

PUBLIC UTILITIES COMMISSION OF SRI LANKA
Guidelines for Expressions of Interest

TO PREPARE A MECHANISM TO COLLECT, RECYCLE AND DISPOSE USED LUBRICANTS IN SRI LANKA

- 1) The Public Utilities Commission of Sri Lanka (“the Commission”) hereby invites eligible consultancy firms (the Consultant) to indicate their interest in providing the consulting service to prepare a mechanism to collect, recycle and dispose used lubricants in Sri Lanka, as described below.
- 2) Established by the Public Utilities Commission of Sri Lanka Act No. 35 of 2002 by the Parliament of Sri Lanka, the Public Utilities Commission of Sri Lanka (PUCSL) performs a vital role as a multi-sector supervisory body regulating certain physical infrastructure industries in the country. The PUCSL came into operation in 2003 and currently discharging its powers as the regulator for electricity sector and shallow regulator for lubricant industry of the country. Since June 2006, the lubricant market in Sri Lanka has been fully liberalized and the Public Utilities Commission of Sri Lanka (PUCSL) has acted as the shadow regulator by advising and assisting the Ministry (relevant Ministry related to Petroleum sector) on policy and regulatory matters. There are a number of issues pertaining to quality and price preventing the efficient functioning of the lubricant market affecting the interests of consumers and market participants. Therefore, the Public Utilities Commission of Sri Lanka conducted series of Stakeholder Consultation during in year 2018 covering whole country in order to identify the prevailing issues in the lubricant sector. As a result of them, PUCSL learnt that there is a vacuum for a proper mechanism with respect to disposing the used lubricants in Sri Lanka, mainly disposing of automotive lubricants. There are four categories of lubricants in the Sri Lankan market namely Automotive, Marine, Industrial and Greases.
 - a. Automotive lubricants: Petrol and diesel engine oils, rail road engine oils, motorcycle oils, automotive gear and transmission oils and Automatic transmission oils),
 - b. Marine lubricants (engine oils used by ships, trawlers and boats with on board engines, system oils and hydraulic oils used by ships)
 - c. Industrial Lubricants: Hydraulic oils, circulating oils, Industrial gear oils, compressor oils, quenching oils, metal working oils (eg cutting oil, way lubricants etc.), Turbine oil, Transformer oil & brake oil.
 - d. All types of greases: Both industrial & automotive

As per our learning, there is a functioning mechanism for the disposal of industrial and marine lubricants. But the said issues have arisen mainly with respect to Automotive lubricants. Nonexistence of a proper mechanism for said matter has caused for number of issues in the sector such as adulteration of lubricants, environmental pollution, health issues, etc. Therefore, as the shadow regulatory of the Lubricant Industry of the country, PUCSL decided to compile a mechanism (to collect, recycle and dispose used lubricants in Sri Lanka) in order to propose to the Ministry and then to implement the same. Accordingly, PUCSL expects to hire a qualified consultant for aforesaid assignment of Preparing a Mechanism to Collect, Recycle and Dispose Used Lubricants in Sri Lanka.

- 3) Tentative scope of work of this assignment is given in Annex 1 and the finalized scope of work will be issued along with the Request for Proposal document for qualified parties after the EOI stage.
- 4) In order to carry out the said assignment, the Consultancy firm shall have the expertise under below stated areas.
 - Expertise in lubricant industry in Sri Lanka
 - Expertise in waste management
 - Expertise in environmental standards and regulations
 - Expertise in Sri Lankan legal system and regulatory system
 - International experience, especially experience in similar conditions
- 5) Interested consultancy firms must provide information indicating that they are qualified to perform this assignment to the PUCSL as specified in Annex 2, Annex 3 and Annex 4. Consultancy firms may associate with other firms in the form of a joint venture or a sub-consultancy to enhance their qualifications.
- 6) Expressions of interest should include the following information:
 - a) Business registration of the consultancy firm.
 - b) Financial information of the consultancy firm from the latest audited financial statements (Annex 2).
 - c) Expertise available with the consultancy firm in order to carry out the assignment as per section 4 above indicating the key staff and their qualification/experiences (Annex 2).
 - d) Description of similar assignments carried out (locally/internationally) by the consultant along with the name of client (with references), nature of the assignment, location, contract value, date and duration etc. (Annex 3).
 - e) Any intention to associate with other firm(s)/ individual(s) including the information identified in item a) and b) above relating to other firm(s)/ individual(s) (Annex 4).
 - f) Brochure(s) and any other information.
- 7) The Expressions of Interest received will be evaluated and only the shortlisted firms will be invited to submit detailed technical and financial proposals to provide the Services.

The shortlisting criteria include:

- Qualifications and the experience of the key staff of the consultancy firm with respect to this assignment;
- Similar assignment carried out by the consultancy firm.
- Client references
- Financial strength of the firm
- Core business and years in business

8) Interested consultancy firms may obtain clarifications vide the contact details indicated below, from 9.00 am to 4.30 pm during weekdays excluding public holidays.

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Expressions of Interest must be delivered in a written form to the address below (in person or by register post) by on or before 1500 Hrs. (Local Time) on 31st August 2020.

