

Statement of Objectives (SOO) under RFP INVEST-082: USAID/Vietnam NPT Bond Feasibility Study and Technical Advisory Support

INTRODUCTION

Through INVEST, USAID seeks to unlock the potential of foreign direct investment to drive high value job creation. Increasingly, multinational companies are looking to new emerging markets for relocation and new market opportunities. Encouraging investment in high-impact areas requires new forms of collaboration between USAID and the international investment community. Specifically, USAID can leverage its resources—grants, technical assistance, and convening power—to help raise awareness of investment opportunities, lower transaction costs, and mitigate the risk of investments that generate positive social, economic, and environmental impact.

Through INVEST’s flexible buy-in mechanism, USAID Missions and Operating Units can access an unprecedented network of firms and individuals that have the range of technical expertise needed to identify opportunities and effectively mobilize private capital toward development priorities. Using a lean approach tailored to high potential opportunities, relevant parts of the network will come together to research, develop, and build specific solutions that align private capital with development needs.

BACKGROUND

USAID/Vietnam INVEST Activity

In August 2019, USAID/Vietnam began working with INVEST to explore and facilitate private investments in select sectors, with an emphasis on renewable and clean energy. Subsequently, INVEST conducted a scoping mission to Vietnam to help USAID prioritize opportunities and understand key challenges in the energy sector, which included the following: (a) the country’s unprecedented challenge in doubling energy supply in the next ten years to keep up with GDP growth over the same timeframe; (b) a shift from coal to liquid natural gas (LNG) as a baseload energy source over the next decade, (c) the consistent identification of the energy sector as an area where USAID has a role to play in Vietnam; (d) potential synergies with existing USAID/Vietnam projects and investments; (e) the need for additional debt and equity capital to close investments in the energy sector; and (f) the need for promoting private sector investment in energy that can operate within a framework of a centralized government.

As a result of the INVEST scoping mission, USAID/Vietnam prioritized supporting the Vietnam Electricity (EVN) effort to issue a bond for the National Power Transmission Corporation (NPT). Support to the NPT Bond activity is the focus of this Statement of Objectives (SOO).

The National Power Transmission Corporation (NPT) Bond

The NPT bond issuance activity will build and strengthen the NPT’s capacity to access financing in the national and international capital markets. This activity is directly aligned with the Government of Vietnam’s (GVN) aim to establish a bond market aligned with international best practices and standards and to unlock this key financial resource for infrastructure development in the country.

Vietnam’s corporate bond market has shown progress over recent years. Over a 10-year period, the country nearly doubled the value of outstanding corporate bonds, reaching USD\$4.3 billion-equivalent in December 2018. Even with this growth, however, the Vietnamese corporate bond market is still the smallest among the ASEAN 6 economies.

Recognizing the importance of the corporate bond market in the country, the Ministry of Finance passed Decree 163/2018/ND-CP on the Issuance of Corporate Bonds. The goal of the Decree is to make the process simpler and easier for potential issuers in the country. Before this Decree, the GVN also approved a bond market “roadmap” for the period 2017 to 2020 which is envisioned to be extended to 2030. The roadmap aims to achieve a well-functioning bond market aligned with international best practices and standards. Under this roadmap, total bonds to gross domestic product (GDP) ratio is targeted at 45% by 2020 and 65% by 2030. Specifically, the corporate bonds should reach 7% of total GDP by 2020 and aggressively expand to 20% of GDP by 2030.

The rationale for the NPT bond lies in the convergence of two factors: (1) NPT must make significant investments to expand and modernize the energy transmission network capacity and smart grid capability to meet demand; and (2) due to banks’ prudential exposure limits and GVN’s sovereign debt ceiling, NPT will be unable to raise sufficient capital through domestic bank financing or GVN-guaranteed domestic bond issuance.

A stand-alone bond issuance with a domestic tranche denominated in VND and an international tranche denominated in USD would help NPT raise much-needed capital from a market that has not yet been tapped. It would also position GVN and NPT in the international bond markets with a view to future issuance activities. The proposed bond would be a stand-alone NPT bond issue, on its own credit merits, without a sovereign guarantee, so that the government’s policy on sovereign debt ceiling does not come into play. The bond issue may instead carry a full or partial MIGA guarantee.

The INVEST team has completed the Pre-Feasibility Study, which determined/secured EVN/NPT and GVN buy-in for an NPT Bond issue. The Offeror’s support to the NPT bond issuance will be implemented in two phases:

- Phase 1: Feasibility Study to gather market intelligence on the most viable modalities of a dual-currency bond issue, possibly in conjunction with a syndicated loan.
- Phase 2: NPT Bond preparation and technical advisory support (note – this does not include the issuance of the bond).

This SOO focuses on the Phase 1 and Phase 2 activities.

OBJECTIVES AND ACTIVITIES

The subcontracted firm, or consortium of firms, will be responsible for completing Phases 1 and 2. The tasks, deliverables, and timeline for these two remaining phases are detailed below.

Phase 1: Feasibility Study

The subcontractor will conduct a feasibility study, which includes but is not limited to the following tasks:

- Gather and review market intelligence in both Vietnam and in international capital markets centers such as Hong Kong, Singapore, and/or the United States, regarding the most viable modalities of a bond issue, possibly in conjunction with a syndicated loan¹.

¹ Land ownership right issues slow down construction of new transmission infrastructure. Therefore, a combination of a syndicated loan (to be drawn down at the borrower’s discretion) and a dual-currency (VND/USD) bond issuance may better match the cash flow profile of NPT’s investment needs.

- Consult with domestic and international banks and underwriters, securities brokerages and law firms, international rating agencies, rating advisory services providers (if not already provided by underwriters), local and international exchanges, capital market authorities, and securities clearing organizations.
- Coordinate with designated NPT staff, and establish regular communications with necessary stakeholders to ensure ongoing buy-in and understanding of the process.
- Familiarize with NPT procurement rules and protocols to ensure compliance.
- Identify and familiarize with the internal processes at NPT to aid the supporting processes for international bond issuance, such as the generation of financial disclosures in compliance with international financial reporting standards (IFRS), the investor relations function, bond covenant compliance reporting, etc.
- Draft a Feasibility Report that includes all of the required internal and external processes and approvals, analyses, descriptors of documentation and presentations etc., required for various audiences to proceed with a bond issuance in the national and international capital markets. The Feasibility Report should also include profiles of the types of energy projects funded by bond proceeds which would be most impactful from a development standpoint (e.g. increased access to energy in underserved regions, contribution to economic growth, potential megawatts of clean energy produced).

Deliverables: Illustrative deliverables for Phase 1 are listed below, however, offerors should propose deliverables in line with their proposed technical approach while meeting the objectives and timeline as outlined in the SOO. Deliverables will be submitted for review and approval in English, but all final reports and presentation must be done in both English and Vietnamese:

1. *Work Plan* to validate the proposed approach, implementation objectives, activities, timeline, milestones, outputs/deliverables, indicators, and risks/mitigation strategies
2. *Progress Reports* to provide qualitative updates about the status of the activity. The subcontractor will be expected to be available for periodic in-person meetings and/or calls with USAID and INVEST to review progress, share updates, and discuss any potential challenges and propose solutions.
3. *Feasibility Report and Presentation* that summarize the main findings, challenges, and proposed solutions regarding the sizing, pricing, structuring, underwriting, documenting, issuing, marketing, and clearing of the bond, and recommendations and actions taken regarding procurement compliance and internal process strengthening at NPT. The report and presentation should also outline any key findings that may inform Phase 2 along with any recommendations or considerations that pertain to the preparation of the bond issuance.

