

Water for as Resilient Cities Leverage Asia

Guidelines

“Water as Leverage for Resilient Cities Asia”

These guidelines have been developed by the Water as Leverage Call for Action team of the Netherlands Enterprise Agency (RVO.nl) in this document referred to as ‘Contracting Authority’, for contact WaL@rvo.nl. Publication date: 25 April 2018.



Table of contents

1	Introduction.....	3
2	Call for Action	4
2.1	Call for Action documents	4
2.2	Questions and communications	4
3	WaL Call for Action	5
3.1	Components of your bid	5
3.2	Requirements for the bid	5
3.3	Main contractor and subcontractors	5
3.4	Pre-defined price and duration of the contract.....	5
4	Assessment procedure to enter Phase 1	7
4.1	General assessment process	7
4.2	Advisory board.....	7
4.3	The award criteria	7
4.4	Quality threshold.....	8
4.5	Award decision.....	8
4.6	Confidentiality, publicity and information about the award.....	9
5	Phase 1: Research and Analysis for the development of Conceptual Designs.....	10
5.1	The contract	10
5.2	IPR resulting from the project	10
5.3	Research and analysis.....	10
5.4	Result phase 1: Conceptual Designs	10
5.5	Changes during phase 1	10
6	From Phase 1 to Phase 2: Development of proposals for Urban Water Projects.....	12
6.1	Procedure to move to Phase 2.....	12
6.2	The evaluation criteria	12
6.3	Go-/no-go decision	12
7	Phase 2: Development of proposals for Urban Water Projects	13
7.1	The go-decision.....	13
7.2	The design development phase	13
7.3	Result Phase 2	13
7.4	Changes during Phase 2	13
7.5	Completion of Phase 2	13
8	Forms, Formats and Contract.....	14
9	Further legal provisions.....	15
9.1	Exclusion criteria	15



1 Introduction

The climate crisis is a water crisis. Nine out of every ten natural disasters are water-related. Between 1995 and 2015, wind and water caused 1.700 billion dollars' worth of damage worldwide, according to UN estimates. Without water, there can be no energy and no food. Periods of too much water and increasing "extremes" alternate with periods of far too little water; periods of drought align with flows of refugees and conflicts. While we are depleting our natural water supplies at a ruinous rate, rising seas levels are jeopardizing our cities and deltas.

Only a better understanding of the complex risks will allow us to eliminate those risks from the world effectively. Recognizing that water can also be used as leverage helps us identify opportunities for real change, for transformative projects everywhere and on every scale.

Water is therefore the leverage for impactful and catalytic change, yet according to the Netherlands Special Envoy for International Water Affairs, Henk Ovink, we lack an inclusive, holistic and innovative approach because in his words: "it takes millions to invest billions wisely". Water as Leverage (WaL) will provide an innovative, inclusive and comprehensive approach towards stimulation of for resilient and sustainable innovations and help generate the necessary investments for bankable, innovative and integrated urban water projects that are developed and supported locally.

The objective of a Call for Action is to develop bankable, innovative and comprehensive Proposals for Urban Water Projects to address urgent water and climate adaptation needs. Proposals should have local support, a focus on physical infrastructure and be developed with local partners.

The Call focuses on the pre-project preparation phase. The Call will consist of two phases. In Phase 1, the research and analysis phase, Conceptual Designs will be developed. In Phase 2, the development phase, feasible Conceptual Designs are transformed into Proposals for Urban Water Projects with a focus on physical infrastructure.

The premise of this collaborative pre-project preparation Call is to include all stakeholders from the beginning: local governments, NGOs and businesses, international and local experts in the teams and partners with funding capacity for the proposals to be developed (i.e. development banks, public and private partners).

