

REQUEST FOR PROPOSALS

**TECHNICAL ASSISTANCE FOR THE
COLD CHAIN STORAGE FOR FISHERIES**

Submission Deadline: **12:00 PM NOON**
LOCAL TIME
AUGUST 21, 2009

Submission Place: **MR. MAGID KAISSAR EL GHAIB, DIRECTOR GENERAL
OFFICE NATIONAL DES PECHEs
15, RUE LIEUTENANT
MAHROUD, BP 16243-20300
CASABLANCA, MOROCCO
(212 22) 24 05 51**

**SEALED PROPOSALS SHALL BE CLEARLY MARKED AND RECEIVED PRIOR TO
THE TIME AND DATE SPECIFIED ABOVE. PROPOSALS RECEIVED AFTER SAID
TIME AND DATE WILL NOT BE ACCEPTED OR CONSIDERED.**

REQUEST FOR PROPOSALS

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Section 1: INTRODUCTION

The U.S. Trade and Development Agency (USTDA) has provided a grant in the amount of US\$462,970 to Office National des Peches (the "Grantee") in accordance with a grant agreement dated May 5, 2009 (the "Grant Agreement"). The Grant Agreement is attached at Annex 4 for reference. The Grantee is soliciting technical proposals from qualified U.S. firms to provide expert consulting services to perform the Technical Assistance.

1.1 BACKGROUND SUMMARY

The proposed TA will include a comprehensive study to identify the specific needs for cold storage infrastructure and facilities that would help reduce losses among Morocco's artisanal fisheries. This will include the assessment of the most appropriate technologies, and the quantity/sizes of cold storage facilities. In addition, the project will include a training component targeting producers and producer associations on the importance of cold storage. The study would primarily address the technical and financial feasibility of investing in a cold storage network for artisanal fisheries, a priority sector as identified by MCC and ONP.

Morocco is the leading country in fish production in the Arab region, producing 30% of the Arab region's catch or 930,000 tons a year. Fishing is an important sector in Morocco representing 60% of Moroccan food exports and 15% of total national exports with the majority destined for Europe. Recognizing the important role of fishing in the Moroccan economy, the Millennium Challenge Corporation has committed \$116.17 million USD to stimulate growth in this sector through the Small-Scale Fisheries Project. The Small-Scale Fisheries Project will transform the small-scale fisheries sector by modernizing the means of catching, storing, and marketing fish, thereby improving the quality of the catch, maintaining the value chain, and increasing fishers' access to both local and export markets. MCC funding will be used to construct up to 20 landing sites along both coasts, to construct or upgrade fishery facilities in up to 13 major ports, and to build or re-build up to 6 modern wholesale markets in selected cities. In addition, the MCC project will provide technical assistance and training required to ensure proper management and to partially fund the acquisition of fresh-fish transportation equipment by mobile fish vendors.

Although the MCC compact activities are intended to improve transportation and cold chain storage, there is a need for further support in the marketing and agribusiness components of the fishing sector in Morocco. Specifically, there is a need for assistance to identify ways to preserve the quality of production and improve the value of the catch. An efficient Cold Chain system is an important component of Morocco's fisheries sector and is vital for the country's economic development. The implementation of a cold chain system and refrigerated facilities would enhance Morocco's ability to increase the value of high quality fish products. ONP has identified this project as a priority as it would reduce post-catch losses and improve fisherman's incomes.

The study will identify the optimal institutional arrangements for the implementation of the needed cold storage facilities, and explore a number of arrangements including public private partnerships (e.g., concessions) and others. In addition, the project will include a training component targeting producers and producer associations on the importance of cold storage. The study will also focus on showing the substantial return on investment that expenditures on cold chain storage will bring, due to producers' improved abilities to maintain the quality of caught fish.

A background Definitional Mission is provided for reference in Annex 2.

1.2 OBJECTIVE

The Terms of Reference (TOR) for this Technical Assistance is attached as Annex 5.

1.3 PROPOSALS TO BE SUBMITTED

Technical proposals are solicited from interested and qualified U.S. firms. The administrative and technical requirements as detailed throughout the Request for Proposals (RFP) will apply. Specific proposal format and content requirements are detailed in Section 3.

The amount for the contract has been established by a USTDA grant of US\$462,970. **The USTDA grant of \$US462,970 is a fixed amount. Accordingly, COST will not be a factor in the evaluation and therefore, cost proposals should not be submitted.** Upon detailed evaluation of technical proposals, the Grantee shall select one firm for contract negotiations.

1.4 CONTRACT FUNDED BY USTDA

In accordance with the terms and conditions of the Grant Agreement, USTDA has provided a grant in the amount of US\$462,970 to the Grantee. The funding provided under the Grant Agreement shall be used to fund the costs of the contract between the Grantee and the U.S. firm selected by the Grantee to perform the TOR. The contract must include certain USTDA Mandatory Contract Clauses relating to nationality, taxes, payment, reporting, and other matters. The USTDA nationality requirements and the USTDA Mandatory Contract Clauses are attached at Annexes 3 and 4, respectively, for reference.

Section 2: INSTRUCTIONS TO PROPOSERS

2.1 PROJECT TITLE

The project is called "Cold Chain Storage for Fisheries Technical Assistance."

2.2 DEFINITIONS

Please note the following definitions of terms as used in this RFP.

The term "Request for Proposals" means this solicitation of a formal technical proposal including qualifications statement.

The term "Offeror" means the U.S. individual, or U.S. firm, including any and all subcontractors, which responds to the RFP and submits a formal proposal and which may or may not be successful in being awarded this procurement.

2.3 DEFINITIONAL MISSION REPORT

USTDA sponsored a Definitional Mission to address technical, financial, sociopolitical, environmental and other aspects of the proposed project. A copy of the Report is attached at Annex 2 for background information only. Please note that the TOR referenced in the report are included in this RFP as Annex 5.

2.4 EXAMINATION OF DOCUMENTS

Offerors should carefully examine this RFP. It will be assumed that Offerors have done such inspection and that through examinations, inquiries and investigation they have become familiarized with local conditions and the nature of problems to be solved during the execution of the Technical Assistance.

Offerors shall address all items as specified in this RFP. Failure to adhere to this format may disqualify an Offeror from further consideration.

Submission of a proposal shall constitute evidence that the Offeror has made all the above mentioned examinations and investigations, and is free of any uncertainty with respect to conditions which would affect the execution, and completion of the Technical Assistance.

2.5 PROJECT FUNDING SOURCE

The Technical Assistance will be funded under a grant from USTDA. The total amount of the grant is not to exceed U.S. \$462,970 dollars.

2.6 RESPONSIBILITY FOR COSTS

Offeror shall be fully responsible for all costs incurred in the development and submission of the proposal or any other cost incurred by Offeror prior to issuance of an agreement or contract. Neither USTDA nor the Grantee assumes any contractual obligation as a result of the issuance of this proposal request, the preparation or submission of a proposal by an Offeror, the evaluation of proposals, or final selection.

2.7 TAXES

Offerors should submit proposals which note that in Annex 4, USTDA Mandatory Contract Provisions, USTDA funds are not to be used to pay taxes or duties under the laws of host country.

2.8 CONFIDENTIALITY

The Grantee will use its best efforts to preserve the confidentiality of any business proprietary or confidential information submitted by the Offeror, which is clearly designated as such by the Offeror, to the extent permitted by the laws of the Host Country.

2.9 ECONOMY OF PROPOSALS

Proposal documents should be prepared simply and economically, providing a comprehensive and concise description of the Offeror's capabilities to satisfy the requirements of the RFP. There is no necessity for expensive bindings, colored displays, or other promotional material unless such material is absolutely pertinent to the proposal. Emphasis should be placed on completeness and clarity of content.

2.10 OFFEROR CERTIFICATIONS

The Offeror shall certify (a) that its proposal is genuine and is not made in the interest of, or on behalf of, any undisclosed person, firm, or corporation, and is not submitted in conformity with, and agreement of, any undisclosed group, association, organization, or corporation; (b) that it has not directly or indirectly induced or solicited any other Offeror to put in a false proposal; (c) that it has not solicited or induced any other person, firm, or corporation to refrain from submitting a proposal; and (d) that it has not sought by collusion to obtain for itself any advantage over any other Offeror or over the Grantee or USTDA or any employee thereof.

2.11 CONDITIONS REQUIRED FOR PARTICIPATION

Only U.S. firms are eligible to participate in this tender. However, U.S. firms may utilize subcontractors from the Host Country for up to 20 percent of the amount of the USTDA grant for specific services from the TOR identified in the subcontract. USTDA's nationality requirements, including definitions, are detailed in Annex 3.

2.12 LANGUAGE OF PROPOSAL

All proposal documents shall be prepared and submitted in English and French.

2.13 PROPOSAL SUBMISSION REQUIREMENTS

The Original copy of the technical proposal shall be clearly marked original. Copies of the technical proposal shall be made and each shall be clearly marked copy. The Original and each copy of the technical proposal shall be placed in a sealed envelope clearly marked "Technical Proposal."

The **Cover Letter** in the proposal must be addressed to:

Majid Kaissar El Ghaib, Director General, Office National des Pêches, 15, Rue Lieutenant, Mahroud, BP 16243-20300, Casablanca, Morocco, Phone: (212 22) 24 05 51.

An Original and eight (8) copies of your proposal must be received at the above address no later than 12:00pm NOON, on August 21, 2009.

Proposals may be either sent by mail, overnight courier, or hand-delivered. Whether the proposal is sent by mail, courier or hand-delivered, the Offeror shall be responsible for actual delivery of the proposal to the above address before the deadline. Any proposal received after the deadline will be returned unopened. The Grantee will promptly notify any Offeror if its proposal was received late.

Upon timely receipt, all proposals become the property of the Grantee.

2.14 PACKAGING

Each proposal must be sealed to ensure confidentiality of the information. The proposals should be individually wrapped and sealed, and labeled for content including "original" or "copy number x"; the original and eight (8) copies should be collectively wrapped and sealed, and clearly marked for content.

Neither USTDA nor the Grantee will be responsible for premature opening of proposals not properly labeled.

2.15 AUTHORIZED SIGNATURE

The proposal must contain the signature of a duly authorized officer or agent of the Offeror empowered with the right to bind the Offeror.

2.16 EFFECTIVE PERIOD OF PROPOSAL

The proposal shall be binding upon the Offeror for sixty (60) days after the proposal due date, and Offeror may withdraw or modify this proposal at any time prior to the due date upon written request, signed in the same manner and by the same person who signed the original proposal.

2.17 EXCEPTIONS

All Offerors agree by their response to this RFP announcement to abide by the procedures set forth herein. No exceptions shall be permitted.

2.18 OFFEROR QUALIFICATIONS

As provided in Section 3, Offerors shall submit evidence that they have relevant past experience and have previously delivered advisory and Technical Assistance services similar to those required in the TOR.

2.19 RIGHT TO REJECT PROPOSALS

The Grantee reserves the right to reject any and all proposals and to accept or reject any or all of the items in the proposal, and to award the contract in whole or in part if it is deemed in the best interest of the Grantee.

2.20 PRIME CONTRACTOR RESPONSIBILITY

Offerors have the option of subcontracting parts of the services they propose. The Offeror's proposal must include a description of any anticipated subcontracting arrangements, including the name, address, and qualifications of consultants and subcontractors. USTDA nationality provisions are set forth in detail in Annex 3. The successful Offeror shall cause appropriate provisions of its contract, including all mandatory USTDA clauses, to be inserted in all subcontracts ensuing to ensure fulfillment of all contractual provisions by subcontractors.

2.21 AWARD

An award resulting from this RFP shall be made to the best qualified Offeror, taking into consideration the evaluation factors set forth herein; however, the right is reserved to reject any and all proposals received and, in all cases, the Grantee will be the judge as to whether a proposal has or has not satisfactorily met the requirements of this RFP.

2.22 COMPLETE SERVICES

The successful Offeror shall be required to (a) furnish all supplies, supervision, transportation, and other execution accessories, services, and facilities; (b) provide and perform all necessary labor; and (c) in accordance with good technical practice, with due diligence, and in accordance with the requirements, stipulations, provisions and conditions of this RFP and the resultant contract, execute and complete all specified work to the satisfaction of the Grantee.

2.23 INVOICING AND PAYMENT

Deliverables under the contract shall be delivered on a schedule to be agreed upon in a contract with the Grantee. The Contractor may submit invoices to the designated Grantee Project Director in accordance with a schedule to be negotiated and included in the contract. After the Grantee's approval of each invoice, the Grantee will forward the invoice to USTDA. If all of the requirements of USTDA's Mandatory Contract Clauses are met, USTDA shall make its respective disbursement of the grant funds directly to the U.S. firm in the United States. All payments by USTDA under the Grant Agreement will be made in U.S. currency. Detailed provisions with respect to invoicing and disbursement of grant funds are set forth in the USTDA Mandatory Contract Clauses attached in Annex 4.

2.24 SUBMISSION OF ONLY ONE PROPOSAL

Offerors may only submit one proposal for consideration. If a Offeror submits or participates in more than one proposal, all such proposal will be disqualified. This does not limit the participation of the same sub-consultant, including individual experts, to more than one Proposal.

2.25 OPENING AND EVALUATION OF PROPOSALS

Technical Proposals will not be opened publicly.

The Technical Evaluation Panel shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified in the RFP. Each responsive Proposal will be given a technical score (St). A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference.

Prior to inviting the highest-ranked Consultant for negotiations, ONP may, at its own discretion, conduct a post-qualification review. This review may include, among other things, verification of the information provided and consulting the references provided in the Proposal. If a negative determination arises from the post-qualification review, that Consultant's proposal may be rejected. If this occurs ONP will notify the highest ranked Consultant of this negative determination and the reasons for it, and give the Consultant five (5) business days to respond. If ONP is not satisfied with the Consultant's response, ONP may, at its discretion, proceed to carry out a post-qualification of the next-ranked Consultant.

Negotiations will commence with a discussion of the Technical Proposal, including (a) proposed technical approach and methodology, (b) work plan, (c) organization and staffing, and (d) any suggestions made by the Consultant to improve the Terms of Reference.

The ONP and the Consultant will then finalize the Terms of Reference, staffing schedule, work schedule, logistics, and reporting. These documents will then be incorporated in the Contract.

Negotiations will conclude with a review of the draft Contract following which the ONP and the Consultant will initial the agreed Contract. If negotiations fail, the ONP will invite the Consultant whose Proposal received the second highest score to negotiate a Contract.

Section 3: PROPOSAL FORMAT AND CONTENT

To expedite proposal review and evaluation, and to assure that each proposal receives the same orderly review, all proposals must follow the format described in this section.

Proposal sections and pages shall be appropriately numbered and the proposal shall include a Table of Contents. Offerors are encouraged to submit concise and clear responses to the RFP. Proposals shall contain all elements of information requested without exception. Instructions regarding the required scope and content are given in this section. The Grantee reserves the right to include any part of the selected proposal in the final contract.

The proposal shall consist of a technical proposal only. No cost proposal is required as the value of the USTDA grant is established at U.S. \$462,970 dollars, which is a fixed amount.

Offerors shall submit one (1) original and eight (8) copies of the proposal in both English and French. They must be received no later than 12:00pm NOON, on August 21, 2009. Proposals received by fax cannot be accepted.

Whether the proposal is sent by courier or hand-delivered, the Offeror shall be responsible for actual delivery of the proposal before the deadline. Any proposal received after the deadline will be returned unopened.

Upon receipt, all proposals become property of the Grantee.

The following sections and content are required for each proposal:

- Transmittal Letter,
- Cover/Title Page,
- Table of Contents,
- Introduction and Executive Summary,
- Company Information,
- Organizational Structure, Management Plan, and Key Personnel,
- Technical Approach and Work Plan,
- Experience and Qualifications, and
- Miscellaneous.

Detailed requirements and directions for the preparation of each section are presented below.

3.1 SECTION 1: INTRODUCTION AND EXECUTIVE SUMMARY

An Executive Summary should be prepared describing the major facts or features of the proposal, including any conclusions, assumptions, and generalized recommendations the Offeror desires to make. Offerors are requested to make every effort to limit the length of the Executive Summary to no more than five (5) pages.

3.2 SECTION 2: COMPANY INFORMATION

3.2.1 Company Profile

Provide the information listed below relative to the Offeror's firm. If the Offeror is proposing to subcontract some of the proposed work to another firm(s), the information below must be provided for each subcontractor.

1. Name of firm and business address (street address only), including telephone and fax numbers.
2. Year established (include predecessor companies and year(s) established, if appropriate).
3. Type of ownership (e.g. public, private or closely held).
4. If private or closely held company, provide list of shareholders and the percentage of their ownership.
5. List of directors and principal officers (President, Chief Executive Officer, Vice-President(s), Secretary and Treasurer; provide full names including first, middle and last). Please place an asterisk (*) next to the names of those principal officers who will be involved in the Feasibility Study.
6. If Offeror is a subsidiary, indicate if Offeror is a wholly-owned or partially-owned subsidiary. Provide the information requested in items 1 through 5 above for the Offeror's parent(s).
7. Project Manager's name, address, telephone number, e-mail address and fax number .

3.2.2 Offeror's Authorized Negotiator

Provide name, title, address, telephone and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any. A copy of the power of attorney must be offered in the proposal.

