

Reponses to the queries / questions raised and suggestions offered by the prospective Bidders after the pre-bid meeting held on 16 July 2021 pursuant to the Request for Proposal dated 1 July 2021 for the Establishment Of Primary And Secondary Solid Waste Collection System For Hyderabad City, Qasimabad and Kotri Areas, Hyderabad Division Sindh, Pakistan

All capitalized terms used herein unless defined otherwise will have the meaning given to them in the RFP.

Query no.	RFP clause	Query/ comments of prospective Bidders	Responses by the Employer
1		Where the Bidder is a consortium, no person shall be a member of more than 1 (one) consortium. Further, where a person is participating as a member of a consortium, it shall not be eligible to qualify as a Bidder on its own. A consortium shall not have more than two members. Whereas according to FIDIC Construction contract Clause 1.14 clearly allows two are more members for a joint venture.	Sindh Solid Waste Management Board (SSWMB) is not legally obliged to follow the FIDIC Construction Clauses and has the discretion to specify the requirements of consortium formation in the RFP. However, SSWMB is willing to increase the maximum number of consortium members from a maximum of two to a maximum of three members. All other conditions of consortium formation shall remain the same, including the requirement on the Lead Bidder to score more than 60% of the combined score of the consortium w.r.t Technical and Financial Evaluation and Qualification Criteria scoring.
2		Where the Bidder is a consortium, the Bid must identify the Lead Bidder, which is duly authorized (to the satisfaction of the Employer) by all other consortium members to act and deal with the Employer on their behalf in connection with the Project and to sign the Agreement if the consortium is the Successful Bidder and to incur any and all liabilities, receive instructions, give binding undertakings and receive payments on behalf of the consortium. Lead Bidder will be the consortium member who will score more than 60% of the combined score of the consortium w.r.t Technical and Financial Evaluation and Qualification Criteria scoring. The Lead Bidder shall also be responsible for submitting the Bid Security, Pre-Performance Security and the Performance Security for the consortium. However, this requirement is not mandatory but preferred by the Employer.	<p>As mentioned above, SSWMB has the discretion to specify additional requirements w.r.t matters, including consortium formation, in the RFP.</p> <p>Please refer Annexure A - Basic Eligibility Criteria and Annexure B - Technical And Financial Evaluation And Qualification Criteria of the RFP for detailed evaluation criteria w.r.t the Technical Proposal.</p> <p>As per SPPRA, the procuring agency may consider any other factor that is relevant to the capability, competence and resources required for accomplishment of the assignment. Hence, specific permissible considerations w.r.t the Bidder's evaluation criteria, consortium requirements, etc. have been set in the RFP, based on quantum of work required, on-ground situation and past experience of SSWMB.</p>

		<p>Whereas the SPPRA /PPRA /FIDIC Rules clearly ask the eligibility as under.</p> <ol style="list-style-type: none"> 1. Relevant experience and past performance, 2. Capabilities with respect to personnel, equipment, and plant, 3. Financial position, 4. Appropriate managerial capability, and 5. Any other factor that a procuring agency may deem relevant, not inconsistent with these rules. <p>Otherwise there is no rule for special stipulation as described in this Bid.</p>	
3		<p>Please refer SPPRA RULE 32- Discriminatory and difficult conditions.</p> <p>Save as otherwise provided, no procuring agency shall introduce any condition, which discriminates between bidders or that is considered to be met with difficulty. In ascertaining the discriminatory or difficult nature of any condition reference shall be made to the ordinary practices of that trade, manufacturing, construction business or service to which that particular procurement is related.</p> <p>Performance security should be 5% instead of 10 %.</p> <p>34.1 Formation of SPV by the Successful Bidder As a key condition of the Bidding Documents, the Successful Bidder shall incorporate a wholly owned "special purpose vehicle / company" (the "SPV"). Which shall be a locally registered company incorporated in accordance with the laws of Pakistan exclusively for the implementation of the Project. The SPV shall upon its incorporation and finalization of the Agreement, enter into the Agreement as the Company.</p> <p>34.2 The Successful Bidder (whose experience will be evaluated for the purposes of the Bidding Documents) shall undertake that it shall not (except with prior</p>	<p>Rule 37 of the SPRRA Rules 2010 (as amended 2019) places a cap of 5% of the contract price on the Bid Security, not on the Performance Security which can be up to 10% of the contract price pursuant to Rule 39 of SPPRA Rules, 2010 (as amended 2019).</p> <p>As mentioned above, SSWMB has the discretion to specify additional requirements w.r.t matters, including the formation of an SPV.</p> <p>As per SPPRA, the procuring agency may consider any other factor that is relevant to the capability, competence and resources required for accomplishment of the assignment. Hence, specific permissible considerations w.r.t the Bidder's evaluation criteria, consortium requirements, etc. have been set in the RFP, based on quantum of work required, financing required for the Project, infrastructure required for the Project, trained human resource required for the Project, on-ground situation and past experience of SSWMB.</p> <p>Performance Security requirement shall remain unchanged.</p>