Timeframe: Offerors should propose a timeline for Phase 1 in line with their proposed approach, which is anticipated to take place over a period of 6 to 9 months.

Phase 2: Bond Issuance Preparation and Technical Advisory Support

Following successful completion of the Feasibility Study, the subcontracted firm will provide technical advisory support to the NPT. Activities to be completed under Phase 2 will be informed by the feasibility report and findings of Phase 1.

The subcontractor will work in close concert with the NPT throughout Phase 2. Key tasks of Phase 2 include the following activities:

- Develop a bond issuance roadmap. The subcontractor will define the strategy and objectives of bond issuance and outline a detailed plan, including major tasks/milestones and the timeline, to achieve it in a comprehensive roadmap.
- Prepare tender process documents. The subcontractor will define roles and responsibilities of the domestic and international underwriter(s), the rating advisory service, and the respective law firms that will handle the domestic and international tranches and draft illustrative scopes of work for NPT to use in procuring these services.
- Conduct an assessment of hedging strategies appropriate to the hedging of proceeds. Identify and assess potential hedging solutions to convert USD proceeds of the bond issue into VND and prepare recommendations and considerations for future decision making.

Deliverables: Illustrative deliverables for Phase 2 are listed below, however, offerors should propose deliverables in line with their approach while meeting the objectives outlined in this SOO. Deliverables will be submitted for review and approval in English, but all final versions must be done in both English and Vietnamese:

1. *Bond Issuance Roadmap* that defines the strategy, objectives, and detailed plan to achieving bond issuance.
2. *Progress Reports* to provide qualitative updates about the status of the activity. The subcontractor will be expected to be available for periodic in-person meetings and/or calls with USAID and INVEST to review progress, share updates, and discuss any potential challenges and propose solutions.
3. *Tender Process Documents* that outline the roles and responsibilities of and scopes of work for the domestic and international underwriter(s), the rating advisory service, and the respective law firms that will handle the domestic and international tranches.
4. *Hedging Strategies Assessment* that identifies and assesses potential hedging solutions to convert USD proceeds of the bond issue into VND and presents recommendations and considerations for future decision making.
5. *Activity Report and Presentation(s)* prepared upon completion of Phase 2 that summarize the successes and lessons learned of the overall process and recommendations to USAID for any similar activities.

Timeframe: Offerors should propose a timeline in line for Phase 2 with their proposed approach, which is anticipated to take place over a period of 4 to 5 months.

ROLE OF INVEST

Vietnam INVEST will work closely with the subcontractor during all stages of this work, and provide review and oversight throughout the life of the activity. The Vietnam INVEST team will conduct periodic check-ins, reporting, and deliverable review prior to USAID and NPT presentation and approval, and manage an ongoing monitoring, evaluation and learning framework.

- **Onboarding and work planning:** Vietnam INVEST will provide the subcontractor with all necessary context, and work with the successful offeror(s) to develop a Detailed Workplan(s).
- **Project implementation:** The subcontractor will implement the work as prescribed by the Detailed Workplan. Vietnam INVEST will provide management support and ensure periodic check-ins/reporting.
- **Ongoing monitoring, evaluation, and learning (MEL):** Vietnam INVEST will define indicators in the subcontract, collect and review M&E data from the subcontractor for requisite reporting to

USAID, and will conduct data quality assessments as necessary. As relevant, data will be disaggregated by gender.

DURATION AND PLACE OF PERFORMANCE

This engagement is expected to commence in June or July 2021. Offerors should propose a timeline for Phase 1 and Phase 2 that is in line with their approach. All activities for both Phase 1 and Phase 2 must be completed by **no later than July 2022**.

The work will take place remotely as well as in Vietnam, with possible travel to Hong Kong, Singapore, the US, or other countries if and when possible, as needed for this activity.

COVID-19 IMPACT

The current pandemic is likely to create severe dislocations in domestic and international financial markets, as well as restrictions on travel and in-person meetings for an undetermined time. Timelines, responsibilities, and tasks may need to be adjusted accordingly, and offerors should consider a range of modalities for undertaking the assignment, including remote meetings and in-country staffing.

CONTRACT TYPE

Phase 1 and 2 will be issued as an indefinite quantity contract (IQC), with each phase issued as separate fixed price tasks orders. Task Order One will include the Bond Feasibility Study. Depending on the recommendations to proceed from the Feasibility Study, Task Order Two, Bond Issuance Preparation and Technical Advisory Support, will be issued. Offerors should price each Task Order separately, as instructed in the RFP.



Shaping a more livable world.

RFP INVEST-082

To: Offerors

Date: April 22, 2021

From: Procurement and Partnerships Team, INVEST Project; Implemented by DAI Global LLC

Subject: Request for Proposals (RFP) INVEST-082 USAID/Vietnam NPT Bond Feasibility Study and Technical Advisory Support

Due: **1:00 PM EDT on May 27, 2021**

Dear Offerors:

Enclosed is a Request for Proposals (RFP) to support the implementation of DAI's INVEST project funded by the United States Agency for International Development (USAID). DAI invites firms to submit a proposal to support Vietnam National Power Transmission Corporation (NPT) efforts to issue a Bond on the national and international capital markets.

There will be two phases of work under this subcontract, as described in the accompanying Statement of Objectives (SOO). The successful offeror to this RFP will be awarded a single award Indefinite Quantity Contract (IQC), under which two task orders will be issued:

- **Task Order One: Bond Feasibility Study Activity.** The successful offeror to this IQC RFP will be awarded a firm-fixed price task order subcontract to conduct the Feasibility Study detailed in the SOO. The scope of the subcontract will be finalized during award negotiations based on the offeror's proposal submission.
- **Task Order Two: Bond Issuance Preparation and Technical Advisory Support.** Should the Feasibility Study result in a "Go" decision to move forward, a Request for Task Order Proposal (RFTOP) will be issued, and the subcontractor will be awarded a separate firm fixed-price subcontract for this task. Offerors should include in their response to this IQC RFP their approach to providing technical assistance to the NPT and support in preparation for issuing the bond based on the SOO. The scope for this phase of work will be further refined following the completion of the Bond Feasibility Study under Task Order One.

Please note that issuance of Task Order Two is not guaranteed. For this IQC RFP, Offerors should price each Task independently; however, the ultimate combined IQC ceiling of both Task Orders is expected to be no greater than \$600,000 USD.

Offerors must have the competencies to conduct both activities in the SOO and must be licensed and legally organized businesses. Individual consultant applications will not be considered for this RFP.

- I. **RFP Process and deadlines:** We anticipate that this solicitation will result in the award of one IQC mechanism. The IQC will include an initial Fixed Price Task Order covering Task Order One (or Phase 1) of the SOO. We anticipate that a second

Task Order Activity will be issued to the IQC holder as outlined in Phase 2 of the SOO.

