



**KARACHI – THATTA DUAL CARRIAGEWAY PROJECT
ADDENDUM NO. 1 TO THE REQUEST FOR PROPOSAL**



**ADDENDUM NO. 1 TO THE REQUEST FOR PROPOSALS (RFP)
KARACHI THATTA DUAL CARRIAGEWAY PROJECT**



**Works and Services Department
Government of Sindh**



**Public Private Partnership
Unit
Finance Department
Government of Sindh**

OCTOBER 2013

IMPORTANT NOTICE / DISCLAIMER

This Addendum No. 1 (the **RFP Addendum No. 1**) to the Request for Proposal circulated earlier dated August 23, 2013 (the **RFP**, and together with the RFP Addendum No. 1, the **RFP Documents**) is provided to the recipient solely for use in preparing and submitting its Proposal for participation in the competitive bidding process to design, build, finance, operate and transfer a 49 km long section of National Highway (N-5) between Gaghar Phatak and start of Thatta bypass in PPP mode for a term of the Concession Period. This RFP is being issued by the Works and Services Department, Government of Sindh, in association with PPP Unit, Finance Department, Government of Sindh, solely for use by prospective Bidders in considering the Project.

Unless expressly specified otherwise, all capitalized terms used herein shall bear the meaning ascribed thereto in the Glossary of the RFP.

The GoS (including, *inter alia*, the Works and Services Department, Government of Sindh, the PPP Unit, Finance Department, Government of Sindh and the TFEC) nor, in each case, their employees, personnel, agents, consultants, advisors and contractors etc., make any representation (expressed or implied) as to the accuracy or completeness of the information contained herein, or in any other document made available to any person in connection with the tender process for the Project and the same shall have no liability for the RFP Documents or for any other written or oral communication transmitted to the recipient in the course of the recipient's evaluation of the Project. Neither these entities nor their employees, personnel, agents, consultants, advisors and contractors etc., will be liable in any manner whatsoever to reimburse or compensate the recipient for any costs, fees, damages or expenses incurred by the recipient in evaluating or acting upon the RFP Documents or otherwise in connection with the Project.

Any Proposal submitted in response to the RFP Documents by any of the Bidders shall be upon the full understanding and agreement of any and all terms of the RFP Documents and such submission shall be deemed as an acceptance to all the terms and conditions stated in the RFP Documents.

Any Bid / response to the RFP Documents submitted by a Bidder shall be construed based on the understanding that the Bidder has done a complete and careful examination of the RFP Documents and has verified all the information received from the GoS (including from its employees, personnel, agents, consultants, advisors and contractors etc.).

Any Bid / response to the RFP Documents submitted by a Bidder shall be construed based on the understanding that the Bidder acknowledges that prior to the submission of the Bid/Proposal in response to the RFP Documents, the Bidder has, after a complete and careful examination, made an independent evaluation of the RFP Documents, scope of the Project, the Project Requirements, the Applicable Standards, the Project site, existing structures, local conditions, physical qualities of ground, subsoil and geology, traffic volumes and all information provided by the GoS or obtained, procured or gathered otherwise, and has determined to its satisfaction the accuracy or otherwise thereof and the nature and extent of difficulties, risks and hazards as are likely to arise or may be faced by it in the course of performance of its obligations under the Concession Agreement. The GoS (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 against the GoS in this regard.

The RFP Documents do not constitute a solicitation to invest, or otherwise participate, in the Project, neither shall it constitute a guarantee on the part of the GoS that a Concession will be awarded.

1. ADDENDUM TO THE RFP

The GoS hereby issues this RFP Addendum No. 1 to set out the following changes and amendments to the RFP previously circulated in respect of the Project, which amendments and changes shall stand incorporated in the RFP. Notwithstanding anything to the contrary, all relevant provisions of the RFP (including Volume 1 and Volume 2) shall stand amended to the extent required to give effect to the matters set out in this RFP Addendum No. 1.

Unless expressly specified otherwise, all capitalized terms used herein shall bear the meaning ascribed thereto in the Glossary of Volume 1 (Instruction to Bidders) of the RFP.

- 1.1 The table provided on page 2 and Section 1.16 (*Project Schedule*) and Volume 1 (*Instruction to Bidders*) of the RFP listing the key tentative dates for the Project Schedule shall stand amended and replaced as under and all references in the RFP to the following milestones and their corresponding dates shall stand amended to the milestones and the dates set out below:

| | |
|-----------------------------------------------------------|--------------------------------------------------------------------------|
| Issuance of RFP | August 23 rd , 2013 |
| Pre-Bid Conference – Technical and RFP | September 10 th , 2013 |
| Pre-Bid Conference – Financial & Legal Matters | September 17 th , 2013 |
| Submission of Proposal By (the Proposal Deadline) | December 10 th , 2013 |
| Opening of Proposals | Within one hour of Proposal Deadline on December 10 th , 2013 |
| Preferred Bidder | January 31 st , 2014 |
| Concession Agreement signing (the Signing Date) | February 14 th , 2014 |
| Financial Close | Within six (6) months of Signing Date |
| Concession Period | |
| Anticipated start of design, planning and surveys | 10 days from the Signing Date |
| Anticipated end of design, planning | 120 days from the Signing Date |

| | |
|---------------------------------------------------------------------------|-----------------------------------------------|
| and surveys | |
| Anticipated start of construction (the Construction Start Date) | 180 days from the Signing Date |
| Anticipated end of construction (the Substantial Completion Date) | 24 months from the Construction Start Date |
| Anticipated expiry of Concession Agreement & handover of facilities | 25 years from the Substantial Completion Date |

