

UGANDA

KAMPALA WATER - LAKE VICTORIA WATER AND SANITATION PROJECT KW-LV WATSAN 01 & 02 OPERATIONAL AUDIT (NWSC/HQ/Srvcs/2020-2021/171733)

CONSULTING SERVICES

Request for Expression of Interest

In 2011, the **National Water and Sewerage Corporation (NWSC)** engaged into a comprehensive program of investments and capacity strengthening named Kampala Water - Lake Victoria Water and Sanitation Program (KW-LV WATSAN). An overview of KW-LV WATSAN is attached as Appendix 1.

NWSC received the following funding towards the implementation of the first two phases of this program (namely KW-LV WATSAN 01 and KW-LV WATSAN 02 respectively):

- i. a EUR 222 million joint financing from the Agence Française de Développement (AFD), the European Investment Bank (EIB), the Kreditanstalt für Wiederaufbau (KfW), the European Union (EU-ITF), and the Government of Uganda (GoU). The five financing entities and NWSC entered into a Common Project Terms Agreement (CPTA);
- ii. an additional separate EUR 150 million financing from AFD.

NWSC intends to use part of the funds thereof for payments under the **KW-LV WATSAN 01 & 02 Operational Audit**, as required in the CPTA.

The services to be rendered by the Consultant shall consist of a series of audits for KW LV-WATSAN 01 & 02 including the following tasks:

- **Organisational aspects:** assessment of the resources and means allocated to the programme implementation unit and of the related organisation, decision making processes, planning of activities, management of documentation and correspondance, capacity to earmark / reserve lands ahead of the works, coordination with other administrations and other utilities, management of environmental and social issues, compliance with external regulations and key internal procedures, reporting, etc.
- **Procurement aspects:** assessment of the various procurements and bidding processes throughout the programme;
- **Contract management aspects:** assessment of the management by NWSC of the consultancy and works contracts under the programme;
- **Technical aspects** such as the design (including sizing, material selection, lay-out/route) quantities, costs, commissioning including tests before completion and on completion, measures taken to ensure sustainability, etc.

Recommendations

The last operational audit was performed in July 2014. The Consultant shall therefore carry out this assignment in 2 parts:

Part A: Operational Audit over the period July 2014 - June 2021. This assignment shall commence immediately upon signature of the contract for a period of six (6) months;

Part B: Annual operational Audits of the financial years 2021/2022, 2022/2023 and 2023/2024. The annual periodic assignment shall commence after the end of each subsequent financial year on June 30th, and last until October 31st of the same year.

The initial contract shall be signed for **36 months** (three financial years). After this period, the Employer may decide to extend the assignment for another 24 months. The maximum duration of the assignment is limited to 5 years.

The total cost of the Operational Audit services for the initial contract is estimated at **EUR 500,000**

The **National Water and Sewerage Corporation (NWSC)** hereby invites Applicants to show their interest in delivering the services described above.

This Request for Expressions of Interest is open to **Consulting firms.**

To minimize conflict of interests, the following firms shall be ineligible to participate in the contemplated tender:

- Firms who have been contracted to offer consultancy or works services (ongoing and/or completed) under the KW-LV WATSAN program;
- Firms who have had capitalistic relations with a company of which a subsidiary is any of the firms mentioned above within a period of 10 years prior to the publication of this REoI.

Eligibility criteria to AFD financing are specified in sub-clause 1.3 of the "Procurement Guidelines for AFD-Financed Contracts in Foreign Countries", available online on AFD's website: <http://www.afd.fr>.

The Applicants shall submit only one application, either in its own name or as a member of a Joint Venture (JV). If an Applicant (including any JV member) submits or participates in more than one application, those applications shall be all rejected. However, the same subconsultant may participate in several applications.

If the Applicant is a JV, the expression of interest shall include:

- a copy of the JV Agreement entered into by all members,
- or
- a letter of intent to execute a JV Agreement, signed by all members together with a copy of the Agreement proposal,

In the absence of this document, the other members will be considered as subconsultants.