- a. Submission of Questions – Questions must be submitted no later than **1:00 pm EDT on April 29, 2021** via email to INVEST_Procurement@dai.com.
- b. Submission of Proposals – Proposals must be submitted no later than **1:00 pm EDT on May 27, 2021** via email to INVEST_Procurement@dai.com, copying [Matthew Mitchell@dai.com](mailto:Matthew_Mitchell@dai.com), and [Carly Gorelick@dai.com](mailto:Carly_Gorelick@dai.com). The subject line of the email should be your organization name, followed by “Submission under RFP INVEST-082: USAID/Vietnam NPT Bond”. Please certify in your submission email a validity period of 60 days for the price(s) provided and include your organization’s DUNS number. Please limit file submissions to 10 megabytes or less.

II. Composition of Proposal: Your organization’s proposal should include two parts: 1) Technical Proposal and 2) Cost Proposal. Each part should be prepared as separate files for independent evaluation, as outlined below.

- **Technical proposals** should be submitted as a ten-slide presentation, using 12-point font size with one-inch margins. Graphics may be included, so long as text is clearly legible. If text or graphics are of poor resolution, the information provided may be excluded from consideration. Submissions in PowerPoint or in PDF are acceptable, although PDF is preferred along with an accompanying PowerPoint document.
- **Cost proposals** should be submitted in Excel format, and include within the spreadsheet all budget notes, if applicable. The cost proposal should clearly separate the proposed cost for each activity.

Part 1 – Technical Proposal

The ten (10) slide technical proposal is composed of the following three (3) sections:

1. **Technical Approach to Activity One (Feasibility Study) and Activity Two (Bond Issuance Preparation and Technical Advisory Support)** – Offerors will detail their approach to fulfilling the accompanying Statement of Objectives (SOO). The approach will clearly indicate how the proposed activities will result in the successful completion of all deliverables and milestones within the stated timeframe. Offerors should demonstrate clearly how they will perform the work to achieve the stated objectives.
2. **Institutional Capacity** - Offerors should provide details about the experience, expertise, or capacity of their firm to recommend the proposed approach and complete the work as described. This should also include past performance information for Vietnam or similar contexts performing services similar to those requested under this RFP.
 - a. **Feasibility Study** – Offerors should demonstrate their experience conducting assessments to determine the most viable modalities for bond issuance and structuring based on market intelligence. Offerors should have experience in consulting with stakeholders such as banks, securities brokerages, underwriters, guarantors, law firms, and rating agencies in order to devise a plan for issuing the bond(s) and possibly arrange a syndicated loan. Offerors should have experience

supporting bond issuance and syndicated loans both domestically and internationally.

- b. **Bond Issuance Preparation and Technical Advisory Support** – Offerors should clearly demonstrate their experience and qualifications for providing technical guidance for a bond issuance preparation, including developing a bond issuance roadmap, preparing tender process documents and conducting a hedging strategies assessment.

- 3. Management Plan/Staffing Structure** – Offerors should include information on personnel who might be assigned to the activities described in the technical approach, as well as a clear management plan in narrative form that outlines how expected deliverables and milestones will be developed and reviewed. The management plan should also include a timeline of key activities, milestones, and deliverables. At least one consortium partner must have experience and physical presence in Vietnam. Offerors should propose personnel with native and/or advanced proficiency in both Vietnamese and English (speaking and writing).

INVEST does not require a single firm to have all the relevant experience and expertise needed, and offerors are permitted and encouraged to engage in partnering/consortium arrangements that will provide the best value and capability to achieve the objectives of this RFP. If a partnering arrangement is being proposed, please describe the nature of the arrangement, the specific technical value being contributed by each consortium member, and the appropriate management controls to ensure successful project delivery.

In addition to the above, please include the following documents, in PDF or Word. These inputs will not be counted as part of the 10-slide limit:

- Two (2) examples of past performance relevant to this activity (limited to two (2) pages per example).
- CV(s) of any individuals proposed in the staffing plan to conduct this activity (limited to two (2) pages per individual).

Offerors must include a non-counting cover slide that includes the name of the offeror and any proposed partners. No additional annexes or documentation are requested now.

Part 2 – Cost Proposal

The contract type for the presumptive task order(s) will be a single Indefinite Quantity Contract (IQC) with up to two task order subcontracts. awarded by DAI Global, LLC. The combined cost proposal to conduct both activities should not exceed \$610,000.

Please include your total proposed fixed price along with details for specific deliverable pricing. Offerors should also include a cost breakdown of the hourly rates for proposed personnel, if applicable, with a build-up to their total proposed price or include substantiating price reasonableness documentation/justification. Offerors can use the attached cost/budget template but are not required as long as the cost criteria is met; please limit file submissions to 10 megabytes or less.

- III. Evaluation of Proposal:** DAI will use best value determination for the award of this Request for Proposals. A best value determination means that, in DAI's estimation,

the selected offer will provide the greatest overall benefit to USAID in response to the requirements stated in this RFP. DAI may also exclude an offer from consideration if it determines that an Offeror is "not responsible", i.e., that it does not have the management and financial capabilities required to perform the work required. Proposals will be evaluated against a stated number of factors, including the overall proposed approach, past performance, specific qualifications in the identified sectors and other evidence substantiating the bidder's ability to deliver, including budget and time frame considerations. Preference will be given to firms with experience conducting similar assessments.

1. **Technical Proposal:** The Technical Proposal will be scored and evaluated separately from the cost proposal. Technical panel reviewers will evaluate offerors on the following factors, consistent with the offerors' technical proposal.
 - a. **Technical Approach (30 points)** - Points for this section will be awarded based on the information presented in the technical approach that address the statement of objectives.
 - i. Activity One, Feasibility Study – The successful offeror shall demonstrate how they will undertake the feasibility study and the criteria they will consider to make a determination on proceeding with the bond issuance. The Offeror will describe how they will assess the feasibility of the national bond, international bond and syndicated loan options. The Offeror will note the steps and timeframe for carrying out this work.
 - ii. Activity Two, Bond Issuance Preparation and Technical Advisory Support – Offerors shall outline their approach for providing technical guidance to the NPT in the form of a bond issuance roadmap and other foundational documents as outlined in the SOO..
 - b. **Institutional Capacity (40 points)** – Points for this section will be based on information presented in the corresponding section and any submitted case studies.
 - i. Feasibility Study - Offerors should demonstrate their experience conducting feasibility studies to assess options for national and international corporate bond financing and syndicated loan arrangements, particularly in Asia and ideally in Vietnam. Additionally, offerors should demonstrate their understanding of the Vietnamese context and their experience working in Vietnam, as well as their understanding and ability to access the stakeholders and partners to be engaged such as banks, securities brokerages, underwriters, guarantors, law firms, and rating agencies The Offeror should demonstrate how the firm/consortium capacities align with the feasibility study criteria.
 - ii. Bond Issuance Preparation and Technical Advisory Support – Offerors should clearly demonstrate their experience and qualifications for providing technical guidance in preparing and issuing corporate bonds on the national and international capital markets, particularly for clients in Asia and Vietnam. The Offeror should also demonstrate its experience and qualifications for providing advisory support and guidance with entities or corporates like the NPT, particularly involving activities similar to those outlined in Phase 2 of the SOO.
 - c. **Management Plan/Staffing Structure (30 points)** – Points for this section will be based on the qualifications of proposed staff, clear delineation of the roles and

responsibilities of each proposed staff and each proposed firm (if firms are partnering), and the demonstrated efficacy, reasonability, and clarity of the management plan. Proposals should provide a clear management plan that outlines how expected deliverables and milestones will be developed and reviewed. The management plan should also include a timeline of key activities, milestones, and deliverables. If the offeror is submitting a consortium-based proposal, the proposal should describe the nature of the arrangement (i.e. added technical value of each partner), the division of labor among the partners, and the appropriate management controls to ensure successful delivery. Due to Covid-19, at least one consortium partner must have experience and physical presence in Vietnam. The offeror should clearly demonstrate native and/or advanced proficiency in both Vietnamese and English (speaking and writing) of proposed personnel to allow for effective communication with the NPT, USAID, and INVEST staff.

