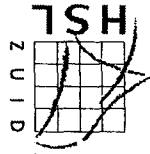


Prequalification document

Infraprovider HSL February 1999



THE STATE OF THE NETHERLANDS
(THE MINISTRY OF TRANSPORT, PUBLIC WORKS AND WATER MANAGEMENT)

PROVISION OF THE

HSL

INFRASTRUCTURE

PART I

INFORMATION AND PREQUALIFICATION REQUIREMENTS
FOR PROSPECTIVE TENDERERS

February 1999

Prequalification document

IMPORTANT NOTICE

1. This Prequalification Document is issued by The State of the Netherlands (The Ministry of Transport, Public Works and Water Management) (the "State") on the terms set out below for the exclusive use of the persons to whom it is addressed.
2. Whilst this Prequalification Document has been prepared with due care, the information contained in it is indicative only. It is given in good faith for the guidance of Respondents. No representation, warranty or undertaking, express or implied, is or will be made, and no responsibility or liability is or will be accepted by the State as to, or in relation to, the accuracy or completeness of this Prequalification Document, any suggestion made by it or any other written or oral information made available to any interested party or its advisers and any such responsibility or liability is hereby expressly disclaimed.
3. All references to sums of money, distances, contract interfaces and any other figures contained in this Prequalification Document are to be treated as approximate. All information on future Governmental policy is to be treated as preliminary only and may be subject to alteration.
4. Neither the receipt of this Prequalification Document by any person nor any information contained in it or supplied with it or subsequently communicated to any person constitutes or is to be taken as constituting the giving of investment advice by the State, to any such person.
5. The State reserves the right not to proceed with any tender and may terminate the process at any time.
6. Respondents are requested not to seek publicity with regard to their involvement in this prequalification process.
7. This Prequalification Document shall be governed by Dutch law to the exclusion of any other national law.

FOREWORD

The High-Speed Line South (HSL) Project represents a new approach to the development of major infrastructure projects in the Netherlands. Simultaneously, it implements several new and important policies of the Dutch Government. The new approach provides value for money and an appreciation of life cycle costing. The important policies seek to promote a modal shift from planes and cars to trains. Additionally, the ultimate consumer – the passenger – benefits through an alternative and convenient mode of transport. The Dutch Government enthusiastically endorses and is committed to the realisation of this approach and these policies through the proposed structure for the HSL-IP Project.

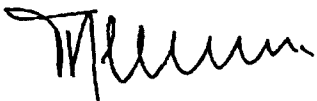
The following document invites the private sector to consider tendering for the HSL-IP Project in which a service will be provided in return for a performance-based fee. The Government sees benefit to both private and public sectors through this innovative approach.

Since this is only the first of what may become a number of PPPs in the Netherlands, we will be encouraging the private sector to respond with innovative, technically sound, economically advantageous proposals. The thought processes and experiences gained through this approach should be mutually beneficial.

The HSL-IP Project is vital to the Netherlands and to the economic wellbeing of Europe as a whole. In that light, we very much look forward to receiving your submission, which will be evaluated carefully to ensure that we create the optimum railway infrastructure for the new millennium.

Sincerely,

The Minister of Transport, Public Works and Water Management, T. Netelenbos



The Minister of Finance, G. Zalm



GLOSSARY

Authorised Representative	A person who is nominated and is duly authorised by a Respondent, Shareholder and/or Member, to act as the Respondent's point of contact with the State for all matters in relation to this Prequalification Document
Base Tender	A Tender which is in compliance with the base requirements of the ITT
BB 21	A long term project (1997 – 2015) undertaken by NS-RIB, so authorised by the State, aimed at improving the usage of Dutch railways in general, focused on: <ul style="list-style-type: none">• Signalling (BEV 21);• Traffic Management (VPT +);• Communication (GSM-R); and• Energy (upgrade from 1500v to 25 kv)
BEV 21	Pilot project, part of BB 21, at this moment still in the planning stage
CCC	Command, Control and Communications
Civils Works	The civil engineering works and other associated works up to and including the Sub-slab which are to be undertaken in connection with the HSL-IP Project
Commission	European Commission
EIB	The European Investment Bank
EIF	The European Investment Fund
ERTMS	European Railway Traffic Management System
ETCS	European Train Control System
EU	European Union
€	The Euro
Financial Close	The time at which funds become unconditionally available under the financing documents associated with the Implementation Agreement
Government	The Government of the State of the Netherlands
GSM-R	Part of BB 21, at this moment still in the planning stage
HSL	Dutch High Speed Line (South)
HSL Infrastructure	The Systems and the Civils Works
HSL-IP Project	The provision of the HSL Infrastructure as subject to the Implementation Agreement

HSL Project	The overall HSL transportation system encompassing, inter alia, the realisation of the Dutch element of the TENs high speed train network, including the infrastructure, transport operations, ancillary activities and the associated socio-economic benefits, as more fully described in Section 2.
Implementation Agreement	The contract to be entered into by the State and the Infrastructure Provider which will set out the terms and conditions for the design, construction, maintenance and financing of the Systems and the provision of the HSL Infrastructure
Infrastructure Manager	The manager of rail infrastructure as contemplated, inter alia, by Directive 91/440 and Article 28 paragraph 3 of the Railway Act
Infrastructure Provider	The private sector party selected by the State to be responsible for the provision of the HSL Infrastructure under the Implementation Agreement
ITC	Invitation to Consult
ITN	Invitation to Negotiate
ITT	Invitation to Tender
Member	An entity nominated by the Respondent to perform a Specified Function
Member State	A country which is a member of the EU
Minister	The Minister of Transport, Public Works and Water Management of the State of the Netherlands
Ministry	The Ministry of Transport, Public Works and Water Management of the State of the Netherlands
NLG	Dutch Guilders
NS	N. V. Nederlandse Spoorwegen, the national rail operating holding company in the Netherlands (more fully described in Appendix I (f))
NS-Groep	NS-Groep is the holding company for all the NS business units with commercial activities (more fully described in Appendix I (f))
NSR	NS Reizigers, the passenger rail subsidiary of NS-Groep (more fully described in Appendix I (f))
NS-RIB	NS-Railinfrabeheer, a subsidiary of NS (more fully described in Appendix I (f))
NS Stations	NS Stations is a subsidiary of NS-Groep (more fully described in Appendix I (f))

NSVL	NS Verkeersleiding, a subsidiary of NS (more fully described in Appendix I (f))
OJEC	Official Journal of the European Communities
Partner	A Member and/or Shareholder of a Respondent
Performance Fee	The payment described more fully in Section 3.3
PPP	Public Private Partnership
Preferred Tenderer	The Tenderer, identified by the State in the negotiation phase (see Section 6.3.3), and who may be granted a period of exclusivity in which to proceed to Financial Close
Prequalification Document	This document issued by the State providing further information for prequalification of Respondents for the HSL-IP Project.
Questionnaire	The Request for Prequalification set out in Appendix III of this Prequalification Document
Railned	Railned is a subsidiary of NS (more fully described in Appendix I (f))
Respondent	An entity which submits a Request for Prequalification. It may consist of a single entity or a group of Partners
Request for Prequalification	A completed Questionnaire and accompanying material
RIT	NS-Railinfratrust, a subsidiary of NS (more fully described in Appendix I (f))
Shareholder	An entity intending to participate in the equity capital of the entity/entities that have been, or will be, set up prior to Financial Close to take on the position of the Respondent.
Schiphol	Amsterdam Airport Schiphol
Slab track	A system of railway track where the rails on which the rolling stock runs are directly fastened onto a continuous slab of concrete. Note: this differs from traditional railway track where the rail is supported on sleepers equally spaced resting on stone ballast
Specified Functions	Certain functions set out in Section 8.8 for which the Respondent is required to identify the company who will be responsible
State	The State of the Netherlands
Sub-slab	The slab of concrete on top of which the Slab track is constructed. The Sub-slab will be designed and built to minimal settlement
Systems	All infrastructure necessary for operation of the HSL Infrastructure which is built on top of the Sub-slab. Main elements include, inter alia, track, CCC, power systems, noise screens etc.

Task Organisation	See Part II, Appendix I (f)
Tenderer	A Respondent who receives the ITC
Term	Intended to be 30 years from Financial Close (comprising approximately 5 years construction and 25 years revenue service)
Thalys	The current high-speed train service of NS (HST-VEM), DB, SNCF and SNCB between Brussels and Paris, with extensions on conventional track to Amsterdam and Cologne
TOC	Train Operating Company
UAR	Uniform Aanbestedings-Reglement (UAR-EG 1991)
VPT +	Part of BB 21, at this moment still in the planning stage

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1. INTRODUCTION

- 1.1 On 15 January 1999 the Cabinet announced the Dutch Government's intention to launch a competition to select a private sector partner (the "Infrastructure Provider") to take forward the provision of the infrastructure for the HSL Project. The Prime Minister said:

"We are committed to developing this vital new rail link, which will ensure that the Netherlands is fully part of the European high speed rail network as it progresses in the next decade. We welcome the involvement of the private sector in this project and look to it to provide an innovative approach to the provision of the new line."

- 1.2 The prime objective of the HSL-IP Project is to commit the Infrastructure Provider to the proper performance of the railway track and associated systems required for high speed train services throughout the intended Term of the Implementation Agreement. The exact method and timing of the State's financial contribution will be addressed during the tender process. This Prequalification Document reflects the intention of the State that its financial contribution will be by way of an incentivised payment related to, among other things the level of financing to be provided.

The Infrastructure Provider will be responsible for the design, construction, financing, integration and commissioning of the Systems comprising the services and equipment (including, inter alia, track, CCC, power systems, noise screens etc.) above the Sub-slab. The Infrastructure Provider will also maintain and periodically renew the Systems and the Civils Works (collectively the "HSL Infrastructure") required for rail services to operate.

The Civils Works are currently being procured by the State. Following practical completion the Infrastructure Provider will take on responsibilities for the Civils Works.

The rights and obligations of the Infrastructure Provider will be set out in a contract (the "Implementation Agreement") to be entered into between the State and the Infrastructure Provider selected.

- 1.3 A notice has been despatched to the Official Journal of the European Communities ("OJEC"), inviting requests from Respondents to be selected to tender with a view to entering into the Implementation Agreement.
- 1.4 The purpose of this Prequalification Document is to seek submissions from Respondents for the role of Infrastructure Provider. This document provides Respondents with further information on the HSL-IP Project and its context within the wider HSL Project. The tender procedure for the appointment of the Infrastructure Provider is also set out, together with the process Respondents are required to follow in order to prequalify.
- 1.5 Each Respondent is required to submit its Request for Prequalification, in English, to be received by **12.00 hours local time on Thursday 1st April 1999**. Details of the submission procedure are set out in Section 8.

No submissions will be accepted after this time.

- 1.6 The Implementation Agreement, if awarded, will be awarded under a negotiated procedure in accordance with Directive 93/37 and the UAR. Dependent on the number of suitable Respondents, the State intends to invite four Respondents (the "Tenderers") to tender for the appointment of Infrastructure Provider.
- 1.7 It is intended that the ITC documents will be issued to Tenderers in early May 1999. Initial proposals will form the basis for a period of consultations with each of the Tenderers, following which an ITT will be issued. At this stage Tenderers will be required to submit fully priced tenders. The State will evaluate the tenders received and one or more Tenderers will be invited to negotiate, with the objective of identifying a Preferred Tenderer by Spring 2000 and achieving Financial Close by mid 2000.
- 1.8 A conference for those considering whether to seek prequalification is to be held on 22 February 1999 at Schiphol Airport. Tickets for the conference may be obtained by returning the form at Appendix II to the address indicated. Attendees will be responsible for their costs of attending this Conference. The State reserves the right to limit the number of attendees.
- 1.9 If a prospective Respondent wishes to clarify issues raised in the Prequalification Document it is invited to send a written request in accordance with the arrangements set out in Section 8. **The latest time by which such requests must be received is 17.00 hours local time on 17th March 1999.**
- 1.10 Respondents must bear all costs associated with preparation and submission of their Request for Prequalification. As more fully explained in Section 6.3.2 the State may reimburse a proportion of costs incurred by Tenderers, in relation to the preparation of tenders, following their prequalification.
- 1.11 The Request for Prequalification should comply strictly with the Questionnaire format set out in Appendix III. All components of this Questionnaire should be completed in full and supporting documentation included, where required.
- 1.12 The State's advisers for the competition are:
- Financial: Greenwich NatWest
 - Tendering: Booz, Allen & Hamilton
 - Technical: DHV, Holland Railconsult, NS-RIB and Railed
 - Legal: Cameron McKenna and Pels Rijcken & Droogleever Fortuijn
 - Business Development: The LEK Partnership Limited

These advisers will not participate with any Respondent in the prequalification or tender process.

