



## REQUEST FOR EXPRESSION OF INTEREST

Project Management Unit  
The Land Records Management and Information Systems Project  
Board of Revenue, Punjab  
(A Project funded by the World Bank) IDA Credit No. PAK4258



### Consulting Services on Public Private Partnership

Government of the Punjab has launched a project for establishment of Land Records Management and Information Systems. The higher level objective is to improve the land records service delivery in the province of the Punjab, contributing to improved title security.

The Project will be establishing infrastructure for provision of service related to land records. The Government plans to design a model of public private partnerships for operation and maintenance of this infrastructure and to provide services to the public.

The Project Management Unit – Board of Revenue now invites eligible consulting firms to indicate their interest in providing consultancy services for designing models for Public Private Partnership and to assist the Government in executing PPP transactions. Interested firms having experience of similar consultancy assignments may provide information, indicating that they are qualified to perform the services (brochures, description of similar assignments, availability of staff with relevant skills etc.)

A firm will be selected in accordance with the procedures set out in the World Bank's [\*Guidelines: Selection and Employment of Consultants by World Bank Borrowers\*](#), May 2004 revised October 2006 for Quality and Cost Based Selection (QCBS).

Terms of Reference for the consultancy and the list of documents to be attached with the EOI can be obtained from our web site or the address given below.

Expressions of interest must be delivered at the address given below latest by 22-06-2009. PMU-Board of Revenue reserves the right to reject one or all of the proposals without assigning any reason.

Ayesha Saleem  
Project Manager  
Project Management Unit -LRMIS  
Board of Revenue, Punjab  
5<sup>th</sup> floor LDA Plaza, Egerton Road Lahore. Pakistan  
Tel: 092-042-9204429, Fax: 042-9204435  
E-mail: [pm.lrmis@gmail.com](mailto:pm.lrmis@gmail.com)  
Web site: <http://www.punjab-zameen.gov.pk/current.asp>

# **Draft Terms of Reference for Consultancy on Public-Private Partnership**

## **1. Background:**

**1.1:** Board of Revenue, Government of Punjab is executing a project for computerization of land records in the Province. The project “Land Records Management and Information Systems (LRMIS)” aims to establish Service Centres in each Tehsil/Sub-Tehsil (134+21=155) of the Province. These Service Centres will be located in the Headquarters of each Tehsil/Sub-Tehsil and will provide various services related to land records.

**1.2:** Board of Revenue is in the process of establishing the infrastructure of these Service Centres including software, database and civil works. The Government of Punjab proposes to outsource the maintenance of this infrastructure and delivery of services in these centres to one or more private sector partners on the basis of a Public-Private Partnership (PPP) Model. The objective of such a partnership would be to run the service centres in the most efficient and effective manner without compromising on the quality of services to be delivered through these service centres. The services to be delivered include provision of copies of land records (fards) and receipt and processing of requests for changes in the records (mutation requests, requests for correction of clerical errors etc.).

## **2. Objectives:**

The objective of the assignment is to provide comprehensive advice and assistance to the Project Management Unit, LRMIS, on issues which will arise in connection with undertaking the PPP transaction(s) of 155 proposed service centres across Punjab. These issues may include, but are not limited to, the following:

- Due diligence and financial valuation of all proposed service centres
- Evaluation of multiple PPP models and identifying the best model for this transaction
- Transaction structuring (structuring the process of transferring responsibility for running operations of the service centres)
- Specifying the obligations of the private and public partners after the transaction
- Designing a transparent bidding process for engaging private partners on a competitive basis.
- Preparation of transaction details, laid out in necessary documents
- Preparation of necessary information for potential investors.
- Risk assessment and management, in the execution of the transaction
- Ensuring that the transaction is consistent with all relevant Pakistani laws and rules as well as with international best practices concerning transactions of this nature
- Identifying legal constraints to the transaction (in terms of Land Revenue Act, 1967 and also in terms of any laws/regulations relating to this kind of transactions) and making recommendations for removing such constraints together with action plans taking into account the time-scale for the implementation
- Preparing necessary documents to assisting the Government to deal with legal and regulatory inquiries, which may arise during the bidding process and the actual receipts of bids

## **3. Scope of the Assignment:**

Before executing any PPP transaction(s), the Board of Revenue propose to hire the services of a consulting firm for designing and executing an appropriate Public-Private Partnership Model for this purpose. The assignment will consist of

**3.1 Due Diligence:** To assess the key business, financial and legal issues affecting the proposed transaction and to take account of the existing situation on ground with regards to services proposed to be rendered by the service centers in terms of processes involved, existing and potential revenue streams, volume of transactions, etc. The situation on ground can be assessed through close collaboration with the Board of Revenue and its records.