3.2.3 Negotiation Prerequisites

1. Discuss any impact of any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Technical Assistance as proposed and within the project schedule.
2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

3.2.4 Offeror's Representations

If any of the following representations cannot be made, or if there are exceptions, the Offeror must provide an explanation.

1. Offeror is a corporation *[insert applicable type of entity if not a corporation]* duly organized, validly existing and in good standing under the laws of the State of _____. The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Feasibility Study. The Offeror is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued by the State of _____.
2. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
3. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
5. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee.

3.3 SECTION 3: ORGANIZATIONAL STRUCTURE, MANAGEMENT, AND KEY PERSONNEL

Describe the Offeror's proposed project organizational structure. Discuss how the project will be managed including the principal and key staff assignments for this Technical Assistance. Identify the Project Manager who will be the individual responsible for this project. The Project Manager must have the responsibility and authority to act on behalf of the Offeror in matters related to the proposed Technical Assistance.

Provide a listing of personnel with signed CVs (including subcontractors and consultants) to be engaged in the project, either U.S. or local with the following information for key staff: position in the project; pertinent experience, curriculum vitae; other relevant information. If subcontractors are to be used, the organizational relationship between the firms must be described.

A manpower schedule and the level of effort for the project period, by activities and tasks, as detailed under the Work Plan shall be submitted. A statement confirming the availability of the proposed project manager and key staff over the duration of the project must be included in the proposal.

3.4 SECTION 4: TECHNICAL APPROACH AND WORK PLAN

Describe in detail the proposed technical approach and work plan. Discuss the project requirements as perceived by the Offeror. Include a brief narrative of tasks within each activity series. Begin with the information gathering phase and continue through delivery and approval of all required reports.

Prepare a detailed schedule of performance that describes all activities and tasks within the Technical Work Plan, including periodic reporting or review points, incremental delivery dates, and other project milestones.

Offerors must provide a Technical approach and work plan and within this document describe how they will approach and conduct the assignment. As part of the Technical Approach and Work Plan, the Contracting Team must commit to work on the project as per the tasks, schedule, personnel and deliverables and related items as outlined in the Terms of Reference. If an Offeror has resources or ideas as how to enhance the Terms of Reference, these resources and/or ideas can be submitted for consideration

Based on the Technical Work Plan, and previous project experience, explain when and where Offeror will require support from the Grantee. Detail the amount of staff time required by the Grantee or participating agencies and any work space or facilities needed to complete the Technical Assistance.

3.5 SECTION 5: EXPERIENCE AND QUALIFICATIONS

Provide a discussion of the Offeror's experience and qualifications which are relevant to the objectives and TOR for the Technical Assistance. If a subcontractor(s) is being used, similar

information must be provided for the prime and each subcontractor firm proposed for the project. Relevant experience and qualifications of key staff proposed shall be provided including letters of commitment from the individuals proposed concerning their availability for contract performance.

As many as possible but not more than six (6) relevant and verifiable project references must be provided, including the following information:

- Project name,
- Name and address of client (indicate if joint venture),
- Client contact person (name/ position/ current phone and fax numbers),
- Period of Contract,
- Description of services provided,
- Dollar amount of Contract, and
- Status and comments.

Offerors are strongly encouraged to include in their experience summary primarily those projects that are similar to or larger in scope than the Technical Assistance as described in this RFP.

The Offeror must give detailed information about past experience working in Morocco, the Middle East, North Africa and other developing countries. Consultants must give a description of the previous project, the client, the nature of the work, the duration of the assignment and the value of the contract. A minimum of six previous projects should be included in the technical proposal. The Offeror should also provide supporting project and/or country examples of related work activities to the proposed assignment as described in the Terms of Reference and a description of how these projects and/or country examples provide evidence of competence and/or expertise as related to the proposed assignment.

Section 4: AWARD CRITERIA

Individual proposals will be initially evaluated by a Procurement Selection Committee of representatives from the Grantee. The Committee will then conduct a final evaluation and completion of ranking of qualified Offerors, and the Grantee shall promptly negotiate a contract with the best qualified Offeror. The Grantee will notify USTDA of the best qualified Offeror, and upon receipt of USTDA's no-objection letter, the Grantee shall promptly notify all Offerors of the award and negotiate a contract with the best qualified Offeror. If a satisfactory contract cannot be negotiated with the best qualified Offeror, negotiations will be formally terminated. Negotiations shall then be undertaken with the second most qualified Offeror and so forth.

The selection of the Contractor will be based on the following criteria:

1. General Experience and Qualifications (10 points)	
1.1 Overall experience of the firm	3
1.2 Overseas experience	3
1.3 Experience in Arab countries	4
2. Specific Applicable Experience (15 points)	
2.1 Amount of experience in the study and design facilities for cold storage, cold chains, fish and aquaculture, post catch treatment, and agricultural marketing	15
3. Approach and Methodology (35 points)	
3.1 Knowledge of proposed work and understanding of the services to be performed as demonstrated by the specific details of the firm's proposal	15
3.2 Appropriateness of the proposed methodology and work plan	15
3.3 Appropriateness of the proposed Training Program as demonstrated by the specific details of firm's proposal	5
4. Qualifications of Proposed Key Personnel (30 points)	
4.1 Qualifications of project leader	10
4.2 Qualifications of other team professionals	10
4.3 Fluency in French language	10
5. Overall Impression (10 points)	<u>10</u>
<u>Total</u>	<u>100</u>

Proposals which do not include all requested information may be considered non-responsive.

Price will not be a factor in contractor selection.

ANNEX 1

Majid Kaissar El Ghaib, Director General, Office National des Pêches, 15, Rue Lieutenant, Mahroud, BP 16243-20300, Casablanca, Morocco, Phone:(212 22) 24 05 51, Fax: (212 22) 24 23 05

B. Cold Chain Storage for Fisheries Technical Assistance

POC John Kusnierek, USTDA, 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901, Tel: (703) 875-4357, Fax: (703) 875-4009. Cold Storage for Fisheries Technical Assistance. The Grantee invites submission of qualifications and proposal data (collectively referred to as the "Proposal") from interested U.S. firms which are qualified on the basis of experience and capability to develop a technical assistance for cold storage for fisheries.

The proposed TA will include a comprehensive study to identify the specific needs for cold storage infrastructure and facilities that would help reduce losses among Morocco's artisanal fisheries. This will include the assessment of the most appropriate technologies, and the quantity/sizes of cold storage facilities. In addition, the project will include a training component targeting producers and producer associations on the importance of cold storage. The study would primarily address the technical and financial feasibility of investing in a cold storage network for artisanal fisheries, a priority sector as identified by MCC and ONP.

Morocco is the leading country in fish production in the Arab region, producing 30% of the Arab region's catch or 930,000 tons a year. Fishing is an important sector in Morocco representing 60% of Moroccan food exports and 15% of total national exports with the majority destined for Europe. Recognizing the important role of fishing in the Moroccan economy, the Millennium Challenge Corporation has committed \$116.17 million USD to stimulate growth in this sector through the Small-Scale Fisheries Project. The Small-Scale Fisheries Project will transform the small-scale fisheries sector by modernizing the means of catching, storing, and marketing fish, thereby improving the quality of the catch, maintaining the value chain, and increasing fishers' access to both local and export markets. MCC funding will be used to construct up to 20 landing sites along both coasts, to construct or upgrade fishery facilities in up to 13 major ports, and to build or re-build up to 6 modern wholesale markets in selected cities. In addition, the MCC project will provide technical assistance and training required to ensure proper management and to partially fund the acquisition of fresh-fish transportation equipment by mobile fish vendors.

Although the MCC compact activities are intended to improve transportation and cold chain storage, there is a need for further support in the marketing and agribusiness components of the fishing sector in Morocco. Specifically, there is a need for assistance to identify ways to preserve the quality of production and improve the value of the catch. An efficient Cold Chain system is an important component of Morocco's fisheries sector and is vital for the country's economic development. The implementation of a cold chain system and refrigerated facilities would enhance Morocco's ability to increase the value of high quality fish products. ONP has identified this project as a priority as it would reduce post-catch losses and improve fisherman's incomes.

The study will identify the optimal institutional arrangements for the implementation of the needed cold storage facilities, and explore a number of arrangements including public private partnerships (e.g., concessions) and others. In addition, the project will include a training component targeting producers and producer associations on the importance of cold storage.

The study will also focus on showing the substantial return on investment that expenditures on cold chain storage will bring, due to producers' improved abilities to maintain the quality of caught fish.

The U.S. firm selected will be paid in U.S. dollars from a \$462,970 grant to the Grantee from the U.S. Trade and Development Agency (USTDA).

A detailed Request for Proposals (RFP), which includes requirements for the Proposal, the Terms of Reference, and a background definitional mission/desk study report are available from USTDA, at 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901. To request the RFP in PDF format, please go to:

<https://www.ustda.gov/USTDA/FedBizOpps/RFP/rfpform.asp>. Requests for a mailed hardcopy version of the RFP may also be faxed to the IRC, USTDA at 703-875-4009. In the fax, please include your firm's name, contact person, address, and telephone number. Some firms have found that RFP materials sent by U.S. mail do not reach them in time for preparation of an adequate response. Firms that want USTDA to use an overnight delivery service should include the name of the delivery service and your firm's account number in the request for the RFP. Firms that want to send a courier to USTDA to retrieve the RFP should allow one hour after faxing the request to USTDA before scheduling a pick-up. Please note that no telephone requests for the RFP will be honored. Please check your internal fax verification receipt. Because of the large number of RFP requests, USTDA cannot respond to requests for fax verification. Requests for RFPs received before 4:00 PM will be mailed the same day. Requests received after 4:00 PM will be mailed the following day. Please check with your courier and/or mail room before calling USTDA.

Only U.S. firms and individuals may bid on this USTDA financed activity. Interested firms, their subcontractors and employees of all participants must qualify under USTDA's nationality requirements as of the due date for submission of qualifications and proposals and, if selected to carry out the USTDA-financed activity, must continue to meet such requirements throughout the duration of the USTDA-financed activity. All goods and services to be provided by the selected firm shall have their nationality, source and origin in the U.S. or host country. The U.S. firm may use subcontractors from the host country for up to 20 percent of the USTDA grant amount. Details of USTDA's nationality requirements and mandatory contract clauses are also included in the RFP.

Interested U.S. firms should submit their Proposal in English and French directly to the Grantee by 12pm NOON, August 21, 2009 at the above address. Evaluation criteria for the Proposal are included in the RFP. Price will not be a factor in contractor selection, and therefore, cost proposals should NOT be submitted. The Grantee reserves the right to reject any and/or all Proposals. The Grantee also reserves the right to contract with the selected firm for subsequent work related to the project. The Grantee is not bound to pay for any costs associated with the preparation and submission of Proposals.

ANNEX 2

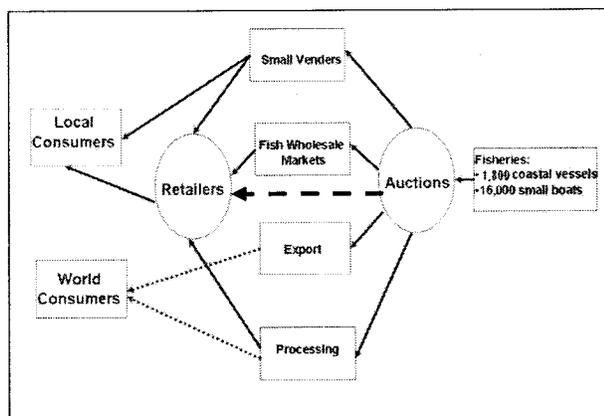
3.2 Technical Assistance and Capacity Building for Cold Storage Infrastructure Needs for Fish Storage in Morocco

3.2.1 PROJECT RATIONALE

According to the Arab Organization of Agricultural Development (AOAD), the total fish production in the Arab countries in 2005 amounted to 3.1 million ton of which 30 percent was produced by Morocco. Statistics show that during 1998-2002, the Moroccan fish production averaged 0.89 million ton, and increased to 0.944 million ton in 2005. Morocco is the leading country in fish production in the Arab region followed by Mauritania. Some other statistics estimated that in 2002, the total fish and seafood caught in Moroccan waters was estimated at about 1.1 million ton. This is mainly due to the fact that Morocco offers a favorable location for fisheries. The country is bordered by the Mediterranean and one of the most fruitful regions of the Atlantic Ocean. Some research has estimated the exports from fish products at 10 billion dirham which is nearly equal to one billion euros. It is also estimated that the value of exports of seafood products represents more than 60% of Moroccan food exports and 15% of total national exports. Europe is the main destination of Moroccan fish exports which absorbs about 80% of the total exports, followed by Asia particularly to Japan which imports about 15% of the total exports. At the domestic level, the Moroccan government is aiming at increasing the national consumption of fish from the current 12 kg per capita per year to 16 kg /capita/year.

Moroccan fish is locally marketed through several channels in which the National Office for Fisheries (ONP) plays a critical role in controlling the marketing practices. Although fish is a highly perishable food product, the majority of players throughout the marketing channel do not effectively use proper cold storage facilities to maintain the quality of the caught fish. In other words, the cold chain is not maintained in the fish industry at the domestic level. It is well known that the cold chain is one of the most critical requirements to guarantee the quality of highly perishable fresh products as they move from the source to the consumer. A quick assessment of the current handling fish system in Morocco indicates that there are a number of obvious breaks and weaknesses in the present cold chain for fish products. There is a severe lack of fish storage and shop display, accompanied with a lack of trained engineers in refrigeration and electrical renovation, combined with a lack of investment and working capital, which all result in deteriorating the quality and the value of locally marketed fish.

According to ONP, the Moroccan fishing fleet comprises 356 deep-sea vessels, 1,800 coastal vessels and 16,000 small boats, which are engaged in artisanal fishing close to the coast. These three fisheries sectors make varying contributions to the overall catch. The deep-sea vessels are mainly linked to the fish export sector and are well equipped to meet the requirements of the highly sophisticated demand in world markets. Much of the caught fish by deep-sea vessels goes directly to export markets. The larger portion of the catch of the coastal vessels and the small boats is marketed at the different auction markets in the main ports and fishermen villages of the country. Figure 4 shows the main marketing channels of fish caught in the different coasts of Morocco. The marketing channel analysis is used here as a tool to identify the different stages of movement of caught fish starting at fishermen and ending at the consumer.



The flow of healthy-high quality fish through the different stages of the channel is dictated by the best handling practices; in particular keeping the cold chain of the product unbroken. The Figure shows that the first sale of major caught fish is performed at the auction markets located in the main ports and the fishermen villages of the Kingdom and then flows after that through the marketing channels to the different directions.

The domestic market is provided by wholesale markets in the major cities of the country. However, due to the weakness of the cold storage infrastructure, less than 25 % of the total fish consumption goes through the official wholesale markets. Table 2 shows the volume sold through wholesale markets in 2006.

Table 2 Distribution of the Volume of the Marketed Fish in the Main Wholesale Markets (Tons)

Markets in Major Cities Fish Wholesale	Current Size of main wholesale markets (tonnes)	Share (%)
Marrakech	13,000	17%
Casablanca	14,000	18%
Rabat	13,000	17%
Tanger	6,120	8%
Tétouan	3,500	4%
Taza	2,660	3%
Beni Mellal	3,450	4%
Oujda	4,500	6%
Méknes	6,000	8%
Fès	12,000	15%
Total	78,230	100%

The MCC Compact proposal has identified the need for modernizing and developing the wholesale markets network including the development of a cold storage (both positive and negative) component inside the wholesale markets. However, detailed technical assessments of the exact needs, capacities, and specifications are needed to accommodate the current and projected fish volumes to be marketed through such markets.

3.2.2 PROJECT CONCEPT

As indicated above, a critical issue in the fish marketing channel is the cold chain. It has been indicated by many that the post-catch losses as a result of a poor cold chain are considerable. Much of this fish is rejected by the responsible veterans before it goes into auctioning but unfortunately it finds its way to consumers in different ways, especially in areas around the auction markets. There are no estimates of how much fish is lost from the primary producer (fisherman) to the retail outlet. Given the big volume of caught fish, Morocco is considered as Africa's biggest fish producer, in some product categories even ranking among the leading countries worldwide. The Moroccan fish industry is geared towards export markets where about 80% of exports are supplied to EU countries.

The Ministry of Agriculture and Marine Fisheries and the ONP are currently conducting a national program to achieve modernization all over the industry. The program's main objectives are to achieve sustainable stock utilization, increase the current value added, and improve the competitiveness of the industry in world markets. Increasing the value added through the whole chain is expected to create more jobs and lessen the social problems linked to poverty and unemployment.

The current efforts of the government are targeted towards modernization of the coastal fleet. This is because most of the current vessels in operation are old and in poor technical condition. The on-board equipment is also old and do not comply with current international standards. Renovation and repair are urgently needed. The majority of the 1,800 coastal fishing vessels are not in good conditions and the climatic conditions around the coastal area of Morocco results in quick spoilage of the caught fish. In order to keep the catch in good conditions and high quality in these climatic conditions, these vessels should be equipped with modern refrigeration technology and insulated holds.