- 1.13 The remainder of this Prequalification Document starts with a description of the wider HSL Project (Section 2). This describes the context of this tender, the provision of the HSL Infrastructure, which is discussed in Section 3. Section 4 describes the principal interfaces which are relevant to the Infrastructure Provider. The division of responsibility for financing of the Civils Works and Systems is outlined in Section 5, together with the potential for EU support. The

final three sections of Part I of the Prequalification Document concern procedural matters relating to the overall tender process (Section 6), the assessment criteria to be applied for the prequalification (Section 7) and the requirements for completion of the Request for Prequalification (Section 8). The appendices are all contained in Part II. Appendix I provides further information to supplement potential Respondents' understanding of the HSL Project. The Invitation to the Prequalification Conference and the Request for Prequalification Questionnaire are to be found in Appendix II and III respectively.

2. THE HSL PROJECT

2.1 Key Objectives of the State

High quality, fast rail connections to other European countries are considered vital for the economic well being and sustained development of the Netherlands. The development of the HSL Project is of strategic importance to the Netherlands, not only because it links the country with the rest of the EU, but also as an incentive for the development of major inter-modal hubs at the connecting cities along the rail corridor.

Key objectives identified by the State for the HSL Project are to:

- create international and domestic high speed train services which contribute to the substitution of car and air traffic by train traffic and will accommodate increasing requirements for mobility; and
- maximise the socio-economic benefits to be obtained from the exploitation of all activities associated with the HSL Project as a whole.

The State's objective is that the involvement of the private sector in the HSL Project should be to the extent that it is economically advantageous. The role of the Infrastructure Provider has been identified as a key role for this private sector involvement, as the private sector will extract maximum efficiency through harnessing the benefits of best private sector disciplines and innovation.

2.2 Scope

The HSL Project will link Amsterdam, Schiphol and Rotterdam to Antwerp, and onwards to other high-speed centres, including Brussels, Paris and London. At the Dutch/Belgian border it will connect with the proposed Belgian high-speed line to Antwerp. There will also be a junction at Breda to enable joint use of the HSL Infrastructure for high speed trains to Breda, connecting with conventional services to the southern part of the Netherlands. The Hague can be serviced via existing track from Rotterdam. A map of the HSL route is detailed in Appendix I (b).

The HSL is only in part a freestanding new line. For access and/or passage through Amsterdam, Rotterdam, The Hague and Breda, high-speed trains will use existing conventional tracks.

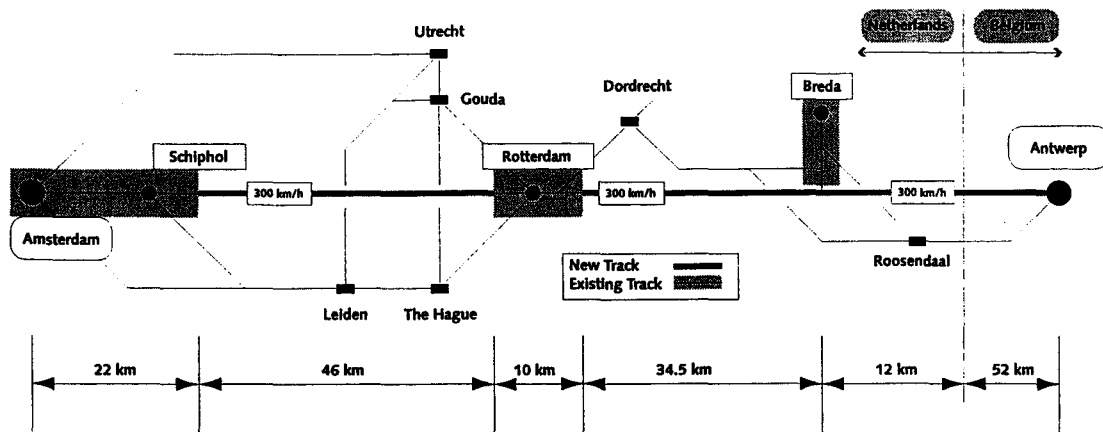


Figure 1: Main HSL Route and Stations

Several service patterns will be accommodated by the HSL Project:

- High speed international services between Amsterdam and Antwerp and beyond, via Rotterdam;
- High speed domestic services between:
 - Amsterdam and Rotterdam
 - Amsterdam, Rotterdam and Breda
 - Rotterdam and Breda
 - Breda and Antwerp

The HSL Project will accommodate an operational speed of 300 km/h for international train services and 220 km/h for domestic services, and will meet the requirements of Directive 96/48 on the interoperability of the Trans-European high speed rail system.

2.3 The Role of the Infrastructure Provider

The provision of a safe, reliable HSL Project requires high levels of performance of rail, track and associated systems. The ongoing achievement of this performance, by way of the HSL Infrastructure, will be the primary function of the Infrastructure Provider. The Infrastructure Provider will be responsible not only for this continuous function but also for the initial provision of the Systems.

The Infrastructure Provider will be responsible, therefore, for the design, construction, financing, integration and commissioning of the Systems.

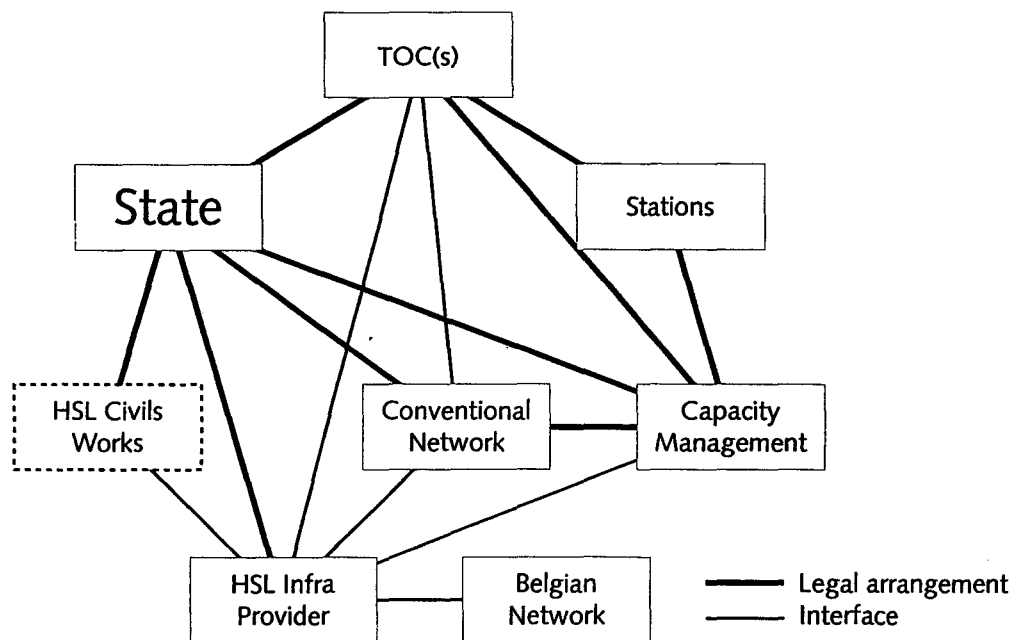
On practical completion of that function the Infrastructure Provider will embark upon its principal and continuous role of maintenance and renewal (with associated financing) of the HSL Infrastructure to ensure compliance with the performance regime to be outlined in the Implementation Agreement.

The realisation of the overall HSL Project involves several parallel projects, including:

- a) the HSL-IP Project;
- b) large scale civil engineering works associated with the development of the right of way, including a number of tunnels, one major bridge, and significant elevated sections;
- c) upgrading of the existing rail infrastructure network at Breda, Rotterdam, Schiphol and Amsterdam;
- d) modification and upgrading of existing stations at Amsterdam, Schiphol, Rotterdam and Breda;
- e) international and domestic train operations;
- f) capacity management and traffic control incorporating the day-to-day operation of the HSL Infrastructure, including train path allocation, scheduling and safety; and
- g) management of the HSL Infrastructure.

The Infrastructure Provider will work within this multi-project environment to contribute towards the goals of the HSL Project.

Figure 2: Main (intended) legal arrangements and interfaces for the Infrastructure Provider



2.4 The Role of the State in the HSL Project

The State's role in the HSL Project will include actions to:

- act as the contracting authority for the HSL-IP Project;
- procure and pay for the Civils Works and arrange for upgrading of the existing rail infrastructure where necessary;
- arrange for the required station modification and upgrading programme;
- arrange the contracting of train operations in time for them to commence in mid 2005;
- perform or nominate bodies to perform the capacity management function and traffic control function; and
- perform or nominate bodies to perform the functions of the Infrastructure Manager as contemplated, inter alia, by Directive 91/440 and Article 28(3) of the Railway Act.

3. PROVISION OF THE HSL INFRASTRUCTURE

3.1 Overview

The State is seeking a private sector party to be responsible for the provision of the HSL Infrastructure. The Infrastructure Provider will need to make an initial capital investment in the order of 1.0 – 1.5 bn NLG (€ 450M – 700M). The State wishes to “receive a service, not simply procure an asset”.

In the ITC, the State will set out a performance specification that the Infrastructure Provider is required to meet. The emphasis is on the provision of timely and safe availability of the HSL Infrastructure over the anticipated 25 year period of revenue service following practical completion. The Infrastructure Provider will have considerable scope to determine how it meets the State's requirements in both the design/construction phase and the revenue service phase.

The Infrastructure Provider is encouraged to innovate and to develop its business where appropriate. The Infrastructure Provider may propose ways to exploit ancillary commercial opportunities that may become available.

3.2 Performance Regime

The Infrastructure Provider will be under an obligation to ensure that the HSL Infrastructure meets all performance, condition and functional requirements throughout the period of the Implementation Agreement. A performance regime will form the mechanism to confirm achievement of these requirements.

The performance of the HSL Infrastructure will be measured in terms of availability, timetable adherence and flexibility. The condition of the HSL Infrastructure will be assessed through periodic audits of asset condition, including, but not limited to, level of maintenance, serviceability and cleanliness. The compliance with functional requirements will be confirmed through periodic compliance demonstrations.

The form of the performance regime will be set out in the Implementation Agreement.

3.3 Payment Regime

In return for providing the HSL Infrastructure at performance levels in accordance with the Implementation Agreement the Infrastructure Provider will receive a periodic, performance-related payment (the “Performance Fee”). The Performance Fee will be based on the principle of “no performance, no fee”.

It is envisaged that payment of the Performance Fee will not commence until the HSL Infrastructure is ready for use. The amount of the Performance Fee may vary throughout the Term depending on the achievement of the specified performance levels. However, it is not intended to be subject to traffic risk.

It is intended that the payment of the Performance Fee will be a primary obligation of the State, although the State reserves the right to make the payments through a nominee.

3.4 Allocation of Risks

In accordance with the HSL-IP Project objectives, the State wishes to transfer risk to the private sector where appropriate. The draft Implementation Agreement to be included in the ITC will document the proposed risk allocation.

3.4.1 Risks to be taken by the Infrastructure Provider

The Infrastructure Provider will be taking the following main risks in respect of the HSL-IP Project:

a) Construction of Systems

- Construction Costs;
- Programme;
- Design and technology;
- Compliance with the performance and functional requirements;
- Integration;
- Commissioning;
- Financing; and
- Certain economic variables (e.g. interest rate risk).

b) Performance

- (From completion of Civils Works contracts): costs of Civils Works maintenance and repair (defects to be addressed following issue of the ITC);
- HSL Infrastructure condition;
- Compliance with the performance and functional requirements;
- Timing and cost of repair, maintenance and renewals;
- Inflation (to the extent that this differs materially from the indices selected within the Performance Fee); and
- HSL Infrastructure condition upon expiry of the Implementation Agreement.

3.4.2 Risks to be taken by the State

The State envisages bearing the following principal risks, subject to agreed minimum thresholds :

- Project management of the Civils Works during their construction;
- Discriminatory change of law; and
- Traffic demand.

3.4.3 Other Risks

Certain other risks will be shared.

Subject to certain arrangements with lenders, the State will have the right to terminate the Implementation Agreement without compensation, following any unremedied event of default by the Infrastructure Provider.

