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**Request for Proposal**

1. STZA, an autonomous body established under the Special Technology Zones Authority Ordinance 2020 invites Request for Proposal (RFP) from firms who are on the Active Taxpayers List of the Federal Board of Revenue for the services of providing financial expertise for assisting STZA in evaluating Zone Enterprise and Zone Development applications. Method of selection will be Least Cost Basis.

2. Request for proposal documents, (containing detailed terms and conditions, etc. are available on the STZA website (www.stza.gov.pk). RFP documents can also be downloaded from *PPRA* free of cost. All applicants who intend to participate must send an email to [info.stza@gmail.com](mailto:info.stza@gmail.com) with their contact details for any clarifications prior to the submission. Submission will be in hardcopy only.

3. The request for proposal, prepared in accordance with the instructions in the RFP documents, must reach at STZA, Prime Minister’s Office, Constitution Avenue, G-5, Islamabad on or before 3rd August 2021 before 10.00 AM. The RFP will be opened on 3rd August 2021 at 10.30 AM. This advertisement is also available on PPRA website at [www.ppra.org.pk](http://www.ppra.org.pk/).

Director (Special Projects),

STZA, Prime Minister’s Officer,

Constitution Avenue, G-5, Islamabad

info.stza@gmail.com

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**REQUEST FOR PROPOSALS**

**FOR**

**HIRING FINANCIAL EXPERTS ON THE STZ COMMITTEE PANEL OF EXPERTS TO ASSIST IN THE EVALUATION OF ZONE ENTERPRISE AND ZONE DEVELOPER APPLICATIONS**

**BY**

**STZA**

**LETTER OF INVITATION**

**To All Prospective Bidders,**

1. STZA intends to engage a panel of up to six financial services firms to provide expert advice on applications and proposals made to STZA for Zone Developer and Zone Enterprise Licenses.
2. STZA invites all eligible firms to submit proposals in line with the “Instructions to Bidders”.

**INSTRUCTIONS TO BIDDERS**

1. **BACKGROUND**
   1. Special Technology Zones Authority (**“STZA”**) is an autonomous body established under Special Technology Zones Authority Ordinance, 2020. The Authority has been mandated to provide institutional and legislative support for the technology sector with internationally competitive and export-oriented structures and ecosystem, to attract FDI, to connect academia, research and technology industry, to increase the productivity and decrease the costs of production through high-tech interventions, intensive innovation and futuristic entrepreneurship, to enable job creation, to commercialize technological knowledge and more. This will be manifested through creation of Special Technology Zones (STZs) across the country bearing science and technology parks, incubation centers, R&D centers, technology production centers, universities, technical training centers etc. More details can be obtained from the Ordinance.
   2. In order to achieve these goals, one of the key processes is to develop a transparent evaluation system for authorizing zone developers (ZDs) and zone enterprises (ZEs) to operate in the various STZs across Pakistan in light of the Ordinance and STZA Qualification and Approval Rules 2021. This system includes, but is not limited to, items such as scoring rubrics against minimum KPIs for ZDs and ZEs, a panel of reliable third-party technical and business/financial experts (if required), an automated system for enabling informed decision making, appropriate interfacing with STZA management, etc. The review will be holistic, i.e., its scope will include technical as well as business/financial aspects including meeting of various KPIs by ZDs and ZEs, and economic impact assessment of ZEs. This is required to ensure that the ZDs and ZEs that can make the greatest contribution to and create the highest positive impact on the economy and towards the development of the technology ecosystem are licensed.
   3. STZA will license Zone Enterprises and Zone Developers through the STZ Committee. The STZ Committee will require the assistance of a various experts, including a financial expert, to evaluate the aforementioned applications.
   4. STZA intends to engage eligible **firms** through this Request for Proposal (**“RFP”**).
      1. This RFP will be conducted on a Least Cost Basis.
      2. Only the top six scoring applicants will be inducted on to STZA’s “STZ Panel of Financial Experts”.
2. **INVITATION TO SUBMIT REQUEST FOR PROPOSAL**
   1. Eligible firms are invited to submit a proposal to participate in STZA’s RFP process for engaging financial experts to assist in the evaluation of Zone Enterprise and Zone Developer applications. Firms should submit their proposals, detailing their experience and qualifications in the form provided in this document.
3. **TERMS AND CONDITIONS**
   1. This RFP will be subject to the Public Procurement Regulations 2004, and the Procurement of Consultancy Services Regulations 2010.
   2. STZA will ensure all data submitted by prospective applicants is treated as confidential.
      1. All bidders will be expected to keep any information received from STZA confidential.
   3. All expenses related to participating in this RFP will be borne by the applicants.
   4. STZA reserves the right to verify any information submitted by applicants.
   5. Any information which is found by STZA to be false will be ground for rejection. Any misstatement or concealment will also be grounds for rejections.
   6. STZA reserves the right to at any time cancel this procurement process without notice and disclaims all and any liability in that instance.
   7. All queries must be in writing or through email.
4. **DEADLINE FOR SUBMISSION AND PROCEDURE**
   1. All prospective applicants must send an email to [info.stza@gmail.com](mailto:info.stza@gmail.com) with their contact details. STZA will not be liable for any missed communications due to a failure to provide this information.
   2. Pre-submission meeting:

26th July 2021 through online video conference (details to be emailed to prospective bidders)

* 1. By 10:00AM on 3rd August, 2021, all proposals must reach the STZA office and technical proposals will be opened at 10:30AM on the same day at the STZA office located at:

STZA, Prime Minister’s Office, G-5, Constitution Avenue, Islamabad

* 1. Submission cannot be through email.
  2. All envelopes must be sealed, include all documents required under section 6 and must be clearly marked:

“**RFP FOR HIRING FINANCIAL EXPERTS ON THE STZ COMMITTEE PANEL OF EXPERTS TO ASSIST IN THE EVALUATION OF ZONE ENTERPRISE AND ZONE DEVELOPER APPLICATIONS”**

1. **TERMS OF REFERENCE**
   1. Experts on the STZ Committee Panel of Financial Experts may be required to perform the following (not exhaustive):
      1. Evaluation of the applicant’s:
         1. Market demand assessment;
         2. Assessment of the market price for land and land pricing strategy;
         3. Economic impact analysis including estimates for import substitution, R&D, export generation and any other benefits in line with Authority’s mandate;
         4. Financing plan of the applicant and its adequacy and commitment;
         5. Any other relevant information.
      2. Financial model including revenues and costs along with sensitivity analysis
      3. Any other item ancillary to financial evaluation of a Zone Developer or Zone Enterprise application.
2. **DOCUMENTS**
   1. All applicants **must** submit in a sealed envelope:
      1. A Technical Proposal in a sealed envelope (and labelled as “TECHNICAL PROPOSAL”) which includes:
         1. A letter of introduction briefly detailing their suitability for this assignment;
         2. A profile of their firm;
         3. CV’s of all partners and key staff;
         4. A detailed list of similar experience evaluating proposals in the knowledge economy or the like, which should include client’s name, assignment duration, assignment cost etc.;
         5. Evidence of inclusion in Category A of the SBP Panel;
         6. Evidence of satisfactory QCR rating by ICAP;
         7. Evidence of tax registration; and
         8. Documentary evidence of the requirements and criteria detailed in table 1 under section 7.
      2. Financial Proposal in a separate sealed envelope clearly marked as:

**“[BIDDER’S NAME] FINANCIAL PROPOSAL”**

1. **EVALUATION CRITERIA AND PROCESS**
   1. All bidders whose Technical Proposals are complete at opening, will be evaluated on the basis of the technical evaluation criteria detailed in Section 8 of this document.
      1. Those bidder who fail to achieve the minimum marks (as required by section 8), or whose technical proposal is incomplete will be rejected and their financial proposals will be returned.
   2. All bidders who are found technically responsive and clear the minimum mark threshold laid out in section 8 will be invited to open their financial proposals (a bidder’s attendance at financial opening is optional).
      1. All compliant financial proposals will be ranked, with the lowest priced financial proposal at the top rank.
   3. Bidders whose financial proposals are ranking in the top six will be added to the STZ Committee of Financial Experts for a period of three years.
      1. Winning bidders will be required to sign a contract for three years in a form *similar* to the one in Annex-A. The Annex- A template is indicative only. The contract to be signed will be as per industry norms for firms providing specialized financial services and relevant to the scope defined above.
2. **TECHNICAL EVALUATION CRITERIA**