The main theme of the proposed project is to conduct a comprehensive study to identify the specific needs of cold storage infrastructure and facilities that would reduce the losses in the fish catch and increase the added value in the fish chain. Currently, there are no figures on the proportion of lost fish due to improper handling of

fish throughout the whole chain. The proposed project will aim at boosting development of cold chain throughout the fishery sector. The project would identify the needed efforts for the development, reconstruction and extension of cold storage facilities at on the coastal fleet, the main ports, the wholesale markets, and the cold trucking fleet of fish used for transporting the fish throughout the whole channel to main the unbroken cold chain.

The proposed project will also include a training component targeting mainly the owners of the coastal vessels and the owners of small boats. The training will be focused on the proper post-catch handling of fish especially maintaining the cold chain straight after the catch. The training is expected to support the current efforts of the ONP to prompt the use of cold-well insulated boxes on both coastal vessels and small boats.

3.2.3 PROJECT SPONSOR'S COMMITMENT

The Ministry of Agriculture and Maritime Fisheries (MAPM) and the National Office for Fishing (ONP) will be the Project Sponsor for the cold storage network for fish storage Feasibility Study. MAPM and ONP are committed to improving the cold and value chain for the fish sector, as part of the national initiative to improve the quality of fish, thus, increase the local consumption. The proposed project is in line with several activities that ONP is undertaking under the area of proper handling and storage of fish. Current activities focus on the retailers and salespeople, therefore, the proposed program complements such initiatives. The project was identified by ONP's marketing and development senior staff. Furthermore, it is line with the objectives of the MCC compact and will help with the achievement of the Compact's objectives in terms of poverty reduction and improving the conditions for Moroccan fishermen.

The main outcome of this activity is two fold: 1) a comprehensive assessment of the fish cold chain structure in Morocco; and 2) provision of high quality training intended to raise the fish value at the different points of the value chain.

The contractor is expected to implement this contract in two consecutive phases as follows:

- **PHASE ONE:** Conduct an assessment of the current status of cold chain and storage facilities used in the fisheries industry at coastal and small boats' levels. The assessment should focus on both the fish infrastructure that affect the value chain (hardware) and the training needs for players in the fish sector (software) who also play the critical role in providing the services for increasing the value chain of fish.
- **PHASE TWO:** Based on the above assessment of the training needs, the contract will design and implement in full collaboration with the grantee several training modules for the top training priorities needs identified in the area of fish value chain.

Both phases of the study are to focus on the costal and small fishing vessels. The larger corporations (deep sea fishing), and the industrial fishing sectors are excluded from this study since they are already well equipped and have adequate infrastructure and technical capacity.

For this Feasibility Study, a core team of five experts (international and/or local) will be required including:

- ◆ Post-Catch Fish Specialist (with experience in handling and fresh fish storage)
- ◆ Agricultural Marketing Specialist (with expertise in fish and value-added processed products)
- ◆ Mechanical Engineer/Refrigeration Specialist (with commercial experience in the design and operation of cold and frozen food facilities)
- ◆ Legal/PPP Specialist
- ◆ Financial Analyst

3.2.5 QUALIFICATIONS

A team of experts will be required to conduct the feasibility study. The team should include senior U.S. experts that are experienced in and fully familiar with agricultural marketing, post harvest/catch handling of agriculture and aquaculture products, cold storage equipment, operations, and financing options. The team should include the skill areas listed below. The experts should have demonstrated experience to reflect the criteria as noted following each skill area.

Post-Catch Fish Specialist-Team Leader

- ◆ Team Leader: demonstrated experience as a leader of consulting teams and Post Catch fish handling expertise with at least 10 years experience with production background and experience with fish storage and handling.
- ◆ Country/Region: experience working on agriculture and post harvest projects in Morocco and/or the Middle-East and North Africa region.
- ◆ Education: advanced degree in agriculture, aquaculture, or related field.

Agriculture Marketing Specialist

- ◆ Ag. Marketing: at least 10 years experience on agricultural marketing projects with expertise in fresh and frozen fish and value-added agro-processed products
- ◆ Country/Region: experience working on agriculture and post harvest marketing projects in Morocco and/or the Middle-East and North Africa region.
- ◆ Education: advanced degree in agriculture marketing, or related field.

Mechanical Engineer

- ◆ Mechanical engineer with commercial experience in the design and operation of cold and frozen food facilities
- ◆ Country/Region: experience working on refrigeration and industrial refrigeration projects in Morocco and/or the Middle-East and North Africa region.
- ◆ Education: advanced degree in mechanical engineering, or related field.

Financial Expert

- ◆ Management/Planning: at least 10 years experience in financial modeling and forecasting for agriculture and aquaculture projects, agriculture infrastructure projects, and tariff structures. Also, experience in working with organizations involved in the financing of agriculture projects is required.
- ◆ Country/Region: experience working on refrigeration and industrial refrigeration projects in Morocco and/or the Middle-East and North Africa region.
- ◆ Education: advanced degree in finance or related field.

Legal/PPP Specialist

- ◆ Experience: at least 10 years experience in working with organizations regulating agricultural sector, with experience in institutional assessments and PPP formulation
- ◆ Country/Region: experience working on refrigeration and industrial refrigeration projects in Morocco and/or the Middle-East and North Africa region.
- ◆ Education: advanced degree in law, finance or related field.

3.2.6 SUGGESTED CONTRACTING TEAM SELECTION CRITERIA

The selection of the Contractor will be based on the criteria outlined below.

	Maximum Points
1. General Experience and Qualifications (10 points)	
1.1 Overall experience of the firm	3
1.2 Overseas experience	3
1.3 Experience in Arab countries	4
2. Specific Applicable Experience (15 points)	
2.1 Amount of experience in the study and design facilities for cold storage, cold chains, fish and aquaculture, post catch treatment, and agricultural marketing	15
3. Approach and Methodology (35 points)	
3.1 Knowledge of proposed work and understanding of the services to be performed as demonstrated by the specific details of the firm's proposal	15
3.2 Appropriateness of the proposed methodology and work plan	15
3.3 Appropriateness of the proposed Training Program as demonstrated by the specific details of firm's proposal	5
4. Qualifications of Proposed Key Personnel (30 points)	
4.1 Qualifications of project leader	10
4.2 Qualifications of other team professionals	10
4.3 Fluency in French language	10
5. Overall Impression (10 points)	<u>10</u>
Total	<u>100</u>

Technical Approach and Work Plan

Contractors must provide a Technical Approach and Work Plan, and within this document, describe how they will approach and conduct the assignment. As part of the Technical Approach and Work Plan, the Contracting Team must commit to work on the project as per the tasks, schedule, personnel and deliverables and related items as outlined in the Terms of Reference. They must provide written and signed commitments by each team member regarding scheduling availability (e.g., linked to specific calendar dates such as "January 2009 forward" or "January 15, 2009 forward"), and commit in writing that they will retain their availability for the complete duration of the project as per the Terms of Reference's schedule. If a Contracting Team has resources or ideas as to how to enhance the Terms of Reference, these resources and/or ideas can be submitted for consideration as

an enhancement to the requirements in the Terms of Reference, but may not substitute for any tasks, deliverables or scheduling plans identified in the Terms of Reference.

Qualifications

Each of the key personnel must be supported with:

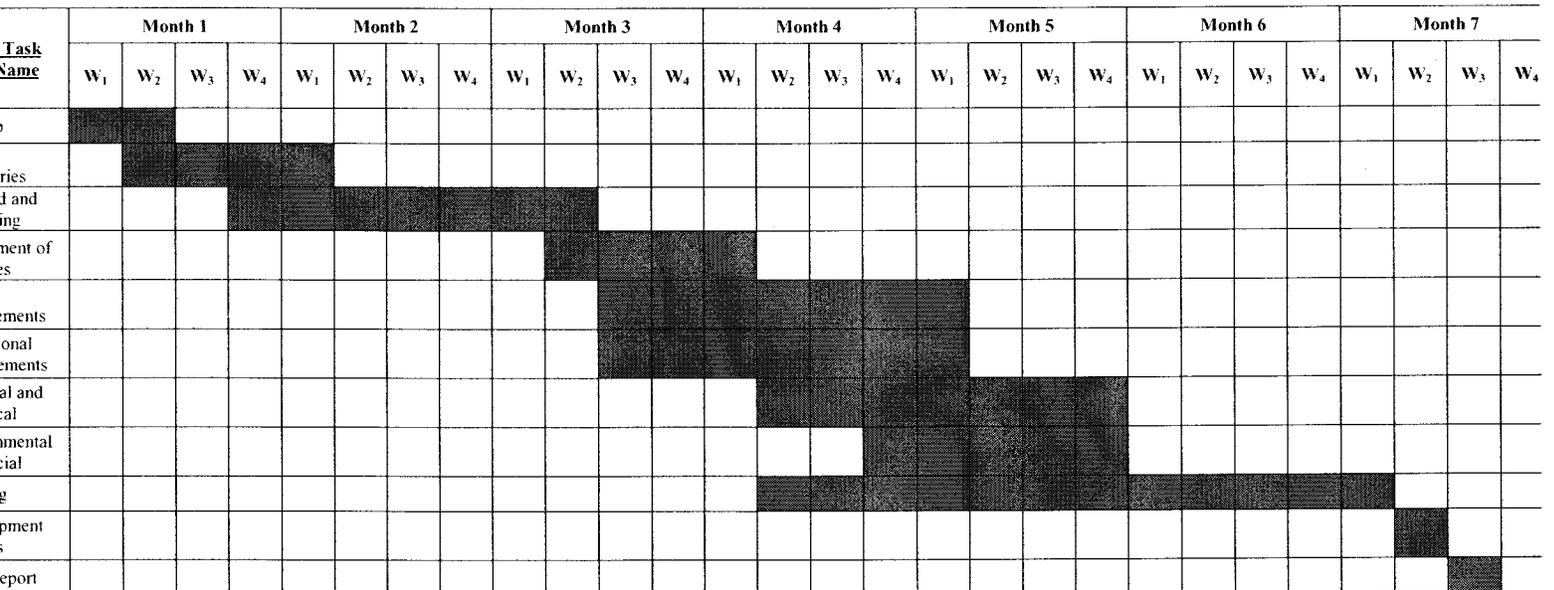
1. Detailed resumes for each of the individuals; and,
2. Supporting project and/or country examples of relevant work activities to the proposed assignment as described in the Terms of Reference and within the section on Contractor Qualifications, and a description of how these project and/or country examples provide evidence of competence and/or expertise as related to the proposed assignment and Contractor Qualifications.

Experience working with government, state-run organizations particularly in Morocco, Middle-East, North Africa and developing countries.

Consultant must give detailed information about past experience working in similar projects in Morocco, Middle East, North Africa, and other developing countries. Consultant must give a description of the previous project, the client, the nature of the work, the duration of the assignment, and the value of the contract. A minimum of five previous projects should be included in the technical proposal.

3.2.7 IMPLEMENTATION TIMELINE

The implementation of the proposed Feasibility Study should not exceed seven months as shown in Figure 5 below.



3.2.8 ESTIMATED BUDGET

Table 3 below shows the estimated budget and staff breakdown. A total of 285 expatriate man days will be required. The total cost is estimated at \$462,970.

Table 3. Cost Breakdown for Fish Handling Technical Assistance and Capacity Building Program

DIRECT LABOR COSTS:					
TOR Task and Name	Position	Person Days		Daily Rate	Total Cost
		Home	Field		

1. Project Start-up	Post-Catch Specialist-Team Leader	2	5	\$1,200	\$8,400
	Ag. Marketing Specialist	0	5	\$950	\$4,750
	Mechanical Engineer-Refrigeration	0	0	\$900	\$0
	Financial Expert	0	0	\$850	\$0
	Legal/PPP Specialist	0	0	\$850	\$0
	Sub-Total	2	10		\$13,150
2. Development of Site Inventories	Post-Catch Specialist-Team Leader	0	14	\$1,200	\$16,800
	Ag. Marketing Specialist	0	10	\$950	\$9,500
	Mechanical Engineer-Refrigeration	0	10	\$900	\$9,000
	Financial Expert	0	0	\$850	\$0
	Legal/PPP Specialist	0	0	\$850	\$0
	Sub-Total	0	34		\$35,300
3 and 5. Demand and Marketing Analyses (including demand forecast)	Post-Catch Specialist-Team Leader	0	9	\$1,200	\$10,800
	Ag. Marketing Specialist	0	13	\$950	\$12,350
	Mechanical Engineer-Refrigeration	5	0	\$900	\$4,500
	Financial Expert	2	0	\$850	\$1,700
	Legal/PPP Specialist	0	0	\$850	\$0
	Sub-Total	7	22		\$29,350
4. Assessment of the Current Status of Fish Cold Facilities	Post-Catch Specialist-Team Leader	0	7	\$1,200	\$8,400
	Ag. Marketing Specialist	5	7	\$950	\$11,400
	Mechanical Engineer-Refrigeration	4	0	\$900	\$3,600
	Financial Expert	0	0	\$850	\$0
	Legal/PPP Specialist	0	0	\$850	\$0
	Sub-Total	9	14		\$23,400
6. Facility and Equipment Requirements	Post-Catch Specialist-Team Leader	5	4	\$1,200	\$10,800
	Ag. Marketing Specialist	2	4	\$950	\$5,700
	Mechanical Engineer-Refrigeration	3	18	\$900	\$18,900
	Financial Expert	0	0	\$850	\$0
	Legal/PPP Specialist	0	0	\$850	\$0
	Sub-Total	10	26		\$35,400
7. Institutional Arrangements	Post-Catch Specialist-Team Leader	3	4	\$1,200	\$8,400
	Ag. Marketing Specialist	0	2	\$950	\$1,900
	Mechanical Engineer-Refrigeration	5	0	\$900	\$4,500
	Financial Expert	0	0	\$850	\$0
	Legal/PPP Specialist	2	12	\$850	\$11,900
	Sub-Total	10	18		\$26,700
8. Financial and Technical Analysis	Post-Catch Specialist-Team Leader	4	2	\$1,200	\$7,200
	Ag. Marketing Specialist	5	2	\$950	\$6,650
	Mechanical Engineer-Refrigeration	3	0	\$900	\$2,700
	Financial Expert	10	10	\$850	\$17,000
	Legal/PPP Specialist	0	0	\$850	\$0
	Sub-Total	22	14		\$33,550
9. Environmental and Social Analysis	Post-Catch Specialist-Team Leader	5	0	\$1,200	\$6,000
	Ag. Marketing Specialist	0	0	\$950	\$0
	Mechanical Engineer-Refrigeration	0	0	\$900	\$0
	Financial Expert	0	0	\$850	\$0
	Legal/PPP Specialist	0	0	\$850	\$0
	Sub-Total	5	0		\$6,000
10. Training and Capacity Building	Post-Catch Specialist-Team Leader	10	20	\$1,200	\$36,000
	Ag. Marketing Specialist	5	20	\$950	\$23,750
	Mechanical Engineer-Refrigeration	4	0	\$900	\$3,600
	Financial Expert	3	0	\$850	\$2,550
	Legal/PPP Specialist	0	0	\$850	\$0

	Sub-Total	22	40		\$65,900
11. Host Country Development Impacts	Post-Catch Specialist-Team Leader	5	0	\$1,200	\$6,000
	Ag. Marketing Specialist	0	0	\$950	\$0
	Mechanical Engineer-Refrigeration	0	0	\$900	\$0
	Financial Expert	0	0	\$850	\$0
	Legal/PPP Specialist	0	0	\$850	\$0
	Sub-Total	5	0		\$6,000
12. Final Report	Post-Catch Specialist-Team Leader	7	0	\$1,200	\$8,400
	Ag. Marketing Specialist	2	0	\$950	\$1,900
	Mechanical Engineer-Refrigeration	2	0	\$900	\$1,800
	Financial Expert	2	0	\$850	\$1,700
	Legal/PPP Specialist	2	0	\$850	\$1,700
	Sub-Total	15	0		\$15,500
TOTAL DIRECT LABOR COSTS		107	178		\$290,250
Total Direct Labor Breakdown	Tasks	Home	Field	Daily Rate	Total Cost
Post-Catch Specialist-Team Leader		41	65	\$1,200	127,200
Ag. Marketing Specialist		19	63	\$950	77,900
Mechanical Engineer-Refrigeration		26	28	\$900	48,600
Financial Expert		17	10	\$850	22,950
Legal/PPP Specialist		4	12	\$850	13,600
Total		107	178		\$290,250
OTHER DIRECT COSTS:					
Purchased Services / Contracts	Tasks	Person-days		Daily Rate*	Total Cost
Local Ag Marketing Specialist		35		\$300	\$10,500
Local Mechanical Engineer		30		\$300	\$9,000
Local Environmentalist		15		\$300	\$4,500
Local Ag. Engineers		70		\$200	\$14,000
		150			
Total Purchased Services / Contracts					\$38,000
Travel Expenses	Unit	Number		Unit Cost	Total Cost
International Travel	Round Trips	11		\$2,250	\$24,750
Ground Transport To/From Airport	Round Trips	42		\$50	\$2,100
Total Travel					\$26,850
Per Diem	Unit	Number		Unit Cost	Total Cost
Per Diem-Int'l Consultants	Days	178		\$300	\$53,400
Per diem-Local Team	Days	40		\$276	\$11,040
Total Per Diem					\$64,440
Other Costs	Unit	Number		Unit Cost	Total Cost
Local Transport	Months	3.5		\$2,500	\$8,750
Reproduction, Binding, and Translation	Lump Sum Estimate				\$15,000
Courier Services	Lump Sum Estimate				\$4,500
Communications	Months	4.5		\$800	\$3,600
Project Office Operations	Months	3.5		\$2,000	\$7,000
MedEx Insurance	10-day increments	10		\$58	\$580
DBA Insurance	Estimate				\$4,000
Total Other Costs					\$43,430
TOTAL OTHER DIRECT COSTS					\$172,720

3.2.9 RECOMMENDATION

Post-catch fish losses are significant in Morocco. To assist the ongoing MCC program achieve its objectives more effectively, there is a need to improve the post harvest/catch practices in Moroccan agriculture/aquaculture including cold storage. The construction of a cold storage network for fish in Morocco will help fishermen and retailers store their products for prolonged periods of time, thus, obtain higher market value.