### **3.2 Feasibility Preparation for Service Centres**

While conducting the feasibility and devising the model the consultant will consider the international (particularly regional) comparators and will take into account:

- a) the infrastructure (i.e. the software, database, buildings etc.) to be developed through LRMIS;
- b) the design of service delivery under LRMIS;
- c) the requirements of manpower, training, hardware and connectivity in addition to the infrastructure mentioned at paragraph 1.2 above (all these are part of project design); The feasibility will also keep in view the fact that there may be changes in the design of service delivery under the project on account of business process reengineering and also that new services may be added to the ones proposed at this stage.
- d) the demand for the services to be delivered under the project (data will be collected by the consultant from various offices of the Board of Revenue in Provincial Headquarters and in the districts);
- e) capital and operational costs for delivery of these services;
- f) the expected fees collected on these services and the taxes/duties levied on the beneficiaries during the delivery of these services (data will be collected by the consultant from various offices of the Board of Revenue in Provincial Headquarters – data required and not available in the provincial headquarters will be obtained by the Board of Revenue from the districts)
- g) availability of potential partners in the local market;
- h) capacities of such potential partners;
- i) any other relevant economic and social factors which will determine willingness of prospective partners to come forward for such partnerships;
- j) legal framework under which such outsourcing contracts can be executed;
- k) the legal framework for provision of land record services and the extent to which these services can be delivered under such framework by a private partner and for which functions a public functionary will be necessarily required in the Service Centres; and
- l) the primary requirement of maintaining secure databases of records of rights in land.

The feasibility will include financial valuation of public sector investments in all Service Centres to be established, possible investments to be required by the private sector partners and potential operational expenditures by the public and private sectors for these service centres.

### **3.3 Assessing Various PPP Modalities**

The consultant will assess multiple PPP options for private sector participation in these proposed service centres. These options should include a wide array of possibilities, ranging from service and management contracts to concessions, etc. The consultant will also undertake cost-benefit analysis and comprehensive risk assessment of all available options (Risk assessment should also include weighing these options against long term strategic concerns such as security of land records , etc.)

### **3.4 Recommending Viable PPP Options**

The recommended option will spell out:

- a) responsibilities of the government (specifically of the Board of Revenue and the District Governments). The project design envisages public sector to have the following minimum responsibilities:
  - i. Provision of specifically designed buildings for the Service Centres
  - ii. Provision of software to be used for service delivery and arrangements for improvements and changes in the software as required.
  - iii. Provision of databases of land records to be used for service delivery.
  - iv. Arrangements of adequate number of responsible staff to make any changes in the land records. The staff of the private partner will not have any authority to make changes in the land records database except to receive and record public's requests, complaints and issuance of copies of records.
  - v. Provision of appropriate legal coverage so that the services can be delivered by the private partners.

Details of these will be spelled out in the recommendations of the consulting firm.
- b) responsibilities of the private partner
- c) investment to be done by both partners (specific recommendations will be required in terms of whether the government or the private partner will invest in hardware and connectivity; and, if the private partner is to make this investment, the arrangements for ensuring that hardware and connectivity of appropriate specification is installed. Moreover, specific recommendations about ensuring that appropriate number and quantity of manpower is provided by the private partner(s) will also be required.)
- d) arrangements for monitoring of the work of private partner(s) and for ensuring that defined standards of service delivery are maintained by them (the government is separately arranging to outsource the work of quality assurance and monitoring of service delivery; the arrangements will be designed keeping in view the said contract); and the
- e) arrangements for payments to the private partners for the services to be rendered.

