



**REQUEST FOR PROPOSAL (RFP)**

**FOR**

**ENGINEERING, PROCUREMENT, CONSTRUCTION, FINANCE,  
OPERATIONS AND MAINTENANCE**

**OF**

**RAWALPINDI RING ROAD**

**UNDER**

**DESIGN, BUILD, FINANCE, OPERATE AND TRANSFER MODEL**

**(Volume – I), 2021**

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## DISCLAIMER

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This request for proposal (the **RFP**) has been prepared by the Lahore Ring Road Authority (**the Authority**), which was formed under the Lahore Ring Road Authority Act, 2011. This RFP is provided to the Bidders solely for use in preparing and submitting Bids in connection with the competitive bidding process to design, build, finance, operate, own and transfer the Project under PPP mode for a term of the Concession Period. This invitation to bid constitutes no form of commitment on the part of the Authority to enter into any arrangements with any person/entity. Authority reserves the right to withdraw from the process or any part thereof or to vary any of its terms at any time without giving any reason whatsoever. No financial or other obligation, whatsoever shall accrue to Authority in such an event. The information contained in this RFP and attached volumes or subsequently provided to Bidders, whether verbally or in documentary or any other form by or on behalf of Authority or any of its employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

The evaluation criteria were determined by Authority, Government of Punjab in collaboration with the PPP Cell in the Planning & Development Department and the RMU Unit in the Finance Department, Government of Punjab. Neither any of these entities, nor their consultants, advisors (including the transaction advisor), employees, personnel, agents, make any representation (expressed or implied) or warranties as to the accuracy or completeness of the information contained herein, or in any other document made available to a person in connection with the tender process for the Project and the same shall have no liability for this RFP or for any other written or oral communication transmitted to the recipient in the course of the recipient's evaluation of the Project. Neither any of these entities, nor their employees, personnel, agents, consultants, advisors and contractors etc. will be liable to reimburse or compensate the recipient for any costs, fees, damages or expenses incurred by the recipient in evaluating or acting upon this RFP or otherwise in connection with the Project as contemplated herein.

This RFP is not an agreement; its sole purpose is to provide interested parties with information that may be useful to them in making their offers (bids/proposals) pursuant to this RFP. This RFP includes statements, which reflect various assumptions and assessments arrived at by Authority in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Bidder may require. This RFP may not be appropriate for all persons, and it is not possible for Authority, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party, which reads or uses this RFP.

The assumptions, assessments, statements and information contained in the RFP, especially the **Volume III – Detailed Project Report**, may not be complete, accurate, adequate or correct for the purposes of Bidders. Authority or any of its advisors has no liability for any statements, opinions or information provided in the RFP. Each Bidder should, therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this RFP. The Bidders are required to undertake their independent assessment and to seek independent professional advice on any or all aspects of the RFP. No decision should be based solely on the basis of the information provided by the RFP.

Authority expressly disavow any obligation or duty (whether in contract, tort or otherwise) to any Bidder. No Bidder is entitled to rely on Authority's involvement in the preparation of this RFP or in the solicitation process as a basis for preparing the Bid or developing the Project.

All information submitted in response to the RFP becomes the property of Authority and Authority does not accept any responsibility for maintaining the confidentiality of the material including any trade secrets or proprietary data submitted to Authority. The Bids submitted in response to the RFP by any of the Bidders shall be upon the full understanding and agreement of any and all terms of the RFP and such submission shall be deemed as an acceptance to all the terms and conditions stated in the RFP. Any Bids in response to the RFP submitted by any of the Bidder shall be construed based on the understanding that the Bidder has done a complete and careful examination of the RFP and has independently verified all the information received (whether written or oral) from the Government of Punjab (including from its employees, personnel, agents, consultants, advisors and contractors etc.)

In submitting a proposal in response to this RFP, each Bidder certifies that it understands, accepts and agrees to the disclaimers set forth above. Nothing contained in any other provision of the RFP nor any statements made orally or in writing by any person or party shall have the effect of negating or suspending any of the disclaimers set forth in this disclaimer.

**ABBREVIATIONS**

<b>Authority</b>	Lahore Ring Road Authority
<b>BOEC</b>	Bid Opening and Evaluation Committee
<b>CV</b>	Curriculum Vitae
<b>GoPb</b>	Government of the Punjab
<b>M-1</b>	An east-west motorway in Pakistan, connecting Peshawar to Islamabad–Rawalpindi.
<b>M-2</b>	A north–south motorway in Pakistan, connecting Rawalpindi/Islamabad to Lahore.
<b>N-5</b>	National Highway 5 is a highway in Pakistan, which extends Karachi to Torkham
<b>NESPAK</b>	National Engineering Services Pakistan (Pvt.) Limited
<b>PEC</b>	Pakistan Engineering Council
<b>PKR</b>	Pakistan Rupees
<b>ROW</b>	Right of Way
<b>RFP</b>	Request for Proposal
<b>SBP</b>	State Bank of Pakistan
<b>SPV</b>	Special Purpose Vehicle

## DEFINITIONS

<b>BENCHMARK TOLL REVENUE</b>	The benchmark toll revenues set out in <b>FORM 11(BENCHMARK TOLL REVENUES IN (PKR))</b> .
<b>BID</b>	A bid submitted by a Bidder in response to this RFP (as amended, supplemented, clarified and/or restated from time to time) and containing Pre-qualification, Technical and Financial Proposals.
<b>BID SECURITY</b>	The security deposit that a Bidder must provide, in the form of a financial guarantee issued by a scheduled commercial bank operating in Pakistan acceptable to the Authority (with a minimum long term credit rating of 'A+ and above-' according to the PACRA rating scale for financial institutions), in form and substance as attached hereto as <b>FORM 2 FORMAT OF BID SECURITY</b> and in the amounts and conditions specified in Section 4.4 ( <i>Bid Security</i> ) of <b>SECTION A</b> , it being clarified that the Bid Security shall not be in the form of an insurance or corporate guarantee.
<b>BID VALIDITY PERIOD</b>	The period of one hundred eighty (180) days starting from the Bid Submission Deadline.
<b>BIDDER</b>	An entity, firm, joint venture or consortium that submits a Bid for the Project based on this RFP and its criteria.
<b>BIDDING PROCESS</b>	The entire process commencing from issuance of RFP until signing of Concession Agreement with the Concessionaire.
<b>BID SUBMISSION DATE</b>	The date on or before which proposals can be submitted as described in the Letter of Invitation.
<b>CONCESSION</b>	The concession to be granted to the Concessionaire by Authority in terms of the Concession Agreement, as described in Section 3.7 of this RFP.
<b>CONCESSION AGREEMENT</b>	The formal draft agreement governing the

	proposed relationship between Authority and the Concessionaire that is substantially based on the attached “ <b>VOLUME II – DRAFT CONCESSION AGREEMENT</b> ” of this RFP.
<b>CONCESSIONAIRE</b>	The entity that shall enter into the Concession Agreement in accordance with this RFP for implementation of the Project.
<b>ESTIMATED TIMETABLE</b>	The estimated timetable set out in Section 2.1.
<b>LETTER OF INTENT</b>	Shall bear the meaning ascribed it in Section 7.1 of the RFP.
<b>LRRA</b>	The Lahore Ring Road Authority, established pursuant to the LRRA Act.
<b>LRRA ACT</b>	The Lahore Ring Road Authority Act, 2011 (as amended from time to time).
<b>PRESENT VALUE</b>	The present value to be calculated on the basis of discount rate of seven percent (7%).
<b>PROJECT</b>	The engineering, procurement, construction, finance, operations and maintenance of the Rawalpindi Ring Road, as more particularly described in Section 3.5 of the RFP.
<b>PPP ACT</b>	The Punjab Public Private Partnership Act 2019.
<b>PPP BOARD</b>	The board established under the PPP Act.
<b>PUNJAB PPP AUTHORITY</b>	The Punjab Public Private Partnership Authority established under the PPP Act.
<b>RAWALPINDI RING ROAD</b>	Shall bear the meaning ascribed thereto in Section 3.3.
<b>SUCCESSFUL BIDDER</b>	The Bidder whose financial score is the highest in terms of Section 6.5.

*(All capitalized terms not defined herein shall bear the same meaning as set out in **Volume II - Draft Concession Agreement**).*

## **INTERPRETATIONS**

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In this RFP, unless the context otherwise requires:

- (a) Any reference to a statutory provision shall include such provision as is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder;
- (b) the words importing singular shall include plural and vice versa, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal entity);
- (c) the headings are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this RFP;
- (d) the words "include" and "including" are to be construed without limitation;
- (e) references to "construction" include investigation, design, engineering, procurement, delivery, transportation, installation, processing, fabrication, testing, commissioning and other activities incidental to the construction;
- (f) any reference to any period of time shall mean a reference to that according to Pakistan Standard Time;
- (g) any reference to day shall mean a reference to a calendar day;
- (h) any reference to month shall mean a reference to a calendar month;
- (i) any reference to GoPb shall mean Government of the Punjab;
- (j) any reference to NESPAK shall mean National Engineering Services Pakistan (Pvt.) Limited, who serve as a Technical Advisor to Authority;
- (k) any reference to Bidder shall mean an entity submitting the proposal or a group of entities submitting the proposal as a joint venture (JV) or consortium, and any reference to the Concessionaire shall mean selected Bidder with whom Concession Agreement has been signed;
- (l) the attached volumes of this RFP or any Addendum issued later on to clarify the Bidders, if any, form an integral part of this RFP and will be in full force and effect as though they were expressly set out in the body of this RFP jointly referred as Bidding Documents;
- (m) unless otherwise stated, any reference to any period commencing "from" a specified day or date

and "till" or "until" a specified day or date shall include both such days or dates; and

- (n) any reference to Bidding Process shall mean the entire process commencing from issuance of RFP until signing of Concession Agreement with the Concessionaire.



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# **1 LETTER OF INVITATION**

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- 1.1 The LAHORE RING ROAD AUTHORITY (the “**LRRA**”) hereby invites international and local parties to submit Bids for the engineering, procurement, construction, financing, operations and maintenance of Rawalpindi Ring Road. This proposed highway will begin from National Highway (N-5) near Rawat (Radio Pakistan) pass through M-2 motorway, Islamabad International Airport, China Pakistan Economic Corridor (CPEC), M-1 motorway and terminate at Sangjani National Highway Islamabad with approximate length of sixty-five point three (65.3) km (the “**Project**”) on a design, build, and finance, operate, and transfer (**DBFOT**) basis.
- 1.2 Please find the enclosed Request for Proposal (the “**RFP**”) on the basis of which Bids are to be prepared and submitted. This RFP contains the following three (3) volumes and their respective appendices:

## **VOLUME I–REQUEST FOR PROPOSAL (RFP)**

### **SECTION A: INFORMATION TO BIDDERS**

### **SECTION B: EVALUATION AND AWARD**

### **SECTION C: BID FORMS**

## **VOLUME II–DRAFT CONCESSION AGREEMENT**

## **VOLUME III–DETAILED PROJECT REPORT**

### **a. PRELIMINARY DESIGN REPORT**

#### **ANNEX A – STRUCTURE DESIGN REPORT**

#### **ANNEX B – ITS**

#### **ANNEX C – EIA APPROVAL**

### **b. DRAWINGS, SETTING OUT AND PROFILE DATA**

### **c. TECHNICAL SPECIFICATIONS**

- 1.3 Bids shall be submitted by **12-04-2021** on or before **1200 hours PST** (“**Bid Submission Date**”) addressed to:  
**Infrastructure Specialist, PMU Commissioner Office Kacheri Chowk, Rawalpindi, Pakistan.**
- 1.4 One pre-bid meeting is scheduled to be held on **05-04-2021** at **1100** hours PST at the address

provided above in order to facilitate the understanding of interested parties on this RFP and the Project itself.

