

**PRE-QUALIFICATION DOCUMENT
(PQD)**

**THIRD PARTY VALIDATION OF PROGRAM DEVELOPMENT OBJECTIVES
(PDOS) AND DISBURSEMENT LINKED INDICATORS (DLIS) FOR
STRENGTHENING MARKETS FOR AGRICULTURE AND RURAL
TRANSFORMATION (SMART) IN PUNJAB 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 Strengthening Markets for Agriculture and Rural Transformation (SMART) in Punjab 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 (Monday)**.

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Terms of Reference

Third Party Validation of Program Development Objectives (PDOs) and Disbursement Linked Indicators (DLIs) for Strengthening Markets for Agriculture and Rural Transformation (SMART) in Punjab Program

The Program Key Result Areas including Disbursement Linked Indicators (DLIs) and Program Action Plan (PAP) of Strengthening Markets for Agriculture and Rural Transformation in Punjab Program will be reported to the World Bank regularly by the Program Implementing Entity. 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 will be recruited through competitive process – it should have a reputation to protect.
- The contract should cover the PDO indicators, Intermediate Results, 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 program has been divided into three overarching result areas. Broadly, these are:

1. **Result Area 1:** Increased on-farm productivity and value of crops and livestock.
2. **Result Area 2:** Increased value and competitiveness of crops and livestock.
3. **Result Area 3:** Enhanced resilience of smallholder farmers to climate change and natural disasters.

Result Area 1:

DLI 1: Improving access to quality farm inputs: Better targeting of subsidies for agricultural inputs to small-scale farmers would increase overall production and would reduce poverty by helping smallholders close the yield gap with larger producers. This will be done by extending the e-voucher scheme for farmers with holdings smaller than 5 ha.

DLI 2: Revitalizing provincial crop and livestock research and extension systems: A comprehensive, strategically relevant policy for agricultural and livestock research and extension will be designed based on the recommendation of the review of the Punjab Agriculture Innovation System (AIS). Funding for public research would increase (measured as the percentage of AgGDP spent on research), as would the role of the private sector in



agricultural research (measured by the composition of the Punjab Agricultural Research Board and the percentage of research grants awarded on a competitive basis). The DLI will also focus on improved coordination between different agencies conducting agriculture research including strengthening links between agriculture extension and research. Additionally, notifications regarding Punjab Agriculture Policy and notifications regarding Punjab Crops and Livestock Research Policy and Strategy will be key for this DLI meeting its targets.

DLI 3(a): Improving livestock health: Resources will shift from curative to preventive animal healthcare (measured by the ratio of expenditures on preventive and curative medicine) to reduce productivity losses to disease. This will require the Livestock and Dairy Development Department to bifurcate expenditures being incurred for curative and preventative medicines.

These interventions are in line with the recommendations of the Performance of Veterinary Services pathway diagnostic for Pakistan undertaken by the World Organization for Animal Health in 2014 (for details see World Bank's Technical Assessment for SMART program, Box 2).

DLI 3(b): Improving livestock breeding: Good breeding stock is essential to improve productivity. This DLI (measured by the number of breeding animals of selected species) will require an incremental number of animals to be registered under a progeny testing program to be conducted by L&DD.

DLI 4(a): Modernizing the wheat marketing system: Modernizing the wheat market would reduce wheat and flour prices and free land for HVA, substantially raising farm incomes and employment. Measured by the official notification that GoPunjab is gradually withdrawing from the wheat market and the subsequent gradual decrease in wheat quantities procured by the GoPunjab, maintaining of a strategic wheat reserve of no more than 2 million MT along with developing bulk storage silos under PPP arrangements.

DLI 4(b): Transitioning to high-value agriculture: This DLI aims to shift current agricultural production towards more profitable and intensive practices through the promotion of High Value Agriculture (HVA).. Achievement of this DLI will depend on the percentage of the agriculture allocation in the ADP to High Value Agriculture (HVA) schemes. An additional measure is approval of the Punjab Agriculture Policy, which is expected to provide further strategic directions for the agriculture sector.

Result Area 2:



DLI 5: Providing incentives to agribusinesses for investment in value addition and agricultural technology: SMART Punjab will support an Agribusiness and Innovation Fund to be set up by GoPunjab. An operational manual will be setup for the Agribusiness and Innovation fund, in order to guide the fund's operations. The fund will award matching grants, with particular consideration for women and young people, on a competitive basis and measured by the specific number of grants awarded.