The feasibility study's Terms of Reference include directives that will ensure U.S. companies are considered for equipment and services. Government of Morocco realizes the superiority of US refrigeration equipment and technology, and have indicated an interest in expanding the role of US companies working in the region. USTDA support for the feasibility study will ensure that U.S. companies are afforded the opportunity to bid against foreign suppliers.

Given that the cost of the feasibility study is \$455,270, and the potential for U.S. exports is approximately \$15 to \$20 million in only initial sales, this project warrants consideration for funding by USTDA.

3.2.10 GRANTEE CONTACT INFO

Mr. Majid K. El Ghaib (Director General)
 National Office for Fishing (ONP)
 13 Rue Lieutenant Mahroud
 P.O. Box 16243-20300
 Casablanca, Morocco
 Tel: +212 22 24 05 51
 e-mail: ELGhaib@onp.ma

3.3 IMPLEMENTATION FINANCING

Implementation financing for the cold storage networks for palm dates and for fish has not yet been determined. MAPM and ONP may be able to partially finance the project; however, the majority of the financing would have to come from the private sector and the donor and lending community currently active in Morocco.

The proposed study will identify the ideal set up for project ownership, which will help determine the most appropriate methods of financing the implementation. To ensure that all appropriate financing options are considered, the Terms of Reference states that the Consultant will identify likely sources of financing. Consultant should take special care to fully discuss each option with representatives of USAID, World Bank, Islamic Development Bank, Kuwait Fund, and other international financial institutions that have already made significant investments of time, effort and capital in the Moroccan agriculture sector. The ToR also states that the consultant should investigate appropriate financial mechanisms for Public Private Partnerships and Private Sector Participation in the implementation of the project and recommend general performance measures and covenants to monitor financial management and performance. The DM contractor has presented the project to several such agencies. Table 4 below summarizes the general feedback received from those agencies.

Table 4. Initial Financing Options for the Project

Agency	Reception of Project
USAID	USAID has, and currently is, funding a number of activities related to agriculture and agro economics in Morocco. Discussions with USAID representatives during this DM revealed their support of the proposed concepts. A Monitoring and Evaluation activity for a previous USAID agriculture project has just been completed this year, with the possibility of replicating that project in other basins in Morocco. Such projects could include financing for infrastructure similar to that identified under this DM.
MAPM	To encourage the cooling sector for the conservation of fruits and vegetables, the Ministry has implemented an aid program that is channeled through the framework of the Foundation for Agricultural Development (FDA). This is mainly in the form of subsidies or return on investment. The percentage of this aid is usually around 30%, while that of the private sector, in this case, is 70%. This mechanism should also provide some financing for the implementation of some of the storage facilities identified as part of the feasibility study.

AFED	<p>The Arab Fund for Economic and Social Development (AFESD) seeks to assist member countries in eliminating development constraints, increasing absorptive capacity and achieving higher rates of growth, and to foster economic integration and cooperation among member countries.</p> <p>It approved funding projects in excess of \$40 million in Morocco, and informal discussions with representatives of the AFED indicated that if presented properly by the Government of Morocco, they would consider financing of the project provided that it goes through the Fund's project cycle.</p>
ONP	<p>ONP has access to funds both through the central budget and through other donor programs in order to improve the cold storage infrastructure and equipment for the fish sector. It is believed that parts of such funds could be utilized towards certain facilities that are assessed during the study at hand.</p>

3.4 U.S. EXPORT POTENTIAL

The most critical component in cold storage and cold chains is the refrigeration technology. The cold storage equipment sector in Morocco provides an excellent opportunity for U.S. companies to invest as part of the GoM's policy to reduce losses in the agricultural sector. The cold chain infrastructure is key to achieving such objectives. Some US Companies such as Carrier and Trane have already established a presence in Morocco for the supply of air conditioning and cooling systems for a number of applications including industrial applications. It is companies like those that can play a significant role in the supply of necessary equipment for the Moroccan cold chain.

In 2006, the US refrigeration industry generated revenues of about US \$31 billion and gross profit was at the level of US \$9 billion or almost 29%. The U.S. industrial refrigeration industry is highly concentrated, and industrial refrigeration equipment manufacturers range from smaller privately held firms to multinational corporations. Many industry producers are also involved in the broader heating, air conditioning or residential refrigeration business. Total US exports totaled \$5.4 billion in 2006. U.S. products have an advantage over European products in the air conditioning and refrigeration sector due to their high quality and heavy-duty performance. Moreover, demand for U.S. products is increasing due to the weakness of the dollar in relation to Euro.

Meetings were held with US companies represented in Morocco to discuss the scopes of the projects identified in this DM and to develop an understanding of their capacity to meet the demand, and the estimated market share of US products in Moroccan markets in the past few years. The meetings revealed the high technical capacity of those companies, especially in the areas of maintenance and after sale services. Discussions with such representatives indicated that US products have had a 25-30% of the market share in the Moroccan market. The Trane representative revealed an aggressive marketing plan to be implemented in 2009, which is expected to increase their market share in terms of cooling and refrigeration equipment. It is believed that the Moroccan Free Trade Agreement with the US will further facilitate the market entry for US products, and with the anticipated growth in the agriculture and agribusiness sectors in Morocco, significant export opportunities will arise. The toughest competition was identified to be Italian technology.

An estimate of the potential US exports for palm dates and fish refrigeration equipment can be made as follows:

- The current annual production of date palms in Morocco is estimated at 85,000 tonnes of which nearly 30% is wasted.
- Assuming no growth in production over the coming years, and assuming that only one quarter of the remaining harvest would utilize the cold storage network, there will be a total demand to store nearly 15,000 tonnes annually
- The needed volume for such storage is roughly estimated at 75,000 cubic meters
- The average cost of refrigeration equipment per cubic meter of cold storage is \$400
- Although US companies present in Morocco indicated the ability to obtain a 30% market share, assuming a 20% US products market share results in roughly \$6 million in terms of infrastructure

(excluding spare parts and other auxiliary equipment such as forklifts, IT systems, packaging equipment, etc).

- The above rough estimation is for dates only, it does not include cold storage equipment for olives and the other fruits and vegetables produced in Morocco, which are also of interest to the Ministry of Agriculture in the future. It also does not include the demand for dates' storage resulting from a reduction of the wastes identified above. The inclusion of those is expected to easily double or triple the export potential.
- The estimation does not include demand in other countries of the Arab Maghreb such as Algeria, Tunisia, Libya, and Egypt.

For fish, improvements are needed to guarantee the unbroken cold chain due to lack of cold storage of almost all fish products moving across the marketing channel in the country, especially the locally consumed products. In other words, there is critical need for chilling equipments at all levels: on boats and vessels, cold trucks, cold storage at wholesale markets and display refrigerators at the retail level. Some of the US companies specialized in chilling equipments such as Carrier and Trane have already established presence in Morocco. The proposed study will work with these US companies to explore the potential opportunities for providing chilling equipments to the different players.

Although it is hard to estimate the value of expected investment in the cold chain for fish in Morocco at this point, however given that a sum of 210,000 tons of fresh fish is expected to be traded at the different wholesale markets for local consumption, this means that a sum of about 300,000 cubic meters will be needed for cold storage facilities. The cost per cubic meter varies from one country to another. A study that was conducted in India estimated the cost of cubic meter of cold storage facility at about \$70 without the cost of other support facilities needed such as land, space and offices. This would put the estimated value of investment in cold storage facilities only at about \$24 million.

Investment in cold trucks is also needed to haul fish through the different nodes of the system to maintain the unbroken cold chain. The proposed project is expected also to assess the current cold trucks fleet in the country, especially the long haul transport which crosses in certain occasion's distances that exceed 2000 km. Assuming that 80 percent of the expected volume of fish for local consumption will be hauled, this means that a sum of 240,000 cubic meters of volume is needed. A rough estimate of the cost of a cold truck of a capacity of 15 cubic meters is about \$20,000. This means that about 200 new cold trucks will be needed to haul the annual consumptions of fish between the different nodes which would require an investment of about \$4 million. This would put the total investment in the cold chain for local consumption of fish at around \$30 million.

Specific details on the technical specifications of the needed cooling and refrigeration technologies, spare part requirements, and maintenance workshops equipment needs will be provided the feasibility study. The consultant will address technical specifications for the storage rooms, such as capacity, food safety issues, temperatures, control systems, etc. The consultant will also address the requirements in terms of maintenance crews and qualifications, maintenance facilities, etc. Some U.S. companies that could help meet the demand in Morocco are listed below:

Provider/Manufacturer	Description
Trane	Carrier has been the world leader in air conditioning, heating and refrigeration systems. Specialized in creating comfortable environments, regardless of the climate, and safeguarding the global food supply by preserving the quality and freshness of food and beverages, and enabling the proper transport and delivery of vital medical supplies under exacting conditions.
Carrier	A world leader in air conditioning systems, services and solutions, Carrier specializes in controlling the comfort of the air for commercial, industrial and institutional buildings.
DeltaTRAK	Headquartered in Pleasanton, California; developer and manufacturer of high quality portable test instruments such as chart recorders and data loggers that monitor / record temperature and humidity. Developed infrared thermometers to provide better end-to-end cold chain management solutions.

Honeywell	Honeywell International is a diversified technology and manufacturing leader, serving customers worldwide with aerospace products and services; control technologies for buildings, homes and industry; automotive products; turbochargers; and specialty materials
Universal Equipment Suppliers, Inc.	Leader of commercial and Industrial refrigeration. Provider of a range of equipment including condensers to compressor racks to custom equipment. A large percentage of UES products are custom-built for the needed use.
Shepler Refrigeration Inc.	Shepler Refrigeration, Inc. is a company that offers commercial refrigeration services and products. Shepler Refrigeration Services in a number of areas including Refrigeration System Installation, Commercial, Industrial Refrigeration Solutions, Refrigeration Engineering, Refrigeration Maintenance, and Refrigeration Parts and Service.
ClimateCraft, Inc.	A diversified manufacturing, marketing, and engineering company based in Oklahoma City. Developer and manufacturer of climate control products, as well as diversified international interests in chemical production and sales and industrial manufacturing.
Bry-Air Inc	Leader in the field of desiccant dehumidification for over 40 years. The Company is one of the leading manufacturers of dehumidifiers and sells desiccant dehumidifier products and systems for technically complex applications with critical quality requirements in both industrial and commercial markets
Innovative Air Technologies	Fully integrated technology and manufacturing company utilizing state of the art desiccant technology to address some of the world's biggest moisture control challenges. Provides dry air solutions in multiple fields such as energy research, military applications, water treatment processes, life sciences, electronics, advanced materials and consumer products.
Novel Aire Technologies	NovelAire provides innovative indoor air quality solutions to Original Equipment Manufacturers serving the residential, commercial and industrial markets of the Heating, Ventilation and Air Conditioning industry.
TOPP Portable Air	TOPP Portable is a Leading Source for portable air conditioners, temporary heaters, construction heaters, environmental control units and dehumidification products. It offers a complete line of portable air conditioners, MovinCool spot coolers, and large mobile air conditioners.
TriState Coil	TriState Coil is a service leader in the Heat Transfer Products business by providing its North American Commercial HVAC, Industrial, Marine customers with unique Cooling and Heating Coil products including: Steam, Hot Water, HVAC, Heat Exchangers and Major Vendor Replacement Coils.

Details on the above US Businesses are provided in Appendix D

As mentioned above, meetings were held during the field mission with the representatives of Trane and Carrier in Morocco. The meetings revealed the high technical capacity of those companies, especially in the areas of maintenance and after sale services. The Trane representative indicated that they have previously been involved in designing and implementing cold storage facilities for perishable products in Morocco, especially in the area of fish where they have been working with the National Office for Fishing (ONP). They expressed interest in the upcoming opportunities and believe that through their marketing campaign, Trane could obtain a significant market share. Carrier representatives also assured that they can compete with European manufacturers that supply their products to the region.

Carrier is represented by Ventec Maroc, which was founded in 1949 in the sector of industrial boiler making and ventilators manufacturing. In 1960 it started exclusively distributing the CARRIER trademark. The development of installations, after-sales and maintenance activities has enabled the company to thoroughly meet the most various needs of its customers. Trane is represented by WorldClim, which has been in the refrigeration sector for over 10 years in Morocco

It is believed that the Moroccan Free Trade Agreement with the US will further facilitate the market entry for US products, and with the anticipated growth in the agriculture and agribusiness sectors in Morocco, significant export opportunities will arise. The toughest competition was identified to be Italian technology.

3.5

FOREIGN COMPETITION

Depending on the eventual source of funding for the project, foreign companies from China, Germany, Italy, France, Japan, and S. Korea can be expected to bid on design, construction services, and provision of equipment/spare parts. Brands such as Puertas Dato and SCM Frigo were seen in the field during the mission. However, given the strong presence of relevant US companies in Morocco U.S. companies have a competitive opportunity to bid on supplying the required equipment.

Discussions with various representatives in Morocco indicated that European producers are better represented in the region and have country representatives. They indicated that they are interested in procuring US goods provided that the response time to RFQ's and delivery times can be reduced. Coupled with the Dollar's competitive edge over the euro, this is seen as an opportunity for US businesses to establish a presence in the region, possibly through more authorized dealers, to increase their competitiveness in the sector.

3.6 DEVELOPMENT IMPACT

The developmental benefit of a cold storage and cold chain network for agriculture (fruits and fish) in Morocco are tremendous mainly because the marketability and value of Moroccan crops will be significantly enhanced. This will reflect on the sector as a whole, but will also benefit individual farmers/fishermen, and the various key players in the agricultural chain, thus, have positive impacts on poverty and improved income. This falls right into the broader objectives of the MCC program in Morocco. Key developmental impacts can be summarized as follows:

- The introduction of an improved cold storage/chain infrastructure will trigger other infrastructural improvement relevant to the sectors under study. This includes transport, shipping, marketing centers, and storage facilities just to name a few.
- Depending on the recommended management/ownership schemes for the proposed network, reforms that improve competitiveness and private sector participation could be implemented.
- The implementation of a modern network of cold storage will help build the capacity of a number of stakeholders in the chain.
- The implementation of the project will entail significant technology transfer in terms of equipment for the proposed network, and expertise for the operation and maintenance of such systems.

3.7 IMPACT ON THE ENVIRONMENT

Neither project is expected to have any significant adverse environmental impacts, however, Contractor of the Feasibility Study will conduct a preliminary environmental statement, keying on potential impacts of the Project on (a) ecological resources, (b) cultural heritage sites and relics, (c) soil erosion, (d) noise and air quality, (e) potential accidents and spills of chemicals, and (f) local community disturbances from construction activities. The Contractor will outline appropriate mitigation measures, management procedures and monitoring programs, if any.

In addition, as part of the MCC activities, the MAPM expects to have a Consultant in place by September 2008 to provide a variety of services for conducting feasibility studies, technical designs, and action plans for rehabilitation and intensification of dates in oases targeted by FTTP, which will include a Strategic Environmental Assessment (SEA). The USTDA Contractor for the Date Palms project shall communicate and coordinate closely with this Consultant and MAPM on all environmental and social assessments and analyses.

3.8 IMPACT ON U.S. LABOR

In regard to concerns on the impacts of U.S. labor, support for the implementation of the cold storage and cold chain facilities' network is not expected to result in the relocation of U.S. jobs overseas. On the contrary, the equipment, chemicals, and services required for the operation of cold storage facilities to be supplied by U.S. manufacturers will generate additional employment in the U.S.

There are three primary reasons why USTDA should fund this project:

- ◆ The completion of this project will complement the activities under the MCC Compact in Morocco; thus, provide synergy between US Government programs. This will also help sustain the huge investments the MCC has made in Morocco.
- ◆ By providing the initial funds for a FS, USTDA will assure that U.S. firms will become involved in the project development process. As firms participate in the process, the likelihood of U.S. exports becomes greater.
- ◆ In the coming 5 years, there is a huge potential for cold storage and cold chain equipment in Morocco. This will be needed for both the agriculture and fishing sectors, in addition to cold transport equipment. The project at hand creates an opportunity for US providers to enter and strengthen their positions in the Moroccan market.

ANNEX 3



**U.S. TRADE AND DEVELOPMENT AGENCY
Arlington, VA 22209-2131**

NATIONALITY, SOURCE, AND ORIGIN REQUIREMENTS

The purpose of USTDA's nationality, source, and origin requirements is to assure the maximum practicable participation of American contractors, technology, equipment and materials in the prefeasibility, feasibility, and implementation stages of a project.

