

**SELECTION OF CONSULTANTS BY BENEFICIARIES OF FINANCING FROM THE
FRENCH DEVELOPMENT AGENCY (AFD)**

REQUEST FOR EXPRESSIONS OF INTEREST

[The request for expression of interest is not a request for bids, and the requested information should not involve a large amount of work from the applicants. In particular, the drafting of a methodology or the identification and submission of CVs of experts for the services should not be required at this stage.]

The Arab Republic of Egypt

TARGETED FINANCIAL SUPPORT TO DISADVANTAGED HOUSEHOLDS FOR THE PAYMENT OF NATURAL GAS CONNECTION FEES

PROJECT PREPARATION, IMPLEMENTATION AND SUPERVISION

- CONSULTING SERVICES -

Expression of interest

Background

The Egyptian Ministry of Petroleum and Mineral Resources (MoP) has a strategic national objective to spread the use of Natural Gas throughout the whole country. In this respect, the Egyptian Natural Gas holding Company (EGAS) is implementing a national gas connection program to switch from imported and highly subsidized Liquefied Petroleum Gas (LPG) to a safer, more reliable, cleaner and more affordable energy source, which is the Natural Gas (NG). The switch from LPG to NG will realize a number of economic, environmental and social benefits. The Egyptian energy strategy also aims at improving the governance of the energy sector through enhancing energy planning and promote private sector participation.

In this regard, the Egyptian Government has received a Grant to Assist Egypt in the increase of access to reliable, lower cost, grid-connected NG supply (hereinafter referred to as the Project), and at the same time, alleviating poverty and enhancing quality of life.

For the above mentioned target, a significant portion of the aforementioned EU Grant ("Component 2" of the Project) aims at maximizing the number of beneficiaries amongst poor and disadvantaged households. The scaling-up of the natural gas connection will expand the grid to Governorates that include relatively poorer areas of Egypt, where Component 2 will pilot a targeted financial support mechanism to disadvantaged households for the payment of connection fees. Such Targeted Financial Support will consist of a subsidy to the poorest households, amongst those who are technically eligible for connection, to overcome the financial barrier to the payment of the gas connection fee. The eligibility criteria for the selection of the poor and disadvantaged households is based on electricity consumption, where the latter is not only a transparent and

accessible source of data, but also proved to be highly correlated to the poverty level of households. The average monthly consumption for eligibility would range from 50 kWh to 130 kWh calculated over a period of 12 months. Consumers have to submit a request to the relevant local distribution company (LDC), which will liaise with the competent authorities to check the eligibility of the households. After then, eligible units will receive the subsidy in the form of a deduction applied to their connection fee. Component 2 also provides for a Technical Assistance to support the implementation of such Targeted Financial Support, as well as the implementation of an efficient communication and visibility strategy and complains handling mechanism to ensure transparency.

Objective of the Assignment

The Egyptian Natural Gas Holding company has received a financing from the European Union delegated to the French Development Agency (AFD), and intends to use part of the funds thereof for payments under the following Component (2) of the Project [targeted financial support to disadvantaged households for the payment of Natural Gas connection fees]. Component (2) consists both of a targeted financial support to the disadvantaged households, along with a Technical Assistance for EGAS to assist in the implementation of Component 2. The overall budget dedicated to Individual Subsidy for Payment of Connection fee is EUR 40 Million, the targeted support shall be individually around 50% of the total amount of the connection fee to be paid by the customer.

The mission of the consultant shall consist of a technical assistance to support during the preparatory phase, as well as during the implementation with project management services, which do not only meet the requirements set forth in the Request for Proposals (RfP), but also are flexible and scalable in order to meet needs that may arise in the course of implementation. The purpose of issuing this Expression of Interest (EoI) document is to select a shortlist of providers interested in the Project Scope and with sufficient qualification and experience to carry out the assigned tasks.

The awarded consultant will be the Project Management Unit (PMU)¹ Consultant during the Project preparation, Implementation and supervision. To this end, the selected Consultant will undertake the required activities to select the relevant Service providers as needed for the proper Project implementation. Additionally, the selected Consultant will be responsible to provide the best project quality assurance during the phase of implementation.