The consulting firm will also:

- a) recommend the packaging of service centres for PPP contracts i.e. whether a partnership should be established with one private partner or more. If more than one partner is recommended how should the service centres be grouped together, if such grouping is recommended;
- b) recommend the appropriate duration for the contracts

### **3.5 Preliminary Market Sounding**

The consultant will undertake a preliminary market sounding exercise by developing the prospective private sector player/investor profile in terms of operational competence, past experience, financial strength, etc. and to assess if the selected PPP model would be able to generate sufficient interest from such players, both domestically and internationally

**3.6 Identification and Recommendations for managing Possible Legal Constraints**

**3.7 Preparation of Investor Information Memorandum** (To document key elements of the investment opportunity for potential investors in the form of a comprehensive information memorandum)

**3.8 Preparation of Necessary Documentation** (To develop necessary documentation including the bidding documents and the contract). The consulting firm will ensure that the process designed is in accordance with the World Bank procurement processes and is also feasible for procurement of services under government of Punjab processes for the post project period.

**3.9 Assistance to the Government during Bidding Process:** To provide advice and assistance to the government during the bidding process by analyzing the capacities (financial and technical) and experience of the interested private partners.

**3.10 Assistance to the Government with Addressing Legal and Regulatory Inquiries**

**3.11 Assistance to the Government with Contract Negotiations and Transaction Closure**

**4. Deliverables:**

- a) Inception Report including a detailed plan of action from the start of the process to the completion of PPP transactions (15 days after contract signing)
- b) Feasibility Report of proposed service centres, along with forecasted business volume and revenue streams, approximate operational costs, initial and recurring capital expenditure, economies of scale and scope in managing these centres and suggestions for clustering these centres, etc. (60 days after contract signing)
- c) Stakeholder consultations report to identify/develop multiple feasible PPP options (90 days after contract signing)
- d) Transaction Structure Report; Containing the detailed design of the PPP model recommended along with its cost-benefit analysis and risk assessment (120 days after contract signing)
- e) Market Sounding Brief, including the assessment of selected private sector players with requisite capacity and interest to manage the service centres in line with the clustering recommendation of the feasibility report (150 days after contract signing)
- f) Brief on possible legal/regulatory issues and possible action plan (150 days after contract signing)
- g) Information Memorandum (180 days after contract signing)

- h) Detailed bidding documents and contract in line with World Bank/ Government procurement rules and bid assessment criteria (180 days after contract signing)
- i) Due diligence procedure memorandum for prospective investors and establishment of data room (180 days after contract signing)
- j) Comparative Statements and Evaluation Reports for approval of the government for selection of private partners (approximately 280 days after contract signing)
- k) Response to legal and regulatory inquiries (ongoing between start and finish of the selection process)
- l) Assistance with contract negotiations and transaction closure (ongoing between contract negotiations and transaction closure)

## **Draft Terms of Reference for Consultancy on Public-Private Partnership**

### **4. Background:**

**1.1:** Board of Revenue, Government of Punjab is executing a project for computerization of land records in the Province. The project “Land Records Management and Information Systems (LRMIS)” aims to establish Service Centres in each Tehsil/Sub-Tehsil (134+21=155) of the Province. These Service Centres will be located in the Headquarters of each Tehsil/Sub-Tehsil and will provide various services related to land records.

**1.2:** Board of Revenue is in the process of establishing the infrastructure of these Service Centres including software, database and civil works. The Government of Punjab proposes to outsource the maintenance of this infrastructure and delivery of services in these centres to one or more private sector partners on the basis of a Public-Private Partnership (PPP) Model. The objective of such a partnership would be to run the service centres in the most efficient and effective manner without compromising on the quality of services to be delivered through these service centres. The services to be delivered include provision of copies of land records (fards) and receipt and processing of requests for changes in the records (mutation requests, requests for correction of clerical errors etc.).

### **5. Objectives:**

The objective of the assignment is to provide comprehensive advice and assistance to the Project Management Unit, LRMIS, on issues which will arise in connection with undertaking the PPP transaction(s) of 155 proposed service centres across Punjab. These issues may include, but are not limited to, the following:

- Due diligence and financial valuation of all proposed service centres
- Evaluation of multiple PPP models and identifying the best model for this transaction
- Transaction structuring (structuring the process of transferring responsibility for running operations of the service centres)
- Specifying the obligations of the private and public partners after the transaction
- Designing a transparent bidding process for engaging private partners on a competitive basis.
- Preparation of transaction details, laid out in necessary documents
- Preparation of necessary information for potential investors.
- Risk assessment and management, in the execution of the transaction