Experiences and qualifications of subconsultants shall not be taken into account in the evaluation of the applications.

As part of their applications, the Applicants shall provide:

- A covering letter, comprising the firm's name, address, contact person, telephone, fax and email. Should a cooperation between firms be proposed for this project, the form of cooperation should be mentioned. In addition, the firm should provide evidence that the signatory of the covering letter has the powers of attorney, and the authority of both his firm and that of each party in the association to do so, attesting to their agreement with this authority on their behalf;
- A presentation of the firm(s) showing the firms' organization, main activities and expertise (max. 10 pages per firm, no brochures!). In case of a co-operation between firms, the Application shall include the main specialisation of each party;
- A Declaration of submitting a proposal in case of being short-listed, duly signed by the lead firm;
- Statements on affiliations of any kind with other firms, which may present a conflict of interest in providing the envisaged services, or a statement having no affiliations of any kind. In case any firm forms part of a group of firms or holding, such firm shall disclose the relations between the group and holding members in the statement of affiliations. If bidders co-operate, all participating parties, also sub-contractors, must provide this statement;
- Information evidencing that they are qualified and experienced to perform the required services. For that purpose, documented evidence of at least one (01) recent - less than ten (10) years old - and similar contracts shall be submitted.

Determination of the similarity of the experiences will be based on:

- i. The contracts size; Audit services for Urban Water Supply and Sanitation Projects
 - ii. The nature of the services : operational audit, encompassing organisational, procurement, and technical aspects;
 - iii. The context : planning and implementation of large drinking/potable water supply systems and/or sanitation infrastructure;
 - iv. The location: Sub- Sahara Africa or in any comparable developing countries.
- Information on the Applicants organisational structure, indicating number and qualifications of in-house personnel, including home office, backstopping and quality assurance personnel;
 - Very brief curriculum vitae of in-house experts available to provide home office, backstopping and quality assurance services (max. 3 pages per staff). Brief CVs shall consist of name, professional qualification and year obtained, number of years with firm , position in firm, technical field and specialisation, languages and foreign service (country, year, duration, project, task, function) if applicable. All CVs must be signed by the respective proposed staff and signatory to the bid;
 - The name of a lead auditor from amongst their proposed staff with suitable academic qualifications to manage the assignment. It will be an advantage if this lead auditor is familiar with the Uganda Public Procurement and Disposal of Public Assets Authority (PPDA), AFD, and KfW procurement guidelines. It is recommended that the lead auditor be supported by local experts with economic and technical background especially in the Water and Sanitation sector;
 - A Statement of Integrity to observe the highest standard of ethics during the bidding process and the execution of the contract. Applicants should be aware that any fraudulent or corrupt activities disqualify them immediately from participation in the selection process and will be subject to further legal investigation. The said declaration shall be submitted and duly signed by the firm and by all co-operating parties (including sub-contractors). according to the form in Appendix 2;
 - Certified statements of financial capacity of the lead firm and all members of the consortium for the last three years showing the necessary turnover (proof documents: balance sheets and profit and loss accounts of the last three years. Documents must be in English language (or original with authorised translation) and issued by a certified auditor). The firm, or all members of the consortium individually must have an annual turnover of at least EUR 4,000,000. Sub-contractors must not present financial statements. Moreover, the applicant (in case of a consortium all members) shall prove its solvency by presenting confirmation of a valid guarantee limit / credit line from its bank, which must not be more than six months old;
 - Demonstration of the Applicant's Quality assurance procedures Availability of a valid ISO 9001 Quality Management certificate or internationally recognized equivalent (equivalence may be demonstrated by the Applicant). If the Applicant is a JV, each member must provide individual evidence.

Firms with local offices, or in joint venture or association with local consultants are encouraged to apply.

Among the submitted applications, *National Water and Sewerage Corporation* will shortlist a maximum of six (6) Applicants, to whom the Request for Proposals to carry out the Services shall be sent.