DLI 6: Improving market conditions for meat and raw milk: Removing meat and raw milk price caps (measured by the discontinuation of notification of meat and milk prices) would stimulate production and marketing of better quality and safer livestock products, raising producers' incomes and increasing supplies for urban areas

DLI 7: Modernizing agricultural markets: Reforming wholesale market legislation to allow greater private sector participation and enhance transparency (measured by approval and notification of the Punjab Agricultural Marketing Regulatory Authority Act) would reduce the margins taken by middlemen, reduce the government's role in controlling these markets, allow the private sector to set up markets and provide farmers with alternatives markets.

DLI 8: Improving food safety: Better food and agricultural standards, backed by testing and enforcement mechanisms, would improve the quality of food products and public health, and address concerns about contaminated or adulterated products. Measured by tracking progress in establishing and operationalizing a provincial food testing reference laboratory, regional laboratories, and divisional mobile laboratories.

Results Area 3:

DLI 9: Improving sustainability and efficiency of irrigation: More equitable access to water and better assessment and collection of *abiana* would encourage producers to use water more efficiently with no increases in overall water use, and increase funds for M&R. Adoption of a provincial water policy and groundwater Act are important first steps toward addressing the overexploitation of water, falling groundwater tables, and increasing salinization. Measured by approval of the Punjab Water Policy, notification of the Punjab Groundwater Act, improvements in the area assessed for *abiana*, tracking *abiana* collection rates, and tracking water delivery performance ratios (defined as actual amount of water delivered divided by amount delivered according to canal design, measured at different points along the canal) in selected canals. This will improve water delivery equity among users of irrigation water.



The DLI also envisages the demarcation of critical groundwater areas in the province followed by publishing of groundwater zoning and map. This is to be followed by geo-referencing and registration of all tube-wells operating in the province.

DLI 10: Rolling-out an agricultural insurance system: Crop insurance can help crop producers stabilize incomes and sustain resilience when natural events deplete harvests. A feasibility report detailing a suitable crop insurance scheme was completed in July 2017. A five-year work plan will be developed based on the crop-insurance scheme, followed by a pilot program in at least two districts in the province starting April 2018, and further roll out to other districts in subsequent years.

DLI 11: Increasing public investment in climate-smart agriculture: Enhancing public investment in CSA would help farmers adopt new technologies and approaches and reduce potential losses related to climate change. Measured by tracking the percentage of the total allocation for agriculture in the ADP towards CSA schemes.

DLI 12: Communications, beneficiary feedback, capacity building, and monitoring and evaluation: A substantial communications strategy (including a beneficiary feedback protocol) and capacity-building program will mobilize support for agricultural and rural transformation among stakeholders into the future. Strengthening monitoring and evaluation (M&E) capacity in participating departments will facilitate progress monitoring. Measured by development and implementation of a communications strategy and annual capacity development plans.

2. Verification Protocols

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

DLI no.	DLI title	Definition/description of achievement	Protocol to evaluate achievement of the DLI and data/result verification	
			Data source/ agency	Procedure
1	Improving access to quality farm inputs	E-voucher system for agricultural inputs in place and reaching targeted farmers.	Agriculture Department	- Ag. Department to maintain records of farmers provided with E-vouchers for agricultural inputs subsidy with unique numbers and provide this information to WB.