USTDA STANDARD RULE (GRANT AGREEMENT STANDARD LANGUAGE):

Except as USTDA may otherwise agree, each of the following provisions shall apply to the delivery of goods and services funded by USTDA under this Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from host country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for implementation of the Study and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Study support (e.g., local lodging, food, and transportation) in host country are not subject to the above restrictions. USTDA will make available further details concerning these standards of eligibility upon request.

NATIONALITY:

1) Rule

Except as USTDA may otherwise agree, the Contractor for USTDA funded activities must be either a U.S. firm or a U.S. individual. Prime contractors may utilize U.S.

subcontractors without limitation, but the use of host country subcontractors is limited to 20% of the USTDA grant amount.

2) Application

Accordingly, only a U.S. firm or U.S. individual may submit proposals on USTDA funded activities. Although those proposals may include subcontracting arrangements with host country firms or individuals for up to 20% of the USTDA grant amount, they may not include subcontracts with third country entities. U.S. firms submitting proposals must ensure that the professional services funded by the USTDA grant, to the extent not subcontracted to host country entities, are supplied by employees of the firm or employees of U.S. subcontractor firms who are U.S. individuals.

Interested U.S. firms and consultants who submit proposals must meet USTDA nationality requirements as of the due date for the submission of proposals and, if selected, must continue to meet such requirements throughout the duration of the USTDA-financed activity. These nationality provisions apply to whatever portion of the Terms of Reference is funded with the USTDA grant.

3) Definitions

A "U.S. individual" is (a) a U.S. citizen, or (b) a non-U.S. citizen lawfully admitted for permanent residence in the U.S. (a green card holder).

A "U.S. firm" is a privately owned firm which is incorporated in the U.S., with its principal place of business in the U.S., and which is either (a) more than 50% owned by U.S. individuals, or (b) has been incorporated in the U.S. for more than three (3) years prior to the issuance date of the request for proposals; has performed similar services in the U.S. for that three (3) year period; employs U.S. citizens in more than half of its permanent full-time positions in the U.S.; and has the existing capability in the U.S. to perform the work in question.

A partnership, organized in the U.S. with its principal place of business in the U.S., may also qualify as a "U.S. firm" as would a joint venture organized or incorporated in the United States consisting entirely of U.S. firms and/or U.S. individuals.

A nonprofit organization, such as an educational institution, foundation, or association may also qualify as a "U.S. firm" if it is incorporated in the United States and managed by a governing body, a majority of whose members are U.S. individuals.

SOURCE AND ORIGIN:

1) Rule

In addition to the nationality requirement stated above, any goods (e.g., equipment and materials) and services related to their shipment (e.g., international transportation and insurance) funded under the USTDA Grant Agreement must have their source and origin in the United States, unless USTDA otherwise agrees. However, necessary purchases of goods and project support services which are unavailable from a U.S. source (e.g., local food, housing and transportation) are eligible without specific USTDA approval.

2) Application

Accordingly, the prime contractor must be able to demonstrate that all goods and services purchased in the host country to carry out the Terms of Reference for a USTDA Grant Agreement that were not of U.S. source and origin were unavailable in the United States.

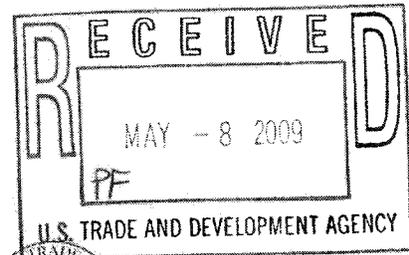
3) Definitions

“Source” means the country from which shipment is made.

“Origin” means the place of production, through manufacturing, assembly or otherwise.

Questions regarding these nationality, source and origin requirements may be addressed to the USTDA Office of General Counsel.

ANNEX 4



PDF:

LZ
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**COLD CHAIN STORAGE FOR FISHERIES
TECHNICAL ASSISTANCE**

GRANT AGREEMENT

This Grant Agreement is entered into between the Government of the United States of America, acting through the U.S. Trade and Development Agency ("USTDA") and Office National des Pêches ("Grantee"). USTDA agrees to provide the Grantee under the terms of this Agreement US\$462,970 ("USTDA Grant") to fund the cost of goods and services required for a Technical Assistance ("Assistance") on the proposed Cold Chain Storage for Fisheries ("Project") in Morocco ("Host Country").

1. USTDA Funding

The funding to be provided under this Grant Agreement shall be used to fund the costs of a contract between the Grantee and the U.S. firm selected by the Grantee ("Contractor") under which the Contractor will perform the Assistance ("Contract"). Payment to the Contractor will be made directly by USTDA on behalf of the Grantee with the USTDA Grant funds provided under this Grant Agreement.

2. Terms of Reference

The Terms of Reference for the Assistance ("Terms of Reference") are attached as Annex I and are hereby made a part of this Grant Agreement. The Assistance will examine the technical, financial, environmental, and other critical aspects of the proposed Project. The Terms of Reference for the Assistance shall also be included in the Contract.

3. Standards of Conduct

USTDA and the Grantee recognize the existence of standards of conduct for public officials, and commercial entities, in their respective countries. The parties to this Grant Agreement and the Contractor shall observe these standards, which include not accepting payment of money or anything of value, directly or indirectly, from any person for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the Assistance.

4. Grantee Responsibilities

The Grantee shall undertake its best efforts to provide reasonable support for the Contractor, such as local transportation, office space, and secretarial support.

NOTE
May 5/2009

5. USTDA as Financier

(A) USTDA Approval of Competitive Selection Procedures

Selection of the U.S. Contractor shall be carried out by the Grantee according to its established procedures for the competitive selection of contractors with advance notice of the procurement published online through *Federal Business Opportunities* (www.fedbizopps.gov). Upon request, the Grantee will submit these contracting procedures and related documents to USTDA for information and/or approval.

(B) USTDA Approval of Contractor Selection

The Grantee shall notify USTDA at the address of record set forth in Article 17 below upon selection of the Contractor to perform the Assistance. Upon approval of this selection by USTDA, the Grantee and the Contractor shall then enter into a contract for performance of the Assistance. The Grantee shall notify in writing the U.S. firms that submitted unsuccessful proposals to perform the Assistance that they were not selected.

(C) USTDA Approval of Contract Between Grantee and Contractor

The Grantee and the Contractor shall enter into a contract for performance of the Assistance. This contract, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing. To expedite this approval, the Grantee (or the Contractor on the Grantee's behalf) shall transmit to USTDA, at the address set forth in Article 17 below, a photocopy of an English language version of the signed contract or a final negotiated draft version of the contract.

(D) USTDA Not a Party to the Contract

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of the contract and any amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of funding the Assistance and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar the Grantee or USTDA from asserting any right they might have against the Contractor, or relieve the

Contractor of any liability which the Contractor might otherwise have to the Grantee or USTDA.

(E) Grant Agreement Controlling

Regardless of USTDA approval, the rights and obligations of any party to the contract or subcontract thereunder must be consistent with this Grant Agreement. In the event of any inconsistency between the Grant Agreement and any contract or subcontract funded by the Grant Agreement, the Grant Agreement shall be controlling.

6. Disbursement Procedures

(A) USTDA Approval of Contract Required

USTDA will make disbursements of Grant funds directly to the Contractor only after USTDA approves the Grantee's contract with the Contractor.

(B) Contractor Invoice Requirements

The Grantee should request disbursement of funds by USTDA to the Contractor for performance of the Assistance by submitting invoices in accordance with the procedures set forth in the USTDA Mandatory Clauses in Annex II.

7. Effective Date

The effective date of this Grant Agreement ("Effective Date") shall be the date of signature by both parties or, if the parties sign on different dates, the date of the last signature.

8. Assistance Schedule

(A) Assistance Completion Date

The completion date for the Assistance, which is January 7, 2011, is the date by which the parties estimate that the Assistance will have been completed.

(B) Time Limitation on Disbursement of USTDA Grant Funds

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this Grant Agreement for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

9. USTDA Mandatory Clauses

All contracts funded under this Grant Agreement shall include the USTDA mandatory clauses set forth in Annex II to this Grant Agreement. All subcontracts funded or partially funded with USTDA Grant funds shall include the USTDA mandatory clauses, except for clauses B(1), G, H, I, and J.

10. Use of U.S. Carriers

(A) Air

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

(B) Marine

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

11. Nationality, Source and Origin

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the Assistance and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Assistance support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

12. Taxes

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Grantee nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

13. Cooperation Between Parties and Follow-Up

The parties will cooperate to assure that the purposes of the Grant Agreement are accomplished. For five (5) years following receipt by USTDA of the Final Report (as defined in Clause I of Annex II), the Grantee agrees to respond to any reasonable inquiries from USTDA about the status of the Project.

14. Implementation Letters

To assist the Grantee in the implementation of the Assistance, USTDA may, from time to time, issue implementation letters that will provide additional information about matters covered by the Grant Agreement. The parties may also use jointly agreed upon implementation letters to confirm and record their mutual understanding of matters covered by the Grant Agreement.

15. Recordkeeping and Audit

The Grantee agrees to maintain books, records, and other documents relating to the Assistance and the Grant Agreement adequate to demonstrate implementation of its responsibilities under the Grant Agreement, including the selection of contractors, receipt and approval of contract deliverables, and approval or disapproval of contractor invoices for payment by USTDA. Such books, records, and other documents shall be separately maintained for three (3) years after the date of the final disbursement by USTDA. The Grantee shall afford USTDA or its authorized representatives the opportunity at reasonable times to review books, records, and other documents relating to the Assistance and the Grant Agreement.

16. Representation of Parties

For all purposes relevant to the Grant Agreement, the Government of the United States of America will be represented by the U. S. Ambassador to Host Country or USTDA and Grantee will be represented by the Director General. The parties hereto may, by written notice, designate additional representatives for all purposes under the Grant Agreement.

17. Addresses of Record for Parties

Any notice, request, document, or other communication submitted by either party to the other under the Grant Agreement shall be in writing or through a wire or electronic medium which produces a tangible record of the transmission, such as a telegram, cable or facsimile, and will be deemed duly given or sent when delivered to such party at the following:

To: Majid El Ghaib
Director General
Office National des Pêches 15, Rue Lieutenant
Mahroud, BP 16243-20300
Casablanca, Morocco
Phone: (212 22) 24 05 51
Fax: (212 22) 24 23 05

To: U.S. Trade and Development Agency
1000 Wilson Boulevard, Suite 1600
Arlington, Virginia 22209-3901
USA

Phone: (703) 875-4357
Fax: (703) 875-4009

All such communications shall be in English, unless the parties otherwise agree in writing. In addition, the Grantee shall provide the Commercial Section of the U.S. Embassy in Host Country with a copy of each communication sent to USTDA.

Any communication relating to this Grant Agreement shall include the following fiscal data:

Appropriation No.: 119/10 1001
Activity No.: 2009-21007A
Reservation No.: 2009210006
Grant No.: GH2009210001

18. Termination Clause

Either party may terminate the Grant Agreement by giving the other party thirty (30) days advance written notice. The termination of the Grant Agreement will end any obligations of the parties to provide financial or other resources for the Assistance, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the written notice of termination.

19. Non-waiver of Rights and Remedies

No delay in exercising any right or remedy accruing to either party in connection with the Grant Agreement shall be construed as a waiver of such right or remedy.

20. U.S. Technology and Equipment

By funding this Assistance, USTDA seeks to promote the Project objectives of the Host Country through the use of U.S. technology, goods, and services. In recognition of this purpose, the Grantee agrees that it will allow U.S. suppliers to compete in the procurement of technology, goods and services needed for Project implementation.

IN WITNESS WHEREOF, the Government of the United States of America and Office National des Pêches, each acting through its duly authorized representative, have caused this Agreement to be signed in the English language in their names and delivered as of the day and year written below. In the event that this Grant Agreement is signed in more than one language, the English language version shall govern.

**For the Government of the
United States of America**

**For Office National
des Pêches**

By: R. P. Jackson

By: Majid K. Elghaib

Date: May 6, 2009

Date: May 5, 2009

Witnessed:

Witnessed:

By: Rick Ortyz

By: Ali Alkhar

Annex I -- Terms of Reference

Annex II -- USDA Mandatory Clauses

Annex I

Terms of Reference

Project Concept

The Cold Chain Storage for Fisheries Technical Assistance Project (Project) will identify the specific needs of cold storage infrastructure and facilities to reduce the losses in the fish catch and increase the added value in the fish chain in Morocco. Currently, there are no figures on the proportion of lost fish due to improper handling of fish throughout the whole chain. The Project will aim at boosting the development of cold chain throughout the fishery sector. The Project will identify the requirements for the development, construction and/or extension of cold storage facilities on the coastal fleet, in the main ports, at the wholesale markets, and on the cold trucking fleet used for transporting the fish throughout the whole marketing channel, such that the cold chain remains unbroken.

The Project will also include a training component targeting the owners of the coastal vessels and the owners of small boats. The training will be focused on the proper post-catch handling of fish and on maintaining the cold chain straight after the catch. The training is expected to support the current efforts of the Grantee to prompt the use of cold-well insulated boxes on both coastal vessels and small boats.

The outcome of this activity is two fold: 1) a comprehensive assessment of the needs of the fish cold chain structure in Morocco and encouraging cold chain development in Morocco; and 2) provision of high quality training intended to raise the fish value at the different points of the value chain.

The contractor is expected to implement this contract in two consecutive phases as follows:

- **PHASE ONE:** Conduct an assessment of the current status of cold chain and storage facilities used in the fisheries industry at coastal and small boats' levels. The assessment should focus on both the fish infrastructure that affect the value chain (hardware) and the training needs for players in the fish sector (software) who also play the critical role in providing the services for increasing the value chain of fish.
- **PHASE TWO:** Based on the above assessment of the training needs, the Contractor will design and implement in full collaboration with the grantee several training modules for the top training priorities needs identified in the area of fish value chain.

Both phases of the study are to focus on the coastal and small fishing vessels. The larger corporations (deep sea fishing), and the industrial fishing sectors are excluded from this study since they are already well equipped and have adequate infrastructure and technical capacity.

The following presents the tasks to be undertaken by the Contractor:

Task 1: Project Start-Up and Kick-off

The Contractor shall travel to Morocco and meet with the Grantee in Casablanca to discuss the basis for the Project and the Project objectives. The Ministry of Agriculture and Marine Fisheries and the administration in charge of the fisheries sector, shall also be included in those discussions. The Contractor shall also meet with representatives of Marine Fisheries Chambers. The start up mission will also include contacts with the Millennium Challenge Corporation (MCC) staff in Rabat to develop a clear and comprehensive understanding of the MCC Compact activities in the areas related to fish production, marketing and processing. Since the fisheries sector will receive technical and financial support from the MCC-Morocco compact, the Contractor, in coordination with MCC-Morocco and the Grantee shall also review all relevant and available data and reports on fish production, export, marketing and processing.

In addition, the Contractor shall review previously accumulated studies and data by the Grantee, the Moroccan Ministry of Agriculture and Marine Fisheries, other relevant Ministries, the World Bank, the European Union, other donor funded Project reports and others relative to specific development of the value chain and marketing in the Moroccan marine fisheries sector. The Contractor shall collect additional information, as needed, and based upon this review, a database will be compiled by the Contractor.

Deliverable: The Contractor shall provide to the Grantee a database that includes all available information and literature gathered during Task 1 and a description of the Contractor's methodology for accomplishing the TOR shall be submitted to the Grantee as a deliverable.

Task 2: Development of Site Inventories

The Contractor shall, in coordination with the Grantee and MCC, identify all the locations in which there are concentrations of small scale fish production, marketing and processing. Again, this will exclude the industrial sector (i.e., frozen fish industry, canning industry). The Contractor shall identify the main characteristics of the main fishing ports, number of fishermen of different categories (mainly small boat owners, and coastal vessels owners).

The Contractor shall assess the information gathered and develop a detailed database (supplemented in graphic format database), which shows the main fishing coastal areas on the Atlantic Ocean and the Mediterranean coasts and their relevant characteristics, especially as it relates to volume and characteristics of catch. The detailed criteria for the categorization are to be coordinated and agreed upon with the Ministry of Agriculture and Marine fisheries and other relevant stakeholders including MCC. This shall entail site visits to major fishing areas and fish wholesale markets. For each of the identified fish production areas, the Contractor shall, as a minimum, gather information related to the following:

- Fish production trends by region and by main species;
- Any documented losses by region and by main species;
- Identify the marketing channels and the percentage proportion of marketed fish in every destination;
- Main destinations at the local and export markets by species and the prevailing modes of transport;
- The current conditions of the main wholesale markets, outlets ...etc.
- Serviceability of marketing centers (e.g., water, electricity, transportation, etc.)

Deliverable: The Contractor shall submit a report that details the site inventories for the major fishing areas and fish wholesale markets. Such inventory shall include all the information gathered during the task, and any graphical documents prepared in this regard (e.g., maps with various site locations and key characteristics)

Task 3: Demand and Marketing Analysis:

The Contractor shall gather detailed information related to the local demand and consumption of the main fish species. This should be done on a geographic basis to identify the major demand centers throughout Morocco and to determine the quantities (and histories) of such demand, however, it should also identify the main seasons for such demand.

