



Request for Proposal for
Hiring of Consulting Firm/Company to Conduct Study
on

FACILITATING EASE OF DOING
BUSINESS FOR ENGINEERING
INDUSTRY

ENGINEERING DEVELOPMENT BOARD

Ministry of Industries and Production

Government of Pakistan

November 05, 2023

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1.0 Request for Proposals

Engineering Development Board (EDB), Ministry of Industries & Production, Government of Pakistan invites sealed (technical and financial) proposals for selection of a Consulting Firm/Company to identify and suggest recommendations to remove business related federal regulatory barriers and hindrances, that may be redundant and counter-productive and add non-value adding compliance requirements, both at regulatory and operational levels. This detailed study, titled “Facilitating Ease of Doing Business for Engineering Industry in Pakistan (EOBD)”, is expected to facilitate the engineering industry, with special focus on priority sectors identified in Section-11 of the RFP (Scope of Work).

The selected firm/company is expected to undertake the analysis/activities **detailed at Section - 11 of RFP:**

Request for Proposal documents containing detailed terms and conditions, method of procurement, procedure for submission of proposals, bid security, proposal validity, opening of proposals, evaluation criteria, clarification/rejection of proposals etc. against above requirement may be downloaded from website www.engineeringpakistan.com or obtained from the undersigned through e-mail free of cost .

The proposals prepared in accordance with the instructions in the request for proposal documents, must reach undersigned on or before 1400Hrs on 21st November, 2023 and will be opened on the same day at 1430Hrs, In the presence of bidders.

In case of any query, undersigned may be contacted during office hours (Monday to Friday excluding public holidays).

Contact Person: Dy. General Manager

Contact No: 051-9201916

Contact E-mail: shahzad@edb.gov.pk

2.0 Background

Engineering Development Board (EDB) was established in 1995 in pursuance of a Cabinet decision, and assigned the following terms of reference:

- Develop a long-term vision for the development of the engineering sector.
- Formulate and coordinate all government policies relating to the engineering sector.
- Develop an overall strategic engineering development plan.
- Promotion of export.
- Enhancement of technical training.
- Formulate policies and guidelines for utilization of technology development and engineering funds.
- Appeal for grievances.
- Management of deletion policy {subsequently discontinued, and replaced with Tariff Based System (TBS)}

In 1997, the Government designated EDB as an apex policy and decision making autonomous body for all aspect concerning the engineering industry as per its terms of reference. In Dec 2004 on a summary for the Prime Minister on Re-Structuring of EDB, the erstwhile Experts Advisory Cell (EAC) was merged into EDB in order to further strengthen the organization and give impetus to the development of engineering sector.

EDB since its creation has established itself as knowledge based organization providing technical support for development of local engineering sector. It is acting as a bridge between the engineering sector and the Government. Some of the policy and regulatory functions it performs include:

- Secretariat for Automotive Industry Development & Export Committee (AIDEC) under AIDEP 2021-26
- Secretariat for the Mobile Device Manufacturing Policy
- Focal point for engineering industry inputs for Annual Budget & Competitiveness Exercise (Tariff & Taxes Rationalization)
- Focal point for engineering industry inputs in FTAs/ PTAs/ JMCs/ JTCs/ JWG's negotiating teams / delegations. EDB participates in FTAs/PTAs negotiations on behalf of the Ministry of I&P, as its technical arm, evaluates offer lists of

engineering/industrial products in coordination with local industry after thorough review of industrial base of both countries.

- Focal point for engineering industry trade exhibitions, delegations etc organized by TDAP

In addition to a policy formulation role, EDB is the lead organization for implementation of various government regulations for industry facilitation including:

- Automotive sector regulations including SROs 656(I)/2006 for automobile assemblers/manufacturers, SRO 655(I)/2006 for auto parts manufacturing, and SRO 693(I)/2006 for local manufacturing of parts / components
- Development / updation of technical database of locally manufactured engineering goods under CGO
- Determination of Input Output Ratio for engineering industry under SRO 450(I)/2001 (DTRE-export sector)
- Determination of Input Output Ratio for engineering industry under duty drawback scheme
- Determination of Input Output Ratio for the Manufacture of the Goods under SRO 565(I)/2006
- Determination of local manufacturing status under 5th Schedule, SRO 678, and others.
- Determination of Price preference to be accorded, under Import of Engineering Goods (Control) Order, 2001 (SRO 827(I)/2001).