- 2. Cost Proposal:** Cost will be evaluated separately from the technical approach, with due consideration for realism, price reasonableness, and allowability consistent with U.S. government cost principles. Evaluation for this section will be dependent upon all information presented by the Offeror in their deliverable table and supporting cost information, as well as its alignment with the proposed technical approach.
- 3. Offeror's Agreement with Terms and Conditions:** The completion of all RFP requirements in accordance with the instructions in this RFP and submission to DAI of the technical and price proposals will constitute an offer and indicate the Offeror's agreement to the terms and conditions in this RFP and any attachments hereto. DAI is not required to accept and/or evaluate proposals that do not conform to the instructions of the RFP; additionally, DAI may reject all proposals and not award a subcontract for this RFP. DAI reserves the right to award a subcontract without discussion and/or negotiation; however, DAI also reserves the right to conduct discussions and/or negotiations, which among other things may require an Offeror(s) to revise its proposal (technical and/or price). By submitting an offer, Offerors agree to comply with the general terms and conditions for an award, including Representations and Certifications compliance. Offerors must provide full, accurate, and complete information in response to this solicitation. By submitting an offer, Offerors certify that they have not/will not attempt to bribe or make any payment to DAI employees in return for preference. Issuance of this RFP in no way obligates DAI to award a subcontract, nor does it commit DAI to pay any costs incurred by the Offeror in preparing and submitting the proposal. DAI reserves the right to award a subcontract to one organization or to issue multiple awards to different organizations based on the results of our evaluation.

Thank you,
DAI INVEST Procurement and Partnerships Team
[INVEST Procurement@dai.com](mailto:INVEST_Procurement@dai.com)

Questions & Answers
Request for Proposals (RFP) 082: USAID/Vietnam NPT Bond
Feasibility Study and Technical Advisory Support

IMPORTANT NOTE TO OFFERORS: Bond issuance is not part of this RFP SOO. While Phase 2 includes activities/tasks that prepare the NPT for bond issuance, the scope does not include bond issuance itself.

TECHNICAL QUESTIONS

- 1. Since task order 2 (phase 2) is not assured and is contingent on the outcome of task order 1, should our response deal only with task order 1? If not, then how many slides should be allocated to task order 1 and how many to task order 2?**

Answer: Offerors' proposals will respond to fulfilling the full Statement of Objectives (SOO), which includes both Task Order 1 (Phase 1): Bond Feasibility Study Activity and Task Order 2 (Phase 2): Bond Issuance Preparation and Technical Advisory Support. Offerors should include in their response to this IQC RFP their approach to providing technical assistance to the NPT and support in preparation for issuing the bond based on the SOO. However, we understand that Phase 2 may change based on the outcome of Phase 1 and the selected offeror will have the opportunity to revise their proposed approach before the Task Order 2 is issued after Phase 1 is complete.

Offerors should decide how many slides to allocate to addressing each phase. Offerors may refer to Section III "Evaluation of Proposal" of the RFP document to see how Technical Proposals will be scored and evaluated.

- 2. Phase 2: NPT Bond preparation and technical advisory support" – How broad in coverage is expected technical advisory (TA) support for bond preparation? Should such TA include broad recommendations on future corporate restructuring and strengthening corporate governance at the NPT that would help the company improve its creditworthiness and investment attractiveness of future bonds? In particular, should the TA look into the matter of contingent liabilities the NPT might have (in terms of eg. legacy environmental liabilities, excessive staffing levels, excessive/expensive non-core assets on the balance sheet, including social assets such as corporate housing)? Essentially, we ask DAI to clarify the exact metes and bounds of TA as it is a very expansive term**

Answer: The technical advisory support activities anticipated to be conducted during Phase 2 are outlined in the "Phase 2: Bond Issuance Preparation and Technical Advisory Support" section of the RFP SOO document. The objective is to support NPT in preparing for successful bond issuance to the extent possible within the timeframe and resources available.

The scope for Phase 2 may be further refined following the completion of the Bond Feasibility Study under Task Order 1 and the successful offeror of Task Order 1 will have an opportunity to propose changes to the technical approach for Task Order 2 based on findings and up-to-date information collected during the bond feasibility study activity (Task Order 1/Phase 1). USAID and INVEST will work with the successful offeror to determine what is feasible and reasonable for Task Order 2.

- 3. Is the transmission part outside project scope? Accordingly, would we could have access to the independent engineer working with them, since investor disclosure in the offering memorandum will need to explain how the transmission grid is fortified etc. Please clarify.**

Answer: The bond issuance is not part of this RFP scope and therefore offerors will not be asked to engage in drafting the offering memorandum.

- 4. We would greatly appreciate your sharing with us documents related to INVEST scoping mission, USAID/Vietnam that prioritized supporting the Vietnam Electricity (EVN) effort to issue a bond for the National Power Transmission Corporation (NPT). Also, kindly share Pre-Feasibility Study prepared by INVEST, which determined/secured EVN/NPT and GVN buy-in for an NPT Bond issue.**

Answer: Relevant documents, such as those from the INVEST scoping mission and the Pre-Feasibility Study, will be provided to the successful offeror upon subcontract execution, in parallel with the technical kick-off.

- 5. The SOO letter mentioned the INVEST team's pre-feasibility ensures buy-in of EVN/NPT of an NPT bond issue. Will the pre-feasibility study report be shared with the selected offeror before /when the services start?**

Answer: See response to question #4.

- 6. Will INVEST share the pre-feasibility study for RFP submission purposes?**

Answer: See response to question #4.

- 7. Will the issuer be NPT or its parent EVN? EVN has a public debt rating. NPT only has a shadow rating. Ironically, NPT seems to be the stronger of the two, even though it is a subsidiary corporation.**

Answer: It is anticipated that the NPT will be the issuer of the bond. Please note: The RFP SOO does not include the issuance of the bond.

- 8. Which entity will the debt be issued out of?**

Answer: See response to question #7.

- 9. Can you confirm that this issuance investigation relates only to EVN NPT as a standalone credit entity and not EVN?**

Answer: Yes, it relates only to EVN NPT as a standalone credit entity and not EVN.

- 10. EVNNPT issued a 5 yr domestic bond in 2014 against EVN. Can you provide clarity on why this was not repeated?**

Answer: We cannot comment on the bond issuance decisions of EVN.