The Contractor shall also gather the information needed to develop a detailed description of the marketing chain. As a minimum this will include

- Who are the major players in the marketing chain of fish intended for local consumption;
- Classification of major fish businesses in terms of ownership: family business, private commercial, cooperative, public producers, etc. excluding those entities in the export sector and for the frozen fish sector;
- Commission buyers (agents) who usually buy the produce intended for fresh local consumption on the behalf of entities further down the marketing chain;
- Vendors; and
- Retailers.

Deliverable: The Contractor shall submit a report on the findings of the fish marketing analysis task, and a detailed description on the marketing chain for Fish in Morocco.

Task 4: Assessment of the Current Status of Fish Cold Facilities

The Contractor shall assess the fish cold chain infrastructure currently in operation through the different stages of the marketing and value chain starting with the different types of fishermen and ending at the consumer level. The assessment shall include, but not be limited to, gathering information relevant to the costs associated with the various chain components including the catch phase, packing/grading, transportation, and sale. In addition, the Contractor shall gather data and information regarding the value of the fish sold and organize it as per the inventories and databases developed in the previous tasks in order to have complete information for the various identified small scale fishing areas including the catch values obtained by the fishermen in these small scale fishing areas.

Using the findings of previous Tasks, the Contractor shall assess and determine the optimal locations for cold storage facilities to help store the caught fish from the main fishing ports, in order to serve the key demand areas. The Contractor shall also identify the main corridors where an improved cold transport fleet is needed to ensure the proper transport of such perishable product. The assessment should cover both cold storage facilities at the different points, and the cold trucking needed for transporting fish from main ports scattered over the coastal areas of Morocco to the main marketing points intended for local use.

Deliverable: The Contractor shall prepare a report detailing the current status of the cold chain and cold storage facilities related to the fishing and fish marketing sector. This report shall provide details on the existing infrastructure and equipment, and the conditions for the various studied infrastructure components for cold chain and cold storage related to fish.

Task 5: Demand Forecast

Based on discussions with the MCC regarding their developmental activities related to fish production in Morocco and discussions with the Grantee and the Ministry of Agriculture and Marine Fisheries on its ongoing programs and other donor funded activities to develop the sector, the Contractor shall conduct a demand and production forecasting analysis. The Contractor shall Project the current demand and production statistics into a future year to be agreed upon with the Ministry of Agriculture and Marine Fisheries and the Grantee. It is recommended, however, that demand be projected for the next 20 years. The Contractor shall project demand under a number of scenarios (e.g., pessimistic, neutral, and optimistic). This will allow for the conduct of sensitivity analysis once the financial feasibility tasks are commenced.

Deliverable: The Contractor shall submit a report detailing the methodology used in the forecasting, and the Future Demand Forecasting Model including all the assumptions made to arrive at such demand forecasts.

Task 6: Facility and Equipment Requirements

Based on the identification of the key locations where cold storage facilities are needed (Task 4), and the demand/production forecasting of Task 5, the Contractor shall develop a proposal for an optimal network of cold storage facilities. This shall include the definition of the locations of such facilities, and the needed capacities of such facilities to accommodate the projected production/demand. Although the proposed network should be developed for the long-term for the entire country, it should be phased on a number of priority stages to be agreed upon with the Grantee. The Contractor shall develop an implementation plan for the various recommended cold storage facilities in the network.

The storage capacities shall also be determined to accommodate the needed storage duration(s), which is dependent on the marketing chain. The critical component will be the proper storage of the fish during the period between the catch until it is delivered at the end of the chain for local consumption. The Contractor shall take all these issues into consideration when determining the facility and equipment requirements. In addition, the Contractor shall take into account the food safety specifications as per the Ministry of Health and Ministry of Agriculture and Marine Fisheries requirements.

The Contractor shall work in close collaboration with Grantee, and shall consult with the key stakeholders that are most likely to use the proposed facilities. This shall include fishermen and wholesale buyers associations, cooperatives, and any other relevant groups.

The Contractor shall determine the required refrigeration and cooling technologies and their technical specifications for the various site inventories identified in Task 2. This shall be done in close collaboration between the fish specialist, the fish marketing specialist, and the refrigeration specialists of the Contractor's team. In addition to cold storage equipment needs, the Contractor shall also determine additional equipment needs such as:

- Grading/packing equipment
- Packaging equipment
- Pre-coolers
- Fork lifts
- Trucks
- Computer and IT control systems
- Other equipment deemed necessary

This task shall also focus on the cold transport system of fish from points of catch until the final point of consumption. The assessment shall consider the requirements to maintain an unbroken cold chain. Since investment in cold trucks is needed to haul fish through the different nodes of the system to maintain the unbroken cold chain, the Contractor shall assess the current cold trucks fleet in the country, especially the long haul transport which on certain occasions exceeds distances of 2000 km. The

Contractor shall estimate the volume of fish hauled mainly for local consumption. Consequently, the Contractor shall provide an estimate of the number and the cost of cold trucks of the different types needed to haul the fish product across the different marketing channels in the country.

For the identified equipment, the Contractor shall develop a list of priority capital expenditures that need to be undertaken to meet international standards. In addition, the Contractor shall recommend any other elements not considered in the above list that they believe are necessary for or would enhance Cold Chain operations.

Deliverable: The Contractor shall prepare a report detailing the cold chain and cold storage needs for the identified fisheries. This report shall complement the report from the previous tasks and provide details on the equipment requirements based on the needs assessment performed in the previous tasks.

Task 7: Institutional Arrangements

As part of the assessment, the Contractor shall identify the various institutional arrangements for the implementation and management of cold storage facilities in Morocco. The Contractor shall explore and study the various options such as governmental ownership, Private investment, Public Private Partnerships, and others. In addition, the Contractor shall contact parties at both local level or at the international level, to determine their interest in Cold Chain development in Morocco. Such parties shall include, but not be limited to:

- The International Fund for Agricultural Development (IFAD);
- The World Bank (WB);
- The International Financing Cooperation (IFC);
- United Nations Food and Agricultural Organization (FAO);
- The European Union (EU); and
- Other institutions providing soft credit for development projects.

Deliverable: The Contractor shall prepare a detailed report on the institutional assessment and a report detailing the recommendations in terms of the proposed management/ownership structure.

Task 8: Financial and Technical Analysis

The Consultant shall conduct a financial and technical analysis of the entire Project. The analysis shall include full costs of equipment, construction (if needed), costs of operations, and revenues from the storage use fees, reduction in losses, and improved fish values. The Contractor shall include a recommended equipment list of potential US export technologies and information on potential US suppliers.

The Contractor shall conduct the following tasks:

- i. Define all technical characteristics for the proposed storage facilities' layout including operations and equipment and maintainability of the Project.
- ii. Review and update all implementation and operating costs and benefits of the Project. Estimate the economic internal rate of return (EIRR) on the basis of non-incremental and incremental economic benefits and economic costs (including economic capital, operation, and maintenance costs) in constant economic prices.
- iii. Develop realistic and competitive fees for use of the Cold Chain structure and assess the adequacy of such charges to ensure sustained financial viability of the investment (covering operation and maintenance costs, depreciation, debt service in excess of depreciation, taxes, and reasonable profit).
- iv. Quantify losses of the existing conditions (in terms of fish losses due to improper handling of this delicate product) into their monetary value, and quantify benefits gained by enabling fishermen to store and transport their catch to demand areas in high quality.
- v. Assess and prepare financial projections for the Project over 20 years of operation including a balance sheet, income statement, and cash flow statement in nominal terms covering a period of 20 years. Assumptions made in the financial statements shall be explained in detail. Financial projections shall take into consideration the likely effects of inflation and the potential for exchange rate fluctuations.
- vi. Carry out a financial evaluation for the Project over the construction and operation period by calculating the Financial Internal Rate of Return (FIRR) and compare it with weighted average cost of capital (WACC). The FIRR and WACC shall be computed using constant 2009 prices. The cost estimates and financial projections in nominal terms shall be converted to real terms by removing the projected effects of foreign and domestic inflation and currency fluctuations. Incremental costs and benefits shall be derived from evaluating the financial position under a with-Project and without-Project scenario.
- vii. Identify risk factors (e.g., the demand/production forecasting scenarios) and test the sensitivity of the Project to them, and propose mitigating measures. Undertake sensitivity analysis by varying charges, costs, implementation delay, and combinations of these factors. Switching values for these factors, excluding implementation delay, shall also be calculated. Review the sensitivity of the financial viability of the Project to future exchange rate movements.
- viii. Undertake a financial management requirements assessment of the operating entity (as identified in Task 7 which shall include (a) corporate planning and budgetary control, (b) financial and management accounting, and (c) internal control and audit system. The purpose of the financial management requirements assessment is to determine what capacity building at the system's operating entity should be considered.
- ix. The Contractor shall develop a best estimate of potential goods and services to be procured for Project implementation. This estimate shall be supported by a breakdown by category and dollar value of goods and services likely to be

imported for the Project and an illustrative list of potential U.S. suppliers for those goods and services.

- x. The Consultant shall identify likely sources of financing. The Contractor shall take special care to fully discuss each option with representatives of the World Bank, Islamic Development Bank, USAID, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, and other international financial institutions that have already made significant investments of time, effort and capital in the Moroccan fishing sector.

Deliverable: The Contractor shall deliver a detailed financial model including assumptions, input, and results of the financial modeling with all the financial indicators.

Task 9: Preliminary Environmental and Social Analysis

The Contractor shall conduct a preliminary environmental analysis, keying on potential impacts of the Project on (a) ecological resources, (b) cultural heritage sites and relics, (c) soil erosion, (d) noise and air quality, (e) potential accidents and spills of chemicals, and (f) local community disturbances from construction activities. The Contractor shall outline appropriate mitigation measures, management procedures and monitoring programs, if any.

The Contractor shall also conduct a preliminary social impact assessment of the Project. Although the utilization of the proposed cold storage facilities may entail certain expenditures to be incurred by the fishermen, it is anticipated that the gains resulting from improving the values of the catch will improve their revenues. Such issues shall be taken into consideration, and shall feed into the fees/tariffs to be developed in the financial analysis task.

The findings of the preliminary environmental and social analysis shall be described in a report by the Contractor. Environmental and social issues that may require further analysis and/or mitigation shall be identified by the Contractor.

Deliverable: The Contractor shall prepare a report providing the findings and recommendations of the work performed in this Task 9.

Task 10: Training and Capacity Building

The training shall be based on the above assessment of the cold storage needs and training needs. In line with the identified training and capacity needs in the first phase, the Contractor shall design and implement in full collaboration with the Grantee several training modules for the top training priorities needs identified in the area of fish value chain. The fish safety training courses shall be conducted by the Contractor in full collaboration with the Grantee and shall aim to provide the necessary opportunities for Moroccan fishermen and fish handlers to understand, conserve, develop, manage and utilize the fish wealth in the country in a rapidly changing world.

There is a shortage of post-catch handling technical expertise at all levels and the Contractor shall develop education, training and research to help meet this shortage.

Sub-Task 10.1 Developing Selection Criteria and Selection of Participants

In coordination with the Grantee, Ministry of Agriculture and Marine Fisheries, MCC, and other relevant stakeholders, the Contractor shall develop the main criteria for trainees' selection for the training modules.

Due to the variation in the types of potential trainees (large, medium and small types of fishermen, retailers, vendors, etc) in the fish value chain, the selection criteria shall be based on the results of training needs assessment of each category. The general guidelines for selecting prospective trainees are:

- Registered owner or an operator of a fishing boat or vessel;
- Owner of a vending vehicle or motorcycle
- Member of a cooperative
- Owner or a worker at a retail store or restaurant dealing with fresh fish

The Contractor shall conduct site visits to fishing ports, wholesale markets and selected retail outlets in order to develop a better feel for the capacity and the background of the potential trainees. Based on such site visits, and using information to be furnished by the Grantee and the Ministry of Agriculture and Marine Fisheries, the Contractor shall coordinate with the Grantee to select different groups of trainees for the five identified modules. It is anticipated that 30-35 participants should be identified to participate in the training program. The Contractor shall also identify a small group of fishermen to act at a later stage as trainers for other fishermen in other parts of the country (training of trainers; TOT).

Sub-Task 10.2 Development of Training Modules

As indicated above, based on the assessment of the whole fish cold chain made in previous tasks and the identified training needs assessments, the Contractor shall develop five training modules. All modules shall be prepared in English and French. All training materials shall be translated into Arabic and the training shall be conducted in "Moroccan Arabic". All training materials shall be designed to be compatible with the participants' educational backgrounds.

Although to be finalized with the Grantee, it is expected that 3-5 day training programs be designed for each group. The following are suggested modules:

Module 1: The Basics of Fish handling

This module shall target small fishermen. The training shall focus on basic good handling practices of fish from the point of catch until it is sold at the wholesale market or delivered to vendors. The training shall include: the use of iceboxes, spoilage prevention, use of proper crates, etc. The training shall be translated into Arabic (local Moroccan accent), French and English.

Sub-Task 10.3 Delivery of Training

Once the training modules are prepared and accepted by the Grantee and the Ministry of Agriculture and Marine Fisheries, the Contractor shall deliver the training to the trainers as agreed with the Grantee. The TOT activity shall be supervised by the Grantee, Ministry of Agriculture and Marine Fisheries, MCC, and other governmental stakeholders. Feedback received on the training modules shall be used to finalize the training materials.

After conducting the TOT, the Contractor shall conduct the training of the identified fishermen' groups. It is vital that the trained trainers participate in this training activity as well, as a means of practicing their newly acquired skills.

The Contractor shall work with the Grantee, the Ministry of Agriculture and Marine Fisheries and MCC to develop a training program. The training program shall be performed by the trained trainers subject to the availability of funding from the local budget, MCC Compact, or other donor funded activities.

Deliverable: The Contractor shall prepare a report detailing the findings of the Training Needs Assessment, the trainee selection criteria, the developed training modules, and a report describing the training process (including a trainer guide) and all of the activities performed under this task.

Task 11: Host Country Development Impacts

The Contractor shall conduct a Host Country Development Impact Analysis. The Host Country Development Impacts analysis is intended to provide the Project's decision-makers and interested parties with a broader view of the Project's potential effects on the Host Country. The analysis shall focus on what Development Impact is likely if the Project is implemented according to the study recommendations. While specific focus shall be paid to the immediate impact of the Project, analysis shall include any additional developmental benefits that may result from the Project's implementation, including spin-off and demonstration effects. The factors to be considered will include but are not limited to the following:

Infrastructure - The Contractor shall analyze the impact that the infrastructure changes will have both on Morocco nationally and on the locations where the cold storage facilities are proposed.

Market- Oriented Reform - The Contractor shall provide a description of any regulation, laws, or institutional changes that are recommended and the effect they would have if implemented.

Human Capacity Building - The Contractor shall assess the number and type of local positions that would be needed to construct and operate the proposed cold chain facilities as well as the number of local people who would still need to receive training. The Contractor shall describe such additional training programs. The Contractor shall also include an assessment of the multiplier effect on job creation in the fisheries and other sectors.

Technology Transfer and Productivity Enhancement - The Contractor shall include a description of any advanced technologies that would be utilized and/or developed as a result of the Project. A description of any efficiency that would be gained (e.g. reduction of spoilage at each step of the chain) shall be included by the Contractor.

Other - The Contractor shall describe any other developmental impacts or benefits that would result from the Project, for example, follow-on or replication projects for other crops, safer workplace, increased good governance or improved financial revenue flows to the Host Country.

Task 12: Final Report

The Contractor shall prepare and deliver to the Grantee and USTDA a substantive and comprehensive final report of all work performed under these Terms of Reference ("Final Report"). The Final Report shall be organized according to the above tasks, including all training materials, and shall include all deliverables and documents that have been provided to the Grantee. The final report shall contain an executive summary. The Final Report shall be prepared in accordance with Clause I, of Annex II of the Grant Agreement. In addition to any other required deliverables in accordance with the Grant Agreement, the Contractor will provide the Grantee with 6 copies (each) of the final report on CD-ROM and in hard copy both in English and in French. The CD-ROM version of the final report will include:

- Adobe Acrobat readable copies of all documents;
- Source files for all drawings in AutoCAD or Visio format, if any; and
- All training materials developed under this program.

Notes:

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.**
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.**
- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that is developed under these Terms of Reference.**

Annex II

USTDA Mandatory Contract Clauses

A. USTDA Mandatory Clauses: Controlling

The parties to this contract acknowledge that this contract is funded in whole or in part by the U.S. Trade and Development Agency ("USTDA") under the Grant Agreement between the Government of the United States of America acting through USTDA and Office National des Pêches ("Client"), dated _____ ("Grant Agreement"). The Client has selected _____ ("Contractor") to perform the Technical Assistance ("Assistance") for the Cold Chain Storage for Fisheries Project ("Project") in Morocco ("Host Country"). Notwithstanding any other provisions of this contract, the following USTDA mandatory contract clauses shall govern. All subcontracts entered into by Contractor funded or partially funded with USTDA Grant funds shall include these USTDA mandatory contract clauses, except for clauses B(1), G, H, I, and J. In addition, in the event of any inconsistency between the Grant Agreement and any contract or subcontract thereunder, the Grant Agreement shall be controlling.