3.5 Scope of Work

The Infrastructure Provider will initially design, construct, finance, integrate and commission the Systems. For the remainder of the Term of the Implementation Agreement the Infrastructure Provider will be principally responsible for the maintenance and renewal (including procuring the finance to perform this role) of the HSL Infrastructure in such manner that it will meet or exceed the minimum performance and functional requirements for the HSL-IP Project.

The scope of work will include:

- a) Provision of Systems, including
 - CCC system compliant with the ERTMS and ETCS standards;
 - Track, including rails, designed for high speed operation and compliant with all clearance requirements;
 - 25kV traction power and distribution system; and
 - Electrical, mechanical and other systems (including drainage, noise barriers, etc.).

- b) Provision of Renewals and Maintenance

The Infrastructure Provider will renew and maintain the HSL Infrastructure, as necessary to meet the performance and functional requirements.

- c) Interface Management

The Infrastructure Provider will manage his side of, and contribute to the development of the design and construction interfaces between the Civils Works and Systems. Of particular interest will be any additional benefits that can be generated by optimising the technical and logistical interfaces between the Systems and Civils Works and other interfaces outlined in Sections 4.1, 4.2 and 4.3. Opportunities will also be explored where agreed changes in the specifications of either the Systems or Civils Works or both will provide economic benefits for sharing between the parties.

- d) Safety Management

The Infrastructure Provider will develop and manage the safety case for the HSL Infrastructure.

In order to achieve the above, arrangements will have to be made for liaison with, among others:

- NS-RIB;
- NSVL;
- TOCs, including during rolling stock procurement;
- local municipalities along the route;
- Railned; and
- relevant Belgian authorities.

3.6 Construction Programme

The HSL Infrastructure is to be available for revenue service by 1 June 2005. However, the current programme shows that the Northern section from Rotterdam to Hoofddorp will only be open by 31 December 2005. Therefore the State is using its best endeavours to seek ways to accelerate the programme in order to open the HSL Infrastructure in time and it invites every contractor to contribute to this.

Key interim dates are planned as follows:

- Preferred Tenderer identified: Spring 2000
- Financial Close: mid 2000
- Access to Civils Works sites: 2003 to 2004

Please refer to Appendix I (c) for a more detailed HSL Project programme.

3.7 Implementation Agreement

The principal contract for the HSL IP Project will be the Implementation Agreement. Key aspects of the Implementation Agreement include:

- **Parties:** The State and the Infrastructure Provider
- **Term:** Intended to be 30 years from Financial Close
- **Basis of performance specification:** The State's approach is to allow the Infrastructure Provider maximum freedom to design, procure, construct, finance, integrate and commission the Systems, and maintain and renew (together with procuring the associated finance required for these activities) the HSL Infrastructure in the most appropriate and cost-effective manner, provided that the State's performance requirements are met during both the construction and revenue service phases
- **Expiry:** On expiry of the Term of the Implementation Agreement Infrastructure Provider's rights in the HSL Infrastructure will pass to the State. It is expected that the HSL Infrastructure will have to meet specified asset condition requirements
- **Risk allocation:** The basis upon which the State is prepared to share certain risks and the mechanism for calculating compensation if these risks occur
- **Governing law:** The laws of the Netherlands.

The ITC will contain the draft Implementation Agreement.

3.8 Key Success Factors

The successful Tenderer will be selected on the basis of the most economically advantageous proposal. In assessing this account will be taken of a range of key elements including (in no order of priority):

- robustness of the financial plan;
- approach to risk;
- ratio between line availability and downtime for maintenance;
- life cycle design and innovative techniques (in particular for rail construction);
- meeting the performance requirements (e.g. target dates and monitoring systems);
- environmental awareness; and
- long term management of relationships.

As part of the selection process Tenderers will be required to stipulate the amount and timing of the Performance Fee they will require to provide the HSL Infrastructure to the level required.

Tenderers will be expected to demonstrate that they possess the extensive range and depth of skills and experience required to undertake the HSL-IP Project successfully. Particular emphasis will be placed on how the Tenderer will manage the requisite skills and resources to provide the desired level of performance rather than simply deliver an asset.

Definitive selection criteria will be set out in greater detail in the ITC.

4. PRINCIPAL INTERFACES

There are a number of interfaces between the HSL-IP Project and other undertakings. The principal interfaces are described below. The Infrastructure Provider will need to co-ordinate its activities with the relevant parties. Further details of the nature of the connecting activities and the manner in which co-ordination will be managed will be provided later in the tender process.

4.1 The Civils Works

The Civils Works comprise all tunnels, bridges, earthwork and support structures associated with the HSL-IP Project. The Civils Works will be procured directly by the State in six main design and construct contracts.

- North Holland: Comprising approximately 15 km of civil engineering works, consisting of grade, bridges, viaducts, a pergola over the A4 motorway and other activities associated with this motorway (including aquaducts and traffic intersections).
- Bored Tunnel: Approximately 7km bored tunnel plus approaches. An alternative, consisting of approximately 2km of bored tunnel is being investigated and will be decided upon in the course of this year.
- South Holland Middle: Approximately 15 km of civil engineering works, consisting of predominantly cut tunnel and a large flyover near Rotterdam.
- South Holland South: Approximately 25 km of civil engineering works, consisting of sunk tunnels, bridge and grade construction.
- Brabant (North): Approximately 15 km of civil engineering works consisting of predominantly cut tunnel and may also include the associated re-construction of the A16 roadway.
- Brabant (South): Approximately 20 km of civil engineering works, consisting of grade construction and cut tunnel and may also include the associated re-construction of the A16 roadway .

The interface between the Civils Works and the Systems aspects of the HSL Infrastructure will be at the Sub-slab level.

The Civils Works contracts will be managed by the Projectorganisatie Hogesnelheidslijn – Zuid, on behalf of the State, who will ensure that all necessary management resources are in place. This organisation will facilitate the design and construction interfaces between the various contractors and the Infrastructure Provider.

During the initial period of the Implementation Agreement the Infrastructure Provider will liaise, through the State, with the Civils Works contractors to optimise the design.

At an agreed stage within the Civils Works construction period the Infrastructure Provider will be given access for the purposes of commencing installation of Systems. Following handover of the Civils Works the Infrastructure Provider will be responsible for the site and the Civils Works.

The Civils Works contractors will be required to include in their bids proposals for the maintenance of their works for periods of up to 10 years from practical completion as defined in the relevant construction contracts. It is intended that responsibility for maintenance of the Civils Works will fall to the Infrastructure Provider following practical completion of each package of the Civils Works. The Infrastructure Provider will therefore be given the option of using one or more of its own sub-contractors, or taking over from the State the benefit of the maintenance obligations of the Civils Works contractors in relation to one or more of the Civils Works packages.

4.2 Existing Line Connections

The HSL-IP Project will interface with the existing national network as follows:

- Rotterdam (South): flyover crossing connecting with the existing line south of the Rotterdam tunnel;
- Rotterdam (North): flyover crossing connecting with the existing line just north of Rotterdam central station;
- Hoofddorp: flyover crossing connecting with the existing line at Hoofddorp (just south of Schiphol); and
- Breda junction.

4.3 National Projects

Several national projects (collectively referred to as "BB 21") are currently underway which may influence the design of the HSL Infrastructure:

- Signalling (BEV 21)

In parallel with the ERTMS and the ETCS specification development, a pilot project is being considered to develop the ETCS for the Dutch application. This project will develop and prototype an ERTMS/ETCS system which interfaces with the current Dutch signalling and control system.

All proposals by Tenderers for HSL will be evaluated solely on their contribution to HSL objectives, without any relation to the outcome of the pilot project. The Infrastructure Provider will be given the option of developing its own interfaces or to make use of the results of this project.

- VPT+

The VPT+ project is upgrading the hardware/software and expanding functionality of the current Dutch central control system. It is anticipated that the new VPT+ system will be used to control all of the national network and HSL.

- GSM-R

A national project is currently underway to review the implementation requirements for a new nation-wide radio system to support the ERTMS/ETCS requirements. The Infrastructure Provider will be responsible for ensuring that its requirements are compatible with the national GSM-R system.

4.4 Interface with Belgium

The HSL Project will extend to the border between the Netherlands and Belgium. In physical terms the interfaces will be located approximately 54 kilometres from Rotterdam. The successful Tenderer will be responsible for co-ordinating its designs and programming with those of the Belgian system.

5. FINANCING

5.1 Finance for the HSL-IP Project

The Infrastructure Provider will be responsible for procuring the funds required to satisfy its obligations under the Implementation Agreement, using the appropriate combination of debt and equity and will receive from the State a periodic, performance related Performance Fee from completion. This fee will be paid subject to a predetermined performance regime.

The Performance Fee will not be subject to traffic risk. There will be no recourse to the State beyond the specific terms of the Implementation Agreement.

5.2 Funding of the Civils Works

The State will fund the costs incurred by the award and implementation of the Civils Works contracts through to practical completion from the budget allocated to the State for the HSL Project, together with funds allocated from the EU. Based upon current projections, timetable and contract scope, it is anticipated that, when taken together and allowing for contingencies, these contracts will cost approximately 5.5 bn NLG (€ 2.5 bn) (1995 prices).

5.3 European Community Support

5.3.1 European Investment Bank

The European Investment Bank has made the following declaration:

"The role of the EIB is to finance projects which contribute to the balanced development of the European Union. The EIB considers that participating in the financing of the High Speed Line (South) (HSL) from Amsterdam to the Dutch/Belgian Border falls within its functions, as it is an integral part of the High Speed Rail Network linking Paris, Brussels, Amsterdam, Köln and London (PBKAL) and is one of the priority Trans-European Network projects endorsed by the European Council of Essen. The EIB is already providing substantial financing for the other legs of the PBKAL in and between France, Belgium and the United Kingdom.

The EIB is prepared to consider participating in the financing of the HSL subject to it being satisfied that (i) the overall proposals for the HSL and their operations are technically, financially and economically viable and meet the requirements of the European Union in respect of Tendering and the Environment, and that (ii) the EIB's loan can be adequately secured during the entire life of the financing under consideration.

The EIB is prepared to discuss proposals for financing the HSL in preparation for the submission of bids for the role of Infrastructure Provider on a strictly confidential basis with each potential Tenderer.

Please contact Mr Ferdinand Sassen at the European Investment Bank, 100 Blvd. Konrad Adenauer, Luxembourg, telephone (352) 4379 6438 or fax (352) 4379 6496"

5.3.2 European Investment Fund

The European Investment Fund has made the following declaration:

"The EIF is a public/private partnership bringing together the EIB, EU and private and public financial institutions from all 15 EU Member States.

One of the missions of the EIF is to help the financing of European infrastructure projects in the areas of telecommunications, transport and energy by issuing direct guarantees for debt finance. The EIF confirms that the guaranteeing of part of the financing of the High Speed Lines (HSL) from Amsterdam to the Belgium border (the "HSL-IP Project") falls within its terms of reference.

The EIF is willing to provide each potential Respondent and its advisers on a confidential basis with information necessary which would enable them to consider an EIF guarantee when developing their financing concept for the HSL-IP Project.

Inquiries about the EIF should be addressed to:

European Investment Fund

Attention: Mr Guido Prud'homme (Director) or
Mr Rudi Asselberghs (Project Manager)

43 avenue J.F. Kennedy
L-2968 Luxembourg-Kirchberg

Tel.: (352) 42 66 88-1

Fax.: (352) 42 66 88-301"

6. SELECTION PROCESS

6.1 General

Respondents are required to complete the Request for Prequalification Questionnaire in full.

To be able to compete for the appointment as Infrastructure Provider, Respondents are required to comply with the prequalification assessment criteria that are dealt with in greater detail in Section 7.

Section 6 discusses the sequence of events involved in the selection process. This selection process involves two main stages:

- the prequalification stage - the selection of Tenderers;
- the bidding stage - the adjudication of proposals from selected Tenderers.

The envisaged timetable for this process is set out at Section 6.4 below.

6.2 Prequalification Stage

The selection process determines which Respondents will be selected to participate as Tenderers in the bidding stage. After the Request for Prequalification return date, a selection committee established by the State shall assess submissions. Assessment shall be exclusively by assessing the Request for Prequalification submitted by Respondents against the prequalification assessment criteria. Information submitted may be subject to verification by the selection committee.