The Expressions of Interest must be submitted (hard copies consisting of one original and one copy, and a soft copy on a flash drive) to the address below no later than **10: 00 hrs (East African Time)** on **July 29th, 2021:**

**The Logistics Office
National Water and Sewerage Corporation
Plot No. 43/49, 6th Street, Industrial Area-Kampala
P. O. Box 7053, Kampala, Uganda
Telephone: +256-313-315864**

Submission of electronic applications is not permitted.

Interested Applicants may obtain further information at the address below during office hours:

**National Water and Sewerage Corporation
Plot No. 18/20, 6th Street, Industrial Area-Kampala
P. O. Box 7053, Kampala, Uganda
Telephone: +256-313-315864/801
Monday to Friday 8 00 hrs to 17: 00 hrs (East African Time)
Or Email: bids@nwsc.co.ug and copy to hellen.izama@nwsc.co.ug**

The deadline for enquiries is **17: 00 hrs (East African Time)** on **July 15th, 2021.**

APPENDIX 1 TO THE REQUEST FOR EXPRESSIONS OF INTEREST

OVERVIEW OF THE KAMPALA WATER LAKE VICTORIA WATSAN PROGRAMME

National Water and Sewerage Corporation (NWSC) in Uganda is currently implementing the Kampala Water-Lake Victoria WATSAN Programme. The 372 million Euros programme is financed by the Government of Uganda and a consortium of European Development Banks consisting of KfW Entwicklungsbank (KfW), Agence Francaise de Developpement (AFD), the European Investment Bank (EIB) and the EU African Infrastructure Trust Fund (EU-AITF).

The programme is aimed at providing long-term solutions (horizon 2035) to the water supply and sanitation challenges of Kampala. It is based on a long-term rehabilitation and extension strategy, translated into the Kampala Water Master Plan. It includes a systematic and phased approach to increase water production infrastructure, expand the water supply network, reduce water losses and operational costs, while at the same time implement watershed protection programs, and improve sanitary conditions and water supply services to the residents of informal settlements.

The KW-LWATSAN programme is being implemented in six distinct packages, as outlined below.

Packages 1 & 3: – Immediate measures for upgrading and rehabilitation of the Ggaba water treatment plant complex and provision of additional water transmission and storage capacity. The works under these packages were finalised. The interventions were designed to address critical water shortages facing Kampala, by addressing production shortfalls at Ggaba and increasing low pressure areas and dry zones, among others. The Ggaba 1 and 2 restoration works resulted into an increase in production at Ggaba 1 and 2 of over 60,000 m³/day, and the bulk transfer of water to Namasuba through a new 9.6km DN700 pumping main to a new 8,000 m³ reservoir, and minor improvements at the Muyenga Tank complex.

Package 2: Network restructuring and rehabilitation. Interventions under this Package include:

- a) Primary and secondary network extensions for the distribution of the Water produced at the Katosi Water treatment plant (currently under construction).
- b) Restructuring and extension of the existing distribution network through construction and rehabilitation of the transmission mains and primary distribution system and associated reservoirs, densification and extension of the secondary network and extension, as well as rehabilitation of the tertiary network.
- c) Implementation of district metering zones and improved pressure management, including a SCADA system for network monitoring, and of activities for technical and administrative water loss reduction.

Detailed design of the required infrastructure is ongoing and procurement of a works contractor has been initiated.

Package 4: Construction of a new water treatment plant east of Kampala, and associated transmission and storage facilities. The works under this package entail development of a new water treatment plant in Katosi, Mukono district (east of Kampala), a 54 km transmission mains and bulk storage facilities. The location of the works to the East of Kampala follows recommendations made in the updated feasibility study which identified potential abstraction points along the Lake Victoria shoreline with good quality raw water. The works are close to completion.

Package 5: Improvement of water supply and sanitation services in the informal settlements of Kampala City. This package is aimed at increasing the access to water and sanitation services for residents of Informal Settlements within Kampala City. The project scope includes the construction of

a faecal sludge treatment plant, public sanitation facilities and installation of prepaid meters. The detailed design of the infrastructure was completed and procurement of a works contractor is ongoing.

