

**THE GOVERNMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

**THE STANDARD FORMAT**

**for**

**SUBMISSION OF EXPRESSION OF INTERSET (EOI)**

**for**

**DEVELOPMENT OF PRIORITY WATER SUPPLY PROJECTS**

**with**

**FUNDING ARRANGEMENTS**

**JUNE 2012**

**NATIONAL WATER SUPPLY AND DRAINAGE BOARD (NWS&DB)  
MINISTRY OF WATER SUPPLY & DRAINAGE**

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## **SECTION 1**

### **INSTRUCTIONS TO PROPONENTS FOR SUBMISSION OF REQUIRED DETAILS FOR SCREENING**



## **2.0 JV Arrangements**

The Proponent could submit the proposal as a JV to fulfill the aforesaid eligibility criteria. The Lead Partner of the JV shall be the Company possessing Drinking Water Supply experience. Maximum number of JV partners shall be only three (03). The details of the JV arrangement shall be submitted through a “Intend to Form JV Agreement” signed by all parties of the JV.

In case of local companies the minimum qualification criteria is ICTAD M1 / C1 in Water Supply & Drainage. The ICTAD M1 / C1 Water Supply & Drainage Company could form JVs with a suitable foreign company to get qualified. However for the ICTAD M1/C1 contractors overseas construction experience will not be considered.

The equity percentage of the JV partners will not be considered for screening of Work Experience but equity participation will be considered in assessing the financial stability.

*(Note: Refer Annex I& II of Submission Formats)*

## **3.0 Financial Stability**

The Proponent shall provide audited Financial Statements (*Annual Reports will not be accepted*) for the last three years of the Company to establish the financial stability of the Company. If it is a holding company or a group of companies the Financial Statements of the company which submit the proposal (Proponent) shall be submitted separately.

The Proponent shall exhibit minimum financial performance.

- Average working capital during last 3 years to be at least 40% of the annual project estimate.
- Average construction turnover in last 5 years shall be around 300% of the annual project estimate.

In calculation of the working capital and construction turnover the equity percentage of the JV partners will be considered.

*(Note: Refer Annex IX & X of Submission Formats)*

## **4.0 Funding Commitment**

The Proponent shall establish that, there is a firm commitment for funding from a reputed Funding Agency for financing the Project through a Letter of Intent (LOI) issued by the proposed Lender. The amount of funding available for the Project shall be highlighted and the Funding Agency shall provide a confirmation of amount of funds that could be allocated. Further the financial terms shall be submitted (Indicative Financial Term Sheet) to establish the terms and conditions of the funding to establish of the funding terms.

## **Foreign Funding**

Two levels of funding commitment are as follows;

- |  |  |
|--|--|
| Category I<br>(Soft Loan<br>Category)        | - LOI from the Bank or from a Acceptable Funding Agency to the GOSL <i>plus</i> supporting letter from the Government or a Development Funding Facilitator (OECD <i>etc.</i> ) |
| Category II<br>(Commercial<br>Loan Category) | - LOI from the Exim Bank /Funding Agency /Bank   |

**Local Funding** - If the total requirement of funding is to be provided through Local Banks/Funding Institutions, the Letter Of Intent (LOI) and Indicative Financial Term Sheet from Local Banks/ Finance Institutions shall be attached.

## **Amount of Funding** -

The Proponent shall initially issue the Letter of Intent (LOI) to cover the Project Cost which has been indicated in this Invitation based on the NWSDB estimates. *\*(NWSDB Estimated Project Value)*. However, the Proponent and the Funding Agency shall recognize the fact that the final cost and the respective funding allocation could be finalized only at the RFP stage only after detail investigations and completion of conceptual designs. The Funding Agency shall provide an assurance that any additional requirement for funding could be bridged at the time of finalization of the Loan Agreement.

## **Finance Ministry Clearance**

The acceptability of funding terms will be determined by the Ministry of Finance (MOF) of Sri Lanka. If funding terms are accepted, the Ministry of Finance will act as the Borrower. The acceptability of the Funding terms is assessed by the Ministry of Finance and Central Bank prior to obtain SCARC approval. The grant component of the funding terms will be assessed in accordance with the method used in World Bank website ([http://siteresources.worldbank.org/IDA/Resources/GrantElementCalculatorweb\\_version\\_2\\_16\\_2012.htm](http://siteresources.worldbank.org/IDA/Resources/GrantElementCalculatorweb_version_2_16_2012.htm) ). The acceptable norm for the grant element shall be at least over 20% in order to secure Ministry of Finance / Central Bank clearance. If the financial terms are not acceptable to the Monetary Board of the Central Bank (CB) of Sri Lanka, the Funding Proposal will automatically be rejected and the Proposal will become null and void.

