



**Government of Khyber Pakhtunkhwa  
Project Management Unit (DoT)  
Khyber Pakhtunkhwa Integrated Tourism Development Project (KITE)**

**TERMS OF REFERENCE  
FEASIBILITY STUDY AND MASTER PLANNING OF THE INTEGRATED TOURISM ZONES (ITZs)  
KHYBER PAKHTUNKHWA INTEGRATED TOURISM DEVELOPMENT PROJECT (KITE)**

## **1. BACKGROUND**

Tourism is an important contributor to Khyber Pakhtunkhwa's economy and job creation, and the number of domestic tourists traveling to Khyber Pakhtunkhwa keeps growing rapidly. Khyber Pakhtunkhwa is blessed with diverse tourism attractions, catering to all interest types. The province has beautiful scenic beauty including mountains, valleys, forests and rivers. The province has rich history and is home to ancient civilizations with Peshawar being considered as one of the oldest living cities in the world. The province also has rich culture and traditions which attract hundreds of tourists every year for festivals and events. For adventure seekers, the province offers ample opportunities for mountaineering, trekking, skiing, hunting, sport angling etc.

Khyber Pakhtunkhwa's rising value in the sector is also evident from the fact that its expenditure in tourism sector rose from Rs. 86.23 million in the financial year 2012-13 to Rs. 791 million in financial year 2018-19<sup>1</sup>. The increased tourism promotion has led to an unprecedented rise in tourist traffic in the province, resulting in growth in economic activity in the province and the creation of new employment opportunities for the local population.

The infrastructure and destination facilities have not kept pace with the growth in demand. Traffic congestion, littering & unplanned waste collection, land and river pollution and road degradation are becoming visible as early signs of 'over-tourism'. Khyber Pakhtunkhwa province is at a risk of missing the potential positive impact of tourism through job creation, income and improved service delivery and be left with the costs of a delapidated environment, insufficient service delivery and a ruined destination image. There is therefore a need for detailed tourism planning at destination area level, identifying critical investment gaps and an optimum management system in support of a sustainable, inclusive tourism system in Khyber Pakhtunkhwa province.

Khyber Pakhtunkhwa has the means to attract private sector investment and increase the value generated per visitor (average daily spend per visitor multiplied by their average length of stay) through a sustainable development approach. Sustainability refers to the environmental, economic, and socio-cultural aspects of tourism development, and the need to manage these three dimensions to guarantee that a destination continues to provide benefits in the long-term.<sup>2</sup> Sustainable tourism therefore requires a higher level of coordination than other industries, especially at the destination level.<sup>3</sup>

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<sup>1</sup> Annual Development Plan 2018-19

<sup>2</sup> In recent years, sustainability has emerged as a critical concern that must be addressed in any viable tourism development strategy. Expressed simply, sustainable tourism can be defined as "Tourism that takes full account of its current and future economic, social and environmental impacts, addressing the needs of visitors, the industry, the environment, and host communities".

<sup>3</sup> A tourism destination is a physical space with tourism attractions and resources in which a visitor spends at least one overnight. It has physical and administrative boundaries defining its management, images and perceptions defining its market competitiveness.



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The Government of Khyber Pakhtunkhwa has received loan from International Development Association (administered by the World Bank) towards the Khyber Pakhtunkhwa Integrated Tourism Project (KITE) and intends to apply part of the proceeds in meeting the cost of securing the services of reputable and qualified consulting Firms/Consortiums/JVs led by tourism firm (the Consultant) for development of feasibility and master plan for four selected sites as Integrated Tourism Zone (ITZs) in Khyber Pakhtunkhwa (KP).

## **2. CONSULTANCY OBJECTIVES**

The purpose of the Consultancy is to assist the Government of Khyber Pakhtunkhwa (GoKP) in preparing **customized feasibility studies** for the integrated development of tourism in selected destinations i.e. Integrated Tourism Zones (ITZs). This Consultancy will be informed by the 2018 “Tourism Sector Analysis by the Government of Khyber Pakhtunkhwa”<sup>4</sup> and **aims to identify public investment opportunities needed to create/improve the functioning of the destinations. The feasibility will include the elements of economic possibilities (such as job creation and community involvement), environmental and social safeguards. The activity will also include the pre-feasibilities for private sector investments in tourism products and enterprises within the ITZs.**

The four ITZs to be covered by these ToRs are:

1. Mankiyal - Swat
2. Tandiani- Abbottabad
3. Madhglasht - Chitral
4. Ganool - district Manshera, Hazara division

The description of boundaries of the ITZs in geographic and administrative terms will be done at the stage of inviting technical proposals from the firms which are successful in the first round.