The engineering industry comprises of products included in Chapters 72 to 96 of WTO's Harmonized Tariff Schedule, which include Base Metals, Metal Products, Mechanical Machinery, Electrical Equipment, Electronics, Non Metals, and Design & Engineering Services (Annex-B). This industry is the largest sector of trade in the world. In 2020, out of total global trade of USD 17.3 trillion, 56% or USD 9.7 trillion was of engineering goods.

Concerted efforts and resources are required to take the engineering sector in Pakistan to a level where it innovates, acquires technology and connects to the global supply chains. The global engineering sector presents a huge potential for Pakistan to expand its footprint, as currently, we only tap 0.04% of the approx. 3.5 trillion USD exports in the segments where we have a presence. Some of the leading engineering sectors from Pakistan already present in the exports market include Medical & Surgical Equipment, Plastics (material & make-ups), Iron & Steel (materials & make-ups), Auto Sector (CBUs

& Parts), Machinery & Capital Goods (including Agriculture & Textile machinery), Electrical Machinery & Capital Goods, Cutlery & Utensils, Sanitary & Kitchenware, Home Appliances, Consumer & Transmission Electronics (including Mobile Phones), Pumps & Motors and Engineering Services etc.

Major initiatives being worked on by EDB include:

- Preparing overall Development and Exports plan for major engineering goods and services sectors, which include; Auto Parts & Components. Electrical & Power Equipment, Machinery & Capital Goods, Cutlery & Utensils, Sanitary, Kitchenware & Ceramics, Domestic Appliances, Consumer & Transmission Electronics, Pumps & Motors, and Engineering Services. Expected impact will include growth of local engineering industry, employment generation, import substitution and export enhancement.
- Policies for Steel, Petrochemical, Solar Panels manufacturing, Agriculture Implements manufacturing, Domestic Appliances, Office Electronic Equipment, Electronics Equipment Manufacturing Policy (Mobile Accessories, tablets, parts and components), Medical Devices, etc. with the objective to build a basis for a globally competitive industry in each sector, attract FDIs, upgrade and encourage efficient technologies, encourage import substitution and exports.
- Sector Development activities include preparing sector studies to identify interventions for growth and development of various sectors of the engineering industry.

3.0 Bidding Process

- i. A Consulting Firm / Company will be selected after an open, competitive, and transparent bidding process in accordance with Public Procurement Regulatory Authority (PPRA) Ordinance, 2002, and Rules, Regulations and Guidelines.
- ii. A Single Stage, Two Envelope Bidding Process as per Rule 36 (b) read with Rule 37 (a) of the PPRA rules shall be adopted. Initially, only the envelope marked "TECHNICAL PROPOSAL" shall be opened. The envelope marked as "FINANCIAL PROPOSAL" shall be retained in the custody of EDB without being opened.
- iii. During the technical evaluation no amendments in the technical proposal shall be permitted.
- iv. The financial proposals of bids shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance;
- v. The bid found to be the most advantageous bid shall be accepted
- vi. Evaluation of technical proposal for prequalification of panel members will be carried out, in accordance with evaluation criteria as per Section-8 of this RFP.
- vii. The result of technical evaluation shall be communicated to the bidders once the evaluation is completed.

4.0 General Conditions & Instructions

- i. Bidders (Consulting Firms / Companies) must submit separate Technical and Financial Proposals. Technical Proposals will be opened on the same day in front of all bidders desirous of attending. Financial Proposals will be opened once scrutiny of Technical Bids is completed and only technically qualified bidders' Financial Proposals will be opened.
- ii. Proposals shall be submitted in English language.
- iii. The bidders shall bear all costs associated with the preparation and submission of their respective proposals and EDB will, in no case, be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.
- iv. Bidders are under obligation to understand the RFP and address all requirements, and EDB shall not be responsible towards the Bidders for any of their claim or complaint which may arise in result of misreading or misinterpreting the RFP by Bidders.
- v. For clarification on any item of this RFP, the bidder may send a written request to the contract person at section-I.
- vi. All clarifications will be communicated to the registered Bidders through e-mail.
- vii. EDB is the originator of this RFP, and any clarification or interpretation communicated by EDB, whether in response of a query or otherwise, shall be deemed final, conclusive and will remain unquestioned.
- viii. Each page of the Technical Proposal shall be stamped and signed by an authorized representative of the Bidder. The representative's authorization shall be confirmed by power of attorney accompanying the proposal on company's official letter head.
- ix. At the time of bid submission, the bidder shall furnish:
 - a. Authorization certificate issued to an authorized representative on company's official letter head duly signed and stamped by CEO along with respective copies of CNICs.
 - b. The Bidders certification and documentary evidence that it is on Active Taxpayer List (ATL) as per the Eligible Bidders (Tax Compliance Regulations, 2015) and should have a valid NTN and STRN.
 - c. In case of company, incorporation certificate from SECP and in case of Firm/AOP, Form C issued by registrar of Firms.

