><b>The Financial Proposal and the Technical Proposal <u>MUST BE SUBMITTED SEPARATELY</u>. Failing to submit the Technical and Financial Proposals separately will be treated as non-responsive.</b></p>

### Proposed Technical Evaluation Criteria:

Summary of Technical Proposal Evaluation Forms		Score Weight	Points Obtainable
1	Expertise of firm/Organisation submitting proposal	15%	105
2	Proposed Work Plan and Approach	15%	105
3	Personnel	70%	490
	Total	100%	700

<sup>2</sup> This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.

<b>I. Expertise of firm / organisation submitting proposal (Points obtainable 105 Points)</b>	
1.1 Reputation of Organisation and Staff (Competence / Reliability)	20
1.2 Litigation and Arbitration history	5
1.3 General Organisational Capability which is likely to affect implementation (i.e. loose consortium, holding company or one firm, size of the firm / organisation, strength of project management support e.g. project financing capacity and project management controls)	30
1.4 Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialised skills.	5
1.5 Quality assurance procedures, warranty	10
<b>Sub total (1.1 to 1.5)</b>	<b>70</b>
1.6 Relevance of:	
- Specialised Knowledge	10
- Experience on Similar Programme / Projects	15
- Experience on Projects in the Region	5
- Work for UNDP/ major multilateral/ or bilateral programmes	5
<b>Sub Total for 1.6</b>	<b>35</b>
<b>Total for Expertise of firm / organisation submitting proposal (I)</b>	<b>105</b>
<b>II. Proposed Work Plan and Approach (Points obtainable 105 Points)</b>	
2.1 To what degree does the Offeror understand the task?	10
2.2 Have the important aspects of the task been addressed in sufficient detail?	20
2.3 Are the different components of the project adequately weighted relative to one another?	10
2.4 Is there evidence that the proposal been prepared based on an in-depth understanding and prior knowledge of the project environment?	20
2.5 Is the conceptual framework adopted appropriate for the task?	15
2.6 Is the scope of task well defined and does it correspond to the TOR?	20
2.7 Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	10
<b>Total for Proposed Work Plan and Approach (II)</b>	<b>105</b>
<b>III. Personnel (Points obtainable 490 Points)</b>	
<b>3.1 National Team Leader</b>	
MBA or Master's Degree in Engineering, Urban Planning, Architecture, Economics, Public Management, Environmental Science or Management, or other related fields.	10

At least 10 years of professional experience in the fields of local development, decentralization, project finance,	55
Experience and in-dept knowledge of the Government System in Nepal.	30
Experience in capacity development and institutional strengthening in developing countries, ideally in the context of decentralization processes and/or climate change adaptation	30
Work experience in Nepal, particularly associated with project finance, pipeline development/ investments	45
Experienced in corporate, investment and tax law in Nepal.	30
Language qualifications	10
<b>Sub Total for Task Leader</b>	<b>210</b>
<b>3.2 Technical Expert</b>	
Master's Degree in Engineering in related fields.	10
At least 8 years of professional experience in the area of feasibility studies, detailed project design,	50
Experience and in-dept knowledge of the Government System in Nepal.	25
Work experience in Nepal, particularly associated with project finance, pipeline development/ investments	50
Language Qualifications	5
<b>Sub Total for Technical Expert</b>	<b>140</b>
<b>3.3 Finance Expert</b>	
MBA or Master's Degree in Economics, Finance, Corporate Finance, other related fields.	10
At least 8 years of professional experience in the fields of project finance,	35
Experience and in-dept knowledge of the Government System in Nepal;	15
Work experience in Nepal, particularly associated with project finance, pipeline development/ investments	30
Experienced in corporate finance, investment and tax law in Nepal.	20
Experience in project financial structuring including PPPs	25
Language Qualifications	5
<b>Sub Total for Financial Expert</b>	<b>140</b>
<b>Total for Personnel (III)</b>	<b>490</b>
<b>Grand Total (I+II+III)</b>	<b>700</b>

**Annex 2****FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL<sup>3</sup>**

***(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery<sup>4</sup>)***

[insert: Location].

