



GATEWAY TO NATIONAL PROSPERITY

# PORT QASIM AUTHORITY

## NOTICE OF INVITING TENDER FOR APPOINTMENT OF CHARTERED ACCOUNTANT FIRM

Port Qasim Authority invites proposals from reputed Chartered Accountant firms, registered with Income Tax and Sales Tax Departments and who are on Active Taxpayers List of the Federal Board of Revenue and also registered with Sindh Revenue Board (SRB) Govt. of Sindh Karachi. to carry out independent audit of tendering, bid processing and evaluation process of procurement(s) carried out / undertaken by PQA during last five (05) years i.e., F.Y 2013-14 to 2017-18.

2. Bidding documents containing detailed terms and conditions, etc. can be obtained from the office of Director (Accounts), Port Qasim Authority on submission of written request alongwith Pay Order of Rs. 1,000/- (non-refundable) in favor of Port Qasim Authority, on any working day during office hours 0900 hours to 1500 hours. The bidding documents can also be downloaded from PQA and PPRA websites, free of cost.

3. The bids prepared in accordance with the instructions in the bidding documents, reach at the office of Director (Accounts) by 1200 hours on or before 26.12.2018. Bids received after due date and time shall not be entertained. Technical proposals shall be opened in presence of bidders who may like to be present on the same day at 12:30 hours in the office of Director (Accounts). Financial proposals of only technically qualified firms shall be opened on a date and time to be communicated later on. Financial proposals of technically disqualified firms shall be returned unopened.

4. Port Qasim Authority reserves the right to accept or reject any or all proposals as per PPRA-2004 and no claims whatsoever in this respect shall be entertained. PQA's decision in this respect shall be final and binding upon all bidders.

  
(Tipu Sultan Shaikh)  
Secretary

PQA : [www.pqa.gov.pk](http://www.pqa.gov.pk)  
PPRA: [www.ppra.org.pk](http://www.ppra.org.pk)



# **PORT QASIM AUTHORITY**



GATEWAY TO NATIONAL PROSPERITY

## **Request for Proposal (RFP)**

**for**

### **Appointment of Chartered Accountant Firm for Audit of Tendering, Bid Processing and Evaluation Process of Procurements**

**December, 2018**



## **TABLE OF CONTENTS**

	<b><u>Page No.</u></b>
ARTICLE 1 : THE PROJECT	1
ARTICLE 2 : SCOPE OF SERVICES	1
ARTICLE 3 : TIME SCHEDULE	1
3.1 Effective Date of Commencement	1
3.2 Time Schedule of Services	1
3.3 Extension of Time	2
ARTICLE 4 : MODE OF OPERATION	3
4.1 Obligations of the Consultant	3
4.2 Obligations of the Client	4
4.3 Report / Deliverables	4
ARTICLE 5 : REMUNERATION FOR SERVICES AND SCHEDULE OF PAYMENT	5
ARTICLE 6 : ADDITIONAL SERVICES	5
ARTICLE 7 : TERMINATION	5
7.1 End of Services	5
7.2 Termination by the Client	5
7.3 Termination by the Consultant	5
ARTICLE 8 : FORCE MAJEURE	5
ARTICLE 9 : RESOLUTION OF DISPUTES	6
ARTICLE 10 : APPLICABLE LAWS	6
ARTICLE 11 : CONTRACT AMENDMENT	6
ARTICLE 12 : NOTICES	6
<b>APPENDICES</b>	
APPENDIX A : THE PROJECT & SCOPE OF SERVICES	8
APPENDIX B : TIME SCHEDULE	10
APPENDIX C : REMUNERATION FOR SERVICES & SCHEDULE OF PAYMENT	11
APPENDIX D : SPECIAL CONDITIONS	12
APPENDIX E : EVALUATION CRITERIA	13

## **AGREEMENT FOR CONSULTANCY SERVICES**

**THIS AGREEMENT**, together with APPENDICES A to D which constitute an integral part thereof (herein referred to as the Agreement), is entered into on this ----- day of ----- (month), 2018.

between

-----  
----- (herein referred to as the “Client”) of the first part;

and

----- (herein referred to as “Consultant”), of the second part.

