



USAID's Khyber Pakhtunkhwa Governance (KPG) Project

Request for Proposals (RFP)

No. (KPG-PESH-18-0038)

**Development of Five years Business Plan for Water and Sanitation
Services Company Kohat (WSSCK)**

Issue Date: (May 8, 2018)

WARNING: Prospective Bidders who have received this document from a source other than the KPG Office at B of 1-E (North) Ali Plaza, 1st Floor, Jinnah Avenue, Blue area Islamabad or in electronic format at KPGProcurement@dai.com should immediately contact KPG Islamabad office and provide their name and mailing address so that amendments to the RFP or other communications can be sent directly to them. Any prospective Bidder who fails to register their interest assumes complete responsibility in the event that they do not receive communications prior to the closing date. Any amendments to this solicitation will be issued and posted to all the Bidders on their mail address or electronically.

Table of Contents

1.	Synopsis of the RFP	2
2.	Introduction and Purpose	3
2.1	Purpose.....	3
2.2	Type of Award Anticipated.....	3
3.	General Instructions to Bidders.....	3
3.1	General Instructions	3
3.2	Proposal Cover Letter	3
3.3	Questions regarding the RFP	4
4.	Instructions for the Preparation of Technical Proposals	4
4.1	Technical proposal	4
4.2	Services Specified.....	5
4.3	Technical Evaluation Criteria	5
5.	Instructions for the Preparation of Cost/Price Proposals	5
5.1	Cost/Price Proposals	5
5.2	Financial Proposal Evaluation	5
6.	Basis of Award.....	6
6.1	Best Value Determination.....	6
6.2	Responsibility Determination	6
7.	Anticipated Post-Award Deliverables	6
8.	Inspection & Acceptance	8
9.	Compliance with Terms and Conditions	8
9.1	General Terms and Conditions	8
9.2	Source and Nationality.....	8
9.3	Data Universal Numbering System (DUNS)	9
9.4	Mandatory Vetting	9
10.	Procurement Ethics	9
11.	Attachments.....	11
11.1	Attachment A: Scope of Work for Services.....	11
11.2	Attachment B: Proposal Cover Letter	15
11.3	Attachment C: Detailed Budget and Price Schedule.....	16
11.4	Attachment D: Past Performance Form	18
11.5	Attachment E: Representations and Certifications of Compliance	19
11.6	Attachment F: Proposal Checklist.....	20

1. Synopsis of the RFP

1. RFP No.	KPG-PESH-18-0038
2. Issue Date	May 8, 2018
3. Title	Development of Five years Business Plan for Water and Sanitation Services Company Kohat (WSSCK).
4. Issuing Office & Email/Physical Address for Submission of Proposals	Attn: Procurement Department, Khyber Pakhtunkhwa Governance (KPG) Project, B of 1-E (North), Ali Plaza, 1st Floor, Jinnah Avenue, Blue Area, Islamabad – Pakistan. KPGProcurement@dai.com
5. Deadline for Receipt of Questions	<p>Questions regarding the RFP should only be sent to KPGQueries@dai.com by 05:00 P.M. Pakistan Standard Time (PST) on May 11, 2018. DAI will respond to all Bidders who will submit queries on this email after closing question deadline. Questions sent on email address other than KPGQueries@dai.com will not be responded.</p> <p>Each Bidder is responsible for reading very carefully and understanding fully the terms and conditions of this RFP. All communications regarding this solicitation are to be made solely through the Issuing Office and must be submitted in writing delivered to the Issuing Office, no later than the date specified above. All questions received via email KPGQueries@dai.com will be compiled and answered in writing and distributed to all interested Bidders.</p>
6. Deadline for Receipt of Proposals	<p>The proposals (Technical & Financial) are to be submitted by 05:00 P.M. Pakistan Standard Time (PST) on May 18, 2018 electronically on KPGProcurement@dai.com or in sealed envelope at B of 1-E (North) Ali Plaza, 1st Floor, Jinnah Avenue, Blue area Islamabad, Pakistan.</p> <p>For electronic submissions at KPGProcurement@dai.com, attachment size to an email should not exceed 10MB. If the attachments are more than 10MB in size, electronic submissions should be made through multiple emails with attachment size less than 10MB in each email.</p> <p>Financial proposals opening date, time and venue will be communicated to all bidders after receipt of proposals, through an invitation to all bidders who submitted proposals.</p>
7. Point of Contact	KPGQueries@dai.com – Procurement Department
8. Anticipated Award Type	DAI anticipates issuing a Firm Fixed Price Purchase Order/Subcontract . Issuance of this RFP in no way obligates DAI to award a subcontract or purchase order and Bidders will not be reimbursed for any costs associated with the preparation of their bid.
9. Basis for Award	An award will be made based on the Trade Off Method . The award will be issued to the responsible and reasonable Bidder who provides the best value to DAI and its client using a combination of technical and cost/price factors.

2. Introduction and Purpose

2.1 Purpose

DAI, the implementer of “USAID’s Khyber Pakhtunkhwa Governance Project” invites qualified Bidders to submit technical and financial proposals for the “Development of Five years Business Plan for Water and Sanitation Services Company Kohat (WSSCK)” in support of program implementation.