The information submitted by Respondents will first be assessed for completeness. The unjustified absence of information is likely to lead to disqualification. If a Respondent is not able to supply the required information in full for any reason, those reasons should be given. A Respondent may not supplement its submission after the Request for Prequalification return date without the State's approval and only in circumstances where there are manifestly obvious inconsistencies or errors in the Respondent's Request for Prequalification.

An assessment will then be made against the general exclusion criteria. On the basis of the criteria listed in Section 7.1, the selection committee will determine whether the Respondent is to be excluded from participation in the bidding phase.

An assessment will then be made against the minimum requirements relating to technical competence and financial and economic capacity outlined in Section 7.2.

Only those Respondents who satisfy the minimum requirements given in Section 7.2 will be eligible for prequalification. Should the number of such Respondents exceed four, all remaining Respondents will be assessed further against the more detailed criteria given in Section 7.3 and Section 7.4 to enable the most suitable Respondents to be established. It is intended to invite four Respondents found to be most suitable to participate in the bidding stage.

On the basis of this selection procedure, Respondents will be divided into three categories:

- (a) Respondents who are unsuccessful because their submissions are incomplete, as a result of the exclusion criteria or as a result of non-compliance with the minimum requirements;
- (b) (Where there are more than four Respondents following (a)): Respondents who do comply with the minimum requirements but are not selected as being among the most suitable;
- (c) The four Respondents who are the most suitable and these will be invited as Tenderers to participate in the bidding stage.

Following assessment of the submissions, Respondents will be advised of the result.

6.3 Bidding Stage

The bidding stage itself comprises three separate phases: the consultation, tendering and negotiation phases. These are described in outline below.

6.3.1 Consultation phase

The Tenderers who are invited to participate in the consultation phase will receive the ITC which will include the tender guidelines and a draft Implementation Agreement. The performance specification will form part of the Implementation Agreement.

Following receipt of the ITC, Tenderers will be granted a period to prepare outline proposals. These will form the basis for a period of consultation between the State and each Tenderer, during which, inter alia, technical, contractual and costing aspects of the proposals may be developed. It is intended that the consultation phase will result in a basis on which fully priced tenders may be offered by all Tenderers. The conduct of the consultation phase will be defined in more detail in the ITC.

6.3.2 Tender phase

The tender phase begins with despatch of the ITT. The ITT contains a notice of the requirements that will make up the tender.

At this stage, it will be a requirement for Tenderers to submit a Base Tender. A Tenderer may, provided that it has submitted a Base Tender, submit one or more alternative tenders in which the Tenderer develops other solutions which it believes will provide better value for money for the State.

Tenderers will be required to state the amount and timing of the Performance Fee which they require to provide the HSL Infrastructure to the specified performance level.

To enable Tenderers to develop tenders to a sufficient degree the State will, at the sole discretion of the State, pay an allowance which is related to the cost of preparing their

tender (including any design work carried out) to each Tenderer that submits a conforming tender but is not contracted as Infrastructure Provider. The maximum level of this allowance per Tenderer is the lower of 2.5 M NLG (€ 1.13 M) and 40% of tender costs incurred (excluding VAT, if applicable).

Following the tender return date, the tenders will be adjudicated by the selection committee. The tenders will be judged for compliance with the performance specification. Non-compliance is likely to result in exclusion from further consideration.

The performance specification and award criteria will be set out in the ITC.

6.3.3 Negotiation phase

Following assessment of the tenders submitted by the Tenderers, it is intended to invite one or more Tenderers to negotiate. Such Tenderers will receive an Invitation to Negotiate ("ITN").

Before award, the State may identify one Tenderer as Preferred Tenderer. This Tenderer may be granted a period of exclusivity in which to conclude the definitive Implementation Agreement and achieve Financial Close.

In the event that the Preferred Tenderer fails to conclude the Implementation Agreement in the agreed manner, the State may revert to the remaining Tenderers with a view to identifying an alternate Preferred Tenderer with which to conclude the definitive Implementation Agreement and achieve Financial Close.

6.4 Timetable

The following is an indicative timetable for this tendering process:

a. Prequalification Conference	22/2/99
b. Request for Prequalification return date	1/4/99
c. Despatch of ITC	May 99
d. Submission of proposals (Start of consultation phase)	July 99
e. Despatch of ITT (End of consultation phase)	Oct 99
f. Tender return date	Late 99
g. Despatch of ITN	Early 2000
h. Identification of Preferred Tenderer	Spring 2000
i. Financial Close	Mid 2000

The Request for Prequalification return date (point (b)) constitutes an absolute deadline. Submissions that are received too late will not be considered and will be returned unopened to the Respondent(s).

The other dates will be confirmed later in the process and currently represent guidelines for the selection process and are not binding upon the State.

6.5 General Conditions

UAR and Directive 93/37 are applicable to this procedure. Chapter IV of the UAR regulates the negotiated procedure with prior publication. On 1 January 1998 the Mededingingswet (Competition Law) came into effect, which is also applicable to this procedure and may be of relevance to Respondents.

By submitting a Request for Prequalification, the Respondent and its Partners declare themselves to be bound by the tender procedure set out in this Prequalification Document.

All correspondence shall be in English

A Respondent or Tenderer must inform the State promptly if at any time during the tender procedure there is any material change in the information provided.

Requirements for completing the Request for Prequalification are set out in Section 8.

7. PREQUALIFICATION ASSESSMENT CRITERIA

7.1 Exclusion Criteria

The following will be excluded from participation in the tendering procedure:

- a) persons or legal entities in a state of bankruptcy or liquidation, which have ceased their business activities, or which are the subject of a moratorium or a settlement or in a similar situation as a result of a similar procedure under national laws or regulations;
- b) persons or legal entities which are subject to a bankruptcy application or which are the subject of a procedure for a moratorium or settlement, or a similar procedure under national laws or regulations;
- c) persons or legal entities which, by virtue of a judgement which has become final and conclusive, have been found guilty of an offence which injures the professional integrity of the Respondent, its Shareholders, or Member(s);
- d) persons or legal entities which have committed a grave error in the performance of their profession, determined on any grounds for which the State can make a reasonable case;
- e) persons or legal entities which at the moment of application or tendering have not met their obligations with regard to the payment of social security contributions, in accordance with the legal requirements in the country in which they are established or those of the Netherlands;
- f) persons or legal entities which at the moment of application or tendering have not met their obligations with regard to the payment of taxes, in accordance with the legal requirements in the country in which they are established or those of the Netherlands; and
- g) persons or legal entities which have been guilty, to a serious extent, of making false statements in the provision of information which can be requested pursuant to Articles 12 to 15 of the UAR, including statements made for the purpose of the completed Request for Prequalification Questionnaire and the information submitted on the basis thereof.

The exclusion criteria apply both to Respondents and each of their Partners, as applicable. Refer to Appendix III, Part B for further instructions.

7.2 Minimum Requirements

Only Respondents who have made a submission that complies with all the requirements which follow from this Prequalification Document will be evaluated.

The State requires that certain minimum requirements be met relating to technical competence and financial and economic capacity.

The Respondent must be considered capable of delivering every element and aspect of the HSL-IP Project in the areas of:

- 1) Project management
- 2) Technical management, consisting of:
 - 2.1) system engineering;
 - 2.2) railway engineering;
 - 2.3) safety management; and
 - 2.4) maintenance management
- 3) Finance

Respondents and their partners will provide proof of such capabilities in the form of example projects and submission of requested documentation.

Refer to Appendix III, Parts C, D and E for further instructions.

7.3 Ranking System

If the number of Respondents who meet the exclusion criteria and minimum requirements is greater than four, the third step of the prequalification phase will be to establish which four Respondents appear the most suitable.

The documentation submitted to demonstrate fulfillment of the minimum requirements and the method statement in 7.4 will also be used as a basis for this ranking.

Suitability will be determined by scoring the applicability of the projects submitted pursuant to 7.2 and the method statement in 7.4 in relation to the following weighting:

- 30% of the score will be related to the project management capabilities exhibited through the example projects;
- 30% of the score will be related to the technical management capabilities exhibited through the example projects;
- 30% of the score will be related to the finance capabilities exhibited through the example projects; and
- 10% of the score will be related to the method statement.

In relation to the assessment of projects, more points will be given to those projects which more closely resemble the HSL-IP Project with respect to scope, size and risk transfer (e.g. Design, Construct, Maintain and Finance projects score more points than Design and Construct projects; railway infrastructure projects score more than other types of infrastructure projects). The Respondent may submit more than the minimum number of example projects, up to a maximum of a further two.

7.4 Business Philosophy

The State wishes to understand the approach the Respondent proposes to adopt to meet the requirements of the HSL-IP Project.

As part of its Request for Prequalification each Respondent is to submit a method statement, comprising no more than 10 pages, addressing its general approach to the project management, system engineering and financing methodology it intends to adopt to ensure the success of the HSL-IP Project.

This statement should include the following:

- Description of the general HSL-IP Project methodology, including
 - team selection;
 - allocation of risk; and
 - management of contracts and relationships over the full Term of the Implementation Agreement;
- identify the key HSL-IP Project success factors and the processes used to manage these factors;
- identify the major HSL-IP Project technical risks and the processes and tools required to manage these risks; and
- describe the financing envisaged for the HSL-IP Project.

8. REQUIREMENTS FOR COMPLETION OF THE REQUEST FOR PREQUALIFICATION

Rules for submission

- 8.1** In order to assist the State in evaluating the extent to which Respondents and their Partners meet the criteria set out in Section 7, Respondents are required to complete the Request for Prequalification Questionnaire (the "Questionnaire") set out in Appendix III carefully and in full and provide any additional information and documentation requested in the Questionnaire, which may be relevant to one or more of the criteria identified in Section 7. The Questionnaire must be completed in the prescribed format and returned in accordance with this Section 8.
- 8.2** Respondents may submit applications only once. In accordance with the Questionnaire, Respondents are required to make a statement declaring that they have applied for this selection only once and no Partner of the Respondent is a Respondent in its own right or Partner of another Respondent.
- 8.3** It is a requirement that none of the Respondents or, if applicable, its Partners has or will have a material conflict of interest that gives rise or will give rise to an unfair advantage as against another Respondent.
- 8.4** Requests for Prequalification must be submitted by no later than 12 noon local time on Thursday 1st April 1999 to:
- Projectorganisatie HSL-Zuid
Radboudtoren
Catharijnesingel 33, Level 5
3511 GC Utrecht
The Netherlands
Marked for the attention of: Jan Ochtman.
- No submissions will be accepted after this time.
- 8.5** Each Respondent is required to submit the original Request for Prequalification (marked 'original') and 5 copies of it, in English, in bound loose-leaf format and two electronic copies of its completed Questionnaire on separate 3.5 inch computer discs. The Questionnaire must be completed in full, using the format on the computer disc provided with this Prequalification Document. The electronic copies must be in Microsoft Word version 6.0.
- 8.6** When answering the Questionnaire, the following should be adhered to:
- 8.6.1** The Questionnaire may not be typed over, supplemented or altered. Where noted on the Questionnaire, separate annexes must be added. All annexes to be added must be submitted with the Questionnaire in accordance with the Questionnaire numbering and this Section 8.

- 8.6.2** The Declaration in Appendix III to the original Request for Prequalification must be signed by a duly Authorised Representative of the Respondent and/or each of the Partners of the Respondent.
- 8.6.3** When answering the questions, it may often be sufficient for the Respondent and its Partners to provide their own declarations. Where specified, official supporting documents must be submitted. Own declarations are included in the Questionnaire to be completed by the Respondent and its Partners.
- 8.6.4** Where a Respondent and its Partners make their own declarations, official (third party) supporting documents must be submitted within one week following a request to do so by the State. Without prejudice to Section 8.6.5 the State reserves the right to check all details provided on the basis of the Questionnaire and the answers given in the Request for Prequalification for accuracy and approach reference contacts.
- 8.6.5** It should be noted that statements which subsequently are found (whether following verification or not) to contain incorrect information or promises that cannot be fulfilled, may be considered to be 'false' declarations. This is likely to lead to exclusion from this tendering procedure.

Information required from Respondents

- 8.7** Each Respondent must nominate its Shareholders.
- 8.8** Each Respondent must nominate the Member(s) which will be responsible for the following functions ("Specified Functions"):
- project management
 - systems engineering
 - railway engineering
 - safety management
 - maintenance management
 - financial advice

A Respondent may nominate a Member to be responsible for more than one Specified Function. A Member may also be a Shareholder. Respondents are not obliged to nominate their contractors/suppliers at this stage.