- d. Compliance Criteria Checklist stamped with Company seal. When completing the Compliance Criteria Checklist, bidders must provide the specific documents and information required by this RFP in the Compliance Criteria Checklist. Bidders must also specifically identify and comment on any of the identified RFP checklist clauses for which their documentation is “Non-Compliant”.
- e. The Bidder shall provide undertaking on a stamp paper, duly attested by Oath Commissioner to the extent of that the Bidder has not ever been declared blacklisted nor is involved in litigation by/with any Government/Semi- Government Office/institutions.
- x. EDB may reject all bids/proposals or any bid/proposal at any time prior to the acceptance of a bid or proposal. EDB shall, upon request, communicate to any supplier or contractor who submitted a bid or proposal, the grounds for its rejection, but EDB is not required to justify those grounds as per Rule 33 of PPRA Rules.
- xi. In the Financial Proposals/Bids, the pre-qualified bidder must submit quote in accordance with section-9, and failure to do so may lead to non-compliance and bid rejection.
- xii. EDB may increase or decrease quantum of work as allowed by PPRA.
- xiii. The successful bidder for this consulting assignment/project shall be responsible to complete all the tasks as per scope of work.
- xiv. Work done and all reports shall be evaluated by EDB and EDB will issue a Completion Certificate upon successful acceptance.
- xv. Confidentiality: Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the bidders who submitted the proposals or to other persons not officially concerned with the process, until the successful bidder has been notified that it has been awarded the contract. Furthermore, Bidder shall not, either during the term or after the expiration of this Contract, disclose any proprietary or confidential information relating to the proposal, with any third party without the prior written consent of the Engineering Development Board.
- xvi. EDB requires that Bidder observe the highest standard of ethics during the procurement and execution of each contract, and will reject the award/cancel the contract if at any stage during the whole process if it is determined by EDB

that the Bidder has directly or through an agent, engaged in corrupt, fraudulent, collusive, or coercive practices in competing for the contract in discussion, as defined below:

- a. “Coercive practice”: is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence the actions of a party improperly.
 - b. “Collusive practice”: is an arrangement between two or more parties designed to achieve an improper purpose, including influencing the actions of another party improperly.
 - c. “Corrupt practice”: is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the actions of another party improperly.
 - d. “Fraudulent practice”: is any act or omission, including a misrepresentation, which knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation.
 - e. “obstructive practice”: is deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede EDB investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation.
- xvii. Incomplete or partial bids will be rejected.
- xviii. Bids which do not comply with the prescribed format and requirements set out by EDB shall be rejected.

5.0 Performance Guarantee & Liquidation Damages

1. Performance Guarantee (PG) equivalent to ten [10%] percent of the contract value in shape of irrevocable Bank Guarantee will be submitted by successful Bidder strictly in accordance with the format to be provided by EDB at the time of award of contract. In case of non-submission within the time stipulated in Letter of Intent (LoI) to be issued to successful Bidder, EDB may cancel the LoI and shall proceed accordingly.
2. The Performance Guarantee shall be valid for a period of 6 months from the date of signing of the contract or any other extended period and will only be released upon satisfactory completion of the assignment.
3. Any delay in project execution shall lead to the imposition of Liquidated Damages @1% per week of the value of the contract and up to a maximum deduction of ten [10%] percent of the contract. Once the maximum is reached, EDB shall have the right to encash the PG and terminate the Contract.
4. Unsatisfactory performance by Consulting Firm / Company may lead to its blacklisting.
5. Any Liquidated Damages shall be deducted from the invoice (s) submitted by Consultant or performance bond. The imposition of Liquidated Damages and its payment shall not absolve the Consulting Firm / Company from its obligations to delivery or from any other liabilities or obligations under the Contract.
6. If and to the extent that a Consulting Firm / Company's performance of any of its obligations pursuant to this Agreement is prevented, hindered or delayed by reason of a Force Majeure event and such non-performance, hindrance or delay could not have been prevented by reasonable foresight or precautions, and cannot reasonably be circumvented through the use of alternate sources, work-around plans or other means, then the non-performing, hindered or delayed Consultant may give written notice (a "Force Majeure Notice") to EDB within seven (7) business days of occurrence of such event.
 - a. Subsequently Consultant shall provide initial evidence in support of the notice within 7 business days after such notice.
 - b. A Force Majeure Notice shall contain reasonable particulars of the Force Majeure Event in question and the effect of such Force Majeure Event as it relates to the obligations of the non-performing, hindered or delayed project/contract hereunder.