The Parties hereto agree as under:-

### **1. ARTICLE 1: THE PROJECT**

The Project for which Services are required to be performed under this Agreement is described in the attached Appendix A.

### **2. ARTICLE 2: SCOPE OF SERVICES**

2.1 The scope of consultancy and other professional services (herein referred to as "Services") to be performed by the Consultant for the Project under this Agreement are described in the attached Appendix A.

### **3. ARTICLE 3: TIME SCHEDULE**

#### **3.1 Effective Date of Commencement**

Effective Date of Commencement of Services shall be as defined in the attached Appendix-B.

#### **3.2 Time Schedule of Services**

The time schedule of Services is given in the attached Appendix B.

#### **3.3 Extension of Time**

Extension of Time for completion of Services and the terms and conditions thereof shall be mutually agreed between the Client and the Consultant as and when required.

#### **4. ARTICLE 4: MODE OF OPERATION**

##### **4.1 Obligations / Responsibilities of the Consultant**

- The Consultant shall perform Services as an independent consultant in accordance with recognized international standards, applicable laws and regulations.
- The Consultant shall appoint a Project Manager (professional Chartered Accountant) named in Appendix D who shall represent the Consultant for purposes of this Agreement and shall be responsible for the administration of the Agreement including performance of Services thereunder. He shall remain in contact with the representative of the Client to keep him fully informed on all matters relating to the provision of Services by the Consultant.
- The Consultant shall carry out the Services with due diligence and efficiency and in conformity with sound financial and procurement practices.
- The Consultant shall act at all times so as to protect the interests of the Client and shall take all reasonable steps to keep all expenses to a minimum consistent with sound economic and engineering practices.
- The Consultant shall furnish the Client such information relating to the Services as the Client may from time to time reasonably request.
- Except with the prior written approval of the Client, the Consultant shall not assign or transfer the Agreement for Services or any part thereof nor engage any other independent consultant or sub-contractor to perform any part of the Services.
- The Consultant agrees that no proprietary and confidential information received by the Consultant from the Client shall be disclosed to a third party unless the Consultant receives a written permission from the Client to do so.
- The Consultant shall be responsible to:-
  - Assemble a team with suitable technical and operational expertise for carrying out the procurement review as envisaged under the scope of work
  - Develop a methodology with a predetermined time frame for completion of each review;
  - Identify discrepancies / anomalies noted in compliance with PPRA, PQA policies and procedures and other applicable rules and regulations;

- Issue draft report to the management of PQA for feedback and comments;
- Based on comments / feedback issue final report to the management of PQA as per agreed timelines;

#### 4.2 **Obligations / Responsibilities of the Client**

The Client shall provide to the Consultant:

- All necessary data/documents/reports, as listed in Appendix A, that may be required by the Consultant for performing the Services within the Time Schedule given in Appendix B.
- The Client shall designate a person named in Appendix D to act as its representative on all matters pertaining to this Agreement and to fully cooperate with the Project Manager of the Consultant.
- The Client shall take all necessary measures to make timely payments to the Consultant as stipulated in Article 5, hereof.
- The Client shall be responsible to:-
  - Assign a project coordinator to facilitate the team designated by the Firm In the desk review,fieldvisits and communications;
  - Agree on timelines;
  - Contractual matters including payment for the services; and
  - Provide management comments on the draft report(s).

#### 4.3 **REPORTS / DELIVERABLES**

<b>Deliverable</b>	<b>Timeline</b>
Inception Report containing timeline, methodology, staffing, reporting format, procurement review tools and communication protocols.	Within 20 working days of awarding contract.
Draft Report	Within 90 working days of award of contract.
Final Report	Within 20 working days of receiving management comments on the draft report.

**5. ARTICLE 5: REMUNERATION FOR SERVICES AND SCHEDULE OF PAYMENT**

The remuneration for Services rendered by the Consultant and the mode of payment shall be as described in the attached Appendix-C.

**6. ARTICLE 6: ADDITIONAL SERVICES**

The Client may ask the Consultant to perform Additional Services during the currency of this Agreement. Such Additional Services shall be performed with the prior concurrence of both the Parties. The Consultant shall submit an estimate of the additional time (if any) and the additional remunerations for such Additional Services which shall be approved in writing by the Client before the commencement of the Additional Services.

