



Government of Nepal  
Ministry of Commerce & Supplies  
**Nepal Intermodal Transport Development Board**  
*Gyaneshwor, Kathmandu*

## **REQUEST FOR EXPRESSION OF INTEREST (REOI)**

**EOI No.: NITDB/PS/G-01**

**Determination of Trade Volume through the Southern International  
Border of Far-Western Development Region**

25 March 2014

**REOI Notice**

Government of Nepal  
Ministry of Commerce & Supplies  
**Nepal Intermodal Transport Development Board**  
*Gyaneshwor, Kathmandu*

**REQUEST FOR EXPRESSION OF INTEREST (REOI)****Determination of Trade Volume through the Southern International Border of Far-Western Development Region**

Date of first publication: 25 March 2014

In order to facilitate development of a dry-port at Far Western Development Region, Nepal Intermodal Transport Development Board (NITDB) under the Ministry of Commerce and Supplies invites eligible consulting firms with basic expertise in trade and transport, which do not have conflict of interest with NITDB, to indicate their interest in providing consulting services. The services include preparation of a report based on data from primary and secondary sources to identify importable goods and exportable products (agricultural, non-timber forest products, manufacturing, etc), their corresponding volume, monetary value, origin, route of travel and a forecast of the trade volume for each 5<sup>th</sup> year in the next 20 years.

Interested consulting firms should provide information demonstrating that they have the capacity and motivation to perform the services. The short listing criteria are:

- Business objective, corporate capacity (annual turnover, financial information for the last 5 years) and expertise of the firm
- Organization structure
- Details on the JV partners and the leading firm
- General work experience and similar work completed in the last 5 years and their complexity
- A list of proposed personnel with qualification, experience and association with the firm.
- Commitment for adherence to the code of ethics and anticorruption policy of the government.

Consulting firms may associate to enhance their qualifications. The selection will be based on QCBS methodology. The works has to be completed within 2 months. Further information could be obtained from NITDB office or through email.

Expressions of interest must be hand delivered at NITBD office by 09 April 2014 during office hours.

Nepal Intermodal Transport Development Board (NITDB)  
Sarathi marga, Gyaneshwor, Kathmandu, Nepal  
Tel: +977-1-4439664; Fax:+977-1-4440936  
E-mail: [nitb@wlink.com.np](mailto:nitb@wlink.com.np)  
Web: [www.nitdb.org](http://www.nitdb.org)

## **Terms of Reference**

### **Determination of Trade Volume through the Southern International Border of Far-Western Development Region**

#### **A. Background and Context**

Nepal is a geographically small, landlocked country surrounded by India in the south, east and west and the Tibet Autonomous Region of the People's Republic of China in the north. Nepal's access to international trade markets depends on transport infrastructure, logistics services and transit facilities in neighboring countries.

From 2012 to 2013, Nepal has slipped from 103<sup>rd</sup> position to 105<sup>th</sup> position among 189 economies in the World Bank's Ease of Doing Business Index. This indicates the need for additional efforts to make our regulatory environment more conducive to business operation.

Nepal's 2010 Trade Integration Strategy (NTIS) and 2013-16 National Development Plan prioritize the need to facilitate trade and improve the country's export competitiveness. Key objectives include strengthening the capacity of the country's trade-related institutions, strengthening export industries that promote economic inclusion, and strengthening the Government's capacity to implement the NTIS, improve coordination between trade-related institutions and enhance the delivery of technical assistance. Nepal also has to meet trade facilitation objectives related to its obligations to the World Trade Organization, South Asian Free Trade Agreement, and bilateral agreements with India. Most of these have to do with facilitating freedom of transit and eliminating non-tariff barriers including those related to technical and sanitary and phyto-sanitary inspections, and cumbersome clearance procedures. From 2010 to 2012 we have slightly improved our Logistics Performance Index from 2.07 to 2.20, in a scale from 1 to 5. The index reflects assessments of a country's logistics based on efficiency of the customs clearance process, quality of trade- and transport-related infrastructure, ease of arranging competitively priced shipments, quality of logistics services, ability to track and trace consignments, and frequency with which shipments reach the consignee within the scheduled time. The ranking has to be improved to make our products more competitive in the international market, while at the same time, to pay less for the imported goods.

Inland Clearance Depots (ICD) play an important role in improving the situation by facilitating speedy customs clearance, goods handling and transshipment from one mode to another. The requirement for one of such facilities is being felt in the Far-western Development Region. However, development of an ICD is an cost intensive task and hence needs to be justifiable in terms of location, connectivity, size and investment. The proposed study will help to address these issues.