Package 6: Accompanying Measures: The purpose of this package is to address capacity gaps within the project implementation unit and the NWSC as a utility business.

The scope of the Operational Audit shall encompass all these packages.

**APPENDIX 2 TO THE REQUEST FOR EXPRESSIONS OF INTEREST
(To be submitted with the application, signed and unaltered)**

Statement of Integrity, Eligibility and Environmental and Social Responsibility

Reference of the bid or proposal _____ (the "**Contract**")

To: _____ (the "**Contracting Authority**")

1. We recognise and accept that *Agence Française de Développement* ("**AFD**") only finances projects of the Contracting Authority subject to its own conditions which are set out in the Financing Agreement which benefits directly or indirectly to the Contracting Authority. As a matter of consequence, no legal relationship exists between AFD and our company, our joint venture or our suppliers, contractors, subcontractors, consultants or subconsultants. The Contracting Authority retains exclusive responsibility for the preparation and implementation of the procurement process and performance of the contract. The Contracting Authority means the Purchaser, the Employer, the Client, as the case may be, for the procurement of goods, works, plants, consulting services or non-consulting services.
2. We hereby certify that neither we nor any other member of our joint venture or any of our suppliers, contractors, subcontractors, consultants or subconsultants are in any of the following situations:
 - 2.1 Being bankrupt, wound up or ceasing our activities, having our activities administered by the courts, having entered into receivership, reorganisation or being in any analogous situation arising from any similar procedure;
 - 2.2 Having been:
 - a) convicted, within the past five years by a court decision, which has the force of *res judicata* in the country where the Contract is implemented, of fraud, corruption or of any other offense committed during a procurement process or performance of a contract (in the event of such conviction, you may attach to this Statement of Integrity supporting information showing that this conviction is not relevant in the context of this Contract);
 - b) subject to an administrative sanction within the past five years by the European Union or by the competent authorities of the country where we are constituted, for fraud, corruption or for any other offense committed during a procurement process or performance of a contract (in the event of such sanction, you may attach to this Statement of Integrity supporting information showing that this sanction is not relevant in the context of this Contract);
 - c) convicted, within the past five years by a court decision, which has the force of *res judicata*, of fraud, corruption or of any other offense committed during the procurement process or performance of an AFD-financed contract;
 - 2.3 Being listed for financial sanctions by the United Nations, the European Union and/or France for the purposes of fight-against-terrorist financing or threat to international peace and security;
 - 2.4 Having been subject within the past five years to a contract termination fully settled against us for significant or persistent failure to comply with our contractual obligations during contract performance, unless this termination was challenged and dispute resolution is still pending or has not confirmed a full settlement against us;
 - 2.5 Not having fulfilled our fiscal obligations regarding payments of taxes in accordance with the legal provisions of either the country where we are constituted or the Contracting Authority's country;