The issuing office and contact person noted in the above synopsis are the sole points of contact at DAI for the purposes of this RFP. Any prospective Bidder who fails to register their interest with this office assumes complete responsibility in the event that they do not receive direct communications (amendments, answers to questions, etc.) prior to the closing date.

2.2 Type of Award Anticipated

DAI anticipates awarding a Firm Fixed Price Purchase Order/Subcontract. This award type is subject to change during the course of negotiations.

A Firm Fixed Price Purchase Order/Subcontract is: An award for a total firm fixed price for the provision of specific services, goods, or deliverables and is not adjusted if the actual costs are higher or lower than the fixed price amount. Bidders are expected to include all costs, direct and indirect, into their total proposed price.

3. General Instructions to Bidders

3.1 General Instructions

“Offeror”, “Subcontractor”, and/or “Bidder” means a firm proposing the work under this RFP. “Offer” and/or “Proposal” means the package of documents the firm submits to propose the work.

Bidders wishing to respond to this RFP must submit proposals, in English, in accordance with the following instructions. Bidders are required to review all instructions and specifications contained in this RFP. Failure to do so will be at the Bidder’s risk. If the solicitation is amended, then all terms and conditions not modified in the amendment shall remain unchanged.

Issuance of this RFP in no way obligates DAI to award a subcontract or purchase order. Bidders will not be reimbursed for any costs associated with the preparation or submission of their proposal. DAI shall in no case be responsible for liable for these costs.

The proposals (Technical & Financial) are to be submitted by **05:00 P.M. Pakistan Standard Time (PST) on May 18, 2018** electronically on KPGProcurement@dai.com or in sealed envelope at DAI KPG, B of 1-E (North) Ali Plaza, 1st Floor, Jinnah Avenue, Blue area Islamabad. Proposals submitted in hard copy or electronically (via email) should state the RFP number and the title of the activity at the right corner of the envelope or in the subject line of the email.

Late offers will be rejected except under extraordinary circumstances at DAI’s discretion. All proposals submitted in hardcopy shall be sealed and labeled with the RFP Number.

The submission to DAI of a proposal in response to this RFP will constitute an offer and indicates the Bidder’s agreement to the terms and conditions in this RFP and any attachments hereto. DAI reserves the right not to evaluate a non-responsive or incomplete proposal.

3.2 Proposal Cover Letter

A cover letter shall be included with the proposal on the Bidder’s company letterhead with a duly authorized signature and company stamp/seal using Attachment B as a template for the format. The cover letter shall include the following items:

- The Bidder will certify a validity period of **Six (06) months** for the prices provided.
- Acknowledge the solicitation amendments received.

- DUNS number and NTN Number (related documentary proof should be attached – See 8.3 for more).

3.3 Questions regarding the RFP

Each Bidder is responsible for reading and complying with the terms and conditions of this RFP. Requests for clarification or additional information must be submitted in writing via email or in writing to the issuing office as specified in the synopsis above. No questions will be answered by phone. Any verbal information received from a DAI or KPG employee or other entity shall not be considered as an official response to any question regarding this RFP.

Copies of questions and responses will be distributed in writing to all prospective bidders who are on record as having received this RFP after the submission date specified in the Synopsis above.

4. Instructions for the Preparation of Technical Proposals

Technical proposals shall be sealed in a separate envelope from cost/price proposals, and shall be clearly labeled as “VOLUME I: TECHNICAL PROPOSAL – RFP Number and Title”. For electronic submission through email, please mention the following in subject line “VOLUME I: TECHNICAL PROPOSAL – RFP Number and Title”.

4.1 Technical proposal

Technical proposals shall include the following contents:

- A. Technical Approach** – The technical approach should be a maximum of 5 pages, which should include: (1) how the Bidder plans to deliver the Scope of Work (Attachment A); (2) a work plan outlining how the Bidder is going to provide specified services within proposed timelines; (3) CVs or relevant experiences of key staff positions for this assignment.
- B. Management approach** – The management approach should provide the number and type of staff the Bidder plans to assign to this assignment. The Bidder should highlight the relevant qualifications along with experience of each staff assigned for this business development plan.
- C. Past Performance** – This section should include details of at least three (03) recent awards of similar scope and duration. The information shall be supplied as a table, and shall include the legal name and address of the organization for which services were performed, a description of work performed, the duration of the work, the value of the contract, description of any problems encountered and how it was resolved, and a current contact phone number of a responsible and knowledgeable representative of the organization. See Attachment D.

In addition to meeting the Scope of Work / Technical Specifications listed in Attachment A, Bidders are required to meet or exceed the non-cost factors listed below:

1. Bidder must possess at least five years of relevant in-country experience, preferably assignments completed in KP Province.
2. Bidder must have supplied similar related services to USAID or other donors such as DFID, EU, GIZ, and UN etc. in the last three years.
3. Bidder must submit at least three references preferably of similar nature of services especially under a donor funded project.
4. Bidder must have documented ability to meet required delivery time lines, as demonstrated through reference letters from prior clients.
5. Bidder must have required business licenses to operate in the host country. Income/Sales tax registrations with valid FBR certificates and any other relevant department registration that apply to provide the required services.