[insert: Date]

To: [insert: Name and Address of UNDP focal point]

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the RFP dated [specify date], and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions :

**A. Qualifications of the Service Provider**

*The Service Provider must describe and explain how and why they are the best entity that can deliver the requirements of UNDP by indicating the following :*

- a) Profile – describing the nature of business, field of expertise, licenses, certifications, accreditations;*
- b) Business Licenses – Registration Papers, Tax Payment Certification, etc.*
- c) Latest Audited Financial Statement – income statement and balance sheet to indicate Its financial stability, liquidity, credit standing, and market reputation, etc. ;*
- d) Track Record – list of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, contract value, contract references;*
- e) Certificates and Accreditation – including Quality Certificates, Patent Registrations, Environmental Sustainability Certificates, etc.*
- f) Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.*

**B. Proposed Methodology for the Completion of Services**

*The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance*

<sup>3</sup> This serves as a guide to the Service Provider in preparing the Proposal.

<sup>4</sup> Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

*mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.*

### C. Qualifications of Key Personnel

*If required by the RFP, the Service Provider must provide :*

- a) Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are supporting, etc.;*
- b) CVs demonstrating qualifications must be submitted if required by the RFP; and*
- c) Written confirmation from each personnel that they are available for the entire duration of the contract.*

### D. Cost Breakdown per Deliverable\*

	<b>Deliverables</b> <i>[list them as referred to in the RFP]</i>	<b>Percentage of Total Price</b> <i>(Weight for payment)</i>	<b>Price</b> <i>(Lump Sum, All Inclusive)</i>
1	Submission and Acceptance of Inception report	30%	
2	Submission and acceptance of Guidelines and Training Manual covering areas mentioned in the ToR-	60%	
3	Dissemination workshop	10%	
	Total	100%	

*\*This shall be the basis of the payment tranches*

### E. Cost Breakdown by Cost Component:

SN	Activities	Unit (A)	Rate (B)	No. of Days (C)	Total NPR (AXBXC)
<b>A</b>	<b>Key Human Resources</b>				
1	Team leader	1		<b>40</b>	
2	Technical Expert	1		<b>30</b>	
3	Finance Expert	1		<b>30</b>	
	<b>Sub Total A</b>				
<b>B</b>	<b>Other costs (if any)</b>				
	Travel	Lumpsum			
	DSA	Lumpsum			
	<b>Sub Total B</b>				

C	Any Other Cost (Pls specify)			
	Sub Total C			
D	Total (A+B+C)			
D	VAT 13%			
	Grand Total (A+B)			

**NOTE:-**

- *Proposal will be disqualified if it does not follow the above price schedule format.*

*[Name and Signature of the Service Provider's  
Authorized Person]*

*[Designation]*

*[Date]*

## **Annex 3**

### ***General Terms and Conditions of Contract***

<http://www.undp.org/content/undp/en/home/procurement/business/how-we-buy.html>

**Terms of Reference: Consulting Firm**  
**Preparation of Technical Guidelines and Manual for municipalities to develop bankable projects to be financed by Town Development Fund**

<b>LOCATION:</b>	Home-based with possible travel to municipalities as deemed necessary
<b>TYPE OF CONTRACT:</b>	Consulting Firm (with input of team of experts)
<b>AGENCY/PROJECT NAME:</b>	UNCDF/MIF Nepal
<b>COUNTRY OF ASSIGNMENT:</b>	Nepal
<b>DURATION OF CONTRACT:</b>	100 days between September 2022 to December 2022 (Lump sum based on deliverable)
<b>EXPECTED DURATION OF ASSIGNMENT:</b>	4 months

## 1. Background

The UN Capital Development Fund (UNCDF) is currently implementing a project in Nepal financed under the Municipal Investment Fund (MIF) Nepal in partnership with the Town Development Fund (TDF). UNCDF is the United Nations capital investment agency for the world's least developed countries. With its capital mandate and instruments, UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development. UNCDF's financing models work through two channels: financial inclusion that expands the opportunities for individuals, households, and small businesses to participate in the local economy, providing them with the tools they need to climb out of poverty and manage their financial lives; and by showing how localized investments—through fiscal decentralization, innovative municipal finance, and structured project finance—can drive public and private funding that underpins local economic expansion and sustainable development. By strengthening how finance works for poor people at the household, small enterprise, and local infrastructure levels, UNCDF contributes to SDG 1 on eradicating poverty and SDG 17 on the means of implementation. By identifying those market segments where innovative financing models can have transformational impact in helping to reach the last mile and address exclusion and inequalities of access, UNCDF contributes to a number of different SDGs.