		<p>written consent of the Employer and in accordance with the Agreement) transfer direct and / or indirect, legal and / or beneficial ownership of any shares in the SPV resulting in such Successful Bidder holding less than 100% of the shares in the SPV. This key condition is violation of SPPRA Rule 32. 32. Which intend a ease to bidders.</p>	
4		<p>Q 37.2 Furthermore, the cost for insurances may be included in the Financial Proposal by the Bidders. The Bidders are required to specify all the insurances that typically required for the project of this nature including those specified in the Agreement. Ans- 37.3 The Company shall be responsible for safeguarding of work and workplaces and shall take all insurances required by pertinent legislations and submit the policies thereof to the Employer.</p>	<p>Any and all insurances which may include insurances w.r.t staff, workplace, all movable and immovable infrastructure, fire, etc. will be required to be procured by the Company. It will be deemed that the Financial Proposal will include all insurance related costs w.r.t the Project.</p>
5		<p>Annexure -B 1.1 The personnel must be employed for the last 3 years with the Company. 2 personnel are to be proposed, as part of the above requirement, with 10 years or more of professional experience in management of landfill sites. Each personnel should be a certified Manager of Landfill Operations (MOLO) with relevant and active registrations and membership. It is surprising how much trainings and certification have been established by MOLO and Procurement agency is required such eligibility. This may be additional eligibility and there should be additional Marks.</p>	<p>Not agreed.</p>
6		<p>1.2. Company must have been maintaining / managing a workforce, for the last 5 years, as part of waste management For 2,000 personnel - 0 < 2,000 personnel - 5.</p>	<p>Requirements as per Annexure B - Technical And Financial Evaluation And Qualification Criteria of the RFP have been designed based on the quantum of work required for undertaking the Project, on-ground situation and past experience of SSWMB.</p>

		The Work force always depends on capacity of Project Execution.	
7		Are the Bidders required to provide O&M Fee for management of Landfill Site from start?	Yes. The Bidders are required to provide O&M Fee for management of Landfill Site from 2021. Additionally, the unindexed O&M Fee for management of Landfill Site should be the same across the Operations Period.
8		<p>1.3 Should own or have managed Compactors, Ann Roll Trucks, Loaders, Excavators, Minitippers and Flatbed trucks for at least 5 years, as part of municipal solid waste management operations. 500 Vehicles for last 5 years. It's totally discriminatory condition if a bidder was not successful in a big contract or having not such contract capable for 500 vehicles would be able to present it..'? On other hand for this bid the contractor is responsible to arrange and manage Vehicles as required.</p> <p>2.1 Number of years in Integrated Municipal Solid Waste operations (No. of effective years considered for evaluation will be ones where the Company must have managed municipal solid waste equal to or in excess of 1,500 tons per day). This should be decreased up to 500 tons and experience up to 3 years as No any city in Pakistan having such solid waste contracts of required quantity. It looks this condition is just to facilitate international bidders. The annual turnover may be decreased.</p>	Please see response to query number 6.

9		<p>It is to bring your kind notice that during the study of RFP of some clauses are very restricted according to our information none of any Pakistani companies fulfilled the criteria mentioned in Annexure-B-Technical Financial Evaluation and Qualification Criteria under the clause 4.1</p> <p>You requested to please relax these financial criteria as requested above Where the clause ITB 2.1- For the purposes of the Bidding Documents, a Bid may be submitted by a single entity or as a consortium/joint venture formed by two entities → It should be revised allow atleast three entities.</p> <p>We also requested divide the Hyderabad city in 4 towns (Qasiamabad, Hyderabad City, Latifabad, Kotri MC) and bid may invite town wise this will be helpful to develop healthy and strong competition</p>	
10	<p>Definitions Company's Taxes</p>	<p>We understand that Company's Taxes will include Sales Tax and With Holding Income Tax. Can the client elaborate what are the % - age of these taxes?</p>	<p>The Bidders are required to assess itself all taxes applicable on the Project.</p>
11	<p>Preparation of Bid Requirement of duly notarized by Notary Public and / or attested by Pakistan Embassy / Consulate in the country of origin and counter- attested by the Ministry of Foreign Affairs, Pakistan</p>	<p>Due to Covid restrictions and lockdowns, fulfilling these requirements will practically impossible to meet within the stipulated deadline. Kindly accept the documents initialed by the Authorized Representative. Requirement of notarization and subsequent attestation should be required later.</p>	<p>Noted. Notarized and attested copies should be provided as soon as possible and Bidders should indicate by when they expect to provide such documents.</p>
12	<p>I- Bidding Documentary Requirements To be dated, signed by the Authorized Representative, duly witnessed, stamped.</p>	<p>Please inform the value of stamp paper and adhesive sticker required for each bidding form for both the local and international bidders.</p>	<p>FORM OF BID SECURITY POWER OF ATTORNEY AFFIDAVIT</p> <p>Stamp duty for the above Bidding Documents vary from province to province, therefore, Bidders are advised to confirm the applicable stamp duty from their counsel/Board of Revenue of their place of domicile.</p>

