

Shortlisting Document

**“Internal Audit under Jobs and Competitiveness (J&C) and Strengthening
Markets for Agriculture and Rural Transformation (SMART) Punjab
Programs”**

**Under
Program Implementation Unit, P&D Board**



**Program Implementation Unit, Planning & Development Board
11-A, Upper Mall, Mian Meer Road, Near Hotel Crown Plaza
Lahore**

November, 2020

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**EXPRESSION OF INTEREST
(CONSULTANCY SERVICES-FIRM SELECTION)**

Program Implementation Unit (PIU), Planning & Development Board, Government of Punjab is looking 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 **“Internal Audit under Jobs and Competitiveness (J&C) and Strengthening Markets for Agriculture and Rural Transformation (SMART) Programs”**.

2. 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 firm for above referred assignment will be selected for the period of three (03) years subject to satisfactory performance in accordance with the Quality and Cost Based Selection (QCBS) method as defined under Punjab Procurement Regulatory Authority (PPRA) rules, 2014.

3. The advertisement and detailed shortlisting document may be browsed online from websites i.e; <https://ppra.punjab.gov.pk> and www.piu.punjab.gov.pk and can be obtained from the address below during office hours. EOI proposals must be received by 03:00 PM in our office on or before 10.12.2020.

Ali Jalal
Program Director,
Program Implementation Unit,
Planning & Development Board,
11-A, Upper Mall Scheme, Near Hotel Crown Plaza,
Mian Meer Road, Lahore.
Ph. No. 042-99332566-69
Fax. 042-35750283
EMAIL: pd@piu.punjab.gov.pk

DISCLAIMER

1. The information contained in this Shortlisting document or subsequently provided to Applicant(s), whether verbally or in written form by or on behalf of the Program Implementation Unit, P&D Board (the Client) or any of their employees or advisors, shall be subject to the terms and conditions set out in this shortlisting document and any other terms and conditions subject to which such information is provided.
2. Each Applicant should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this shortlisting document and obtain independent advice from appropriate sources. The Client, its representatives, their employees and advisors make no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the shortlisting document.
3. The Client may, in their absolute discretion, but without being under any obligation to do so, update, amend, add to any or all of the provisions or supplement the information of this document or cancel the present Expression of Interest (EOI) and call for fresh Invitations under PPRA, 2014. Such changes would be intimated to all Applicants through its website.
4. The Client reserves the right to reject the EOIs submitted in response to this shortlisting documents at any stage under PPRA 2014. The Client also reserves the right to hold or withdraw or cancel the process at any stage up to the final shortlisting under PPRA, 2014. The Client may, in its absolute discretion but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this documents.
5. The issue of this shortlisting document does not imply that the Client is bound to select and shortlist applications for Bid Stage or to appoint the selected Applicant, as the case may be, for the project and the Client reserves the right to reject the Applications with assigning reasons whatsoever under PPRA, 2014.
6. The Applicant shall bear all its costs associated with or relating to the preparation and submission of its Application including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by the Client or any other costs incurred in connection with or relating to its Application.
7. All such costs and expenses will remain with the Applicant and the Client shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by an Applicant in preparation or submission of the Application, regardless of the conduct or outcome of the process.
8. Neither The Client nor their employees or representative will have any liability in case of non-receipt of any correspondence from them to the Applicants due to the postal delays.
9. Mere submission of Application / EOI or issuance of RFP does not vest any right in the Applicant for being selected for the project.

SECTION I: INSTRUCTION TO APPLICANTS

A. Scope of Application

1. The Client invites Expression of Interests (EOIs) proposals to shortlist experienced and capable Applicants/firms for the Request for Proposals (RFPs) stage through Quality & Cost Based Selection (QCBS) under PPRA, 2014.
2. Shortlisted Applicants would be subsequently invited to submit the technical and financial proposals in respect of the “Internal Audit for Jobs & Competitiveness (J&C) and Strengthening Markets for Agriculture and Rural Transformation” (SMART) Punjab Programs” under PIU, P&D Board hereinafter referred to as “Internal Audit of J&C and SMART Programs”.

B. Eligible Applicants

1. A single firm/entity/company or a group of firms/entity/companies (Joint Venture), coming together to prepare the Internal Audit for J&C and SMART programs. The term Applicant used hereinafter would therefore apply to a single firm/entity and/or a Association. The Joint venture should be meaningful partnership and should have at least one relevant assignment from each firm.
2. The Applicant should submit a Power of Attorney as per the format enclosed at **Annexure-A**, authorizing the signatory of the EOI for submission.
3. Notwithstanding anything stated elsewhere in this document, the Client shall have the right to seek updated information and supplementary information from the Applicant to ensure their continued eligibility. Applicant(s) shall provide evidence of their continued eligibility in a manner that is satisfactory to the Client. Applicant may be disqualified if it is determined by the Client, at any stage of the process, that the Applicant will be unable to fulfil the requirements of the Project or fails to continue to satisfy the Eligibility Criteria.
4. A firm which has been barred or blacklist either by any department/agencies/donors/Ministries of the Government of Pakistan / Punjab or Government departments/agencies of their respective country, in case of Applicant(s) would not be eligible to submit an EOI Application, either individually or as member of a Consortium. Applicant to submit an affidavit to this effect.