A WaL contract is an R&D¹ services contract. Contracts for R&D services fall outside the scope of the EU procurement directive: Directive 2014/24/EU, Article 14. The results deriving from work done under the contract, including the Intellectual Property Rights (IPRs), belong to the contractor. IPR will not be transferred to the CA. However, the CA does obtain certain rights. The difference compared to exclusive R&D when the IPRs are transferred to the Contracting Authority (CA) is reflected in the pre-defined price for this contract. In order to meet the end results aimed for within the WaL Calls, applicants will need to provide an in-kind contribution. Since the Challenge focuses on specifically identified needs, the chance of exploitation of developed solutions increases.

¹ According to the OECD Frascati Manual, "the term R&D covers three activities; basic research, applied research and experimental development [...] Basic research is experimental or theoretical work undertaken primarily to acquire new knowledge of the underlying foundation of phenomena and observable facts, without any particular application or use in view. Applied research is also original investigation undertaken in order to acquire new knowledge. It is, however, directed primarily towards a specific practical aim or objective. Experimental development is systematic work, drawing on the existing knowledge gained from research and/or practical experience, which is directed to produce new materials, products or devices, to installing new processes, systems and services, or to improving substantially those already produces or installed. R&D covers both formal R&D in R&D units and informal or occasional R&D in other units. For further discussion on the definition of R&D, see OECD's Frascati Manual (latest edition: 2002: Frascati Manual, Proposed Standard Practice for Surveys on Research and Experimental Development).



2 Call for Action documents, questions and communications

2.1 Call for Action documents

All information concerning the Call for Action can be found in the following documents:

- The **Questions and Answers** document. This document contains a summary of all anonymised questions received by CA including answers to all questions as formulated by the CA.
- The **Call for Action**. This document describes Water as Leverage Challenge and any changes to the procedure as written in the **WaL Guidelines**.
- The **WaL Guidelines**. The current document, which describes the procedure of the Call.
- The **formats, application form and the model contract** to which reference is made in these guidelines.

If there are contradictions between the above documents, the aforementioned document has priority above the later mentioned document. The mentioned documents can be downloaded from the website mentioned in the Call for Action.

2.2 Questions and communications

Questions can be directed to WAL@rvo.nl until 6 June 2018. There is also the opportunity to ask questions during the information meeting(s). Details about this meeting can be found in the Call for Action and on the website.

The answers to the questions will be published in the 'Questions and Answers Document' on <https://english.rvo.nl/waterasleverage>. This Q&A document will contain a summary of questions and answers from the information meeting and those addressed to the contact point. The Q&A document will be updated regularly until 3 working days prior to the closing date for bids. The identity of the questioner will not be disclosed.

It is not possible to discuss your idea with the CA.

Amendments are changes to the Call for Action documents that are made in writing by the CA and issued to all applicants. Only under exceptional circumstances amendments will be issued after proposals have been submitted. In such circumstances, the Authority will notify all Applicants of the required action.



3 Call for Action: the Bid

3.1 Components of your bid

A complete bid consists of:

1. a completed and signed WaL application form;
2. the proposal according to the WaL Proposal Format;

Please send your bid (in pdf, Word or Excel) electronically by e-mail to the e-mail address mentioned in the Call for Action.

3.2 Requirements for the bid

RVO.nl assesses whether the bid meets the requirements below. In the following cases, bids are not eligible for a contract:

- The proposal exceeds the maximum duration of the programme.
- The WaL application form is missing.
- The proposal is missing.
- The proposal is not in line with the WaL proposal format.

An incomplete bid may lead to exclusion from the procedure. CA may, but is not obliged to do so, allow to repair minor omissions (which are not substantive and have not been mentioned above) after the closing of the Call for Action. In those cases, RVO.nl will send a request by e-mail to rectify the omissions within 2 working days. When omissions are not corrected in time, or incorrectly, the bid is excluded from the competition and is not assessed by the Advisory Board.

The complete bid must have been received before the indicated time at the location indicated in the Call for Action document. The risk of delay during digital dispatch or incorrect / incomplete addressing is entirely at the expense of the provider. Bids received after the closing date for the WaL Call for Action will not be included in the assessment process.