B. USTDA as Financier

(1) USTDA Approval of Contract

All contracts funded under the Grant Agreement, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing in order to be effective with respect to the expenditure of USTDA Grant funds. USTDA will not authorize the disbursement of USTDA Grant funds until the contract has been formally approved by USTDA or until the contract conforms to modifications required by USTDA during the contract review process.

(2) USTDA Not a Party to the Contract

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of this contract and amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of financing the Assistance and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar the Client or

USTDA from asserting any right they might have against the Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Client or USTDA.

C. Nationality, Source and Origin

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the Assistance and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to Assistance support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

D. Recordkeeping and Audit

The Contractor and subcontractors funded under the Grant Agreement shall maintain, in accordance with generally accepted accounting procedures, books, records, and other documents, sufficient to reflect properly all transactions under or in connection with the contract. These books, records, and other documents shall clearly identify and track the use and expenditure of USTDA funds, separately from other funding sources. Such books, records, and documents shall be maintained during the contract term and for a period of three (3) years after final disbursement by USTDA. The Contractor and subcontractors shall afford USTDA, or its authorized representatives, the opportunity at reasonable times for inspection and audit of such books, records, and other documentation.

E. U.S. Carriers

(1) Air

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

(2) Marine

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

F. Workman's Compensation Insurance

The Contractor shall provide adequate Workman's Compensation Insurance coverage for work performed under this Contract.

G. Reporting Requirements

The Contractor shall advise USTDA by letter as to the status of the Project on March 1st annually for a period of two (2) years after completion of the Assistance. In addition, if at any time the Contractor receives follow-on work from the Client, the Contractor shall so notify USTDA and designate the Contractor's contact point including name, telephone, and fax number. Since this information may be made publicly available by USTDA, any information which is confidential shall be designated as such by the Contractor and provided separately to USTDA. USTDA will maintain the confidentiality of such information in accordance with applicable law.

H. Disbursement Procedures

(1) USTDA Approval of Contract

Disbursement of Grant funds will be made only after USTDA approval of this contract. To make this review in a timely fashion, USTDA must receive from either the Client or the Contractor a photocopy of an English language version of a signed contract or a final negotiated draft version to the attention of the General Counsel's office at USTDA's address listed in Clause M below.

(2) Payment Schedule Requirements

A payment schedule for disbursement of Grant funds to the Contractor shall be included in this Contract. Such payment schedule must conform to the following USTDA requirements: (1) up to twenty percent (20%) of the total USTDA Grant amount may be used as a mobilization payment; (2) all other payments, with the exception of the final payment, shall be based upon contract performance milestones; and (3) the final payment may be no less than fifteen percent (15%) of the total USTDA Grant amount, payable upon receipt by USTDA of an approved Final Report in accordance with the specifications and quantities set forth in Clause I below. Invoicing procedures for all payments are described below.

(3) Contractor Invoice Requirements

USTDA will make all disbursements of USTDA Grant funds directly to the Contractor. The Contractor must provide USTDA with an ACH Vendor Enrollment Form (available from USTDA) with the first invoice. The Client shall request disbursement of funds by USTDA to the Contractor for performance of the contract by submitting the following to USTDA:

(a) Contractor's Invoice

The Contractor's invoice shall include reference to an item listed in the Contract payment schedule, the requested payment amount, and an appropriate certification by the Contractor, as follows:

(i) For a mobilization payment (if any):

"As a condition for this mobilization payment, the Contractor certifies that it will perform all work in accordance with the terms of its Contract with the Client. To the extent that the Contractor does not comply with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

(ii) For contract performance milestone payments:

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

(iii) For final payment:

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. Specifically, the Contractor has submitted the Final Report to the Client, as required by the Contract, and received the Client's approval of the Final Report. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

(b) Client's Approval of the Contractor's Invoice

(i) The invoice for a mobilization payment must be approved in writing by the Client.

(ii) For contract performance milestone payments, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and the terms and conditions of the USTDA Grant Agreement."

(iii) For final payment, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and terms and conditions of the USTDA Grant Agreement. The Final Report submitted by the Contractor has been reviewed and approved by the Client."

(c) USTDA Address for Disbursement Requests

Requests for disbursement shall be submitted by courier or mail to the attention of the Finance Department at USTDA's address listed in Clause M below.

(4) Termination

In the event that the Contract is terminated prior to completion, the Contractor will be eligible, subject to USTDA approval, for reasonable and documented costs which have been incurred in performing the Terms of Reference prior to termination, as well as reasonable wind down expenses. Reimbursement for such costs shall not exceed the total amount of undisbursed Grant funds. Likewise, in the event of such termination, USTDA is entitled to receive from the Contractor all USTDA Grant funds previously disbursed to the Contractor (including but not limited to mobilization payments) which exceed the reasonable and documented costs incurred in performing the Terms of Reference prior to termination.

I. USTDA Final Report

(1) Definition

"Final Report" shall mean the Final Report described in the attached Annex I Terms of Reference or, if no such "Final Report" is described therein, "Final Report" shall mean a substantive and comprehensive report of work performed in accordance with the attached Annex I Terms of Reference, including any documents delivered to the Client.

(2) Final Report Submission Requirements

The Contractor shall provide the following to USTDA:

(a) One (1) complete version of the Final Report for USTDA's records. This version shall have been approved by the Client in writing and must be in the English language. It is the responsibility of the Contractor to ensure that confidential information, if any, contained in this version be clearly marked. USTDA will maintain the confidentiality of such information in accordance with applicable law.

and

(b) One (1) copy of the Final Report suitable for public distribution ("Public Version"). The Public Version shall have been approved by the Client in writing and must be in the English language. As this version will be available for public distribution, it must not contain any confidential information. If the report in (a) above contains no confidential information, it may be used as the Public Version. In any event, the Public Version must be informative and contain sufficient Project detail to be useful to prospective equipment and service providers.

and

(c) Two (2) CD-ROMs, each containing a complete copy of the Public Version of the Final Report. The electronic files on the CD-ROMs shall be submitted in a commonly accessible read-only format. As these CD-ROMs will be available for public distribution, they must not contain any confidential information. It is the responsibility of the Contractor to ensure that no confidential information is contained on the CD-ROMs.

The Contractor shall also provide one (1) copy of the Public Version of the Final Report to the Foreign Commercial Service Officer or the Economic Section of the U.S. Embassy in Host Country for informational purposes.

(3) Final Report Presentation

All Final Reports submitted to USTDA must be paginated and include the following:

(a) The front cover of every Final Report shall contain the name of the Client, the name of the Contractor who prepared the report, a report title, USTDA's logo, USTDA's mailing and delivery addresses. If the complete version of the Final Report contains confidential information, the Contractor shall be responsible for labeling the front cover of that version of the Final Report with the term "Confidential Version." The Contractor shall be responsible for labeling the front cover of the Public Version of the Final Report with the term "Public Version." The front cover of every Final Report shall also contain the following disclaimer:

"This report was funded by the U.S. Trade and Development Agency (USTDA), an agency of the U. S. Government. The opinions, findings, conclusions or recommendations expressed in this document are those of the author(s) and do not necessarily represent the official position or policies of USTDA. USTDA makes no representation about, nor does it accept responsibility for, the accuracy or completeness of the information contained in this report."

(b) The inside front cover of every Final Report shall contain USTDA's logo, USTDA's mailing and delivery addresses, and USTDA's mission statement. Camera-ready copy of USTDA Final Report specifications will be available from USTDA upon request.

(c) The Contractor shall affix to the front of the CD-ROM a label identifying the Host Country, USTDA Activity Number, the name of the Client, the name of the Contractor who prepared the report, a report title, and the following language:

"The Contractor certifies that this CD-ROM contains the Public Version of the Final Report and that all contents are suitable for public distribution."

(d) The Contractor and any subcontractors that perform work pursuant to the Grant Agreement must be clearly identified in the Final Report. Business name, point of contact, address, telephone and fax numbers shall be included for Contractor and each subcontractor.

(e) The Final Report, while aiming at optimum specifications and characteristics for the Project, shall identify the availability of prospective U.S. sources of supply. Business name, point of contact, address, telephone and fax numbers shall be included for each commercial source.

(f) The Final Report shall be accompanied by a letter or other notation by the Client which states that the Client approves the Final Report. A certification by the Client to this effect provided on or with the invoice for final payment will meet this requirement.

J. Modifications

All changes, modifications, assignments or amendments to this contract, including the appendices, shall be made only by written agreement by the parties hereto, subject to written USTDA approval.

K. Assistance Schedule

(1) Assistance Completion Date

The completion date for the Assistance, which is January 7, 2011, is the date by which the parties estimate that the Assistance will have been completed.

(2) Time Limitation on Disbursement of USTDA Grant Funds

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this contract for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

L. Business Practices

The Contractor agrees not to pay, promise to pay, or authorize the payment of any money or anything of value, directly or indirectly, to any person (whether a governmental official or private individual) for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the Assistance. The Client agrees not to receive any such payment. The Contractor and the Client agree that each will require that any agent or representative hired to represent them in connection with the Assistance will comply with this paragraph and all laws which apply to activities and obligations of each party under this Contract, including but not limited to those laws and obligations dealing with improper payments as described above.

M. USTDA Address and Fiscal Data

Any communication with USTDA regarding this Contract shall be sent to the following address and include the fiscal data listed below:

U.S. Trade and Development Agency
1000 Wilson Boulevard, Suite 1600
Arlington, Virginia 22209-3901
USA

Phone: (703) 875-4357
Fax: (703) 875-4009

Fiscal Data:

Appropriation No.: 119/10 1001
Activity No.: 2009-21007A
Reservation No.: 2009210006
Grant No.: GH2009210001

N. Definitions:

All capitalized terms not otherwise defined herein shall have the meaning set forth in the Grant Agreement.

O. Taxes:

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Client nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

ANNEX 5

TERMS OF REFERENCE

Project Concept

The Cold Chain Storage for Fisheries Technical Assistance Project (Project) will identify the specific needs of cold storage infrastructure and facilities to reduce the losses in the fish catch and increase the added value in the fish chain in Morocco. Currently, there are no figures on the proportion of lost fish due to improper handling of fish throughout the whole chain. The Project will aim at boosting the development of cold chain throughout the fishery sector. The Project will identify the requirements for the development, construction and/or extension of cold storage facilities on the coastal fleet, in the main ports, at the wholesale markets, and on the cold trucking fleet used for transporting the fish throughout the whole marketing channel, such that the cold chain remains unbroken.

The Project will also include a training component targeting the owners of the coastal vessels and the owners of small boats. The training will be focused on the proper post-catch handling of fish and on maintaining the cold chain straight after the catch. The training is expected to support the current efforts of the Grantee to prompt the use of cold-well insulated boxes on both coastal vessels and small boats.

The outcome of this activity is two fold: 1) a comprehensive assessment of the needs of the fish cold chain structure in Morocco and encouraging cold chain development in Morocco; and 2) provision of high quality training intended to raise the fish value at the different points of the value chain.

The contractor is expected to implement this contract in two consecutive phases as follows:

- ***PHASE ONE:*** Conduct an assessment of the current status of cold chain and storage facilities used in the fisheries industry at coastal and small boats' levels. The assessment should focus on both the fish infrastructure that affect the value chain (hardware) and the training needs for players in the fish sector (software) who also play the critical role in providing the services for increasing the value chain of fish.
- ***PHASE TWO:*** Based on the above assessment of the training needs, the Contractor will design and implement in full collaboration with the grantee several training modules for the top training priorities needs identified in the area of fish value chain.

Both phases of the study are to focus on the costal and small fishing vessels. The larger corporations (deep sea fishing), and the industrial fishing sectors are excluded from this study since they are already well equipped and have adequate infrastructure and technical capacity.

The following presents the tasks to be undertaken by the Contractor:

Task 1: Project Start-Up and Kick-off

The Contractor shall travel to Morocco and meet with the Grantee in Casablanca to discuss the basis for the Project and the Project objectives. The Ministry of Agriculture and Marine Fisheries and the administration in charge of the fisheries sector, shall also be included in those discussions. The Contractor shall also meet with representatives of Marine Fisheries Chambers. The start up mission will also include contacts with the Millennium Challenge Corporation (MCC) staff in Rabat to develop a clear and comprehensive understanding of the MCC Compact activities in the areas related to fish production, marketing and processing. Since the fisheries sector will receive technical and financial support from the MCC-Morocco compact, the Contractor, in coordination with MCC-Morocco and the Grantee shall also review all relevant and available data and reports on fish production, export, marketing and processing.

In addition, the Contractor shall review previously accumulated studies and data by the Grantee, the Moroccan Ministry of Agriculture and Marine Fisheries, other relevant Ministries, the World Bank, the European Union, other donor funded Project reports and others relative to specific development of the value chain and marketing in the Moroccan marine fisheries sector. The Contractor shall collect additional information, as needed, and based upon this review, a database will be compiled by the Contractor.

Deliverable: The Contractor shall provide to the Grantee a database that includes all available information and literature gathered during Task 1 and a description of the Contractor's methodology for accomplishing the TOR shall be submitted to the Grantee as a deliverable.

Task 2: Development of Site Inventories

The Contractor shall, in coordination with the Grantee and MCC, identify all the locations in which there are concentrations of small scale fish production, marketing and processing. Again, this will exclude the industrial sector (i.e., frozen fish industry, canning industry). The Contractor shall identify the main characteristics of the main fishing ports, number of fishermen of different categories (mainly small boat owners, and coastal vessels owners).

The Contractor shall assess the information gathered and develop a detailed database (supplemented in graphic format database), which shows the main fishing coastal areas on the Atlantic Ocean and the Mediterranean coasts and their relevant characteristics, especially as it relates to volume and characteristics of catch. The detailed criteria for the categorization are to be coordinated and agreed upon with the Ministry of Agriculture and Marine fisheries and other relevant stakeholders including MCC. This shall entail site visits to major fishing areas and fish wholesale markets. For each of the identified fish production areas, the Contractor shall, as a minimum, gather information related to the following:

- Fish production trends by region and by main species;
- Any documented losses by region and by main species;
- Identify the marketing channels and the percentage proportion of marketed fish in every destination;

- Main destinations at the local and export markets by species and the prevailing modes of transport;
- The current conditions of the main wholesale markets, outlets ...etc.
- Serviceability of marketing centers (e.g., water, electricity, transportation, etc.)

Deliverable: The Contractor shall submit a report that details the site inventories for the major fishing areas and fish wholesale markets. Such inventory shall include all the information gathered during the task, and any graphical documents prepared in this regard (e.g., maps with various site locations and key characteristics)

Task 3: Demand and Marketing Analyses

The Contractor shall gather detailed information related to the local demand and consumption of the main fish species. This should be done on a geographic basis to identify the major demand centers throughout Morocco and to determine the quantities (and histories) of such demand, however, it should also identify the main seasons for such demand.

The Contractor shall also gather the information needed to develop a detailed description of the marketing chain. As a minimum this will include

- Who are the major players in the marketing chain of fish intended for local consumption;
- Classification of major fish businesses in terms of ownership: family business, private commercial, cooperative, public producers, etc. excluding those entities in the export sector and for the frozen fish sector;
- Commission buyers (agents) who usually buy the produce intended for fresh local consumption on the behalf of entities further down the marketing chain;
- Vendors; and
- Retailers.

Deliverable: The Contractor shall submit a report on the findings of the fish marketing analysis task, and a detailed description on the marketing chain for Fish in Morocco.

Task 4: Assessment of the Current Status of Fish Cold Facilities

The Contractor shall assess the fish cold chain infrastructure currently in operation through the different stages of the marketing and value chain starting with the different types of fishermen and ending at the consumer level. The assessment shall include, but not be limited to, gathering information relevant to the costs associated with the various chain components

including the catch phase, packing/grading, transportation, and sale. In addition, the Contractor shall gather data and information regarding the value of the fish sold and organize it as per the inventories and databases developed in the previous tasks in order to have complete information for the various identified small scale fishing areas including the catch values obtained by the fishermen in these small scale fishing areas.

Using the findings of previous Tasks, the Contractor shall assess and determine the optimal locations for cold storage facilities to help store the caught fish from the main fishing ports, in order to serve the key demand areas. The Contractor shall also identify the main corridors where an improved cold transport fleet is needed to ensure the proper transport of such perishable product. The assessment should cover both cold storage facilities at the different points, and the cold trucking needed for transporting fish from main ports scattered over the coastal areas of Morocco to the main marketing points intended for local use.

Deliverable: The Contractor shall prepare a report detailing the current status of the cold chain and cold storage facilities related to the fishing and fish marketing sector. This report shall provide details on the existing infrastructure and equipment, and the conditions for the various studied infrastructure components for cold chain and cold storage related to fish.

Task 5: Demand Forecast

Based on discussions with the MCC regarding their developmental activities related to fish production in Morocco and discussions with the Grantee and the Ministry of Agriculture and Marine Fisheries on its ongoing programs and other donor funded activities to develop the sector, the Contractor shall conduct a demand and production forecasting analysis. The Contractor shall Project the current demand and production statistics into a future year to be agreed upon with the Ministry of Agriculture and Marine Fisheries and the Grantee. It is recommended, however, that demand be projected for the next 20 years. The Contractor shall project demand under a number of scenarios (e.g., pessimistic, neutral, and optimistic). This will allow for the conduct of sensitivity analysis once the financial feasibility tasks are commenced.