4.2 Services Specified

For this RFP, DAI is in need of services described in Attachment A (Scope of Work for Services) and Attachment C (Price Schedule).

4.3 Technical Evaluation Criteria

Each proposal will be evaluated and scored against the evaluation criteria and evaluation sub-criteria, which are stated in the table below. Cost/ Price proposals are not assigned points, but for overall evaluation purposes of this RFP, technical evaluation factors other than price, when combined, are considered "significantly more important than" cost/price factors.

All proposals received will be evaluated against the evaluation criteria and scored. The technical score will determine if they are qualified or not. In the event that DAI decides to hold a Competitive Range under this procurement, the minimum qualifying score shall be **60 points**.

Technical Evaluation Criteria

Evaluation Criteria	Evaluation Sub-criteria (if needed)	Maximum Points
Technical Approach	See Section 4.1.A	50 points
Management Approach	See Section 4.1.B	20 points
Past Performance	See Section 4.1.C	30 points
Total Points		100 points

5. Instructions for the Preparation of Cost/Price Proposals

5.1 Cost/Price Proposals

Cost/Price proposals shall be sealed in a separate envelope from technical proposals, and shall be clearly labeled as "VOLUME II: COST/PRICE PROPOSAL – RFP Number and Title". For electronic submission through email, please mention the following in subject line "VOLUME II: COST/PRICE PROPOSAL – RFP Number and Title".

Descriptions for cost should include details of how those costs are comprised, including costs for labor, transportation, printing, communications, etc. Please be as specific as possible, and provide a budget narrative/separate budget template if necessary.

It is important to note that General Sales Tax on provision of Services is to be included on a separate line, if applicable. DAI will deduct the withholding tax as per applicable rules and laws of Pakistan. The Bidder is responsible for all applicable taxes and fees, as prescribed under the applicable laws for income, compensation, permits, licenses, and other taxes and fees due as required.

5.2 Financial Proposal Evaluation

- 1) Financial Proposal evaluation will be conducted by DAI. The Price evaluation will include all labor costs, transportation, lodging, duties, taxes and all other relevant expenses required to perform the Scope of Work.
 - o In cases of discrepancy between the cost/price quoted in Words and in Figures, the lower of the two will be considered.
 - o In evaluation of the price of equipment and services which are subject to excise duty, sales tax, income tax or any other tax or duty levied by the Government, the price will be shown separately on proposal.
- 2) DAI will not be responsible for any erroneous calculation of tax rates or any subsequent changes in rates or structure of applicable taxes. All differences arising out as above shall be fully borne by the Successful Bidder.
- 3) Financial proposal should include budget notes and other relevant details.

Bidders should include General Sales Tax (GST), (if applicable) as separate line item on the proposal. **KPG will provide GST and customs exemption certificate issued by Economics Affairs Division (EAD), instead of money for GST and customs amount to the successful bidder, in compliance**

with the Pakistan Enhanced Partnership Agreement (PEPA) between Islamic Republic of Pakistan and United States of America. USAID is exempted of paying GST and customs on all purchases. In addition, Bidders are expected to include the expenses for logistics i.e. accommodation, transportation and other related expenses in the Financial Proposal.

6. Basis of Award

6.1 Best Value Determination

DAI will review all proposals, and make an award based on the technical and cost evaluation criteria stated above, and select the Bidder whose proposal provides the best value to DAI. DAI may also exclude an offer from consideration if it determines that a Bidder is "not responsible", i.e., that it does not have the management and financial capabilities required to perform the work required.

Evaluation points will not be awarded for cost. Cost will primarily be evaluated for realism and reasonableness. DAI may award to a higher priced Bidder if a determination is made that the higher technical evaluation of that Bidder merits the additional cost/price.

DAI may award to a Bidder without discussions. Therefore the initial offer **must contain the Bidder's best price and technical terms.**

6.2 Responsibility Determination

DAI will not enter into any type of agreement with a Bidder prior to ensuring the Bidder's responsibility. When assessing a Bidder's responsibility, the following factors are taken into consideration:

- 1) Provide copies of the required business licenses to operate in the host country (Pakistan) including company registration with relevant authorities, Income/Sales tax registrations with valid FBR certificates.
- 2) The source, origin and nationality of the products or services are not from a Prohibited Country (explained below at **Section 9.2**).
- 3) Complete profile of the organization.
- 4) Having adequate financial resources to finance and perform the work or deliver services or the ability to obtain financial resources without receiving advance funds from DAI.
- 5) Ability to comply with required or proposed delivery or performance schedules.
- 6) Have a satisfactory past performance record, evidence of services completion note of similar nature assignment preferably under USAID funded projects.
- 7) Have a satisfactory record of integrity and business ethics.
- 8) Have the necessary organization, experience, accounting and operational controls and technical skills.
- 9) Submission of undertaking that the firm is not blacklisted by any of Provincial or Federal Government Department, Agency, Organization or autonomous body or Private in full compliance of the execution schedule and delivery period mentioned in proposal document.
- 10) Be qualified and eligible to perform work under applicable laws and regulations.