11. Did the Pre-Feasibility Study include a financial analysis for either the size of the bond issuance or the sustainability of debt for NPT?

Answer: The Pre-Feasibility Study did not include a financial analysis for the size of the bond issuance or the sustainability of debt for NPT.

12. Who conducted the Pre-Feasibility Study and would it be possible to share this Study?

Answer: INVEST conducted the Pre-Feasibility Study. The Pre-Feasibility Study will be provided to the successful offeror upon subcontract execution, in parallel with the technical kick-off.

13. The 2018 annual report for NPT stated that the utility's outstanding ODA and other multilateral agency loans were USD 2.15 billion, and that they expected an additional USD 1.9 billion of loans to be executed through 2020. We would need to have access to this loan documentation, as well as to update utility finances as part of this assignment. Can DAI/USAID confirm that they can furnish us this info. Ideally can it be furnished now by DAI?

Answer: All necessary documentation will be furnished to the selected offeror once the subcontract is fully executed. Please note, selected offeror may be asked to sign a non-disclosure agreement with NPT in order to access sensitive documents.

14. What are the expected Use of Proceeds? (Any more detail available on the grid upgrades)

Answer: It is anticipated that the proceeds will be used for infrastructure development in Vietnam to expand and modernize the energy transmission network capacity and smart grid capability.

15. In the SOO (page 2), the footnote mentions land ownership rights related to construction. Does this imply that the use of bond or syndicated loan proceeds will be used to finance construction of new transmission infrastructure? Are there other uses intended for the bond proceeds?

Answer: See response to question #14.

16. Is the scope of phase 1 and phase 2 set in stone or can we propose modification as part of the RFP submission?

Answer: Offerors should respond to the stated objectives as detailed in the Statement of Objectives. Offerors are free to propose a technical approach that they believe will best achieve these goals.

17. Will the feasibility study be made public?

Answer: The feasibility study will be made public at the discretion of USAID in consultation with NPT.

18. Would parties delivering Phase 1 and Phase 2 work be conflicted and be prevented from applying for the bond issuance work? For instance, there are parties (e.g. legal firm(s) and investment banks) that may be heavily involved in phase 1 and phase 2 (including as part of a consortium) and it is highly recommended that it is the case to get the most value out of both phases and if the tender documents are meant to be prepared by the same consortium this may give rise to perceived conflict. It may be that while the consortium is to make recommendation on the tender process documents, the final form and decision making process should be left to INVEST, USAID and NPT without further involvement from the consortium.

Answer: While Phase 2 includes the preparation of draft tender process documents, the RFP SOO does not include the issuance of the bond. It is anticipated that NPT will use the inputs from Phase 2 to make a final decision on tendering the bond issuance and will finalize any and all procurement documents at that time. It will be at NPT's discretion to whom they will release the procurement. INVEST does not anticipate releasing a procurement for the bond issuance work itself.

19. Are firms who participate in Activity One and Activity Two conflicted out from participating in the actual bond issuance?

Answer: See response to question #18.

20. Will the successful tenderer of this Technical Advisory Support be allowed to take part in the actual bond transaction including lead bond arranger, under-writing services, FX hedging services, rating services and other bond issuance role?

Answer: See response to question #18.

21. We understand that INVEST has already engaged with NPT and some level of buy-in has already been secured. Please confirm that INVEST will facilitate the introduction to EVN/NPT and GVN parties that have participated to the pre-feasibility study and there is already the required commitment from these parties to work with the selected party/parties to undertaken phase 1 (and phase 2).

Answer: INVEST with USAID/Vietnam will facilitate introductions between the successful offeror and the appropriate NPT staff. The successful offeror will work in close coordination with the NPT throughout Phase 1 and Phase 2.

22. What is the status of credit rating work that was previously on foot with World Bank and Mizuho Bank? Is there any credit rating that was done and if so, can this be made available?

Answer: EVN NPT is rated BB by Fitch. For more information, see the following resources:

- World Bank Press Release, *Fitch Ratings Confirms Creditworthiness of Vietnam's National Power Transmission Corporation*, 2019:

<https://www.worldbank.org/en/news/press-release/2019/04/11/fitch-ratings-confirms-creditworthiness-of-vietnam-national-power-transmission-corporation.print>

- Fitch Ratings Commentary, *Fitch Assigns Vietnam's EVNNPT First-Time 'BB' Rating; Outlook Stable*, 2019: <https://www.fitchratings.com/research/corporate-finance/fitch-assigns-vietnam-evnnp-1st-time-bb-rating-outlook-stable-10-04-2019>
- Fitch Ratings Commentary, *Fitch Affirms Vietnam's EVNNPT at 'BB'; Outlook Stable*, 2021: <https://www.fitchratings.com/research/corporate-finance/fitch-affirms-vietnam-evnnp-at-bb-outlook-stable-29-03-2021>

23. Is the proposal only limited to bond issuance and/or syndicated loan or is there flexibility to also consider any other investment structure(s)?

Answer: NPT is interested in exploring the feasibility of issuing a bond with the possibility of doing so in combination with a syndicated loan.

24. The SOO letter also mentioned that there will be no sovereign guarantee for the bond issue and may instead carry a full or partial MIGA guarantee, will other potential forms of support from the government and/ or corporate guarantee from EVN be available?

Answer: At this time there is no other form of potential support from the government or EVN.

25. Does the bond guarantee need to come from MIGA or could other guarantee mechanisms be explored?

Answer: There are already discussions underway with MIGA regarding the a full or partial political risk insurance guarantee. NPT can share further details on these discussions and their status with the selected offeror. Additional guarantees may be considered.

26. 'The bond issue may instead carry a full or partial MIGA guarantee' – what is meant by a full MIGA guarantee. MIGA is insurance cover which requires an arbitral award in favour of the aggrieved party. This does not stop debt service default.

- a. Was an additional liquidity support facility considered?
- b. If so, from which institution?

Answer: See response to question #25.

27. Does USAID and INVEST want to explore only guarantees by MIGA or could other guarantees, such as the DFC or ADB's guarantee tool, be used?

Answer: See response to question #25.

28. EVN NPT is sub investment grade so would require credit enhancement to attract foreign institutions – have any other guarantees been considered (excluding MIGA PRI).

- c. It is the GoV specific policy to not issue sovereign guarantees as counter indemnity against PRGs, so how was this envisaged to be overcome in the Bond issuance?

Answer: See response to question #25 regarding guarantees. GoV will not be issuing a sovereign guarantee.

29. Are the parties open for the bond to be listed on a securities market (such as the Euronext Global Exchange Market) which some domestic parties (including GVN) would already be familiar with?

Answer: Selected offerors are expected to review market intelligence in both Vietnam and in international capital markets to determine the most viable options for meeting NPT's goals.

30. Does the report need to include a Vietnamese translation version?

Answer: Deliverables will be submitted by the successful offeror for review and approval in English, but all final reports and presentation must be done in both English and Vietnamese. The successful offeror will be solely responsible for the translation of these documents.