				- Firm to verify records and conduct random authentication.
2	Revitalizing provincial crop and livestock research and extension systems	Sequence of: (a) agricultural and livestock research and extension strategy and policy developed and approved, in line with recommendations of World Bank review and including (i) review of the current structure, conduct and performance of the Punjab agricultural research and extension (R&E) system, (ii) recommendations regarding restructuring of the Punjab agriculture R&E system and redefining its mandate, and (iii) recommendations regarding organizational structure including role of private sector; (b) Punjab Agricultural Research Board Act 1997 amended, including reconstitution of Board with majority of members from private sector and revised operational procedures in line with recommendations of World Bank review; (c) increased allocation to research (ADP & Recurrent) expressed as a percentage of AgGDP and spending against allocation; and (d) resource allocation for competitive grants.	- MTFD ^a - Punjab Budget Civil Accounts - Agriculture, Livestock & Dairy Development, Finance, P&D Departments	- Ag. Department to communicate approved Crops and Livestock Research and Extension Policy - Ag. Department to provide Gazette notification of Punjab Agricultural Research Board (PARB) Act amendment and reconstitution of its Board of Directors. - Ag. Department and Livestock & Dairy Development Department to notify WB of final allocations at the beginning of each FY (July) - Firm to verify approved allocations, spending against approved allocations and all of above.
3 (a)	Improving livestock health	Heads of account for preventive and curative care separated in the recurrent budget Gradual reallocation of resources from curative care to preventive care until 90% of the budget is apportioned to preventive care.	- Livestock & Dairy Development, Finance Departments - Punjab Budget Civil Accounts	-Livestock & Dairy Development Department to notify WB notification of Finance Department regarding separation of heads of account in the budget and final allocations for preventive and curative care at the beginning of each FY (July). -Firm to verify separation of heads of account in the budget, annual allocation and spending.
3 (b)	Improving livestock breeding	Progress in registering Sahiwal cow, Neeli Ravi buffalo, and Cholistani cow in progeny testing program.	Livestock & Dairy Development Department	- Livestock & Dairy Development Department to maintain ICTbased database for each species and notify WB of progress in registration of animals in progeny testing program. - Firm to verify registration records.
4 (a)	Modernizing the wheat marketing system	GoPunjab plan for withdrawal from official wheat procurement program in 2018 and gradual downscaling of wheat strategic reserve to not more than 2 million MT by <i>rabi</i> 2021 approved.	Food, Finance Departments	- Food Department to notify public and WB of phasing out of official wheat procurement system and reducing wheat reserve to not more than 2 million MT by <i>rabi</i> 2021. - Firm to (a) verify documentary evidence that



				GoPunjab has formulated and disseminated policy to phase out official wheat procurement system, (b) verify Food Department records regarding quantities of wheat procured, (c) verify that GoPunjab has phased out its wheat procurement program in which farmers can offer their wheat to government procurement centers, and (d) verify that arrangements have been developed for bulk storage facilities for 2 million MT under public-private partnership.
4 (b)	Transitioning to high-value agriculture	<ul style="list-style-type: none"> -Agriculture Policy focusing on increasing productivity, modernizing agricultural markets, promoting high-value agriculture (HVA), addressing price distortions, and promoting resilience, approved and notified. -Increased percentage points of ADP allocation for agriculture invested in helping farmers transition from traditional crops to HVA - Increased area under HVA. 	<ul style="list-style-type: none"> - MTDF - Punjab Budget Civil Accounts - Agriculture, P&D Departments - Crop Reporting Service (Agriculture Department) 	<ul style="list-style-type: none"> - Ag. Department to communicate to WB approved and notified Agriculture Policy. - Ag. Department to notify WB of final allocations at the beginning of each FY (July). - Firm to verify approved allocations and spending - Firm to verify area under HVA.
5	Providing incentives to agribusinesses for investments in value addition and agricultural technology	<ul style="list-style-type: none"> - Setting up Agribusiness and Innovation Fund. - Operational Manual for Agribusiness and Innovation Fund satisfactory to WB approved and notified. - Total amount of funds (in US\$) awarded every year as matching grants to agribusinesses. 	Agriculture Department	<ul style="list-style-type: none"> - Finance Department to notify establishment and operationalization of Fund. - Approved Operation Manual for Matching Grants component of Agribusiness and Innovation Fund communicated to WB. - Financial progress reports submitted to WB on agreed template each quarter. - Firm to review documentation of grants awarded and conduct interviews with awardees.
6	Improving market conditions for meat and raw milk	Price caps on meat and milk prices removed (GoPunjab discontinues official notification of prices).	Livestock & Dairy Development, and Industries, Commerce & Investment Departments	<ul style="list-style-type: none"> - Departments of Livestock & Dairy Development, and Industries, Commerce & Investment to notify WB of decision of GoPunjab each year. - Firm to verify discontinuation of price notifications at provincial and district levels.
7	Modernizing agricultural markets	- Draft Punjab Agricultural Marketing Regulatory Authority (PAMRA) Act, enabling private sector and farmers' participation, encouraging modern quality and grading standards, encouraging value chain development and time-bound transition from existing	Agriculture Department	- Agriculture Department to inform WB of Gazette Notification of PAMRA Act and Notification saying that crop marketing system has fully transitioned to PAMRA Act and that Punjab