It is worth mentioning that the Consultant, both for the purpose of Component (2) Preparatory work and Implementation phases, will work closely with Component (2) dedicated Team mentioned in the Organization Chart in the Project Implementation Manual (PIM). This dedicated staff, in addition to members from EGAS (as implementing agency for such specific component as well) shall represent the PMU Reinforcement Team relevant to Component (2) and shall directly report to the Project Manager - head of the PMU, as per the Organization Chart.

¹ the PMU comprises members from EGAS, Ministry of Social Solidity (MoSS), and LDCs, who are responsible for the management of Project, the PMU Organization Chart is part of the Project Implementation Manual (PIM)

The requested services of the Consultant will comprise but not be limited to the following main tasks:

- 1- Database Management: Develop a unified data base system to facilitate the process of checking eligibility and communication between PMU and involved Stakeholders. Accordingly propose a Software system that could be used for data collection, data entry, exchange of information, data analysis, and follow-up and update procedures.
- 2- Training Needs Assessment: Prepare Training Needs Assessment for component (2) agreed organization chart as per the Project Implementation Manual (PIM), develop a comprehensive training program and curricula, along with associated tender documents. The Consultant shall also support in tendering process. Training shall not be limited to classroom-type training but would include other relevant forms of training.
- 3- Knowledge sharing: Demonstrate experience and lessons learned of similar projects, locally and/or internationally.
- 4- Reporting: Establish system/procedures for exchange of information necessary for periodic reports to the different Stakeholders and the Donor Agencies, flow of work mechanism, and reporting and follow-up system. The system to be established shall provide an IT solution, software, templates for the different reports issued by the PMU including quarterly progress reports, and reminder of dates of issuance, contribution of different parties in the reports and procedures of follow-up.
- 5- Project Documentation: Establish an Electronic Documentation System (EDS) for the purposes of project documents to be easily accessed and available to all stakeholders. Revise the quality and content of the existing project-related documents mainly the PIM based on the outcomes of initial phase of implementation (i.e. the first six months of implementation of the aforementioned mechanism of selection of the targeted financial support), propose modifications as needed, to ensure efficiency, transparency and applicability of the mechanism set before.
- 6- Support to the Establishment and modernization of Customer Service Centers: Additional Customer Service Centers and Contracting Offices will be established in targeted areas to ensure high quality service and proximity to consumers during the project operation stage. The consultant will be responsible for preparing the work flow procedures, asses the required facilities (caravans, IT equipment, furniture...), estimation of the respective costs, preparation of relevant tender documents, and support in the tendering process.
- 7- Assessment of IT Equipment: the Consultant shall assess and estimate the relevant IT Equipment and necessary software required by the Project Stakeholders throughout the Project lifetime and the precise type and number needed for the Project various stages (prior and during implementation), prepare respective budgets, tender documents and support in the tendering process.

- 8- Legal opinion provision: whenever needed that might be required during the first phase of implementation.
- 9- Supervision: The Consultant shall ensure a close Monitoring and Tracking of the Project execution till the Project is successfully completed. For that purpose, and in order to assist the PMU, the Consultant shall assign of one or more dedicated staff from its Consultancy firm on temporary basis whenever requested for the management, data collection, reporting and following up of component (2) activities.
- 10- Support in the tendering processes: For any of the above-specified Project-related services, and whenever needed during the Project lifetime, the Consultant shall be responsible for the Preparation of tender documents such as Request for Expression of Interest and Request for Proposals, evaluation criteria. He will also support in the prequalification, evaluation and selection processes, awarding process, and contract negotiation.

The Egyptian Natural Gas Holding Company hereby invites consultants to show their interest in delivering the services described above.

In order to confirm their eligibility for AFD's financing, consultants should submit in their expression of interest a duly signed Statement of Integrity (appended to this letter).

Interested consultants must provide information evidencing that they are qualified and experienced to perform those services. For that purpose, documented evidence of recent and similar services shall be submitted.