- 1.5 The Project is to be established within the purview of the Punjab Public-Private Partnership Act 2019 (the “**PPP Act**”). Bids are solicited under a single stage three envelope competitive bidding process (the “**Bidding Process**”) as defined in the PPP Act and each Bid is required to contain separately sealed Prequalification, Technical and Financial Proposals within an outer sealed envelope.
- 1.6 All Bidders are required to provide a Bid Security in amount equal to PKR 100,000,000/- (Pakistani Rupees hundred million only) with their Bids in the form of an irrevocable bank guarantee in the format provided at **FORM 2 FORMAT OF BID SECURITY** which shall remain valid until the date of expiry of the Bid Security Validity Period. Within fifteen (15) days of the issuance of the Letter of Intent, the Successful Bidder shall extend the validity of the Bid Security for a period till it is replaced with the Construction Performance Security.
- 1.7 Please note that:
  - (i) the costs of preparing Bids as well as of negotiating the contract, including any visits, are not reimbursable; and
  - (ii) the Authority is not bound to accept any of the Bids submitted.
- 1.8 In case a Bid is submitted as a consortium or a JV, all members thereof are required to furnish a memorandum of understanding legally binding all members, jointly and severally using the format defined in **FORM 7 FORMAT OF CONSORTIUM OR JV**, and a power of attorney in favour of the lead member using the format defined in **FORM 8 FORMAT OF AUTHORIZATION OF LEAD MEMBER**.

Yours truly,

PROJECT DIRECTOR  
**RAWALPINDI RING ROAD PROJECT**

## **SECTION A: INFORMATION TO BIDDERS**

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## 2 PROJECT BIDDING AND EXECUTION SCHEDULE

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2.1 The Estimated Timetable for the Bidding Process is as follows:

Activity	Date
1. Public Notice for Bidding	01 March 2021
2. Pre-bid Meeting	05 April 2021
3. Submission of Bids	12 April 2021
4. Opening of Prequalification Documents	12 April 2021
5. Evaluation of Prequalification Documents & Opening of Technical Proposals of Prequalified Bidders	Within fifteen (15) days of Bid Submission Date
6. Evaluation of Technical Proposals and Opening of Financial Proposals of Technically qualified Bidders	Within fifteen (15) days of Prequalification
7. Evaluation of Financial Proposals	Within fifteen (15) days after opening of Technical Bid
8. Letter of Intent (pending approvals, if required)	
9. Extension of Bid Security Validity by the Successful Bidder	Within fifteen (15) days of issuance of the Letter of Intent
10. Release of Bid Security to unsuccessful Bidders	Within one (1) month of issuance of the Letter of Intent
11. Contract Negotiations and Signing of Concession Agreement (CA)	
12. Financial Close	
13. Project Construction Completion	Two (2) years after Commencement Date

2.2 The Authority may, in its sole discretion (subject to applicable laws) and without prior notice to Bidders, amend the Estimated Timetable. Bidders shall not rely in any manner whatsoever on the Estimated Timetable and the Authority shall not incur any liability whatsoever arising out of amendments to the Estimated Timetable.



### **3 INTRODUCTION AND BACKGROUND OF PROJECT**

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#### **3.1 OVERVIEW**

The LAHORE RING ROAD AUTHORITY (“the **Authority**”) has floated this RFP to seek a private partner for engineering, procurement, construction, finance, operations and maintenance for the Rawalpindi Ring Road (“the **Project**”) on a design, build, finance, operate and transfer (**DBFOT**) basis.

#### **3.2 LAHORE RING ROAD AUTHORITY (AUTHORITY)**

The Authority is a body that has been established by Government of the Punjab through the LRR Act to plan, promote, organize, reorganize and implement programs for construction, development, operations, repairs, security and maintenance of the Lahore Ring Road and the strategic roads etc.

#### **3.3 RAWALPINDI RING ROAD**

The Authority intends to construct the Rawalpindi Ring Road with central median (NJB) and shoulders in three segments: (i) starting from N-5 to DI Hakla six-lane dual carriageway (3 + 3 lanes both sides); (ii) starting from DI Hakla to M-1 two plus two (2+2) rigid pavements parallel to the already existing motorway; and (iii) starting from M-1 to Sangjani six-lane dual carriageway (3 + 3 lanes both sides). For this purpose, preliminary design and technical studies have already been carried out by the Authority which shall be shared with the prospective bidders.

The main objective of this Project is to provide a safe, congestion free and high speed facility to commuters of this highway. The facility will serve thousands of people living along the Rawalpindi Ring Road and in the city of Rawalpindi. In addition to reduced travel time, the new facility will also help provide better access to employment, social, health and education services.

It is anticipated that after the construction of Rawalpindi Ring Road, travel time through G.T Road N-5 (from Radio Pakistan to Sangjani) will reduce, bypassing the urban area within Rawalpindi city, and bring down vehicle operating costs. The total length of the Project Highway is approximately sixty-five point three (65.3) kilometres. The exact length of the road construction will be determined after detailed design.

#### **3.4 SCOPE OF WORK**

The Concessionaire shall be responsible for the overall implementation of the Project, including but not limited to the investigation, study, engineering, procurement, construction, financing, operations and maintenance of the Project in line with the terms and conditions

provided in **Volume II – Draft Concession Agreement** and the minimum technical standards defined in **Volume III – Detailed Project Report** prepared by NESPAK.

The scope of the Project includes:

- (a) The Concessionaire shall be responsible for constructing approximately sixty-five point three (65.3) km of Rawalpindi Ring road in three segments:
  - (i) From BOP at N-5 to DI Khan Hakla section, six-lane dual carriageway (3 + 3 lanes both sides) with 3.60 metre lane width, 1.0 metres asphaltic inner and 3.0 metres TST outer wide shoulder.
  - (ii) From DI Khan Hakla to M-1, two plus two (2+2) rigid pavements parallel to the already existing motorway with 3.60 metre lane width and 3.0 metres TST outer wide shoulder.
  - (iii) From M-1 to EOP at Sangjani, six-lane dual carriageway (3+3 lanes both sides) with 3.60 metre lane width, 1.0 metres asphaltic inner and 2.5m TST outer wide shoulder.
- (b) The construction of ancillary structures including approximately four (4) interchanges, 30 major flyovers/overpass bridges, 02 river bridges, 07 Nullah bridges, 07 underpasses, 17 cattle creeps, 24 utility ducts and 70 culverts, NJB, side barriers, chutes, drains, retaining walls, riprap etc. as more particularly specified in **Volume II – Draft Concession Agreement** and **Volume III – Detailed Project Report** (the **Detailed Project Report**). Service roads/tracks will be constructed at interchanges and throughout entire length within the ROW and as more fully described in the Detailed Project Report. An Intelligent Transportation System (ITS) shall also be implemented for the entire Project.
- (c) The construction of four (4) interchanges with ITS (Intelligent Transportation System) including weigh stations, toll plaza buildings as more particularly specified in the Bidding Documents.



Location Map of Project Alignment

## PUBLIC PRIVATE PARTNERSHIP ARRANGEMENT

The relationship between Authority and the Concessionaire shall be governed by the Concession Agreement entered into between the two parties, which will detail the contributions and responsibilities of Authority and the Concessionaire, establish the economic relationship inherent in the transaction and set out all other terms and conditions necessary to define the relationship between the two parties. The Concession Agreement shall be substantially based on the draft attached **Volume II – Draft Concession Agreement**.

### 3.5 CONCESSION

Subject to and in accordance with the terms and conditions set forth in the Concession Agreement, Authority shall grant to the Concessionaire the right to investigate, study, design, engineer, procure, construct, finance, operate, maintain and transfer the Project and to exercise and/or enjoy the rights, powers, privileges, authorizations and entitlements as set forth in the Concession Agreement (collectively “**the Concession**”).

The Concessionaire shall undertake the Project through a Special Purpose Vehicle (the “**SPV**”) incorporated under the laws of Pakistan as a corporate entity, provided that such company’s shareholding is the same as indicated in the Bid.

### 3.6 MRG & GOVERNMENT SUPPORT

In order to enhance the financial viability of the Project, the Authority is willing to offer the following supports:

- (1) **Government Support** – The Government of Punjab (acting through the Finance Department) is willing to inject subordinated debt to make the Project more viable for the prospective Bidders. The subordinated debt shall have a seventeen (17) years tenor with a twelve (12) year grace period for both interest and repayment. Repayments would commence post grace period and would be made in equal semi-annual instalments. The loan shall carry a fixed interest rate of ten percent (10%). No interest shall accrue during the grace period. The upfront GoPb support has a maximum ceiling of PKR 5,528,533,745 /- (Pakistan Rupee five billion five hundred twenty-eight million five hundred thirty-three thousand seven hundred and forty-five). This is anticipated to reduce the financing requirements for the Concessionaire and improve bankability.
- (2) **Minimum Revenue Guarantee and VGF Equity support in lieu of Minimum Revenue Guarantee** – The Authority is willing to offer to the Concessionaire a maximum upfront support of PKR 2,000,000,000 (Pakistan Rupees two billion only) in form of preference shares (**VGF Equity**) with no voting rights and ten percent (10%) dividend after Financing Termination Date, in lieu of Minimum Revenue Guarantee. For Minimum Revenue Guarantee, if actual revenue is less than 80% of the Benchmark Toll Revenue in any given year, the

Shortfall Amount would be shared on a 50:50 basis between Authority and the Concessionaire.

In the event, the Successful Bidder chooses to forego the VGF Equity completely then the Minimum Revenue Guarantee shall be available at its maximum. In the event, the Successful Bidder opts for the highest VGF Equity then the Minimum Revenue Guarantee shall be reduced in accordance with the table provided in the Section 6.5 (Financial Evaluation criteria). The amount/ratio of each shall be determined by the Successful Bidder through the Financial Evaluation criteria. In any case, the Minimum Revenue Guarantee amount to be given by the Authority shall be capped at the Present Value of resulting figure (PKR 2,000,000,000 minus the amount opted by the Successful Bidder according to the table provided in Section 6.5 of this RFP.

For avoidance of doubt, any shortfall in Toll Revenues between 80% and 100% of the Benchmark Toll Revenues shall be on account of and the sole responsibility (including all consequences thereof) of the Concessionaire.