Chairman – Consultancy Procurement Committee
Public Utilities Commission of Sri Lanka
6th Floor, Bank of Ceylon Merchant Tower
No. 28, St. Michael's Road, Colombo 3,
Sri Lanka.
Telephone: (+94 11) 2392607/8
Facsimile: (+94 11) 2392641

Tentative Scope of work

1. Study the existing supply chain of the automotive, industrial and marine lubricant and grease market in Sri Lanka, including the treatment of used lubricants, both formal and informal
2. Study existing policies, legislation, agreements, standards and practices related to the aforesaid lubricant market in Sri Lanka and specifically identify those which are related to collection, recycling and disposal of used lubricants
3. Study the representations made by stakeholders at the Public Consultation on Quality and Prices of Lubricants in Sri Lanka conducted by the PUCSL on 24th April 2018 related to collection, recycling and disposal of used lubricants
4. Carry out a literature review on technologically acceptable, cost-effective international best practices/methods using for collection, recycling and disposal of used lubricants
5. Consult relevant Government institutions including the Ministry of Highways & Road Development and Petroleum Resources Development, Central Environmental Authority, National Solid Waste Management Centre, Marine Environmental Protection Authority etc. and any other entity identified by the client.
6. Consult all authorized lubricant market participants (currently there are 13 authorized market participants) and their distributors and dealers to obtain their views and proposals regarding collection, recycling and disposal of used lubricants.
7. Consult at least five industry professionals/experts in the lubricant market and gather their views and suggestions (PUCSL will nominate around 2 to 3 such professionals/experts) regarding collection, recycling and disposal of used lubricants. Please note that these industry professionals/experts should be independent from the organizations indicated in above item number 5 and 6.
8. Consult lubricant end users (such as vehicle service stations, Automobile Service Provider's Association, Vehicle service stations association, Sri Lanka Railway, Sri Lanka Transport Board, Thermal Power Stations, etc.) in order to identify their practices, issues regarding collection, recycling and disposal of used lubricants and to identify their views and proposals regarding same.
9. Identify existing practices and mechanisms (if any) with respect to collection, recycling and disposal of used lubricants in Sri Lanka, including the effectiveness of them and issues faced by the organizations which are responsible for implementing such mechanisms (if any).
10. Identify legal, regulatory and institutional barriers and shortcomings, if any, and means of remedying such barriers and shortcomings regarding collection, recycle and disposal of used lubricants.
11. Identify uses of waste oil and refined waste oil as well as methods of recycling waste oil meeting applicable environmental, safety and technical regulations, rules and standards, including guidelines to be imposed in respect of same.

12. Propose technologically acceptable, cost effective mechanism for collection, recycling and disposal of used lubricants such that environmental pollution and adulteration of lubricants is minimized and resource utilization is maximized.
13. Identify an institutional framework including responsibilities of each of identified institution with respect to the proposed mechanism
14. Draft all the required documentary tools (regulations, licenses, rules, guidelines, etc.) to be imposed between each interfaces of the proposed mechanism
15. Present an Inception report including below items
 - a) Summary of the findings under above item 1 to 11
 - b) Proposals on technologically acceptable, cost effective mechanisms for collection, recycling and disposal of used lubricants such that environmental pollution and adulteration of lubricants is minimized and resource utilization is maximized. These proposals shall be written by highlighting the gravity, depth, scope of each mechanism which should be good enough to provide a in depth idea for the PUCSL to decide the way forward.
16. Based on the way forward provided by the PUCSL (item 15(b) above). Present the draft report for stake holders for their comments. Report content should be structured as below
 - a. Detailed findings under above item 1 to 11 as below
 - i. Descriptive information about the lubricant market supply chain
 - ii. Existing legal framework pertaining to collection, recycling and disposal of used lubricants
 - iii. Current practice with respect to collection, recycling and disposal of used lubricants in Sri Lanka
 - iv. International best practices with respect to collection, recycling and disposal of used lubricants
 - b. Proposed cost-effective mechanisms for collection, recycling and disposal od used lubricants in Sri Lanka
 - c. Proposed Institutional framework/s including responsibilities with respect to proposed mechanism
 - d. Draft version of all required documentary tools (regulations, licenses, rules, guidelines, manuals, application forms etc.) to be imposed between each interface (between each organizations) and the within the organizations as per the proposed mechanism
 - e. Any other relevant recommendations
17. Finalize the report considering the comments of stake holders in appropriate manner. The documentary tools (regulations, licenses, rules, guidelines, manuals, application forms etc.) shall be prepared in three languages.

Annex 2
Status of the Firm

[Using the format given below, please provide all the requisite information in respect of the status of your firm and each associate for this assignment;]

- 1) Name and address of the firm:
- 2) Nature of association (joint venture, sub- consultancy etc.):
- 3) Business registration no:
- 4) Core business:
- 5) Years of business:
- 6) Annual turnover (LKR), in 2019:, in 2018:, in 2017:
- 7) Qualifications of key staff:

	Name	Area of expertise	Education	Experiences with the firm (as per section 4 of the EOI document)	Experiences outside the firm (as per section 4 of the EOI document)
1					
2					
3					
4					
5					

Annex 3

Similar assignments carried out within the last 5 years

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

Name of the Firm ¹			
Name and address of client/s with references:			
Name of assignment:			
Approximate value of contract (LKR):		Duration of assignment (months):	
Location:		Total No of staff-months of the assignment	
No of professional staff-months provided by you:		Approx. value of the services provided by firm (LKR):	
Start date (month/year):		Completion date (month/year):	
Name of associated consultants, if any:			
Name of senior professional staff of your firm involved and functions performed (indicate most significant Director/ Coordinator, Team Leader):			
Narrative description of assignment			
Description of actual services provided by your staff within the assignment:			

¹ Indicate the firms' name or associate firms' name

Annex 4

Details of Associations

Associates name	Nature of association	Role	Responsibility