

BIDDING DOCUMENT (3rd Recall)

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For

Selection of consultants for preparation of beach tourism DPRs for three locations in Andhra Pradesh



Proposed Project Cost for 3 Beach Front Destinations is Rs. 100.00 Crores

Authority: *Andhra Pradesh Tourism Development Corporation*

Vol II: Terms of Reference (ToR) and Project Profile



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1. Terms of Reference (ToR)

1.1 Background

Andhra Pradesh is endowed with a long coastline extending 974km starting from Nuralrevu village (near Ichapuram) abutting the Orissa State to Therunattam village abutting part of Pulicat Lake forms the southern tip of the coastal plain of the State. The coastline is densely populated with more than 30 million people living on the coast.

Tourism in Andhra Pradesh is being promoted as part of overall economic development strategy of the State. Tourism development in the State is expected to result in social, cultural, physical and environmental changes. In order to leverage tourism potential along the coastline, APTDC proposed to engage a consultant for preparation of DPR on beach tourism projects at three locations, i.e. Manginapudi Beach (Machilipatnam, Krishna District), Bapatla Beach (Suryalanka Beach, Bapatla, Guntur District) and Singarayakonda (Pakala Beach, Singarayakonda Prakasam District).

1.2 Andhra Pradesh- India's sunrise state

1.2.1 General Overview

The erstwhile state of Andhra Pradesh was bifurcated into two states, Telangana and residuary Andhra Pradesh on 2nd June 2014. After bifurcation, Andhra Pradesh is the 8th largest state in terms of area. The state has well-developed social, physical and industrial infrastructure and virtual connectivity. It also has good power, airport, IT and port infrastructure.

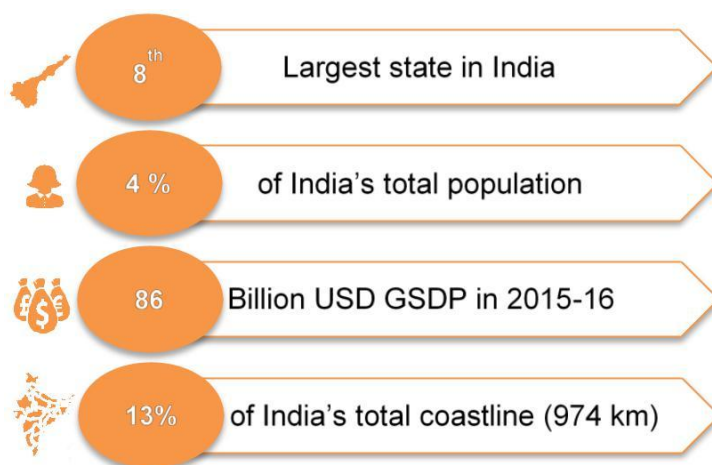
Andhra Pradesh is the tenth largest state in the Country, in terms of population. The percentage of urban population to the total population in the State is 29.47 percent in 2011 as compared to 24.13 percent in 2001.

Andhra Pradesh's geographical position and rich history gives it unique strengths which not many States in India have.

These include – a long coastline of 974 kilometers, over 30 thousand temples, prime Buddhist sites spread across the State, and fertile lands drained by two

mighty rivers of the country i.e. Godavari and Krishna, hills of Deccan plateau, upcoming metropolis like Vishakhapatnam and Vijayawada and an opportunity to create a world class capital right from scratch!