C. Number of EOIs

Each Applicant shall submit only one (1) EOI Application, with two (2) copies, in response to this shortlisting document. Any Applicant, which submits or participates in more than one EOI Application will be disqualified and will also cause the disqualification of the JV of which it is a member as the case may be.

D. EOI Preparation Cost

The Applicant shall be responsible for all of the costs associated with the preparation of its EOI and its participation in the shortlisting process. The Client will not be responsible or in any way liable for such costs, regardless of the conduct or outcome of the shortlisting process.

E. Examination of Shortlisting Document

1. It would be deemed that by submitting the EOI, Applicant has:
 - a. Made a complete and careful examination of the shortlisting document; and
 - b. Received all relevant information requested from the Client.
2. The Client shall not be liable for any mistake or error on the part of the Applicant in respect of the above.

F. Right to Accept or Reject all Applications

1. Notwithstanding anything contained in this shortlisting document, the Client reserves the right to accept or reject EOI and to annul the shortlisting process and reject all EOIs / proposals, at any time without any liability or any obligation for such acceptance, rejection or annulment under PPRA, 2014.
2. The Client reserves the right to not to shortlist EOI Application if:
 - a. At any time, a material misrepresentation is made or uncovered, or
 - b. The Applicant does not respond promptly and thoroughly to requests for supplemental information required for the evaluation of the EOI.
3. Such misrepresentation / improper response would lead to the disqualification of the Applicant. If the Applicant is a Consortium, then the entire Consortium would be disqualified / rejected.

G. Contents of Shortlisting Document

The Shortlisting Document comprises the contents as given in the Table of Contents and would additionally include any Addenda issued in accordance with the provisions of this document.

H. Clarifications

Interested parties may address their queries relating to the shortlisting process to the Office of the Client mentioning E-mail and Fax number. The queries should reach the above within ten (10) days of publishing of this EOI. The Client would endeavour to respond to the queries. The responses will be sent by fax/ email/courier. The delivery of clarifications to the Applicant shall not be responsibility of the Client. A communication of clarification is considered to be made by the Client if transmittal of fax or email/courier has been made to the Applicant from the Client.

I. Amendment of Shortlisting Document

1. At any time prior to the deadline for submission of EOI Application, the Client may, for any reason, whether at its own initiative or in response to clarifications requested by any Applicant, modify the shortlisting Document by the issuance of an Addendum.
2. Any Addendum thus issued will be sent in writing to all those who have sent queries to the Document, and shall also be uploaded on the website of Client and Punjab Procurement Regulatory Authority.

J. Language

The EOI and all related correspondence and documents should be written in the English language. Supporting documents and printed literature furnished by Applicant with the EOIs should also be in English language.

K. Validity of EOIs

EOIs shall remain valid for a period not less than 120 days from the EOI Application Due Date. The Client reserves the right to reject any EOI Application, which does not meet this requirement.

L. Format and Signing of EOI Application

1. The Applicant would provide all the information as per this shortlisting document. The Client would evaluate only those EOIs that are received in the required format and are complete in all respects.
2. The Applicant shall prepare one original of the documents comprising the EOI Application and clearly marked "ORIGINAL". In addition, the Applicant shall make two copies of the EOI Application, clearly marked "COPY". In the event of any discrepancy between the original and the copies, the original shall prevail.
3. The EOI Application and its copies shall be typed or written in indelible ink and each page shall be initialled and stamped by the Applicant. All the alterations, omissions, additions, or any other amendments made to the EOI Application shall be initialled by the person(s) signing the EOI Application.

M. Sealing and Marking of EOI Applications

1. The Applicant shall seal the original and copy duly marking the envelopes as "ORIGINAL" and "COPY". The envelopes shall then be sealed in an outer envelope super scribing 'EOI for Internal Audit under J&C and SMART Programs under PIU, P&D Board' and also the name(s) of Applicant / association.
2. The envelope shall be addressed to: "Program Implementation Unit, Planning & Development Board, 11-A, Upper Mall, Mian Meer Road, Near Hotel Crown Plaza, Lahore"
3. If the envelope is not sealed and marked as instructed above, the Client assumes no responsibility for the misplacement or premature opening of the contents of the EOI Application submitted.

N. EOI Application Due Date

EOI Applications should be submitted on or before **December 10, 2020, 3:00 PM** PST on the Due Date, at the address provided above in the manner and form as detailed in this shortlisting document. EOI Applications submitted by either facsimile transmission, telex or e-mail will not be considered for evaluation and shortlisting. However, the Client reserves the right to extend the EOI Application Due Date and Time, at any time prior to closing/opening of EOIs in response to this shortlisting document. In such cases the EOI applications received prior to such extension shall not be opened. Further, if the document is materially modified during such extended period, the EOI application received prior to extension shall be returned to the Applicants and appropriate time shall be allowed for resubmission of the EOI applications.