- 8.9** Where the Respondent is requested to demonstrate experience, it can do so by referring to experience/projects of:
- itself; and/or
 - its Partners; and/or
 - any related company over which the Respondent and/or a Partner can demonstrate that it can utilise the relevant attributes, skills, resources or experience. In such case the name of such related company must be stated.

Refer to Appendix III, Parts C, D and E for further instructions.

- 8.10 Without prejudice to what is provided in 8.9, where more than one project is required as evidence of experience, the Respondent may refer to any project of itself, its Partners, or any related company over which a Respondent or a Partner can demonstrate that it can utilise the relevant attributes, skills, resources or experience.

Respondents consisting of a group of Partners

- 8.11 It is expected (but not required) that in order to offer the resources, range and depth of skills required, companies may wish to collaborate to form a group of Partners.
- 8.12 Where a Respondent is not yet established in form which it intends to adopt for executing the HSL-IP Project, an undertaking must be provided by the Shareholders that it will be established as a new legal entity/entities prior to Financial Close.
- 8.13 After prequalification a Respondent may establish a new legal entity or entities which will take on the position of the Respondent that prequalified, provided that:
- such legal entity or entities are established prior to Financial Close
 - the State has given its prior written approval

In such a case the principles of Section 8.9 will apply to the new entity/entities.

- 8.14 After prequalification a Respondent may supplement its group of Partners with additional Shareholders, subject to the State's prior written approval.
- 8.15 If at any stage a Respondent wishes to alter the responsibility for Specified Functions, the State's prior written approval will be required.
- 8.16 An outline of the arrangements for governing the relationships between the Respondent and each Partner should be provided:

Information required from Partners

- 8.17 Each Partner or future Partner must satisfy the exclusion criteria in Section 7.1. Each Partner individually is required to complete Parts B and D of the Questionnaire. Where a Partner is both a Shareholder and a Member, Part B and D need only be completed once.

THE STATE OF THE NETHERLANDS
(THE MINISTRY OF TRANSPORT, PUBLIC WORKS AND WATER MANAGEMENT)

PROVISION OF THE

HSL

INFRASTRUCTURE

PART II

APPENDICES

INFORMATION AND PREQUALIFICATION REQUIREMENTS
FOR PROSPECTIVE TENDERERS

February 1999

Other

- 8.18** Enquiries should only be made in writing and a written response will be sent. Enquiries should be addressed to:

Mr Maurice Wiedenhof
Projectorganisatie HSL-Zuid
Radboudtoren
Catharijnesingel 33, Level 5
3511 GC Utrecht, The Netherlands

Fax: (0031) 030 272 88 43
E-Mail: infraprovider@hslzuid.com

The latest time by which such requests must be received is 17.00 hours local time on 17th March 1999.

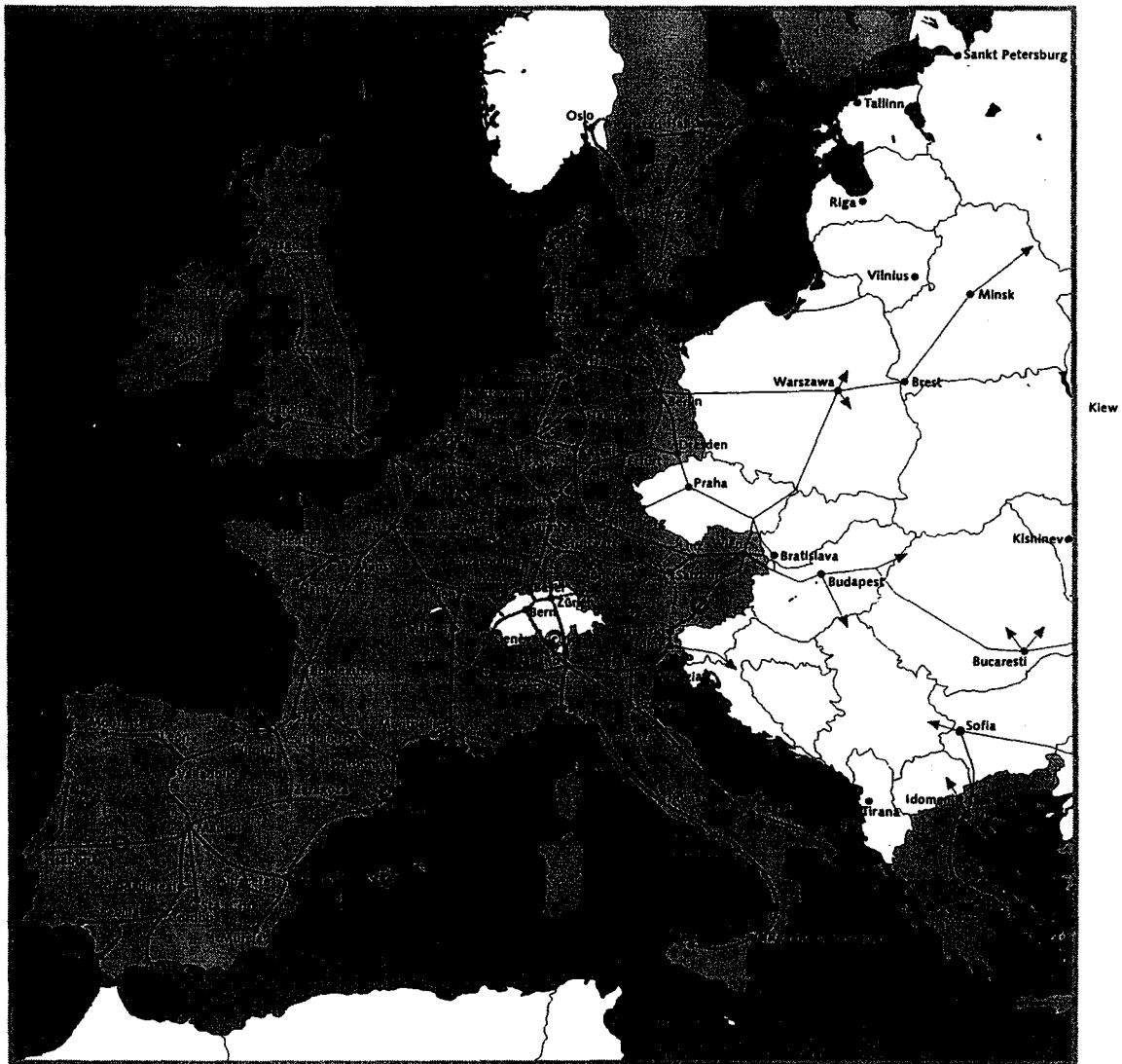
The State will decide whether it is necessary to share the contents of the request and any response with other prospective Respondents. The Respondent who raises a query should assume that the information will be shared but that its identity will not be disclosed at any time.

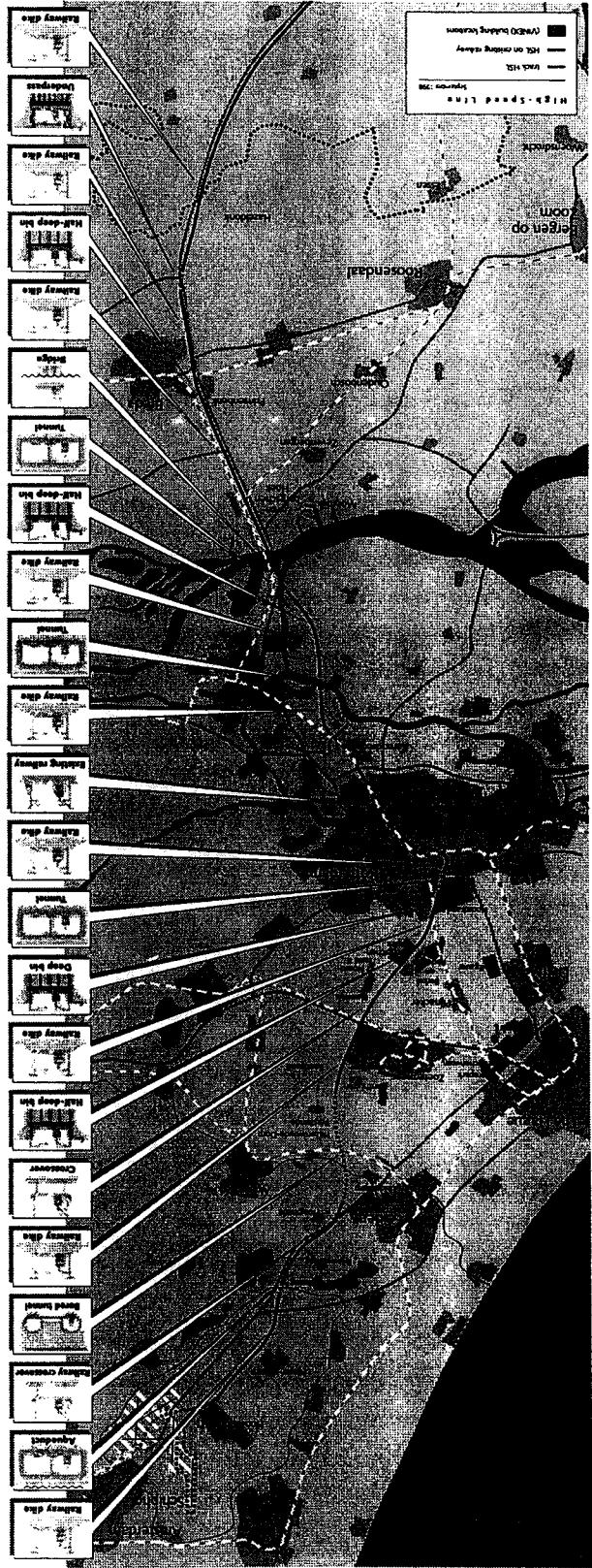
The State will endeavour to ensure that all responses are made by no later than 17.00 hours local time on 24th March 1999.

- 8.19** Subject to 8.18 above, it will be a requirement that all exchanges shall be kept confidential by the parties and their advisers and consultants. Prospective Respondents and their prospective Partners will also be asked to enter into undertakings of confidentiality should it become appropriate to release sensitive information to them prior to submission of its Request for Prequalification.

Appendix I (a).

Outline plan of European high-speed train network

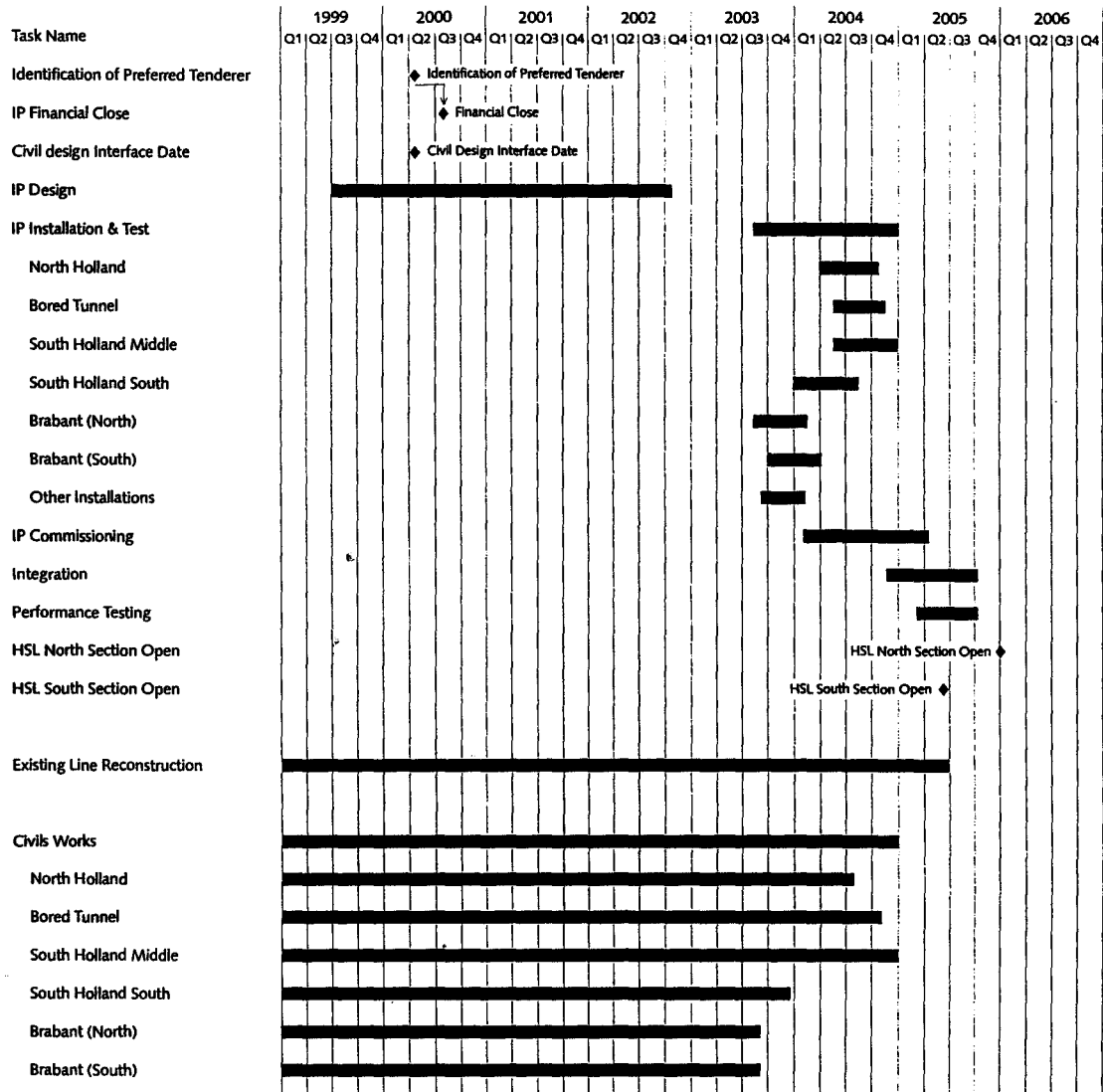




Appendix I (b).