13	ANNEXURE B - Technical and Financial Evaluation and Qualification Criteria Evidence	Our understanding is that any one of the items listed in the evidence column will be sufficient to substantiate the scoring criteria. Please confirm.	Not agreed. Requirements where “OR” has been stated provides an option to the Bidders w.r.t evidence, only. For other requirements, all evidence as stated needs to be provided.
14	ANNEXURE F-O&M FEE The quantum of waste that would be delivered at the landfill sites has been locked in the Annexure G, for every year. The Bidder would be required to quote per ton cost for that waste	Bidder should be compensated if the quantum of waste is more than the locked in figures for Eid Holidays.	Not agreed.
15	ANNEXURE F-O&M FEE Indexation of the per ton cost and the per km cost to be applied annually, At the time of bidding, all indexation factors (as stated below) would be locked for all Bidders. 7 days before the end of an operating year, the indexation factors would be updated and specified by the Employer, 2 days before the end of the year.	As Waste Management Project costs are heavily sensitive to the HR Cost and specially the minimum wage rate, our suggestion is to index part of the rate with the changes in minimum wage rate as well.	Not agreed.
16		During the study of RFP some clauses are very restricted according to our information none of any Pakistani companies fulfilled the criteria mentioned in Annexure-B-Technical Financial Evaluation and Qualification Criteria under the clause 4.1. You requested to please relax this financial criteria as requested above We also requested divide the Hyderabad city in 4 towns (Oasimabad, Hyderabad City, Latifabad. Kotri, MC) and bid may invited town wise this will be helpful to develop healthy and strong competition.	Not agreed.
17		Appendix D company's obligations in the bidding document (attached separately) Page 73: Appendix construction activities (attached separately) page 74: Appendix I employee list page 101 Appendix J map (attached separately) page 102 is blank, which affects the preparation of technical bid.	All relevant appendix and annexures have been uploaded on SSWMB website http://sswmb.gos.pk/cms and on SPPRA website.

		Question: no appendix is found after studying the bidding documents	
18		<p>Tender offer format Page 75 of the bidding document, Original: The bidder is required to submit a complete excel form as part of its financial proposal, i.e. Appendix I. Based on Appendix I, the bidder will be able to evaluate the bid price, bid security amount and performance security amount of its first year of operation.</p> <p>Question: the excel format is not provided in the bidding document</p>	All relevant appendix and annexures have been uploaded on SSWMB website http://sswmb.gos.pk/cms and on SPPRA website.
19		<p>Original text: Appendix F operation and maintenance fee of bidding document page 75, content of domestic waste:</p> <ol style="list-style-type: none"> 1. where possible, 100% door-to-door collection of domestic waste should be carried out in certain specified areas of the area 2. In the domain, a hybrid method is adopted, which atleast depends on the container system. 3. Collection of D2D from accessible planning areas (communities) 4. Block collection of apartments or mixed unplanned developments 5. D2D collection of streets and alleys 6. Manual cleaning: Development of civil infrastructure GTS <p>Question: The amount of 'Manual Cleaning' operation kilometers, operation area is not clear. there is no amount of task.</p>	Length of manual sweeping is 650 kms per day for all four zones.