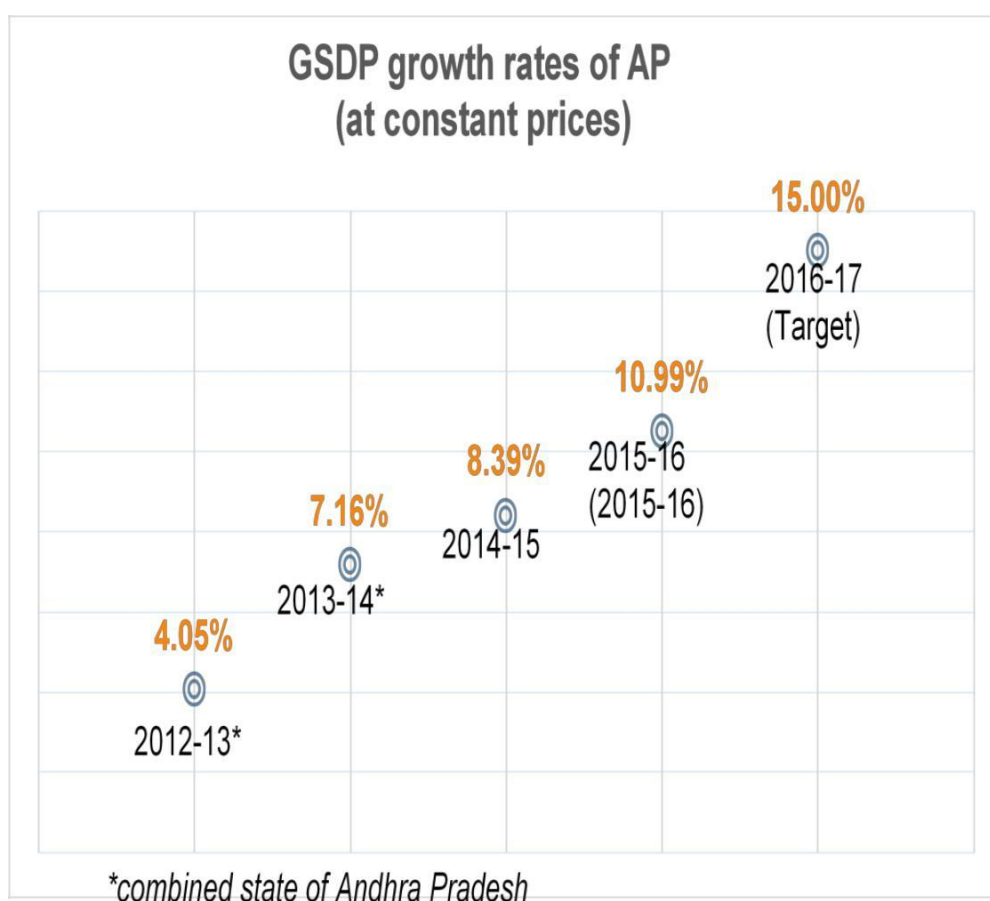
Given this vast potential of the State, the Government of AP wishes to facilitate investments in the State by identifying areas of opportunity for both Private and Government projects which can promote and/or support tourism in the State.



1.2.2 Economic profile of the State

The Government of Andhra Pradesh's vision is to be amongst the top 3 States in tourism in India by 2022, the top State in India by 2029, and be the most preferred global destination by 2050, in Tourism. The state is a progressive State and the government is taking steps to provide an environment conducive to economic and social growth. These include formulation of investment friendly policies; creating world-class infrastructure; improving governance and taking necessary steps to attract investments into the state. Promotion of tourism infrastructure and services at potential destinations is one amongst the many initiatives being taken up by the Government on a priority basis.

Implementation of appropriate policies and programmes by the state have enabled the State to register an impressive growth rate of 10.99% in the GSDP for the year 2015-16, compared to India's growth rate of 7.6%.



Andhra Pradesh contributes around 4.04 per cent share to the cumulative FDI inflows of India in FY 2015-16. Rich in natural and human resources, the State is keen to leverage its strengths through district specific growth strategies and achieve double digit growth targets. While focus will be on Coast-led growth, manufacturing, agro-processing, pharma, development of physical infrastructure like ports, airports and river ways are some of the key areas identified for pushing the growth significantly. Sector specific strategies have been developed to achieve desired inclusive growth.

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1.2.3 Development plan of the State

Andhra Pradesh, the Sunrise state, is all set to attain new heights in the coming years. Necessary policies and implementing mechanisms have been put in place to drive and sustain the growth momentum to achieve the vision of making the Andhra Pradesh as one of the top three high-performing States in India by 2022 and the best state in the country by 2029.

The State is undertaking massive infrastructure investment and industrial development in the State. Some of the key projects include:

- 3 Industrial Hubs** at Amaravati, Visakhapatnam and Tri-city (Tirupati-Nellore-Chittoor)
- 3 Industrial Corridors** (Visakhapatnam-Chennai Industrial Corridor, Chennai-Bengaluru Industrial Corridor and Bengaluru-Kurnool Proposed Corridor)
- 32 SEZs, 258 Industrial parks



