

REQUEST FOR EXPRESS OF INTEREST

CONSULTANT TO PREPARE A ROAD SECTOR FINANCING STRATEGY

REFERENCE No. CRRICIP-IC-008

The Government of Lao Peoples Democratic Republic (GoL) has received financing support from the World Bank's (WB) International Development Association (IDA) to implement the Lao PDR Climate Resilient Road Connectivity Improvement Project (CRRICIP), and intends to apply part of the proceeds for consulting services.

The proposed of Climate Resilient Road Connectivity Improvement Project (CRRICIP) seeks to build about 300 km of District Roads and Rural Roads in the poor districts of Khammouan, Savannakhet, and Saravan provinces. The MPWT in consultation with the DPWT of these three provinces had identified a long list of proposed roads. About 100 km of roads in each of the provinces will be selected from the roads in this longlist through a prioritization exercise based on aspects which include: (i) passing through a poor district – based on poverty headcount, (ii) criticality of the link for climate resiliency of the network, (iii) connectivity to agricultural areas, (iv) population served by the road, (v) traffic level, (vi) not passing through environmentally sensitive areas, and (vii) no resettlement of more than 200 people (or 40 households) and/or more than 40 households severely affected with 10 percent of productive assets owned by individual household lost in all three target provinces. The proposed project provides connectivity to National Roads and access to the east-west economic corridor between Vietnam and Thailand thus increasing market linkages and contributing towards greater economic gains to the local communities.

The CRRICIP intends to engage a suitably qualified and experienced consultant to prepare a road sector financing strategy for the Ministry of Public Works of Lao PDR. The consultant will work intermittently in Lao PDR and from a home-based location. During visits to Lao PDR, the consultant will be based in Vientiane Capital at MPWT.

Throughout the assignment, the consultant will cooperate closely with MPWT, particularly with the Department of Roads (DoR) and the Department of Finance, as described in the Terms of Reference (ToR).

The full ToR for the assignment is available at www.mpwt.gov.la, can be downloaded using the QR code below, or will be provided to candidates upon written request to the email address below.

The CRRICIP now invites eligible individual consultants to indicate their interest in providing the Services. Interested Consultant should provide information (CV, Expression of Interest, other supporting information, if any) demonstrating that s/he has the required qualifications and relevant experience to perform the Services. In order to qualify for this position, the candidates shall meet the following experience and competence requirements :

- At least a Master's degree in contact law, road/transport contract management, procurement, transport economy, civil engineering, or related fields.
- A minimum of 15 years of working experience in PPP arrangements and contracting models, related projects' financing, and implementation.
- Preparation / implementation / completion of at least 3 road concession / PPP agreements in road projects, including roads' long-term operation & maintenance (O&M) funding & implementation frameworks and/or strategies.
- A minimum of 10 years of experience working with development partners funding the road sector, including WB, ADB or other international institutions.
- Experience in Lao PDR or in other countries in South/ Southeast Asia region is an advantage.
- Familiarity with the GoL road improvement projects and GoL's administrative and other procedures is an advantage.
- Excellent speaking and writing English.
- Excellent communication skills.
- Ability to work independently.

The attention of interested consultants is drawn to Section III, paragraphs, 3.14, 3.16, and 3.17 of the World Bank's "Procurement Regulations for IPF Borrowers" 4th edition of November 2020 ("Procurement Regulations"), setting forth the World Bank's policy on conflict of interest. A Consultant will be selected in accordance with the Competitive Selection of Individual Consultants method set out in the Procurement Regulations.

Expressions of interest must be delivered in a written form to the address below (in person or by e-mail) on or before 17 October 2025, 16:00 o'clock Lao time (submissions via email are also acceptable). Only the shortlisted candidates will be contacted.

Department Planning and Finance, Ministry of Public Works and Transport
Lanexang Avenue, Phonxai Village, Saysettha District, Vientiane Capital, Lao PDR. 

