

**PRE-QUALIFICATION DOCUMENT
(PQD)**

**THIRD PARTY VALIDATION OF PROGRAM DEVELOPMENT OBJECTIVES
(PDOS) AND DISBURSEMENT LINKED INDICATORS (DLIS) FOR JOBS AND
COMPETITIVENESS (J&C) PROGRAM**

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EXPRESSION OF INTEREST

(CONSULTANCY SERVICES-FIRM SELECTION)

Program Implementation Unit, Planning & Development Department, Government of Punjab is established under P&D Department to look after the monitoring & coordination of key foreign funded programs. For this purpose, PIU invites sealed expression of interest from the eligible firms for the assignment of “Third Party Validation of Program Development Objectives (PDOs) and Disbursement Linked Indicators (DLIs) for Jobs and Competitiveness (J&C) Program.

Interested firms are required to provide information demonstrating that they have the required qualification and relevant experience to perform the services mentioned above. The firms may associate with other firms in the form of joint venture to enhance their qualifications. The firms for above referred assignment will be selected in accordance with the Quality and Cost Based Selection (QCBS) method as defined under Punjab Procurement Regulatory Authority (PPRA) rules, 2014.

The advertisement and detailed EOI may be browsed online from websites i.e. www.ppra.punjab.gov.pk and www.piu.punjab.gov.pk and can be obtained from the address below during office hours. EOI must be received **by 03:00 PM in our office on or before 14.05.2018.**

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Terms of Reference

Third Party Validation of Program Development Objectives (PDOs) and Disbursement Linked Indicators (DLIs) for Jobs and Competitiveness (J&C) Program

The Program Key Results and DLIs of Punjab Jobs and Competitiveness Program for Results will be reported to the World Bank on an annual basis by the Government of Pakistan before the 31st of August of each year. Before their submission to the World Bank, these results will have to be verified by a firm competitively recruited by the Government of Punjab (through PIU of P&D). This note outlines the terms of reference for this firm.

- The firm to be recruited through competitive process and should have a reputation to protect. The firm cannot be a respondent to the Doing Business report.
- The contract should cover the PDO indicators, the DLIs as well as progress along the Program Action Plan.

1) Verification of the achievements of the Program Key Results and Disbursement Linked Indicators

- The first Program Key Result and DLI 1 will be based on the aggregate Doing Business Performance for Punjab (Lahore) across the four selected indicators indexed to the performance of the top performers as reported in the Doing Business 2018 report using the methodology of that same report. This will ensure that Punjab's performance on this indicator will not depend on the future performance of other countries or future changes in the Doing Business methodology.

The Doing Business team sends the governments of all countries included in the Doing Business report a Doing Business reform update early June of every year giving three weeks to the Governments to raise any issues or concerns. The firm will verify the information contained in the Doing Business reform update and will inform the government of any significant issues before the deadline of three weeks. In case of any irreconcilable differences, the point of view of the Doing Business team will prevail. The firm will then estimate the impact of the reforms on Punjab's aggregate Doing Business Performance using the Doing Business 2018 report methodology assuming all else equal (the Doing Business 2018 calculator can be found on: <http://www.doingbusiness.org/data/df-calculator>). Like all other results, the final verification result will have to be communicated to the World Bank by the Government of Pakistan before the 31st of August of each year (the Doing Business report is published in October of each year). See the Doing Business methodology for more details.

- The second Key Result is based on the evaluation made every two years by the EU of Punjab's progress along the GSP+ Labor Conventions. The first compliance report, published in January 2016 (<http://trade.ec.europa.eu/doclib/docs/2016/january>), acknowledged significant progress but also important gaps left to be addressed. The next two reports are expected in 2018 and 2020. The evaluation is carried out by an ILO



Committee of Experts based on a detailed scorecard. The firm will verify the information included in the report of this Committee before it becomes public. It will inform the government of any significant differences, the point of view of the ILO Expert Committee will prevail in case of any irreconcilable differences.