		Ordinance to new legal regime, approved and notified. - GoPunjab fully transitioned to PAMRA Act by 2021		Agricultural Produce Markets Ordinance, 1978 is no longer valid. - Firm to verify documents and do ground check.
8	Improving food safety	Progress in establishing and operationalizing provincial reference food testing lab, regional labs, divisional labs, mobile labs.	- Food, Agriculture, P&D Departments - PAFDA - PFA - MTFD - Punjab Budget Civil Accounts	- Agriculture Department to notify WB of the establishment and operationalization of PAFDA Reference Lab. - PFSA and Food Department to notify WB of establishment and operationalization of regional, divisional, and mobile labs. - Firm to verify PC-Is of the relevant schemes, corresponding resource allocations in the budget, and operationalization of laboratories.
9	Improving sustainability and efficiency of irrigation	-Progress in ensuring sustainability of irrigation systems, technically (Punjab Water Policy and Punjab Groundwater Act) and financially (water charges or <i>abiana</i> assessment improved and collection increased), delivery performance ratio (DPR) improved in command areas of 6 canals. -Approval and notification of Punjab Groundwater Act that (a) establishes Integrated Water Resources Commission with the power and responsibility to prepare and implement policies and plans for the sustainable use and management of water resources, (b) requires the demarcation of “critical areas” of groundwater over-extraction, (c) requires the registration of existing tubewells, (d) requires a permitting process to be established for any new tubewells, and (e) establishes and enforces a licensing regime for tubewell drillers. -Approval and notification of Punjab Water Policy with clear policy directions on the sustainable use, management and development of water from all sources, for all sub-sectors across the entire province, to halt or reverse environmental and water resource degradation, while maintaining beneficial uses of water that support socioeconomic outcomes, and specifying appropriate and realistic key policy actions for five priority areas: (a) water governance, (b) water allocation, (c) water quantity and water-related disaster management, (d) water quality management, and (e) water management outside irrigation command areas.	- Irrigation, Finance Departments - Punjab Board of Revenue - MTFD - Punjab Budget Civil Accounts	- Irrigation Department to share Gazette notification for approved Water Policy and Groundwater Act with WB. - Irrigation Department to share data regarding improvements in <i>abiana</i> assessment and collection duly verified by Finance Department and Board of Revenue. - Water theft (measured by DPR ^h) at the beginning of each financial year (August) notified for each of selected canals - Notification and map of critical areas of groundwater and data of existing tubewells. - Firm to verify policy notification, improved assessment and collection rate, improved DPR and groundwater critical areas map and database.



10	Rolling-out an agricultural insurance system	Steps towards rolling out an agricultural insurance system include (a) approving a diagnostic study, (b) formulating a workplan in line with the recommendations of the Diagnostic Report, (c) piloting agricultural insurance in two districts, and (d) rolling out to all districts.	- Agriculture, Livestock & Dairy Development, P&D, Finance Departments - MTDF - Punjab Budget Civil Accounts	- Agriculture Department to communicate five-year workplan to roll out agricultural insurance. - Resource allocation by P&D/Finance Departments. - Agriculture Department to provide financial progress reports to WB each quarter. - Firm to validate the above and collect information from insurance firms, survey.
11	Increasing public investment in climate-smart agriculture	Increased percentage of ADP allocation for agriculture invested in climate-smart agriculture technologies.	- Agriculture, P&D Departments - MTDF - Punjab Budget Civil Accounts	- Agriculture Department to notify WB of final allocations at the beginning of each FY (July) for CSA and spending against that allocation. - Firm to verify approved allocations and spending.
12	Communications, beneficiary feedback, capacity building, and monitoring and evaluation	- Communications strategy developed and implemented; beneficiary feedback obtained; annual plans for capacity-building in agribusiness and institutional strengthening of implementing departments, and other government organization developed and implemented. - ICT-based monitoring and evaluation (M&E) system developed in key implementing departments.	- P&D, Agriculture, Livestock & Dairy Development, Food, Irrigation Departments - MTDF - Punjab Budget Civil Accounts	- Approved communication strategy and implementation workplan shared with WB. - Annual capacity-building plans that include specification of types of trainings offered, and numbers of participants to be trained. - Resource allocation for capacity building, training, and ICT based M&E. - Firm to verify.