31. What are EVN NPT's Credit Rating ambitions and strategy? (i.e. anything beyond the current Fitch Ratings)

Answer: The result of this activity should provide NPT with guidance regarding an appropriate credit ratings strategy in line with the objectives laid out in the SOO

32. In addition to USAID, DAI Global, who will be the user of the feasibility report issued by the selected Offeror? Is the feasibility report expected to be distributed to EVN and other ministries/ government agencies in Vietnam?

Answer: The National Power Transmission Corporation (NPT), USAID, and INVEST will be the users of the feasibility report. NPT may share the report with EVN and other government counterparts at its discretion.

33. The timeline states support will be required for 10-12 months. Is this duration of contracted support mandatory as part of the RFP? Is there scope for a shorter, more focused effort?

Answer: It is anticipated (not required) that Phase 1 will take place over a period of 6 to 9 months and Phase 2 will take place over a period of 4 to 5 months. Offerors should propose a timeline for Phase 1 and Phase 2 in line with their proposed approach that achieve the objectives outlined in the RFP SOO. Activity timelines may not go beyond July 2022.

34. We believe with a focused effort we could provide answers to Activity One (Feasibility Study) and Activity Two (Bond Issuance Prep) within 6 weeks. Is there appetite from EVN NPT for such a "sprint" effort?

Answer: See response to question #33.

35. Can you provide details (even if high-level) on the nature of the relationship between Govt and potential issuer? (e.g. financing support vs drawdown/dividends)

Answer: NPT is a limited liability company under Electricity Vietnam (EVN). EVN is a one-member limited liability company owned by the State.

- 36. Based on the SOO, it indicates that NPT may want to convert USD proceeds into VND and may not be dependent on USD for cash flow purposes. If this is the case, should the feasibility study also explore alternative currency bond options, in addition to USD, if such bonds can obtain better pricing and hedging in the market?"**

Answer: The result of this activity should provide NPT with guidance regarding the best strategy in line with the objectives laid out in the SOO

- 37. What are EVN NPT's ESG (environmental & social governance) ambitions?**

Answer: The selected offeror will be able to discuss NPT's ESG ambitions directly with NPT

- 38. Clarification requested: The consultant scope is limited to preparation of documents in Phase 2 and the required process for running a tender process to select the required underwriter/rating agency/law firm is not part of the scope/timeframe for consultant. Please confirm?**

Answer: The tender process and issuance of the bond will not take place under this scope of work.

- 39. The current hedging instruments available in Vietnam are governed by the prevailing regulations by GoV/SBV in Vietnam. Are consultants required to do a regulatory analysis and recommend changes to regulations to enable other hedging solutions globally practiced. Please clarify?**

Answer: The result of this activity should provide NPT with guidance regarding an appropriate hedging strategy in line with the objectives laid out in the SOO, but is not expected to make policy recommendations.

- 40. It is our understanding that the prospective bidder will only provide key recommendations and references to existing legal frameworks for procurement compliance and bidders should be absolved of any responsibility whatsoever for adherence of requirements by stakeholders as the actual appointment/transaction advisory for appointment of underwriter is outside the scope of this RFP. It is also understood that affecting any regulatory changes to the legal framework governing or related to the bond issuance process for NPT is outside the scope of work for this RFP. Further, considering the limited budget for the study, any form of SOP review/preparation for NPT's internal processes should also be kept outside the scope of work, though high level recommendations can be provided.**

Answer: Confirmed.

- 41. Can the domestic and international bonds be separate issuances, not just separate tranches? Given the differences in securities laws and market dynamics in the two jurisdictions, this seems likely to us.**

Answer: The result of this activity should provide NPT with guidance regarding the best strategy in line with the objectives laid out in the SOO

- 42. Would it be acceptable if the international tranche of the issuance is a private debt placement?**

Answer: The result of this activity should provide NPT with guidance regarding the best strategy in line with the objectives laid out in the SOO

43. Does the international tranche need to be a U.S. capital markets issuance or private placement?

Answer: The result of this activity should provide NPT with guidance regarding the best strategy in line with the objectives laid out in the SOO

44. Does NPT have U.S. counsel in place to draft the bond documents or does that role need to be filled as part of Task Order Two, along with the selection of the underwriters and the arranger of the currency hedge (if needed)?

Answer: Please refer to the SOO for the objectives of Phase 2 which are focused on providing guidance and preparatory support to NPT for a future tender and bond issuance. This RFP does not include the issuance of the bond.

45. Placement: is it envisaged that this Bond issuance will be a public or private placement? In the case of a private placement, will the consultancy be required to identify potential investors?

Answer: The result of this activity should provide NPT with guidance regarding the best strategy in line with the objectives laid out in the SOO. This RFP does not include the issuance of the bond.

46. Hedging of proceeds – hedging of proceeds: has any initial work been done on the pricing of the cross currency swap? If the current swap rates (against 6m USD LIBOR flat do not meet pricing expectations, this will terminate the bond investigation at an early stage.

Answer: The current status of all work will be shared with the selected offeror. Offerors should assume for purposes of responding this solicitation that work has not been done.

47. Treasury requirements and drawdown: is it mentioned in the ToR that a loan might be preferable to a Bond. Is this on the assumption that a bond has a Maturity profile that would not match the disbursement profile requirements of NPT?

- d. What is the approximate disbursement profile of NPT – what cash flows is this required to meet? Is this known, has a full Treasury study already been undertaken**
- e. Wrt the above, what is the target tenor of a bond and what is the target tenor and grace period of a syndicated loan?**
- f. What is the expected size of the issuance required and what assets will the Bond be funding or will it be mixed into the Treasury?**
- g. Can you confirm that the above amount conforms with Decree 81 of September 2020**

Answer: The selected offeror will receive all necessary information once subcontracted. The result of this activity should provide NPT with guidance regarding the best strategy in line with the objectives laid out in the SOO.

48. Under deliverables only Underwriters are mentioned as far as investment banking roles are concerned. Can it be assumed that the Underwriters will be the lead arrangers? Have any initial discussions happened in this regard?

Answer: No initial discussion have been held. The result of this activity should provide NPT with guidance regarding the best strategy in line with the objectives laid out in the SOO

49. For which assets is the Bond's use of proceeds to be applied?

- h. Can you confirm that NPT have identified the investment projects to conform with the requirements of Decree 163?**
- i. The ToR states 'The Feasibility Report should also include profiles of the types of energy projects funded by bond proceeds which would be most impactful from a development standpoint.' However NPT does not fund energy generation projects – it is a transmission asset company.**
 - i. Can you confirm that it will be issued against transmission assets use of proceeds?**
- j. Have Green Bonds been evaluated?**
 - i. If the issuance is to be targeting sustainable assets as suggested in the ToR, these might only be limited to those which relate to supporting of grid upgrades for importation of renewables¹ (Other Transmission assets would have to meet strict criteria to meet Green Bond standards for use of proceeds such as dedicated to creating a direct connection, or expanding an existing direct connection between a power production plant that is more CO₂ intensive than 100 gCO₂e/kWh, measured on a LCE basis, and a substation or network and on a trajectory to full decarbonisation if either the average System grid emissions factor is below the threshold value of 100 gCO₂e/kWh measured on a PCF basis, over a rolling five-year average period.)**
 - 1. This suggest that NPT would struggle to issue a green bond given its current asset use of proceeds**
 - 2. Vietnam does not have a domestic Green taxonomy so would have to lean on international precedent (such as the EU taxonomy reflected above)**
 - 3. Has any work been conducted to assess use of proceeds or sustainability linkages with the asset pool of NPT?**

Answer: It is anticipated that the proceeds will be used for infrastructure development in Vietnam to expand and modernize the energy transmission network capacity and smart grid capability.