- 2.6 Being subject to an exclusion decision of the World Bank and being listed on the website <http://www.worldbank.org/debarr> (in the event of such exclusion, you may attach to this Statement of Integrity supporting information showing that this exclusion is not relevant in the context of this Contract);
- 2.7 Having created false documents or committed misrepresentation in documentation requested by the Contracting Authority as part of the procurement process of this Contract.
3. We hereby certify that neither we, nor any of the members of our joint venture or any of our suppliers, contractors, subcontractors, consultants or subconsultants are in any of the following situations of conflict of interest:
 - 3.1 Being an affiliate controlled by the Contracting Authority or a shareholder controlling the Contracting Authority, unless the stemming conflict of interest has been brought to the attention of AFD and resolved to its satisfaction;
 - 3.2 Having a business or family relationship with a Contracting Authority's staff involved in the procurement process or the supervision of the resulting Contract, unless the stemming conflict of interest has been brought to the attention of AFD and resolved to its satisfaction;
 - 3.3 Being controlled by or controlling another bidder or consultant, or being under common control with another bidder or consultant, or receiving from or granting subsidies directly or indirectly to another bidder or consultant, having the same legal representative as another bidder or consultant, maintaining direct or indirect contacts with another bidder or consultant which allows us to have or give access to information contained in the respective applications, bids or proposals, influencing them or influencing decisions of the Contracting Authority;
 - 3.4 Being engaged in a consulting services activity, which, by its nature, may be in conflict with the assignments that we would carry out for the Contracting Authority;
 - 3.5 In the case of procurement of goods, works or plants:
 - a) Having prepared or having been associated with a consultant who prepared specifications, drawings, calculations and other documentation to be used in the procurement process of this Contract;
 - b) Having been recruited (or being proposed to be recruited) ourselves or any of our affiliates, to carry out works supervision or inspection for this Contract.
4. If we are a state-owned entity, and to compete in a procurement process, we certify that we have legal and financial autonomy and that we operate under commercial laws and regulations.
5. We undertake to bring to the attention of the Contracting Authority, which will inform AFD, any change in situation with regard to points 2 to 4 here above.
6. In the context of the procurement process and performance of the corresponding contract:
 - 6.1 We have not and we will not engage in any dishonest conduct (act or omission) deliberately intended to deceive others, to intentionally conceal items, to violate or vitiate someone's consent, to make them circumvent legal or regulatory requirements and/or to violate their internal rules in order to obtain illegitimate profit;
 - 6.2 We have not and we will not engage in any dishonest conduct (act or omission) contrary to our legal or regulatory obligations or our internal rules in order to obtain illegitimate profit;
 - 6.3 We have not promised, offered or given and we will not promise, offer or give, directly or indirectly to (i) any Person who holds a legislative, executive, administrative or judicial mandate within the State of the Contracting Authority regardless of whether that Person was nominated or elected, regardless of the permanent or temporary, paid or unpaid nature of the position and regardless of the hierarchical level the Person occupies, (ii) any other Person who performs a public function, including for a State institution or a State-owned company, or who provides a public service, or (iii) any other person defined as a Public Officer by the national laws of the Contracting Authority's country, an undue advantage of

any kind, for himself or for another Person or entity, for such Public Officer to act or refrain from acting in his official capacity;

- 6.4 We have not promised, offered or given and we will not promise, offer or give, directly or indirectly to any Person who occupies an executive position in a private sector entity or works for such an entity, regardless of the nature of his/her capacity, any undue advantage of any kind, for himself or another Person or entity for such Person to perform or refrain from performing any act in breach of its legal, contractual or professional obligations;
 - 6.5 We have not and we will not engage in any practice likely to influence the contract award process to the detriment of the Contracting Authority and, in particular, in any anti-competitive practice having for object or for effect to prevent, restrict or distort competition, namely by limiting access to the market or the free exercise of competition by other undertakings;
 - 6.6 Neither we nor any of the members of our joint venture or any of our suppliers, contractors, subcontractors, consultants or subconsultants shall acquire or supply any equipment nor operate in any sectors under an embargo of the United Nations, the European Union or France;
 - 6.7 We commit ourselves to comply with and ensure that all of our suppliers, contractors, subcontractors, consultants or subconsultants comply with international environmental and labour standards, consistent with laws and regulations applicable in the country of implementation of the Contract, including the fundamental conventions of the International Labour Organisation (ILO) and international environmental treaties. Moreover, we shall implement environmental and social risks mitigation measures when specified in the environmental and social commitment plan (ESCP) provided by the Contracting Authority.
7. We, as well as members of our joint venture and our suppliers, contractors, subcontractors, consultants or subconsultants authorise AFD to inspect accounts, records and other documents relating to the procurement process and performance of the contract and to have them audited by auditors appointed by AFD.

Name: _____ In the capacity of: _____

Duly empowered to sign in the name and on behalf of¹: _____

Signature: _____

Dated: _____

¹ In case of joint venture, insert the name of the joint venture. The person who will sign the application, bid or proposal on behalf of the applicant, bidder or consultant shall attach a power of attorney from the applicant, bidder or consultant.