- c. Where a FM has been awarded, LD shall not be imposed.

6.0 Technical Proposal

Technical Proposals to be submitted by the bidder shall be in compliance with the requirements laid down in the RFP, shall be clearly marked as such and shall include:

1. A covering letter from the head of the company or an authorized representative of the applicant covering the key features of the technical solution.
2. Registration with tax authorities i.e. NTN, STRN and ATL through online verification on the day of submission of Bids to be provided.
3. The Bidder must have been incorporated minimum three (03) years before the date of bid submission and have proven work experience in the following areas:
 - a. Development of policies on planning, development, research, evaluation and promotion of the industrial sector in Pakistan or internationally;
 - b. Development of Academia-Industry linkages for designing, manufacturing and commercialization of industrial technologies;
 - c. Sector studies/research in the engineering sector;
 - d. Value chain analysis and benchmarking of industrial concerns/sectors;
 - e. Sector development, promotion, marketing & export enhancement;
 - f. Experience of analysis of global supply chains, global benchmarks and performance indicators;
 - g. Understanding of fiscal/monetary measures, tariffs, taxes, etc. and government bodies dealing with such matters.
4. Bidder must have experience of having conducted at least one similar study in Pakistan. Documentary evidence in the shape of Completion Certificate etc. must be provided by Bidders otherwise their bids will be rejected and financial proposal shall be returned unopened.
5. The following documentation will be provided as part of the technical proposal:
 - a. Brief company profile.
 - b. Major areas of expertise.
 - c. Outline of work experience with references to work/scope on projects, name of the client along with their references and project value in the format specified in Table 1.

- d. Complete address along with contact details and point of contact for all offices.
 - e. CVs of proposed team, which should include contact details (mobile number and email), trainings attended, certifications, relevant work experience and educational details.
 - f. Assigned roles and responsibilities of each proposed team member.
 - g. Proposed methodology & sample work plan.
 - h. Compliance against each clause and sub-clause of RFP. Following conventions shall be used in the compliance checklist:
 - i) Fully Complied (FC)
 - ii) Not Complied (NC)
 - i. Additional Information which can facilitate EDB in evaluation of technical proposal (if any).
6. Failure to meet any of the above-mentioned clauses will lead to declaration of Technical proposal as non-responsive and such non-responsive bid will not be considered for Technical evaluation as per Section 8 (Table 2: Evaluation criteria) of this RFP.
7. Certificate to the below effect to be provided by Bidder on Stamp Paper of Rs. 100 value and duty counter-signed by notary public.
- a. Conflict of Interest: The Bidder (including their personnel and sub-bidders) or any of their affiliates shall not receive any remuneration in connection with the assignment except as provided in the contract. The Bidder (including their personnel and sub-bidders) or any of their affiliates shall not engage in any activity with respect to their assignment that conflicts with the interest under the contract, or that may place them in a position of being unable to carry out the actions in the best interest of Government of Pakistan.
 - b. The Bidder shall provide professional, objective and impartial advice at all times and hold the Government of Pakistan interests paramount, and in providing such advice avoid conflicts with any other assignment and their own corporate interests.
8. Integrity Pact as per Annex-A to be provided by successful Bidder on Stamp Paper of Rs. 100 value and duty counter-signed by notary public.

S. No.	[Insert Serial Number of the project reference provided]
Project Title	[Insert title of the project]
Client	[Insert name of the Client]
Client Contact Information	[Insert the Name and Contact details (mobile & official email) of Point of Contact who can be contacted for verification]
Brief Description of the Project	[Brief Description of the project, area of operations, Team details]
Value of the Project	[Insert the value of the project]
Duration of the project	[Insert the duration i.e., total time taken for the completion of the project]
Documentary Evidence	[Attach documentary evidence (acceptance certificate, Reference letter, Purchase Orders, etc.)]