- (3) **Sharing of Upside Revenues:** From the Substantial Completion Date, the Concessionaire shall be allowed to retain all toll revenues which are up to the Benchmark Toll Revenues, *provided however* in the event the actual toll revenues during a year are greater than 100% of the Benchmark Toll Revenues, then the excess percentage over and above the Benchmark Toll Revenues, as determined by the Successful Bidder in the bidding process shall be shared between the Authority and the Concessionaire on a 70:30 basis, where 70% of the excess toll revenues shall be payable to the Authority and 30% of the toll revenues shall be payable to the Concessionaire.
- (4) **GoPb Properties:** In order to provide further support to the Project the Authority and/or the GoPb may also provide certain properties / additional land upto the maximum value of PKR 1,000,000,000 (Pakistan rupees one billion only) along the ROW to facilitate the Concessionaire in securing financing for the project.

### **3.7 CONSTRUCTION PERFORMANCE SECURITY**

Prior to commencement of construction activities, the Successful Bidder (as Concessionaire) shall provide to the Authority a Construction Performance Security to ensure the completion of the construction of the Project in accordance with the Concession Agreement. The Construction Performance Security shall have a face amount equal to one percent (1%) of the Pre Estimated Project Costs. The Construction Performance Security shall answer for, and guarantee the completion of the construction of the Project in accordance with the performance standards and the timetable, and the payment of liquidated damages, which Concessionaire may be required to pay pursuant to the Concession Agreement. The Construction Performance Security shall be valid for twenty seven (27) months after the Scheduled Substantial Completion Date.

### **3.8 FINANCIAL CLOSE**

The Concessionaire shall be required at its own cost, expenses and risk to make such financing arrangement as would be necessary to finance the Project and to meet the obligations under the Concession Agreement in a timely manner. Provided further that Financial Close shall be achieved no later than six (6) months from the signing of the Concession Agreement. This time period however, may be extended by Authority by upto another six (6) months upon request of the Concessionaire with appropriate supporting reasons.

### **3.9 PROJECT MONITORING**

The Authority & Concessionaire shall jointly appoint an Independent Engineer & Independent Auditor jointly for overseeing the Concessionaire's activities, including, but not limited to, assessing various performance metrics such as quality of the work done. The remuneration, cost and expenses of the Independent Engineer & Independent Auditor shall be borne by the Concessionaire. The rights and obligation proposed by the Authority are further set-out in the Concession Agreement.

### **3.10 MAINTENANCE AND OPERATION**

The Concessionaire shall be responsible to operate and maintain the Project that includes:

- i. Operation and maintenance of the Project;
- ii. toll operations and maintenance of toll booths; and
- iii. all other obligations set-out in the Concession Agreement and the Volume III - Detailed Project Report.

### **3.11 MONITORING AND OPERATIONAL FEES:**

As per the PPP Act, the Concessionaire shall during the first five (5) Operational Years commencing from the Substantial Completion Date, pay to the Punjab PPP Authority, one (1%) percent of the Pre Estimated Project Cost as monitoring fees, in equal instalments.

### **3.12 ANNUAL TOLL ESCALATION:**

Seven percent (7%) annual toll escalation shall be applied for the first twelve (12) years after the Commencement Date. Thereafter, four percent (4%) toll escalation shall be applied annually. All calculations of Tolls shall be in the metric system and calculations rounded to the nearest multiple of ten (10).

## **4 BID PREPARATION AND SUBMISSION**

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### **4.1 SINGLE BID**

Bidders shall be allowed to submit only one Bid, either by itself, or as a member in a consortium or JV, and shall not:

- a. be a member of another Bidder; or
- b. receive or have received any direct or indirect subsidy from any other Bidder, or have provided any such subsidy to any other Bidder; or
- c. have the same legal representative for purposes of this Bid as any other Bidder; or
- d. have a relationship with another Bidder, directly or through common third parties, that puts it in a position to have access to each other's information about, or to influence the Bid of either Bidder; or
- e. have participated as a consultant to the Authority in the preparation of any documents, design or technical specifications of the Project.

Any Bidder found in violation of these terms shall be disqualified, and the Authority shall be entitled to encash the Bid Security, as the case may be.

### **4.2 LANGUAGE**

All Bids shall be submitted in English language for the ease of comprehension and comparability. Any supporting documentation or published material that is in another language must be accompanied by English translation(s). Unless specified otherwise, all currencies are to be represented as Pakistani Rupees. For foreign currencies, original figures in the foreign currency and the exchange rate used to calculate the Pakistani Rupees equivalent shall be provided.

### **4.3 BID VALIDITY**

Bids shall be valid for a period of one hundred and eighty (180) days from the date of submission. In exceptional circumstances, prior to expiry of the original Bid Validity Period, the Authority may request Bidders to grant a specified extension in the period of validity. This request and the response thereto shall be made in writing or through fax or email. A Bidder may refuse the request without forfeiting its Bid Security. A Bidder agreeing to the request shall extend the validity of the Bid Security correspondingly. Within fifteen (15)

days of the issuance of the Letter of Intent, the Successful Bidder shall extend the validity of the Bid Security for a period till it is replaced with the Construction Performance Security.

#### **4.4 BID SECURITY**

Each Bidder shall submit a Bid Security with the Bid in the amount of PKR 100,000,000 (Pakistani Rupees one hundred million only) that shall remain valid for duration of the Bid Validity Period. The Bid Security shall be in the form of a pay order or an irrevocable bank guarantee according to the specimen provided at **FORM 2 FORMAT OF BID SECURITY**. Any Bid not accompanied by a Bid Security in the requisite amount shall be rejected by the Authority. Bid Securities of unsuccessful Bidders shall be released within one (1) month of issuance of Letter of Intent. Within fifteen (15) days of the issuance of the Letter of Intent, the Successful Bidder shall extend the validity of the Bid Security for a period till it is replaced with the Construction Performance Security. In event of failure by the Successful Bidder to extend the Bid Security, within fifteen (15) days of the issuance of the Letter of Intent, the Authority shall be entitled to draw down in full the Bid Security up to its full outstanding value.

It is further clarified that no Bid Security in the form of insurance guarantee shall be entertained. The Bidder shall ensure that the Bid Security remains valid for a period of twenty eight (28) days after the end of the original Bid Validity Period and twenty eight (28) days after any extension of the Bid Validity Period subsequently requested by the Authority in accordance with Section 4.6 (the "**Bid Security Validity Period**"). In the event the Bid Security expires prior to the Bid Security Expiry Date, the Bidder shall procure an extension of the Bid Security, at least fifteen (15) days prior to its expiry so that it remains fully valid and effective until the Bid Security Expiry Date. In event of failure by the Bidder to extend the Bid Security, at least fifteen (15) days prior to its expiry, the Authority shall be entitled to draw down in full the Bid Security upto its full outstanding value.

The Authority reserves the right to encash the Bid Security if a Bidder withdraws the Bid during the period of bid validity, or is found to have violated any of the fair practice clauses of this RFP, or refuses to sign the Concession Agreement if the Bid is accepted.

#### **4.5 BID CONTENTS**

In accordance with the stipulations of the single stage three envelope competitive bidding process, Bidders shall be required to submit a single sealed Bid containing the following three sealed proposals: Prequalification Proposal, Technical Proposal, and Financial Proposal.

##### **4.5.1 PREQUALIFICATION PROPOSAL**

The Prequalification Proposal shall be made in the format provided in **FORM 3**

**FORMAT OF PREQUALIFICATION PROPOSAL** and shall include all supporting documentation necessary to evaluate the proposal in accordance with the criteria described in **Section B**.

#### **4.5.2 TECHNICAL PROPOSAL**

The Technical Proposal shall contain a complete description and explanation of the Project and the methodology for engineering, procuring, construction, financing, operations and maintenance of the Project. Additionally, Bidder shall provide names and qualifications of key staff to be allocated to the Project and a description of any other resources that the Bidder intends to utilize for undertaking the Project. The Technical Proposal shall be prepared using the format attached in **FORM 9 FORMAT OF TECHNICAL PROPOSAL** and shall include all supporting information necessary to evaluate the proposal in accordance with the criteria described in **Section B**.

#### **4.5.3 FINANCIAL PROPOSAL**

The Financial Proposal shall be provided in the format attached as **FORM 10 FORMAT OF FINANCIAL PROPOSAL** on the day before the Bid Submission Date.

**Under no circumstances shall Authority consider a conditional Bid.**

The Financial Proposal shall also include a fully functional, non-restricted, dynamically linked Financial Model in Excel spreadsheet form on a non-rewritable CD/DVD.

#### **4.6 BID PREPARATION**

Bidders are expected to submit their respective Bids after visiting the Project Site and ascertaining for themselves the site conditions, traffic, location, surroundings, climate, weather data, availability of power, water and other utilities for construction, handling and storage of materials, applicable laws and regulations, and any other matter considered relevant to undertaking the Project.

By submitting a Bid, the Bidder shall be deemed to have:

- a. made a complete and careful examination of this RFP and attached volumes;
- b. received all relevant information requested from Authority;
- c. satisfied itself about all matters, things and information including matters hereinabove necessary and required for submitting an informed Bid, execution of the Project in accordance with the RFP and Draft Concession Agreement, and performance of all of



its obligations thereunder;

- d. acknowledged and agreed that inadequacy, lack of completeness or incorrectness of information provided in the RFP or ignorance of any of the matters hereinabove shall not be a basis for any claim for compensation, damages, extension of time for performance of its obligations, loss of profits etc. from Authority, or a ground for termination of the Concession Agreement by the Concessionaire;
- e. acknowledged that it does not have a conflict of interest; and
- f. agreed to be bound by the undertakings provided by it under and in terms hereof.

#### **4.7 BID SIGNING**

The Prequalification, Technical and Financial Proposals shall be signed by a duly authorized representative of the Bidder. The Prequalification Proposal shall include a Power of Attorney in the format provided in **FORM4 FORMAT OF AUTHORIZATION OF REPRESENTATIVE** authorizing such representative to sign and submit the Prequalification, Technical and Financial Proposals to the Authority on behalf of Bidder.

#### **4.8 BID SUBMISSION**

Bidders shall submit one original Prequalification Proposal, one original Technical Proposal and one original Financial Proposal and two (2) hard copies and one (1) soft copy of the Prequalification and Technical proposals.

Each proposal shall be in a separate envelope indicating original or copy, as appropriate. The Prequalification, Technical and Financial Proposals shall be placed in sealed envelope clearly marked "Prequalification Proposal", "Technical Proposal" and "Financial Proposal" separately. These three envelopes, in turn, shall be placed along with the Bid Security in a sealed outer envelope bearing the address and information indicated in this Letter of Invitation. The envelope shall be clearly marked, "*DO NOT OPEN, EXCEPT IN PRESENCE OF THE BID OPENING COMMITTEE*".

Bids sent through fax or email shall not be considered.