## **3. SCOPE OF WORK**

The scope of the consultancy is to conduct Identification of Potential Tourism areas within the ITZs, Mapping of the area, Spatial Planning of the ITZ, Destination Management Plan, and Infrastructure Development plan using LiDAR Technology services through a phased approach. Each phase is dependent on the successful and approved completion of the deliverables of the previous phase. Five phases are listed below:

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<sup>4</sup> GoKP/ERKF funded: KP Tourism Sector Analysis of Kalam, Swat, Galiyat and Naran. October 2018



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### **PHASE I: INCEPTION**

The consultant will submit an inception report including (but not limited to):

- Methodology and Approach for data collection, stakeholder consultation, spatial planning, geospatial data collection and presentation of the deliverables.
- The consultant's understanding of the specific deliverables for each task assigned and consultant's value added to this assignment.
- A work plan preferably generated from MS Project with detailed timeframe, staff allocation and travel plan to the target areas.
- Profile of technical staff members mentioned in the work plan.

If found satisfactory, the Inception report will be approved for implementation of subsequent phases. In case the Inception report is found deficient, the client may ask the consultant to revisit parts or whole of the Inception report. However, if the client is unsatisfied with the original or revised Inception report, the contract may be closed at this stage without moving to the next phase.

### **PHASE II: BASE LINE SURVEY AND DATA COLLECTION**

Phase II is expected to comprise of a desk study and data gathering exercise in line with the proposal in the inception report to analyze supply and demand for the selected ITZs. It is expected that most will be informed by the 2018 Khyber Pakhtunkhwa Tourism Sector Analysis for Naran, Galiyat, Kalam and Kumrat (completed by Government of Khyber Pakhtunkhwa in August 2018), the Tourism Policy of Khyber Pakhtunkhwa, KP Tourism Act 2019, Chitral Growth Strategy by PPAF and other relevant documentation/mapping on ITZ recently completed by KP.

The Base Line Survey and Data should be presented through detailed mapping (on surveyor topographic systems/GIS) and listing using LiDAR Technology and should include the following:

#### **A. Attraction & Infrastructure**

- Potential tourists' attractions, tourism assets (related to scenic beauty, leisure, historical, archeological, religious/cultural, adventure, or any other type of tourism) within the ITZs.
- Potential demand assessment for establishing/ installing future facilities,
- Existing and/or potential management system, authority and mandate, at identified ITZs
- Current relevant land use (zonation) (agriculture, commercial, residential, public, others) and land ownership (public/private).
- Current relevant hydel resources for drinking, irrigation or other uses.
- Current and planned sewerage and waste disposal systems in target area.
- Utilities inventory like, electricity, network coverage, tv coverage, etc.
- Road connectivity, road condition, seasonal access and road lengths (and distances) including link roads to the ITZs.



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**B. Potential Visitation, flow & Seasonality**

- Potential visitor profiles to the ITZs (with respect to age, gender, purpose of visit, mode of journey, use of package tour, etc.)
- Number, nature and duration of likely stay (number of overnight visitors versus same-day visitors, type of accommodation used, tents, camping pods, homestays etc.)
- List of festivals, fairs, sporting events, etc. in the target ITZs and nearby surroundings.
- Potential demand assessment based on the restrictions and opportunities created by season travel pattern to ITZs
- Mapping of tourism flows by road used and (seasonality) volume
- Measures for Forestation improvement
- Environment management and preservation of Wildlife.

**C. Tourism Services & Economy**

- Mapping of relevant host community profile at destination hubs able to support tourism economy (population numbers, local resources, means of income, job opportunities, skills base, literacy rate) and current tourism contribution to the economy of the target locations of the ITZs.
- Description of the system and sources of Government's revenue collection from tourism-related businesses (taxes, toll money, entry tickets, etc.) and total revenue of the last five years (if available).
- Indicative number of commercially registered vehicles (seat capacity) locally available for tourism use and assessment of average quality and operational system.
- List/map tourist facilities (if available) on the roadside (leading towards the ITZ) and within designated ITZs, especially for women, children and disabled.