- Ensuring that the transaction is consistent with all relevant Pakistani laws and rules as well as with international best practices concerning transactions of this nature
- Identifying legal constraints to the transaction (in terms of Land Revenue Act, 1967 and also in terms of any laws/regulations relating to this kind of transactions) and making recommendations for removing such constraints together with action plans taking into account the time-scale for the implementation
- Preparing necessary documents to assisting the Government to deal with legal and regulatory inquiries, which may arise during the bidding process and the actual receipts of bids

## **6. Scope of the Assignment:**

Before executing any PPP transaction(s), the Board of Revenue propose to hire the services of a consulting firm for designing and executing an appropriate Public-Private Partnership Model for this purpose. The assignment will consist of

**3.9 Due Diligence:** To assess the key business, financial and legal issues affecting the proposed transaction and to take account of the existing situation on ground with regards to services proposed to be rendered by the service centers in terms of processes involved, existing and potential revenue streams, volume of transactions, etc. The situation on ground can be assessed through close collaboration with the Board of Revenue and its records.

### **3.10 Feasibility Preparation for Service Centres**

While conducting the feasibility and devising the model the consultant will consider the international (particularly regional) comparators and will take into account:

- m) the infrastructure (i.e. the software, database, buildings etc.) to be developed through LRMIS;
- n) the design of service delivery under LRMIS;
- o) the requirements of manpower, training, hardware and connectivity in addition to the infrastructure mentioned at paragraph 1.2 above (all these are part of project design); The feasibility will also keep in view the fact that there may be changes in the design of service delivery under the project on account of business process reengineering and also that new services may be added to the ones proposed at this stage.
- p) the demand for the services to be delivered under the project (data will be collected by the consultant from various offices of the Board of Revenue in Provincial Headquarters and in the districts);
- q) capital and operational costs for delivery of these services;
- r) the expected fees collected on these services and the taxes/duties levied on the beneficiaries during the delivery of these services (data will be collected by the consultant from various offices of the Board of Revenue in Provincial Headquarters – data required and not available in the provincial headquarters will be obtained by the Board of Revenue from the districts)
- s) availability of potential partners in the local market;
- t) capacities of such potential partners;

- u) any other relevant economic and social factors which will determine willingness of prospective partners to come forward for such partnerships;
- v) legal framework under which such outsourcing contracts can be executed;
- w) the legal framework for provision of land record services and the extent to which these services can be delivered under such framework by a private partner and for which functions a public functionary will be necessarily required in the Service Centres; and
- x) the primary requirement of maintaining secure databases of records of rights in land.

The feasibility will include financial valuation of public sector investments in all Service Centres to be established, possible investments to be required by the private sector partners and potential operational expenditures by the public and private sectors for these service centres.

### **3.11 Assessing Various PPP Modalities**

The consultant will assess multiple PPP options for private sector participation in these proposed service centres. These options should include a wide array of possibilities, ranging from service and management contracts to concessions, etc. The consultant will also undertake cost-benefit analysis and comprehensive risk assessment of all available options (Risk assessment should also include weighing these options against long term strategic concerns such as security of land records , etc.)

### **3.12 Recommending Viable PPP Options**

The recommended option will spell out:

- f) responsibilities of the government (specifically of the Board of Revenue and the District Governments). The project design envisages public sector to have the following minimum responsibilities:
  - i. Provision of specifically designed buildings for the Service Centres
  - ii. Provision of software to be used for service delivery and arrangements for improvements and changes in the software as required.
  - iii. Provision of databases of land records to be used for service delivery.
  - iv. Arrangements of adequate number of responsible staff to make any changes in the land records. The staff of the private partner will not have any authority to make changes in the land records database except to receive and record public's requests, complaints and issuance of copies of records.
  - v. Provision of appropriate legal coverage so that the services can be delivered by the private partners.

Details of these will be spelled out in the recommendations of the consulting firm.
- g) responsibilities of the private partner
- h) investment to be done by both partners (specific recommendations will be required in terms of whether the government or the private partner will invest in hardware and connectivity; and, if the private partner is to make this investment, the arrangements for ensuring that hardware and connectivity of appropriate specification is installed. Moreover, specific recommendations about ensuring that appropriate number and quantity of manpower is provided by the private partner(s) will also be required.)
- i) arrangements for monitoring of the work of private partner(s) and for ensuring that defined standards of service delivery are maintained by them (the government is

- separately arranging to outsource the work of quality assurance and monitoring of service delivery; the arrangements will be designed keeping in view the said contract); and the
- j) arrangements for payments to the private partners for the services to be rendered.