#### **B. Objectives**

This service is being procured with following major objectives:

- i. Determination of existing trade volume through the southern international border of the Far-western Development Region, in terms of:
  - Items (e.g, agricultural products, non-timber forest products, factory manufactured goods, handicraft items, etc),
  - Finishing (e.g, raw material, semi-finished, ready to use, etc),
  - Volume (or weight),
  - Cost,
  - Origin, route of transport and destination,

- Direction of transport (import or export),
- Volume elasticity,
- Monthly fluctuation of import and export volumes;
- ii. Estimation of the trade volume for each 5<sup>th</sup> year in the next 20 years;
- iii. Determination of most appropriate location of the ICD in consideration to:
  - Use of established trade routes,
  - Connectivity in the Indian and the Nepalese side,
  - Proximity to the administrative centers in the Nepalese side;
- iv. Review and consolidation of information from the studies made in the past.

### **C. Scope of Services:**

The consultant shall use land use maps, rate of productivity established by relevant agencies, production by industry, traffic data, etc to estimate the total import and export, disregard to legitimacy of the channel. He shall then cross-check the estimation through the data from the local importers, exporters, freight agents, transporters, customs offices, Police and local chapters of the FNCCI.

#### **1. Desk study and preparation of Inception Report**

The desk study and subsequent drafting of the inception report will be done at the consultant's home office. The inception report should not be more than 20-25 pages and should contain the following:

- |                                 |   |
|---------------------------------|---|
| a. Introduction:                | Provide a short description of the background, purpose and scope according to the ToR;  |
| b. Preliminary findings:        | Identify issues derived from the results of the desk study and other preparatory work carried out to this point.                                  |
| c. Data collection instruments: | Introduce all planned data collection instruments (e.g. questionnaires, surveys, interviews, direct observation, etc.).                           |
| d. Methodology:                 | Details on activities, including field trips, interviews, discussions, surveys, reporting etc. The input of the key-experts should be elaborated. |
| e. Schedule:                    | Provide a schedule of field work and office works;  |
| f. Preliminary hypotheses:      | Develop a hypothesis on the basis of the desk study   |
| g. Annexes:                     | Terms of reference, overview of documents reviewed.   |

#### **2. Presentation of the inception report**

The consultant needs to make a Powerpoint presentation of the inception report to the zonal chapters of FNCCI and other stakeholders at Mahendranagar and Dhangadhi.

#### **3. Data collection**

The consultant shall use land use maps, rate of productivity established by relevant agencies, production by industry, traffic data, etc to estimate the total import and export, disregard to legitimacy of the channel. The source of the data should include local importers, exporters,

freight agents, transporters, customs offices, Police, District Development Committees and local chapters of the FNCCI.

#### 4. Data verification and analysis

The data collected from a source need to be cross-checked by data from another source or through field observations.

The collected data need to be analyzed to achieve the study objective

#### D. Indicative Project Implementation Schedule

The total duration of the consulting services will be 2 months. The consulting services is expected to commence in April 2014. The desk study and presentation of the inception report needs to be completed within a month of agreement. Collection of additional data, verification, analysis and submission of final report should not take more than one additional month.

#### E. Indicative Staffing Requirements

The staffing with responsibilities and requirements of the Consultant is indicated in the table below. The duration and responsibility of personnel input may vary according to the requirement of services to meet above objectives.

*Tentative key expert requirement*

<b>Key Experts</b>	<b>Number</b>	<b>Input Months</b>
Team Leader (Trade and transit expert)	1.00	1.50
Customs expert	1.00	0.50
Agricultural expert	1.00	0.50
Forestry expert	1.00	0.50
Industrial expert	1.00	1.00
Transport economist	1.00	1.00

#### Note:

- a. The above staff composition and estimated total staff person-month is the Client's suggestion. The consultants are advised to assess their own requirement and propose their own staff composition and staff input requirement for efficient performance of their job as per the Terms of Reference. If the proposed consultant's team is found inadequate or not sufficient during the performance of the services then additional staff shall be provided by the consultant at their own cost.
- b. A Technical Proposal shall be considered unsuitable and shall be rejected for further evaluation if it does not respond to TOR for adequacy of main key staff input meeting minimum qualification requirement.

