

## **Terms of Reference for Legal Advisors for a Light Rail Project Scope of Work**

The Legal Advisor will provide [LOCAL] law and international best practice advice on project design, bidding through to financial close, including without limitation

### **1. Project design**

- Review of risk allocation regime
- Interface with tax and insurance advisors
- Licensing, permitting, land acquisition and other legal risks
- Other contractual and commercial relationships in the sector or related to the sector and how those relationships will interface with the Project.
- Capital grant and other payment flows from [XXX]

### **2. Tender process**

- Applicable procurement requirements at Municipal and Federal level
- Advice on mechanisms to maximize competition while avoiding unrealistic bids and project vulnerability from overly aggressive bidding.
- Information to be provided by the Government to bidders
- Designing pre-qualification procedure
- Drafting pre-qualification documentation
- Assisting with the implementation of the pre-qualification procedure
- Responding to requests for clarification and advice on comments or requests for changes to the pre-qualification procedure
- Assisting with the assessment of pre-qualification applications
- Designing tender procedure

### Terms of Reference - Legal Advisors for a Light Rail Project

- Assisting the Government in its assessment of different key aspects of the tender procedure, for example deciding whether and to what extent to accept variant bids and non-conforming bids, how many bidders must bid before the process is valid, what rules to set in relation to the assessment of bids (scoring regimes, timing of bids and rejecting of excessively low bids) and how to maximize competition without sacrificing quality of bids.
- Drafting tender documentation
- Drafting the Concession Agreement (CA), land lease agreement and any other required legal arrangements
- Assisting with the implementation of the tender procedure, including responding to requests for clarification and advice on comments or requests for changes to the pre-qualification procedure, involvement in bidder conferences and responding to communications with bidders to manage Government liabilities.
- Assisting with the assessment of bids, variant bids and their viability.
- Assisting with process for selection of preferred bidder and the relationship with second and third place bidders, including managing bid bonds and on-going discussions to prepare for the eventual withdrawal of the preferred bidder.
- Negotiations with the preferred bidder to reach agreement on outstanding elements of the CA.

### 3. **Financial close**

- Reviewing proposed sub-contracts, in particular with the construction contractor and operator, for Grantor approval.
- Advising on proposed changes to the agreed sub-contracts.
- Review of preferred bidder satisfaction of the conditions precedent to the CA.
- Negotiations with lenders, including review of financing agreement, to reach financial close.
- Legal opinion that transaction is binding on its terms.
- Legal opinion on security and financial management structure.
- Legal opinion on revenue structure and current regulatory mechanism.