**REQUESTFOREXPRESSION OF INTEREST (EOI)**

**for provision of consultancy services**

**to Bishkek City Administration for the Project “Construction and operations of preschool educational institutions ”based on Public Private Partnership”**

1. **Background**

The Government of the Kyrgyz Republic is actively pursuing the implementation of Public Private Partnership (PPP) arrangements to strengthen the quality of its public infrastructure and related services.

With support from the Asian Development Bank (ADB), the government has adopted in 2012 a Law on PPP to enable and facilitate PPP. An institutional setting has been designed to support the preparation and implementation of PPP with the Ministry of Economy as authorized public body i.e. coordinating agency and the Ministry of Finance responsible for approval of fiscal risks.

Also with support from the ADB, a Project Development Support Facility (PDSF) has been established (Government Resolution No. 147, 17 March 2014). The objective of the PDSF is to fund project preparation.

The Bishkek City Development Agency is one of the most active government agencies with regard to PPP having identified several potential PPP projects. One of the promising PPP initiatives concerns the necessity of construction and operations of preschool educational institutions in the city of Bishkek. Based on the project brief the authorized public agency for PPP, the Ministry of Economy has concluded and recommended to the Bishkek City Development Agency to proceed with the project.

Through its Project Development Support Fund the government of the Kyrgyz Republic has approved funding for the further preparation and implementation of this project initiative.

1. **Purpose**

The Bishkek City Administration requires skilled consulting services for preparing a project “Construction and operations of preschool educational institutions in the city of Bishkek based on Public Private Partnership” (hereinafter the Project), with particular emphasis on financial viability, bankability, and value for money to the society at large. The project involves an agreement with a private partner for the construction of 20 new kindergartens in Bishkek with capacity of 250 children each, as well as the operation of these kindergartens with the most effective method for the provision of quality care for children and provision of high-quality pre-school education. The city intends to implement this pilot project as a PPP for the construction of kindergartens on the land that is allocated by the City Administration for the following reasons:

* Use the administrative and commercial potential of the private sector in the operation of kindergartens.
* Use the financial capacity of the private sector, given the limited budgetary resources of the city.
* Give a favorable signal to the private sector for cooperation on the development of preschool education in Bishkek.
* The well-being of children and high-quality pre-school education is the first small but very important step in the acquisition of high-quality secondary and higher education, which in turn is the basis for the preparation of various kinds of necessary specialists.

1. **Scope of work**

The required consulting services will include:

**Needs Assessment**

* Review of the relevant policy/legislation for preschool educational institutions activities in general and development of recommendations on improvement, if necessary;
* Determining the optimal capacity of preschool educational institutions for the whole city of Bishkek (in terms of location, quality and price);
* Analysis of gaps in existing preschool educational institutions services and determination of the existing shortcomings;
* Analysis of competitive ability of project preschool educational institutions in the city of Bishkek;
* Review of compliance with standards of existing preschool educational institutions, both public and private and enforcement to comply with standards.

**Demand analysis**

* Assessment of long-term demand for preschool educational institutions services under different scenarios (taking into account the gap analysis and competitive ability);
* Assessment of occupancy rates of preschool educational institutions both in public and private;
* Analysis of ability and willingness to pay the higher price for preschool educational institutions services and to what extent, if necessary;
* Identification and analysis of possible value-added services.

**Technical Analysis**

* Identification of state-of-the-art technical solutions for facilitating preschool educational institutions including different modes and their capacity and payment options;
* Identification of optimal locations for preschool educational institutions and assessment of locations suggested by the public partner necessary to cover existing demand with lowest costs;
* Definition of functional requirements for preschool educational institutions (taking into account the demand analysis);
* Preparing cost estimates (taking into account life-cycle cost optimization and the economic life of preschool educational institutions facilities).

**Financial Analysis**

* Definition of financing scheme;
* Analysis of financial viability (under different tariff-rate setting scenarios)
* Risk analysis and their optimal distribution between public and private partners;
* Evaluation of value for money taking into account the best international practice;
* Development of proposals on possible support of public partner in case of viability gap;
* Development of Financial model;
* Development of optimal tariff policy and tariff rates;
* Assessment of fiscal risk exposure.

**Project Structuring**

* Definition of Project Scope
* Definition of Business Model
* Definition of PPP model;
* Risk Management Framework;

**Legal Due Diligence**

* Review of legislative barriers and shortcomings for the project implementation;
* Determination of needs in correction of the Kyrgyz legislation, including recommendation on distribution of roles and responsibilities of stakeholder, identification of legal issues on land ownership and support by public partner;
* Recommendation for regulatory framework for preschool educational institution services;

**Market sounding**

* Identification of possible service providers;
* Identification of possible financiers;
* Consultation of possible service providers and financiers to identify constraints, conditions and market appetite.

**Impact Assessment**

* Appraise Economic impact;
* Analysis of Social impact;
* Analysis of Environmental impact (if any).