INSTITUTIONAL CAPACITY

50. The RFP indicates that 2 examples of past performance relevant to this activity should be provided. Does this mean that we can include more than 2 examples/credentials (as long as the 2-page limit per example is respected)?

Answer: Offerors should submit only two (2) examples of past performance relevant to this activity (limited to two (2) pages per example).

- 51. If more than two examples are allowed, can the Offeror include additional examples of undertaking similar assignments of the experts with prior employers? Or do the examples have to be engagements to the Offeror?**

Answer: Offerors should provide past performance examples to demonstrate the offeror's (i.e. firm's) institutional capacity. The Management Plan/Staffing Structure, including the qualifications of proposed staff, will be evaluated separately from the Institutional Capacity. CVs of proposed staff may include similar assignments with prior employers.

- 52. On Page 4 of the RFP, under "Institutional Capacity" the RFP states: "*Points for this section will be based on information presented in the corresponding section and any submitted case studies.*" Could you clarify what you mean by "submitted case studies"? Should these case studies be included as a separate submission or do they need to fit within the 10-page slide limit and be part of the Institutional Capacity section?**

Answer: In addition to the ten (10) slide technical proposal, offerors are requested to submit two (2) examples of past performance (aka "case studies") relevant to this activity (limited to two (2) pages per example) in PDF or Word. These inputs will not be counted as part of the 10-slide limit.

MANAGEMENT PLAN/STAFFING STRUCTURE

- 53. The RFP states "Due to Covid-19, at least one consortium partner must have experience and physical presence in Vietnam." Does having a resource in the country suffice, or do you require a dedicated office in the country.**

Answer: Offerors are not required to have a dedicated office in Vietnam, however experience and physical presence in Vietnam should be clearly demonstrated.

- 54. Considering the travel restrictions and timelines envisaged for the activities, please confirm if consultants can explore and propose remote consultations with International underwriters/banks to meet the objective of the activities proposed in the scope of work.**

Answer: Offerors should consider a range of modalities for undertaking the assignment, including remote meetings and in-country staffing. It is anticipated that the work will take place remotely as well as in Vietnam, with possible travel to Hong Kong, Singapore, the US, or other countries if and when possible, as needed for this activity. At least one consortium partner must have experience and physical presence in Vietnam.

COST QUESTIONS

- 55. What is the budget cap for phase 1? While we understand there is cap for both phases cumulatively, we were wondering if there are caps for individual phases?**

Answer: The combined IQC ceiling of both Task Orders \$600,000. There are no caps for individual task orders. Offerors should propose a budget for each Task Order based on the proposed technical approach.

56. The RfP indicates 2 different maximum costs for the activities covered in the RfP, USD 600k and USD 610k (page 1 and page 3 of the RfP). Could you please confirm the maximum combined cost for both tasks?

Answer: The correct ceiling for the combined task orders is \$600,000.

57. Can you confirm the combined IQC ceiling of both Task Orders? Page 1 of the RFP states \$600,000 while Page 3 of the RFP states \$610,000.

Answer: See response to #56.

58. Since this is a “best value determination” opportunity, may an offeror propose a budget higher than 600,000?

Answer: The combined cost proposal to conduct both activities should not exceed \$600,000.

59. Commercial query: It is understood that the budget limit of US\$ 600,000 is only the effort estimate and is exclusive of all applicable taxes incl. VAT and others.

Answer: The combined cost proposal to conduct both activities should not exceed \$600,000. The total contract value will be inclusive of all costs to include labor, preparation costs, material costs, travel costs, VAT and any other direct or indirect costs necessary to provide services and deliverables under this project, including all applicable taxes.

60. Since task order 2 (phase 2) is not assured and is contingent on the outcome of task order 1, should our cost proposal be granular only for task order 1?

Answer: At this procurement stage, the proposed pricing for Task Order 2 is illustrative only, so that the evaluators can understand the offeror’s pricing approach to the scope of work associated with Task Order 2. Only Task Order 1 pricing will be officially evaluated at this stage; the illustrative Task Order 2 pricing will serve as a reference point for any subsequent Task Order procurements during implementation.

During implementation, in preparation for Task Order 2 INVEST will release a Request for Task Order Proposal (RFTOP) to the successful offeror under RFP-082, this current procurement. The RFTOP will include the specific technical requirements for Task Order 2 and will set forth instructions for proposal submission and evaluation criteria. The Offeror will submit an abbreviated technical proposal for Task Order 2 along with an associated cost proposal. The technical proposal for Task Order 2 will outline any proposed changes to the technical approach proposed in the original IQC procurement as well as updated performance targets (as applicable). During the Task Order 2 evaluation process, evaluators will review the Task Order 2 cost proposal against the cost build-up from the original IQC proposal stage and the offeror will be required to justify any significant changes to the cost build-up for the Task Order 2 stage.

The procurement approach described above is designed to allow the successful offeror to base its final Phase 2 / Task Order 2 budget and recommended bond issuance preparation and technical advisory support activities on up-to-date information collected during the bond feasibility study activity (Task Order 1/Phase 1).

Given the importance of the feasibility study findings, the USAID/Vietnam and INVEST teams would like to validate the original activities stated in RFP-082 for Phase 2 or, if found to be not appropriate based on the findings, work with the successful offeror to determine what is feasible and reasonable. These validated or revised activities will be incorporated into the RFTOP for Task Order 2.

- 61. The RFP states “Deliverables will be submitted for review and approval in English, but all final reports and presentation must be done in both English and Vietnamese.” Does this mean that the offeror needs to absorb the cost of translation to Vietnamese or will DAI/USAID do that?**

Answer: The successful offeror will be solely responsible for the translation of final deliverables.

- 62. Can the subcontractor as part of Task Order Two (i.e. providing the Technical Advisory Support) receive an allocation of the underwriting fees or a success fee for the successful capital market bond issues?**

Answer: Bond issuance is not part of this RFP SOO. While Phase 2 includes activities/tasks that prepare the NPT for bond issuance, the scope does not include bond issuance itself.

SUBMISSION & SUBCONTRACTING MECHANISM

- 63. Will only one firm be awarded the Indefinite Quantity Contract (IQC) for this opportunity?**

Answer: It is anticipated that only one firm, or one partnering/consortium of firms, will be awarded an Indefinite Quantity Contract (IQC).

- 64. Should tech and cost proposals be sent in separate emails?**

Answer: The technical proposal and cost proposal should be prepared as separate files, though they may be submitted in the one email. Please limit file submissions to 10 megabytes or less.

- 65. Would you be open to CAIV procurement?**

Answer: The successful offeror to this RFP will be awarded an IQC subcontract with a firm-fixed price task order subcontract to conduct Task Order 1.