- The third and fourth Key Results on employment and investments will be based on information to be provided by PIEDMC and FIEDMC based on surveys of the enterprises operating in their industrial estates. The firm will verify this information by checking the raw data through sample random checks. In case of any irreconcilable differences between the firm and PIEDMC/FIEDMC, the point of view of the firm will prevail.
- DLI2. The Department of Labor will provide the information required to assess the progress made along the reforms of the labor laws along the nine ILO Conventions¹. The firm will verify this information, in particular whether adequate consultations of the relevant stakeholders have been performed and their inputs taken into proper consideration. In case of any irreconcilable differences between the firm and the government, the point of view of the firm will prevail.
- DLI3. The significant investment announcements from foreign investors will be monitored by PBIT. The firm will verify this information by checking the raw data, through direct contact with the potential investing firms, to ensure that these announcements do represent a serious intent on behalf of the investors and that they have been targeted and significantly engaged by PBIT – see the precise criteria in the footnote below (taken straight out of the Loan Agreement)². In case of any irreconcilable differences the firm and the government, the point of view of the firm will prevail.
- DLI4. The firm will review the selected infrastructure PC-1s³ approved by the Provincial Development Working Party (PDWP) during the fiscal year to ensure that their compliance with the Punjab Spatial Strategy was properly assessed. The initial assessment would have been made by the sponsoring Line Departments and vetted by the Chief Spatial Strategy

¹ (i) C-29 Convention concerning forced or compulsory labor (1930), (ii) C-105 Convention concerning the abolition of forced labor (1957); (iii) C-87 Convention concerning freedom of association and protection of the right to organize (1948); (iv) C-98 Convention concerning the application of the principles of the right to organize and to bargain collectively (1949); (v) C-138 Convention concerning the minimum age for admission to employment (1973); (vi) C-182 Convention concerning the prohibition of and immediate action for elimination of worst forms of child labor (1999); (vii) C-100 Convention concerning equal remuneration of men and women workers for work of equal value (1951); and (viii) C-111 Convention concerning discrimination in respect of employment and occupation (1958).

² “Investment Announcement” means a public announcement in the form of a press release or similar public notification of the intention of the investor to make a 5 million Dollars capital investment or more in Punjab, appearing in the local or national press or on the investor’s own website or in other publicly accessible media, further to completion of the Program Implementing Entity’s approval process of the proposed investment including, without limitation, clearance from EPA confirming compliance with the Borrower’s and the Program Implementing Entity’s applicable environmental laws and regulations.

³ Infrastructure projects in support of growth would be included, including industrial estates on-site and off-site infrastructure, industrial infrastructure outside of industrial estates (e.g. CETPs), infrastructure to support agriculture and livestock markets, inter-city connectivity, and urban expansion projects (e.g. LDA City, M2 New City, Ravi River Development).



within P&D before their submission to the PDWP (as specific section to carry out this assessment will be added to the PC-1 template). The number of such projects should be less than one hundred a year – most of them road projects which compliance with the Punjab Spatial Strategy should be relatively easy to assess. The firm will also verify that these investments have been properly vetted by the EPA. During its verification and in case of any doubts, the firm is encouraged to consult with the Chief Strategist of P&D, Urban Unit and/or the expert panel which has been set up to assist with the design and implementation of the Punjab Spatial Strategy. The results from this verification will be summarized in a report to be transmitted to the government before the end of July. In case of any irreconcilable differences, the point of view of the firm will prevail.

- DLI5. The PPP Cell will monitor the number of PPP feasibility studies and negotiated PPP contracts presented to the PPP Steering Committee following its quality control. The firm will verify the quality of these feasibility studies and negotiated contracts along international quality benchmarks and as specified in Program Appraisal Document. It will also check that due process has been followed with respect to the PPP competition as set out in the PPP Act. Finally, it will check that consultations of the relevant stakeholders (including the EPA) have taken place and their inputs duly incorporated. In case of any irreconcilable differences between the firm and the government, the point of view of the firm will prevail.
- DLI6. A Steering Committee led by the Department of Industry comprising all relevant stakeholders will supervise the development and implementation of the institutional reforms to improve public support to industrial estates and clusters. The firm will verify the Cluster Development initiative⁴ as per the criteria laid out in the footnotes (taken straight from the Loan Agreement).

2) Verification Protocols

⁴ “Cluster Development Initiative” means an in-depth and sustained program of technical assistance focusing on helping companies in industrial clusters, and based on the following principles and criteria: (i) demand driven selection process; (ii) support to firms provided as a public good and/or with contributions from participating firms; (iii) technical assistance procured through international competition; (iv) initiative implemented through a competitively recruited world class team reporting to an independent steering committee established by the Program Implementing Entity’s department of industry and involving interested stakeholders including the private sector; (v) thorough project monitoring and evaluation including an environmental and social assessment consistent with the Borrower’s and the Project Implementing Entity’s applicable environmental and social laws and regulations and the recommendations of Section 7 (Recommendations and Proposed Actions) of the ESSA; and (vi) initiative to entail at least 15 million USD worth of technical assistance over a five year-period.