**PHASE III: Master Plan**

Based on the above analysis (A-C), the consulting firm will present it's findings as a Master Plan for the ITZ including:

- Priority connectivity/transport/utilities infrastructures (including air and road connection, water management, waste management) at ITZs level and the time required to address the gaps identified (reflecting seasonality conditions);
- Needs of tourism-related infrastructure (including visitor information centres, signage, lighting, parking, access to lakes, viewpoints, villages and hilltops, preservation of archaeological sites and artefacts, construction and renovation of tourism infrastructure in protected areas to improve trekking and scenic trails, safe drinking water, viewpoints and shelters);
- Capacity and number of accommodation properties/businesses that could be supported in each destination (inside and outside the ITZs) based on supply/demand analysis. This should identify the requirements for meeting the demands of different segments of tourists;



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- Provide an indication of which ITZs (and areas in/around them) are most market-ready for tourism development and have the least repercussions in terms of environmental and social safeguard issues including resettlement of local residents in case of land acquisitions, if any. This will have to be viewed with the aid of the project environmental and social framework already prepared by the KITE project (ESMF, IPPF, PCR and RPF)
- Analysis of how the various tourism products should be developed and promoted in terms of phasing. Which types of products can be brought to the market first, and in/around which destination areas; and
- What kind of skills and resources need to be provided by the public and private sector to generate related jobs in the local community for men and women.

#### **PHASE IV MANAGEMENT PLANNING**

To enable proper investment and development of tourism, the enabling environment for the sector needs to be assessed including the existing regulations especially KP's Tourism Act. The consultancy is required to identify the relevant policy and regulatory barriers and opportunities and propose adjustments, where needed including:

- the major infrastructure and ITZ facility barriers (and risks) related to tourism development in and around the destination areas,
- Details of potential/new enterprises/projects serving the ITZs especially in terms of capacity, brand, and quality, or new capital projects that will have an impact on tourism development at the ITZ level
- Inventory of existing development plans that relate to tourism, and rules regarding their preparation by districts, provinces and other public bodies;
- Describe the current management system of existing attractions and sites and assess their effectiveness and efficiency in other parts of KP as a reference point;
- Document the roles and other institutional details (charter, year of establishment, staffing, capacity etc.) of the applicable management authority that govern tourism site and overall destination at both provincial and federal levels;
- Propose a sustainable and effective management system for existing assets and anticipated (proposed) activities following the low, medium and high growth scenario. This should factor in global best practices and their applicability or customization for the ITZs;
- Propose institutional and regulatory changes to support the envisaged management system and indicate realistic revenue options;
- Reflect on the current and proposed policy and regulatory tourism environment at provincial and federal level in support of the proposed ITZ management system, and suggest changes/amendments, where necessary
- **Site-specific/Municipal Visitor Management** Plan for the priority sites identified including, but not limited to:



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- Attracting and managing tourist traffic;
- Recycling plastics and glass (empty bottles etc.), solid waste management and required training and equipment for local authorities and communities;
  - Tourist information and facilitation center, signage and visitors' guidance during high and low seasons;
  - Improving infrastructure connectivity, water supply, medical and security services for visitors; and
  - Mapping the existing and potential banking facilities (ATMs and mobile wallets including Easy paisa, Omni, etc.)
- Feasibility for establishing a destination level ITZ Management Organisation and a road-map for its establishment as well and its business plan (to include staffing and financial resources required).

The consultancy will thus formulate **an ITZ Feasibility and Management Plan** including the as

#### **PHASE V INVESTMENT PLANNING**

The final task constitutes the formulation of an investment plan, segregated in public and private sector's investments that enables capturing the tourism potential of the ITZs.

**PUBLIC SECTOR'S INVESTMENT PLAN** including the following:

- New/upgrading roads, pathways, parking, signage, walkways, tracks etc. to tourism sites
- New/upgrading sewerage, sanitation, dumping sites, incinerators in tourism areas
- Drinking water, water supply sources and relevant hydrological infrastructure (including study of streams, rivers, rivulets and their channelization options)
- Preparation **PC-1s EOIs and RFPs** for proposed interventions/investments by the public sector.

**PRIVATE SECTOR'S INVESTMENT PLAN** proposing realistic, creative and feasible business opportunities through:

- Preparation of concept notes on business opportunities identified as intervention by the private sector in accommodation, transport, F&B and service sectors.
- Identification of potential local and international investors' market including franchise opportunities.
- Preparation of **PC-1s EOIs and RFPs** for proposed interventions/investments by the private sector. These should be ready for presentation to international presenters both in hard and soft copies.