With rapid urbanization, the demand for local infrastructure and services has increased significantly. An obvious consequence of this is the substantial increase in capital investments by the federal, provincial and local governments. The subnational governments, particularly in developing countries such as Nepal, face tight fiscal constraints to sufficiently invest in public projects if they rely solely on traditional source of funds such as federal capital grants and limited revenue sharing mechanisms. The subnational governments, both provincial and municipal, have the potential to raise loans to finance developmental as well

as social welfare projects. The potential sources of such debt could be the private sector, bank and financial institutions, capital market and the national as well as subnational debt markets.

However, lack of investment-ready projects to address key urbanization challenges is a serious challenge for attracting and channelling public and private investments to the areas and sectors most in need. Developing investment-ready projects require significant planning and capacity which is inadequate at sub-national levels. Well-conceived projects and their selection can only be done through a proper mechanism in identification, appraisal, selection, and prioritization of projects.

The Town Development Fund (TDF), the sole financial intermediary, which offers financial resources as loan and grant, depending upon availability of fund, for financing the urban infrastructure projects of sub-national governments. The client can be different tiers of governments as well as private sector organizations or SPVs (PPPs). However, there are inadequate **bankable project proposals** from sub-national governments. This assignment aims to establish a Technical Guidelines and Manual which is intended to guide municipalities to develop bankable projects to access loan and grant from TDF, which would include technical, economic and financial, environmental, social, Disaster Risk Reduction, legal and institutional aspects of the project.

## 2. Assignment Background

This assignment aims to develop technical guidelines and training manual for municipalities and private sector to identify and develop meaningful bankable projects and create a pipeline of investment-ready projects for TDF. Depending on the nature of projects identified (social/ economic/ revenue generating infrastructure investments), they can be categorized for different financing options including those that are to be funded by public funds only, or through public and private funds. Development of a systematic approach to prepare investible project pipeline will help sub-national governments to identify appropriate project finance models to finance projects such as through public budgets, public-private partnerships, reimbursable grants, employing risk mitigations like guarantees or setting policy incentives to attract private sector finance.

While preparation of bankable project pipeline, co-financing has been sought from various investors/ line agencies, the problem of preparing quality proposals that have been thoroughly reviewed to make proposals investable and bankable needs a lot of concerted effort for structuring and packaging the project. This requires direct support to local governments as well as guidance on how to formulate detailed project reports (DPR) that have been thoroughly prepared.

In order to have local governments to be able to come up with quality project pipeline, they require a thorough technical guideline and a manual which comprehensively covers or includes technical, economic and financial, environmental, social, DRR, legal and institutional aspects of the project, which can be used for training key staffs of the municipalities responsible for project development.

## 3. Objectives of the assignment

The objective of this consultancy is to prepare a unified, standard and harmonized technical guidelines and training manual, including technical, economic and financial, environmental, social, DRR, legal and institutional aspects, for identifying, assessing, analysing, appraising and prioritizing sub-national investment projects to be financed by TDF. The guidelines will need to first focus on guiding sub-national governments in conceiving and developing complete, realistic, and reliable detailed project reports (DPRs) and guide local governments through the process of ideation, formulation, and appraisal process, in line with requirement of TDF, to come up with good quality pipelines and project readiness. On the basis of the guideline, a training manual also needs to be developed, which can be used to train key municipal staffs responsible for project development.

At a later stage when municipalities start preparing bankable projects, these projects could be included in a 'sub-national investment project bank' which can also be linked and aligned with the National Planning Commission's National Project Bank. This will help explore co-financing opportunities as various types of financing entities/investors can choose as per their interest and make informed decision on investment. The specific objective of this assignment is focused on the first step, in the design of a clear technical guideline and manual for sub-national governments and private sector on formulating bankable projects to be financed by TDF and training manual which can be used to train the municipalities to prepare bankable projects.