#### **4.9 BID MODIFICATION**

Bidders may modify, substitute or withdraw Bids submitted before the Bid Submission Date, provided that written notice of the modification, substitution or withdrawal is received by the Authority prior to the Bid submission date. No Bid may be modified, substituted or withdrawn on or after the Bid Submission Date.

#### **4.10 AMENDMENTS TO RFP**

At any time prior to the Bid Submission Date, the Authority may (subject to the approval of the Board), for any reason, whether at its own initiative or in response to a query by a Bidder, modify the RFP by the issuance of addenda. Any addendum issued hereunder shall be in writing and shall be sent to all parties that have registered with Authority for such correspondence. In order to allow the Bidders a reasonable time for taking an addendum into account, or for any other reason, Authority may, at its sole discretion, extend the Bid Submission Date in a manner similar to the original public notice.

#### **4.11 CLARIFICATIONS**

Bidder requiring clarification on any of the terms contained in this RFP or attached volumes may send an email to pmu.r3p@gmail.com, Director Contracts, Planning & Design, (RRR) or at the mailing address mentioned above. In the interest of fairness, any clarifications issued to any of the Bidders will be emailed to all the Bidders without disclosing the identity of the sender.

#### **4.12 TAXATION**

By submitting the bid, Bidder confirms that it has taken into account all federal, provincial and local taxes applicable in respect of execution of the Project as of the Bid Submission Date.

#### **4.13 CONSORTIUM OR JOINT VENTURE**

Bidders may submit a Bid in a consortium or JV of two or more enterprises, provided such Bid shall be signed by all members in the consortium or JV so as to legally bind all members, jointly and severally.

The lead member of the consortium or JV shall also commit to hold a minimum equity stake equal to at least fifty-one percent (51%) of the total paid up equity capital of the Concessionaire. If the consortium is a pre qualified person, the lead consortium member shall not be replaced earlier than four (4) years after the commissioning of the Project without the approval of the PPP Board and no such approval shall be given unless the consortium finds a suitable replacement with equal or better qualifications for replacing the withdrawing member.

A valid legal instrument in the manner specified in **FORM 7 FORMAT OF CONSORTIUM JV** providing such commitments shall be submitted with the Bid.

#### **4.14 CONFIDENTIALITY**

Information relating to the examination, clarification, evaluation and recommendation of

Bids shall not be disclosed to any person who is not officially concerned with the Bidding Process or retained professional advisor advising the Authority in relation to, or matters arising out of, or concerning the Bidding Process. the Authority will treat all information, submitted as part of the Bid, in confidence and will require all those who have access to such material to treat the same in confidence. Authority may not divulge any such information unless it is directed to do so by any statutory entity that has the power under law to require its disclosure or is to enforce or assert any right or privilege of the statutory entity and/ or Authority or as may be required by law or in connection with any legal process.

#### **4.15 FRAUD AND CORRUPT PRACTICES**

The Bidders and their respective officers, employees, agents and advisers are required to observe the highest standard of ethics during the Bidding Process and during the subsistence of the Concession Agreement. Notwithstanding anything to the contrary contained herein, or in the Draft Concession Agreement, Authority shall reject a Bid, or terminate the Concession Agreement, as the case may be, without being liable in any manner whatsoever to the Bidder or Concessionaire, as the case may be, if it determines that the Bidder or Concessionaire, as the case may be, has, directly or indirectly or through an agent, engaged in corrupt, fraudulent, coercive, undesirable or restrictive practices in the Bidding Process. In such an event, the Authority shall appropriate in full the Bid Security or Construction Performance Security, as the case may be.

Following terms shall have the meaning hereinafter respectively assigned to them:

- a. **“corrupt practice”** means (i) the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of any person connected with the Bidding Process (for avoidance of doubt, offering of employment to or employing or engaging in any manner whatsoever, directly or indirectly, any official of Authority who is or has been associated in any manner, directly or indirectly with the Bidding Process or has dealt with matters concerning the Concession Agreement or arising there from, before or after the execution thereof, at any time prior to the expiry of one year from the date such official resigns or retires from or otherwise ceases to be in the service of the Authority, shall be deemed to constitute influencing the actions of a person connected with the Bidding Process); or (ii) engaging in any manner whatsoever, whether during the Bidding Process or after the execution of the Concession Agreement, as the case may be, any person in respect of any matter relating to the Project or the Concession Agreement, who at any time has been or is a legal, financial or technical advisor of the Authority in relation to any matter concerning the Project;
- b. **“fraudulent practice”** means a misrepresentation or omission of facts or suppression of facts or disclosure of incomplete facts, in order to influence the Bidding Process;

- c. **“coercive practice”** means impairing or harming or threatening to impair or harm, directly or indirectly, any person or property to influence any person’s participation or action in the Bidding Process;
- d. **“undesirable practice”** means (i) establishing contact with any person connected with or employed or engaged by the Authority with the objective of canvassing, lobbying or in any manner influencing or attempting to influence the Bidding Process; or (ii) having a conflict of interest; and
- e. **“restrictive practice”** means forming a cartel or arriving at any understanding or arrangement among Bidders with the objective of restricting or manipulating a full and fair competition in the Bidding Process.

## **SECTION B: EVALUATION AND AWARD**

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## 5 BID OPENING

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### 5.1 BID OPENING AND EVALUATION COMMITTEE

The Authority shall notify a Bid Opening and Evaluation Committee (BOEC) that shall open the Bids and analyse and evaluate the Bids according to the criteria contained in this RFP for recommendation to the competent authority.

The BOEC does not have an obligation, responsibility, commitment, or legal liability toward any Bidder or any Bidder's collaborators arising from this RFP or any Bid submitted in response to it, or from the Bidding Process.

### 5.2 PROCEDURE

The BOEC shall open the Bids, in the presence of Bidders, or their authorized representatives, who choose to attend the Bid opening on the date and time provided in **Section 1 - Letter of Invitation** of this RFP. The Bidders' representatives who are present shall sign a register in evidence of their attendance.

The BOEC shall examine the Bids to determine whether they are complete and responsive, whether the requisite Bid Securities have been furnished, whether the documents have been properly signed and whether the Bids are generally in order.

Any errors or omissions in a Bid will not result in its automatic rejection. The BOEC reserves the right to ask Bidders to correct any errors or omissions in their Bids to the BOEC's satisfaction. However, under no circumstances can a Bidder amend the information quoted in **FORM 13-REQUIRED FINANCIAL INFORMATION FOR BID EVALUATION** as the result of clarifying or rectifying a Bid.

Bidders' names, bid withdrawals (if any), the presence of the requisite Bid Security and such other details as the BOEC at its discretion, may consider appropriate, will be announced at the Bid opening.

The BOEC shall prepare detailed minutes of the Bid opening for transparency and its own record.

## 6 BID EVALUATION

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### 6.1 Responsiveness

Prior to and during evaluation of Bids, the BOEC shall determine whether each Bid is responsive to the requirements of this RFP, in accordance to the following:

- a. it is accompanied by a Bid Security in the format prescribed in **FORM 2 FORMAT OF BID SECURITY**;
- b. it is duly signed and each page is initialled by the Bidder;
- c. it is received as per the formats provided in **Section C**;
- d. it is received by the Bid Submission Date including any extension thereof;
- e. it is signed, sealed, bound together in hard cover and marked as stipulated in the above clauses;
- f. it is accompanied by the power of attorney authorizing a representative in accordance with **FORM 4 FORMAT OF AUTHORIZATION OF REPRESENTATIVE**;
- g. it is accompanied by an affidavit in accordance with **FORM 5 FORMAT OF AFFIDAVIT**;
- h. it is accompanied by a duly signed and witnessed integrity pact in accordance with **FORM 6 FORMAT OF INTEGRITY PACT**;
- i. in case of a consortium or JV, it is accompanied by a joint venture agreement in accordance with **FORM 7 FORMAT OF CONSORTIUM OR JV** and a power of attorney authorizing a lead member in accordance with **FORM 8 FORMAT OF AUTHORIZATION OF LEAD MEMBER**;
- j. it contains all the information (complete in all respects) as requested in this RFP; and
- k. it does not contain any condition or qualification.

BOEC reserves the right to reject any Bid which is recommended by the BOEC as non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained in respect thereof provided further BOEC may **for reasons to be recorded in writing reject a speculative or unrealistic bid as non-responsive but such rejection of a bid shall not lead to the termination of the bidding process.**

### 6.2 PROCEDURE

The BOEC shall open responsive Prequalification Proposals in the presence of Bidders or their authorized representatives who choose to attend and evaluate them according to the evaluation criteria prescribed in **Section 6.3**.

After completion of the prequalification, the BOEC shall announce Bidders who have prequalified and open Technical Proposals of prequalified Bidders in the presence of prequalified Bidders or their authorized representatives who choose to attend. Technical and Financial Proposals submitted by Bidders that do not meet the prequalification criteria shall

not be opened and shall be returned unopened after the completion of the Bidding Process. The BOEC shall evaluate Technical Proposals according to the evaluation criteria prescribed in **Section 6.4**.

After completion of the technical evaluation, the BOEC shall announce Bidders who have technically qualified and open Financial Proposals of technically qualified Bidders in the presence of technically qualified Bidders or their authorized representatives who choose to attend. Financial Proposals of Bidders that do not meet the technical evaluation criteria shall not be opened and shall be returned unopened after the completion of the Bidding Process. The BOEC shall evaluate Financial Proposals according to the evaluation criteria prescribed in **Section 6.5**.

### 6.3 PREQUALIFICATION EVALUATION CRITERIA

As a part of the basic eligibility criteria the Bidder or its JV/partner/consortium member shall be required to be registered with Pakistan Engineering Council (PEC) in category CA in accordance with PEC bylaws in the respective field.