Table 1: Verification protocols



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

DLI	Baseline	Prior Results	Indicative timeline for DLI achievement				
			Year 1	Year 2	Year 3	Year 4	Year 5
DLI 1 - Improving access to quality farm inputs	No E-voucher system in place	Department of Agriculture (DoAg) has extended the coverage of E-vouchers providing subsidies for agricultural inputs to at least 25,000 farmers with less than 5 ha of farm land in FY17.	DoAg has extended the coverage of E-vouchers providing subsidies for agricultural inputs to at least 50,000 farmers with less than 5 ha of farm land in FY18.	DoAg has extended the coverage of E-vouchers providing subsidies for agricultural inputs to at least 100,000 farmers with less than 5 ha of farm land in FY19.	DoAg has extended the coverage of E-vouchers providing subsidies for agricultural inputs to at least 150,000 farmers with less than 5 ha of farm land in FY20.	DoAg has extended the coverage of E-vouchers providing subsidies for agricultural inputs to at least 200,000 farmers with less than 5 ha of farm land in FY21.	



<p>DLI 2 - Revitalizing provincial crop and livestock research and extension systems</p>	<p>0.1% of AgGDP allocated to research in FY16/17 of which 4% allocated to competitive research grants.</p>			<p>a) Punjab's Cabinet has approved and notified in the Gazette a new Agriculture and Livestock Research and Extension Policy; (b) Punjab's Assembly has amended (as notified in the Gazette) the Punjab Agricultural Research Board Act (1997), to reconstitute the Board with a majority of professionals from related fields in the private sector, and to revise its mandate in line with the Review Team Report; (c) (i) Punjab's Assembly has approved aggregate budgetary allocations for agriculture and/or livestock research for FY19 equivalent to 0.2% of Punjab's AgGDP, of which 8% has been channeled through competitive research grants, including to the private sector; and (ii) DoAg. and DoL&DD have spent at least 60% of the FY19 allocated budgetary resources</p>	<p>i) Punjab's Assembly has approved aggregate budgetary allocations for agriculture and/or livestock research for FY20 equivalent to 0.25% of Punjab's AgGDP, of which 12% has been channeled through competitive research grants, including to the private sector; and (ii) DoAg. and DoL&DD have spent at least 70% of the FY20 allocated resources.</p>	<p>i) Punjab's Assembly has approved aggregate budgetary allocations for agriculture and/or livestock research for FY21 equivalent to 0.3% of Punjab's AgGDP, of which 16% has been channeled through competitive research grants, including to the private sector; and (ii) DoAg. and DoL&DD have spent at least 80% of the FY21 allocated resources.</p>	<p>(i) Punjab's Assembly has approved aggregate budgetary allocations for agriculture and/or livestock research for FY22 equivalent to 0.4% of Punjab's AgGDP, of which 20% has been channeled through competitive research grants, including to the private sector; and (ii) DoAg. and DoL&DD have spent at least 80% of the FY22 allocated resources.</p>
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DLI 3 (a) - Improving livestock health	Preventive to curative ratio 65:35 in FY17 under the same head of account in the budget.		a) DoL&DD has established in its recurrent budget separate heads of account for the allocation of budgetary resources to preventive and curative animal healthcare; and (b) DoL&DD's budgetary allocations for FY19 for preventive vs. curative animal healthcare have achieved a 3:1 ratio.		DoL&DD's budgetary allocations for FY21 for preventive vs. curative animal healthcare have achieved a 4:1 ratio.		DoL&DD's budgetary allocations for FY23 for preventive vs. curative animal healthcare have achieved a 9:1 ratio.
DLI 3 (b) - Improving livestock breeding	7,000 animals registered in progeny testing program of Sahiwal cow, Neeli Ravi buffalo, and Cholistani cow.		DoL&DD has registered at least 12,000 animals in its progeny testing program for Sahiwal cow, Nili-Ravi buffalo, and Cholistani cow.		DoL&DD has registered at least 22,000 animals in its progeny testing program for Sahiwal cow, Nili-Ravi buffalo, and Cholistani cow.		DoL&DD has registered at least 30,000 animals in its progeny testing program for Sahiwal cow, Nili-Ravi buffalo, and Cholistani cow.
DLI4 (a) – Modernizing the wheat marketing system	Punjab Agriculture Policy under preparation 3.5% of agriculture Annual Development Plan (ADP) allocated for FY17 to high-value agriculture (HVA).	Punjab's Assembly has allocated at least 6% of the amounts budgeted for DoAg. under the ADP for FY18 towards HVA.	a) Punjab's Cabinet has approved and notified in the Gazette an Agricultural Policy (1.00); and (b) (i) Punjab's Assembly has allocated at least 8% of the amounts budgeted for DoAg. under the ADP for FY19, towards HVA; and (ii) DoAg. has spent at least 60% of the FY18 allocated budgetary resources	i) Punjab's Assembly has allocated at least 10% of the amount budgeted for DoAg. under the ADP for FY20 towards HVA; and (ii) DoAg. has spent at least 70% of the FY19 allocated budgetary resources.	i) Punjab's Assembly has allocated at least 12% of the amount budgeted for DoAg. under the ADP for FY21 towards HVA; and (ii) DoAg. has spent at least 80% of the FY20 allocated budgetary resources.	(i) Punjab's Assembly has allocated at least 14% of the amount budgeted for DoAg. under the ADP for FY22 towards HVA; and (ii) DoAg. has spent at least 80% of the FY21 allocated budgetary resources.	(i) Punjab's Assembly has allocated at least 15% of the amount budgeted for DoAg. under the ADP for FY23 towards HVA; and (ii) DoAg. has spent at least 80% of the FY22 allocated budgetary resources.