20		<p>Through reading the bidding documents, there is no population of each UC, population of each village and the amount of garbage.</p> <p>Question: Could relevant departments provide it?</p>	<p>Zone wise population has been provided in the RFP. Bidders are required to visit UCs and assess work requirement themselves.</p>
21		<p>According to the tender document it is a Competitive bidding but according to the criteria set/prescribed in the tender documents only international companies can be prequalified.</p> <p>We even being the in the waste management sector of Pakistan from almost 20 years can't prequalify in the tender because of the unjustified and unrealistic criteria set by SSWMB. We being the local company have the edge of knowing the area better and we can provide cost effective & efficient waste management services. Keeping in view the past performance of international companies working in the field of waste management there services were found completely not satisfactory and at the same time they were overly charging which is clear loss to the Government of Pakistan. SSWMB should encourage local companies to participate and should set a criteria which is viable so that proper/well reputed waste management companies of Pakistan can participate and a fair competition could be held.</p> <p>It is pertinent to mention that such type of criteria is also against the rules of Competition Commission of Pakistan.</p>	<p>No change required.</p> <p>Considering the value of this tender, International Competitive Bidding (ICB) is required to be followed as per SPPRA Rules.</p> <p>Through ICB, all relevant firms/ companies, globally, are invited to bid for the tender. There is no bar on participation of local firms/ companies in the tender.</p> <p>SSWMB encourages local firms / companies to participate in the tender either individually or by forming a consortium, as per the terms of the RFP.</p>
22		<p>1.3: The requirement of vehicles should be 150. rather than 500.</p>	<p>Bidders are required to specify all vehicles and infrastructure required to undertaken Company's Obligations. The RFP does not provide the number of vehicles and infrastructure required.</p>

23		2.4: It is required to provide 2 similar projects in last 10 years having a value of \$20 Million each i.e. 3,200,000,000/- each. It is well established that there is not a single solid waste management project in Pakistan of such scale being done by any local waste management company in the country.	No change required.
24		4.1: The requirement of latest net worth >17.5 Million which is approximately 2,765,000,000/- is totally unrealistic and there is no need of such criteria for this type of contend.	No change required.
25		4.2: The requirement of having an average turnover of > \$45 Million which becomes approx. Rs. 7,200,000,000/- is again an unrealistic criterion for local firms as it is well known that there are no such contracts of waste management that have such an enormous value.	No change required.
26		The above stated document invites tender from National and International Firms/consortiums, but the terms and conditions and eligibility criteria clearly supports International firms only and eliminating local firms, which is totally against the vision of Chief Minister & Prime Minister of Pakistan.	No change required.
27		The total Garbage generation at Hyderabad city, Qasimabad and Kotri Areas is just 1084 Tons per day as per the statistics produced in the document. However, the qualification criteria established for participating firms is set so high that it is impossible for a local firm to participate in tendering process.	No change required.
28		Annexure B Technical & Financial Evaluation and Qualification Criteria, the following criteria must be amended for a fair competition: 1.1 - It is required to provide 2 personnel having 10 years of experience and Certifications of MOLO failure to which	No change required.

		will lead to disqualification. This requirement can be fulfilled once the contract is awarded as this is specialized certification and personnel of such qualification are hardly readily available. Therefore, this requirement should not be made the basis of qualification as the hiring can be done subsequently.	
29		1.2- The requirement of 2000 personnel must be reduced to 1000 personnel.	Not agreed.
30		1.3- The requirement of 500 Vehicles shall be reduced to 150 Vehicles.	Not agreed.
31		2.1- The Firm experience should be minimum 5 years with management of 1000 tons / day.	Not agreed.
32		2.3- This requirement shall be reduced to 3 Cities for 50% marking.	Not agreed.
33		2.4- It is required to provide 2 similar projects in last 10 years having a capex value of \$20 Mn each i.e. 3,200,000,000/- each. It is well established that there is not a single solid waste management project in Pakistan of such scale being done by any local waste management company in the country.	Not agreed.

34		4.1- The requirement of Latest Net Worth of >\$17.5 Mn which becomes approx. Rs. 2,800,000,000/- is totally unrealistic for local companies to comply with.	Not agreed.
35		4.2- The requirement of having an average turnover of > \$45 Mn which becomes approx. Rs.7,200,000,000/- is again an unrealistic criterion for local firms as it is well known that there are no such contracts of waste management that have such an enormous value.	Not agreed.
36		In addition to these, the consortium is also limited to 2 companies. The limit must be removed to encourage more local firms to pool their resources and participate and the overall qualification percentage must be reduced to 60% from 70%.	Please see response to query no. 1.
37		1-As per ITB 44.2 all infrastructure procured by the company for Undertaking the company's obligation will be transferred to the employer at no cost of the employer please elaborate which things will be included in this. Whether machinery also??	All machinery procured by the Company and any infrastructure handed over by the Employer to the Company will required to be transferred to the Employer at the termination of the Agreement.
38		2-For the termination without cause by either party, there should be clear cut penalty of at least 10 % of remaining contract value.	Not agreed.
39		3-How much is sales tax on services currently. Whether future increase or decrease in income tax and sales taxes will be adjusted or not??	The Bidders are required to assess itself all taxes applicable on the Project. If, after the Submission Deadline, there is any change (increase or decrease) in the Company's Taxes, other than: (i) a change in income tax /withholding income tax applicable on the Company: (ii) any associated custom and import duties for clearance of imported goods from the port in the supplier's country ((i) and (ii) above collectively referred to as the

