

Expression of Interest (Eoi)

for

Permanent Establishment and Operation of a ULAB Management and Recycling Plant in Nepal

Method of Selection

International Competitive Selection (ICS) with Joint Venture/Association of at least One National Company/Firm

Name of Project : Establishment and Operation of a ULAB
management and Recycling Plant in
Nepal

Financing Agency : GoN and Development Partner

Grants Number :

EOI Number : AEPC/ULAB/ICS/2019/20-01

Office Name : Alternative Energy Promotion Centre
(AEPC)

Office Address : Lalitpur Metropolitan City Ward No. 15,
Khumaltar Height, Lalitpur, Province
No. 3, Nepal

Issued on: 22 November 2019

Abbreviations

BMZ	-	German Federal Ministry for Economic Cooperation and Development
CV	-	Curriculum Vitae
DO	-	Development Partner
EA	-	Executive Agency
EOI	-	Expression of Interest
GIZ	-	German Corporation for International Cooperation GmbH (The Deutsche Gesellschaft für Internationale Zusammenarbeit)
GoN	-	Government of Nepal
ItCS	-	International Competitive Selection
KfW	-	Credit Institute for Reconstruction (Kreditanstalt für Wiederaufbau)
PAN	-	Permanent Account Number
ToR	-	Terms of Reference
VAT	-	Value Added Tax

Table of Contents

A. Request for Expression of Interest	4
B. Instructions for submission of Expression of Interest.....	4
C. Objective of the Task or Brief Terms of Reference (ToR)	6
D. Evaluation of Interested Developer's EoI Application	8
E. EoI Forms & Formats	10
1. Letter of Application	11
2. Applicant's Information Form.....	12
3. Experience	13
4. Qualification and Experience of Human Resource (Experts)	15
5. Capacity	16

A.

Request for Expression of Interest

	Government of Nepal Ministry of Energy, Water Resources and Irrigation Alternative Energy Promotion Centre (AEPC) Lalitpur Metropolitan City Ward No. 15 Khumaltar Height, Lalitpur, Province No. 3, Nepal Tel: +977-1-5539390, Email: info@aepec.gov.np Website: www.aepec.gov.np
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Request for Expression of Interest (EoI)

Date of Notice Publication: 22 November 2019

EoI Number: AEPC/ /ULAB/ICS/2019/20-01

1. Government of Nepal (GoN) intends to apply a GoN budget and potential Grant from development partners towards the establishment of ULAB recycling plant under a Contract for which this Expression of Interest is invited for the **Permanent Establishment and Operation of a ULAB Management and Recycling Plant in Nepal**. The AEPC now invites an Expression of Interest (EoI) from eligible and qualified International Developers (Company/Firm) with a Joint Venture/Consortium/Association with a National Developer (Company/Firm) to **Establish and Operate a ULAB Management and Recycling Plant in Nepal**.
2. Interested eligible **International** and **National Developers** may obtain further information and the EoI document cost free at the office of AEPC during office hours or may request a copy through email or by visiting the AEPC's website as mentioned above.
3. The International Developer required to Associate/Joint the Venture (JV) with at least one National Developer to fulfill the eligibility requirements and to enhance the qualifications and capacity of the venture
4. Expressions of Interest shall be delivered manually to the AEPC, Khumaltar Height, Lalitpur, Nepal on or before **3:00 P.M. on 22 December 2019**.
5. In case the last date of submission of the EoI applications happens to be a public holiday, the next working day will be deemed as the due date but the time will be the same as stipulated.
6. The EoI will be assessed based on the **Eligibility, Qualification, Experience, and Capacity** of interested developers. Based on the evaluation of the EoI, only shortlisted Developers will be invited to submit detailed a **Technical** and **Financial** proposal through a Request for Proposal (RFP) for the **Permanent Establishment and Operation of a ULAB Management and Recycling Plant in Nepal**.
7. Expected date of commencement of the assignment is **April 2020**.