Attention : Mr. Vannasone K. Thepvongsa
Deputy Director General, Department Planning and Finance (DPF - MPWT)
Email: proc.dpf.mpwt@gmail.com with Cc : pphonh.plv@gmail.com, inthapada@hotmail.com;
skvenvongsoth@gmail.com and maxmahaxay11@hotmail.com



Mr. Phitsaphonh Philavong

Deputy Director General, Department of Roads

Head of Project Procurement Committee

Dated : 26 September 2025

TERMS OF REFERENCE (TOR)
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1. Background

The Ministry of Public Works and Transport (MPWT) is receiving financing support from the World Bank's (WB) International Development Association (IDA) to implement the Lao PDR Climate Resilient Road Connectivity Improvement Project (CRRICIP, the project). The Project Development Objective of the Project is to improve climate resilient road access in Targeted Provinces, enhance capacity to manage the road network, and, in case of an Eligible Crisis or Emergency, respond promptly and effectively to it.

The project has the following components:

Component 1 : Climate Resilient Road Access, supporting (i) improvement of about 300 km of District Roads and Rural Roads in the provinces of Khammouan, Savannakhet, and Saravan to the standards of Class V/VI roads as per MPWT's Road Design Manual and addressing climate and disaster resilience aspects, (ii) construction supervision of the project road improvement works, and (iii) maintenance of the project roads post improvement during the project period.

Component 2 : Project Management, supporting (i) financial audit, (ii) technical audit of the project road improvement works during construction, (iii) environmental and social monitoring, (iv) road safety audit of the project road designs and awareness campaigns, (v) road user satisfaction surveys carried out at the start of implementation of works, at mid-term, and at the close of the project, (vi) incremental operating costs, (vii) technical and operational assistance for the day-to-day management, monitoring and evaluation of the Project, and (viii) land acquisition, resettlement, and rehabilitation.

Component 3 : Institutional Development, supporting MPWT in (i) capacity building of local contractors in the areas of Output and Performance-based Road Contracts, climate resilience, road safety, and environmental and social risk management, (ii) a study on climate resilient road network planning and prioritization and capacity building of MPWT and DPWTs, (iii) preparation of a road sector financing strategy, (iv) capacity building of MPWT and DPWT staff on cross-cutting issues including road maintenance, output and performance-based road contracts (OPBRC) contract management, road safety, gender, citizen engagement, and climate disaster risk, (v) a female internship program, and (vi) preparation of environmental, social, technical, and economic documents for any future road projects in Lao PDR.

Component 4 : Contingent Emergency Response, to support MPWT in case of an Eligible Crisis or Emergency in responding promptly and effectively to it as per the Contingent Emergency Response Manual.

2. Objectives of the assignment

The MPWT intends to procure a consultant to prepare the Road Sector Financing Strategy. A recent study undertaken by MPWT and the World Bank estimated that the Lao road sector needs investments of about US\$330 million per year from 2026–2030 and about US\$220 million annually from 2030–2035. Currently the road sector budget for maintenance of the network covers only about 20% of the maintenance needs, of which only 20% is allocated to rural roads. To address this shortfall, it is essential to both increase funding and improve efficiency of expenditure for example by adopting longer-term contracts like OPBRC/PBC.

The government has recently authorized the MPWT to collect tolls from upgraded roads, including NR13 S (Km 71–346) and NR13 N (Km 12–70), which were recently improved with financial support from the WB, AIIB, EIB, EU, and NDF. The government also plans to extend toll collection to cover the need for improvement and maintenance of other potential roads.

In this context, MPWT will contract a consultant to prepare a road sector financing strategy which will include exploring potential sources of revenue for road improvement and maintenance, a detailed study on pilot toll collection for NR13 from Km 71-346, and preparation of a revenue collection strategy and implementation guidelines.

Under Southeast Asia Regional Economic Corridor and Connectivity Project (SEARECC), MPWT will also hire a firm to work on the investment plan, which will include the financing mechanism. It is essential to closely coordinate between this consultant and the SEARECC consultant.

3. Scope of Work

Task 1 : Analysis of the legal and institutional framework and data collection

The Consultant shall study potential sources of revenue for road fund including toll collection, bond market, transit fee, mining trucks and other heavy trucks fee, alcohol levy, etc. The consultant shall review international practices and relevant Lao legal framework including the PPP related legislation. The consultant shall advise the MPWT on mechanisms for collecting the potential funds and PPP approaches for road improvement and maintenance:

- a) Review international practices on potential sources of funding for road financing
- b) Review relevant legal framework of Laos, including existing PPP and toll policy documents, including the 2014 Draft Toll Policy for NR13N, the National Assembly Decision 165, the Study conducted for the NR9 revenue generation scheme, under the Project for the Improvement of Road Asset Governance in Lao PDR (JICA), and any other related documents;
- c) Review the Axle Load Control Study conducted under WB financing LRSP2 regrading tariffs and enforcement principles;
- d) Review existing toll corridor sections regarding classification of vehicle and tariffs (cost/km) as well as conduct international benchmarking on toll rates, collection and tariffication;
- e) Legal analysis of possibilities of direct road user charging for different vehicle categories, and their practical implementation,
- f) Analysis of the current road sector funding, and funding gap, to set the objective of the Strategy (closing or reducing the gap, and the timeline). This shall address the national roads network, as well as the rural roads sub-sector, their respective financing aspects, as well as their future estimated maintenance and upgradation need;

The Outcome of Task 1 are initial recommendations on potential sources of funding for Lao road financing and legal and institutional changes that might be required to support the financing options proposed.

Task 2 : Feasibility Study on NR13 from Km 71-346 for pilot toll collection

- a) Analyse the available toll collection options, prepare a comparative study and propose the preferable structure, taking into consideration the Lao context.
- b) Conduct a desk review and analysis of existing traffic, supply and demand data, revenue collection and historical and current O&M financing for the NR13 South Corridor;
- c) Estimate CAPEX and OPEX for the toll system, including preliminary cost estimates for civil works, equipment and ITS (locally and centrally, including software and hardware), utility connections; as well as operational costs (including utility bills), staff, maintenance;
- d) Simulate the revenue for different tolling options and develop a tariff proposal so the revenue balances the investment cost within about 5-10 years;
- e) Consider tariffs depending on loads
- f) Conduct sample surveys within the transport operators on the acceptability and willingness to pay.
- g) Prepare the economic and financial analysis to demonstrate the feasibility of the proposed tolling system. The analysis shall consider the costs and revenues estimated under (B) and (C) above, as well as benefits of increased compliance of weight regulations (e.g. safety improvement, reduced fuel consumption, etc.).

- a. Outcome of the Task are (a) a feasibility study for tolling of NR13 South, (b) the outline of a business case for NR13 toll concession.

Task 3 : Contracting Options

- a) Advise MPWT on the possible contracting arrangements and the most suitable contract models (e.g., DBFOT, DBFOMT, BOT with / without Annuity Mode payments etc.) for the NR13 Toll Collection Project.
- b) Prepare a contract model for MPWT, to be used for contracting with the private sector based on the existing or new contracting models, including the option of expanding the scope of works of O&M to integrate the tolling for NR13 South.
- c) The Consultant shall provide training to relevant government officers in financial analysis for toll collection, including at least 1-day workshop to present tolling options and contract model options. This workshop shall participate in selecting the suitable option that will then be developed further into the contract model.
- d) Draft a concession / contract agreement for the NR13 pilot toll collection system.

Task 4 : Preparation of Lao Road Sector Financing Strategy

The Consultant shall:

- a) Base analysis and works done under task 1, 2, and 3, the consultant will draft Lao road sector financing strategy. The purpose of the financial strategy is to establish the suitable level of expenditure and performance levels for the different network categories, as well as propose additional revenue sources to closing or reduce the current financing gap. This will include but not limited to:
 1. Listing possible funding options as already developed in the Lao road sector financing review, available from example of international best practice and developing the Consultants own proposals and research as presented in the outcome of Task1;
 2. Estimate the future maintenance and investment needs for a time period of 20 years, for the Lao Road Network, distinguishing the different categories of the road network and considering the current condition and present backlog. Establish the optimal (unconstraint) budget that would lead to optimal network condition and minimizing the total cost (Road User Costs and Agency Costs);
 3. Based on the revenue options developed under (4.-7.) below, develop different budget scenarios with constraint resources, including the currently available budgets, demonstrating the effect on constraint resources on the Road User Costs and the future network conditions. Estimate the backlog created for each of the budget scenarios and the future required cost for recovery.
 4. Estimate the possible revenue streams over an analysis period of 20 years from the different funding sources, also drawing on the detailed example of the pilot tolling feasibility, and propose different levels of tariff, levies and taxes;
 5. Calculate the investment and operation costs for the new revenue generation (toll systems, overloading control stations, etc.);
 6. For the different funding options, present a SWOT analysis in particular focussing on viability, required legal and/or institutional changes, and acceptability by GoL and general public;
 7. Present at least three different scenarios, with a different combination of several funding sources, and different levels of revenues;
 8. From the analysis, draw recommendations on the viable and feasible option, to be developed in the Strategy, presenting the Sector revenues and expenditure, User Costs and Network conditions.
 9. Develop financing mechanism for rural road maintenance.
 10. Develop the Action Plan with short-medium-long term actions to be taken and the responsible actors,
 11. Propose a monitoring and evaluation framework of the Strategy and Action plan, based on simple and measurable indicators.
- b) The consultant shall support MPWT in consultation and validation of the strategy including options of revenue collection as well as on pilot toll collection for NR13 S with relevant stakeholders.