Visakhapatnam- Chennai Industrial Corridor	Chennai- Bangalore Industrial Corridor
<p>The VCIC is a key part of the planned East Economic Corridor and India's first coastal corridor and the extent of it is considered from Pydibheemavaram in Srikakulam district to Chennai in Tamil Nadu. It has influence area about 1,10,000 sq. km, (3.5% of India's area). The corridor contributes to 5% of national GDP.</p> <p>Focus Industries: Food processing, Chemical & Petroleum, Textiles, Electronics, Metallurgy, Pharmaceuticals, Automobiles & auto ancillary etc.</p>	<p>CBIC is one of the mega Infrastructure projects of Government of India which passes through the State. With the main objective to increase the share of manufacturing sector in the GDP of the country and to create smart sustainable cities which will have world-class infrastructure, convenient public transport etc.</p> <p>Focus Industries: General manufacturing; Automobiles & auto ancillary; agro and food processing; metals and metallurgical products; Biotech and Services sector.</p>

1.3 Tourism in Andhra Pradesh

Government of Andhra Pradesh (GoAP) vision is to be amongst the top 3 States in India by 2022, the top State in India by 2029, and be the most preferred global destination by 2050. The government is taking steps to provide an environment conducive to economic and social growth. These steps include formulation of investment friendly policies, creating world-class infrastructure, improving governance and taking necessary steps to attract investments into the State. Promotion of tourism infrastructure and services at potential destinations is one amongst the many initiatives taken up by the GoAP.

In line with the objective to make Andhra Pradesh the premier destination for tourists in the country, Government of Andhra Pradesh has identified nine key theme areas to be developed. The theme areas are listed below:

- Religious Tourism
- Recreation Tourism
- Beach Tourism
- Buddhist Tourism
- Spiritual & Wellness Tourism
- Heritage Tourism
- Medical Tourism
- MICE Tourism
- Eco Tourism

Tourist arrival Trend

Andhra Pradesh has the distinction of being a leading tourism destination in India and is presently, the Third most visited State in terms of domestic tourist arrivals. Following table highlights the district wise tourist arrival in AP in FY 2016:

District	2016 Arrivals					
	Rank	Domestic (Million)	%	Rank	International	%
Chittoor	1	43.28	28.25%	4	9,626	2.97%
Krishna	2	23.85	15.57%	3	11,686	3.61%
Visakhapatnam	3	18.06	11.79%	2	78,218	24.13%
Srikakulam	4	16.52	10.78%	7	1298	0.40%
East Godavari	5	13.44	8.77%	9	1021	0.31%
Kurnool	6	12.71	8.30%	11	546	0.17%
West Godavari	7	7.47	4.87%	12	449	0.14%

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Guntur	8	5.20	3.40%	8	1,185	0.37%
Vizianagarm	9	3.65	2.38%	6	4,631	1.43%
Kadapa Y.S.R	10	3.33	2.17%	13	6	0.00%
Nellore	11	3.04	1.98%	5	5,320	1.64%
Anantapur	12	1.49	0.98%	1	209,154	64.53%
Prakasam	13	1.15	0.75%	10	1000	0.31%
153.17					324,140	

Source: Ministry of Tourism, 2017

It is estimated that the footfalls of tourists in the State are likely to increase to 178 Million by 2020 and 462 Million by 2029.

1.4 Scope of work

Stage-1: Preparation of DPR

1.4.1 Baseline Analysis

The Consultant shall focus their baseline analysis of each of the three locations identified for development: Manginapudi Beach (Machilipatnam, Krishna District), Suryalanka Beach (Bapatla, Guntur District) and Pakala Beach, Singarayakonda (Prakasam District). The baseline study shall including the following:

- a. Identify the physical characteristics of each site and the challenges and constraints in developing such areas;
- b. Review of basic infrastructure, connectivity, urban basic services, telecom, transport, solid waste management and sewage and to suggest ways for improvement of standards for environmental and infrastructure upgradation of the Coastline.
- c. Review the existing tourism infrastructure available at the identified locations as well as road and wayside amenities.
- d. Enumerate various projects within the sustainability paradigm to increase tourism, while maintaining the ecological balance and economic integrity of AP coastline.
- e. Study the existing and forecast likely future patterns of tourism, themes, and the tourism market trends.
- f. Based on current trends of tourist arrivals project both foreign and domestic tourist arrivals for the coming 25 years, tourist expenditure, key requirements or tourists and potential impact of tourism on the environment and socio economic milieu.
- g. Outline the benchmarks for green norms, sustainable and responsible tourism paradigms, environmental protection, waste management, essentials like water supply, energy, sanitation and infrastructural requirements to ensure connectivity.