**The specific objectives include:**

- Development of integrated technical guideline and procedures, including technical, economic and financial, environmental, social, DRR, legal and institutional aspects, for bankable project development (selection and prioritization) and technical and financial appraisal, of projects in different sectors
- Devise appropriate methods, tools and techniques of technical, financial, economic, environmental, social, DRR, legal and institutional appraisal and analysis of the identified projects
- Design training manual for the municipalities to develop bankable project to access TDF financing

**4. Approach and Methodology**

**4.1** From identification to implementation of the infrastructure projects at local level requires careful planning both at design and execution stage. Infrastructure projects at local level is included in the annual and long-term plans of sub-national governments. However, a number of those projects are not assessed on their bankability or potential partnership with private sector. The capacity of municipalities to conceive projects that are bankable requires significant work that need to be done by professionals such as engineers, architects, planners, experts on finance, environment etc. There is no standard approach to bankable project development. The needs and context at local level are different, therefore infrastructure planning efforts vary greatly in scope and scale and depend on specific contexts. However, there is significant opportunities for municipalities to share and learn from good practices and approaches taken to build project pipelines. The

information and stories behind the bankable projects need to be documented well in order to share the ideas to larger municipalities. Therefore, the guideline preparation will take generic approach as resource book to help municipalities identify and prepare bankable projects. The preparation process will be participatory in consultation with stakeholders such as National Planning Commissions (NPC) at centre and at province, Ministry of Urban Development (MoUD), Federation of Nepalese Chambers of Commerce & Industry (FNCCI) and Confederation of Nepalese Industries (CNI), Provincial and local governments etc. From a methodological perspective, this will include looking at various aspects, including technical, economic and financial, environmental, social, DRR, legal and institutional, the various stages, pre-feasibility, feasibility and DPR, to develop bankable project pipelines to be financed by TDF and this will include desk review and consultations to formulate the guidelines. Under the desk review Existing business process and Standard Operating Procedures of TDF related legal framework and policies and guiding documents needs to be reviewed. Relevant training materials, guidelines, resource books need to be reviewed and built on. Particularly the guidelines for the National Project Bank will have to be reviewed in detail.

Consultations with stakeholders at local, provincial and national level will have to be conducted. A broader buy in from the local governments should be ensured through in-depth consultations with association of local governments.

#### ***4.2 Reference Materials***

- Guidelines and reports on project identification, appraisal and selection and prioritization at TDF
- National Strategies and Plans
- Sector strategies, policies, outcomes/outputs of periodic and medium-term expenditure frameworks and urban integrated development plans, annual national and municipal plan

### **5. Scope of Work**

The scope of work to develop the guideline for subnational government to prepare pipeline of investible projects includes, but not limited to:

- Review and analyse existing policies and best practices in country, including PPP act and regulations, as well as international good practices on bankable project development
- Review existing business process of TDF, current practices, documents and reports on project identification, appraisal and selection and prioritization.
- Review and suggest improvements in the existing methodology for risk analysis, technical, environmental, social, financial and economic, legal and institutional analysis

- Review sector strategies, policies, outcomes/outputs of periodic and medium-term expenditure frameworks and urban integrated development plans, annual national and municipal plan
- On the basis of reviews mentioned above, design a detail sequential business processes of project identification, appraisal, selection and prioritization in consultation also with selected municipalities.
- Develop and integrate criteria for assessing bankability of the projects in the process for project preparation
- Prepare training manual for municipalities to develop bankable projects
- Define and set the transparent processes for project identification, appraisal, and selection and prioritization for capital investment projects against clearly defined standard criteria
- Design and develop standard criteria and templates for development of project concept note, pre-feasibility study and feasibility study and DPRs.

#### **6. Duration of assignment, Duty Station and Expected Places of Travel**

**Duration:** Up to 100 days over a period of 4 months

**Duty Station and expected places of travel:** Home-based with in country (domestic) travel.

#### **7. Deliverables**

Based on the scope of work, the consultant will deliver the following within the framework of the assignment:

- a. Inception Report containing timeframe of planned activities, outline of the table of content of the Manual/ Guidelines;
- b. Technical Guidelines and Training Manual for Municipalities to develop Bankable Projects covering in-depth and step-by-step technical guidance to prepare bankable projects.
- c. Dissemination workshop.

#### **8. Provision of Monitoring, Quality Assurance and Progress Controls**

The consulting firm will work in close consultation with a core team of Town Development Fund, UNCDF officials and experts in this area from stakeholders such as NIFRA. Bi- monthly

meeting will be planned between the consulting firm, TDF and UNCDF focusing on debriefing and regular discussions to take stock of the progress and to clarify any points under this consultancy.