*(Note: Refer Annex VIII of Submission Formats)*

## **5.0 Project Cost**

The Proponent shall exhibit that the initial independent assessment of the cost of the Project has been carried out by the proponent independently. The Proponent shall exhibit that the Proponent has assessed and understood the Project scope and has estimated the cost of the Project which is sufficient enough to secure funding for the Project. The project cost shall include 5% allocation for capacity building/ turnover/ rural water supply aspects. The independent assessment of cost carried out by the Proponent shall be good enough to provide accurate Cost Indices as requested.

*(Note: Refer Annex VII of Submission Formats)*

## **6.0 Evaluation and Screening of EOI**

The responsiveness of the EOIs submitted will be evaluated and screened based on the completeness and the comprehensiveness of the submission. The Proponent shall completely fulfill the eligibility requirement specified in the screening criteria to be eligible and qualified for further consideration. Only those EOIs which are in full compliance with the Evaluation Criteria which is given in the *Section 2* will be considered further. The non complying EOIs will be rejected and returned to the Proponent.

All complying EOIs will be forwarded to the Standing Cabinet Appointed Review Committee (SCARC) for determination of the modality of procurement and processing of the RFP and MOU.

## **SECTION 2**

### **CRITERIA FOR SCREENING OF EXPERIENCE, FINANCIAL CAPACITY AND AVAILABILITY OF FUNDING**



**CRITERIA FOR SCREENING OF EXPERIENCE, FINANCIAL CAPACITY AND  
AVAILABILITY OF FUNDING**

Criteria I - Work Experience for the last 10 years – Pass/ Fail

Experience in Last 10 years	Minimum Experience	
	No. of Projects	Minimum Value of Each Project
1. General Civil Construction Experience	4	50% of *(NWSDB Estimated Project Value)
2. Drinking Water Supply Construction experience	2	50% -do-
3. Design Built Experience Execution of Drinking Water Supply Project/ <i>Design and Built Basis</i> or 3.2 Drinking water supply design experience	1	50% -do-
	2	5% -do-
4. Overseas Construction Experience	2	50% -do-

Criteria II - Financial Capacity– Pass/ Fail

**Minimum requirement**

- Average Working Capital during last 3 years of the Proponent/JV 40% of NWSDB Estimated Project Value  
3
- Average construction turnover IN last 5 years of the Proponent/JV 100% of NWSDB Estimated Project Value

*(For the evaluation purpose project period is considered as 3 years)*

Criteria III - Funding Commitment– Pass/ Fail

**Minimum requirement**

**Foreign:**

Confirmation of availability of funds for the full cost of the project submitted by a Bank

Document Evidence/ (LOI)  
From the Funding Agency

**Local:**

The Letter of Interest from a Local Bank/Funding Agency for finance the full cost of the project

-do-

#### **Criteria IV - Funding Term - Observations**

Category I - LOI from Exim Bank/ Accepted Funding Agency to GOSL plus confirmation letter from the Government and supporting letter from Development Funding facilitator (*OECD etc.*)

*Positive – Soft Loan Category*

Category II – LOI from the Exim Bank only

*Commercial Loan Category - To be reviewed by the ERD subjected to Central Bank Monitory Board approval*

Initial comparison of financial terms as indicated in the Indicative Financial Term Sheet (*interest, repayment, grace period, insurance premium*) as against the currently acceptable figures (benchmarks).

#### **Criteria V - Project Cost– Observations**

- **Cost Indices I - Per cu.m. Cost of Treatment Plant** (*Excluding intake cost and raw water transmission*)

Specify country of origin of M&E/process equipment:

- **Cost Indices II - Pipe Supply & Laying**

Specify manufacturer/country of origin of DI pipes (*Excluding permanent road reinstatement charges*)

<b>Diameter Range</b>	<b>Material</b>	<b>Per Km Cost</b>
110 mm	uPVC	
160 m m	uPVC	
200 mm	DI	
300 mm	DI	
400 mm	DI	
500 mm	DI	
600 mm	DI	

- **Per Connection Cost**

*Indicate the number of connections assumed.*

On criteria IV and V above, observations will be given as follows;

Positive	- Highly Recommended
Average	- Can be Accepted
Negative	- To be Negotiated

**Screening Criteria**

- (i) Proponent should completely fulfill the requirements in Criteria I, II & III. If not, his proposal shall be rejected.
- (ii) The comments on the funding terms will be given as an observation. (Criteria IV)
- (iii) Project cost will be considered in the evaluation. The PSC will give comments as positive/average/negative. (Criteria V)
- (iv) Based on the above evaluation criteria, successful EOI's shall considered for signing of MOU and issue of RFP for the submission of project proposal.

