



Request for Proposal for
Hiring of Consulting Firm/Company to prepare

ELECTRICAL & POWER EQUIPMENT
MANUFACTURING SECTOR
INDIGENIZATION PLAN

ENGINEERING DEVELOPMENT BOARD

Ministry of Industries and Production

Government of Pakistan

February 02, 2024

Table of Contents

1.0	Request for Proposals.....	5
2.0	Background.....	6
3.0	Bidding Process.....	9
4.0	General Conditions & Instructions	10
5.0	Performance Guarantee & Liquidation Damages.....	13
6.0	Technical Proposal.....	14
7.0	Submission, Receipt & Opening of Tenders.....	17
8.0	Evaluation Criteria for Technical Proposals.....	18
9.0	Financial Proposal	20
10.0	Award of Contract.....	22
11.0	Scope of Work.....	23
	I. Background.....	23
	II. Synopsis of Local Industry	24
	III. Terms of Reference.....	24
	A. Scope of Study:.....	24
	B. Methodology / Work Plan / Timeline	25
	IV. Payment Terms.....	27
12.0	Annex A: Integrity Pact.....	28
13.0	End of Document.....	28

List of Tables

Table 1: Consultants Work Experience..... 16

Table 2: Evaluation Criteria..... 19

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 develop Electrical & Power Equipment Manufacturing Sector (E&PEMS) under the NE-Plan, to enable progressively increasing share of indigenous equipment / components in power sector. PISP shall provide high-level targets of local content and identify requisite actions on account of, inter-alia, legislation, standardization, certifications, technological upgradations and incentives.

The selected firm/company is expected to undertake the analysis/activities detailed at Section-11 of RFP on Scope of Work

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 1400 Hrs. on and will be opened on the same day at 1430 Hrs, 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: Deputy General Manager (HR&D)

Contact No: 0519201916

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, 2004, 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 contact person given at Section-1.0.
- 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-9.0, 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.

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- 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 Five [5%] 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 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. Value chain analysis and benchmarking of industrial concerns/sectors;
 - c. Sector development, promotion, marketing & export enhancement;
 - d. Experience of analysis of global supply chains, global benchmarks and performance indicators for the sector;
 - e. Understanding of fiscal/monetary measures, tariffs, taxes, etc. and government bodies dealing with such matters.
4. Bidder or its consultants 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 duly 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) 1916, 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.

S. No.	Category	Weight	Description
1.	Business Experience	30	Representative consultancy assignments, by the firm/ company and or the proposed consultants for the project done in the EPE Sector. (each assignment to qualify for 10 points, and maximum in this category are 30)
2.	Approach, Methodology, Work Plan	30	<ol style="list-style-type: none"> a. Methodology and Work Plan for sample consulting assignment (15 points) b. Presentation (15 points)
3.	Project Team	30	<ol style="list-style-type: none"> a. Adequacy of proposed project team for the assignment (15 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 (15 points) <p>(CV of key staff must be provided as part of the technical proposal)</p>
4.	Public Sector Experience	10	<ol style="list-style-type: none"> a. Company / Firm experience of working with Federal and/or Provincial governments in Pakistan (each assignment to qualify for 5.0 points.
Total Score		100	
Minimum Score		75	

required to Prequalify	
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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 Bid Bond (in the shape of Demand Draft), in the name of ‘Engineering Development Board, Ministry of Industries & Production, Government of Pakistan’ of value of **2.5% 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 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 National Electricity Policy (NEP-2021) was approved by the CCI in June of 2021, with a vision to “ensure universal access of electricity through a self-sustainable power sector, developed and premised on: optimal utilization of indigenous resources; integrated planning approach; efficient, liquid and competitive market design; and affordable & environment friendly outcome for the consumers.”

Under this Policy, six principles were laid out to guide the actions and plans for the power sector so as to enable it to achieve the stated goals. Guiding principle, 4.5 of NEP titled “Indigenization, Research & Development” outlines “A multi-pronged approach for indigenization will be adopted, which shall include promoting local content, transfer of technology, and R&D across the value chain of the power sector. This may also include Government to Government and Business to Business agreements, through which the Government or private entities / parties in Pakistan shall promote transfer of technology. Further, steps will be taken to facilitate creation of development funds to support domestic R&D as well as resources needed for augmentation of indigenous capacity.”