Note: Verifiable documentary proof for all above requirements and criteria points are mandatory requirement and marks will be awarded on the basis of these verifiable proofs.

7. Anticipated Post-Award Deliverables

Upon award of a subcontract or purchase order, the deliverables and deadlines detailed in the below table will be submitted to DAI. The Bidder should provide proposed costs per deliverable in the Price Schedule. All of the deliverables outlined in the table below must be submitted to and approved by DAI before payment processing. The deliverable must be verified by the grantee. To save time all the below given activities will carried out simultaneously/side by side within stipulated time period.

S. No.	Tasks	Description	Working Days
1	Description of the WSSCK (current status), Vision statement, Mission objectives and Strategic priorities	The firm is expected to describe the current status of the company in accordance with the Vision statement, Mission objectives and Strategic priorities and in case of absence of the above formulate and describe the above. Submitted for WSSCK review and clearance for payment	10 days
2	SWOT Analysis (Submission and approval of draft and final analysis report)	Submit a Strength, Weaknesses, Opportunities and Threats analysis (draft) for review to WSSCK – The Company after incorporation of their proposed changes will approve the strategy for release of payment. The vendor submit a Strength, Weaknesses, Opportunities and Threats analysis (final version) and will hold a final presentation on the same to WSSCK and other stakeholders. WSSCK will approve the final version for clearance of payment.	15 days
3	Gap analysis in implementation plan of Services and business development (Submission and approval of draft and final analysis report)	The draft Gap analysis in implementation plan of Services and business development is submitted for WSSCK review/recommendations and release of payment.	15 days
4	Service or Performance Improvement Plan (Submission and approval of draft and final plan)	The final Service or Performance Improvement Plan is submitted to WSSCK review and final presentation to stakeholders. WSSCK approved the final version for release of payment.	5 days
5	Plan for Capacity building trainings for Human Resources (Submission and approval of draft and final plan)	Plan for Capacity building trainings for Human Resources (draft) prepared and submitted to WSSC Kohat for their recommendation. A final presentation given on the plan and recommendations incorporated. The vendor submitted and approved by the WSSC Kohat for release of payment.	25 days
6	Model Business Plan for the Company (Submission and approval of draft and final plan)	Model Business Plan for the Company (draft) prepared, shared with WSSC Kohat for their input/recommendations. Model Business Plan for the Company (Final) version prepared and presented to all stakeholders – Approved by the WSSC Kohat for release of payment.	27 days

S. No.	Tasks	Description	Working Days
7	Budget forecast (for 5 years planning period) (Submission and approval of draft and final budget forecast)	After submission and approval of draft copy of Budget forecast, for the 5 years planning period (Revenues: like e.g. water users fees, projects, grants and various contributions; and Expenses: like e.g. permanently employed and supporting staff, rent and utilities, offices supplies) for five years at minimum (final) version submitted to WSSC-Kohat and KPG. A presentation given on the final version to all stakeholders' and recommendations from the stakeholders' incorporated in the final version- And then submitted for final approval to WSSCK.	20 days
8	Staffing Plan (Submission and approval of draft and final plan)	After the approval of draft/proposed Staffing plan, a final version prepared and submitted to WSSCK and KPG. After WSSCK review a final presentation held wherein all stakeholders participated and gave their recommendations. WSSC Kohat given clearance for release of payment on submission of final agreed version.	15 days
9	Final Completion Report of the project.	Final Completion Report of the project submitted and approved by WSSCK for release of payment..	5 days

8. Inspection & Acceptance

The designated DAI Project Manager will inspect from time to time, the services being performed to determine whether the activities are being performed in a satisfactory manner, and that all services are of acceptable quality and standards. The Bidder shall be responsible for any counter-measures or corrective action, within the scope of this RFP, which may be required by the DAI Chief of Party as a result of such inspection.

9. Compliance with Terms and Conditions

9.1 General Terms and Conditions

Bidders agree to comply with the general terms and conditions for an award resulting from this RFP. The selected Bidder shall comply with all Representations and Certifications of Compliance listed in Attachment E.

9.2 Source and Nationality

Under the authorized geographic code for its contract DAI may only procure services from the following countries.

Geographic Code 937: Goods and services from the United States, the cooperating country, and "Developing Countries" other than "Advanced Developing Countries: excluding prohibited countries. A list of the "Developing Countries" as well as "Advanced Developing Countries" can be found at: <https://www.usaid.gov/sites/default/files/documents/1876/310maa.pdf> and <https://www.usaid.gov/sites/default/files/documents/1876/310mab.pdf> respectively.