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- h.** Identify the current and projected socio economic impact of tourism industry in the state.
- i.** Review support infrastructure including transport networks, connectivity, banking, tour operators, training facilities and other support facilities

1.4.2 Project Concept Formulation

The Consultant shall identify potential areas and opportunities for development at the identified sites. This shall be brief concept level outlines for each site based on principles of sustainable tourism. The Consultant shall also rank the sites in terms of tourism development potential, and compare these sites vis-à-vis similar concepts/offerings in both, India and abroad clearly bringing out the critical success factors for the coastal sites in AP to compete and succeed as preferred tourist destinations.

- a. Identification of local tourist places and nodes with possibility of its inclusion in circuit so as to strengthen the tourist stay
- b. Suggest specific tourism products for identified destination and node to be implemented both by Public and private sector.
- c. Prepare criteria for ranking the project identified, in terms of importance / criticality for development of the coastal circuits.
- d. Identify products in the nature, adventure, medical, wellness, heritage, culinary, crafts, agriculture, golf tourism segments at a taluka wise/ district level and after considering land availability and usage pattern.
- e. Identify and suggest possible state intervention in terms of policy and other incentive's to be offered for channeling investments into the Tourism sector.
- f. Identify those Central Schemes under which beach tourism projects may avail funds for development of various components

1.4.3 Preparation of Detailed Project Report

Based on inputs received from APTDC on the potential areas and opportunities for development, the Consultant shall prepare the Detailed Project Report (DPR for each of three locations. The D P R should be developed with an aim to promote community-based tourism; focusing equally on conservation and wise use of natural resources, and in compliance with environmental/ecological laws and regulations. The DPR should include the following:

- a. Overall coastal circuit concept mapping out the product offering for each identified zone/beach and the target segment
- b. Suggested development guidelines to ensure congruent development of these zones/clusters
- c. Phase-wise development plan
 - Define overall timelines for the overall project area
 - Divide development across logical phases across the Project Area

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- Customized strategy for each development phase including Government interventions, investment areas, PPP interventions etc.
- Detail various components of each phase to ensure clarity
- d. Prepare investment plan including phases
 - For the phases identified, estimate the projects and the investment values
 - For each project, analyze the implementation model- Government led, PPP or private investment
 - Prepare high-level project profile with cost and revenue estimations
- e. Prepare financing plan with sources of funding
 - For the investment proposed by the Government, identify sources of debt and own funding
 - Debt funding may be from various financial institutions, Government of India schemes, funding from multi-lateral agencies etc.
 - Demarcation of the project components that can be funded under various GOI /State Government schemes, PPP, private sector and CSR and others. Each component shall be provided with required drawings, reports, presentations and cost estimates.
- f. Prepare O&M plan
 - Prepare short term and long term operations and maintenance plan for the project
 - Estimate O&M requirements as per development phases along with O&M agencies
 - Draft relevant O&M models for evaluation and approval
- g. Conduct due diligence on permissibility of the proposed components in terms of Local Body Development Regulations, Environmental Laws including CRZ, Sensitive Zones, Protected Zones, Other laws, Rules and Regulations etc.

1.4.4 For Project Components proposed to be financed through Government of India/ State Government Schemes:

- Prepare conceptual architectural drawings for all components proposed for each destination in the project under GOI/State government funds with all architectural details as required by GOI/State Government.
- Prepare Bill of Quantities (BOQs) for the proposed project components under GOI/State Government schemes. In the preparation of BOQs, the consultants shall adopt the Standard Schedule of Rates (SSR) of Govt. of A.P. for Civil Works. For items not covered in the SSR like mechanical, sports equipment, boats, floating jetties etc., the consultant shall obtain the necessary information by quotations from the manufacturers/dealers/vendors.

1.4.5 For each of the PPP Component:

- Undertake financial viability assessment for the PPP projects. The financial viability assessment shall include alternative business plan and corresponding alternative project structures for project implementation on PPP mode (minimum project facilities, role of developer & Employer, concession period, payment terms, contractual obligations, bid parameter, MDOs, MSOs, Period of project implementation, monitoring, penalty, termination etc.).
- Evaluation of alternative funding options and their impact on feasibility.
- Determination of broad operating & maintenance costs, Pricing strategy and relevant financial indicators to determine the pre-feasibility.
- All the assumptions used in the financial analysis along with basis of assumptions shall be elaborated.

1.4.6 Initial / Pre -Feasibility report for each of PPP component is to be prepared For Private Sector Components, CSR Components, others:

- Prepare concept note for each of private sector/ CSR component / others with full details so that the concept note can be used to attract private sector / CSR funding etc., by the APTDC.
- The Concept Note should provide all initial details that will be required by an investor for private sector investment or by a company for a CSR initiative etc.