Deliverable: The Contractor shall submit a report detailing the methodology used in the forecasting, and the Future Demand Forecasting Model including all the assumptions made to arrive at such demand forecasts.

Task 6: Facility and Equipment Requirements

Based on the identification of the key locations where cold storage facilities are needed (Task 4), and the demand/production forecasting of Task 5, the Contractor shall develop a proposal for an optimal network of cold storage facilities. This shall include the definition of the locations of such facilities, and the needed capacities of such facilities to accommodate the projected production/demand. Although the proposed network should be developed for the long-term for the entire country, it should be phased on a number of priority stages to be

agreed upon with the Grantee. The Contractor shall develop an implementation plan for the various recommended cold storage facilities in the network.

The storage capacities shall also be determined to accommodate the needed storage duration(s), which is dependent on the marketing chain. The critical component will be the proper storage of the fish during the period between the catch until it is delivered at the end of the chain for local consumption. The Contractor shall take all these issues into consideration when determining the facility and equipment requirements. In addition, the Contractor shall take into account the food safety specifications as per the Ministry of Health and Ministry of Agriculture and Marine Fisheries requirements.

The Contractor shall work in close collaboration with Grantee, and shall consult with the key stakeholders that are most likely to use the proposed facilities. This shall include fishermen and wholesale buyers associations, cooperatives, and any other relevant groups.

The Contractor shall determine the required refrigeration and cooling technologies and their technical specifications for the various site inventories identified in Task 2. This shall be done in close collaboration between the fish specialist, the fish marketing specialist, and the refrigeration specialists of the Contractor's team. In addition to cold storage equipment needs, the Contractor shall also determine additional equipment needs such as:

- Grading/packing equipment
- Packaging equipment
- Pre-coolers
- Fork lifts
- Trucks
- Computer and IT control systems
- Other equipment deemed necessary

This task shall also focus on the cold transport system of fish from points of catch until the final point of consumption. The assessment shall consider the requirements to maintain an unbroken cold chain. Since investment in cold trucks is needed to haul fish through the different nodes of the system to maintain the unbroken cold chain, the Contractor shall assess the current cold trucks fleet in the country, especially the long haul transport which on certain occasions exceeds distances of 2000 km. The Contractor shall estimate the volume of fish hauled mainly for local consumption. Consequently, the Contractor shall provide an estimate of the number and the cost of cold trucks of the different types needed to haul the fish product across the different marketing channels in the country.

For the identified equipment, the Contractor shall develop a list of priority capital expenditures that need to be undertaken to meet international standards. In addition, the Contractor shall recommend any other elements not considered in the above list that they believe are necessary for or would enhance Cold Chain operations.

Deliverable: The Contractor shall prepare a report detailing the cold chain and cold storage needs for the identified fisheries. This report shall complement the report from the previous tasks and provide details on the equipment requirements based on the needs assessment performed in the previous tasks.

Task 7: Institutional Arrangements

As part of the assessment, the Contractor shall identify the various institutional arrangements for the implementation and management of cold storage facilities in Morocco. The Contractor shall explore and study the various options such as governmental ownership, Private investment, Public Private Partnerships, and others. In addition, the Contractor shall contact parties at both local level or at the international level, to determine their interest in Cold Chain development in Morocco. Such parties shall include, but not be limited to:

- The International Fund for Agricultural Development (IFAD);
- The World Bank (WB);
- The International Financing Cooperation (IFC);
- United Nations Food and Agricultural Organization (FAO);
- The European Union (EU); and
- Other institutions providing soft credit for development projects.

Deliverable: The Contractor shall prepare a detailed report on the institutional assessment and a report detailing the recommendations in terms of the proposed management/ownership structure.

Task 8: Financial and Technical Analysis

The Consultant shall conduct a financial and technical analysis of the entire Project. The analysis shall include full costs of equipment, construction (if needed), costs of operations, and revenues from the storage use fees, reduction in losses, and improved fish values. The Contractor shall include a recommended equipment list of potential US export technologies and information on potential US suppliers.

The Contractor shall conduct the following tasks:

- i. Define all technical characteristics for the proposed storage facilities' layout including operations and equipment and maintainability of the Project.
- ii. Review and update all implementation and operating costs and benefits of the Project. Estimate the economic internal rate of return (EIRR) on the basis of non-

incremental and incremental economic benefits and economic costs (including economic capital, operation, and maintenance costs) in constant economic prices.

- iii. Develop realistic and competitive fees for use of the Cold Chain structure and assess the adequacy of such charges to ensure sustained financial viability of the investment (covering operation and maintenance costs, depreciation, debt service in excess of depreciation, taxes, and reasonable profit).
- iv. Quantify losses of the existing conditions (in terms of fish losses due to improper handling of this delicate product) into their monetary value, and quantify benefits gained by enabling fishermen to store and transport their catch to demand areas in high quality.
- v. Assess and prepare financial projections for the Project over 20 years of operation including a balance sheet, income statement, and cash flow statement in nominal terms covering a period of 20 years. Assumptions made in the financial statements shall be explained in detail. Financial projections shall take into consideration the likely effects of inflation and the potential for exchange rate fluctuations.
- vi. Carry out a financial evaluation for the Project over the construction and operation period by calculating the Financial Internal Rate of Return (FIRR) and compare it with weighted average cost of capital (WACC). The FIRR and WACC shall be computed using constant 2009 prices. The cost estimates and financial projections in nominal terms shall be converted to real terms by removing the projected effects of foreign and domestic inflation and currency fluctuations. Incremental costs and benefits shall be derived from evaluating the financial position under a with-Project and without-Project scenario.
- vii. Identify risk factors (e.g., the demand/production forecasting scenarios) and test the sensitivity of the Project to them, and propose mitigating measures. Undertake sensitivity analysis by varying charges, costs, implementation delay, and combinations of these factors. Switching values for these factors, excluding implementation delay, shall also be calculated. Review the sensitivity of the financial viability of the Project to future exchange rate movements.
- viii. Undertake a financial management requirements assessment of the operating entity (as identified in Task 7 which shall include (a) corporate planning and budgetary control, (b) financial and management accounting, and (c) internal control and audit system. The purpose of the financial management requirements assessment is to determine what capacity building at the system's operating entity should be considered.
- ix. The Contractor shall develop a best estimate of potential goods and services to be procured for Project implementation. This estimate shall be supported by a breakdown by category and dollar value of goods and services likely to be imported for the Project and an illustrative list of potential U.S. suppliers for those goods and services.

- x. The Consultant shall identify likely sources of financing. The Contractor shall take special care to fully discuss each option with representatives of the World Bank, Islamic Development Bank, USAID, the Export-Import Bank of the United States, the Overseas Private Investment Corporation, and other international financial institutions that have already made significant investments of time, effort and capital in the Moroccan fishing sector.

Deliverable: The Contractor shall deliver a detailed financial model including assumptions, input, and results of the financial modeling with all the financial indicators.

Task 9: Preliminary Environmental and Social Analysis

The Contractor shall conduct a preliminary environmental analysis, keying on potential impacts of the Project on (a) ecological resources, (b) cultural heritage sites and relics, (c) soil erosion, (d) noise and air quality, (e) potential accidents and spills of chemicals, and (f) local community disturbances from construction activities. The Contractor shall outline appropriate mitigation measures, management procedures and monitoring programs, if any.

The Contractor shall also conduct a preliminary social impact assessment of the Project. Although the utilization of the proposed cold storage facilities may entail certain expenditures to be incurred by the fishermen, it is anticipated that the gains resulting from improving the values of the catch will improve their revenues. Such issues shall be taken into consideration, and shall feed into the fees/tariffs to be developed in the financial analysis task.

The findings of the preliminary environmental and social analysis shall be described in a report by the Contractor. Environmental and social issues that may require further analysis and/or mitigation shall be identified by the Contractor.

Deliverable: The Contractor shall prepare a report providing the findings and recommendations of the work performed in this Task 9.

Task 10: Training and Capacity Building

The training shall be based on the above assessment of the cold storage needs and training needs. In line with the identified training and capacity needs in the first phase, the Contractor shall design and implement in full collaboration with the Grantee several training modules for the top training priorities needs identified in the area of fish value chain. The fish safety training courses shall be conducted by the Contractor in full collaboration with the Grantee and shall aim to provide the necessary opportunities for Moroccan fishermen and fish handlers to understand, conserve, develop, manage and utilize the fish wealth in the country in a rapidly changing world.

There is a shortage of post-catch handling technical expertise at all levels and the Contractor shall develop education, training and research to help meet this shortage.

Sub-Task 10.1 Developing Selection Criteria and Selection of Participants

In coordination with the Grantee, Ministry of Agriculture and Marine Fisheries, MCC, and other relevant stakeholders, the Contractor shall develop the main criteria for trainees' selection for the training modules.

Due to the variation in the types of potential trainees (large, medium and small types of fishermen, retailers, vendors, etc) in the fish value chain, the selection criteria shall be based on the results of training needs assessment of each category. The general guidelines for selecting prospective trainees are:

- Registered owner or an operator of a fishing boat or vessel;
- Owner of a vending vehicle or motorcycle
- Member of a cooperative
- Owner or a worker at a retail store or restaurant dealing with fresh fish

The Contractor shall conduct site visits to fishing ports, wholesale markets and selected retail outlets in order to develop a better feel for the capacity and the background of the potential trainees. Based on such site visits, and using information to be furnished by the Grantee and the Ministry of Agriculture and Marine Fisheries, the Contractor shall coordinate with the Grantee to select different groups of trainees for the five identified modules. It is anticipated that 30-35 participants should be identified to participate in the training program. The Contractor shall also identify a small group of fishermen to act at a later stage as trainers for other fishermen in other ports of the country (training of trainers; TOT).

Sub-Task 10.2 Development of Training Modules

As indicated above, based on the assessment of the whole fish cold chain made in previous tasks and the identified training needs assessments, the Contractor shall develop five training modules. All modules shall be prepared in English and French. All training materials shall be translated into Arabic and the training shall be conducted in "Moroccan Arabic". All training materials shall be designed to be compatible with the participants' educational backgrounds.

Although to be finalized with the Grantee, it is expected that 3-5 day training programs be designed for each group. The following are suggested modules:

Module 1: The Basics of Fish handling

This module shall target small fishermen. The training shall focus on basic good handling practices of fish from the point of catch until it is sold at the wholesale market or delivered to vendors. The training shall include: the use of iceboxes,

spoilage prevention, use of proper crates, etc. The training shall be translated into Arabic (local Moroccan accent), French and English.

Module 2: The Postharvest Fisheries

This model shall target the coastal vessels operators. This module shall provide a general introduction to fish sector in Morocco. It may cover topics such as fish and seafood types and their spoilage, handling, and preservation (both traditional and modern). Issues such as fish-borne diseases, quality control, value adding, product development and government policies shall also be examined.

Module 3: The Basics of Fish value chain and fish science

This model shall target other stakeholders in the fish industry such as the staff of the Grantee, cold storage firms, NGOs, Ministry of Agriculture and Marine Fisheries (Department of Fisheries), and other supportive services. This module may cover topics related to scientific and technological perspective. Participants shall undertake practical training in fish handling technology and the Contractor shall develop a quality assurance manual for particular types of fish. Covered topics may include, but shall not be limited to the following:

- Value adding workshops for fresh fish
- Community fisheries training
- Hazard Analysis and Critical Control Point (HACCP workshops). The Contractor shall offer this training at three levels: national, sub-regional and regional. The training shall cover topics such as fish spoilage, hygiene and handling, quality control, seafood safety (histamine studies).

Module 4: The economic engineering of the Fish Business

The Contractor shall prepare training on the economic engineering of a fish business. This shall include a low level of applied science and technology. One of the major units of this course will be economic engineering, which will look at developing fisheries project proposals that are economically viable using the economic engineering paradigm.

Module 5: Fish retailer awareness training

The Contractor shall prepare several “one-day” training sessions on the proper handling of fish at the retail store level. This module shall focus on providing basic skills needed to maintain the quality and the hygiene of fish supplied by venders or intermediaries. The targeted group of this training shall include: fish retailers, supermarket owners, restaurants serving fish, etc. The training content shall focus on maintaining the cold chain, fish presentation at the store and proper ways for storing fish at the retail outlet.

Sub-Task 10.3 Delivery of Training

Once the training modules are prepared and accepted by the Grantee and the Ministry of Agriculture and Marine Fisheries, the Contractor shall deliver the training to the trainers as agreed with the Grantee. The TOT activity shall be supervised by the Grantee, Ministry of Agriculture and Marine Fisheries, MCC, and other governmental stakeholders. Feedback received on the training modules shall be used to finalize the training materials.

After conducting the TOT, the Contractor shall conduct the training of the identified fishermen' groups. It is vital that the trained trainers participate in this training activity as well, as a means of practicing their newly acquired skills.

The Contractor shall work with the Grantee, the Ministry of Agriculture and Marine Fisheries and MCC to develop a training program. The training program shall be performed by the trained trainers subject to the availability of funding from the local budget, MCC Compact, or other donor funded activities.

Deliverable: The Contractor shall prepare a report detailing the findings of the Training Needs Assessment, the trainee selection criteria, the developed training modules, and a report describing the training process (including a trainer guide) and all of the activities performed under this task.

Task 11: Host Country Development Impacts

The Contractor shall conduct a Host Country Development Impact Analysis. The Host Country Development Impacts analysis is intended to provide the Project's decision-makers and interested parties with a broader view of the Project's potential effects on the Host Country. The analysis shall focus on what Development Impact is likely if the Project is implemented according to the study recommendations. While specific focus shall be paid to the immediate impact of the Project, analysis shall include any additional developmental benefits that may result from the Project's implementation, including spin-off and demonstration effects. The factors to be considered will include but are not limited to the following:

Infrastructure - The Contractor shall analyze the impact that the infrastructure changes will have both on Morocco nationally and on the locations where the cold storage facilities are proposed.

Market- Oriented Reform - The Contractor shall provide a description of any regulation, laws, or institutional changes that are recommended and the effect they would have if implemented.

Human Capacity Building - The Contractor shall assess the number and type of local positions that would be needed to construct and operate the proposed cold chain facilities as well as the number of local people who would still need to receive

training. The Contractor shall describe such additional training programs. The Contractor shall also include an assessment of the multiplier effect on job creation in the fisheries and other sectors.

Technology Transfer and Productivity Enhancement - The Contractor shall include a description of any advanced technologies that would be utilized and/or developed as a result of the Project. A description of any efficiency that would be gained (e.g. reduction of spoilage at each step of the chain) shall be included by the Contractor.

Other - The Contractor shall describe any other developmental impacts or benefits that would result from the Project, for example, follow-on or replication projects for other crops, safer workplace, increased good governance or improved financial revenue flows to the Host Country.

Task 12: Final Report

The Contractor shall prepare and deliver to the Grantee and USTDA a substantive and comprehensive final report of all work performed under these Terms of Reference ("Final Report"). The Final Report shall be organized according to the above tasks, including all training materials, and shall include all deliverables and documents that have been provided to the Grantee. The final report shall contain an executive summary. The Final Report shall be prepared in accordance with Clause I, of Annex II of the Grant Agreement. In addition to any other required deliverables in accordance with the Grant Agreement, the Contractor will provide the Grantee with 6 copies (each) of the final report on CD-ROM and in hard copy both in English and in French. The CD-ROM version of the final report will include:

- Adobe Acrobat readable copies of all documents;
- Source files for all drawings in AutoCAD or Visio format, if any; and
- All training materials developed under this program.

Notes:

- (1) **The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.**
- (2) **The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.**
- (3) **The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that is developed under these Terms of Reference.**

ANNEX 6

COMPANY INFORMATION

A. Company Profile

Provide the information listed below relative to the Offeror's firm. If the Offeror is proposing to subcontract some of the proposed work to another firm(s), the information below must be provided for each subcontractor.

1. Name of firm and business address (street address only), including telephone and fax numbers:
2. Year established (include predecessor companies and year(s) established, if appropriate).
3. Type of ownership (e.g. public, private or closely held).
4. If private or closely held company, provide list of shareholders and the percentage of their ownership.
5. List of directors and principal officers (President, Chief Executive Officer, Vice-President(s), Secretary and Treasurer; provide full names including first, middle and last). Please place an asterisk (*) next to the names of those principal officers who will be involved in the Feasibility Study.
6. If Offeror is a subsidiary, indicate if Offeror is a wholly-owned or partially-owned subsidiary. Provide the information requested in items 1 through 5 above for the Offeror's parent(s).
7. Project Manager's name, address, telephone number, e-mail address and fax number .

B. Offeror's Authorized Negotiator

Provide name, title, address, telephone number, e-mail address and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

C. Negotiation Prerequisites

1. Discuss any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Feasibility Study as proposed and reflect such impact within the project schedule.

2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

D. Offeror's Representations

Please provide exceptions and/or explanations in the event that any of the following representations cannot be made:

1. Offeror is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of _____. The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Feasibility Study. The Offeror is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued by the State of _____.
2. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
3. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
5. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee.

Signed: _____

Print Name: _____

Title: _____

Date: _____