



REPUBLIC OF KENYA

## THE NATIONAL TREASURY

### INFRASTRUCTURE FINANCE AND PUBLIC PRIVATE PARTNERSHIPS PROJECT

#### CONSULTANCY FOR THE PROVISION OF TRANSACTION ADVISORY SERVICES FOR THE DEVELOPMENT, OPERATION & MAINTENANCE OF THE MAGWAGWA & NANDI MULTI-PURPOSE DAMS

#### REQUEST FOR EXPRESSIONS OF INTEREST (CONSULTING SERVICES – FIRMS SELECTION)

IFPPP/LBDA/26/2014-15

**Credit No: 51570 KE**  
**Project ID No: P121019**

This request for Expression of Interest follows the General Procurement Notice (GPN) for the Kenya IFPPP project that appeared in United Nation Development Business No. WB3876-07/13 of July 2013.

#### 1. Background

The Government of Kenya (GoK) has received financing from the World Bank towards the cost of the Infrastructure Finance and Public Private Partnerships Project (IFPPP) whose overall development objective is to increase private investment in the Kenyan infrastructure market by improving the enabling environment to generate a pipeline of bankable PPP projects. It is intended that part of the proceeds of this credit be applied to eligible payments under the contracts for provision of Transaction Advisory Services for the Development, Operation & Maintenance of the Magwagwa & Nandi Multi-Purpose Dams to be implemented for the Lake Basin Development Authority (LBDA), over a period of twenty four (24) calendar months.

#### 2. Objective

The main objective of the consultancy is the provision of Transaction Advisory (TA) services for a Public Private Partnership (PPP) tender to be awarded through competitive bidding, under the PPP Act 2013, for the Development, Operation and Maintenance of the Magwagwa Multipurpose Dam Development Project (MMDDP) and the Nandi Forest Multipurpose Dam Development Project (NFMDP).

- a) The objective of the LBDA-MMDDP is to create a large-scale multipurpose water reservoir catering for hydropower production, water supply, irrigation, river regulation, flood control, fishery, tourism and catchment management.

For the MMDDP, the expected outputs include: 95m high dam with live storage capacity of 445 million m<sup>3</sup>, 120 MW of hydropower giving energy production of 570 GWh/yr., 33km 132KV Transmission Line, 13,807 ha irrigated land (Phase 1: 3,063 ha), water supply infrastructure to people in surrounding towns, buildings, roads and other infrastructures.

- b) The main objective of the LBDA-NFMDP is to create a large-scale water reservoir which can provide water supply, irrigation, river regulation, flood control, and hydropower production.

For the NFMDP, the expected outputs include: 67m high and 1558m long dam with live storage capacity of 230 million m<sup>3</sup>, 50 MW of hydropower giving energy production of 150 GWh/yr., 33km 132KV transmission Line, 7,251 ha irrigated land (Phase 1: 3,009 ha), water supply infrastructure to people in surrounding towns, buildings, roads and other infrastructures.

### 3. Scope of the Work

The assignment shall be conducted by a team of eligible consulting firms/consortium and will cover but not be limited to the following scope of work through to a successful financial close;

#### **PHASE 1: Comprehensive Review of the Feasibility Study, Due Diligence and Transaction Plan**

Tasks will include: Comprehensive Review/Validation of existing Project Feasibility Studies; Financial Due Diligence; Legal Due Diligence; Environmental Sustainability and Social Safeguards; Market Sounding; Conduct of Overall Feasibility Assessment; PPP Transaction Plan; Support to the Contracting Authority getting necessary PPP Committee Approvals for the Feasibility Study (if the projects are found viable for PPP implementation based on VfM and financial analysis).

#### **PHASE 2: Development of Transaction Documents and Support during Bidding Process**

The Transaction Advisor will provide the necessary technical, legal and financial advisory support and prepare tender documents for the procurement of a private sector partner(s). This will be in compliance with all laws and all implementing regulations. The support would also include initiating the NEMA approval process.

#### **PHASE 3: Assistance until Financial Close**

The TA will assist the Contracting Authority with bidder negotiations and engagement to financial close, including redrafting of documents and drafting of new legal and other agreements as required.

The TA will also deliver training and capacity building measures throughout the transaction period on relevant key issues, with a view to assist the Contracting Authority in monitoring the achievement of the PPP project's objectives as well as a move to develop sustainable technical capacity within the Contracting Authority.

4. The National Treasury (the Client), through its Project Implementation Unit (PIU), now invites **eligible consulting firms / consortia** to express their interest in providing this service. Interested consulting firms/consortia comprising of firms specialized in Financial, Technical, Legal, Environmental & Social Advisory areas, should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services and shall be expected to specifically identify a **Lead Transaction Advisor** from amongst them. The shortlisting criteria are: a minimum of seven (7) years' experience advising on PPPs especially in developing countries with at least one (1) financially closed PPP hydropower / energy project for Government; experience and proven track record in facilities planning, design and construction of dam infrastructure in developing countries; strong experience in legal contracts related to infrastructure projects, contract and ancillary agreement drafting and negotiating in PPP hydropower infrastructure projects.
5. The attention of interested consulting firms/consortia is drawn to paragraph 1.9 of the World Bank's Guidelines: *Selection and Employment of Consultants* [under IBRD Loans and IDA Credits & Grants] by World Bank Borrowers published in *January 2011* ("Consultant Guidelines"), setting forth the World Bank's policy on conflict of interest.
6. Individual Consultants within consortia may associate with other firms in the form of a joint venture or a sub-consultancy to enhance their qualifications.
7. The firm/ consortium will be selected in accordance with Quality and Cost Based Selection method set out in the Consultants Guidelines.
8. Further information can be obtained at the address below during office hours i.e. 0900 to 1700 hrs.
9. Complete **Expressions of Interest** documents in plain sealed envelopes with consultancy **reference and name clearly marked on top** should be delivered in person, sent by mail or by email to the address shown below or placed in the tender box at our offices on the 7<sup>th</sup> floor, Anniversary Towers, North Tower.

**Postal Address:**

Project Implementation Unit  
Attention: Procurement Specialist  
P.O Box 30007 –00100  
Nairobi, Kenya.

Telephone No: +254-20-2210271/4

**Physical Address:**

Project Implementation Unit  
Attention: Procurement Specialist  
7<sup>th</sup> Floor, Anniversary Towers, North Tower.  
Building No.19 Monrovia Street/University Way  
Nairobi, Kenya.

E-mail: [procurement.ifppp@piu.go.ke](mailto:procurement.ifppp@piu.go.ke); [info.ifppp@piu.go.ke](mailto:info.ifppp@piu.go.ke);  
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**Deadline for submission of Expressions of Interest is Thursday 11<sup>th</sup> December 2014 at 1600 hours Kenyan local time.**

**DIRECTOR, PUBLIC PRIVATE PARTNERSHIPS UNIT**  
**FOR: PRINCIPAL SECRETARY**