**7. ARTICLE 7: TERMINATION**

**7.1 End of Services**

The Agreement shall terminate when, pursuant to the provisions hereof, the Services have been completed and the payment of remunerations have been made.

**7.2 Termination by the Client**

The Client may, by a written notice of thirty (30) days to the Consultant, terminate this Agreement. All accounts between the Client and the Consultant shall be settled not later than sixty (60) days of the date of such termination.

**7.3 Termination by the Consultant**

The Consultant may suspend the Agreement by a written notice of thirty (30) days only if the Consultant does not receive payments due under this Agreement within thirty (30) days of submission of its invoice. If the payment is still not made to the Consultant after thirty (30) days of notice of suspension, the Consultant may terminate this Agreement in whole or in part by giving fifteen (15) days advance notice of intent to terminate. If the Agreement is terminated by the Consultant under such circumstances, the Client shall pay, within a period of thirty (30) days of the date of such notice of intent to terminate referred above, all payments due to the Consultant.

**8. ARTICLE 8: FORCE MAJEURE**

The term "Force Majeure" as employed herein shall mean acts of God, strikes, lock-out or other industrial disturbances, acts of public enemy, wars, blockades,



insurrection, riots, epidemics, landslides, earthquakes, storms, lightning, floods, washouts, civil disturbances, explosions and any other similar events, not within the control of either Party and which by the exercise of due diligence neither Party is able to overcome.

If either Party is temporarily unable by reason of Force Majeure or the laws or regulations of Pakistan to meet any of its obligations under the Agreement, and if such Party gives to the other Party written notice, of the event within fifteen (15) days after its occurrence, such obligations of the Party, as it is unable to perform by reason of the event, shall be suspended for as long as the inability continues. Neither Party shall be liable to the other Party for loss or damage sustained by such other Party arising from any event referred to as Force Majeure or delays arising from such event. Force Majeure shall not include insufficiency of funds or failure to make any payment required under the Agreement.

**9. ARTICLE 9: RESOLUTION OF DISPUTES**

Any dispute or difference arising out of the Agreement which cannot be amicably settled between the Parties, shall be finally settled under the provisions of the Arbitration Act, 1940 (Act No. X of 1940) and Rules made thereunder as amended from time to time. The venue of arbitration shall be in Pakistan as given in Appendix D, Special Conditions.

**10. ARTICLE 10: APPLICABLE LAWS**

This Agreement shall, in all respects, be read and construed and shall operate in conformity with the laws of Pakistan and the courts at the location indicated in Appendix D, Special Conditions shall have exclusive jurisdiction for adjudicating and interpreting the Agreement.

**11. ARTICLE 11: CONTRACT AMENDMENT**

No variation in or modifications to the terms of the Agreement shall be made, except by a written amendment signed by the Parties hereto.

**12. ARTICLE 12: NOTICES**

Any notice given by any of the Parties hereto shall be sufficient only if in writing and delivered in person or through registered mail as follows:

To:     The Client                   -----  
-----  
-----

To:     The Consultant           Project Manager,-----  
-----  
-----

or to such other address as either of these Parties shall designate by notice given as required herein. Notices shall be effective when delivered.

IN WITNESS WHEREOF, the Parties have executed this Agreement, in two (2) identical counterparts, each of which shall be deemed as original, as of the day, month and year first above written.

FOR AND ON BEHALF OF  
(The Consultant)

FOR AND ON BEHALF OF  
(The Client)

Signed by: -----

Signed by: -----

Designation:-----

Designation:-----

(Seal)

(Seal)

Witness:

Witness:

Signed by:-----

Signed by:-----

## **APPENDIX A**

### **THE PROJECT**

**&**

### **SCOPE OF SERVICES**

#### **A-1 THE PROJECT**

Port Qasim Authority seeks services of professional chartered accountant firm(s) to carry out independent audit of tendering, bid processing and evaluation process of procurement(s) of more than Rs.500,000/- carried out / undertaken by PQA during last five (05) years i.e., F.Y 2013-14 to 2017-18. The purpose of the review is to examine the procedures adopted by PQA with respect to its procurement / tender process (from initiation till award of contract) to verify whether it is in compliance with applicable PPRA laws and in conformity with PQA policy and procedures.