*Table 1: Evaluation Criteria*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Evaluation Criteria** | **Minimum Pts. Required** | | **Points Assigned** | | **Maximum Points** |
| 1. Professional international affiliation/collaboration | - | | 5 | | 5 |
| 1. Number of Partners | 1 | | **Range** | | **15** |
|  | | | 0-10 partners | 1 |  |
| 10 – 15 partners | 5 |
| 16-25 partners | 10 |
| 26 & Above partners | 15 |
| 1. Number of assignments where the bidder and engagement team undertook evaluation of business proposals with government agencies, listed companies, multi-national companies, or large private sector companies. The assignments and summary information should be detailed in the proposals | | 10 | 2 pts per assignment | | 20 |
| 1. Number of assignments where the bidder and engagement team undertook evaluation of business proposals *related to the knowledge eco-system or any technology related field* with government agencies, listed companies, multi-national companies, or large private sector companies. The assignments and summary information should be detailed in the proposals. | | - | 2 pts per assignment | | 20 |

* 1. Applicants must meet all minimum required points for evaluation categories where a minimum points requirement is prescribed. Failure to meet a minimum point requirement will disqualify a bidder.
  2. Applicants must score at least 35 marks in order to be technically compliant. Applicants scoring less than 35 marks or failing to meet any of the minimum required marks will be rejected.
  3. Applicants who fail to submit any of the documents detailed in clause 6 will be rejected.
  4. Points will only be awarded where the applicant has also attached documentary details to support points in that particular criterion (for example a firm profile listing the number of partners)

1. **FINANCIAL EVALUATION CRITERIA**
   1. All bidders must quote an hourly rate for the scope of work mentioned in this document.
      1. The hourly rate must be inclusive of all taxes, fees, and any other applicable charges.
   2. All applicants who are technically compliant shall have their financial proposals opened.
   3. Financial proposals shall be ranked on the basis of lowest price, with the lowest priced bidder ranked as number one.
   4. Bidders whose financial proposals are amongst the six highest ranked proposals shall be inducted onto the STZ Committee Panel of Experts.

**ANNEX-A: SAMPLE CONTRACT (INDICATIVE ONLY)**

|  |  |  |
| --- | --- | --- |
| **Private and confidential** | Our Ref.: | Engagement Letter |
|  | SAN:  Contact: |  |

Client Name

Cient Address

***Attention: Mr. -***

XX July 2021

Dear Sirs,

**Engagement Letter**

This engagement Letter (“Letter”) sets out the terms and conditions of review and ancillary services set out more specifically below (the ‘**Services**”) which [FIRM] (“**We** or **FIRM**”) agree to provide to the Special Technology Zone Authority (the “**Client**”) for the purposes of carrying assisting the Client in the evaluation of Zone Developer and Zone Enterprise applications and any other ancillaryservices.

The Services to be provided by FIRM to the Client under this Letter include:

1. Evaluation of the applicant’s:
   1. Market demand assessment;
   2. Assessment of the market price for land and land pricing strategy;
   3. Economic impact analysis including estimates for import substitution, R&D, export generation and any other benefits in line with Authority’s mandate;
   4. Financing plan of the applicant and its adequacy and commitment;
   5. Any other relevant information.
2. Financial model including revenues and costs along with sensitivity analysis
3. Any other service ancillary to financial evaluation of a Zone Developer or Zone Enterprise application.

Any work already performed in connection with this Letter before the date of signing of this Letter will also be governed by the terms and conditions of this Letter.

Your agreement to the terms of this Letter is on behalf of the Client.

1. **Professional Standards**

We will provide the Services in accordance with the principles of independence, integrity, objectivity, professional competence and due care, confidentiality, professional behaviour, and technical standards as defined under the International Standard on Assurance Engagement (“**ISAE**”) as endorsed in Pakistan.

1. **Scope of work**

*Evaluation*

Our function in assisting the Client in evaluating application is to conduct review with the objective of expressing an opinion on the financial projections, feasibility and other related information related to the application to the Client. This entails that prospective financial information is properly prepared by applicant management from management’s assumptions, focus on the extent to which those areas that are particularly sensitive to variation, interrelationship of other components in the financial statements ( if applicable) and other procedures necessary to enable the auditors to issue report under relevant ISAEs and applicable regulations and manuals of STZA.