Table 1: Consultants Work Experience

7.0 Submission, Receipt & Opening of Tenders

The technical proposals shall be submitted as:

One Original and one Copy in hard format, along with a soft copy of Technical Proposal on USB shall be submitted. The technical proposal shall be prepared without any interlineations or overwriting.

The technical proposal must be delivered at the address given below on or before _____ November 2022, by 1400 Hours (PST).

Deputy General Manager (HR&D),

Engineering Development Board

EDB Complex Building, 5-A Constitution Avenue, Islamabad

Tel: (92-51) 9201916, Fax: (92-51) _____

Email: shahzad@edb.gov.pk

Technical Proposals shall be opened on bid submission day at 1430 Hours (PST), in presence of authorized representatives of all the applicants who choose to be present.

The evaluation of Technical proposal will be carried out as per the evaluation criteria given in the RFP. The results of the evaluation may be communicated to all the Bidders.

8.0 Evaluation Criteria for Technical Proposals

1. EDB will evaluate the Technical proposal based on its compliance with this RFP, evaluation criteria and the scoring mechanism as specified below in Table-2.
2. Bidders are required to answer queries raised by EDB within Forty-Eight (48) hours, otherwise EDB shall proceed with evaluating bids as per the actual submission and shall not in any case entertain answers to its queries submitted after the specified time.
3. A proposal shall be rejected during technical evaluation if it does not comply with this RFP or disqualified if it fails to achieve the minimum score as indicated in Table-2 below.
4. Bidder shall give undertaking on stamp paper that the Team proposed shall be dedicated to the awarded project and same resources shall not be utilized in any parallel ongoing project.
5. A proposal/bidder shall be disqualified in technical evaluation if it fails to achieve the minimum score

S. No.	Category	Weight	Description
1.	Business Experience	50	<p>Representative consultancy assignments done in:</p> <ol style="list-style-type: none"> a. Development of national/regional policies on planning, development, research, evaluation and promotion of the industrial sector in Pakistan or internationally (each assignment to qualify for 2.5 points, and maximum in this sub-category are 10) b. Econometric/financial analysis, benchmarking, value chain analysis, performance indicators etc. of large corporations (each assignment to qualify for 2.5 points, and maximum in this sub-category are 10) c. Development of Academia-Industry linkages for designing, manufacturing and commercialization of industrial technologies (each assignment to qualify for 2.5 points, and maximum in this category are 10) d. Sector development, promotion, marketing & export enhancement (each assignment to qualify for 2.5 points, and maximum in this category are 10) e. Preparing/framing of fiscal/monetary measures, tariffs, taxes, etc. and experience with government bodies dealing with such matters (each assignment to

			qualify for 2.5 points, and maximum in this category are 10)
2.	Approach, Methodology, Work Plan	20	a. Methodology and Work Plan for sample consulting assignment (10 points) b. Presentation (10 points)
3.	Project Team	20	a. Adequacy of proposed project team for the assignment (10 points) b. Adequacy of individual team members to the assigned project role (evaluation will be based on total experience of each individual consultant and their individual sector experience (10 points) (CV of key staff must be provided as part of the technical proposal)
4.	Public Sector Experience	10	a. Company / Firm experience of working with Federal and/or Provincial governments in Pakistan (each assignment to qualify for 2.5 points, and maximum in this category are 10)
Total Score		100	
Minimum Score required to Prequalify		75	

Table 2: Evaluation Criteria

9.0 Financial Proposal

The Bidder shall submit Financial Proposals in original, a copy and a softcopy in USB in a sealed envelope.

Envelop shall be clearly marked with the following:

“FINANCIAL PROPOSAL”

“Do Not Open Prior to Financial Opening”.

Financial proposal must be submitted in a sealed envelope, clearly mentioning the name of study, client name and bidder’s name.