The consulting firm will also:

- c) recommend the packaging of service centres for PPP contracts i.e. whether a partnership should be established with one private partner or more. If more than one partner is recommended how should the service centres be grouped together, if such grouping is recommended;
- d) recommend the appropriate duration for the contracts

### **3.13 Preliminary Market Sounding**

The consultant will undertake a preliminary market sounding exercise by developing the prospective private sector player/investor profile in terms of operational competence, past experience, financial strength, etc. and to assess if the selected PPP model would be able to generate sufficient interest from such players, both domestically and internationally

### **3.14 Identification and Recommendations for managing Possible Legal Constraints**

**3.15 Preparation of Investor Information Memorandum** (To document key elements of the investment opportunity for potential investors in the form of a comprehensive information memorandum)

**3.16 Preparation of Necessary Documentation** (To develop necessary documentation including the bidding documents and the contract). The consulting firm will ensure that the process designed is in accordance with the World Bank procurement processes and is also feasible for procurement of services under government of Punjab processes for the post project period.

**4.9 Assistance to the Government during Bidding Process:** To provide advice and assistance to the government during the bidding process by analyzing the capacities (financial and technical) and experience of the interested private partners.

**4.10 Assistance to the Government with Addressing Legal and Regulatory Inquiries**

**4.11 Assistance to the Government with Contract Negotiations and Transaction Closure**

## **5. Deliverables:**

- m) Inception Report including a detailed plan of action from the start of the process to the completion of PPP transactions (15 days after contract signing)
- n) Feasibility Report of proposed service centres, along with forecasted business volume and revenue streams, approximate operational costs, initial and recurring capital expenditure, economies of scale and scope in managing these centres and suggestions for clustering these centres, etc. (60 days after contract signing)

- o)** Stakeholder consultations report to identify/develop multiple feasible PPP options (90 days after contract signing)
- p)** Transaction Structure Report; Containing the detailed design of the PPP model recommended along with its cost-benefit analysis and risk assessment (120 days after contract signing)
- q)** Market Sounding Brief, including the assessment of selected private sector players with requisite capacity and interest to manage the service centres in line with the clustering recommendation of the feasibility report (150 days after contract signing)
- r)** Brief on possible legal/regulatory issues and possible action plan (150 days after contract signing)
- s)** Information Memorandum (180 days after contract signing)
- t)** Detailed bidding documents and contract in line with World Bank/ Government procurement rules and bid assessment criteria (180 days after contract signing)
- u)** Due diligence procedure memorandum for prospective investors and establishment of data room (180 days after contract signing)
- v)** Comparative Statements and Evaluation Reports for approval of the government for selection of private partners (approximately 280 days after contract signing)
- w)** Response to legal and regulatory inquiries (ongoing between start and finish of the selection process)
- x)** Assistance with contract negotiations and transaction closure (ongoing between contract negotiations and transaction closure)

## **Annexure: B**

### **List of Documents to be provided with EOI**

The following documents are required to be provided with the EOI.

1. Certificate of Registration (with name of relevant professional institution) along with the latest renewal letter if any.
2. Copy of Registration with Securities and Exchange Commission or Registrar of Firms if so registered.
3. Copy of Registration with Income Tax Department.
4. List of consultancy assignments regarding transaction advisory services/privatization by the firm in the previous five years. The list must include a brief description of the consultancy, work done by the firm, duration of the consultancy assignment and cost of the consultancy.
5. List of consultancy assignments on public private partnership in previous five years. The list must include brief description of the consultancy assignment, name of client, date of assignment and activities included in assignment
6. List of permanent professional staff along with detailed CVs of PPP Transaction Advisory Expert/Team Leader, Financial Analyst, Legal Expert, Procurement Specialist, IT Expert showing qualification and experience including the projects on which they have worked, their role in the project and duration of their engagement with the project.
7. A Certificate/ Affidavit that the firm is not blacklisted by any Govt./Autonomous Body.