I. INTRODUCTION

1. The Government of Timor Leste is inviting interested eligible Power Consulting Companies to submit Expression of Interest and Proposal for the **Construction Supervision Works of the Nationwide Electrical Power Grid and Power Plant and its Facilities** that will be constructed to supply a capacity of **180 Megawatt (MW)**. This EoI shall conducted as a **two envelops procedure**, wherein the **Technical Proposal and Financial Proposal** shall be submitted together in separate sealed envelopes.

This work will include the construction supervision of the works to be done by the company that is contracted to do the design, supply, installation, testing and commissioning of the two (2) power plants, ten (10) substations and 630 kms of nationwide power grid for the Country.

For implementation purposes, the Ministry of Infrastructure will be the **Executing Agency (EA)** for the Project.

2. The Project to be supervised is expected to promote sustained social and economic prosperity and growth in Timor Leste by providing an adequate and reliable power supply. In particular, the Construction Supervisor shall ensure that the Contractor complies with the terms of the Contract requiring compliance with the laws of Timor Leste, including the laws and regulations on the environment and any Treaties or commitments entered into by Timor Leste, including its adherence to the Kyoto Protocol. The Consultant shall in addition require the Contractor to abide to its commitments made in the Proposal on the **Technical Measures to Improve Environment Quality of the Heavy Fuel Generator Plant** in which constitutes an integral part of the Contract between the Government of Timor Leste and the Contractor dated 25 October 2008. The Consultant once awarded this supervision contract shall prepare an Environmental Management Plan based on the requirements in the attached Appendices to be used during the supervision of the Project. The supervision works will be financed, through the Capital Budget of the Country.

3. Interested parties must submit their expression Letter of Interest ("LOI") together with its Proposal to the Ministry of Finance (MoF) which states the full name, address, telephone and fax number of the interested party, name of the principal contact, and signed by an authorized representative. **All LOIs and proposals must be received by MoF to the address as specified in Item No. 11 of this Letter on or before date: 31 March 2009, Time 5:00 PM Timor-Leste Time** (the "LOI and Proposal
Submission Deadline*). Only interested parties that submit LOI with Proposal by the Submission Deadline shall be allowed for consideration for evaluation of proposal.

4. In order to carry out the project, the Government will engage the services of qualified international Power Consulting Company that will carry out the requirements of this project. The detailed works is detailed in the Terms of Reference (TOR) hereto attached as Appendix I.

5. Provided your firm interest in participating in the submission of intent and proposal for the Project, you are hereby invited to submit the technical proposal and financial proposal at the same time, for the works required under the Terms of Reference of the Project. Your technical proposal will be considered by the MOI/MOF on its technical and organizational merits, and in conjunction with the financial proposal, it will be the basis for negotiations and ultimately a contract between the Power Consulting Company and the Government. It is anticipated that contract negotiations with contractor would commence around 14 April 2009 and the works would commence around 11 May 2009.

6. Please acknowledge receipt of this invitation by email to fmartins@mof.gov.tl and inform whether or not you intended to submit a proposal.

7. Your Proposal shall remain valid for a period of 90 (ninety) days after the last submission date of 31 March 2009. During this period your firm shall maintain the availability of all the technical staff nominated in the Proposal.

   The MOI/MOF will make its best effort to complete negotiations within this period. If the negotiation cannot be completed on the said period of time, the MOI/MOF may request your firm to extend the validity period of your proposal.

   Your firm has the right to refuse to extend the validity period of your proposal. The Government of Timor-Leste is not bound to accept any bid and has the right to terminate the RFP process should circumstance required this course of action.

II. CONTENTS OF THE PROPOSAL

8. Technical Proposal (Envelope one):
   Your technical proposal should demonstrate the firm’s knowledge on the supervision works of the project and understanding of the requisite tasks set forth in the scope of work and terms of reference. The proposal should also outline the firms Commercial & Local Development Statement commitments. Provision of the requested information, in full, must be set forth in the following sequence:

   8.1 Technical/Professional Analysis:

      a. Information on the work load of your firm at the time the proposal is made.
b. General approach or methodology which you propose for carrying out the supervision works including such detailed information as you deem relevant.

c. Supervision Work program including implementation schedule; a network program of principal activities indicating those on the plan; and a schedule indicating clearly the estimated duration and the probable timing of the project implementation.

d. Comments, if any, regarding the terms of reference designed to improve the requirements in carrying out the works.

e. Proposed association arrangement (if any).

8.2 Commercial Analysis, that is, the soundness of the tenderer’s business and their ability to reduce the Government risk.

