

PUBLIC UTILITIES COMMISSION OF SRI LANKA

Guidelines for Parties Expressing Interest in

Study on Economic Value Addition and of the Duty Structure of Lubricants Imported to and Blended in Sri Lanka

- 1) The Public Utilities Commission of Sri Lanka (“the Commission”) invites eligible consultancy firms to indicate their interest in providing the services described below.
- 2) The consulting services (“the Services”) include:
 - a) Study the duty structure on and HS classification for lubricants and lubricant raw material, including base oils and additives.
 - b) Study the lubricant manufacturing process, including international and industry norms with respect to the composition of base oils and additives used to blend lubricants.
 - c) Determine the current duty differential between lubricants imported as finished products and lubricants blended in Sri Lanka.
 - d) Identify an accepted methodology for and estimate the economic value added to lubricants blended in Sri Lanka by Chevron Ceylon Limited, Indian Oil Corporation Limited, Laugfs Holdings Limited and Ceylon Petroleum Corporation as well as lubricants imported to Sri Lanka.
 - e) Recommend a duty structure for lubricants, base oils and additives in order to maintain a difference of ten percent (10%) in total duties (duty differential) between lubricants imported as finished products and lubricants blended in Sri Lanka where the recommended duty structure satisfies the following:
 - i. Total duties imposed on input materials shall be directly proportionate to the quantity of lubricants produced
 - ii. Total duties imposed on input materials in order to produce a specific quantity of lubricants shall not be varied significantly depending on the different proportions of input materials used by different blenders.
 - iii. The proposed duty structure shall not adversely affect the objectives of the duties set by the Government considering other uses of input materials.
 - f) Considering the economic value addition, propose a suitable duty differential (in place of 10%) in order to promote competition in the lubricant market and formulate advice to the government justifying the recommendations.
 - g) Consult with relevant stakeholders including those identified by the Commission where necessary.
- 3) Interested consultancy firms must provide information indicating that they are qualified to perform the Services. Consultancy firms may associate with other firms in the form of an association or a sub-consultancy to enhance their qualifications.
- 4) Expressions of Interest should include the following information:
 - a) Description of similar assignments carried out demonstrating knowledge and experience in analysis of economic value addition and duty structure, especially relating to lubricants along with the name of client (with references), nature of the assignment, location, contract value, date and duration etc. (Please use the format given in **Annex 1**);

- b) Status of the firm and availability of appropriate skills (technical and managerial), indicating the business registration as well as names and qualifications of the key staff etc. (Please use the format given in **Annex 2**);
 - c) Any intention to associate with another firm(s)/ individual(s) including the information identified in item a) and b) above relating to other firm(s)/ individual(s) (Please use the formats given in **Annex 1** and **Annex 3**); and
 - d) Brochure(s) and any other information.
- 5) The Expressions of Interest received will be evaluated and only the shortlisted firms will be invited to submit detailed technical and financial proposals to provide the Services.

The shortlisting criteria include:

- Qualifications in the field of the assignment;
 - Technical and managerial capabilities of the organization;
 - Core business and years in business;
 - Qualifications of key staff;
 - Client references; and
 - Administrative and financial strength
- 6) Interested consultancy firms may obtain clarifications vide the contact details indicated below, from 9.00 am to 4.30 pm during weekdays excluding public holidays.

Expressions of Interest must be delivered in a written form to the address below (in person, by post, facsimile or e-mail) by 3:00 pm on 21st of November 2019.

Chairman
Public Utilities Commission of Sri Lanka
6th Floor, Bank of Ceylon Merchant Tower
No. 28, St. Michael's Road, Colombo 3,
Sri Lanka.
Telephone: (+94 11) 2392607/8
Facsimile: (+94 11) 2392641
E-mail: regulate@pucsl.gov.lk, with copy to pucsl.regulate@gmail.com

Annex 1

Status of the Firm

[Using the format given below, please provide all the requisite information in respect of the status of your firm and each associate for this assignment; Any associated Individuals are required to complete only item 1, 2 and 7 below.]

- 1) Name and address of the firm/ individual:
- 2) Nature of association (joint venture, sub- consultancy etc.):
- 3) Business registration no:
- 4) Core business:
- 5) Years of business:
- 6) Annual turnover (US\$), in 2018:, in 2017:, in 2016:
- 7) Qualifications of key staff/individual:

	Name	Area of expertise	Education	Technical & managerial experiences with the firm indicated under item 1 above (refer the assignments mentioned in Annex 1, if any)	Technical & managerial experiences outside the firm indicated under item 1 above
1					
2					
3					

Annex 2

Similar assignments carried out within the last 5 years

[Using the format given below, please provide all the requisite information in respect of each assignment for which your firm, and each associate for this assignment, was legally contracted, either individually as a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under this assignment.]

Name of the Firm ¹			
Name and address of client with references:			
Name of assignment:			
Approximate value of contract (USD):		Duration of assignment (months):	
Location:		Total No of staff-months of the assignment	
No of professional staff-months provided by you:		Approx. value of the services provided by firm (USD):	
Start date (month/year):		Completion date (month/year):	
Name of associated consultants, if any:			
Name of senior professional staff of your firm involved and functions performed (indicate most significant Director/ Coordinator, Team Leader):			
Narrative description of assignment (including international experiences and experience in similar conditions, knowledge in electricity sector, regulation and regulatory accounting, experience in and/or knowledge of Sri Lankan accounting standards or access to same etc.):			
Description of actual services provided by your staff within the assignment:			

¹ Indicate the firms' name or associate firms'/ individuals' name

Annex 3

Details of Associations

Associates name	Nature of association	Role	Responsibility