- 1.2 The following new Section 1.20 (*Draft Concession Agreement*) and sub section 1.20.1 shall stand inserted after Section 1.19 (*Foreign Exchange Hedging*) of Volume 1 (*Instruction to Bidders*) of the RFP:

“1.20 Draft Concession Agreement

1.20.1 Bidders shall provide their complete comments on the Draft Concession Agreement, if any, by November 8th, 2013. To the extent agreed to by the GoS, the Bidder’s comments on the Draft Concession Agreement will be addressed and, if required, pre-bid meeting(s) shall be held to discuss the same. Further, a revised version of the Draft Concession Agreement shall be provided to the Bidders prior to the Proposal Deadline. Each Bidder shall be fully conversant with the terms of the Draft Concession Agreement (as issued and amended by the GoS from time to time) and shall be satisfied that, prior to submission of their Bid and Bid Security, the provisions of the same are acceptable.”

- 1.3 The paragraph in Section 2.6.2 of Volume 1 (*Instruction to Bidders*) of the RFP shall stand amended and replaced as under:

“After complete evaluation of technical proposals, the financial proposals of the bidder technically qualifying the criteria shall be evaluated. This qualification shall be based on the bidder achieving a technical score equal or higher than 75 subject to achieving a technical score equal to or higher than 50% in each of the 4 sub sections of clause 2.6.14.”

- 1.4 In Section 2.6.14 of Volume 1 (*Instruction to Bidders*) of the RFP, the ‘Financial Evaluation Criteria’ at page 37 of Volume 1 (*Instruction to Bidders*) of the RFP shall stand amended and replaced as under:

“Financial Score = The Bidder with the lowest present value of the annuity payments at the given discount i.e. 10% will be declared the Preferred Bidder while the Bidder with the second lowest present value of the annuity payments at the given discount rate of 10% will be declared the second Preferred Bidder.”

- 1.5 In Appendix B (*Main Components Of The Financing Plan And The Financial Model*) subsection A 1.1 (2) of Volume 1 (*Instruction to Bidders*) of the RFP, the last sentence shall stand deleted and replaced as under:

“At least 16% equity project costs will be funded by the Concessionaire’s equity while 70% of the project funding should be through bank debt; if need be then rest of the financing shall be done by the GoS.”

- 1.6 In Appendix B (*Main Components Of The Financing Plan And The Financial Model*), subsection A 1.2 of Volume 1 (*Instruction to Bidders*) of the RFP, the fifth bullet point shall stand amended and replaced as under:

“For local financing the rate assumed should be based on 3month KIBOR (assumed to be 10%) and should have an assumed spread, which needs to be clearly mentioned. The model should incorporate these two as variables, which can be changed by the user to gauge all proposals on a uniform basis.”

- 1.7 On page 70 of Volume 1 (*Instruction to Bidders*) of the RFP the design of the Cross Section shall stand amended and replaced with the drawing appended at Annexure A of this RFP Addendum No. 1. Additionally, on the same page, i.e. page 70 of Volume 1 (*Instruction to Bidders*) of the RFP, a new drawing as attached at Annexure B to this RFP Addendum No. 1 shall stand inserted.

- 1.8 In Schedule P (*Assured Availability Formula*) of the Volume 2 (*Draft Concession Agreement*) of the RFP, the formula for computation of ‘Assured Availability’ shall stand amended and replaced as under:

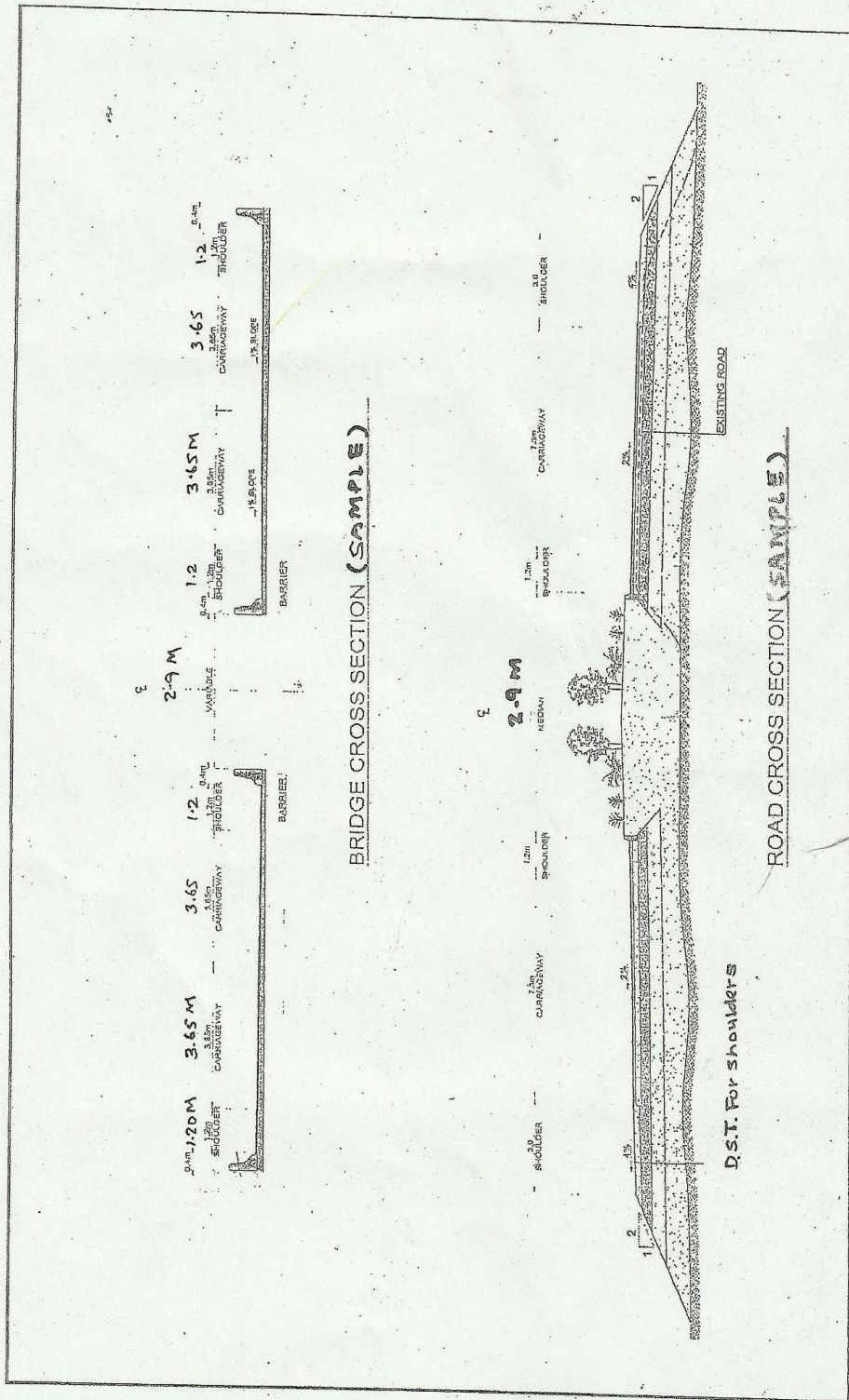
“Assured Availability” means the availability of the Project Highway assured by the Concessionaire for each Annuity Amount Payment Period, computed as under:

$$AA = 4 x LA$$

WHERE:

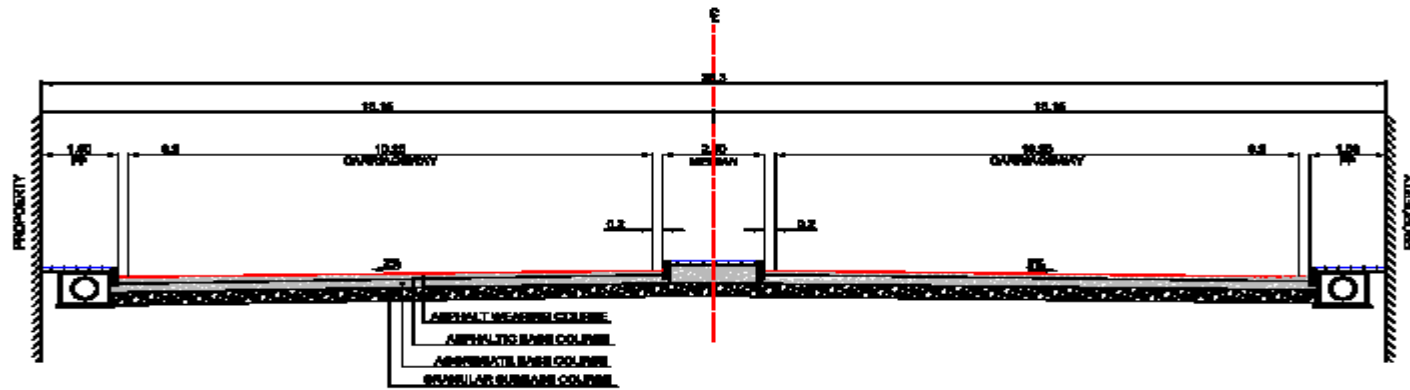
*AA = Assured Availability
LA = Lane Availability”*

ANNEXURE A – CROSS SECTION



ANNEXURE B – CROSS SECTION URBAN AREA

**DUALIZATION AND IMPROVEMENT OF NATIONAL HIGHWAY, N-5
FROM GHAGHAR PHATTAK THATTA**



URBAN AREA

NOTE:

BUS BAYS & TAX STANDS SHALL BE PROVIDED AT LOCATIONS IN URBAN AREA.

THE END