- 66. Is the winner of task 1 legally bound to undertake task 2 and execute in accordance to original proposal? In other words, will INVEST sign a contract only for task 1, or task 1 and 2 cumulatively. This is critical because while executing task 1, vendor may realize that the original projections for task 2 may not be totally accurate in light of new information the vendor uncovers while executing task 1. In other words, vendor may realize that the client has substantially much weaker capacity and the budget originally envisaged may be insufficient for task 2. Accordingly, vendor will not want to be put at considerable risk of being legally obligated to execute task 2 at an unrealistic budget. Please clarify.**

Answer: The successful offeror to this RFP will be awarded an IQC subcontract with a firm-fixed price task order subcontract to conduct Task Order 1: Bond Feasibility Study Activity, at which point the successful offeror would not be contractually bound to undertake Task Order 2.

Should the Feasibility Study result in a “Go” decision to move forward, a Request for Task Order Proposal (RFTOP) will be issued exclusively to the successful offeror of RFP-082, this current procurement (i.e., the firm, or consortium of firms, implementing Task Order 1). The RFTOP will include the specific technical requirements for Task Order 2 and will set forth instructions for proposal submission and evaluation criteria. The Offeror will submit an abbreviated technical proposal for Task Order 2 along with an associated cost proposal. The technical proposal for Task Order 2 will outline any proposed changes to the technical approach proposed in the original IQC procurement as well as updated performance targets (as applicable).

The procurement approach described above is designed to allow the successful offeror to base its final Phase 2/Task Order 2 budget and recommended bond issuance preparation and technical advisory support activities on up-to-date information collected during the bond feasibility study activity (Task Order 1/Phase 1).

Given the importance of the feasibility study findings, the USAID/Vietnam and INVEST teams would like to validate the original activities stated in RFP-082 for Phase 2 or, if found to be not appropriate based on the findings, work with the successful offeror to determine what is feasible and reasonable. These validated or revised activities will be incorporated into the RFTOP for Task Order 2.

If the successful offeror of Task Order 1 submits a successful/responsive proposal for Task Order 2, the firm, or consortium of firms, would be awarded a separate firm fixed-price subcontract for Task Order 2: Bond Issuance Preparation and Technical Advisory Support.

67. Would the offeror be subcontracted by DAI INVEST during this process?

Answer: The successful offeror will be subcontracted by DAI Global LLC, the prime contractor for the INVEST project.

68. Is an Offeror allowed to send its standard Terms and Conditions of engagement for the rendering of the services, or does the shortlisted Offeror have to accept DAI Global Contract template?

Answer: The successful offeror will be subcontracted by DAI Global LLC and the DAI Global LLC subcontract template will be used.

69. If DAI Global Contract will be used, will the contract template/ Terms and Conditions be provided to the Offerors for legal review before submission of proposals? Or will it be provided to the shortlisted Offeror only?

Answer: The DAI Global LLC subcontract template will be provided to the successful offeror only. The subcontract template will be provided for review and negotiations prior to subcontract signature.

70. If the DAI Global Contract will be used, can you please confirm that any Conditions of Contract about the services described under the RfP will be subject to the legal review by

the shortlisted Offeror and negotiation for mutual acceptance between both parties?

Answer: The successful offeror will be able to review the DAI Global LLC subcontract template and negotiate with DAI Global LLC for mutual acceptance between both parties.

71. If an Offeror plans to form a team with another firm to jointly provide the services defined in the RfP, does DAI Global have any preference or requirements on the form of the team/association, such as subcontracting arrangement or consortium? Does DAI Global expect one firm to be the lead member for both Phase 1 and Phase 2 consistently or the roles of the members in the team can change from Phase 1 to Phase 2?

Answer: Offerors are permitted and encouraged to engage in partnering/consortium arrangements that will provide the best value and capability to achieve the objectives of this RFP. DAI Global does not have any preference on the form of the team/association in terms of subcontracting arrangements or consortiums. If a partnering arrangement is being proposed, please describe the nature of the arrangement, the specific technical value being contributed by each consortium member, and the appropriate management controls to ensure successful project delivery.

DAI anticipates awarding one IQC Subcontract as a result of this procurement. The IQC subcontract and resulting Task Order(s) will be awarded to one firm, which will serve as the “lead firm” for any partnership arrangements. The lead firm would hold the IQC subcontract and resulting Task Order(s) and would remain the same for both Task Order 1 and Task Order 2. DAI Global will only have an IQC subcontract in place with the lead firm of a partnership or consortium, and then that lead firm would be responsible for subcontracting its partners upon award. Offerors should clearly indicate who is the lead firm in the technical proposal.

72. Can you confirm that INVEST Vietnam will indemnify the contracted consultancy in the case that the regulator deems the consultancy to have performed a regulated activity under this or any other decree, circular or law of Vietnam?

Answer: It is the offeror’s responsibility to ensure compliance with all market regulations and local laws. Offerors should ensure that all compliance requirements are incorporated into your technical and cost proposal.

73. Can you confirm that the above consultancy does not constitute an advisory agent agreement on bond issuance documentation as envisaged in Decree 81 of September 2020?

Answer: The issuance of the bond is not in the scope of this RFP.

Questions & Answers

Request for Proposals (RFP) 082: USAID/Vietnam NPT Bond

Feasibility Study and Technical Advisory Support

Part II: May 11, 2021

IMPORTANT NOTE TO OFFERORS: Bond issuance is not part of this RFP SOO. While Phase 2 includes activities/tasks that prepare the NPT for bond issuance, the scope does not include bond issuance itself.

- 74. Within the time frames contemplated for Phase 1 and 2 of the projects, are NPT and EVN updating their financial disclosure. EVN's and NPT's last published annual reports and audits are from 2018. They will not be able to go to market if their financial disclosure is not updated, irrespective of what a consultant may otherwise recommend. Can DAI/USAID confirm what the last audited reports are. If they are 2018 then DAI would need to reconsider phase II.**

Answer: The most recent financial report of NPT was conducted in 2020 (according to Vietnam standard VAS). The report following international standard IFRS will be available after June 30, 2021. The successful offeror will have access to the report, when available. The most recent annual report from 2017-2018 is available on the NPT website [here](#).

- 75. Are the annual reports (inclusive of the financial reports) up to date? If so, can these be made available (including any English version) for the RFP submission?**

Answer: NPT will provide annual reports, inclusive of financial reports, to the successful offeror.

- 76. What is the expected investment size of the bond issuance? We understand it is early in the process and this will be refined during the feasibility study phase; however does NPT have a rough expectation and also how would the proceeds be used?**

Answer: NPT plans to issue the bond after 2023 with the size of about US\$100 million or a suitable figure based on recommendation of the successful offeror and on the interest rate of the bond compared to a loan with similar tenor. It is anticipated that the proceeds will be used for infrastructure development in Vietnam to expand and modernize the energy transmission network capacity and smart grid capability.

- 77. What is the likely size of EVN NPT's total funding requirements over the next 3-5 years?**

Answer: Over 2021–2025, on average, NPT needs to raise around US\$500 million per year.

- 78. IFRS/VAS – what is the accounting standard of NPTs accounts currently and if only according to VAS, do they have the capability to redraw account under IFRS?**

Answer: NPT is using VAS and currently in the process to transition to IFRS