**Preparation of the Tender Documentation.**

* Preparation of tender documentation in accordance with the Law of the Kyrgyz Republic "On Public-Private Partnership in the Kyrgyz Republic" of February 22, 2012 No. 7 and other normative acts of the Kyrgyz Republic

Transfer of knowledge.

* Transfer of knowledge to 2 employees of the Bishkek Development Agency and 1 employee of the State Agency for the Promotion of Investments and Export under the Ministry of Economy of the Kyrgyz Republic to develop a feasibility study for the public-private partnership project. Total number of employees 3.

**Facilitate Request for Approval from authorized body for PPP i.e. Ministry of Economy.**

1. **Duration of the Assignment**

Duration of the Assignment is approximately 7 months with possible extension. The Consultant will get down to work immediately after contract signing. The Consultant will submit reports in Russian and English.

1. **Reporting and Time Schedule for Deliverables**

Consultantsmustsubmit reports tothe Head ofInvestments and PPP Unit of the Bishkek City Development Agency inpaper and electronic versionsin Russian and English languages as follows:

**Schedule of deliverables**

* Inception Report (1 month after start)
* Draft Prefeasibility Report (5 months after start)
* Final Prefeasibility Report (7 months after start)

1. Deliverables**:**

* Detailed Feasibility Studyforthe Project;
* Proposals to improve thePPP normative legal documents, if needed;
* Recommendations and roadmap for project implementation;
* Outline Tender Documents;
* Other necessary documentation;
* Reports.

1. **Qualification Requirements**

Interested (inter)national consulting companies with relevant experience in implementation of PPP projects preferably in the education sector are requested to provide information / company profile indicating qualifications to fulfill the assignment:

* Confirmation of relevant experience in completion of at least 3 Feasibility Studies (provide with descriptions of the last contracts and contractor’s contacts) on PPP projects;
* Confirmation of relevant experience with social infrastructure;
* Confirmation of relevant experience with PPP preferably in CIS countries;
* Confirmation of partnership with local consulting companies;
* Information on the Consultant specialists, including their qualifications and relevant skills. The Consultant’s team must have professional knowledge about (preschool) educational institutions and experience in PPP projects, and include at least the following specialists with knowledge of English and Russian (preferably):
  1. Project manager/PPP specialist
  2. Technical specialist on (preschool) educational institutions
  3. Economist ((preschool) educational institutions)
  4. Project Finance specialist
  5. Legal expert
* Interested consultants will provide information indicating that they are qualified to perform the services (brochures, description of similar projects undertaken, CVs etc.).
* Consultants may also associate to enhance their expertise of the group, preferably with national consultants. Bishkek City Development Agency reserves the right to modify the current scope of work if required.

1. **Institutional Conditions**

The Bishkek City Development Agency office will be the “institutional home” of consultants. The Bishkek City Development Agency will provide access to normative and legal documentation and other relevant materials required.

Responsibility for coordinating the implementation of activities on development of mechanisms for the implementation of PPP is assigned to the Head of Bishkek City Development Agency. The Consultants will report directly to the Head of the Investments and PPP Unit of Bishkek City Development Agency.

1. **Preparation of Tender documentation.**

Preparation of tender documentation in accordance with the Law of the Kyrgyz Republic "On public-private partnership in the Kyrgyz Republic" from February 22, 2012 №7 and other regulatory acts of the Kyrgyz Republic.

1. **The transfer of knowledge.**

Knowledge transfers to 2 employees of the Bishkek City Development Agency and 1 employee of the State Agency for investment and export promotion under the Ministry of Economy of the Kyrgyz Republic on development of the feasibility study of the project public-private partnership. The total number of employees is 3.

· Interested consultants will provide information indicating that they are qualified to perform the services (brochures, description of similar projects undertaken, CVs etc.).

· Consultants may also associate to enhance their expertise of the group, preferably with national consultants. Bishkek City Development Agency reserves the right to modify the current scope of work if required.

For any questions please contact by e-mail: [**gavhar.ashirova@gmail.com**](mailto:gavhar.ashirova@gmail.com)**; danilbekovu@gmail.com** [**nasirdin18@yahoo.com**](mailto:nasirdin18@yahoo.com)**;**[**pppconsultant7@gmail.com**](mailto:pppconsultant7@gmail.com)**;** [**newbishkek@gmail.com**](mailto:newbishkek@gmail.com)

 Eligible firms are requested to submit their signed “Expression of Interest” (in .pdf format) in English and Russian for the assignment by 14:00 hours (GMT +6:00) on November 14th 2017 to the following address:

Bishkek City Development Agency,

Jibek-Jolu st.495a, Bishkek, Postal Code 720040, tel.(fax): +996 312 325325

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or online: [www.cda.kg](http://www.cda.kg/)

 Request for Proposals will be issued to the shortlisted firms.