HSL Route

Current Planning and Construction Schedule



Planning procedures

Since 1991 HSL has gone through the main statutory procedures for a major infrastructure project, including the procedure for the Planologische Kern Beslissing (PKB or Key Planning Decision), which is based on the Planning Act. The PKB for HSL was approved by Parliament on 29 April 1997. It was published and came into force on 1 July 1997. The PKB approves the route within an envelope of 250 metres horizontally (on each side) and 25 metres vertically.

The next step in the planning process after the PKB is the 'Tracébesluit'. The Tracébesluit, a Ministerial decision, sets out in detail the parameters within which the track will be built. The Tracébesluit provides the basis for changes to local zoning and regional plans, for land expropriation and, of course, for the line's ultimate construction. The Tracébesluit for HSL was signed on 15 April 1998.

Approximately 200 individual appeals against the PKB and the Tracébesluit have been made to the Council of State. It is expected that the appeal procedures will be concluded in the summer of 1999. Approximately 10 of the individual plaintiffs have requested the Council of State to suspend the PKB and the Tracébesluit pending the appeal procedures as an interim measure. These requests have been denied by the President of the Council of State on 18 November 1998.

Once the appeal procedure has been finalised, land may be expropriated. Land acquisition on a voluntary basis has already begun. Together with local authorities the Ministry has developed an integrated damage compensation scheme, in which a single body will decide on all claims for damages, both concerning planning damage and compensation for detriment.

Motorway extensions associated with the construction of HSL on the A16 and A4 motorways are planned. Part of the A16 motorway is included in the PKB for HSL. The other part of the A16 motorway and the A4 motorway will pass through simultaneous, parallel planning procedures.

Approximately 30 individual appeals against the Tracébesluit for the A4 motorway have been made to the Council of the State. The appeal procedures against the Tracébesluit for the A4 and the A16 motorways are expected to be concluded in the summer of 1999. Approximately 3 of these individual plaintiffs have requested suspension of the Tracébesluit, which requests have been denied by the President of the Council of State on 18 November 1998. Approximately 20 individual appeals to the Council of the State have been made against the Tracébesluit for the part of the A16 motorway not included in the PKB for the HSL.

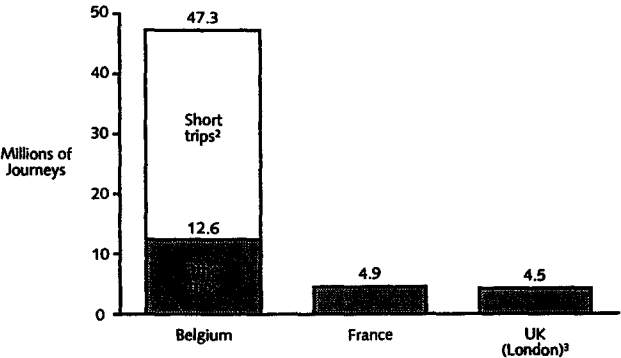
The connecting high-speed rail line between the Dutch/Belgian border and Antwerp is passing through the pertinent procedures in Belgium. Environmental impact analysis continues and is to be followed by land acquisition in 1999. Construction is scheduled to commence in 2000. The Dutch and Belgian governments have entered into a treaty on HSL and it is intended to finish the entire line between Amsterdam and Antwerp in 2005.

Market overview

International Travel Market along the HSL Corridor

HSL has the potential to capture a significant share of the short (to Belgium, particularly Brussels) and long (ie France and the UK) haul international passenger market along the HSL corridor. The majority of international traffic is between the Netherlands and Belgium, much of which comprises short trips by car.

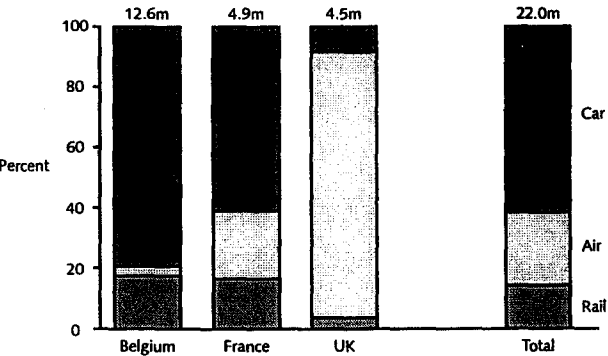
Figure 1: Total international traffic along the HSL corridor in 1996⁽¹⁾



Note: 1) Only includes rail passengers going through Roosendaal Car travel only includes a limited number of border crossings Brabant and Zeeland
 2) Short trips are car journeys between Noord Brabant Zeeland and Flanders trips to and from Limburg excluded.
 3) UK (London) includes air traffic to Heathrow Stansted Gatwick City and Luton
 Source Hague Consulting Group, Border 1996, LEK estimates

After excluding short trips from regions close to the Dutch border, the volume of cross-border traffic along the HSL corridor is estimated to be in the order of 22 million one-way journeys per annum in 1996 of which rail is estimated to have had a 14 % share. Competition is principally from air on cross-channel/longer journeys and the car for shorter journeys.

Figure 2: Mode share by destination in 1996⁽¹⁾



Note: 1) Only includes rail passengers going through Roosendaal Car travel only includes a limited number of border crossings Brabant and Zeeland
 2) Short trips are car journeys between Noord Brabant Zeeland and Flanders trips to and from Limburg excluded.
 3) UK (London) includes air traffic to Heathrow Stansted Gatwick City and Luton
 Source Hague Consulting Group, Border 1996, LEK estimates

The introduction of higher speed Thalys trains between Amsterdam and Paris in June 1996 and the opening of the high-speed line between Brussels and Paris in December 1997 have improved rail competitiveness through reduced journey times.

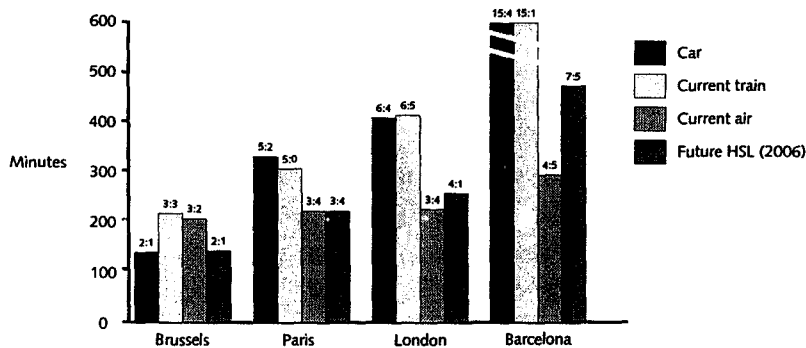
Travel by conventional rail on the HSL corridor between 1985 – 1996 grew only by an average 3 % per annum compared to 5 % per annum for cars and 8 % per annum for air. This growth in car journeys has increased road congestion and contributed to recommendations for road taxing to be introduced in the Randstad area in 2001. Similarly, strong growth in air traffic has increased air congestion and traffic at most airports. This has resulted in the Government having to increase Schiphol's capacity limits. A fifth runway is due to be completed by 2003. Noise regulations have also had to be imposed together with environmental protection.

Schiphol is developing into a European 'mainport'; a traffic junction of intercontinental and European traffic by air, road and high-speed rail that will be a centre of economic activity. Transfer passengers now comprise over 40 % of total passenger throughput representing an additional, potentially very lucrative, market for HSL.

When the HSL opens in 2005, it will provide reliable, high-quality services and reduced journey times to major European centres via the high-speed Trans- European Network. HSL will stimulate prospective passengers switching from other modes of transport and will attract new passengers to high-speed rail that would previously not have considered rail.

An early 1998 study revealed that almost 33 % of the people in the Netherlands would use high-speed train services on HSL and over 50 % considered high-speed travel on the HSL to be more attractive than an air service.

Figure 3: Journey time comparison for different destinations from Amsterdam⁽¹⁾



Note: 1) Assumes egress / access and check-in time of 40 minutes in aggregate for train and for air assumes access and egress time of 30 and 45 minutes respectively, 60 minutes check-in time and 25 minutes check-out time
 Air times assume London (heathrow) and Paris (Charles de Gaulle) Current rail times assume fastest available option on a given day
 Source HSL, Autoroute Express, NS Trienplannen international, OAG Flight Guide

In addition to modal switching and generation of new passengers, passenger volumes on HSL will benefit from the underlying growth in international passenger flows, forecast to increase along the corridor to 6.7 million passengers by 2006 (2.5 million in 1996). As the HSL becomes a reality it is reasonable to assume that these historic forecasts can be increased.

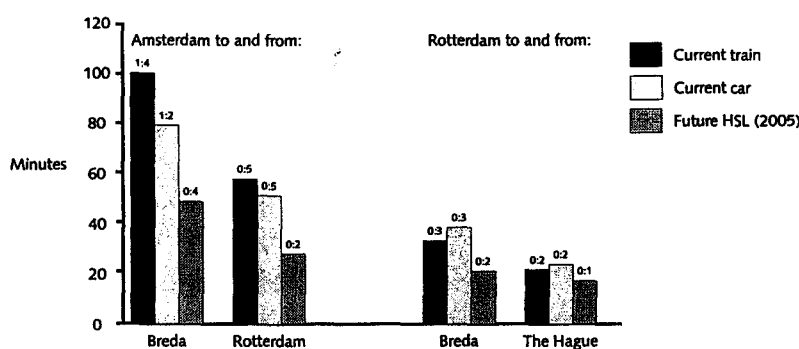
Domestic Travel Market

HSL runs through the Randstad, the most densely populated area of the Netherlands. One of the most attractive market segments of its route lies between Amsterdam and Rotterdam, where rail journey times will be reduced substantially. It is estimated that approximately 3 to 5 million passengers per annum currently travel between these two major cities by rail.

One of the primary State objectives for HSL is to encourage passengers to switch to the rail from other modes of transport. Car has been, and continues to be, the dominant form of domestic transport in the Netherlands, with almost a 75 % share of the market (conventional rail only 9%) in 1996 with other public transport modes (4%) and walking or cycling representing the balance.

Traffic volumes have increased by over 4 % per annum from 1986 to 1996 contributing to increased road congestion, particularly in the Randstad region. HSL journey time reductions may also serve to attract additional passengers, therefore, who would otherwise not have considered commuting over this distance.

Figure 4: Journey time comparison for different destinations



Note: Journey times based on HSL train leaving from Amsterdam WTC
 Source: HSL, AND ReisPlanner

Forecasts in the Nieuwe HSL-Zuid Nota (1994), which assumed an opening date for HSL of 2003, indicated that approximately 8 million domestic passenger journeys may be made using the HSL by 2003, representing a two-thirds market share. An adjustment for 2 % growth per annum to the forecast 2005 opening, suggests that domestic passenger volumes could reach 8.5 million by 2006.