The proposal must remain valid for a period of **180 days** after the submission date

The Financial Proposal shall include the following:

1. A covering letter from the head of the company or an authorized representative of the applicant stating that the financial proposal shall remain valid for a period of 180 days from the date of opening of financial proposal and announcing the quoted bid and that the bidder has no conflict of interest in rendering his services to EDB.
2. A Bank Guarantee, in the name of ‘Engineering Development Board, Ministry of Industries & Production, Government of Pakistan’ of value of 5% of Financial Bid must be attached in a separate envelope, with the financial proposal otherwise unopened proposal shall be returned, and bid will be rejected.
3. Each page of the Financial Proposal shall be stamped and signed by an authorized representative of the Bidder. The representative’s authorization shall be confirmed by power of attorney accompanying the proposal on company’s official letter head.
4. The Bidder shall quote a lumpsum as well as breakup/itemized price (if applicable) otherwise, the proposal will be rejected for being non-compliant to this requirement. Subtotal of all line items and grand total shall be written in words as well in numbers. In case of discrepancy between number and words, bids quoted in word shall be preferred.
5. Total cost along with the complete item wise cost breakup inclusive of all applicable taxes shall be provided. However, the payment shall be made either according to the lump sum cost or as per line item-wise actual performed services, whichever is lower.

6. All prices shall be in Pak Rupees. Any exchange rate fluctuations shall be the responsibility of the Bidder and EDB shall not give any price escalation on that account. Bidder will be responsible to pay any fee, taxes, duties, or charges required for successful completion of the scope of work.
7. All withholding taxes levied by the government will be deducted at source by EDB at the time of the payment as per government rules and regulations.
8. If more than one qualified bidder submits equal quotations/bids, the tied qualified bidders shall be notified by EDB, and they will be requested to submit revised financial proposals in compliance with the RFP in sealed envelopes. The revised bid amount must be either equal to or less than the original submitted bid amount.
9. The annual inward remittances of the Bidder must be more than PKR 20,000,000/- (Pak Rupees Twenty Million Only/-) in the last two (02) financial year(s). Provided further that it is mandatory for the Bidder(s) to submit, in support thereof, soft copy of bank statement for the last two financial years.
10. The quoted bid shall be considered as inclusive of all government taxes, levies, charges, fees etc.

10.0 Award of Contract

1. The bid found to be the most advantageous bid shall be accepted. The Award shall be offered to the technically qualified bidder offering the lowest financial cost.
2. A letter of Intent (LoI) will be issued to the qualified Bidder who shall submit Letter of Acceptance (LoA) within Seven (07) days of issuance of the LoI.
3. The Bidder, to whom LoI has been issued, will have to submit the Performance Guarantee within Fifteen (15) working days after issuance of LoI.
4. After submission of the Letter of Acceptance and Performance Guarantee, the contract will be signed within time stipulated in LoI, failing which EDB may cancel the award and proceed accordingly.

11.0 Scope of Work

I. Background

The government of Pakistan plans to identify and remove business related Federal regulatory barriers and hindrances, that may be redundant and counter-productive and add non-value adding compliance requirements, both at regulatory and operational levels. In this context This detailed study is being undertaken by EDB on “**Facilitating Ease of Doing Business for Engineering Industry in Pakistan (EOBD)**”, in order to facilitate the engineering industry, with special focus on the following **priority sectors**:

- Automotive, including EV, assembly and parts manufacturing
- Mobile Devices & Allied Equipment assembly/manufacturing
- Solar Panels & Allied Equipment assembly/manufacturing
- Battery storage technologies and their prospective integration in the power sector applications, including, distributed storage, electric vehicles and other related services
- Machinery & Machine Tools manufacturing
- Agriculture Implements manufacturing
- Electric & Power Equipment manufacturing
- Heavy Engineering / Capital Goods manufacturing
- Pumps & Motors manufacturing
- Cutlery, Utensils, & Kitchenware manufacturing
- Surgical Instruments manufacturing
- White Goods / Domestic Appliances

II. Terms of Reference

The study is aimed to generally analyze the existing contours of policy frameworks impacting Engineering Industry in Pakistan with reference to above mentioned sectors and the business practices that have evolved around the policy; and have produced sectoral ecosystems. In addition, the study would highlight international best practices to learn from experiences of comparable economies.

The Broader TORs of the study are:

A. Situation Analysis

- Review of existing policies/plans/regulations enacted for engineering industry in general, and the above identified priority sectors in particular.

