

REQUEST FOR PROPOSALS

FORMULATION OF GUIDELINES FOR PRIVATE FINANCE INITIATIVES FOR URBAN LOCAL GOVERNMENTS IN THE KINGDOM OF ESWATINI

1. BACKGROUND

The Ministry of Housing and Urban Development (MHUD) with support from the Commonwealth Local Government Forum (CLGF) intends to develop Guidelines for Private Finance Initiatives (PFI) for urban local authorities in Eswatini. The proposed guidelines follow the development of a Strategic Action and Implementation Plan to inform the localisation of the national Public, Private Partnerships (PPP) Policy at the local government level, by urban local authorities. The Guidelines will assist primarily the MHUD and Swaziland's 14 urban local authorities to explore available funding models within public and private sectors.

PFI have the potential to enhance the availability of improved public services by contributing to increase in the quality and quantity of the investment facilities and services, realising the full potential of public sector assets to provide greater value for money for the taxpayer and the wider community, removing inefficiencies and developing imaginative approaches to the delivery of public services, investing in high-quality facilities that minimise long term maintenance and operating costs and managing and minimising the cost to government of risks associated with the long term, complex projects.

In recent years Eswatini Central Government has continued to experience fiscal challenges that may have their roots in the 2010 global meltdown coupled with dwindling SACU revenues which have always been and continue to be a significant income stream to government. Faced with these fundamental economic challenges amongst others, the government took a deliberate policy decision to broaden service delivery models which include PPPs. However, the limitation of this practice in the urban local government sector is that there is not yet a share of public debt that is appropriated to local government to cover liabilities emanating from the pursuit of this PPP modality. This challenge is also exacerbated by the fact that urban local governments are not in their right credit-worthy institutions, thus hampering their efforts to engage in PPP service delivery models.

It is against this background that, funding was availed by CLGF to assist urban local government authorities to pursue Local Economic Development (LED) through a project that seeks to enhance the role of local government as a critical partner in promoting

economic development in Eswatini. Although the central government has a PPP Policy and Guidelines in place, there is a need to develop specific local government guidelines to assist in the pursuance of Private Finance Initiatives (PFIs). The MHUD, in partnership with CLGF, produced a Strategic Action Plan to localise the national PPP Policy in 2017. In taking this work further, the partners seek to produce Guidelines that will look broadly at options for funding service delivery in the country. The Guidelines will consider public sector funding and private financing initiatives; it will look at financial as well as non-financial (e.g. technical) options. The Guidelines are expected to equip local authorities with options and a step-by-step guide in sourcing different funding streams in Eswatini, regionally and internationally.

To date, urban local governments have parcels of central government land within their jurisdictional space which they have been encouraged to develop through PFI to improve the livelihood of their respective residents and stakeholders. However, the challenge has been the absence of a clearly defined route on how to go about implementing PFIs. It is in this respect that a consultant is sought to develop guidelines for PFIs for urban local government authorities in Eswatini.

2. OBJECTIVES OF THE ASSIGNMENT

The main objectives of developing guidelines for PFI for urban local authorities are to guide urban local authorities to implement PFIs. The guidelines will outline for urban local authorities, potential private sector bidders and the public, the general direction and principles that will be adopted and used for implementing the PPPs as alternative means of enhancing revenue in local governments for effective and efficient delivery of services and infrastructural development. In addition, a framework for operationalising the PPPs Policy Framework at the local level in the Kingdom of Eswatini will also be provided.

Specific objectives of this assignment are to:

- 2.1 Outline the dimensions and principles of PFIs, highlighting what they are, how they work, how they benefit the local authorities and the communities in which they are implemented including how they differ from traditional procurement processes,
- 2.2 Review the legal and policy framework for PFIs in the Eswatini context including related legal instruments regarding local governance and other national development framework and regulations,
- 2.3 Outline the principal models of PFIs and how contracting will be effected by urban local authorities – for service, management, construction and divestiture modalities,

2.4 Guide urban local authorities on how they can utilise PFIs for efficient service delivery through such processes as financial and economic analyses, project financing projections and sources, tariff considerations and subsidy provisions as well as monitoring the implementation of the guidelines,

2.5 Outline the PFI phases, stages, and steps, and

2.6 Outline PFI implementation arrangements for including how the Ministry of Urban Development will support urban local authorities in the implementation of the guidelines

2.7 Deliverables/outputs

Phases of the Assignment	Key activities	Outputs
Inception Phase	<ul style="list-style-type: none"> • Initial document/data collection • Background analysis • Inception interviews • A work plan 	<ul style="list-style-type: none"> • Inception report
Desk and field	<ul style="list-style-type: none"> • Desk research • Interviews with stakeholders • Data collection and analysis 	<ul style="list-style-type: none"> • PFI Guidelines framework– key components of the guidelines
Synthesis phase	<ul style="list-style-type: none"> • Analysis of data • Formulation of 1st draft guidelines • Reporting 	<ul style="list-style-type: none"> • 1st draft guidelines with relevant annexes • Validation Workshop • Final Draft guidelines

2.8 Management and Steering of the assignment

The assignment will be managed by the Project Executive Team comprising the CLGF & the MHUD staff.