DAI must verify the source and nationality of goods and services and ensure (to the fullest extent possible) that DAI does not procure any goods or services from prohibited countries listed by the Office of Foreign Assets Control (OFAC) as sanctioned countries. OFAC sanctioned countries may be searched within the System for Award Management (SAM) at www.SAM.gov. The current list of countries under comprehensive sanctions include: **Cuba, Iran, North Korea, Sudan, and Syria**. Goods may not transit through or be assembled in comprehensive sanctioned origin or nationality countries nor can the vendor be owned or controlled by a prohibited country. DAI is prohibited from facilitating any transaction by a third party if that transaction would be prohibited if performed by DAI.

By submitting a proposal in response to this RFP, Bidders confirm that they are not violating the Source and Nationality requirements of the goods or services being offered and that the goods and services comply with the Geographic Code and the exclusions for prohibited countries outlined above.

9.3 Data Universal Numbering System (DUNS)

There is a **mandatory** requirement for your organization to provide a DUNS number to DAI. The Data Universal Numbering System is a system developed and regulated by Dun & Bradstreet (D&B) that assigns a unique numeric identifier, referred to as a "DUNS number" to a single business entity. Without a DUNS number, DAI cannot deem a Bidder "responsible" to conduct business with and therefore, DAI will not enter into a subcontract/purchase order or monetary agreement with any organization. The determination of a successful Bidder/applicant resulting from this RFP/RFQ/RFA is contingent upon the winner providing a DUNS number to DAI. Bidders who fail to provide a DUNS number will not receive an award and DAI will select an alternate Bidder.

All U.S. and foreign organizations which receive first-tier subcontracts/ purchase orders with a value of **US\$30,000** and above **are required** to obtain a DUNS number prior to signing of the agreement. Organizations are exempt from this requirement if the gross income received from all sources in the previous tax year was under \$300,000. DAI requires that Bidders sign the self-certification statement if the Bidder claims exemption for this reason.

For those required to obtain a DUNS number, please email KPGQueries@dai.com for "**Instructions for Obtaining a DUNS Number - DAI'S Vendors, Subcontractors.**"

For those not required to obtain a DUNS number, please email KPGQueries@dai.com for the "**Self Certification for Exemption from DUNS Requirement**" form.

9.4 Mandatory Vetting

Pursuant to AIDAR 752.204-71, all recipients of DAI Pakistan awards above **US\$25,000** must comply with vetting requirements of all key individuals under the given award. No cash or in-kind disbursements will be provided until the recipient organization and all key individual(s) under the organization have passed vetting. The purpose of vetting is to mitigate the risk that USAID funds and other resources do not, even inadvertently provide support or benefit individual or entities that are terrorists, supporters of terrorists or affiliated with terrorists. **The selected vendor will provide information and documents for Partner Identification Form (PIF); Scan copies of the registration of business, form-A/Form-29/Partnership deed etc. (whichever is applicable based on business registration) and scan copies of CNIC/Passport of Key individuals.**

10. Procurement Ethics

Neither payment nor preference shall be made by either the Bidder, or by any DAI staff, in an attempt to affect the results of the award. DAI treats all reports of possible fraud/abuse very seriously. Acts of fraud or corruption will not be tolerated, and DAI employees and/or subcontractors/grantees/vendors who engage in such activities will face serious consequences. Any such practice constitutes an unethical, illegal, and corrupt practice and either the Bidder or the DAI staff may report violations to the **Toll-Free Ethics and Compliance Anonymous Hotline at +1 855-603-6987, via the DAI website, or via email to ethics@dai.com**. DAI ensures anonymity and an unbiased, serious review and treatment of the information provided. Such practice may result in the cancellation of the procurement and disqualification of the Bidder's participation in this, and future, procurements. Violators will be reported to USAID, and as a result, may be reported to the U.S. Department of Justice to be included in a Restricted Parties list, preventing them from participating in future U.S. Government business.

USAID/Pakistan has, in cooperation with the USAID Office of Inspector General, established the Anti-Fraud Hotline to provide an avenue for the reporting of fraud, waste, and abuse which may be associated with USAID funded projects in Pakistan. Complaints are handled with complete confidentiality and individuals are encouraged to report when corruption, fraud, waste or abuse may exist in the USAID/Pakistan projects. **Reports can be filed anonymously via the easy-to-use Hotline (toll free number 0800 84700); e-mail at complaints@anti-fraudhotline.com ; fax at 021-35390410; postal**

address at 5-C, 2nd Floor Khayban-e-Ittehad, Phase VII, DHA, Karachi, Pakistan; and on the website www.anti-fraudhotline.com.”

Bidders must provide full, accurate and complete information in response to this solicitation. The penalty for materially false responses is prescribed in Section 1001 of Title 18 of the United States Code.

In addition, DAI takes the payment of USAID funds to pay Terrorists, or groups supporting Terrorists, or other parties in exchange for protection very seriously. Should the Terrorist, groups or other parties attempt to extort/demand payment from your organization you are asked to immediately report the incident to DAI's Ethics and Compliance Anonymous Hotline at the contacts described in this clause.

By submitting a Bidder, Bidders certify that they have not/will not attempt to bribe or make any payments to DAI employees in return for preference, nor have any payments with Terrorists, or groups supporting Terrorists, been attempted.