In a more recent study, the current operator, NS Reizigers, estimates that a total of 11.6 million domestic passengers will use the HSL by 2010, of which 9.2 million will travel between Schiphol and Rotterdam.

Current rail industry structure and legislation

In this appendix the current structure of the Dutch rail industry is explained in its legal environment. It should be noted that this is not a comprehensive enumeration of all relevant regulations. The railways in the Netherlands are regulated by EU directives, national legislation and by a contract between the State and NS. This chapter briefly introduces all three. It continues with a description of the current structure of NS and briefly describes impending legislative changes in the rail sector.

Legal environment

European directives

The principal EU directives regulating the European rail industry are:

- 91/440, which primarily addresses issues like third-party access and the segregation of business accounts between train operation and infrastructure management;
- 95/18, which primarily addresses the licensing of railway undertakings;
- 95/19, which primarily addresses the principles and procedures to be applied to the allocation of, and charging of infrastructure fees for, infrastructure capacity; and
- 96/48, which primarily addresses inter-operability.

Directives 91/440, 95/18 and 95/19 have been implemented in the national legislation. Access for international railway groupings as required under Directive 91/440 is secured by sections 28-32 of the Railway Act. Directive 96/48 will probably be implemented in 1999.

On 20 October 1998 proposals of the Commission for Directives amending Directives 91/440 and 95/18, and replacing directive 95/19 were published in the OJEC (COM/98/0480 final – SYN 98/0265, SYN 98/0266 and SYN 98/0267).

National legislation

The primary regulation of rail is laid down in the Railway Act and the Passenger Transport Act ('Wet Personenvervoer').

Except for the parts of the Railway Act, in which the current EU directives are implemented, the Railway Act (dating from 1875) is outdated. The Government is to restructure this act into a new Railway Act focusing on the following principal sectors :

- construction and management of railways;
- professional licence;
- safety certification, rolling stock and personnel;
- capacity allocation;
- use of the railways;
- rules for interoperability for the Trans European High Speed Railway Network;
- position and tasks of (the successors to) the Task Organisations;
- supervision and enforcement; and
- implementation of a concession system for passenger transport.

This legislation is set to be completed soon after the year 2000.

Relevant for public transport of persons by rail is the obligation of a railway undertaking to acquire a license ('vergunning') pursuant to the Passenger Transport Act. For charter transport of persons and transport of cargo a railway undertaking requires a recognition ('erkenning'). Additional regulation is laid down in a variety of secondary legislation (regulations, decrees, orders).

The legal basis for infrastructure charging has already been established. Temporarily, the charge has been set at zero. It is intended that from the year 2000 all railway undertakings will pay a charge for the use of the railway network. The rules for determining this charge and the level of this charge are yet to be determined.

Contract between NS and the State

Although fully state-owned, NS is an independent company under Dutch law, with limited shareholder powers. The relationship between NS and its subsidiaries and the State is regulated by a contract of 29 June 1995. It was drawn up as a direct consequence of the need under EU regulations to separate infrastructure management from train operations, but it goes much further than that. The structure of rights and obligations described below under the heading 'Current NS Structure' is based on this contract. In addition, the relationship between the Government and the so-called Task Organisations (NS subsidiaries responsible for infrastructure management, path allocation, railway safety and traffic control) are further conducted under annual contracts.

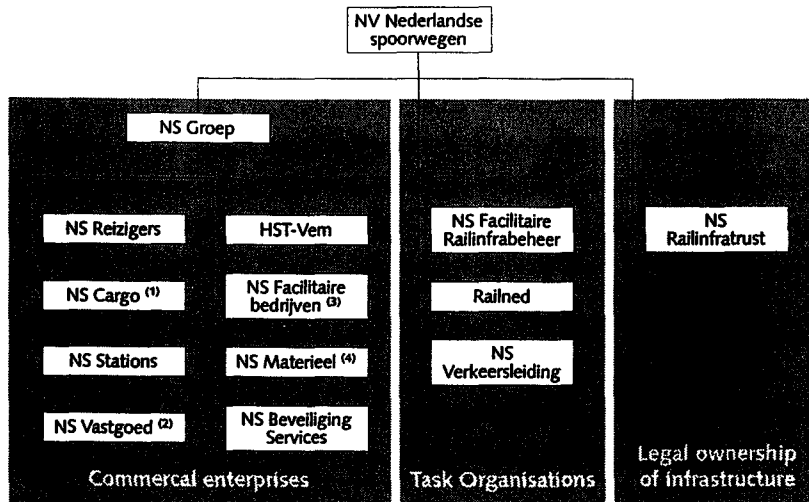
In the last few years there have been new initiatives in the Dutch railways in addition to the transport activities of NS. The first, and so far only, new privately owned passenger operator, Lovers Rail, gained access to the rail network for certain regional routes in August 1996. In addition, around ten small freight operators have recently been established in the Netherlands. Subsequent to the contract between NS and the State, access agreements have been entered into by Task Organisations and train operators.

The contract between NS and the State expires on 31-12-1999 and it is expected that it will be extended until the new Railway Act comes into force. No major changes to the contract are anticipated. It is envisaged that this restructured Railway Act will replace (parts of) the contractual relationship between NS and the State.

Current NS Structure

Prior to 1995, NS was a single integrated company. Subsequently, in line with EU directives (which prescribe a separation of accounts between train operations and infrastructure management), and with a view to introducing competition into the industry, NS was restructured into a holding company.

The different parts of NS are shown in the diagram below:



Notes:

- (1) responsible for freight transport
- (2) operates and develops real estate
- (3) group of ancillary companies
- (4) procurement, maintenance, overhaul and conversion of rolling stock

NS Task Organisations

The holding company, NS, has three subsidiary companies which, under special agreements between the State and those companies, and, mainly, for the benefit and account of the Government, perform duties relating to capacity management, infrastructure management, railway construction and maintenance as well as railway safety. These organisations are known as 'taakorganisaties' (Task Organisations).

The activities of the Task Organisations are fully funded by the Government. It is intended that these Task Organisations will be separate from NS but under the full responsibility of the Government. Tasks and positioning of the Task Organisations will be provided for in the new Railway Act. As a consequence, changes in the structure of the Task Organisations are expected.

The Task Organisations currently comprise:

Railned:

The duties of Railned are partly based on the Railway Act, as amended on 11 June 1998. The Railway Act states that Railned is the allocation body for the existing infrastructure regarding the access and transit rights of international groupings and railway undertakings under article 10 of Directive 91/440. Railned decides on requests for allocation of rail capacity from these entities.

However, the major part of Railned's duties are currently based on the contract between NS and the State of 29 June 1995 and is detailed in annual contracts between Railned and the State. Under the terms of the agreement of 29 June 1995 and annual contract, Railned has the following main duties:

- determining the capacity available for allocation; determining the right to allocation of capacity to users; allocating capacity to users and to the Infrastructure Manager for its maintenance task; integrating of timetables; providing information on allocation of capacity;
- development of, and advising the Government on, rail safety policy; setting of safety standards for rail infrastructure; developing and setting safety standards for users and for organisations designing, constructing and maintaining rail infrastructure and rolling stock; examining safety procedures of users and Task Organisations; granting safety certificates to users; conducting safety inspections and investigations into accidents; providing information on rail safety.

NS Verkeersleiding ('NSVL'):

NSVL's duties are also partly based on the Railway Act, as amended on 11 June 1998. Under the Railway Act NSVL is charged with rail traffic control on the existing infrastructure relating to access and transit by international groupings and railway undertakings under article 10 of Directive 91/440. Traffic control is defined as: "Ensuring the smooth implementation of all individual decisions relating to allocation and, if this is not possible due to a calamity or other unforeseen circumstances, remedying the situation as soon as possible".

NSVL can give directions to users and the Infrastructure Manager for the unhindered execution of capacity allocation decisions and in case of calamities.

The major part of NSVL's duties are set out in annual contracts with the State based on the agreement of 29 June 1995 between NS and the State. NSVL's main tasks under the terms of the annual agreement are:

- Operational management of the infrastructure taking into account Railned's decisions and instructions on capacity allocation and safety; operational corrections to the timetable set by Railned;

- Co-ordination and execution of the prevention of and response to calamities in rail services; analysing disturbances to rail services; advising Railned on technical and logistical matters concerning rail services; providing information on rail services.

Railinfrabeheer ('RIB'):

RIB's duties are partly based on the Railway Act, as amended on 11 June 1998, which states RIB is the Infrastructure Manager for the existing infrastructure. Infrastructure management is defined as: "Establishing and maintaining railway infrastructure, including the control and safety systems". All users are obliged to pay a usage charge to RIB, to be set by RIB according to Government regulations. The usage charge is currently set at zero.

RIB's duties are also mainly laid down in annual contracts with the State, based on the agreement between NS and the State of 29 June 1995. RIB's main tasks under the terms of the annual agreement are:

- Planning, preparing and executing construction of new infrastructure according to standards set by Railned and approved by the Government; conducting related planning and expropriation procedures;
- Maintaining the existing infrastructure;
- Applying functional safety requirements; execution of safety and accident investigations; advising the Government on safety; supervision of activities of third parties on or nearby the infrastructure with a view to safety; granting of permits for works on or nearby the infrastructure; granting of compensation for withdrawal of such permits; supervising protection of and physical access to the infrastructure.

Co-ordination between the Task Organisations

Through NS, the Task Organisations are party to the agreement of 29 June 1995 between NS and the State, which provides for the concluding of the annual contracts. The annual contracts contain co-ordination obligations where necessary. Co-ordination is also provided for in the Standard Access Agreement, which a railway undertaking must enter into with the combined Task Organisations before it can operate a rail service.

NS-Railinfratrust (RIT)

NS is the holding company of NS Railinfratrust, which is the legal owner of the existing rail infrastructure (tracks and platforms). RIT is not allowed to transfer the legal ownership to any other entity without the consent of the Government. The economic ownership is, as said, held by RIB. It is intended that NS RIT be transferred to the Government under the new Railway Act.

For ownership of the HSL infrastructure an exception has been made to the general rule that RIB and RIT hold the ownership of rail infrastructure, in light of the intention to involve the private sector in HSL. The land needed for the construction of HSL is being acquired directly in the State's name.

It is intended that the legal and economic ownership of the existing railway infrastructure will be transferred from RIT and RIB to the State.

NS-Groep

NS-Groep is run and, to some extent, structured on commercial principles.

The NS-Groep is a holding company for all the business units with commercial activities. These have been set up as separate subsidiaries and are separately accountable. Principal subsidiaries include:

- NS Reizigers ('NSR'), which provides rail passenger transport.
- HST-VEM, which is the Dutch participant in the Thalys service.
- NS Stations, which develops, manages and operates all existing stations in the Netherlands (excluding track). It is the economic owner of the existing stations, and, in principle, has the exclusive commercial exploitation rights.

NS Stations is obliged to supply all railway undertakings on a non-discriminatory basis with transport-related spaces and facilities, such as ticket offices and machines, waiting rooms, employee's offices.

- NS Vastgoed, which has the legal ownership of stations (excluding track and platforms and including air rights) and operates and develops real estate including some real estate in the vicinity of stations.

In addition, NS-Groep is a partner in a number of other companies and participates in several existing and proposed joint ventures including, inter alia :

- Telfort, a joint venture with British Telecom, which has one of the four licenses for mobile telephones; and
- the merger of NS Cargo and DB's freight operations.

DUTCH HIGH SPEED RAIL LINK
PREQUALIFICATION CONFERENCE

to be held at

Venue: Schiphol Airport
Address: The Auditorium, Schiphol Airport

on 22 February 1999 at 11.00 am (Delegate registration will commence at 10.30am)

Company/Organisation: _____

Address: _____

Postcode: _____

Contact Name: _____ Title: _____

Signature: _____

Position: _____

Contact Telephone No: _____ Contact Fax: _____

Tickets are requested for the Prequalification Conference for the following delegates:-

NAME	POSITION IN COMPANY
_____	_____
_____	_____
_____	_____

Will delegates require parking space : Yes - No
If yes, please provide the number of spaces: _____

Attendance at the Conference is limited to attendees on behalf of organisations which have formally requested the Prequalification Document. The State reserves the right to limit the number of attendees.

All applications should be submitted by 17th February 1999 addressed to:-
Mr Maurice Wiedenhof
Projectorganisatie HSL-Zuid
Radboudtoren
Catharijnesingel 33, Level 5
3511 GC Utrecht
The Netherlands
Fax: (00 31) 030 272 88 43
E-Mail: infraprovider@hslzuid.com

No applications will be accepted after this date.