Under the NEP-2021, the National Electricity Plan 2023-27 (<https://power.gov.pk/Policies>) has been recently approved, which deals with all the dimensions of the power sector and provides an action plan with timelines and targets to achieve sustainability in the sector.

Priority area 10 of the draft NE Plan addresses the subject of “Localization of Fuel & Technology”, and states that, “Development, utilization and promotion of indigenous resources across both the primary fuels and technological hemisphere are rudimentary for the progressive attainment of self-sufficiency in power sector. Having positive externalities with respect to balance of payments and local employment, indigenization has the potential to contribute substantially towards sustainable economic growth.” The NE Plan goes on to state that indigenization of technological hemisphere, being a crucial component to ensure self-sufficiency, shall be gradually enhanced across the entire value chain of the power sector. Accordingly EDB has been tasked with:

- EDB with assistance of the Designated Entity and relevant stakeholders, shall develop Electrical & Power Equipment Manufacturing Sector (E&PEMS) by June 2024, to enable progressively increasing share of indigenous equipment

/ components in power sector. PISP shall provide high-level targets of local content and identify requisite actions on account of, inter-alia, legislation, standardization, certifications, technological upgradations and incentives. The targets under Electrical & Power Equipment Manufacturing Sector (E&PEMS) shall inform sectoral procurements and deemed part of this NE-Plan.

- EDB, in consultation with the Designated Entity and other relevant stakeholders, shall explore modalities for phased local manufacturing of battery storage technologies and their prospective integration in the power sector applications, including, distributed storage, electric vehicles and other related services. Facilitative policy & regulatory instruments shall be designed, on need basis, through – inter alia, fiscal & financial incentives, demand commitments and ownership structures – to support progressive indigenization. Moreover, assistance shall be sought under international collaborations to support in knowledge & experience sharing and technology.

II. Synopsis of Local Industry

Pakistan has a flourishing local industry involved in manufacturing of Electrical & Power Equipment (EPEs), with a good number of manufacturers, which is capable of producing high, medium and low voltage EPE for Power Generation, Transmission, Storage and Distribution sectors. This however needs capability enhancement for 132KV, 220KV and 500KV category EPE.

Local industry is also exporting the EPE, specially transformers, wires and cables to different countries including UAE, Saudi Arabia, China, Germany, South Africa, Ghana, Afghanistan, Jordan, etc. However, the volume of exports is low and they need access to the local market in order to build scale, complimented by enabling support and incentives from the government in order to increase their share of global trade in EPE.

III. Terms of Reference

EDB would like to hire services of a Consulting Firm/Company for assisting in development of the Electrical & Power Equipment Manufacturing Sector (E&PEMS), the broad TORs for which are as under:

A. Scope of Study:

The Electrical & Power Equipment Manufacturing Sector (E&PEMS) shall cover Generation, Transmission, Storage & Distribution power equipment including Transformers, Switchgears, Cables & Conductors, Battery Storage, Insulators, Towers, Heavy engineering goods, Electrical Meters & Relays, Capacitors, Overhead Transmission Line Fittings & Hardware, Grid Station equipment, Solar Panels & allied equipment, Turbines, etc.