An evaluation involves performing procedures to obtain evidence about the amounts and disclosures in the application. The procedures selected depend on our best judgment, including the assessment of the risks of material misstatement of the application, whether due to fraud or error. An evaluation also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the application.

At the conclusion of our evaluation, we will express an opinion as to whether anything has come to our attention that causes us to believe that these assumptions do not provide a reasonable basis for the forecast. We cannot provide assurance that an unmodified opinion will be rendered. Circumstances may arise in which it is necessary for us to modify our report.

1. **Independence**

If we begin performing services for you and subsequently identify circumstances which may prejudice our independence in relation to that or other work we perform for you, your subsidiaries or any affiliate within your Client structure, we may need to cease work on the engagement. Where this occurs, we will immediately inform you, and we will seek to resolve the situation as quickly as possible and will seek a solution that allows us to continue with the engagement. In the event that we consider the situation cannot be resolved, we will send written notice to Client to resolve the potential situation and if not resolved within a reasonable period then both parties shall meet and agree whether to continue or terminate the engagement.

1. **Use of Electronic mail**

This letter shall serve as a mutual authorization for the use of e-mail and other electronic methods to transmit and receive information, including confidential information, between FIRM and the Client and between FIRM and outside specialists or other entities engaged by either FIRM or the Client, where applicable. We and the Client acknowledge that e-mail travels over the public internet, which is not a secure means of communication and, thus, confidentiality of the transmitted information could be compromised through no fault of FIRM or the Client as relevant. However, FIRM and the Client shall use reasonable efforts to protect the confidentiality of all the confidential information.

Any electronically transmitted advice or opinion should not be relied upon unless it is subsequently coned by letter signed by a partner or an authorised signatory of FIRM.

1. **Timing**

We shall discuss and agree the deadlines with you in line with your requirements and expectations and local regulations. Provided no unforeseen major problems are encountered, we expect to be able to deliver our reports as set out in “Deliverables” below within the deadlines agreed with you. We will inform you immediately of any circumstances we encounter which indicate the likelihood of significant delays to enable corrective measures to be taken.

1. **Engagement Team**

[INSERT]

1. **Deliverables**

Our primary deliverables shall be:

* Opinion Report

1. **Fees**

For the Services, we will bill the following amount \_\_\_\_\_\_ per hour inclusive of all and any taxes with total.

1. **Terms of Business**

We accept this engagement on the basis that our General Terms of Business ( to be added), as set out in Appendix III (if any), will apply to this work and govern our relationship with you. Any other work associated with or incidental to the Services which may at our discretion or on request be performed will be supplied under our General Terms.

1. **Governing Law and Jurisdiction**

This engagement shall be governed by and construed in accordance with the laws of Pakistan. The Courts of Pakistan shall have exclusive jurisdiction in relation to any claim, dispute or difference concerning this engagement and any matters arising from it.

1. **Entire Agreement and Provision for Modifications**

This engagement letter, together with the any General Terms of Business as customary for such engagements, forms the entire agreement and understanding between us with respect to this engagement. It supersedes all previous arrangements and understandings between us with respect to this engagement, which shall cease to have any further force or effect. For the avoidance of doubt, the terms of this letter shall apply to any work already performed in connection with this engagement prior to the date of countersignature of this letter. Any variation to the terms of this letter shall be made in writing and will not be effective unless signed by a duly authorized representative of FIRM and by a duly authorised representative of the Client. In case of conflict between this engagement letter and General Terms of Business, this engagement letter shall prevail.

1. **Severability**

Each term of this engagement letter constitutes a separate and independent provision. If any of the provisions of this letter are judged by any court or authority of competent jurisdiction to be void or unenforceable, the remaining provisions shall continue in full force and effect.

1. **Service Delivery**

We will seek to ensure that our service is satisfactory at all times. If at any time you would like to discuss with us how the services can be improved or if you are dissatisfied with them, you are invited to contact the partner, director or manager, as the case may be, identified under the engagement team section

We appreciate the opportunity of continuing to be of service to the Client and we assure our commitment to provide you with quality services in an efficient and timely manner.

Yours faithfully,

**FIRM**

**Acknowledgement and acceptance** **on behalf of the Client:**

I con the above terms of the audit and review engagement for and on behalf of ***Client***  and its Subsidiaries:

Authorized signatory: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name:

Position:

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_