The Authority shall use the Prequalification Evaluation Criteria as set-out below:

Evaluation Factor	Points
<p><b>1. Bidder experience and capability in construction (aggregate of all members in case of consortium or JV)</b></p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Full marks (i.e. 30) given in case the Bidder has at least fifteen (15) years of experience.</li> <li>• 80% marks (i.e. 24) given if the Bidder has ten (10) years of experience.</li> <li>• For more than ten (10) but less than fifteen (15) years of experience, score shall be as follows: <math>24 + 6x [(years\ of\ experience - 10) / 5]</math></li> <li>• For less than ten (10) years of experience, score shall be as follows: <math>24x (years\ of\ experience / 10)</math></li> </ul>	<b>30</b>
<p><b>2. No. of B.Sc. engineers Currently working with organisation (other than managers) registered with Pakistan Engineering Council (PEC) having ten (10) or more years' experience (2 marks each up to a maximum of 20) Proportionate marking for less years of experience.</b></p>	<b>20</b>
<p><b>3. Bidder experience in road and bridges sector, (aggregate of all members in case of consortium or JV)</b></p>	<b>20</b>
<ul style="list-style-type: none"> <li>• <b>PPP Projects</b> <ul style="list-style-type: none"> <li>○ Full marks shall be given if the Bidder has completed or has in hand projects having cumulative value of PKR 10 billion or above during the last ten (10) years. Otherwise, marks shall be allocated in accordance with the following mechanism: <math>10x [cumulative\ value\ of\ the\ Projects / 10]</math></li> </ul> </li> </ul>	<i>10</i>



<ul style="list-style-type: none"> <li>• <b>Construction Contracts other than PPP</b> <ul style="list-style-type: none"> <li>○ Full marks shall be given if the Bidder has completed projects having cumulative value of PKR 20 billion or above during the last ten (10) years. Otherwise, marks shall be allocated in accordance with the following mechanism:  10 x [cumulative value of the Projects/20]</li> </ul> </li> </ul>	<i>10</i>
<p><b>4. Financial capability of Bidder</b></p> <ul style="list-style-type: none"> <li>• Average minimum annual turnover of last three (3) years <math>\geq</math> PKR 2,000 Million. 5 Marks will be awarded for achieving minimum turnover. Incremental (01) mark will be awarded for additional PKR 150 million of average annual turnover of last three years</li> <li>• Minimum Net worth of PKR 2,000 million of last financial year. 5 Marks will be awarded for achieving minimum Net worth. Incremental (01) mark will be awarded for additional PKR 150 million of additional net worth in the latest financial year</li> <li>• Capacity to meet interest obligations [Profit before interest and tax / interest paid]<math>\geq</math>3</li> <li>• Relative profitability [Profit before tax / Turnover]<math>\geq</math> 7%</li> </ul>	<p><b>30</b></p> <p><i>10</i></p> <p>10</p> <p><i>05</i></p> <p><i>05</i></p>
<b>TOTAL:</b>	<b>100</b>

#### 6.4 TECHNICAL EVALUATION CRITERIA

The Technical Proposal of only those Bidders shall be opened who qualify by scoring seventy (70) points in evaluation of Prequalification Proposals. The BOEC shall attribute a technical score (ST) to responsive Technical Proposals.

Technical Proposals scoring less than seventy (70) points shall be rejected. ST shall be calculated as follows:

	<i>Points</i>
<b>1. Project approach, construction plan and Project implementation timetable</b>	<b>52</b>
a. Project approach and methodology (each item carries 4 marks) <ol style="list-style-type: none"> <li>1. Detailed methodology or construction techniques for execution of work</li> <li>2. Detailed safety plan to avoid hazards</li> <li>3. Detailed list of owned or rental plants and equipment</li> <li>4. Detailed traffic diversion plan</li> </ol>	<b>40</b>

<p>5. Detailed environmental protection plan</p> <p>6. Quality control plan</p> <p>7. Toll operations and maintenance plan</p> <p>8. Details of survey and lab equipment</p> <p>9. Reporting system including monthly, quarterly and annual progress report</p> <p>10. Key personnel structure with responsibility for the project</p>	
<p>a. Baseline project plan on Primavera Project Planner including timelines of key events, phases and milestones</p> <ul style="list-style-type: none"> <li>• Full marks (12) given for level-5 plan</li> <li>• Two-third marks (8) given for level-4 plan</li> <li>• One-third marks (4) given for level-3 plan</li> </ul>	<b>12</b>
<b>2. Competence and qualification of core Project team members</b>	<b>48</b>
<p>a. Dedicated team leader having experience of handling BOT projects:</p> <ul style="list-style-type: none"> <li>• Full marks given for team leader having experience of more than two (2) BOT projects</li> <li>• 50% marks (i.e. 10) given for the team leader having experience of handling one or two BOT projects</li> </ul>	20
<p>b. Managers with ten (10) or more years experience in their relevant areas of expertise (3 marks each) Proportionate marking for less years of experience:</p> <ol style="list-style-type: none"> <li>1. Construction Manager</li> <li>2. Design Manager</li> <li>3. Quality Manager</li> <li>4. Risk and Health Safety Environment Manager</li> <li>5. Electrical &amp; Mechanical Manager</li> <li>6. Operations Manager</li> </ol>	18
<p>c. No. of B.Sc. engineers (other than managers) dedicated for this Project registered with Pakistan Engineering Council (PEC) having ten (10) or more years experience (2 marks each up to a maximum of 10) Proportionate marking for less years of experience (affidavit to be attached).</p>	10
<b>TOTAL</b>	<b>100</b>

## 6.5 FINANCIAL EVALUATION CRITERIA

The evaluation of the financial proposal would be computed using the following metrics:

<b>Evaluation Factor</b>	<b>Max. Score</b>
Lowest Pre-Estimated Project Cost	20 marks
Lowest Authority Viability Gap Funding (VGF) Amount in the form of Debt - Upfront	50 marks
Lowest Minimum Revenue Guarantee (MRG) Support Amount in lieu of VGF Equity - Upfront	30 marks
<b>TOTAL</b>	<b>100 marks</b>

These criteria are further elaborated as under:

- 1. Pre-Estimated Project Cost:**  
The Bidder quoting the lowest Pre-Estimated Project Cost would be awarded twenty (20) marks. The next lowest bidder will see their score reduced proportionately accordingly to the following formula:

$$\text{Bidder's score} = \text{Lowest quoted pre-estimated project cost} / \text{Bidder's quoted pre-estimated project cost} * 20$$

- 2. Authority Viability Gap Funding (VGF) Amount:**  
The maximum upfront Viability Gap Funding (VGF) amount in the form of debt available to the bidder is PKR 5.5 billion. The Bidder quoting the lowest Authority Viability Gap Funding (VGF) Amount shall be awarded fifty (50) marks. The Bidder quoting the next lowest Authority Viability Gap Financing Amount would see their score reduced proportionately accordingly to the following formula:

$$\text{Bidder's score} = \text{Lowest quoted VGF amount} / \text{Bidder's quoted VGF amount} * 50$$

- 3. Minimum Revenue Guarantee (MRG) in lieu of VGF Equity:**  
The maximum government support in form of VGF Equity available to the Bidder in lieu of Minimum Revenue Guarantee (MRG) is PKR 2,000,000,000/- (Pakistani Rupees two billion only). Bidder can either opt for the Minimum Revenue Guarantee (MRG) in Operational Years prior to the Financing Termination Date or government support in the form of upfront VGF Equity to a maximum value of PKR 2,000,000,000/- (Pakistani Rupees two billion only) or a combination of both as provided in the table below. The Bidder must choose one of the slabs in following table:

Slab no.	Government's Share in MRG (%)	Upfront VGF Equity (PKR)	Revenue triggering point for Windfall Sharing (%)
1	0%	2,000,000,000	100%
2	5%	1,800,000,000	102%
3	10%	1,600,000,000	104%
4	15%	1,400,000,000	106%
5	20%	1,200,000,000	108%
6	25%	1,000,000,000	110%
7	30%	800,000,000	112%
8	35%	600,000,000	114%
9	40%	400,000,000	116%
10	45%	200,000,000	118%
11	50%	-	120%

The Bidder quoting the lowest upfront VGF Equity amount shall be awarded thirty (30) marks. The Bidder quoting the next lowest VGF Equity required in lieu of Minimum Revenue Guarantee (MRG) would see their score reduced proportionately accordingly to the following formula:

$$\text{Bidder's score} = \text{Lowest quoted upfront VGF Equity} / \text{Bidder's quoted VGF Equity} * 30$$

## 6.6 CONTACTING THE AUTHORITY

From the time of Bid submission to the time of the award of the Concession Agreement, if any Bidder wishes to contact the Authority, it should do so in writing, with copy of any correspondence sent to the Punjab PPP Authority.

If the Bidder (i) resorts to deceit and/or fraud in its dealings with the Authority (including the BOEC), its advisors, employees, consultants or agents or otherwise in relation to the award of the Concession Agreement; or (ii) is proven to have personally or through an intermediary, either directly or indirectly, offered or attempted to offer a bribe to any Authority's employee involved with the Bid or the award of the Concession Agreement, then the Bidder's bid and, if applicable, the said award, shall be cancelled and the Bid Security or the Construction Performance Security (as defined in and required by the Draft Concession Agreement), as the case may be, shall be forfeited, all without prejudice to any Authority's

claim for ensuing damages and without prejudice to any criminal and/or administrative proceedings (or otherwise) in the province of Punjab.

## **6.7 EVALUATION REPORT**

The results of the evaluation of the Bids conducted by the BOEC in accordance with this Section 6.7 shall be reflected in the Bids evaluation report which shall be published on the Authority's official website and communicated to Bidders on the date specified in the Estimated Timetable which shall be at least ten (10) days prior to Letter of Intent.

## **7 AWARD**

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### **7.1 ANNOUNCEMENT**

The Authority shall announce the result of the Bidding Process and issue a notice for execution of Concession Agreement (“**Letter of Intent**”) to the selected Bidder within ten (10) days of the bid evaluation.

After issuance of the Letter of Intent to the selected Bidder, Authority shall make complete record of Bidding Process and evaluation reports available to Bidders upon submission of written request.

### **7.2 NEGOTIATION**

The Authority may conduct contract negotiations with the selected Bidder in accordance with the provision of the PPP Act. The negotiations shall focus on the terms and conditions not specified in this RFP and the Draft Concession Agreement but no post-bid changes in the terms and conditions mentioned hereto as binding and which formed part of the Bid evaluation shall be allowed as a consequence of contract negotiations.

### **7.3 TERMINATION OF BIDDING PROCESS**

The Authority reserves the right to terminate the Bidding Process at any time till such time that the Concession Agreement is signed. The Authority shall, upon request of any of the Bidders, communicate to such Bidder, grounds for the cancellation of the Bidding Process, but is not required to justify such grounds.

In the event the Authority terminates the Bidding Process, the Authority reserves the right to proceed with all or any part of the Project, including the use of some or all of a Bidder’s ideas and concepts, based on the approach that the Authority considers to be most suitable, which does not exclude the involvement of one or more of the Bidder’s collaborators.

### **7.4 AUTHORITY’S RIGHT TO ACCEPT OR REJECT**

The Authority may, in its sole discretion:

- (a) accept any Bid;
- (b) reject any Bid;
- (c) annul the Bidding Process and reject all Bids;
- (d) annul the Bidding Process and commence a new process; or

- (e) waive irregularities, minor informalities, or minor non-conformities which do not constitute material deviations in the submitted Bids from the Bidding Documents,
- (f) at any time prior to the award of the Concession Agreement without incurring any liability to the affected Bidder or Bidders and without any obligation to inform the affected Bidder or Bidders of the grounds for the Authority's actions.

## **SECTION C: BID FORMS**

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**Form 1      FORMAT OF COVERING LETTER**

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No: \_\_\_\_\_

Date: \_\_\_\_\_

Infrastructure Specialist,  
PMU Commissioner Office Kacheri Chowk,  
Rawalpindi, Pakistan.

