

Section 5. TERMS OF REFERENCE

The Government of Timor Leste requires legal assistance with the development of contract documents for the construction of a nationwide electrical power grid and power plants.

As background, attached is the Invitation to Submit Expression of Interest and Proposal Request issued by the Government for the design, construction and management of the grid and power plants.

Firms are reminded that the law of Timor Leste is based upon legislation and upon the Civil Code of Indonesia, where law does not otherwise exist.

Responses have been received and, following this RFP process, expert legal advice will be engaged to assist with development of the contract documents.

Respondent law firms are required to outline their experience, skills and capabilities in advising governments on

- the procurement of power stations and electricity grids by EPC, BOT, BOOT and other modalities
- related electrification projects
- the business of electricity generation facilities and national power grid management
- power purchase agreements
- regulatory advice on electricity generation and distribution
- financing of power plant/electricity grid projects
- all aspects of power supply, including risk avoidance strategies, environmental impact assessment and the taking of easements or similar over public and private property

A key element of the contract will comprise the financing arrangements that both parties have negotiated and agreed over the project life. The responses

received are based on different funding models. Expert project finance assistance should be engaged by the legal firm to assess financial proposals, and commercial risk, of shortlisted bidders, and assist the Government to negotiate the optimal financial arrangement with the preferred bidder.

Legal firms should outline the specialist firm, or personnel, that will be engaged to undertake this financial advisory and arrangement services, their professional experience, skills, capabilities and schedule of rates.

Firms are requested to submit a Technical Proposal and a Financial Proposal, covering both legal and financial advisory services.

An assessment will be made of the skills and capabilities of personnel nominated to work to work on this assignment.

Upon assessment of professional and technical capabilities, proposals will be evaluated in terms of financial arrangements that are proposed. Firms are requested to submit their charging models (for both legal and financial advisory), including all incidental costs, contingencies and taxes payable.

Following the above evaluations, the Procurement Service will enter into a consulting services contract with the successful bidder based on the template attached.

Resourcing

In responding to this TOR, Consultants should consider all costs to be incurred, including but not restricted to:

- Consultant fees and per diems;
- Travel and accommodation for consultants (including visas and transfer costs);
- Translation and interpreting costs, and
- Transport, Communications and printing in Dili.

Limited use of Government Office space may be possible although the Consultants should assume that they will need to establish their own working base for the duration of the assignment.

Project Governance and Management

The Consultant should indicate its own senior management arrangements for the assignment.

The Minister will oversee the Consultant's performance and will nominate a project supervision committee of 3 people (national and/or internationals) to liaise with the Consultant.

Local counterparts will be nominated by the Government to assist in logistics and the arranging of interviews and other logistics. The number of counterparts should be agreed between the Government and the Consultant prior to engagement.