(The Notice Published in "The Himalayan Times" National Daily)

B. Instructions for submission of an Expression of Interest

1. An Expression of Interest is required to be submitted by a joint venture or consortium of developers and the maximum number of partners in JV shall be limited to three with the combination of at least one International and one National company/firm.
2. Interested Developers must provide information and certificates indicating that they are capable and qualified to perform the task (*descriptions, organization and employees and of the firm or company, description of completed assignments of a similar nature completed in the last 7 years and their location, experience of similar conditions, general qualifications and the key personnel to be involved in the proposed assignment*).
3. *The Employer reserves the right to on-site audit reference plants named by the Developers to assess their operational quality*
4. This expression of interest is open to all eligible **interested International and National firms/companies**.
5. The assignment has been scheduled for a completion period of a maximum of 2 years. Expected date of commencement of the assignment is the **First Week of April 2020**.
6. A Developer will be selected in accordance with criteria that considers a **combination of quality and cost (Quality/Marks for the Technical Proposal and proposed grants from AEPC)**.
7. The Expression of Interest should contain following information:
 - (i) A covering letter addressed to the representative of the AEPC on the official letter head of company/firm duly signed by an authorized signatory.
 - (ii) Applicants shall provide the following information in the respective formats given in the EOI document:
 - *EOI Form: Letter of Application (Form 1)*
 - *EOI Form: Applicant's Information (Form 2)*
 - *EOI Form: Work Experience Details (Form 3(A) and 3(B))*
 - *EOI Form: Key Human Resources (Experts) List (form 5).*
 - *EOI Form: Capacity Details (Form 4)*
8. Applicants may submit additional information with their application, but shortlisting will be based primarily on the evaluation of information requested and included in the formats provided in the EOI document.
9. The Expression of Interest (EOI) document must be duly completed and submitted in a sealed envelope and should be clearly marked as **“EOI Application for Short-listing for the Permanent Establishment and Operation of a ULAB Management and Recycling Plant in Nepal”**. The Envelope should also clearly indicate the **name and address of the Applicant**. The application must also include a memory stick with the EoI document in a digital format.
10. The completed EoI document must be submitted on or before the date at the address mentioned in the **“Request for Expression of Interest”**. In case the submission falls on public holiday the submission can be made at the same time on the next working day. Any EOI Documents received after the closing time for submission of proposals shall not be considered for evaluation.

C. Objective of the Task or Brief Terms of Reference (ToR)

The overall objective of the Project is to establish a sustainable Used Lead Acid Battery (ULAB) Management System owned and operated by private company with the support and facilitation of GoN.

The specific objectives this EOI is to seek a proposal from interested investors/firms to establish a ULAB collection network and a ULAB recycling plant to ensure:

- A high ULAB collection rate that aims at a 100% ULAB collection rate.
- That 100% of the component parts all ULAB collected are recycled, ready for reuse or converted to a saleable product..
- Recycling of all collected ULAB in a domestic secondary lead smelter (SLS).
- Collection and recycling of all ULAB in a sustainable manner without any negative environmental, health or socio-economic impacts.

GoN with support from the German Government through KFW has conducted a detailed study for establishing a sustainable ULAB management system. Based on the report the GoN intends to work with the private sector under the concept of Public Private Partnership (PPP) to build and operate a recycling plant and the GoN is willing to provide a period of minimal required support to establish this recycling plant. The report submitted by international consultant ERM clearly states the recycling plant is commercially viable and does not require any direct grant or subsidy. Therefore, priority will be given to those proposals not requiring any direct subsidy but only facilitation support from GoN.

The best suitable proposal will be selected on a reverse bidding process. In a reverse-bidding-process, bidders would compete in the basis of support needed. In this, the winning bidder would be the one with the least need for support in realizing the project.

As part of the bidding process the predefined incentives can be as mentioned below, compared by ex-ante monetization. These could be:

- A temporary subsidy, such as a tax break or exemption from VAT for ULAB purchasing on the free market to redirect trade routes
- A land grant to reduce the upfront investment
- A soft loan to reduce the upfront investment
- An up-front grant investment
- A - temporary - exclusive license for ULAB Recycling to reduce the risk of competition

Bidders are allowed to propose any other support they may require but the bidder must clearly describe the requested support and state the monetary value and period of that support.

The completed project must include two tasks as described below. The bidder must design their proposal to achieve both the tasks.

Task 1: Establishing a battery collection network: The proposal must include a convincing plan for the permanent establishment and operation a collection system, for the collection of ULAB in environmentally sound manner. It is recognised though that under the Extended Producer Responsibility (EPR) principle, battery “producers” (i.e. battery manufacturers or any

party who puts LAB on the Nepalese market), should be made responsible for supporting the collection system. The GoN will adopt the necessary measures to apply the EPR principle. The collection system must ensure that the ULABs are collected intact, without material loss of the sulfuric acid, Lead oxides and sulfates or lead metal.