3.3 Main contractor and subcontractors

A WaL contract is concluded with one party. This 'main contractor' is responsible for the result and is administratively in charge of the project. Unless the main contractor has all expertise in-house, he has to cooperate with subcontractors. CA advises you to record agreements between main- and subcontractors in writing.

In the proposal the applicant will indicate which part of the activities is subcontracted to subcontractors. Upon the request of the CA, the main contractor could be requested to demonstrate in a satisfactorily manner that resources will be available to him. One way of demonstrating this is to submit a written commitment from subcontractor(s) showing that the resources required of the subcontractor will be at the applicant's disposal for the full duration of the contract.

3.4 Pre-defined price and duration of the contract

The maximum duration of Phase 1 is mentioned in the Call for Action document. Within this time the research and analysis phase should be completed, and multiple Conceptual Designs will be ready for presentation in the mid-term review.

The pre-defined price reflects the fact that the results from the contract, including the intellectual property rights (IPR), belong to the contractor. However, the CA acquires certain rights (see



paragraph 5.2). Prices shall be stated in Euros, exclusive of Dutch VAT, inclusive of local VAT. If any duties, custom fees, taxes or other charges are applicable then these should be included in the price.

When awarded a contract, you will receive the pre-defined fee for the WaL Contract and you will be responsible for the result. Neither the Call for Action, nor any of the information presented in it and its accompanying document, should be regarded as a commitment or representation on the part of the Contracting Authority (or any other person) to enter into a contractual arrangement.

Applicants are requested to declare other sources of public financing received in areas of work related to the scope of the WaL Challenge. In case applicants have received or are receiving public financing that is subject to the State aid rules, bids shall be excluded where award of a Challenge contract would result in double public financing or accumulation of different types of public financing that is not permitted by the EU State aid rules.



4 Assessment procedure to enter Phase 1

4.1 General assessment process

The assessment of bids will be carried out in stages.

1. In the first stage, the bids will be checked for compliance, wholly based on the contents of the proposal submission, which must therefore contain all the information which applicants wish to be considered.
2. Complete bids for all Lots then will be initially reviewed by experts from CA. The CA will assess the proposals based on the assessment criteria. The more points a proposal scores in total the higher it is ranked. Based on these initial assessments, per lot a preliminary ranking of the bids will be made.
3. Under supervision of the Netherlands Special Envoy for International Water Affairs. in his position as chair of the Advisory Board, the maximum 6 highest ranked proposals per lot from the preliminary ranking will be determined.
4. These (maximum) 6 proposals per lot will be assessed individually by the members of the Advisory Board.
5. In the assessment meeting the Advisory Board will rank all proposals per Lot and will make the final recommendations for award to RVO.nl.

In each of the three Lots the highest ranked proposals will be contracted.

4.2 Advisory Board

The Water as Leverage partners will be represented in the Advisory Board. The advisory board will function as an expert panel throughout the process. The Advisory Board will also assess and rank the proposals and evaluate deliverables. RVO.nl will announce the names of the members of the board. RVO.nl decides on which teams will be granted a contract based on the advice of the Advisory Board. The Advisory Board determines its own working method within the frameworks given by the procedure described.

Observers to the Advisory Board can advise the members of the Advisory Board from their (financial) knowledge and expertise point of view.

4.3 The award criteria

The Call for Action document for a specific challenge describes the award criteria that are used to score the bids.

1. *Understanding of the challenge*
 - The extent of how well the applicant shows a comprehensive understanding of the urgent urban, water and climate challenges and the needs in the city of choice.
 - The extent of how well the applicant shows a clear understanding of the complex planning context in which the final end result(s) of the Call for Action should be embedded.
2. *Quality of the approach and first ideas to address the city challenge*
 - The extent to which the proposed idea addresses the urgent urban, water and climate adaptation needs of the city.