- Review of incidence/procedures for Tariff & Taxes, including provincial levis/duties – Review of multiple conflicting taxations regimes and compliance requirements
- Exemptions /special treatment to various sectors which are impacting the priority sectors
- SBP, M/o Commerce, FBR, and other incentive frameworks/regulations/regimes for engineering sector
- Review of existing FTAs/PTAs related to the priority sectors
- Factors impacting investment, growth and expansion
- Factors impacting exports

B. Analysis of Core Areas

- Value chain wise review of applicable Federal tariffs and taxes and suggest measures for restructuring of tariffs and taxes. If required cross-linking of value chains may be taken care of.
- Review Income Tax and Sales Tax refund systems with reference to export of goods by the priority engineering sectors.
- Review of current export facilitation schemes offered by Federal Board of Revenue, Trade Development Authority of Pakistan (MoC) and State Bank of Pakistan with reference to suitability for priority engineering sectors.
- Review of PPRA rules, offset conditionality in foreign procurements and SRO 827(I)2001 with reference to priority engineering sectors.
- Review international trade agreements, FTAs and PTAs with reference to priority engineering sectors.
- Review of EPZ, SEZ and NIP schemes and related industrial estate related laws, etc with reference to priority engineering sectors.
- Review SECP laws/ regulations and other compliance related issues in order to identify bottlenecks for entry as well as exit of businesses.
- Review SBP schemes for access to finance with reference to priority engineering sectors.

C. Recommendations

- Create a recommendation matrix in order of priority with reference to the identified barriers in the way of promotion of priority engineering sectors.
- Propose implementation mechanism in respect of recommendations made.

III. Methodology

- Kickoff / Strategic session with EDB to clearly define and agree on the boundaries and extent of this exercise.
- EDB shall appoint a focal person to interact with the consultants and organize activities on its part.
- Collect already done reports on engineering sector, collect laws and procedures, primary/ secondary data for desk review and relevant international experiences for desk review.
- Organize feedback/ perception review meetings with Government sector stakeholders and identified industry players for focused group discussion format. Such meetings shall be convened by EDB at its own cost. The focused group discussions would be moderated by consultants. They would also take notes and keep records of FGDs.
- Firm up recommendations and discuss these with government sector as well as private sector stakeholders. Such consultative meetings shall be organized by EDB at its own cost.
- Quantitative and qualitative data analysis.
- Submission of draft report
- Presentation of draft report
- Submission of final report after incorporating agreed suggestions/changes

IV. Timelines

Assignment must be completed within 20 weeks from the contract signing date as per the following schedule:

- Strategic Session within one week of award of work.
- Inception report including desk review within two weeks of holding of Strategic Session.
- Feedback on Inception report by EDB within one week of submission of Inception Report.
- Stakeholder consultations, focused group discussions, and establishing a feedback loop within eight weeks of the receipt of comments on Inception Report by EDB.
- Firming up of recommendations and submission of draft Report to EDB within four weeks of completion of consultative sessions.
- Feedback on recommendations on draft report by EDB within one week of the submission of draft report.

-
- Presentation of the draft report as organized by EDB within one week of feedback on draft report by EDB.
 - Submission of Final report within two weeks of the presentation along with all supporting qualitative, quantitative, and raw data.

V. Payment Terms

- i. 10% upon approval of Inception Report
- ii. 20% upon completion of Stakeholder consultations
- iii. 20% upon submission of draft Report to EDB
- iv. 25% upon Presentation amended draft Report
- v. 25% on issue of Completion Certificate by EDB, verifying acceptance of the Study/Report on Creating Ease of Doing Business in Pakistan.

12.0 Annex A: Integrity Pact

DECLARATION OF FEES, COMMISSION AND BROKERAGE ETC. PAYABLE BY THE SUPPLIERS OF GOODS, SERVICES & WORKS

Date:

Contract Value:

Contract Title:

(Name of Bidder) hereby declares that it has not obtained or induced the procurement of any contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative subdivision or agency thereof or any other entity owned or controlled by it (GoP) through any corrupt business practice.

Without limiting the generality of the foregoing (Name of Bidder) represents and warrants that it has fully declared the brokerage, commission, fees etc. paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, bidder, director, promoter, shareholder, sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback, whether described as consultation fee or otherwise, with the object of obtaining or inducing the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoP, except that which has been expressly declared pursuant hereto.

(Name of Bidder) Certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with GoP and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty.

(Name of Bidder) accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall, without prejudice to any other right and remedies available to GoP under any law, contract or other instrument, be voidable at the option of GoP.

Notwithstanding any rights and remedies exercised by GoP in this regard, (Name of Bidder) agrees to indemnify GoP for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to GoP in an amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by (Name of Bidder) as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever form from GoP.

(Signature of authorized representative)

(Name of Bidder)

13.0 End of Document