3. REQUIRED EXPERTISE

Qualifications and Competencies of the Consultant

The Consultant is expected to possess the following qualifications and competencies:

- A minimum of a Master’s Degree in Public Administration, Public Finance, Development Finance and related fields,
- Demonstrated understanding of local government and service delivery financing including PPPs,
- Demonstrated ability to draw lessons from relevant international, regional, national and local practices and processes and adapt them to the realities of Eswatini,
- Demonstrable experience in similar assignments,
- Strong communication and analytical skills including communicating with various stakeholders ensuring that the guidelines are understood and fully utilised, and
- Commitment to delivering timely, high-quality results ensuring the guidelines are credible to all stakeholders.

4. DURATION & REPORTING

The assignment is expected to be undertaken within 30 days as follows:

Stage of guidelines	Deliverable	Description of Expected Deliverables	Number of days	Time frame
Inception	Inception Report	Inception report	4	13– 27 April 2020
Desk Phase & Field phase		Guidelines Framework– Key components of the guidelines	10 days	4– 18 May 2020
Synthesis and reporting	First Draft Guidelines	First Draft of the guidelines and implementation protocols/ templates	4 days	25 May to 1 June 2020
	Second Draft Guidelines	Second Draft of the guidelines and implementation protocols/ templates	3 days	8 –15 June 2020
	Validation Workshop	Validation workshop programme and Report	4 days	22– 29 June 2020
		Final Draft of the guidelines and implementation	2 days	6 July 2020

	Final Draft Guidelines	protocols/ templates and closeout report		
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5. FURTHER INFORMATION

Any request for clarification on the assignment must be sent in writing by standard electronic communication to nyasha.simbanegavi@clgf.org.uk

6. SUBMISSION OF PROPOSALS

Interested consultants are requested to submit a technical and financial proposal in response to this RFP as follow:

A. Technical Proposal comprising:

- A technical proposal outlining: i) the Consultant's understanding of the assignment, ii) proposed and methodology and iii) work plan,
- A summary of recent experience on assignments of a similar nature which demonstrate evidence of the experience and skills required.

B. Financial Proposal

- The daily consulting rate in US\$ and the number of days required to complete the assignment
- Travel, per diems and subsistence fees, including accommodation, will be paid directly / or reimbursed by the project.

C. Curriculum Vitae

- A CV detailing experience on similar assignments and at least two client references

Proposals are to be submitted by email (all documents in PDF form) to recruitment@clgf.org.uk not later than 16:30hrs, GMT+2 on 25 March 2020. The submission should be referenced as "Guidelines on Private Finance Initiatives for Urban Local Governments in Eswatini."

7. TENDER GUIDELINES CRITERIA

An offer is responsive/compliant/acceptable if it scores a minimum of 70% on the criteria outlined below and fully meets the qualifications and competency requirements.

Criteria	Maximum
A. The score for Organisation and Methodology	50
• Understanding of ToR and the aim of the services to be provided	20
• Overall methodological approach, quality control approach, the appropriate mix of tools and estimate of difficulties and challenges	20
• The organisation of tasks including timetable	10
B. The score for the expertise of the Consultant	25
• Relevant Qualifications	5
• Experience in Public Administration/ Public sector funding /Development Finance, local government including service delivery and PPPs	15
• Demonstrated experience in undertaking similar assignments including the ability to draw lessons from relevant international, regional, national and local practices and processes and adapt them to the realities of Swaziland	5
C BUDGET (Only applies for technical bids scoring 53 points and above for section A and B)	25
Daily Consultancy rate	25
Overall total score	100

8. PAYMENT SCHEDULE

All payments concerning this assignment shall be in €. Payment for the expected deliverables will be made upon the endorsement of work by the Project Executive Team.

The proposed payment schedule is as follows:

8.1 20% – On approval of inception report and project plan as well as the high-level context for the Guidelines based on a synthesis of desktop research and case studies.

8.2 40%– Submission of Guidelines for Private Financing initiatives for Local Authorities in Eswatini

8.3 40%– Submission of the Final Guidelines Guidelines for Private Financing initiatives for Local Authorities in Eswatini

The winning bidder will receive all relevant background information of the project upon signature of the contract

Note:

This RFP is only an invitation for Proposal, and no contractual obligation on behalf of CLGF whatsoever shall arise from the RFP process unless and until a formal contract is signed.

CLGF reserves the right to accept or reject any or all proposals received, to revise the RFP, to request clarifications or to cancel the process in part or whole.