DLI 5 - Providing incentives to agribusinesses for investments in value addition and agricultural technology	No matching grants in ADP.		Punjab has: (a) through the FD, approved and notified in the Gazette the operations manual for the Agribusiness and Innovation Fund; and (b) through the DoAg., set in place the implementation mechanism.	The Agribusiness and Innovation Fund has awarded at least 20 Matching Grants to agribusinesses, of which at least 4 have been awarded to women or young adults in FY19.	The Agribusiness and Innovation Fund has awarded at least 50 Matching Grants to agribusinesses, of which at least 15 have been awarded to women or young adults in FY20.	The Agribusiness and Innovation Fund has awarded at least 70 Matching Grants to agribusinesses, of which at least 28 have been awarded to women or young adults in FY21.	The Agribusiness and Innovation Fund has awarded at least 100 Matching Grants to agribusinesses, of which at least 50 have been awarded to women or young adults in FY22.
DLI 6 – Improving market conditions for meat and raw milk	Prices of meat and raw milk are on the list of Essential Commodities subject to price caps.			Punjab has publicly announced and implemented market-based pricing for meat and raw milk in FY19.			Punjab has implemented market-based pricing for meat and raw milk in FY20 through FY22.
DLI 7 - Modernizing agricultural markets	Punjab Agriculture Produce Marketing Ordinance, 1978.		Punjab's Assembly has approved and notified in the Gazette the Punjab Agricultural Marketing Regulatory Authority Act ("PAMRA Act").			DoAg. has ensured that all agricultural produce marketing operates exclusively under the PAMRA Act.	
DLI 8 - Improving food safety	No food testing laboratories.			DoAg has established and operationalized a provincial reference agriculture and food testing lab, in accordance with the ISO/IEC 17025:2005 standard.	Department of Food (DoF) has established and operationalized one (1) regional food testing lab and two (2) divisional mobile foods testing labs, all in accordance with the ISO/IEC 17025:2005 standard.	DoF has established and operationalized a second regional food testing lab and three (3) divisional mobile foods testing labs, additional to those of Year 3, all in accordance with the ISO/IEC 17025:2005 standard.	DoF has established and operationalized a third regional food testing lab and four (4) divisional mobile foods testing labs, additional to those of Years 3 and 4, all in accordance with the ISO/IEC 17025:2005 standard.