Each DLI targeted under the J&C Program comes with a set of verifiable and measurable. The following table provides an overview of DLI verification protocols, including variables to be measured and procedure for measurement of said variables.

DLI #	DLI	Definition/ Description of achievement	Protocol to evaluate achievement of the DLI and data/result verification		
			Data source/ agency	Verification Entity	Procedure
1	Aggregate improvement of Punjab's performance with respect to business registration, contract enforcement, construction permits and property registration	Distance to frontier (%) aggregated for business registration, contract enforcement, construction permits and property registration	P&D – PIU	Firm competitively recruited by PIU	Firm to verify the assessment of the Doing Business team before the publication of the Doing Business Report
2	Steps taken to improve compliance with the GSP+ Labor Conventions	Sequence of a) legal gap analysis completed, b) drafting of new relevant labor laws, c) completion of consultative review and d) submission of revised relevant laws for approval	Labor Department	Same firm	Firm to verify completion of each legal review and reform step, review EU evaluation report before its publication
3	Steps toward the improvement of investment promotion	Announcements for investments of at least US\$5 million from foreign investors generated and facilitated by PBIT	PBIT	Same firm	Firm to collect confirmation from investors
4	Steps toward developing and implementing Punjab Spatial Strategy to prioritize and coordinate public investments	Pre-feasibility study of new city, Spatial Strategy and selected PCI Projects independently reviewed to ensure consistency with Spatial Strategy	P&D	Same firm	Firm to verify the PC-1s and review by the expert panel of the infrastructure projects approved by the PDWP.
5	Steps toward the effective development of industrial infrastructure through PPPs	One IE and one CETP feasibility study presented to the PPP Steering Committee following quality control by the PPP Cell Six PPP projects presented to the PPP Steering Committee following quality control by the PPP Cell One CETP operational by Year 5	P&D – PPP Cell	Same firm	Firm to check documentation, interview winning firms and visit the CETP
6	Steps toward designing and implementing a new institutional framework to	Approval of new institutional setup Operationalization of new institutional setup	DoI, PIEDMC,	Same firm	Firm to verify approval and enactment of key institutional

DLI #	DLI	Definition/ Description of achievement	Protocol to evaluate achievement of the DLI and data/result verification		
			Data source/ agency	Verification Entity	Procedure
	support industrial estates and clusters		FIEDM C, PSIC		reforms, of hiring, new operational manuals and of launch of technical support projects for industrial clusters

Table 1: Verification protocols



The following table provides an overview of results to be verified as part of program DLIs:

	DLI Baseline December 2015	Indicative timeline for DLI achievement				
		Year or Period 1	Year or Period 2	Year or Period 3	Year or Period 4	Year or Period 5
DLI 1: Aggregate improvement of Punjab's performance with respect to business registration, contract enforcement, construction permits and property registration	61	61	64	67	70	75
DLI 2: Steps taken to improve compliance with GSP+ Labor Conventions	–	Legal gap analysis and improved labor inspection system	New Labor laws drafted that would ensure compliance with GSP+ conventions	Stakeholder consultation completed, revised draft also compliant with GSP+	New GSP + compliant labor laws presented to the Provincial Assembly.	–
DLI 3: Steps toward the improvement of investment promotion	No systematic investor outreach program	Approval of PBIT strategy Investor database Foreign mission	5 investment announcements by leading foreign investors	10 investment announcements by foreign investors	15 investment announcements by foreign investors	15 investment announcements by foreign investors
DLI 4: Steps toward developing and implementing the Punjab Spatial Strategy (PSS)	No Provincial Spatial Strategy	Recommendations from pre-feasibility study for possible new city followed	PSS (developed with EPA) validated by Panel and approved by Cabinet	80% of the value of infrastructure PC-1s amounts and all IEs in line with PSS	80% of the value of infrastructure PC-1s amounts and all IEs in line with PSS	80% of the value of infrastructure PC-1s amounts and all IEs in line with PSS
DLI 5: Steps toward the effective development of industrial infrastructure through PPPs	No private IEs and no operational CETPs in Punjab	Two feasibility studies presented to the PPP SC (one CETP and one IE)	One project presented to PPP SC (IE)	One project presented to PPP SC (CETP)	Two projects presented to PPP SC (IE or CETP)	Two projects presented to PPP SC (IE or CETP); One CETP operational (amount to be allocated through reallocation upon PPP SC approval)