## **SUBMISSION FORMATS**

Annex I	-	Proponent's Information Sheet
Annex II	-	Joint Venture Information Sheet (Intention to Form a JV)
Annex III	-	Details of General Civil Construction Works Completed Within the Last Ten Years
Annex IV	-	Details of Drinking Water Supply Construction Experience Within the Last Ten Years
Annex V	-	Execution of Drinking Water Supply Experience Related to Design & Built Basis
Annex VI	-	Overseas Construction Experience Outside the Proponent's Country
Annex VII	-	Submission Format for Cost Indicators
Annex VIII	-	Loan Term Sheet
Annex IX	-	Annual Construction Turnover Data
Annex X	-	Financial Statement

## Proponent's Information Sheet

1.	Name of firm / Bidder's legal Name	
2.	In case of JV, legal name of each partner	
3.	Head office address	
4.	Local office address (if any)	
5.	Bidder's Authorized representative (Name, Address, Telephone, Fax, e-mail)	
6.	Telephone	Contact
7.	Facsimile	E-mail
8.	Place of incorporation / registration	Year of incorporation / registration
9.	Main lines of business  <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">1.</div> <div style="width: 50%;">Since:</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">2.</div> <div style="width: 50%;">Since:</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">3.</div> <div style="width: 50%;">Since:</div> </div> <div style="display: flex; justify-content: space-between; margin-top: 10px;"> <div style="width: 45%;">4.</div> <div style="width: 50%;">Since:</div> </div>	

## Joint Venture Information Sheet

(Intention to form a JV)

JV / Specialist Subcontractor Information	
<b>Lead Partner's legal name</b>	
<b>JV Partner's legal name</b>	
<b>JV Partner's country of constitution</b>	
<b>JV Partner's year of constitution</b>	
<b>JV Partner's legal address in country of constitution</b>	
<b>JV Partner's authorized representative information (name, address, telephone numbers, fax numbers, e-mail address)</b>	
<b>Equity Participation of the JV Partner</b>	

.....  
Lead Partner

.....  
JV Partner 1

.....  
JV Partner 2

**Note:**

- *Maximum number of JV partner is 3*
- *Equity participation will be relevant only when financial capacity is evaluated.*

**DETAILS OF GENERAL CIVIL CONSTRUCTION WORKS  
COMPLETED WITHIN THE LAST TEN YEARS**

<b>Year</b>	<b>Name and Address of Employer</b>	<b>Name and details of Contract</b>	<b>Main or Sub Contractor</b>	<b>Value of Contract</b>	<b>Period of Contract</b>

**Note :** Contractor's shall submit completion certificates for completed works and awarding letters and relevant cliental certificates.  
For joint Ventures, each partner shall furnish information separately.

**DETAILS OF DRINKING WATER SUPPLY CONSTRUCTION EXPERIENCE  
WITHIN THE LAST TEN YEARS**

<b>Specialized Work Experience</b>					
<b>Starting Month Year</b>	<b>Ending Month Year</b>	<b>Years</b>	<b>Contract Identification and Name Name and Address of Employer Brief Description of the Works Executed by the Bidder</b>	<b>Role of Bidder</b>	<b>Value of Contract</b>

**Note:** Contractor's shall submit completion certificated for completed works and awarding letters and relevant cliental certificates. (for joint ventures, each partner shall furnish information separately).



## Execution of Drinking Water Supply Experience related to Design & Built Basis

Fill up one (1) form per contract

Contract with Similar Key Activities		
Contract No ..... of ..... .	Contract Identification	
Award Date	Completion Date	
Role in Contract	<input type="checkbox"/> Contractor <input type="checkbox"/> Management Contractor <input type="checkbox"/> Subcontractor	
Total Contract Amount	US\$	
If partner in a JV or subcontractor, specify participation of total contract amount	Percent of Total	Amount
Employer's Name Address Telephone Number Fax Number E-mail		

**Note:** Information to be provided by the proponent should be supported by documentary evidence with certified Letters from employers and or consultants.

## Overseas Construction Experience Outside the proponent's country

Fill up one (1) form per contract.