<p>DLI 9 - Improving sustainability and efficiency of irrigation</p>	<p>Punjab Water Policy and Ground Water Act under preparation. Abiana assessment = Pakistani Rupee (PKR) 1 billion in FY16/17, of which 61% is collected. Equity of water distribution in accordance with entitlements with delivery performance ratio of 0.70.</p>		<p>(a) Punjab's Cabinet has approved and notified in the Gazette a Punjab Water Policy; (b) Punjab Irrigation Department (PID) has improved the abiana assessment for FY18, based on irrigated cultivated area (perennial or not), to at least PKR 2 billion; and (c) PID has improved the equity of water distribution in accordance with entitlements, with a delivery performance ratio of 0.75 in FY19 for targeted canals.</p>	<p>a) Punjab's Assembly has approved and notified in the Gazette the Punjab Groundwater Act; (b) PID has increased the abiana collection in FY19 to reach 75% of the improved assessment; and (c) PID has improved the equity of water distribution in selected canals in accordance with entitlements, with a delivery performance ratio of 0.80 in FY19.</p>	<p>(a) Punjab's Assembly has approved and notified in the Gazette the Punjab Groundwater Act; (b) PID has increased the abiana collection in FY19 to reach 75% of the improved assessment; and (c) PID has improved the equity of water distribution in selected canals in accordance with entitlements, with a delivery performance ratio of 0.85 in FY20</p>	<p>(a) PID has: (i) established an electronic geo-referenced database for tube wells; and (ii) registered all existing tube wells in Punjab including their geographical coordinates; and (b) PID has increased the abiana collection in FY21 to reach 85% of the improved assessment.</p>	<p>PID has increased the abiana collection in FY22 to reach 90% of the improved assessment.</p>
<p>DLI 10 - Rolling-out an agricultural insurance system</p>	<p>Crop loan insurance scheme is mandatory for all seasonal crop credit borrowers – but protects lenders, not farmers.</p>	<p>DoAg. has approved the Diagnostic Report assessing the crop loan insurance scheme and analyzing options for an agricultural insurance coverage.</p>	<p>(a) DoAg. has developed and adopted a five-year work plan for the roll out of an agricultural insurance scheme, based on the recommendation of the Diagnostic Report (0.50); and (b) DoAg. has piloted an agricultural insurance scheme in at least 2 districts, one each in Punjab's cotton and rice belt, with an insurance take-up reaching 50,000 policies sold in FY18 (0.245).</p>	<p>DoAg. has implemented the agricultural insurance scheme in districts additional to those covered in FY18, with an insurance take-up reaching 250,000 policies sold in FY19.</p>	<p>DoAg. has implemented the agricultural insurance scheme in districts additional to those covered in FY18 and FY19, with an insurance take-up reaching 500,000 policies sold in FY20.</p>	<p>DoAg. has implemented an agricultural insurance scheme in districts additional to those covered in FY18 though FY20, with an insurance take-up reaching 750,000 policies sold in FY21.</p>	<p>DoAg. has implemented an agricultural insurance scheme in districts additional to those covered in FY18 though FY21, with an insurance take-up reaching 1,000,000 policies sold in FY22.</p>

DLI 11 - Increasing public investment in climate-smart agriculture	3% of allocation for agriculture in FY17 ADP for climate-smart agriculture (CSA). 50% of total allocation for agriculture spent.	Punjab's Assembly has allocated at least 6% of the amount budgeted for agriculture under the ADP for FY18 to investments in CSA.	(a) Punjab's Assembly has allocated at least 8% of the amount budgeted for agriculture under the ADP for FY19 to investments in CSA; and (b) DoAg. has spent at least 60% of the resources allocated therefor in FY18.	a) Punjab's Assembly has allocated at least 10% of the amount budgeted for agriculture under the ADP for FY20 to investments in CSA; and (b) DoAg. has spent at least 70% of the resources allocated therefor in FY19.	(a) Punjab's Assembly has allocated at least 12% of the amount budgeted for agriculture under the ADP for FY21 to investments in CSA; and (b) DoAg. has spent at least 80% of the resources allocated therefor in FY20.	(a) Punjab's Assembly has allocated at least 14% of the amount budgeted for agriculture under the ADP for FY22 to investments in CSA; and (b) DoAg. has spent at least 80% of the resources allocated therefor in FY21.	a) Punjab's Assembly has allocated at least 15% of the amount budgeted for agriculture under the ADP for FY23 to investments in CSA; and (b) DoAg. spent at least 80% of the resources allocated therefor in FY22.
DLI 12 – Communications, beneficiary feedback, capacity building, and monitoring and evaluation	Technical assistance provided during Program preparation including series of policy notes, assessment of communications capacity, review of agricultural research and extension.		P&DD has developed a communications strategy for the Program, including beneficiary feedback, and started its implementation.	The participating departments have prepared and implemented the FY19 annual capacity building plan, in a manner and substance acceptable to the Bank.	The participating departments have prepared and implemented the FY20 annual capacity building plan, in a manner and substance acceptable to the Bank.	The participating departments have prepared and implemented the FY21 annual capacity building plan, in a manner and substance acceptable to the Bank.	The participating departments have prepared and implemented the FY22 annual capacity building plan, in a manner and substance acceptable to the Bank.