Appendix III

REQUEST FOR PREQUALIFICATION

Part A: Information about the Respondent

The answers to these questions should be provided by the Respondent or, where the Respondent is a group of Partners, JOINTLY by all Partners of the Respondent

A1 If Respondent is a group of Partners, the Partners and their appointed representatives:

Name and legal status	Address	Appointed representative	Title
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

A2 Respondent

Name: _____
Address: _____
Telephone: _____
Fax: _____
E-Mail: _____

Respondent's Authorised Representative (person for contact purposes)

Name: _____
Address: _____
Telephone: _____
Fax: _____
E-Mail: _____

A3 What is the actual, or if applicable proposed, legal status of the Respondent?

A4 Where the Respondent is not yet established in the form which it intends to adopt for executing the HSL-IP Project, the Shareholders undertake that a new legal entity/entities will be established, in accordance with Section 8, prior to Financial Close.

A5 Who are, or will be, the Shareholders in the Respondent?

Name	Percentage holding
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

A6 The Respondent has nominated the following Members which will undertake the following roles (the Specified Functions) on the HSL-IP Project:

Role	Organisation(s) (full title)
Project Management	_____
System Engineering	_____
Railway Engineering	_____
Safety Management	_____
Maintenance Management	_____
Financial Advice	_____

A7 The Respondent confirms that the relevant employees and executives to be deployed by the Respondent are to be fluent in both written and spoken English and that sufficient capability in the Dutch language is available to interface with other contractors, private and public parties. Yes - No

A8 Where the Respondent is a group of Partners, an outline of the method for governing the relationships between the Respondent and each Partner should be provided.

REQUEST FOR PREQUALIFICATION

Part B : Information about each Partner (as identified at question A1). (Where the same entity is a Shareholder and a Member, only one response is required.)

Each Partner of the Respondent, and/or where applicable, the Respondent, should complete questions B1 to B8 and provide the information relevant to their roles in the HSL-IP Project, as set out in parts C, D and E.

B1 **Details of Company**

Registered Name: _____

Current Trading Name: _____

(if different) Previous Trading Names: _____

Registered Address: _____

Telephone: _____

Fascimile: _____

E-Mail: _____

Type of Organisation

Country of Registration

Registered Number: _____ Year of Registration: _____

I/We confirm that the Authorised Representative named in A2 is authorised to act as the principal contact point on behalf of this/these companies in dealings with the State related to the HSL-IP Project set out in the Prequalification Document.

B2 Parent of Partner company

Is the company in B1 a subsidiary of another organisation?

Yes - No

If yes, please provide :

i.) Name of parent company:

ii.) What interest does the parent company have in the company in B1?

For each parent of the Partner company please supply the details specified in Section B1.

B3 Describe the nature of the business and the services which the company at B1 provides

B4 Exclusion criteria

Responses to the following questions will be used as criteria to exclude Respondent's from participation in the tendering procedure.

The Respondent and each Partner should respond accordingly to the following questions regarding its corporate activities.

Is the Respondent or Partner a:

(a) person or legal entity in a state of bankruptcy or liquidation, which has ceased its business activities, or which is the subject of a moratorium or a settlement or in a similar situation as a result of a similar procedure under national laws or regulations; Yes - No

(b) person or legal entity which is subject to a bankruptcy application or which is the subject of a procedure for a moratorium or settlement, or a similar procedure under national laws or regulations; Yes - No

(c) person or legal entity which, by virtue of a judgement which has become final and conclusive, has been found guilty of an offence which injures the professional integrity of the Respondent and/or its Partners; Yes - No

(d) person or legal entity which has committed a grave error in the performance of its profession, determined on any grounds for which the State can make a reasonable case; Yes - No

(e) person or legal entity which at the moment of application or tendering has not met its obligations with regard to the payment of social security contributions, in accordance with the legal requirements in the country in which it is established or those of the Netherlands; Yes - No

(f) person or legal entity which at the moment of application or tendering has not met its obligations with regard to the payment of taxes, in accordance with the legal requirements in the country in which it is established or those of the Netherlands; and Yes - No

(g) person or legal entity which has been guilty, to a serious extent, of making false statements in the provision of information which can be requested pursuant to Articles 12 to 15 of the UAR, including statements made for the purpose of the completed Request for Prequalification Questionnaire and the information submitted on the basis thereof; Yes - No

B5 The Respondent and, if applicable each Partner should complete the following declaration: Do you declare that you have applied in this selection process only once and that you are not a Respondent in your own right or Partner of another Respondent?

Yes - No

B6 The Respondent and, if applicable each Partner should complete the following declaration: Do you declare that your company does not and will not have a conflict of interest that gives rise, or will give rise, to an unfair advantage as against another Respondent?

Yes - No

If "No" please disclose the nature of the conflict and indicate why, if it is the case, that it is not material and does not give rise to an unfair advantage as against other Respondents below :

B7 The Respondent and, if applicable each Partner should complete the following declaration: Do you declare that you have not and/or will not collude with any other Respondent or Tenderer at any point during the tender process.

Yes - No

B8 Do you declare that you will co-operate with any integrity study carried out by or on behalf of the State?

Yes - No

REQUEST FOR PREQUALIFICATION

Part C: Respondent's technical, financial and economic capacity

Proof of capabilities will be provided by the relevant Respondent and/or Partner, identified at Parts A2, A5 and A6 above, in the form of example projects and requested documentation.

The following definitions and assumptions should be used when determining if an example project will meet the requirements set out in Section 7:

- Projects should be submitted as examples of experience only if a Respondent or Partner can demonstrate that it had a major responsibility for the particular experience required.
- If a Respondent or Partner had major responsibility for a number of aspects within one project, such project may be used repeatedly as an example of experience.
- The Respondent or Partner involvement in the projects used as examples of project management, technical management and/or finance capabilities must have been current within the 5 years from the date of publication of the OJEC notice in respect of the HSL-IP Project.
- The term infrastructure project, when used throughout this part of the Questionnaire, is defined as those projects relating to transportation, utilities and/or energy.
- The term "value", when used throughout this part of the Questionnaire, is defined as the total capital expenditure incurred in association with the project unless otherwise stated.
- A successful project is defined as any project which satisfies the following criteria, to accepted industry standards:
 - Completed within time (subject to any authorised amendments)
 - Completed within budget (subject to any authorised amendments)
 - Completed to specification (subject to any authorised amendments)
 - Completed in a professional and workmanlike manner

For each project cited, the following details should be provided:

- Project Name;
- Relevant Contracting Parties;
- Capital Value of the project;
- Dates of Involvement;
- Role Undertaken by the Respondent;
- % of Project delivered by the Respondent;
- Reference Contact; and
- Brief Summary of the project, including current project status and timing.

The attached computer disc contains the Request for Prequalification Questionnaire which incorporates the required format for documented evidence of the project information detailed above. Relevant additional information may be submitted in the form of attachments to this Request for Prequalification.

C1 Project Management: The Respondent shall provide documented evidence of project management expertise as follows:

- i. Successful delivery of a minimum of three Design, Construct, Finance and/or Maintain projects of a value greater than 50M NLG (€ 22.7M) requiring a minimum of two of the Design, Construct, Finance and/or Maintain services;
- ii. Successful management of a minimum of one multi-discipline railway or infrastructure project, of a value over 50M NLG (€ 22.7M), involving not less than three major engineering disciplines. Major engineering disciplines include:
 - civil engineering
 - electrical engineering
 - mechanical engineering
 - safety engineering
 - quality engineering
 - environmental engineering;
- iii. Successful management of a minimum of three railway or infrastructure projects requiring one or more sub contracts, with the sub contract worth over 20% of the total project value;
- iv. Successful delivery of a minimum of one project, with a minimum capital value of 200M NLG (€ 90.9M), which involves procurement of third party finance by the Respondent;
- v. Successful delivery of a minimum of two railway or infrastructure projects requiring a multi-contractor environment, each with a minimum capital value of 50M NLG (€ 22.7M), involving two or more principal contractors working on site concurrently;
- vi. Successful development of a quality management system for a minimum of three railway or infrastructure projects, each project with a value greater than 50M NLG (€ 22.7M); and
- vii. Successful completion of a minimum of one infrastructure project, with a minimum capital value of 50m NLG (€ 22.7m) where the Respondent was required to hold ISO9000 certification or equivalent

C2 Technical Management: The Respondent shall demonstrate technical management expertise as follows:

C2.1 System Engineering: The Respondent shall provide documented evidence of system engineering expertise as follows:

- i. Successful delivery of a minimum of one performance based project of a value greater than 50M NLG (€ 22.7M) where payment is based on system and/or asset performance
- ii. Successful application of at least three system engineering elements on a minimum of three separate projects, each of a value greater than 50M NLG (€ 22.7M). System engineering elements include:
 - requirements development
 - risk analysis/management
 - requirements traceability
 - interface management
 - performance analysis
 - simulation
 - system integration

C2.2 Railway Engineering: The Respondent shall provide documented evidence of railway engineering expertise as follows:

Successful provision of railway engineering skills on a minimum of three projects of a value greater than 50M NLG (€ 22.7M). Railway engineering skills include:

- permanent way
- traction power
- signalling
- railway communications

C2.3 Safety Management: The Respondent shall provide documented evidence of safety management expertise as follows:

Successful development of a safety case and safety management system for a minimum of one railway or infrastructure project of a value greater than 50M NLG (€ 22.7M)

C2.4 Maintenance Management: The Respondent shall provide documented evidence of maintenance management expertise as follows:

Successful management of maintenance for at least one element of a fixed transport system for a minimum of one project of a value greater than 50M NLG (€ 22.7M)

C3 Finance. The Respondent shall demonstrate finance expertise as follows:

C3.1 PPP: The Respondent shall provide documented evidence of PPP expertise as follows:

Successful delivery of at least one project of a value greater than 50M NLG (€ 22.7M) implemented under PPP principles.

C3.2 Financial Participation: The Respondent shall provide documented evidence of financial participation in a joint venture (or similar entity) which has successfully tendered for a large scale railway or infrastructure project, as follows:

A minimum of one project involving private sector funding in excess of 200M NLG (eq € 90.9M) shall be required.

REQUEST FOR PREQUALIFICATION

Part D: Financial status of each Partner

The information requested in this section should be supplied by the Respondent and if applicable each Partner identified at Part A above to demonstrate that the Respondent has sufficient financial and economic strength to complete the work appropriately without financial risk to the State.

For the Respondent, each Shareholder and Member please supply the following information

- (a) Copies of the last three years audited accounts. The latest set of such statements should be for an accounting period ending no earlier than 12 months before the date of submission of this Request for Prequalification.
- (b) Any published interim accounts relating to periods after the latest audited accounts.
- (c) Details of any event between the date on which the latest set of accounts was authorised for issue and the date of the submission of this Request for Prequalification that, had the accounts not been authorised for issue until this submission date, would have required to be adjusted for or disclosed in accordance with the provisions of International Accounting Standard 10.
- (d) Copies of any company announcements made to the authorities of the stock exchange, market or bourse on which the stocks or shares of the company are publicly traded, since the date of publication of the latest set of accounts.
- (e) Latest credit rating (if available).
- (f) A statement of any material pending or threatened litigation or other legal proceedings.

In respect of (a), (b), (c) and (d) above if any such information is not available for any reason then an explanation should be given below.

REQUEST FOR PREQUALIFICATION

Part E : Respondent's Business Philosophy

As part of its Request for Prequalification the Respondent is required to submit a method statement, comprising no more than 10 pages, addressing its general approach to the project management, system engineering and financing methodology it intends to adopt to ensure the success of the HSL-IP Project.

This method statement should include the following:

- Description of the general HSL-IP Project methodology, including
 - team selection
 - allocation of risk
 - management of contracts and relationships over the full Term of the Implementation Agreement
- identify the key HSL-IP Project success factors and the processes used to manage these factors;
- identify the major HSL-IP Project technical risks and the processes and tools required to manage these risks; and
- describe the approach to finance

DECLARATION

I/We agree to the submission of this Request for Prequalification.

I/We have read and agree to be bound by the terms and conditions of the Prequalification Document

I/We confirm that the Request for Prequalification is correct insofar as it relates to me/us.

Representative(s)	Signing on behalf of	Signature(s)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