The undersigned,

Name: \_\_\_\_\_

Title/Position: \_\_\_\_\_

Company: \_\_\_\_\_

acting as the legal representative of [*Bidder*], \_\_\_\_\_, \_\_\_\_\_ collectively known as the “**Bidder**” and who is interested in engineering, procurement, construction, finance, operations and maintenance of the Rawalpindi Ring Road (“**the Project**”) in Design, Build, Finance, Operate and Transfer (DBFOT) mode, hereby certify, represent, warrant and agree, on behalf of the Bidder that:

1. This Bid letter, along with all its attachments hereto, forms our Bid and is submitted pursuant to the Request of Proposal (**RFP**) and attached volumes dated \_\_\_\_\_ issued by the Lahore Ring Road Authority (**Authority**) for the Project.
2. Having examined and being fully familiar with all the provisions of the RFP, Draft Concession Agreement and the Detailed Project Report, receipt of which is hereby duly acknowledged, and having evaluated, following our own studies undertaken under our responsibility, the nature and scope of the contractual obligations to be executed, the financing structure, the Concession Agreement and any other regulation associated to the Project or its execution, we hereby offer to undertake the Project in compliance with all requirements of the RFP and Draft Concession Agreement.
3. We hereby agree that our Bid constitutes our firm, irrevocable offer that is binding upon us and will remain valid until one hundred and eighty (180) days.
4. We have provided and attached hereto a Bid Security dated [.....] issued by [*name of issuing bank*] in the amount of PKR 100,000,000/- (Pakistani Rupees one hundred million) in accordance with the RFP.
5. We certify that (i) the information submitted as part of our Bid is complete and accurate and (ii) we accept the documents, terms and conditions of the RFP and Draft Concession

Agreement and are bound to develop this Project in accordance with this RFP and Draft Concession Agreement.

6. We understand the evaluation criteria and the process for selection of Concessionaire that has been provided in the RFP and acknowledge that the Authority is under no obligation to accept our Bid and may at any time reject our Bid at its sole discretion.
7. We commit ourselves, if required, to extend the validity of our Bid until the issuance of Letter of Award to the successful Bidder, subject to mutual agreement.
8. We commit ourselves to furnish the Construction Performance Security and to finalize and sign the Concession Agreement in good faith, if we are advised to do so by the Authority.
9. We further commit ourselves to provide any additional information, clarification and data in respect of the Bid, if required by the Authority.

In (Location), on this (date)

The undersigned is duly authorized to execute the Bid for and on behalf of the Bidder

---

Authorized signature and seal

**Form 2      FORMAT OF BID SECURITY**

---

[To be stamped in accordance with the Stamp Act, 1899]

**IRREVOCABLE AND UNCONDITIONAL BID SECURITY GUARANTEE**

BANK GUARANTEE No:

DATE:

Chairperson  
Lahore Ring Road Authority

Dear Sir,

**Ref: Bid for engineering, procurement, construction, finance, operations and maintenance of the Rawalpindi Ring Road under Design, Build, Finance, Operate, Transfer (DBFOT) Model**

**WHEREAS** [name and legal status of the Bidder] (hereinafter referred to as the “**Bidder**”) has submitted his/its bid dated \_\_\_\_\_ for granting of a Concession for the engineering, procurement, construction, finance, operations and maintenance of the Rawalpindi Ring Road (hereinafter referred to as the “**Bid**”), a requirement of which is that the Bidder submit a bid security in the amount of RKR 100,000,000/- (Pakistani Rupees one hundred million only).

**AND WHEREAS** to satisfy the afore stated requirement, this Deed of Bid Security Guarantee(hereinafter referred to as the “**Guarantee**”) is made on this \_\_ day of \_\_\_\_, 2021 by [name of the bank] a banking company lawfully undertaking business in the Islamic Republic of Pakistan, having its registered office at \_\_\_\_\_ (hereinafter referred to as the “**Bank**” which expression shall, wherever the context so admit, include its executors, administrators and successors-in interest) in favor of the Lahore Ring Road Authority, a body corporate established by Government of the Punjab (hereinafter referred to as “**the Authority**”)

**NOW THEREFORE** in consideration of the Authority accepting the Bank’s obligations contained in the following paragraphs for the due discharge of the Bidder’s obligation to provide a bid security, THE BANK, by THIS GUARANTEE AGREES TO THE FOLLOWING:

The Bank hereby undertakes and guarantees that it shall, on the first written demand of Authority, without any caveat, demur, protest or contest and without reference or recourse to the Bidder or any other person, organization or authority, pay Authority within three (3) working days, in clear funds, without any deduction or withholding on any account whatsoever, a sum of RKR 100,000,000/- (Pakistani Rupees one hundred million only).

1. The obligation of the Bank to Authority to pay the sum specified in paragraph 1 above within

the time and in the manner specified therein shall be that of principal debtor in the first instance without Authority proceeding against the Bidder and notwithstanding any security or other guarantee Authority may have in relation to the Bidder's liabilities.

2. Any demand specified in paragraph 1 above, made by Authority on the Bank, will be conclusive and binding between Authority and the Bank notwithstanding any dispute or difference between Authority and the Bidder or any dispute pending before any court, tribunal, arbitrator or any other judicial, quasi-judicial or other authority. The Bank hereby affirms that it shall pay Authority the amount specified in paragraph 1 above within the time and in the manner specified therein, without Authority needing to prove or show grounds or reasons for Authority's demand.
3. Any payments made to Authority shall be net and free of and without any present or future deductions such as for the payment of any taxes, executions, duties, expenses, fees, deductions or retentions regardless of the nature thereof or the authority levying the same.
4. The Bank hereby waives, to the fullest extent possible by law, any defense whether in law or equity, that may be raised to prevent or delay Authority from making a demand specified in paragraph 1 above or being paid the sum specified therein.
5. Authority shall be at liberty, without affecting the Bank's obligations to Authority contained in; this Guarantee, to postpone for any time or from time to time, the enforcement of any rights accruing to Authority against the Bank or the Bidder and to enforce the same at any time and in any manner and to enforce or forbear to enforce any remedies available to Authority against the Bank or the Bidder. The Bank accepts that it shall not be released of its obligations to Authority contained in this Guarantee by any exercise by Authority of its liberty in relation to the aforesaid matters or any of them or by time or other indulgence including the granting of any waiver to either the Bank or the Bidder or by any variation in this Guarantee or by any other act or omission whatsoever which, under law or equity, but for this provision would have the effect of releasing the Bank of its obligations under this Guarantee notwithstanding that any such postponement, forbearance, extension of time or other indulgence, waiver, variation or any other thing was granted, made, given or happened without the consent or knowledge of the Bank.
6. The Bank hereby undertakes not to revoke this Guarantee during its currency without the prior written approval of Authority and agrees that the obligations of the Bank under this Guarantee are continuous obligations and shall remain in full force and effect and be enforceable against the Bank notwithstanding any change in the constitution, legal status or organization of the Bank, the Bidder or Authority until all dues of Authority under or by virtue of this Guarantee have been paid by the Bank in full or until Authority discharges this Guarantee in writing.

7. The Bank hereby affirms that it has the power and authority under its Memorandum and Articles of Association and all necessary consents and authorizations, including without limitation, those required from its board of directors, regulator or other relevant governmental body, to enter into, execute, deliver and perform the Bank's obligations under this Guarantee in favor of Authority and that the signatory(ies) hereto has/have the capacity and power to sign and bind the Bank to the Bank's obligations contained herein under [Power of Attorney/Board Resolution] dated \_\_\_\_\_
8. The Bank hereby confirms that notwithstanding any dispute which may arise with regard to this Guarantee or otherwise upon receiving the demand in writing as specified herein it shall pay the demanded amount without any objection.
9. Notwithstanding anything contained in paragraphs 1 to 8 above, the Bank's liability to Authority under this Guarantee is restricted to and shall remain in force up to and including \_\_\_ day of \_\_\_\_\_ 20 \_\_ and shall be extended for such period as may be desired by the Concessionaire.
10. The Bank's obligations as set out in this Guarantee shall be continuing obligations and shall not be modified or impaired upon the happening, from time to time, without the Bank's assent or otherwise, if any act or omission, or any circumstance or events which would otherwise discharge, impact or otherwise affect any of the Bank's obligations contained in this Guarantee.
11. No set off, counterclaim or reduction or diminution of any obligation that the Bank has or may have against the Authority shall be available to it against the Authority in connection with any of its obligations to the Authority under this Guarantee.
12. The Bank hereby declares and confirms that under its constitution and applicable laws and regulations, it has the necessary power and authority, and all necessary authorizations, approvals and consents there under to enter into, execute, deliver and perform the obligations it has undertaken under this Guarantee, which obligations are valid and legally binding on and enforceable against the Bank under the laws of Pakistan. Further that the signatories to this Guarantee are the Bank's duly authorized officers.
13. This Guarantee is limited to the sum of RKR 100,000,000/- (Pakistani Rupees one hundred million only) and shall be valid up till \_\_\_\_\_.
14. This Guarantee shall be governed by and construed in accordance with the laws of the Islamic Republic of Pakistan.

IN WITNESS WHEREOF the Bank, through duly and lawfully authorized representative(s), has executed this Guarantee on the date first written above in the presence of the witnesses mentioned

below.

Signature of Authorized Signatory \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

**WITNESSES:**

1. Signature of witness - 1 \_\_\_\_\_

2. Name and Title of witness \_\_\_\_\_

3. Address: \_\_\_\_\_

4. CNIC \_\_\_\_\_

1. Signature of witness - 2 \_\_\_\_\_

2. Name and Title of witness \_\_\_\_\_

3. Address: \_\_\_\_\_

4. CNIC \_\_\_\_\_

### **Form 3      FORMAT OF PREQUALIFICATION PROPOSAL**

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The Bidder (or each member in the case of a consortium or JV) shall provide a comprehensive explanation of its relevant experience and capability to undertake the Project. For each relevant experience cited, outline the precise role of the Bidder, Project duration, outcomes, and its value.

The Bidder (or each member in the case of a consortium or JV) is required to provide at a minimum, the following information:

- a. a description of experience in engineering, procurement, construction, financing, operations and maintenance of other road projects and current work commitments along with evidence of satisfactory completion from the client and satisfactory execution of the work in progress;
- b. information on any litigation in which the Bidder have been involved in during the previous five years or still in progress;
- c. affidavit declaring that the Bidder or any of its contractors is not blacklisted;
- d. latest audited financial reports of the preceding three (3) years;
- e. shareholding structure of its proposed SPV;
- f. evidence of financial resources and evidence of financial capability, to provide twenty five percent (25%) equity to finance the Project; and
- g. the expected time required to achieve Financial Close.