	DLI Baseline December 2015	Indicative timeline for DLI achievement				
		Year or Period 1	Year or Period 2	Year or Period 3	Year or Period 4	Year or Period 5
DLI 6: Steps toward designing and implementing a new institutional framework to support industrial estates and clusters	–	New IE Policy Framework Restructuring plan for PSIC One CDI project launched	Implementation of IE Policy Framework and PSIC restructuring Two CDI projects launched	Two CDI projects launched	–	–

Table 2: Verification timeline



3) Verification of the implementation of the Program Action Plan

The table below (Program Action Plan) lists the key activities (legal dated covenants) that the government must undertake to support the realization of DLIs and improvements to related systems to achieve the Program Development Objectives. These activities are all budgeted as part of the PC-1s that the government has prepared for supplementary allocation to the budget based on the gaps identified in the program expenditure review. The firm will verify that the Government of Punjab has implemented the actions listed in the Program Action Plan by the deadlines indicated in the table below. The firm will report any delays or issues with the quality of implementation to the PIU which will then inform the World Bank.

Action Description	DLI	Due Date	Responsible Party	Completion Measurement
Development of operating procedures and regulatory framework for enforcement of the spatial strategy.	4	Jan 1, 2018	P&D	Law/ regulation implemented.
Updates to the Medium Term Development Framework based on outcomes of the Punjab Spatial Strategy.	4	Jun 30, 2018	P&D	Updated Medium Term Development Framework.
Capacity building for line departments to submit sectoral plans for the Annual Development Plan consistent with the Punjab Spatial strategy.	4	Jun 30, 2019	P&D (UU)	Approvals in Annual Development Plan as per Punjab Spatial Strategy.
PSIC to clear its audit backlog since 2010–11 by outsourcing it to a chartered accounts firm under multiyear audit engagement letter.	6	June 30, 2017	PSIC	Audit completed and audit reports presented to the Performance Audit Cell.
Implementation of the Recommendations of Section 7 (Recommendations and Proposed Actions) of ESSA.	2 and 5	June 30, 2019	EPA, Labour and Women Development Departments, IE companies	Environmental and Social Reporting and supervisions' reports.

Table 3: Program Action Plan

Team of Experts Required

Sr.	Description	# of Seats	Eligibility Criteria
1	Team Leader	1	Master Degree in Business Administration/ Project Management Economics/ Public Policy/ Finance related discipline with Minimum 15 Years of relevant experience.



2	Quality Control Manager/ Expert	1	Master in Business Administration/ Economics/ Project Management or related field with minimum 5 years' experience in relevant field
3	Field Supervisor	4	Bachelor Degree in relevant discipline with minimum 3 years' experience in relevant field

Table 4: Team of experts

Duration of Assignment

The duration of the assignment is expected to last 2 (two) years and may be extended on satisfactory performance.

Quality Assurance and Professionalism

The Firm shall ensure that all work conforms to the highest professional and quality standards. Any issues with quality will result in penalties being charged to the firm.



SHORTLISTING CRITERIA

The minimum qualifying marks is 65

Sr. No	Criteria	Maximum Marks	
1.	Existence as a legal Entity (Legal incorporation or establishment and registration)		Qualifying Criteria
2.	Not blacklisted by any public or private agency/authority		Qualifying Criteria
3.	An operational History of at least 5 years, with experience in implementing project activities	10	3-5 years 5 Marks 6-8 Years 7 Marks One for each extra year (maximum 10-marks)
4.	Relevant Experience in Similar Projects completed during last 5years	50	1-2 Completed Projects 25 Marks 3-5 Completed Projects 40 Marks 6 and more Completed Projects 50 Marks
5.	Firm's Management Team	20	Permanent Employees 5-10 10 Marks Permanent Employees 11 to 15 15 Marks Permanent Employees more than 15 20 Marks
6.	Work Volume in Monetary Terms.	20	2-3 Projects worth 5-8 Million 10 Marks 2-3 Projects worth 8-10 Million 15 Marks 2-3 Projects worth more than 10 Million 20 Marks



EOI SUBMISSION

A consulting firm/ consortium will purely be selected on merit in accordance with the criteria mentioned in the PQD and procedure laid down in the PPRA Rules 2014. However, pre-qualification/ shortlisting of any firm/consortium does not guarantee award of work and it would depend on evaluation of their proposals (technical and financial) submitted by the pre-qualified/shortlisted firm at later stage. Expressions of interest must be delivered by hand or dispatched by post at the address given **by 03:00 PM in our office by 14.05.2018.**

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