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	Due date	Responsible party	Completion measurement
Develop, and thereafter disseminate, the operational procedures and regulatory framework for crop insurance, in a manner and substance satisfactory to the Bank.	April 30, 2018	Department of Agriculture	Copy of approved regulatory framework, supporting documents and operational plan.
Develop, and thereafter implement, a five-year operational plan for resource allocation in Punjab's annual development plan consistent with SMART Punjab's disbursement linked indicator requirements, including agricultural research, highvalue agriculture, agricultural insurance, and climate-smart agriculture, all in a manner and substance satisfactory to the Bank.	May 31, 2018 (for approval)	Punjab's Department of Agriculture, Department of Livestock & Dairy Development, Department of Food, Irrigation Department, and Planning & Development Department	Five-Year Plan approved by the Planning & Development Department and implemented each year during the Program.
Design, and thereafter implement, a capacity building program for women and small and medium enterprises in: (a) business development strategy; (b) project management; and (c) entrepreneurship and marketing through Punjab Skills Development Fund (PSDF), and/or other organizations, for the Agribusiness and Innovation Fund, all in a manner and substance satisfactory to the Bank.	June 30, 2018	Department of Agriculture	Memorandum of Understanding signed with PSDF and/or other organizations, work plan for training developed and implementation started.
Provide training to farmers on integrated pest management and balanced use of fertilizers in a manner and substance satisfactory of the Bank.	June 30, 2018 (start)	Department of Agriculture	Trainings started.
Establish Climate Change Cell with staff, functions and resources acceptable to the Bank.	June 30, 2018	Department of Agriculture	Cell established and staffed.
Carry out a study on effects of removal of livestock price caps, in a manner and substance satisfactory to the Bank.	June 30, 2018	Department of Livestock and Dairy Development	Study conducted and recommendations considered.
Develop and implement a monitoring and evaluation (M&E) framework and establish an ICT-based M&E system in key departments with their respective resource allocation, all in a manner and substance satisfactory to the Bank.	December 31, 2018	Department of Agriculture, Department of Livestock &	M&E system in place and operational.

		Dairy Development, Department of Food, and Irrigation Department	
Punjab's Environment Protection Agency (EPA) to conduct training on environmental risk management for the Departments of Agriculture, Livestock & Dairy Development, Food, Industry, Irrigation, and Planning and Development, all in a manner and substance satisfactory to the Bank.	December 31, 2018	EPA, Department of Agriculture, Department of Livestock & Dairy Development, Department of Food, and Irrigation Department	Trainings conducted.
Develop, and thereafter implement, a workplan for targeting inputs subsidies through Kissan Card, including the resource allocation required for the implementation thereof, all in a manner and substance satisfactory to the Bank	December 31, 2018 (approval)	Department of Agriculture	Approval and implementation of work plan.
Establish a reliable monitoring system for water delivery with adequate spatial and temporal coverage, in a manner and substance satisfactory to the Bank.	December 31, 2018	Irrigation Department	Evidence demonstrating establishment of monitoring system.
Launch of Kissan Card.	March 31, 2019	Department of Agriculture	Kissan Card launched.

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/ Agricultural Economics related discipline with Minimum 15 Years of relevant experience.
2	IT Expert	1	Bachelor/ Master Degree in Computer Science with minimum 3 years' experience in relevant field
3	Quality Control Manager/ Expert	1	Master in Business Administration/ Economics/ Project Management or related field with minimum 5 years' experience in relevant field
4	Data Analyst	3	Bachelor Degree in Statistics/ Economics or related field with minimum 3 years' experience in relevant field
5	Field Supervisor	3	Bachelor Degree in relevant discipline with minimum 3 years' experience in relevant field

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 on or before 14.05.2018**

**Program Director
Program Implementation Unit,
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