#### **A-2 SCOPE OF SERVICES**

The consultant shall be expected to examine the list of procurement contracts of more than Rs. 500,000/- for goods, works and services executed by PQA during the last five years (FY 13-14, FY 14-15, FY 15-16, FY 16-17 and FY17-18) to ascertain whether:

- i) Formal procurement planning process in place after seeking input from concerned departments/units. Procurements plan and related budget has been approved and procurement executed as per plan;
- ii) Appropriate requisition were raised and approved by authorized persons in accordance with authority matrix of PQA;
- iii) Procurement / Evaluation / Selection committee(s) were notified and approved in accordance with the requirements of PPRA and PQA policies and procedures;
- iv) Pre-qualification process (where PPRA rules allows) has been carried out in accordance with PPRA rules and PQA policy and procedures;
- v) PO / BOQ/ terms of reference or scope of services were duly reviewed and approved by relevant committee or authorized person;
- vi) Tender was circulated through appropriate channels along with notice period in compliance with PPRA rules and PQA procurement policy;

- vii) Any changes to tender document was circulated to pre-qualified parties or published with adequate notice
- viii) Bids received and qualified for consideration meet the requirements for timely submission and technical requirements in tender documents, as per documents supporting evidence of such process carried out by the technical and financial evaluation team / committee or authorized Terms of Reference for carrying out special audit of procurement carried out by Port Qasim Authority(PQA) in last three years (FY16-18)person(s). Also this takes into consideration submission of bid security and other supportingdocuments as required by RFP;
- ix) Communication to bidders qualifying for bid opening was communicated;
- x) Bid evaluation, technical and financial, were carried out in accordance with requirements of theRFP/ tender document (and/or any amendments made). In case evaluation IS not aligned toapproved evaluation criteria, reasons (say for value for money decisions). It IS adequatelydocumented / explained and authorized;
- xi) The results of bid evaluation were communicated to all concerned stakeholders as required by PPRA rules and PQA policies and procedures;
- xii) Final contract terms were in agreement with pre-approved contract and any modifications were approved by authorized persons and in accordance with PPRA rules and PQA policy; and
- xiii) Overall procurement timelines were in accordance with requirements of the RFP/ tender document (and/or any amendments made) and approved procurement plan.

### A-3 DATA/DOCUMENTS/REPORTS

The Consultants shall be provided a list of procurements above Rs.500,000/- of last five years alongwith all the record / documents / files and formalities completed by the respective Departments / Client, for examination and review in accordance with the scope of work.

The Client shall further provide requisite documents / information, as and when required by the Client, on prompt basis or within a reasonable time not exceeding five (05) days from requisition thereof.

## APPENDIX B

### TIME SCHEDULE

Time schedule with regards to reports / deliverables is as follows:-

<b>Deliverable</b>	<b>Timeline</b>
Inception Report containing timeline, methodology, staffing, reporting format, procurement review tools and communication protocols.	Within 20 working days of awarding contract.
Draft Report	Within 90 working days of award of contract.
Final Report	Within 20 working days of receiving management comments on the draft report.

**B-1 Effective Date of Commencement of Services.**

The date on which this Agreement shall come into effect is the date when the Agreement is signed by both the parties and/or the amount of advance payment due, if any, upon signing of the Agreement is received by the Consultant.

**B-2 Time Schedule of Services**

The services / report in accordance with the scope of works and deliverables has to be finalized within a period of four (04) months.



## **APPENDIX C**

### **REMUNERATION FOR SERVICES**

**&**

### **SCHEDULE OF PAYMENT**

C-1 Total Remuneration  
(lumpsum/Cost plus fee)

The price to be paid to the Consultant shall not exceed contract price at any time.

C-2 Advance Payment

An advance payment of 10% of the contract amount will be made against an equal amount of the Bank Guarantee from Karachi based Bank having AA ratings. The remaining 80% payment will be made after successful performance of the contract i.e., submission of Final Report.