**Form 4      FORMAT OF AUTHORIZATION OF REPRESENTATIVE**

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[To be stamped in accordance with the Stamp Act, 1899]

**POWER OF ATTORNEY**

Know all men by these presents, we \_\_\_\_\_ name and address of the registered office) do hereby constitute, appoint and authorize Mr./ Ms. \_\_\_\_\_ name and residential address) who is presently employed with \_\_\_\_\_ and holding the position of \_\_\_\_\_ as our attorney, to do in our name and on our behalf, all such acts, deeds and things necessary in connection with or incidental to our Bid for the Project envisaging engineering, procurement, construction, finance, operations and maintenance of the Rawalpindi Ring Road project under Design Build Finance Operate and Transfer model in Rawalpindi in the country of Pakistan (“**the Project**”), including signing and submission of all documents and providing information / responses to the Lahore Ring Road Authority (**Authority**), representing us in all matters before Authority, and generally dealing with Authority in all matters in connection with our bid for the said Project. We hereby agree to ratify all acts, deeds and things lawfully done by our said attorney pursuant to this Power of Attorney and that all acts, deeds and things done by our aforesaid attorney shall and shall always be deemed to have been done by us.

Signature of Authorized Attorney \_\_\_\_\_  
Name and Title of Attorney: \_\_\_\_\_  
Name of Firm: \_\_\_\_\_  
Address: \_\_\_\_\_

**Note:** To be executed by all members in case of a consortium or JV. The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required the same should be under common seal affixed in accordance with the required procedure.



**Form 5      FORMAT OF AFFIDAVIT**

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Date: \_\_\_\_\_

Infrastructure Specialist,  
PMU Commissioner Office Kacheri Chowk,  
Rawalpindi, Pakistan.

We, [*insert name of Bidder*] hereby represent and warrant that, as of the date of this letter [*name of Bidder/lead member of consortium/JV*], and each member of our consortium/JV (if applicable):

- a. is not in bankruptcy or liquidation proceedings;
- b. has not been convicted of, fraud, corruption, collusion or money laundering; and
- c. is not aware of any conflict of interest or potential conflict of interest arising from prior or existing contracts or relationships which could materially affect its capability to comply with the obligations under the Concession Agreement

We have also attached proof of registration of each member, if applicable, from the relevant statutory authority.

Yours sincerely,

Signature of Authorized Signatory \_\_\_\_\_  
Name and Title of Signatory: \_\_\_\_\_  
Name of Firm: \_\_\_\_\_  
Address: \_\_\_\_\_

## **Form 6      FORMAT OF INTEGRITY PACT**

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*[To be stamped in accordance with the Stamp Act, 1899]*

### **DECLARATION OF FEES, COMMISSIONS AND BROKERAGE, ETC. PAYABLE BY THE CONCESSIONAIRES OF GOODS, SERVICES & WORKS**

**[Insert Name of the Concessionaire]** (the “**Concessionaire**”) hereby declares its intention not to obtain or induce the procurement of any contract, right, interest, privilege or other obligation or benefit through any corrupt business practice from the Government of Pakistan, the Government of Punjab, any local government, any administrative subdivision or agency of any of the foregoing or any other entity owned or controlled by any of the foregoing (each a “**Government Agency**”).

Without limiting the generality of the foregoing, the Concessionaire represents, warrants and covenants that it has fully declared the brokerage, commission, fees etc. paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including the Concessionaire’s affiliates, agents, associates, brokers, consultants, directors, promoters, shareholders, sponsors or subsidiaries, any commission, gratification, bribe, finder’s fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or including the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from any Government Agency, except that which has been expressly declared pursuant by the Concessionaire beforehand.

The Concessionaire certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to any transaction with any Government Agency and has not taken any action or will not take any action to circumvent the above declaration, representation, or warranty or covenant.

The Concessionaire accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation, warranty and covenant. The Concessionaire agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other right and remedies available to any Government Agency under any law, contract or other instrument, be voidable at the option of the relevant Government Agency and/or the Government of Punjab and/or the Lahore Ring Road Authority.

Notwithstanding any rights and remedies exercised by any Government Agency in this regard, the Concessionaire agrees to indemnify the relevant Government Agency, the Government of Punjab and the Lahore Ring Road Authority for any loss or damage incurred by it on account of the Concessionaire’s corrupt business practices and further to pay compensation to the relevant Government Agency, the Government of Punjab and the Lahore Ring Road Authority in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder’s fee or kickback given by the Concessionaire as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form from any Government Agency.

For and on behalf of the Concessionaire:

Signature of Authorized Signatory: \_\_\_\_\_  
Name and Title of Signatory: \_\_\_\_\_  
Name of Firm: \_\_\_\_\_  
Address: \_\_\_\_\_

Witness 1:

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC/Passport No.: \_\_\_\_\_

Witness 2:

Signature: \_\_\_\_\_  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
CNIC/Passport No.: \_\_\_\_\_

**Form 7      FORMAT OF CONSORTIUM OR JV**

[To be stamped in accordance with the Stamp Act, 1899]

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Between

*[First Member]*

And

*[Second Member]*

**THIS JOINT VENTURE AGREEMENT** (hereinafter called “**JV Agreement**”) made and entered into this .....day of the month of ..... 20\_\_, by and among:

*[Name & complete address of first/lead member]* (hereinafter called “[*short name/acronym*]”), which expression shall include its successors, legal representatives and permitted assigns;

*[Name and complete address of second member]* (hereinafter called the “[*short name/acronym*]”), which expression shall include its successors, legal representatives and permitted assigns;

(Both of the above for the purpose of this JV Agreement shall hereinafter individually called the “**Member**” and collectively called the “**Members**”)

WHEREAS,

(a) Lahore Ring Road Authority (hereinafter called the “the Client”) has invited through *[Mention the title of invitation]* published in daily *[Insert name of newspaper]* dated *[Insert date]* to submit proposal for **engineering, procurement, construction, finance, operations and maintenance of the Rawalpindi Ring Road project under Design, Build, Finance, Operate Transfer (DBFOT) model** in Rawalpindi in the country of Pakistan (hereinafter called the “Project”);

(b) the Members hereby intend to join hands to form an unincorporated association for the sole purpose of, preparation and submission of joint proposal as required to be submitted to the Client for undertaking the Project. In case of acceptance of proposal by the Client, the members shall undertake the Project as shall be agreed through Consortium/Joint Venture *[Use which is appropriate]* Agreement and the contract to be entered between the Client and the Consortium/Joint Venture.

NOW, THEREFORE, the Members confirm their understanding (hereinafter called the “Association”) as follows:

## **1. DEFINITIONS AND INTERPRETATION**

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### 1.1 Definitions

The following words and expressions shall have the meanings assigned to them, except where the context otherwise requires:

1.1.1 “Association” means the understanding formed between the Members in accordance with this JV Agreement;

1.1.2 “the Client” means the person, firm, company or body named as client in the Consortium/Joint Venture Agreement and none other, except its legal successors and permitted assigns;

1.1.3 “Contract” means the Contract between the Client and the Consortium/Joint Venture for the provisions of services for the Project;

1.1.4 “Country” means [State the name of the “Country”] where the Project is located;

1.1.5 “Invitation” means the invitation of the Client to submit a proposal for the provision of particular engineering services for the Project;

In case of Consortium Agreement

1.1.6 “Consortium” means the consortium to be formed between the Members for the Project;

1.1.7 “Consortium Agreement” means the formal agreement to be entered between the Consortium Members, upon acceptance of proposal for the Project;

In case of Joint Venture Agreement

1.1.6 “Joint Venture” means the Joint Venture to be formed between the Members for the Project and the Client;

1.1.7 “Joint Venture Agreement” means the formal agreement to be entered between the Members, and the Client;

1.1.8 “Proposal” means the proposal to be prepared and submitted by the Members in response to the Invitation, by the Client;

1.1.9 “Development Activities” means the all activities required to complete the Project including procuring, constructing and any other activity relating to the same;

1.1.10 “Representative” means the person nominated by the Members(s) of the Consortium/Joint Venture through Power of Attorney to sign the Proposal and the Contract on behalf of and in the name of that Member. The signature of Representative shall bind each Member in respect of all obligations and liabilities it assumes under the Consortium/Joint Venture Agreement.

1.1.11 “Lead Member” means the Member which will take the lead in the management of the Association’s affairs under this JV Agreement and which will provide the Association’s Representative for liaison with the Client;

1.1.12 “Day” means the period between any one midnight and the next, and “month” means a period of one month according to the Gregorian calendar commencing with any day in the month; and

1.1.13 “Document” means written, drawn, typed, printed, magnetized or photographic material which is capable of being copied.

## 1.2 Interpretation

1.2.1 Words importing the singular also include the plural and the masculine includes the feminine and vice-versa where the context requires.

1.2.2 The headings in this JV Agreement shall not be taken into consideration in its interpretation.

1.2.3 Unless otherwise stated, all references to clauses/sub-clauses are references to clauses/sub-clauses numbered in the Conditions and Terms of this JV Agreement and not to those in any other document attached or incorporated by them.

## 2. ASSOCIATION/UNDERSTANDING

---

- 2.1 The Members hereby intend to join hands to form an unincorporated association for the purpose of:
- a. preparing and submitting the Proposal to the Client;
  - b. providing any further information, the Client may require or negotiating with the Client on any matters requiring negotiation in connection with the Proposal;
  - c. entering into a formal Consortium/Joint Venture Agreement; and
  - d. performing all the Development Activities to be undertaken for the Project by the Consortium/Joint Venture under the Consortium/Joint Venture Agreement.

2.2 The Members hereby appoint the Lead Member and, pursuant to Clause 3.2, the representative of the Association.

Notwithstanding anything to the contrary, the Lead Member shall remain liable for all the obligations and liabilities of the Consortium/Joint Venture and commits to hold a minimum equity stake equal to at least fifty-one percent (51%) of the total paid up equity capital of the Consortium/Joint Venture.

2.3 The participating interests of each Member and its role(s) shall be as follows:-

Member	Participating Interest (%)	Role(s)
<i>Lead Member</i>		
<i>Member 1</i>		
...		

2.4 Where required by the Client, the Members shall establish a wholly owned subsidiary to perform the activities for part thereof as set out in clause 2.1.

### **3. PROPOSAL SUBMISSION**

---

3.1 Upon the execution of this JV Agreement, each of the Members shall grant a Power of Attorney in favour of a person nominated by it as its Representative. Under the Power of Attorney granted to him, the Representative of a Member shall thereby have authority to sign the Proposal and the Consortium/Joint Venture Agreement on behalf of and in the name of that Member. The signature of its Representative shall bind each Member in respect of all obligations and liabilities it assumes under this JV Agreement.

3.2 The Representative of the Lead Member shall be the representative of the Association for the purpose of correspondence and discussion with the Client on matters involving the interpretation of the Proposal and alterations to it and to the Development Activities to be performed.



#### **4. LANGUAGE AND LAW**

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This JV Agreement shall be written and interpreted in English Language and the law which is to be applied to this JV Agreement shall be the law of Islamic Republic of Pakistan.

## **5. ASSIGNMENT AND THIRD PARTY**

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No Member shall assign, sell, transfer or in any way encumber its interest under this JV Agreement, or its interests in any sums payable by the Client, without first obtaining the consent in writing of other Member.

## **6. SEVERABILITY**

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If any part of the provisions of this JV Agreement is found in any way to be void or not applicable, such part of the provisions shall be deemed to be deleted and remainder provisions of JV Agreement shall continue in force and effect.