- The extent to which this idea could address urban, water and climate change challenges in other cities (opportunity to replicate and scale up the proposals).
- The extent to which the Bid shows a clear approach to reach the deliverables as described in this document, within the timeframe and budget of the Contract;
- The extent to which the Bid shows a clear understanding of potential risks and how to cope with these risks through an assessment and risk management strategy;
- The extent to which the approach shows youth and gender balance in the local coalitions and in the way to build local capacity;
- Experience with similar relevant projects and quality of past work.

3. *Quality of the team and project management*

- The quality and composition of the team, taking youth and gender balance into account;
- The extent to which the expertise of the team and the time dedicated by individual team members / organisations match with the chosen approach;
- The extent to which the team composition explicitly shows a balance between local and international expertise;
- The extent to which the Bid shows a clear project management structure.

The weighting (number of points) assigned to the different criteria is stated in the Call for Action document.

The assessment leads to a ranking of the bids. The Advisory board recommends that the highest ranked proposals will be awarded a contract within the available maximum, in budget and / or in number, as stated in the Call for Action.

4.4 Quality threshold

Only proposals with the following minimum scores are eligible for consideration for a contract:

- 70% of the maximum number of points for each of the categories:
 - *Understanding of the challenge*
 - *Quality of the approach and first ideas to address the city challenge*
 - *Quality of the team and project management*

If the proposals, to the opinion of the advisory board, according to these standards are of insufficient quality, the advisory board will advise not to spend the entire budget published in the Call, or not to award the total number of intended contracts.

4.5 Award decision

The advisory board advises CA on the ranking. The CA decides on awarding the contracts on behalf of the Netherlands Ministry of Foreign Affairs. The outcome is determined after the decision of the CA. The CA will inform the applicants about the award decision as soon as possible once the decision has been made, usually within 8 weeks after the deadline for sending in proposals.

Successful and unsuccessful applicants will receive the award decision and feedback on their individual proposal. The contracts will be sent shortly thereafter to the successful applicants. The aforesaid award information will be sent to the main contractor as stated in the bid.

If you are dissatisfied with the services of the CA please refer to the complaints procedure at <https://english.rvo.nl/home/about-rvonl/what-is-rvonl/protocols-and-procedures/complaints-procedure>. A substantiated complaint is valuable for our organisation. This way you will help us to improve our services.



4.6 Confidentiality, publicity and information about the award

The principle of public access to official documents means that public documents and records (with a few exceptions) should be made available. The principle is balanced by the *obligation of professional secrecy*, that sets down that public authorities are obliged to protect business secrets of others, if disclosure may seriously harm their interests.

Experts, employees of the CA and other persons invited to support in the assessment and award process will handle all information confidentially in accordance to above. Those with a conflict of interest with one or more of the proposals will not assess these proposals. All parties involved in the assessment procedure will sign a non-disclosure agreement and a conflict of interest form prior to assessing the proposals.

Information from the proposals is confidential in accordance to above. However, the CA will distribute and publish the following information about the proposals that are awarded with contracts:

- The name of the organisation
- Their location
- The title of the proposal
- A short summary

Applicants should be aware that the Contracting Authority reserves the right to publish public summaries of the results (Phase 1 and 2), including information of the key R&D results attained and lessons learned by the Authority. Details will not be disclosed that will harm the legitimate business interest of the contractors involved in the WaL Call for Action or that would distort fair competition on the market.



5 Phase 1: Research and Analysis for the development of Conceptual Designs

5.1 The contract

The contract will enter into service after signing the WaL contract by both parties. The contract sets out the conditions (rights and obligations between the Contracting Authority and Contractors) for the entire duration of Phase 1 and 2 and remains binding for this duration. The contract contains a go/no-go provision for entering Phase 2. At the end of Phase 1, a go/no-go decision will be made to decide if and which Conceptual Designs are feasible for further development (Phase 2). If a team ends up with not having a Conceptual Design with a 'go' at the end of phase 1, the Contract will end. This process is explained in chapter 6.1.