Task 2: Permanent establishment and operation of the semi-automated variant of the ULAB recycling plant. The bidder can propose a recycling plant with a capacity of 24,000 metric tonnes per annum throughput or the bidder can plan for a gradual built up with an initial throughput of 12,000 mt/a with option to increase throughput at a later date.

The detail technical and environmental requirements of the recycling plant will be provided in Request For Proposal (RFP) in the second stage.

D. Evaluation of Interested Developer's EoI Application

1. Eligibility Criteria of Developers (Applicants)

SN	Eligibility & Completeness Test	Compliance
1	A Copy of Company/Firm Registration Certificate with updated renewal	
2	A Copy of the appropriate VAT/PAN Registration Certificate (for National Firm/Company only)	
3	A Copy of the Tax Clearance/Tax Return Submission/Letter of Time Extension for Tax Return Submission for F.Y. 2075/76 (for National Firm/Company only)	
4	General and Related/Relevant Experience of Firm/Company (Minimum 5 Years for International and 3 Years for National Company/Firm)	
5	Joint Venture (JV) agreements	
6	Complete EoI Application	
a.	EoI Form 1: Letter of Application	
b.	EoI Form 2: Applicant's Information Form	
c.	EoI Form 3: Experience (3(A) and 3(B))	
d.	EoI Form 4: Qualifications and Experience of Human Resource (Experts)	
e.	EoI Form 5: Capacity	

2. Qualification and Capacity of Developers (Applicants)

EoI Evaluation and Ranking Criteria

Criteria	International Partner	National Partner	Score [Out of 100%]
A. Experience			50%
General Experience	Minimum 5 Years	Minimum 3 Years	10%
Specific Experience in the Similar Field	Manufacturing of Lead Acid Battery or Establishment or/and Operation of at least one ULAB Management and Recycling Plant in the World	Manufacturing or Business of product or/and services of Battery or/and Battery associated product in Nepal	40%
B. Qualification, Experience and Capacity of Key Human Resource (Experts)			25%
Technical			9%
Managerial			8%
Financial			8%
C. Capacity			25%
Financial Capacity	Average Annual Turnover should be not less than or equivalent to 3 Million US Dollar in best Three Years out of past recent 7 Years	Average Annual Turnover should be not less than equivalent 0.50 Million US Dollar Rupees in best Three Years out of past recent 7 Years	25%
Total (A+B+C)			100%

Information related to evaluation and short-list:

- Interested Developers' EoI application which fully complies with the Eligibility Criteria will be ranked on the basis of the EoI Evaluation and Ranking Criteria
- Highest General and Relevant Experience will get full marks and proportionately allocated to others.
- Similar or higher size and type of Specific Experience will get full marks and proportionately allocated to others.
- Highest Qualification, Experience and Capacity of available human resource will get full marks and proportionately allocated to others.
- Highest Financial Capacity will get full marks and proportionately allocated to others.
- Minimum Two and Maximum Five high ranked Associated Firms/Companies will be short-listed based on evaluation. Only shortlisted Developer/Firms will be invited to submit a detailed Technical and Financial proposal through a Request for Proposal for the above mentioned task.

E. EoI Forms & Formats

Form 1. Letter of Application

Form 2. Applicant's information

Form 3. Experience (General and Specific)

Form 4. Qualification and Experience of Human Resource (Experts)

Form 5. Capacity

1. Letter of Application

(Letterhead paper of the Applicant or partner responsible for a joint venture, including full postal address, telephone no., fax and email address)

Date:.....

To,
Alternative Energy Promotion Centre (AEPC)
Lalitpur Metropolitan City Ward No. 15, Khumaltar Height, Lalitpur, Province No. 3, Nepal
Tel: +977-1-5539390, Email: info@aepec.gov.np Website: www.aepec.gov.np