**7. MEMBER IN DEFAULT**

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In the event of insolvency of a Member, the other Member hereby irrevocably constituted and appointed attorney-in-fact for such insolvent Member to act for it in all matters affecting performance of the Consortium/Joint Venture Agreement to be entered with the Client.

**8. LIABILITY**

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In case of the Consortium, all Members would be jointly and severally liable for all obligations and responsibilities under the Consortium/Joint Venture Agreement and other ancillary documents.

IN WITNESS WHEREOF the Members hereto have executed this JV Agreement in [*State name of place*] on the day, month and year first above written.

Signed for and on behalf of  
*[Name of the Lead Member]*

Signature \_\_\_\_\_  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
Date: \_\_\_\_\_

Seal

Signed for and on behalf of  
*[Name of each Member]*

Signature \_\_\_\_\_  
Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
Date: \_\_\_\_\_

**Form 8      FORMAT OF AUTHORIZATION OF LEAD MEMBER**

[To be stamped in accordance with the Stamp Act, 1899]

**POWER OF ATTORNEY**

**WHEREAS**, the Lahore Ring Road Authority (LRRA) has invited proposals from interested parties for the **Engineering, Procurement, Construction, Finance, Operations and Maintenance of the Rawalpindi Ring Road project under Design, Build, Finance Operate and Transfer mode** in Rawalpindi in Pakistan (“**the Project**”). Whereas, the members of the [consortium/JV] named \_\_\_\_\_ are interested in bidding for the Project and implementing the Project in accordance with the terms and conditions of the Request for Proposal Document, Draft Concession Agreement and other attached volumes in respect of the Project.

**AND WHEREAS**, it is necessary under the RFP for the members of the [consortium/JV] to designate one of them as the lead member with all necessary power and authority to do for and on behalf of the [consortium/JV], all acts, deeds and things as may be necessary in connection with the [consortium/JV’s] bid for the Project

**NOW THIS POWER OF ATTORNEY WITNESSETH THAT** we, M/s \_\_\_\_\_ M/s \_\_\_\_\_ and M/s \_\_\_\_\_ (the respective names and addresses of the registered office) do hereby designate M/s \_\_\_\_\_ being one of the members of the [consortium/JV], as the Lead Member of the [consortium/JV], to do on behalf of the [consortium/JV], all or any of the acts, deeds or things necessary or incidental to the [consortium/JV’s] bid for the Project, including submission of application / proposal, participating in conferences, responding to queries, submission of information / documents and generally to represent the [consortium/JV] in all its dealings with the Authority, any other Government entity or any person, in connection with the Project until culmination of the process of bidding and thereafter till the execution of relevant Project documents with the Authority as mandated by the RFP. We hereby agree to ratify all acts, deeds and things lawfully done by the Lead Member pursuant to this Power of Attorney and that all acts deeds and things done by our aforesaid attorney shall and shall always be deemed to have been done by the [consortium/JV].

Dated this the \_\_\_\_\_ Day of \_\_\_\_\_ 2021

(Executants)

Signature of Authorized Attorney \_\_\_\_\_  
Name and Title of Attorney: \_\_\_\_\_  
Name of Firm: \_\_\_\_\_  
Address: \_\_\_\_\_

(To be executed by all the members of the consortium or JV, using the terminology that is

applicable to the arrangement)

**Note:** The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, lay down by the applicable law and the charter documents of the executant(s) and when it is so required the same should be under common seal affixed in accordance with the required procedure.

**Form 9      FORMAT OF TECHNICAL PROPOSAL**

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Date: \_\_\_\_\_

Infrastructure Specialist,  
PMU Commissioner Office Kacheri Chowk,  
Rawalpindi, Pakistan.

**Subject: Technical Proposal – Engineering, Procurement, Construction, Finance, Operations and Maintenance of the Rawalpindi Ring Road)**

Dear Sir,

We, *[insert name of Bidder]* hereby submit our Technical Proposal in response to your Request for Proposal (RFP) dated *[-]* issued for the above-cited project (“**the Project**”). We hereby unconditionally offer to undertake and complete the Project through performance of all works and services in accordance with the Draft Concession Agreement.

We understand and accept that Authority may require us under the applicable laws to clarify or modify our Technical Proposal in conformity with its requirements leading to finalization of terms of services.

We hereby declare that all the information and statements made in this Technical Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification / rejection of bid.

We undertake to initiate work on the Project, in the event of acceptance of our proposal, in accordance with the Concession Agreement to be signed between the parties.

Yours sincerely

Signature of Authorized Signatory \_\_\_\_\_  
Name and Title of Signatory: \_\_\_\_\_  
Name of Firm: \_\_\_\_\_  
Address: \_\_\_\_\_



## **INFORMATION TO BE ENCLOSED IN TECHNICAL PROPOSAL**

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The Technical Proposal shall provide information on how the Bidder intends to approach the engineering, procurement, construction, financing, operations and maintenance of the Rawalpindi Ring Road.

The Technical Proposal should have two sections: (i) workplan and methodology; and (ii) competence and qualification of core team members for this specific project as set out in the RFP.

**Form 10    FORMAT OF FINANCIAL PROPOSAL**

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Date: \_\_\_\_\_

Infrastructure Specialist,  
PMU Commissioner Office Kacheri Chowk,  
Rawalpindi, Pakistan.

We, [*insert name of Bidder*] hereby submit our Financial Proposal in response to your Request for Proposal dated [-].

Based on the terms and conditions of this RFP [●].

We hereby confirm that rates have been calculated after incorporating all incidences of taxes, duties, fees arising out of execution of this Project under the applicable laws.

We again affirm that (i) the information submitted as part of our Bid is complete and accurate and (ii) we accept the documents, terms and conditions of the RFP and Draft Concession Agreement and are bound to undertake this Project in accordance with this RFP and Draft Concession Agreement.

Our Financial Proposal shall be binding upon us up to expiration of the validity period of the Bid, i.e. one hundred and eighty (180) days.

Signature of Authorized Signatory \_\_\_\_\_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Address: \_\_\_\_\_

## SUMMARY OF FINANCIALMODEL (Form 10a)

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### 1. Key Financial Indicators

<b>Year (after Project completion)</b>	<b>1</b>	<b>2</b>	<b>...</b>	<b>25</b>
Revenue				
Debt - Principal Payment				
Debt - Interest				
Operations; and Maintenance costs				
Taxes				
Expected revenue shared with GoPb				
Expected Dividends				

### 2. Project Cost Breakup

<b>Item</b>	<b>Total</b>
Construction cost including taxes	In PKR
Engineering/design costs	In PKR
Interest During Construction cost	In PKR
Insurance Cost (PKR)	In PKR
ITS	In PKR
Other project costs	In PKR
<i>Total cost before contingency)</i>	In PKR
Contingency	In PKR
<b>Project Cost</b>	<b>In PKR</b>

### 3. Capital Structure

<b>Pre Estimated Project Cost</b>		
Equity (min 25%)	In %	In PKR
Debt	In %	In PKR
Viability Gap Financing	In %	In PKR

#### 4. Debt Assumptions

<b>Interest Rate</b>	
Base rate ( <i>KIBOR</i> )	7.3 %
Margin (Spread) on base rate	In %

#### 5. Return

Equity IRR %	In %
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Signature of Authorized Signatory

\_\_\_\_\_

Name and Title of Signatory:

\_\_\_\_\_

Name of Firm:

\_\_\_\_\_

Address:

\_\_\_\_\_

**Form 11 BENCHMARK TOLL REVENUE (IN PKR)**

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<b>Operational Year</b>	<b>Benchmark Toll Revenues (PKR'm)</b>
1	4,244
2	4,810
3	5,392
4	6,048
5	6,561
6	7,257
7	8,122
8	8,927
9	10,133
10	11,072
11	11,931
12	12,791
13	13,744
14	14,813
15	16,076
16	17,279
17	18,695
18	20,091
19	21,594
20	23,307
21	24,992
22	26,933
23	28,886

\* Benchmark Revenues for 1<sup>st</sup> Operational year may vary depending on timelines of bidding process

**Form 12 BENCHMARK TOLL RATES (IN PKR)**

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The per kilometre toll rates for 1<sup>st</sup> full operational year i.e. 2024:

No.	Category	Per Kilometer Toll Rates (PKR)
1	Car	2.83
2	Hiace	4.73
3	Bus	9.47
4	2-Axle Truck	12.31
5	3-Axle Truck	12.31
6	4-Axle Truck	15.85
7	5-Axle Truck	15.85
8	6-Axle Truck	15.85

The per kilometre toll rates for toll during construction in year 2023:

No.	Category	Per Kilometer Toll Rates (PKR)
1	Car	2.64
2	Hiace	4.42
3	Bus	8.85
4	2-Axle Truck	11.51
5	3-Axle Truck	11.51
6	4-Axle Truck	14.82
7	5-Axle Truck	14.82
8	6-Axle Truck	14.82

**Form 13 REQUIRED FINANCIAL INFORMATION FOR BID EVALUATION**

No.	Criteria	Description	Details
1	Pre Estimated Project Cost	Bidders should state the total project cost including construction costs and other costs such as interest during construction.	Project Cost in PKR_____
2	GoPb Support (sub-debt)	Bidders should state the amount of support required from GoPb in form of sub-debt.	Amount of Support in PKR_____
3	GoPb Support (VGF Equity)	Bidders should state the amount of support required from GoPb in form of VGF Equity.	Amount of Support in PKR_____

**FORM- 13A CONSTRUCTION COST DETAILS****RAWALPINDI RING ROAD  
ENGINEER'S ESTIMATE  
PROJECT COST**

<b>Sr. No.</b>	<b>Description</b>	<b>Amount</b>
1	Project	In PKR
	<b>Pre Estimated Project Cost</b>	<b>In PKR</b>

<b>RAWALPINDI RING ROAD ENGINEER'S ESTIMATE</b>		
<b>SUMMARY</b>		
<b>Bill No</b>	<b>Description</b>	<b>Amount (PKR)</b>
1	Earthwork and Allied Activities	
2	Subbase and Base	
3	Surface Courses & Pavement	
4.1	Structures (NJB)	
4.2	Structures (Bridge a)	
4.2 a	Structures (Bridge at)	
4.3	Structures (Bridge at)	
4.4	Structures (Bridge at Rd)	
4.5	Structures (Bridge at)	
4.6	Structures (V.Subways)	
4.7	Structure (Retaining Walls)	
4.8	Structure (Pipe Culverts)	
5a	Drainage & Erosion Works (Concrete Drain along with complete system)	



5b	Drainage & Erosion Works (Protection Work)	
6	Ancillary Works (Tuff tiles, kerb stones, pavement marking, reflectors)	
7	General Items	
8	Electrical Works	
9	Toll Plaza & Weigh Station	
	<b>Total Construction Cost =</b>	
	Landscaping and Horticulture Charges	
	Contingencies	
	ITS (Intelligent Transport System)	
	<b>Pre Estimated Project Cost =</b>	