The Payment schedule will be included in the contract.

5.2 IPR resulting from the contract

R&D risks and benefits will be shared between Contractors and the Contracting Authority. The intellectual Property Rights generated within the Contract will be assigned to that Contractor, however Contractor will arrange an appropriate right of use for the Contracting Authority. In addition, the Contractor is obliged upon request to grant licenses to third parties at a fair market price. A call-back provision will ensure that IPRs that are not exploited within 4 years after the contract end date will return to the CA.

5.3 Research and analysis

In this phase the teams develop three to five Conceptual Designs for potential solutions to the challenges, based on new and/or existing research and analysis. Conceptual Designs could entail, but are not limited to, a combination of drawings, calculations, reflection on policy/information and a steering document for the topics to be discussed at the first local Design Workshop.

5.4 Result Phase 1: Conceptual Designs

At the end of phase 1, the deliverables for each team should include but are not limited to: an accessible midterm review digital report and a presentation that includes at least the three to five Conceptual Designs for potential solutions to (a selection of) the challenges identified in one of the cities. The potential solutions should be projected on a site within the city of choice. The deliverables should address bankability² and the team's vision on the way these Conceptual Designs could be developed into Proposals for Urban Water Projects.

During the midterm review, at the first regional workshop, all teams will present their deliverables to the Advisory Board.

5.5 Changes during Phase 1

In good consultation, changes can be made during Phase 1. Written consent from RVO.nl is required for every change that has consequences for the results of this phase.

Subcontractors can be changed during the execution of the assignment, provided the results does not suffer. When a subcontractor is replaced, the new subcontractor must have at least the same competences as the old subcontractor and comply with all the contractual conditions, rights and obligations that are in contract: e.g. respecting the same IPR conditions.

² Whether it is reasonable to conclude that it is likely that the project can be financed.



Formal changes, like changes in the ownership of a company or if an organisation involved in this contract is acquired by another member of the team (or an associated company) need to be reported immediately to CA. If CA considers that a change in ownership has created a potential conflict, they may exclude a conflicted Contractor from the procedure.



6 From Phase 1 to Phase 2: Development of proposals for Urban Water Projects

6.1 Procedure to move to Phase 2

Based on the results of the midterm review for each Conceptual Design a go/no-go decision will be made by the CA based on the advice of the Advisory Board which conceptual designs are feasible for further development in Phase 2. It is up to the teams to decide which of these selected Conceptual Designs (with a 'go' from the CA) will be developed further, with a minimum of one and preferably up to three. If a team ends up with not having a Conceptual Design with a 'go' at the end of phase 1, the Contract will end.

6.2 The evaluation criteria

In this Phase the Advisory board will evaluate the Conceptual Designs based on the following criteria:

1. Extent to which the Conceptual Design is locally supported
2. Comprehensiveness & Extent to which the potential solutions fit with the described (selection of) challenges
3. Feasibility: Extent to which the team's vision on the way these Conceptual Designs could be developed into Proposals for Urban Water Projects.
4. Extent to which Bankability has been addressed: whether it is reasonable to conclude that it is likely that the future project can be financed.

6.3 Go-/no-go decision

The Advisory Board advises the CA on the feasible Conceptual Designs to be further developed. The CA will inform the teams about this decision.

If a team ends up with not having a Conceptual Design with a 'go' at the end of phase 1, the Contract will end. If a team receives a go-decision, the provisions for phase 1 (see section 3.4) also apply to phase 2. The maximum duration of Phase 2 is mentioned in the Call for Action.



7 Phase 2: Development of proposals for Urban Water Projects

7.1 The go-decision

Teams that receive a go-decision will inform the CA which of the feasible Conceptual Design(s) will be developed further.