- c) Outcome of this Task is the final strategy for Lao road sector financing and proposed mechanism for implementation (Action Plan). The final strategy shall be structured into the Strategy itself, the supporting documents as annexes or supporting volume, and include an executive summary for higher-level management and Government officials.

4. Deliverables & Timeline

The Consultant shall follow, to the extent possible, the work schedule proposed below:

Deliverable	Timeline
Task 1 : Inception Report (including Tasks 1, document desk review, existing data study and appraisal, leading to initial recommendations)	Month 1
Task 2 : Tolling FS for contracting NR13 Toll collection	Month 2
Task 3 : Draft contract model, workshop & training session to present the contract model(s) and the related implementation management requirements	Month 3
Task 4 : Draft Road financing strategy including proposed mechanism	Month 4
Task 4 : Proposed action plan to implement the strategy	Month 5
Final Report summarizing all Consultants Activities, including Final Draft Contract Model and Final Road Sector Strategy	Month 6

This is a tentative work schedule and it is subject to negotiation before contract signature. However, the overall duration of the assignment must remain unchanged.

5. Duty Station

This will be a part-time assignment and the Consultant will work intermittently in Lao PDR and home-based. During visits to Lao PDR, the consultant will be based in Vientiane Capital, MPWT. In the course of entire assignment, the Consultant will cooperate with MPWT and in particular with the Department of Roads (DoR) and the Department of Finance (DPF).

6. Duration of the Assignment

This will be a lump-sum (output based) contract with part-time inputs, expected to start by November 2025. The Consultant is required to work in Vientiane for at least 50% of the finally agreed time input in person-days. The work plan shall be agreed during contract negotiations.

In case there is a need to travel to provinces for site visits and other purposes related to the assignment, local transportation costs (car) will be covered by the MPWT.

7. Reporting and Payment

Payments shall be made against completed and approved deliverables by the Client, as outlined below:

Deliverables	Payment (%)
Inception Report	20%
FS for the Tolling of NR13 South	20%
Draft Contract Model and related trainings and workshop	20%
Draft Road Financing Strategy and Action Plan	20%
Final Report including Final Strategy and Draft Contract Model	20%
Total Payments	100%

8. Resources to be provided by Employer:

- Furnished office space in MPWT
- Full time Project Manager, under DoR, a single point of contact within the MPWT for all communications and requests, as well as a technical staff person designated by him/her for daily administrative or support needs;
- Necessary project documents;
- Assistance for visa, residence permits and other permits for the consultant, as required;
- Permission for the consultant to enter relevant offices and institutions, and, where needed, MPWT staff to cooperate with them;
- The Consultant will be allowed access to all data sources, project documents that are not-restricted and not containing proprietary and/or confidential information, reports, drawings and maps. For such access, the Consultant will sign a Confidentiality Agreement for all information to remain confidential during the time of the Consultancy and for five years after the completion of the Consultancy.

9. Resources to be provided by the Consultants

- The office equipment (computers, printers, internet, telephone, fax, photocopying equipment, binding machines, etc.);
- Accommodation as needed to fulfill the consultancy assignment;
- All other facilities and supplies required to carry out the services.

10. Selection Criteria

In order to qualify for the assignment, the Consultant shall substantially meet the following experience and qualifications requirements:

- At least a Master's degree in contract law, road/transport contract management, procurement, transport economy, civil engineering, or related fields.
- A minimum of 15 years of working experience in PPP arrangements and contracting models, related projects' financing, and implementation.
- Preparation / implementation / completion of at least 3 road concession / PPP agreements in road projects, including roads' long-term operation & maintenance (O&M) funding & implementation frameworks and/or strategies.
- A minimum of 10 years of experience working with development partners funding the road sector, including WB, ADB or other international institutions.
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- Familiarity with the GoL road improvement projects and GoL's administrative and other procedures is an advantage.
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