## 9. Schedule and Terms of Payment

The following terms of payment based upon the above-mentioned deliverables will be applicable for this Terms of Reference and associated mission. Payments will be based upon a percentile of the contracted lump sum for each area as tabulated. The payment will only be made up on satisfactory completion and submission of the assignment and deliverables.

	Deliverables/Products	Percentage of Payment	Target Due Date
Research	<ul style="list-style-type: none"> <li>Submission and Acceptance of Inception report</li> </ul>	30%	By September 2022 or two weeks from signing the contract
Analysis and Report	<ul style="list-style-type: none"> <li>Submission and acceptance of Guidelines and Training Manual covering areas mentioned in the ToR</li> </ul>	60%	By November 2022 or 10 weeks from signing the contract
Presentation	<ul style="list-style-type: none"> <li>Dissemination workshop</li> </ul>	10%	By December 2022 or 12 weeks from signing the contract

## 10. Qualifications of Consulting Firm

The following will be minimum requirement of consulting firm:

- 5 years of minimum standing in the consulting business
- Experience of preparation of detailed project report of infrastructure projects at national, and municipal/sub-national levels
- Experience in the area economic and financial, environmental, social, DRR, PPP, legal and institutional aspect of infrastructure project development.
- Experience in capacity development of sub-national governments

## 11. Degree of Expertise and Qualifications of Personnel

The consulting firm will need to ensure personnel/consultants with the below mentioned expertise, competencies and qualifications are proposed. The number of days required of the Team Leader and technical experts are as specified below amounting to an aggregate of 100 days combined:

### 11.1 Team Leader (40 days)

**Qualification**

- MBA or Master's Degree in Engineering, Urban Planning, Architecture, Economics, Public Management, Environmental Science or Management, or other related fields.

**Experience**

- At least 10 years of professional experience in the fields of local development, decentralization, project finance,
- Experience and in-dept knowledge of the Government System in Nepal.
- Experience in capacity development and institutional strengthening in developing countries, ideally in the context of decentralization processes and/or climate change adaptation
- Work experience in Nepal, particularly associated with project finance, pipeline development/ investments
- Experienced in corporate, investment and tax law in Nepal.

**Competencies**

- Strong analytical and writing skills and track record in producing relevant reports and other communications and knowledge materials in Nepali in particular, and English
- Strong communication and interpersonal skills and experience in organizing and facilitating consultations, field visits, and workshops
- Sensitivity to diverse opinions and difficulties arising from differing social and cultural perceptions

**Language requirements**

- Fluency in Nepali and English is required.

The estimated duration of contract is to cover for the period of 5 months. (Lump Sum payment based on deliverables). Travel cost will be reimbursable based on actual cost upon presentation and submission of receipts, the consultant is expected to own and use his/her own equipment during and after the assignment.

**11.2 Technical Expert (30 Days)****Qualification**

- Master's Degree in Engineering in related fields.

**Experience**

- At least 8 years of professional experience in the area of feasibility studies, detailed project design,
- Experience and in-dept knowledge of the Government System in Nepal.
- Work experience in Nepal, particularly associated with project finance, pipeline development/ investments

**Competencies**

- Strong analytical and writing skills and track record in producing relevant reports and other communications and knowledge materials in Nepali in particular, and English
- Strong communication and interpersonal skills and experience in organizing and facilitating consultations, field visits, and workshops
- Sensitivity to diverse opinions and difficulties arising from differing social and cultural perceptions

**Language requirements**

- Fluency in Nepali and English is required.

**11.3 Finance Expert (30 days)****Qualification**

- MBA or Master's Degree in Economics, Finance, Corporate Finance, other related fields.

**Experience**

- At least 8 years of professional experience in the fields of project finance,
- Experience and in-dept knowledge of the Government System in Nepal.
- Work experience in Nepal, particularly associated with project finance, pipeline development/ investments
- Experienced in corporate finance, investment and tax law in Nepal.
- Experience in project financial structuring including PPPs

**Competencies**

- Strong analytical and writing skills and track record in producing relevant reports and other communications and knowledge materials in Nepali in particular, and English
- Strong communication and interpersonal skills and experience in organizing and facilitating consultations, field visits, and workshops
- Sensitivity to diverse opinions and difficulties arising from differing social and cultural perceptions

**Language requirements**

- Fluency in Nepali and English is required.