## APPENDIX D

### SPECIAL CONDITIONS

D-1 PROJECT MANAGER (Refer Article 4.1)

D-2 REPRESENTATIVE OF THE CLIENT

The Director (Accounts), Port Qasim Authority shall be the representative of Port Qasim Authority.

D-3 VENUE OF ARBITRATION

This arbitration will be carried out according to the Pakistan Arbitration Act 1940 or any statutory modification or re-enactment thereof for the time being in force. It will be held in **Karachi**. The disputes / differences will thereby be submitted to two arbitrators, of whom one will be nominated by PQA and the other by the Contractor, who before entering upon their reference shall appoint an umpire by mutual agreement and if they do not agree a judge of superior court in Pakistan shall appoint the umpire. The arbitration award should be final and binding on both the parties.

D-4 LOCATION OF THE COURTS  
HAVING JURISDICTION

This agreement will be subject to laws of Pakistan and Pakistani courts shall have exclusive jurisdiction to hear and determine all actions and proceedings arising out of the Contract and the Contractor hereby submits to the jurisdiction of Pakistani courts for the purpose of any such actions and proceedings. However, the settlement of any disputes between parties in the manner laid down above in sub clause D-3 above will be a condition precedent to initiating any proceeding in court.

APPENDIX 'E'

**EVALUATION CRITERIA**

**1. Firm Qualification Criteria**

The firm fulfilling following criteria, will be considered as eligible bidder for evaluation of technical proposal. Documentary evidence is to be attached, failing which the bidder will be considered ineligible:

- i. Must have National Tax Number (Copy of Certificate);
- ii. Must be registered with Federal Board of Revenue (Copy of Certificate);
- iii. Must be registered with Sindh Revenue Board (Copy of Certificate);
- iv. Must be on active taxpayer list of FBR and SRB;
- v. Must be in category "A" of State Bank of Pakistan's Panel of Auditors.
- vi. Must have a minimum of PKR 1,000 Million of annual turnover in each of the last five years or more than 1,000 professional staff.
- vii. Must not be blacklisted by any government or bi-lateral/multi-lateral financial institution to be given on stamp paper of Rs. 1,000/-

**2. Evaluation Criteria**

<b>Evaluation Criteria</b>			<b>Marks</b>	<b>Total Marks</b>
<b>A.</b>	<b>Specific Experience of the Consultants relevant to the assignment:</b>			45
	Firm Profile	Firm with dedicated team to serve government public sector with more than 10 years of experience in public procurement reviews/ validations in Pakistan and in the regional countries:  (50% points for more than 5 years experience) (20% points for more than 3 years experience)	05	
	Credentials	Delivered Public Procurement Review projects of comparable size, complexity and having contract value of minimum PKR 3 Million each. (02 points for each project)	20	
		Firm's experience of working on similar projects in the regional countries with / for government/ public sector. (02 points for each project)	10	
		Work experience of working with the Sindh, other Provincial and Federal Government on Similar projects over the last 5 years. (02 points for each project)	10	
<b>B.</b>	<b>Adequacy of the proposed methodology and work plan in responding to the Terms of Reference:</b>			15

	Clarity	Understanding and effective response to all the items listed in the TORs (keeping in context the operational structure of components covered under the scope of work.	5	
	Technical Approach and Methodology, and Work Plan	Clear and logical methods in responding to the needs of the PQA with a step by step approach and a comprehensive work plan for each of the scope component (processes and sub processes) listed in TORs.	10	
<b>C</b>	<b>Key professional staff qualifications and competence for the assignment:</b>			40
	Team Leader	Minimum Qualification Fellow Chartered Accountant.	05	
		Professional having more than 15 years of relevant post qualification experience in procurement reviews, validations and related assignments in government and public sector.	10	
		Experience of working in regional countries.	02	
	Deputy Team Leader	Minimum Qualification: Associate Chartered Accountant.	03	
		Professional having more than 12 years of relevant experience in procurement reviews, validations and institutional assessment.	08	
		Experience of working with provincial and related assignments, government.		
		Experience in regional countries.	02	
	Auditors	Minimum Qualification: CA/ICMA Intermediate and MBA Finance.	02	
		Having at least 2 years of relevant experience working with government and public sector.  (02 per staff)	08	
Total				100

The minimum technical score required to pass is: 80 Points