Determination of the similarity of the experiences will be based on:

- Contracts size,
- The nature of services (Project consultation, Project Implementation, Project Management, Hardware Assessment, Training Needs Assessment, etc,...)
- The Technical area and expertise (for each: Project Implementation, Project Management, Hardware Assessment, software Assessment, Training Needs Assessment, etc....)
- The location (in the Middle East, in Egypt, Arabic-speaking countries)

The Client will also take into account for the evaluation of the applications the following items:

- Consultant Past Experience with similar scope with at least 5 references is provided. It is required that such reference persons can be contacted or visited for further information on quality of the consultancy services
- The Consultancy Company Profile
- Availability of relevant staff with Arabic speaking capabilities [Local representatives/ partners]

- Qualifications of the Consultant [Skills and availability of in-house technical back-up experts provided to the on-site experts],
- [Quality assurance procedures and certifications of the consultant - specify the type or the label of the certification: for example ISO 9001 or environmental and social certification].

Among the submitted applications, The Egyptian Natural Gas Holding Company will shortlist consultants, to whom the Request for Proposals to carry out the services shall be sent.

EGAS shall not be bound to accept any of the Interested Consultants as a sole or exclusive consultant and shall have the right to split awarding the scope and requested services among more than one Consultant. In case of split, a coordination mechanism shall be agreed between EGAS and the awarded consultants if applicable.

The main location for the provision of requested services will be:

Arab Republic of Egypt, Cairo, Egyptian Natural Gas Holding Company

Expressions of Interest must be submitted as (1 hard copy and 1 Softcopy) to the address below no later than **5/3/2017, 14:00 Cairo Local Time**

For the attention of:

Mr. Yasser Mohamed Eid

Financial Affairs

3rd floor

Egyptian Natural Gas Holding Company (EGAS)

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Interested consultants may obtain further information at the address above during office hours [from 9:00 am to 15:00 hours Cairo local time].

APPENDIX TO THE REQUEST FOR EXPRESSION OF INTEREST
(Format not to be altered)

Statement of Integrity, Eligibility and Social and Environmental Responsibility

Reference name of the Eol: _____ (The "**Contract**")

To: _____ (The "**Contracting Authority**")

1. We recognise and accept that *Agence française de développement* ("AFD") only finances projects of the Contracting Authority subject to its own conditions which are set out in the Financing Agreement which it has entered into with the Contracting Authority. As a matter of consequence, no legal relationship exists between AFD and our company, our joint venture or our subcontractors. The Contracting Authority retains exclusive responsibility for the preparation and implementation of the contract procurement and its subsequent performance.
2. We hereby certify that neither we nor any other member of our joint venture or any of our subcontractors are in any of the following situations:
 - 2.1) being bankrupt, wound up or ceasing our activities, having our activities administered by the courts, having entered into receivership, reorganisation or being in any analogous situation arising from any similar procedure;
 - 2.2) having been convicted, within the past five years by decision of a court decision, which has the force of *res judicata* in the country where the project is implemented, of one of the acts mentioned in sections 6.1 to 6.4 below or of any other offense committed during the procurement or performance of a contract²;
 - 2.3) being listed for financial sanctions by the United Nations, the European Union and/or France for the purposes of fight-against-terrorist financing or threat to international peace and security;
 - 2.4) having committed serious professional misconduct within the past five years during the procurement or performance of a contract;
 - 2.5) not having fulfilled our obligations regarding the payment of social security contributions or taxes in accordance with the legal provisions of either the country where we are established or the Contracting Authority's country;
 - 2.6) having been convicted, within the past five years by a court decision, which has the force of *res judicata*, of one of the acts mentioned in sections 6.1 to 6.4 below or of any other offense committed during the procurement or performance of an AFD-financed contract;

² In the event of such conviction, you may attach to this Statement of Integrity supporting information showing that this conviction is not relevant in the context of this AFD-financed contract.

2.7) being subject to an exclusion decision of the World Bank since 30 May 2012, and being listed on the website <http://www.worldbank.org/debarr>^{3 2};

2.8) having committed misrepresentation in documentation requested by the Beneficiary as part of the contract procurement procedure.