			<p>“Excluded Taxes”), the same shall be dealt with in the following manner:</p> <p>(a) if there is an increase in any applicable Company’s Taxes (other than the Excluded Taxes) which are final and/or non-reimbursable and/or non-adjustable, the Company shall notify the Employer of such increase and provide evidence thereof along with the proposed increase in the O&M Fees, as applicable, as a consequence thereof. Within fifteen (15) days of receiving the Company’s notification, the Employer shall review the same and shall revise the O&M Fees, as applicable, to the extent of the increase in Company’s Taxes as per the Applicable Law; and</p> <p>(b) if there is a decrease in any applicable Company’s Taxes (other than the Excluded Taxes) which are final and/or non-reimbursable and/or non-adjustable, the Company or the Employer shall notify the other Party of such decrease and provide evidence thereof along with the proposed decrease in the O&M Fees as a consequence thereof. Within fifteen (15) days of receiving such notification, the notified Party shall review the same and shall revise the O&M Fees to the extent of the decrease in Company’s Taxes as per the Applicable Law.</p>
40		4-For better performance, the BOQ should be proposed by the client.	Not agreed.
41		5-Tonnage guarantee should be given	Not agreed.
42		6-In indexation the adjustment of petrol price is given instead of diesel.	<p>Specific indexation would be allowed to the Company, at periodicity defined in the RFP, based on price movement of petrol (as stated/ published by PSO). Percentage change allowable for the purpose of indexation of the O&M Fee would be based on the base price stated in the RFP and the actual price obtained in accordance with the RFP.</p> <p>Relevant O&M Fee will be adjusted in accordance with the percentage change of allowable indexation item.</p> <p>Please see response to query no. 44 w.r.t indexation application on the O&M Fee.</p>

43		7-In mechanical sweeping only 5% petrol price adjustment is mentioned which is very low.it should be 20%	Not agreed.
44		8-Please elaborate the calculation of indexation formula? Clarification required for calculation formula.	<p>Indexation of the O&M Fee will be done on an annual basis. At the time of bidding, all indexation factors (as stated in the RFP) would be locked for all Bidders. 7 days before the end of an operating year, the indexation factors would be updated and specified by the Employer, 2 days before the end of the year. That rate would be used by the Company to calculate the invoice amount for that year.</p> <p>The O&M Fee will first be adjusted before the start of the Development Phase, then will be adjusted before the start of the Operations Period and then at anniversaries of the first year of the Operations Period.</p> <p>Percentage of O&M Fee for each waste item that shall be indexed to respective indexation factor has been specified in the RFP.</p>
45		9-Moblization advance should be 10% of the total contract value instead of one year value.	Not agreed.
46		10-There should be penalty on cap.	Not change required.
47		11-Estimated cost should be provided	Not agreed.

48		12-How much labor they have transfer or provided?	All relevant appendix and annexures have been uploaded on SSWMB website http://sswmb.gos.pk/cms and on SPPRA website.
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Important Notice

The above responses shall become a part of the respective Bidding Documents and shall be binding on the Bidders.

Neither the Employer, nor its employees, personnel, agents, consultants, advisors and contractors *etc.*, make any representation (express or implied) as to the accuracy or completeness of the information contained herein and the same shall have no liability for this document. Neither the Employer nor its employees, personnel, agents, consultants, advisors and contractors *etc.*, will be liable in any manner whatsoever to reimburse or compensate the Bidders for any costs, fees, damages or expenses incurred by the Bidders in evaluating or acting upon this document.

The Employer (including its employees, personnel, agents, consultants, advisors and contractors *etc.*) makes no representation whatsoever, express, implicit or otherwise, regarding the accuracy, adequacy, correctness, reliability and / or completeness of any assessment, assumptions, statement or information provided by it and the Bidders shall have no claim whatsoever of any nature against the Employer (including its employees, personnel, agents, consultants, advisors and contractors *etc.*) in this regard.

This document does not constitute a solicitation to invest or otherwise participate in the Bidding Process for award of the Agreement.