#### **4. QUALIFICATIONS OF THE CONSULTANCY FIRM**

The eligible Consulting firm(s) /JV/Consortium must demonstrate the skills set and experience required to undertake the tasks set out in these terms of reference. The evaluation of the consulting firm/Consortium will be carried out in accordance with the below criteria:



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s.no	Selection Criterion	Marks
1	The tourism firm should have minimum of Ten (10) years of general experience in market analysis for the tourism sector, in analyzing the tourism and travel industry, and good understanding of the structure and operations of the industry. Details of completed assignments to be provided.	(10)
2	Five (5) years of experience in carrying out research work and preparation of actionable and detailed plans for destination development in cultural, heritage and adventure tourism including developing spatial plans, product and/or engineering concept designs and associated description to implement the site development plans. International Experience will be accorded due weightage. Details of completed project intervention with financial cost of the project to be provided as evidence.	(25) a). USD 0.5-1.0 Million    07 Marks b). USD 1.1-1.5 Million    14 Marks c). USD 1.6-2.0 Million    21 Marks Above USD 2.0 Million    25 Marks
3	Successfully implemented three (03) projects in market analysis for the tourism sector, in analyzing the tourism and travel industry and destination Management. Details of project intervention to be provided as evidence.	(15) a). 3 Completed Projects 12 Marks b). more than 03 Completed Projects 15 Marks
4	Successfully implemented three (03) projects in preparation of actionable and detailed plans for destination development in cultural, heritage and adventure tourism. Details of project intervention to be provided as evidence.	(15) a). 3 Completed Projects 12 Marks b). more than 03 Completed Projects 15 Marks
5	Successfully implemented three (03) projects developing spatial plans, product and/or engineering concept designs and associated description to implement the site development plans. Details of project intervention to be provided as evidence.	(15) a). 3 Completed Projects 12 Marks b). more than 03 Completed Projects 15 Marks
6	Should have permanent managerial/senior staff having academic background in engineering, financial management (CA/ACCA), corporate law and vast practical experience in the field of engineering, PPPs, destination development, tourism economist, topographic systems/GIS and other relevant fields.	(10) a) Tourism and destination management expert    02 Marks b) Field Engineer    02 Marks c) Financial Management    01 Marks d) Corporate Law Expert    01 Marks e) PPP Expert    02 Marks f) MIS/GIS Expert    01 Marks g) Architect    01 Marks



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7	The Net Worth of the individual firm shall be positive for the last Five year. Annual Turnover of USD 05 million in case of individual firm and cumulative USD 15 million is required in case of JV/Consortium for similar assignments. The Annual Turnover would be considered for only those firms who would demonstrate the positive Net Worth during the past 5 years. The firm must provide audited financial statements to substantiate their claims.	<b>(10)</b>  <b>Individual Firm</b> USD 5 Million            07 Marks More than 05 million    10 Marks  <b>JV / Consortium</b> USD 15 Million            07 Marks More than 15 million    10 Marks
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**5. SELECTION METHOD**

Selection will be made in accordance with the QCBS (quality and cost-based selection) method set out in the World Bank Procurement Regulations (Procurement in Investment Project Financing, Works, Non-Consulting and Consulting Services. July 2016 Revised November 2017 and August 2018). International Competitive Bidding market approach will be used for hiring the services of the Consultant.

**6. WORKING ARRANGEMENTS**

The Consultant will be required to present the findings of the various components of the studies to GoKP at key milestones during the Consultancy. The Consultancy will be extended advisory support from the GoKP on its policies and the project, as appropriate, not binding, however. The Consultancy will also be extended full support from the relevant agencies of the GoKP including the relevant stakeholders in the ITZ locations through their designated representatives. The GoKP will provide access to sites (by obtaining necessary clearances and NOCs), available data and information relevant to the preparation of the documents as well as available information on relevant agencies and stakeholders.

However, it is the responsibility of the qualified firm to contact the identified stakeholders, gather the complete information, synthesize and analyze it as well as prepare all the assignment deliverables satisfactory to the Government of Khyber Pakhtunkhwa. The same consultant firm may be tasked to prepare similar plans for additional destinations depending upon satisfactory performance in this assignment.

There will be strict adherence to the communications policy of the GoKP and the World Bank Group, while ensuring GoKP adequate participation. The Consultant will report to the Project Director (DoT-PMU).

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