Stage-2- Facilitation in Approvals:

1.4.7 Assistance to APTDC in obtaining approvals

The consultant shall assist APTDC in

- Preparing the Detailed Presentation on the theme destinations with proposed components, concepts, costing etc.
- Preparing for meetings at Vijayawada and project districts/locations for presenting the projects and providing required clarifications.
- Coordinate with PMC appointed by State Government/GOI for the Project, coordinate the site visits of the PMC//APTDC officials and provide required clarifications with prior approval as required.

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- If required, prepare the revised DPRs based on the suggestions of GOI/State Government/ APTDC or PMC and provide required clarifications time to time up to approvals.
- Coordinate the final presentations with APTDC as per their schedule and provide the clarifications and modifications as per the requirement of APTDC up to the sanctions.
- Presenting to the GOI/State Government/ or any other agency as required for facilitating the sanctioning of funds for the project.

At the end of Stage - 2, the project should be sanctioned by the GOI/State Government or any other funding agency, as the case may be.

Stage-3- Support for implementation:

Consultant shall provide support to APTDC for implementation in the following three categories:

1.4.8 GOI/State Government works to be executed by APTDC:

- Support APTDC for selection of Architects and other Technical Agencies for Implementation of the projects/ Components.
- Site visits to all destinations along with the selected Architect for concept clarity.
- Assist in preparation of bid documents, bid evaluation and selection of contractors for execution of work.
- Interact with selected contractors for explaining the project concept so that contractor executes the work as contemplated in project.
- Help APTDC to supervise the work of the contractors and set up a system for proper maintaining of works by APTDC Engineering Staff / a special PMC.
- Assist APTDC in taking corrective actions/ necessary actions where contractors does not execute as per mandated objectives.

1.4.9 For PPP Components:

- Identification and Listing of the PPP Projects and the O & M opportunities in the Project along with other required details
- Initial / Pre-feasibility report on each of the PPP projects and the O&M opportunities to be submitted separately to APTDC.
- Prepare the basic template of the RFP and other bid documents for each of the PPP

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Projects and O & M opportunities.

- Projects need to be structured for maximizing the benefit to State and also ensuring the viability to the developers/operators within the State Framework, transparency and price discovery through competition.
- Provide handholding support to the APTDC in engaging a PPP consultant in a transparent manner, who will take PPP project and O & M opportunities forward. The consultant so selected will be fully briefed of the PPP project and O & M opportunities, the feasibility report and the basic template of RFP, Concession Agreement and other bid document by the consultant so that the project will be taken forward effectively the newly appointed PPP consultants.

1.4.10 For Private Sector / CSR / Other Projects:

- Identify and list all project investments to be channelized through private sector, CSR and others.
- Submit a Concept Note, with all required initial details, on each of the private sector / CSR / other components, which APTDC / Tourism Department can use to attract private sector investments / CSR funding.
- Assist in identification of potential private sector investors and CSR companies and strategy to approach and attract them to invest.
- Assist APTDC in getting these projects grounded through Private Investors / Companies.

1.4.11 General requirements:

- The information required for GOI/State Government schemes shall be furnished as per the prescribed formats (where ever applicable).
- All the information shall be integrated and provided in the DPR in best presentable form to APTDC as per the requirement of sanctions of GOI/State Government /APTDC.
- Three no's of hard copies and soft copy in the CD format to be provided to APTDC.
- At the end of Stage-1, the DPR shall be ready with full details to be presented to any other funding agency.

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1.4.12 Deliverables

The Consultant shall adhere to the following timelines for submission of deliverables (the “Deliverables”) during the course of this Consultancy.

S. No.	Work step	Timelines from the date of signing the Contract
1	Stage-1	Within 10 weeks from the date of signing of the agreement
2	Stage-2	From acceptance of DPR by APTDC to sanction of funds for the Project by the GOI/State Government.
3	Stage-3	Within 24 weeks from receiving the sanction of funds for the project

1.4.13 Project Payment Milestones

S. No.	Milestones	Payment Schedule
1	On completion of Stage-1	25%
2	On completion of Stage-2	25%
3	On completion of Stage – 3	50%

1.4.14 Review & Reporting:

1. The Agency shall work in consultation with APTDC from time to time.
2. Weekly reports shall be provided to APTDC.
3. Any change in team structure and composition will require prior approval from APTDC.
4. The Payments for the stage-3 will be released on Pro-rata basis based on the executed value of the works by the executing agency.