11. Attachments

11.1 Attachment A: Scope of Work for Services

Development of a Business Plan for Water and Sanitation Services Company Kohat (WSSCK)

BACKGROUND

After successfully delivering drinking water, drainage, sewerage and solid waste management services in urban areas of Peshawar through an integrated approach of public company called Water and sanitation Services Peshawar, the Government of Khyber Pakhtunkhwa has now established similar companies in the other six divisional headquarters (including Kohat) of KP Province. The aim is to amalgamate all such functions, previously provided by different government entities and departments under one corporate entity thus improving their overall efficiency and effectiveness. Although the Water Supply and Sanitation Services Company Kohat (WSSCK) is a new entity it needs support in establishing its base for operations. The KP Government has already established a Board of Directors to provide policy guidance and hired a full time Chief Executive to run the day to day affairs of the company. In addition, the Government has provided an initial grant of Rs. 15 million to WSSCK to establish an office in Kohat, procure some machinery and meet its recurrent cost of salaries, office rent and other operational expenses. Recruitment of initial key staff has been carried out and an MOU with the Kohat Tehsil Municipal Administration and Kohat Development Authority (KDA) to take over their relevant operational staff and any equipment which is for the purpose of Water Supply and Sanitation is in process, which will shift the responsibilities of TMA to WSSCK Kohat.

Khyber Pakhtunkhwa Governance (KPG) Project via grant number G-Pes-030 also supported the entity by providing office equipment, office furniture, IT server and generator to enhance their operational efficiency. Now, while the company is up and has started its operations in the urban area of Kohat, WSSCK has requested for KPG assistance in some areas including development of business plan. This will help provide basis for the financial stability of WSSCK.

The business plan will lead activities that support the WSSCK Kohat initiatives linked to water and Sanitation Services and proactively engage with a wide range of partners, to discover and develop innovations and devise intervention strategies and business models for delivering effective, affordable and sustainable Water Sanitation Services (WSS) solutions in the city of Kohat. The initiative will contribute significantly to achieving the already adopted Sustainable Development Goals (SDG) 6: for clean water and sanitation to all, and other national commitments by the GoP.

KPG Project is seeking to contract a suitably qualified and experienced firm to undertake work associated with the business plan for WSSCK. The purpose of this Terms of Reference (TOR) is to solicit competitive proposals for the services advertised.

In order to achieve this Water and Sanitation Services Company Kohat has requested Khyber Pakhtunkhwa Governance Project (KPGP) to prepare a Business Plan for the company. Preparation of the Business Plan (BP) is considered as an absolutely necessary step in strengthening the WSSCK. During preparation of the BP, WSSCK will be forced to take a critical look at their business activities, to document the actions to be taken as commitments for improvement of the company overall performance and effectiveness and to communicate their ideas to others. The Business Plan should provide the basis for the financial stability and make rational and coordinated decisions about levels and types of programs and activities. It is envisaged that an RFA process will be used to select firm to develop BP.

The expected outcome is completed Business Plan for the WSSCK. Each Business Plan will undergo quality assessment by an expert/section head of the WSSCK.

The following TOR specifies the work needed under this project.

OBJECTIVE

The overall objective of this assignment is to develop a five year Business Plan for the Water and Sanitation Services Company Kohat in a very structured, objective and quantifiable way. The specific objectives of the assignments are to:

Devise a Strategy for Business Plan so that the Water and Sanitation Company can be made self-sustainable in the long run. The key information of the present senior and the recurring expenditure will be studied and efforts will be made to reduce the Operational Cost and increase the income of the company through the enrollment of consumers into the billing net of the Company. Guidance will be provided to manage the company assets, increase the income of Company, and improve the service of the Company. Strategy will be devised to improve the Endowment Fund of company which can be utilized for the welfare of workers and improvement of infrastructure. In such a case, sustainability equates directly with financial independence, enabling them to freely reflect and represent the interests of their members.

- Increase the Service Level of Company and improve the Image of WSSC Kohat in addition to the improvement of financial reserves of the company.
- Devise mechanism to develop a **Business Model** which can measure the Financial Status of company after the expenditure on specific sector like, infrastructure, development of IT based billing section, reduction of recurring expenditure, image boosting etc. and
- Improve the quality of service and better management of machinery and money to generate good result socially and economically for the consumers and company.

SCOPE OF WORK

Keeping in view the above objective of the companies the following Scope of Work is framed for improvement of Business of the WSSC Kohat.