Sir/Madam,

1. Being duly authorized to represent and act on behalf of (hereinafter "the Applicant"), and having reviewed and fully understood all the criteria for the short-listing information provided, the undersigned hereby apply to be short-listed by the **Alternative Energy Promotion Centre (AEPC)** as Developer for the **Permanent Establishment and Operation of a ULAB Management and Recycling Plant in Nepal**.
2. Attached to this letter are photocopies of original documents defining:
 - a) The Applicant's **Eligibility** status;
 - b) The Applicant's **Qualification, Experience, and Capacity** status;
 - c) the principal place of business;
3. **AEPC** and its authorized representatives are hereby authorized to verify the statements, documents, and information submitted in connection with this application. This Letter of Application will also serve as authorization to any individual or authorized representative of any institution referred to in the supporting information, to provide such information deemed necessary and requested by yourselves to verify statements and information provided in this application, or with regard to the resources, experience, and competence of the Applicant.
4. **AEPC** and its authorized representatives are authorized to contact any of the signatories to this letter for any further information.¹
5. All further communication concerning this Application should be addressed to the following person,
[Person]
[Company]
[Address]
[Phone, Email]
6. We declare that, we have no conflict of interest in the proposed proceedings and we have not been prosecuted in Nepal or any other country for an offense relating to the concerned profession or business and our Company/firm has not been declared ineligible.
7. We further confirm that, if any of our experts is engaged to prepare the ToR for any ensuing assignment resulting from our work product under this assignment, our firm, JV member and the expert(s) will be disqualified from short-listing and participation in the assignment.
8. The undersigned declares that the statements made, and the information provided in the duly completed application are complete, true and correct in every detail.

Signed:

Name:

For and on behalf of (name of Applicant or partner of a joint venture):

¹ Applications by joint ventures should provide on a separate sheet, relevant information for each party to the Application.

2. Applicant's Information Form

(Two or more firms under joint venture to be filled separately for each member)

1. Name of Firm/Company:
2. Type of Constitution (*Partnership/ Pvt. Ltd/Public Ltd/ Public Sector*)
3. Date of Registration / Commencement of Business (*Please specify*):
4. Country of Registration:
5. Registered Office/Place of Business:
6. Telephone No; Fax No; E-Mail Address
7. Name of Authorized Contact Person / Designation/ Address/Telephone:
8. Name of Authorized Local Agent /Address/Telephone:
9. Developer's Organization:
10. Total number of staff:
11. Number of regular professional staff:
12. Public Liability and Third-party insurance certificate: Company and number

(Provide Company/Firm Profile with description of the background and organization of the Developer and for each joint venture partner for this assignment.)

3. Experience

3 (A) General Experience

Details of assignments undertaken *(All Partners to be filled separately)*

S.N.	Name of assignment	Location	Value of assignment	Year Completed	Client	Description of work carried out
1.						
2.						
3.						
4.						
5.						
6.						
7.						

(Please insert as necessary as per the nature and type of business)

3 (B). Specific Experience

Details of similar manufacturing/business assignments undertaken in the previous years

(All Partners to be filled separately)

Assignment name:	Approx. value of the annual business (in current NRs; US\$ or Euro) ² :
Country: Location within country:	Starting date of the assignment:
Name of Client (if any):	Total No. of person-months of the assignment:
Address:	Approx. value of the product and services provided by your firm (in current NRs; US\$ or Euro):
Start date (month/year): Completion date (month/year):	No. of professional person-months provided by the joint venture partners:
Name of joint venture partner, if any:	Narrative description of Assignment/Project:
Description of actual services provided in the assignment: Note: Provide highlight on similar Task Completed by the Developer as required by the EOI assignment.	

(Please insert as necessary as per the nature and type of business: Manufacturing of Lead Acid Battery or Establishment or/and Operation of at least one ULAB Management and Recycling Plant in the World (for International Company/Firm) and Manufacturing or Business of product or/and services of Battery or/and Battery associated product in Nepal (For National Firm/Company))

(Note: Supporting documents for Specific Experience should be submitted for the above: Certificate/confirmation issued by authorized entity, verifiable link of website etc.)

² Applicant should state value in the currency of the assignment/business.

4. Qualification and Experience of Human Resource (Experts)

(Include details of Key Experts only)

(All Partners to be filled separately)

SN	Name	Position	Highest Qualification	Work Experience (in year)	Specific Work Experience (in year)	Nationality
1						
2						
3						
4						
5						

(Please insert more rows as necessary)

Note: Detailed Signed CVs are not required at the time of EoI stage. Detailed Signed CV of proposed HR (Experts) will be asked at the time of RFP.

5. Capacity

Financial Capacity

(All Partners to be filled separately)

Annual Turnover	
Year	Amount Currency

- Average Annual Turnover of Best of 3 Fiscal Year of Last 7 Fiscal Years

(Note: Supporting documents for Average Turnover should be submitted for the above)