B. Methodology / Work Plan / Timeline

S. No	Area	Activity	Time frame (weeks from project initiation)
1.	Ascertaining Power Sector requirement	<ol style="list-style-type: none"> 1. Data collection and creation of inventory of total installed Electrical Power Equipment (EPE) within the national power sector infrastructure. 2. Forecasting, in consultation with stakeholders, ten years requirement for EPE. 3. Activities will include designing of data collection form, data collection and statistical analysis. 4. Standardization of EPE specifications and testing requirement. 5. Identifying critical equipment that requires to be localized and their priority for localization using qualitative and quantitative methodologies. <p><u>Deliverable:</u> FIRMED UP REQUIREMENT FOR EPE FOR 10 YEARS</p>	4
2.	Ascertaining current and desired Labs / Testing infrastructure for EPEs	<ol style="list-style-type: none"> 1. Assessment of the EPE testing accreditation infrastructure available within the country. 2. Assessment of requirement of EPE testing & certification as per international standards. <p><u>Deliverable:</u> CURRENT STATUS OF EPE TESTING</p>	6
3.	Ascertaining Local EPE Manufacturing Industry capacity/ capability	<ol style="list-style-type: none"> 1. Assessment of the local EPE industry production capacity & capability, testing capability / facilities / equipment, etc. up to firm level. 2. Assessment of current localization levels for different classes of products and potential of addressing higher rating products. 	10

		<ol style="list-style-type: none"> 3. Assessment of localization of parts / components used in EPEs. 4. Assessment of current local EPE exports; companies, products, markets, quantum, etc. 5. Critical pre-requisite allied/related industry 6. Products/components/raw materials sourcing markets and strategies. 7. Identification of Tax & Tariff Structure on inputs. 8. Identification of impediments to development / promotion of locally made EPEs. 9. Identification of Core Competencies / Competitive Advantage of local EPE industry. 10. Role of governments/national policies in promoting local industry in Pakistan. <p><u>Deliverable:</u></p> <p>STATUS OF LOCAL INDUSTRY CAPACITY & CAPABILITY</p>	
4.	Preparation of draft Electrical & Power Equipment Manufacturing Sector (E&PEMS)	<ol style="list-style-type: none"> 1. Considering core competencies / competitive advantages of the local industry, end state for localization desired by the government, and Product portfolio analysis, prepare E&PEMS Base Draft outlining 10 years roadmap for localization (inclusive of suggested products and timelines). This must be backed up with both qualitative as well as quantitative (statistical, etc.) analysis 2. Prepare standardized specifications for all EPE equipment under the E&PEMS 3. Prepare EPE testing/certification plan and roadmap 4. Phasing for localization of Power equipment identified under PSIEP, to cater to local demand as well as export markets 5. Propose legislative / regulatory / tariff / duty structure, tax incentives, test / trials procedure, administrative issues, ease of doing business, and infrastructure requirements for promotion of the local industry 6. Identify and detail public sector interventions required for R&D activities and design facilities, standards, certifications and accreditation (product wise), and number/type of local laboratory infrastructure required 	14

		<ol style="list-style-type: none"> 7. Requirements, location/s, and scope, for establishing appropriate clusters with CFC facilities and detail equipment/HR/resources at these locations 8. Prepare incentives and roadmap for technology acquisitions and J/Vs with global suppliers for the transfer of modern manufacturing techniques, and attracting FDI into this sector 9. Prepare Products/Market matrix for exports and details marketing/branding requirements 	
		<p><u>Deliverable:</u></p> <p>DRAFT ELECTRICAL & POWER EQUIPMENT MANUFACTURING SECTOR</p>	
5.	E&PEMS finalization	<ol style="list-style-type: none"> 1. Consultation with relevant stakeholders on draft E&PEMS 2. Stakeholders consultation Seminar / Workshop (if required, for which expenses will be borne by EDB) 3. Review and incorporation of inputs 4. Submission of final E&PEMS 	16
		<p><u>Deliverable:</u></p> <p>FINALIZED E&PEMS DOCUMENT OUTLINING 10 YEARS POLICY FRAMEWORK FOR LOCALIZATION</p>	

IV. Payment Terms

- i. 10% upon acceptance of Phase-1 report on “Ascertaining Power Sector requirement”
- ii. 10% upon acceptance of Phase-2 Report, “Ascertaining current and desired Labs / Testing infrastructure for EPEs”
- iii. 10% upon approval of Phase-3, “Ascertaining Local EPE Manufacturing Industry capacity/capability”
- iv. 30% upon submission of “Draft Electrical & Power Equipment Manufacturing Sector (E&PEMS)”
- v. 40% on approval of E&PEMS

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