8.3 Local Development Analysis

9. **Financial Proposal (Envelop Two):**
Your financial proposal should be prepared on a “cost-plus-fee” basis and should be accompanied by supporting documents to justify the elements involved. The cost shown should include a breakdown of the monthly remuneration rate for each professional staff to be assigned and a general breakdown of out-of-pocket expenses such as international travel, per diem and report preparation, etc. The breakdowns for remuneration including social charges and overhead costs provided should be certified as correct by an independent auditor. They should also be further supported by providing copies of the firm’s audited annual statements of income and expenditure. The information provided would be treated as confidential by the MOI/MOF.

**NOTE:** Your Financial Proposal shall include all taxes and charges related to this consultancy services. Information related to Timor-Leste taxation can be found at following hyperlink: [http://www.mof.gov.tl/en/TLRS/DomesticTax/TaxGuidesAndForms/taxguide/](http://www.mof.gov.tl/en/TLRS/DomesticTax/TaxGuidesAndForms/taxguide/)

10. The MOI/MOF retain the right to audit during and after the services, the firm’s accounts time and cost records relevant to the services including such accounts and records as will enable verification of the breakdown of billing rates and the costs related to the project.

III. **TRANSMISSION ARRANGEMENTS**

11. Your detailed expression Letter of Interest (LOI) and technical and financial proposals should be prepared in English and should be submitted in three (3) copies each to reach the following address not later than 31 March 2009, Time: 5:00 PM Timor-Leste Time. If your companies are assembled
outside of Timor-Leste, you are strongly advised to hand carry the original proposal document and required copy to:

**Procurement Services, Ministry of Finance**  
**Administration Office**  
**Edificio 5, Res Chao, Palacio do Governo**  
**Dili, Timor-Leste**  
**Telp: +670-333 1277**

Rather than relying on the International air courier services. However, if the bidders wish to rely on air courier services it is recommended that the submission be planned earlier than the bid submission deadline.

In addition, you should advice by cable the MoF of the dispatch of your proposal including airway bill number to email: fmartins@mof.gov.tl.

### IV. EVALUATION OF PROPOSAL

11. Your technical proposal will be evaluated, prior to the invitation for negotiation, on the basis of the qualification of the firm, quality and suitability of the approach and methodology and the experience and qualification of the personnel to be assigned. A summary of criteria to be used for evaluating your technical proposal is **attached in the Appendix III**.

12. The financial proposal will not be evaluated same as the technical proposal but will be subjected to negotiation. Your financial proposal will be checked for computational errors and the evaluated total price (ETP) will be determined. The ETP will be converted into US Dollars using the exchange rates stated by the MOI/MOF on the date of opening of financial proposal.

13. Following completion of evaluation of technical and financial proposal, final negotiation will be conducted with the Consultant.

### V. NEGOTIATIONS

14. Negotiation will be held at the MOI/MOF Office at the address indicated in III above, following MOI/MOF’s invitation to attend negotiations.

The invited Consultant will, as a pre-requisite for attendance at the negotiations, confirm availability of all nominated experts. Failure in satisfaction of such requirement may result in the MOI/MOF decision to invite another Consultant.

Representatives conducting negotiation on behalf of the Consultant must have written authority to negotiate technical, financial and other terms and conclude a legally binding agreement.
15. Negotiation of technical proposal will not result in substantial modifications to either the Consultant’s technical proposal or the TOR.

16. The financial negotiation will generally fine-tune duration of experts’ inputs, and the details of out-of-pocket expenditure items. Unless in exceptional circumstances, the details of experts’ remuneration will not be subject of negotiations.

17. If contract negotiation fails for any reason, the MOI/MOF will invite another Consultant for negotiation.

VI. VISIT OF PROJECT SITE - COSTS

18. Should the Consultant decide to assess the extent of the work, any cost on doing so will not be reimbursed. Further, the cost of preparing a proposal and of negotiating a contract, including any relevant travel, is not reimbursable nor can it be included as a direct cost of the project.

VIII. REQUEST FOR ADDITIONAL INFORMATION

19. In the event that you may need additional information, we would try to provide such information expeditiously but any delay in providing you with such additional information will not be considered as a reason for extending the submission date of your proposal.

Yours sincerely,

Francisco C. Soares
Director of Procurement Services, MOF

Attachments:

1. Appendix I - Background Information & Terms of Reference
2. Appendix II - Environmental Management Plan (EMP)
3. Appendix III – Bid Evaluation Information