1. Study of **Vision and Mission** of the Company
2. Study of **actual ground condition** from the **basic information** provided.
3. Provide a **SWOT Analysis** and discussion on threats and opportunities can be made with team and Executive so that Opportunities can be utilized to improve financial status of the company.
4. Provide a **Gap analysis in implementation plan of Services and business development** by involving the Board of Directors and executives of WSSC Kohat to get the outcome which will help to overcome these Gaps etc.
5. **Service or Performance Improvement Plan** should be devised keeping in view the available assets and resources that should be attractive by using IRR, NPV and CBR techniques and for short term and long term development plan.
6. **Communication Strategy** and implementation plan that should attract general Public to register with WSSC Kohat and show importance of consumers in the eye of the Company. (Note: separate TORs attached for communication strategy and implementation plan).
7. Plan **Capacity building trainings for Human Resources** to improve services and manage operations effectively with less recurring cost.
8. Keeping in view the available assets and resources of WSSC Kohat, prepare the **Model for Business Plan for the Company** so that activities and Operations can be streamlined to improve the financial figures of WSSC Kohat.
9. Budget forecast, for the 5 years planning period

EXPECTED DELIVERABLES

The firm shall provide a business plan document with the correspondent budget tables in hard and soft copy. Business plan should, inter alia, consist of the following segments:

- Description of the current status of WSSCK, Vision statement, Mission objectives and Strategic priorities
- **SWOT Analysis.**
- **Gap analysis in implementation plan of Services and business development.**
- **Service or Performance Improvement Plan.**
- **Communication Strategy and implementation plan.**
- Plan for **Capacity building trainings for Human Resources.**
- **Model Business Plan for the Company.**
- Budget forecast, for the 5 years planning period (Revenues: e.g. water users fees, projects, grants and various contributions; and Expenses: e.g. permanently employed and supporting staff, rent and utilities, offices supplies) for five years at minimum.
- Operational implementation plan / action plans.
- Staffing plan.
- Final Completion Report of the project.

Methodology of the Assignment

The Business Plan will be developed by adopting the following methodology:

- Literature review
- Consultations with relevant stakeholders, WSSCK, board of directors and beneficiaries.
- Designing of the Business Plan in consultation with the grantee and relevant stakeholders.
- Primary and secondary data collection within quantitative and qualitative framework.
- Analyze the data.
- Ensure that lessons learned, problems and good practices are documented throughout the process inception report with the final report.
- Drafting report with relevant information and factsheet and ensure that they are of good quality.
- A presentation kit of main results highlighting important analysis and trends.
- Incorporating feedback and finalization of final report.
- In consultation with the B&M section of KPG Project, ensure the USAID Branding and Marking policy on all the products.

Milestones:

All milestones will be reviewed by the concerned section head or any nominee of the CEO and after signing/verification by the CEO send to KPG for release of payment.

QUALIFICATIONS AND WORK EXPERIENCE

It is expected that the firm that will develop a Business Plan, shall provide following expertise:

- All the individuals in the firm dedicated for the BP should possess at least a Master's degree in Business Administration, Management or a related discipline.
- Working experience / knowledge of Water and Sanitation Services companies, and in-depth understanding of their organizational structure, functioning and role.
- Experience in developing business plans and strategic action plans.
- Excellent command, written and spoken, of both English and language of the target district.

11.2 Attachment B: Proposal Cover Letter

[On Firm's Letterhead]

<Insert date>

TO: DAI Pakistan (Pvt.) Ltd

We, the undersigned, provide the attached proposal in accordance with **RFP- No. KPG-PESH-18-38** issued on **May 8, 2018**. Our attached proposal is for the total price of <Sum in Words _____ (PKR 0.00 _____Sum in Figures) >.

I certify a validity period of **Six (06) Months** for the prices provided in the attached Price Schedule. Our proposal shall be binding upon us subject to the modifications resulting from any discussions.

Bidder shall verify here the items specified in this RFP document.

We understand that DAI is not bound to accept any proposal it receives.

Yours sincerely,

Authorized Signature: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

Telephone: _____

Email: _____

NTN No. _____

DUNS: _____

Company Seal/Stamp: _____

11.3 Attachment C: Detailed Budget and Price Schedule

	BUDGET LINE	DETAIL TO BUDGET LINE	UNIT TYPE	UNITS	UNIT COST	TOTAL BUDGET (PKR)	REFERENCE NO. FOR THE SUPPORTING DOCUMENT	JUSTIFICATION / REMARKS / COMMENTS
	Labor							
1.1								
1.2								
1.3								
1.4								
	Subtotal - Labor							
2	Program Cost							
2.1								
2.1.1								
2.1.2								
2.1.3								
2.1.4								
2.7.1								
2.13								
	Subtotal - Program Cost							
3	In-direct / Administrative Expense							
3.1								
3.2								
3.3								
	Subtotal - In-direct / Administrative Expense							
	Total Budget							

Please submit the Price Schedule in the following format:

S. No.	Tasks	Payment to be disbursed as	Price (PKR)
1	Description of the WSSCK (current status), Vision statement, Mission objectives and Strategic priorities	10% of the award amount	
2	SWOT Analysis (Submission and approval of draft and final analysis report)	15% of the award amount	
3	Gap analysis in implementation plan of Services and business development (Submission and approval of draft and final analysis report)	10% of the award amount	
4	Service or Performance Improvement Plan (Submission and approval of draft and final plan)	5% of the award amount	
5	Plan for Capacity building trainings for Human Resources (Submission and approval of draft and final plan)	15% of the award amount	
6	Model Business Plan for the Company (Submission and approval of draft and final plan)	15% of the award amount	
7	Budget forecast (for 5 years planning period) (Submission and approval of draft and final budget forecast)	15% of the award amount	
8	Staffing Plan (Submission and approval of draft and final plan)	10% of the award amount	
9	Final Completion Report of the project.	5% of the award amount	
TOTAL IN PKR WITHOUT GST			
Add GST @ 15% (if GST Registered with KPRA)			
GRAND TOTAL IN PKR WITH GST			

Note:

- KPG will release funds to vendor as per above price schedule.
- Please provide budget notes and cost breakup supporting above price schedule.
- KPG will require the bidder to provide justification explaining what, why who, when and where for each of the budget line and provide relevant/valid supporting document to confirm and validate unit rates i.e. contract copies for labor budgeted, quotes for supplies/services for each of the budget line (from record or collect fresh).