3. We hereby certify that neither we, nor any of the members of our joint venture or any of our subcontractors are in any of the following situations of conflict of interest:

3.1) being an affiliate controlled by the Contracting Authority or a shareholder controlling the Contracting Authority, unless the stemming conflict of interest has been brought to the attention of AFD and resolved to its satisfaction;

3.2) having a business or family relationship with a Contracting Authority's staff involved in the selection procedure or the supervision of the resulting contract, unless the stemming conflict of interest has been brought to the attention of AFD and resolved to its satisfaction;

3.3) being controlled by or controlling another bidder or being under common control with another bidder, or receiving from or granting subsidies directly or indirectly to another bidder, having the same legal representative as another bidder, maintaining direct or indirect contacts with another bidder which allows us to have or give access to information contained in the respective bids, influencing them or influencing decisions of the Contracting Authority;

3.4) being engaged in a consultancy activity, which, by its nature, may be in conflict with the assignments that we would carry out for the Contracting Authority;

3.5) in the case of a works or goods procurement procedure:

- i. having prepared or having been associated with a consultant who prepared specifications, drawings, calculations and other documentation that are subject of the bid;
- ii. having been recruited (or being proposed to be recruited) ourselves or any of our affiliates, to carry out works supervision or inspection for this contract;

4. If we are a government-owned entity, we certify that we have legal and financial autonomy and that we operate under commercial laws and regulations⁴.

5. We undertake to bring to the attention of the Contracting Authority, which will inform AFD, any change in situation with regard to points 2 to 4 here above.

6. In the context of procurement and performance of the contract:

6.1) We have not and we will not engage in any dishonest conduct (act or omission) deliberately intended to deceive others, to intentionally conceal items, to violate or vitiate someone's consent, to make them circumvent legal or regulatory requirements and/or to violate their internal rules in order to obtain illegitimate profit.

³ In the event of such exclusion, you may attach to this Statement of Integrity supporting information showing that this exclusion is not relevant in the context of this AFD-financed contract.

⁴ Item to be deleted, as the case may be, if the contract is awarded to a state-owned company without competitive process.

6.2) We have not and we will not engage in any dishonest conduct (act or omission) contrary to our legal or regulatory obligations or our internal rules in order to obtain illegitimate profit.

6.3) We have not promised, offered or given and we will not promise, offer or give, directly or indirectly to (i) any person who holds a legislative, executive, administrative or judicial mandate within the State of the Contracting Authority regardless of whether that person was nominated or elected, regardless of the permanent or temporary, paid or unpaid nature of the position and regardless of the hierarchical level the person occupies, (ii) any other person who performs a public function, including for a State institution or a State-owned company, or who provides a public service, or (iii) any other person defined as a Public Officer by the national laws of the Contracting Authority, an undue advantage of any kind, for himself or for another person or entity, for such Public Officer to act or refrain from acting in his official capacity.

6.4) We have not promised, offered or given and we will not promise, offer or give, directly or indirectly to any private person who occupies an executive position in a private sector entity or works for such an entity, regardless of the nature of his/her capacity, any undue advantage of any kind, for himself or another person or entity for such private person to perform or refrain from performing any act in breach of its legal, contractual or professional obligations.

6.5) We have not and we will not engage in any practice likely to influence the contract award process to the detriment of the Contracting Authority and, in particular, in any anti-competitive practice having for object or for effect to prevent, restrict or distort competition, namely by limiting access to the market or the free exercise of competition by other undertakings.

6.6) Neither we nor any of the members of our joint venture or any of our subcontractors shall acquire or supply any equipment nor operate in any sectors under an embargo of the United Nations, the European Union or France.

6.7) We commit ourselves to comply with and ensure that all of our subcontractors comply with international environmental and labour standards, consistent with laws and regulations applicable in the country of implementation of the contract, including the fundamental conventions of the International Labour Organisation (ILO) and international environmental treaties,. Moreover, we shall implement environmental and social risks mitigation measures such as specified in the environmental and social management plan or, if appropriate, in the environmental and social impact assessment notice provided by the Contracting Authority.

7. We, as well as members of our joint venture and our subcontractors authorise AFD to inspect accounts, records and other documents relating to the procurement and performance of the Contract and to have them audited by auditors appointed by AFD.

Name:

In the capacity of:

Signature:

Duly empowered to sign the bid in the name and on behalf of⁵:

Dated:

In the day of:

⁵ In case of joint venture, insert the name of the joint venture. The person who will sign the bid on behalf of the bidder shall attach a power of attorney from the bidder.