The Payment schedule for Phase 2 will be included in the contract.

7.2 The design development phase

In this phase up to three Conceptual Designs from Phase 1 are transformed into **Proposals for Urban Water Project(s)** with a focus on physical infrastructure. These should serve as solutions to the challenges in the cities.

7.3 Result Phase 2

At the end of Phase 2, the deliverables for each team should include but are not limited to, an accessible digital report and presentation that includes at least:

- Project designs of up to three site-specific bankable design solutions;
- A feasibility component and a preliminary costs benefits analysis (to ensure the necessary evaluation for bankability);
- Implementation strategies for the Proposal for Urban Water Project(s) that identify partners, timing and funding potential. This includes a reflection on the fit of the Proposal within the processes, procedures and conditions of potential funders, specifically AIIB and FMO.

7.4 Changes during Phase 2

The conditions for changes during phase 2 are the same as those for phase 1.

7.5 Completion of Phase 2

During the second regional workshop all teams will present their draft deliverables to the Advisory Board. After this meeting the teams will finalise their deliverables for the completion of Phase 2 and send them to the CA.



8 Forms, Formats and Contract

On the website the following documents are available:

- Bid part 1_WaL Application form
- Bid part 2_WaL Proposal format
- WaL Model Contract
- WaL Format End report Phase 1
- WaL Format End report Phase 2



9 Further legal provisions

9.1 Exclusion criteria

- When signing the contract, the contractor must be registered in the trade register in accordance with the regulations of country in which he is established.
- An applicant will be excluded from further participation in this Call for Action if it or any subcontractor on whose resources it relies upon in this procurement:
 - Is bankrupt or is being wound up, is under compulsory administration or is the subject of a composition or has indefinitely stopped its payments or is subject to a prohibition on conducting business.
 - Is the subject of proceedings for a declaration of bankruptcy, for an order for compulsory winding up or administration by the court or composition or any other similar proceedings.
 - Has been convicted by a judgment which has the force of res judicata for an offence relating to professional practice.
 - Has been guilty of grave professional misconduct and the procuring agencies can prove this.
 - Has not fulfilled its obligations relating to social insurance charges or tax in its own country.
 - In some material respect has failed to provide information requested or provided incorrect information required pursuant to the Call for Action documents.
- If CA becomes aware that an applicant, or a representative of the applicant, or subcontractor, under a judgment that has entered into final legal force has been sentenced for a criminal offence listed below, such applicant will be excluded from the Water as Leverage programme. Applicants must confirm by signing the Declaration in the Application form that they are not subject to any of the exclusion criteria listed below:
 - Criminal offences referred to in Article 2 of Council Framework Decision 2008/841/JHA of 24 October 2008 on combating organized crime.
 - Corruption as defined in Article 3 of Council Act of 26 May 1997 preparation on the basis of Article K.3.2 c Treaty on European Union, the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of, and Article 3.1 Council Joint Action 98/742/JHA of 22 December 1998 adopted by the Council on the basis of Article K.3 of the Treaty on European Union, on corruption in the private sector.
 - Fraud within the meaning of Article 1 of the Convention drawn up on the basis of Article K.3 of the Treaty on European Union for the Protection of the Communities' financial interests.
 - Money laundering as defined in Article 1 of Council Directive 91/308/EEC of 10 June 1991 on measures to prevent the financial system for money laundering, amended by European Parliament and Council Directive 2001/97/EC.



- Is guilty of serious misrepresentation in supplying the information required under this section or has not supplied such information.
- Applicants shall explicitly confirm that they are not subject to any of the exclusion criteria listed above. Please refer to the WaL Application Form.



This is a publication of
The Netherlands Enterprise Agency (RVO.nl)
Prinses Beatrixlaan 2
PO Box 93144 | NL- 2509 AC The Hague
T +31 (0) 88 042 42 42
E wal@rvo.nl
www.rvo.nl