11.4 Attachment D: Past Performance Form

Include projects that best illustrate your work experience relevant to this RFP, sorted by decreasing order of completion date.

Projects should have been undertaken in the past three years. Projects undertaken in the past five years may be taken into consideration at the discretion of the evaluation committee.

#	Project Title	Description of Activities	Location Province/District	Client Name/Tel No	Cost in PKR (or USD)	Start-End Dates	Completed on schedule (Yes/No)	Completion Letter Received? (Yes/No)	Type of Agreement, Subcontract, Grant, PO (fixed price, cost reimbursable)
1									
2									
3									
4									
5									

11.5 Attachment E: Representations and Certifications of Compliance

1. Federal Excluded Parties List - The Bidder Select is not presently debarred, suspended, or determined ineligible for an award of a contract by any Federal agency.
2. Executive Compensation Certification- FAR 52.204-10 requires DAI, as prime contractor of U.S. federal government contracts, to report compensation levels of the five most highly compensated subcontractor executives to the Federal Funding Accountability and Transparency Act Sub-Award Report System (FSRS)
3. Executive Order on Terrorism Financing- The Contractor is reminded that U.S. Executive Orders and U.S. law prohibits transactions with, and the provision of resources and support to, individuals and organizations associated with terrorism. It is the legal responsibility of the Contractor/Recipient to ensure compliance with these Executive Orders and laws. Recipients may not engage with, or provide resources or support to, individuals and organizations associated with terrorism. No support or resources may be provided to individuals or entities that appear on the Specially Designated Nationals and Blocked persons List maintained by the US Treasury (online at www.SAM.gov) or the United Nations Security Designation List (online at: http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml). This provision must be included in all subcontracts/sub awards issued under this Contract.
4. Trafficking of Persons – The Contractor may not traffic in persons (as defined in the Protocol to Prevent, Suppress, and Punish Trafficking of persons, especially Women and Children, supplementing the UN Convention against Transnational Organized Crime), procure commercial sex, and use forced labor during the period of this award.
5. Certification and Disclosure Regarding Payment to Influence Certain Federal Transactions – The Bidder certifies that it currently is and will remain in compliance with FAR 52.203-11, Certification and Disclosure Regarding Payment to Influence Certain Federal Transactions.
6. Organizational Conflict of Interest – The Bidder certifies that will comply FAR Part 9.5, Organizational Conflict of Interest. The Bidder certifies that is not aware of any information bearing on the existence of any potential organizational conflict of interest. The Bidder further certifies that if the Bidder becomes aware of information bearing on whether a potential conflict may exist, that Bidder shall immediately provide DAI with a disclosure statement describing this information.
7. Prohibition of Segregated Facilities - The Bidder certifies that it is compliant with FAR 52.222-21, Prohibition of Segregated Facilities.
8. Equal Opportunity – The Bidder certifies that it does not discriminate against any employee or applicant for employment because of age, sex, religion, handicap, race, creed, color or national origin.
9. Labor Laws – The Bidder certifies that it is in compliance with all labor laws...
10. Federal Acquisition Regulation (FAR) – The Bidder certifies that it is familiar with the Federal Acquisition Regulation (FAR) and is in not in violation of any certifications required in the applicable clauses of the FAR, including but not limited to certifications regarding lobbying, kickbacks, equal employment opportunity, affirmation action, and payments to influence Federal transactions.
11. Employee Compliance – The Bidder warrants that it will require all employees, entities and individuals providing services in connection with the performance of a DAI Purchase Order to comply with the provisions of the resulting Purchase Order and with all Federal, State, and local laws and regulations in connection with the work associated therein.

By submitting a proposal, Bidders agree to fully comply with the terms and conditions above and all applicable U.S. federal government clauses included herein, and will be asked to sign these Representations and Certifications upon award.

11.6 Attachment F: Proposal Checklist

Bidder:

Have you?

Submitted your proposal to DAI in a sealed envelope to the address (electronic or mailing) as specified in General Instructions above?

Does your proposal include the following?

- Signed Cover Letter (*use template in Attachment B*) – *Mandatory*
- Separate Technical and Cost proposals individually sealed and labeled as Volume I and Volume II respectfully. - *Mandatory*
- Proposal of the Product or Service that meets the technical requirements as per Attachment A and Attachment C. - *Mandatory*
- Past Performance (*use template in Attachment D*) - *Mandatory*
- Complete profile of Organization
- Documents and information as per responsibility determination requirements.