

REQUEST FOR EXPRESSIONS OF INTEREST **CONSULTING SERVICES**

Selection #: RG-T2993-P001

Selection Method: Full competitive

Country: Regional

Sector: IFD/CMF

Funding – TC #: ATN/KK-16700-RG

Project #: RG-T2785

TC name: Investment strategies for digital infrastructure

Description of Services: The objective of this project consist on: (i) Structure financially digital projects through an innovative product could be named “digital bonds”, which could be issued by governments and subscribed by private investors. (ii) Look at alternative financing models funded by the private sector, in the form of public private partnerships – PPPs-. (iii) State a solid and rigorous method to valuate and measure the financial risk underlying the digital assets and (iv) Test the interest and applicability of those financing models in two LAC countries with relevant parties as government bodies and public and private telecommunication enterprises, and check with both of them whether combination of the two models could cohabit in determined investment operations.

Link to TC Document: <https://www.iadb.org/en/project/RG-T2993>

The Inter-American Development Bank (IDB) is executing the above mentioned operation. For this operation, the IDB intends to contract consulting services described in this Request for Expressions of Interest.

The consulting services (“the Services”) include

- Identify and evaluate the economic nature, solvency, liquidity and related financial risks of the underlying assets (spectrum, public facilities, telecom assets and rights of way, among others), guaranteeing the issuing of the financing bonds, either PPPs.
- Valuation methods and risk measurement based on the asset nature and market conditions where it operates.
- Legal and commercial financial structures, right bundling among bonds, PPPs and other financial instruments for network deployment investments and digitization projects.
- Prepare a theoretical scoring model to rate the assets in regard its solvency and liquidity for give an external qualification as per its strength as guarantee for the financial instrument to be issued
- Financing model based on the methods selected above to be considered based on the above risk and financial analysis to predetermine a Digital Bond either PPP or combination as appropriate funding structure
- Final product structure and set of components to be bundled depending the nature of the assets, the project, financial conditions, issuer and buyer.
- Compare and evaluate the models and development outcomes of the finance structures, based on specific country contexts, market conditions (competitive or monopolistic), and institutional, legal and regulatory environments. At least 2 countries should be analyzed.

- Same exercise in other industries, as an example, in the case of nuclear decommissioning process, electricity tariff deficit, toll revenues in highway concessions, as a matter of example. At least 2 different industries should be analyzed with economical similarities with ICT.
- The comparison should highlight case studies of both successful and failed financial models and outline the cause of the failures as well as key lessons learned. The approaches might be forward-looking and relevant to a developing and emerging market context.

The estimated timeframe for completion is 12 months.

Eligible consulting firms will be selected in accordance with the procedures set out in the Inter-American Development Bank: [Policy for the Selection and Contracting of Consulting firms for Bank-executed Operational Work](#) - GN-2765-1. All eligible consulting firms, as defined in the Policy may express an interest.

The IDB now invites eligible consulting firms to indicate their interest in providing the services. Interested consulting firms must provide information establishing that they are qualified to perform the Services (brochures, description of similar assignments, experience in similar conditions, availability of appropriate skills among staff, etc.). Eligible consulting firms may associate in a form of a Joint Venture or a sub-consultancy agreement to enhance their qualifications. Such association or Joint Venture shall appoint one of the firms as the representative.

Interested eligible consulting firms may obtain further information during office hours, 09:00 AM to 05:00 PM, (Washington D.C. Time) by sending an email to: Antonio Garcia Zaballos (antoniogar@iadb.org) and Enrique Iglesias Rodriguez (enriqueig@iadb.org)

Expressions of interest must be delivered by October, 8th, 2018 5pm (Washington D.C. Time) using the IDB Portal for Bank Executed Operations (<http://beo-procurement.iadb.org/home>)

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