Contract of Similar Size and Nature		
Contract No ..... of .....	Contract Identification	
Award Date	Completion Date	
Role in Contract	<input type="checkbox"/> Contractor <input type="checkbox"/> Management Contractor <input type="checkbox"/> Subcontractor	
Total Contract Amount	US\$	
If partner in a JV or subcontractor, specify participation of total contract amount	Percent of Total	Amount
Employer's Name Address Telephone/Fax Number e-mail		

*Information to be provided by the bidder should be supported by documentary evidence with certified Letters from employers and or consultants.*

## SUBMISSION FORMAT FOR COST INDICES

- **Per cu.m. Cost of Treatment Plant** (*Excluding Intake Cost & Raw Water Transmission Cost*)

Specify country of origin of M&E/process equipment:

Proposed Treatment Method	Country of Origin of M&E Equipment	Cost per m <sup>3</sup> of Treated Water	Remarks

- Operation and maintenance cost per cu.m.
- **Pipe Supply & Laying** (*Excluding permanent road reinstatement*)

Specify manufacturer/country of origin of DI pipes

Diameter Range	Material	Per Km Cost US\$		Manufacturer/ Country of Origin	Marks
		Supply only	Laying only		
100 m	PVC				
160 m	PVC				
200 m	DI				
300 m	DI				
400 m	DI				
500 m	DI				
600 m	DI				

- \* Per connection cost  
(Indicate the number of connections assumed)

## LOAN TERM SHEET

		*Foreign Funding	Local Funding (If Applicable)
1	Funding Amount		
2	Repayment Period 2.1 Grace Period 2.2 Repayment Period		
3	Interest Rate		
4	Insurance Premium (If applicable)		
5	Guarantee Fees		
6	Borrower Fees		
7	Management & Admin Fee		

**Note:**

- \* In case of foreign funding the Lender (*Bank/Export Credit Institution/Funding Agency*) shall issue a project specific letter (*Letter of Interest – LOI*) to confirming the availability of funding for meet the NWSDB estimated project value.
- *Please explain and submit the soft financing facilities extended by a Development Funding facilities (eg. OECD etc.) if applicable.*
- *The project proponent may submit the details of the funding proposal in own format. However, the information request herein should be clearly provided so that the evaluation process to b fair and comprehensive.*

## Annual Construction Turnover Data (Design and Construction)

Name of Proponent or partner of a joint venture

*All individual firms and all partners of a joint venture are requested to complete the information in this form. The information supplied should be the annual turnover of the Proponent (or each member of a joint venture), in terms of the amounts billed to clients for each year for work in progress or completed, converted to US\$ at the rate of exchange at the end of the period reported.*

*Use a separate sheet for each partner of a joint venture.*

*Total value of annual construction turnover, in terms of work billed to clients, in US\$ equivalent, converted at the rate of exchange at the end of the period reported:*

<i>Annual turnover data (US\$ equivalent) for the last five years (Supported by audited financial accounts) (not from annual reports)</i>					
<i>Figures in US \$ Million</i>	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
<i>1. Total Assets</i>					
<i>2. Total Liabilities</i>					
<i>3. Total Revenue</i>					
<i>4. Profit</i>					
<i>5. Construction Turnover</i>					
<b><i>Total</i></b>					

*Average annual construction turnover = .....*

**Note:** *If the JV experience is claimed for Annual Turnover data indicted percentage equity participation of each JV partner.*

## FINANCIAL STATEMENT

Summary of assets and liabilities based on the audited financial statements for the last three financial years (current statement may be unaudited) together with the Financial Performance as indicated in the following schedule shall be submitted.

If the business has not been in operation for the last three years, following schedule shall be submitted for the period that the business has been in operation together with the aforesaid financial statements.

### Financial Performance for the last 3 years

Year	XXXX	XXXX	XXXX
Turnover from Contracting			
Fixed Assets (FA)			
Current Assets (CA)			
Current Liabilities (CL)			
Long Term Liabilities (LL)			
Net Worth = Total Assets – Total Liabilities			
Current Ratio = $\frac{\text{Current Assets}}{\text{Current Liability}}$			
Liquidity Ratio = $\frac{\text{Current Assets (except stock)}}{\text{Current Liability}}$			
Gearing Ratio = $\frac{\text{Dept Capital} \times 100}{\text{Total Capital Employed}}$			
$\frac{\text{Turnover} \times 100}{\text{Total Operating Assets}}$			
$\frac{\text{Net Profit} \times 100}{\text{Total Assets}}$			

In case of JV partner's capacity is to be evaluated for the Working Capital the percentage of equity participation will be considered. Accordingly in case of JV please submit Working capital details and equity participation basis.