#### F. Qualifications and Responsibilities of Key-Experts

The qualifications and the responsibilities of the key- experts will be as follows:

### **1. Team Leader (Trade and transit expert)**

- Minimum education: Graduate in economics or equivalent;
- Preferable education: Masters in economics, business administration, public administration, marketing, international trade or related field.
- Minimum experience: 5 years as economist, customs official or teaching economics at university level
- Preferable experience: Team Leader in trade and transit related study, importer, exporter, freight forwarder of surface cargo, ICD planner/developer/operator, customs official at a customs office with ASYCUDA setup.
- Key responsibilities: plan and supervise collection of trade and transit related data, data validation, data analysis, data projection, coordination of the consultant's team, preparation of reports, presentation of the reports

### **2. Customs Expert**

- Minimum education: Graduate in economics or equivalent;
- Preferable education: Masters in economics, business administration, public administration, marketing, international trade or related field.
- Minimum experience: 5 years as customs official
- Preferable experience: Customs official at a customs office with ASYCUDA setup, ICD operator.
- Key responsibilities: plan and supervise collection of customs related data from Far-western, Mid-western and Central Development Regions, data validation, data analysis, data projection, coordination of the consultant's team, preparation of reports, presentation of the reports

### **3. Agricultural Expert**

- Minimum education: Graduate in agronomy
- Preferred education: Masters in agronomy, agro-forestry or equivalent
- Minimum experience: 5 years as agronomist or teaching agriculture at university level
- Preferable experience: estimation of agricultural production, agricultural import or agricultural planning
- Key responsibilities: plan and supervise collection of agriculture related data (agricultural production, manure, seeds, chemicals, equipment, animals, poultry, etc.), data validation, data analysis, data projection, report writing and presentation.

### **4. Forestry Expert**

- Minimum education: Graduate in forestry
- Preferred education: Masters in forestry, agro-forestry or equivalent
- Minimum experience: 5 years as forest officer or teaching forestry at university level
- Preferable experience: estimation of exportable forest production or forestry planning
- Key responsibilities: plan and supervise collection of forest products related data (forest based imports and exports, forest yield, chemicals, equipment, etc.),

data validation, data analysis, data projection, report writing and presentation.

## 5. Industrial Expert

- Minimum education: Graduate in industrial engineering
- Preferred education: Masters in industrial engineering, regional planning or equivalent
- Minimum experience: 5 years as industrial engineer or teaching industrial engineering/regional planning at university level
- Preferable experience: estimation of industrial production, industry establishment or industrial planning
- Key responsibilities: plan and supervise collection of industry related data (industrial production, raw material, machinery, packing material, labor availability, local/international market, etc.), data validation, data analysis, data projection, report writing and presentation.

## 6. Transport Economist

- Minimum education: Graduate in engineering or economics
- Preferred education: Masters in transportation engineering, transportation economics or equivalent
- Minimum experience: 5 years as transportation engineer, transportation economist, teaching transportation engineering or teaching economics at university level
- Preferable experience: estimation of volume of goods transport, estimation of total transport costs, capacity of existing roads, planning of transport corridors
- Key responsibilities: plan and supervise collection of transport related data (road network, existing Nepal-India transport corridors, volume of goods traffic, vehicle operation costs, road construction/maintenance costs, origin/destination of imported/exported goods, non-tariff costs, etc.), data validation, data analysis, data projection, report writing and presentation.

## G. Reporting:

The Consultant will be required to submit reports as tabulated below:

### *Reporting schedule*

<b>Report</b>	<b>No of copies</b>	<b>Due date</b>
Inception Report	6+ (2 soft copies)	Within 4 weeks of agreement
Draft Final Report	6+ (2 soft copies)	Within 7 weeks of agreement
Final Report	6+ (2 soft copies)	Within 8 weeks of agreement

## H. Facilities to be provided by the Client

Following facilities shall be provided by NITDB:

- i. Availing previous report and concept papers

- ii. Informing the stakeholders for the presentation of the inception report at Dhangadhi and Mahendranagar
- iii. Introductory letter to the Consultant's team

### **I. Consultant's Obligations**

It should be noted that the Consultant will need to provide all the administrative, technical professional and support staff needed to carry out their services. The consultant shall rent halls and serve refreshments for about 50 participants at the presentation of the inception report at Mahendranagar and Dhangadhi. It will also be responsible for providing all other necessary facilities and logistical support for its staff, including accommodation, transportation, office equipment, printing, communications, utilities, office supplies and other miscellaneous requirements that required to render the services effectively.



**Basic Scoring System**

The received EOI will be evaluated as per the following scoring regime:

S.N.	Particulars	Maximum score
a.	Business objective and expertise of the firm	10.0
b.	Corporate capacity of the firm (annual turnover, financial information for last 5 years)	30.0
c.	General work experience of the firm.	10.0
d.	Similar work experience of the consulting firm and its complexity.	20.0
e.	A list of proposed personnel with qualification, experience and association with the firm.	10.0
f.	Adherence to the code of ethics and anticorruption policy of government.	20.0
Total maximum points for the REOI		100.0
Minimum score to be obtained		75.00