O. Late EOI Applications

EOI Applications received after the Due Date and time shall not be considered

P. Modifications/ Substitution/ Withdrawal of EOIs

The Applicant may modify, substitute or withdraw its EOIs after submission, provided that written notice of the modification, substitution or withdrawal is

received by the Client before the EOI's Due Date. No EOI shall be modified or substituted or withdrawn by the Applicant after the EOI Due Date and time.

Q. Evaluation of EOI – Criteria

The Client would subsequently examine and evaluate EOIs in Accordance with the criteria set out in Section 3.

R. Evaluation of EOI - Supporting Documents

The Client reserves the right to call for supporting documentation to verify the data provided by Applicant, at any time during the shortlisting process. The Applicant in such cases would need to provide the requested clarification / documents promptly and within the stipulated time failing which the Applicant is liable to be disqualified at any stage of the shortlisting process.

S. Evaluation of EOI - Right to Reject

The Client reserves the right to reject EOI Application if:

1. At any time, a material misrepresentation is made or uncovered; or
2. The Applicant does not respond promptly and thoroughly to requests for supplemental information required for the evaluation of the EOI.

T. Confidentiality

Information relating to the examination, clarification, evaluation, and recommendation for the short-listed Applicants shall not be disclosed to any person not officially concerned with the process. The Client will treat all information submitted as part of EOI Application in confidence and would require all those who have access to such material to treat the same in confidence. The Client will not divulge any such information unless it is ordered to do so by higher authority that has the power under law to require its disclosure.

U. Clarifications

To facilitate evaluation of EOIs, the Client may at its sole discretion, seek clarifications in writing from any Applicant regarding its EOI or reject the incomplete EOI proposal.

V. Qualification and Notification

After the evaluation of EOIs, the Client would announce a list of shortlisted Applicants who meet the Qualification Criteria. At the same time, the Client would notify other Applicants that their EOI Applications have been unsuccessful. The shortlisted Applicants would then be requested by the Client to submit a detailed Proposal in the form and manner to be set out in the RFP Document

SECTION 2: TERM OF REFERENCES (TORS)

1. Project Introduction

The Program Implementation Unit, P&D Board is responsible for the execution and implementation of a number of key multi-sector, cross-country reforms programs of the Government of the Punjab. These programs are backed by development partners and are broadly concerned with improvement in governance, service delivery and the establishment of an enabling business environment in the province. Currently, PIU is the agency responsible for the coordination of two donor funded program. These are:

- i. Strengthening Markets for Agriculture and Rural Transformation (SMART) in Punjab Program
- ii. Jobs and Competitiveness (J&C) Program

PIU is looking to improve and strengthen its internal accounting control environment and is looking to hire a firm to conduct an internal audit. The firm will be responsible for conducting an in-depth internal audit of selected implementing agencies of the programs, as and when required. The program funding LO/LQs/Heads of budget being used for expenditure purposes will be shared with the audit firm by PIU, P&DD, as per expenditure framework of both these programs.

2. Objective of the Assignment

The objective of the assignment is to provide professional internal auditing services to PIU and **10 (Ten)** per year randomly selected implementing agencies in order that the organizations may improve upon their systems and processes. The following is a non-exhaustive list of implementing agencies of the J&C and SMART programs:

Sr. No.	Implementing Agency
1.	Agriculture Department
2.	Food Department
3.	Environment Protection Department
4.	Irrigation Department
5.	Livestock and Dairy Development Department
6.	Program Implementation Unit, P&D
7.	Industries, Commerce and Investment Department
8.	Lahore Development Authority
9.	Local Government and Community Development Department (LG&CDD)
10.	Investment Climate Reform Unit (ICRU)
11.	Punjab Information and Technology Board (PITB)
12.	Punjab Board of Investment and Trade (PBIT)
13.	Punjab Industrial Estate Development and Management Company (PIEDMC)
14.	Punjab Land Revenue Authority

15.	Punjab Small Industries Corporation (PSIC)
16.	Faisalabad Industrial Estate Development and Management Company (FIEDMC)
17.	Urban Unit

3. Scope of Work, Duties and Responsibilities

The following is the scope of work, duties and responsibilities of the consultant. These include but are not limited to:

Internal Processes

- The firm is required to provide a detailed review of current systems including an analysis of current controls and procedures and provide an overview of systematic risks arising due to current systems. The firm is expected to do this with respect to current best practices. This extends to evaluating accounting controls, procedures and policies.
- The firm is required to conduct a program level internal audit for both aforementioned programs which will include internal audits for **10 (Ten) per year** randomly selected program implementing agencies, as and when required.
- The firm is required to provide solutions with respect to any control gaps found between current practices at the PIU and selected implementing agencies with respect to best practices.
- The firm is required to have a clear understanding of Government accounting policies and procedures and audit requirements when proposing solutions or improvements to PIU's systems and/or selected implementing agencies.
- The firm is to propose and implement adequate monitoring mechanisms at PIU and/or selected implementing agencies in order to ensure best practices. It is expected that solutions provided by the firm will be in complete compliance with Government policy, standards and requirements.
- The firm is to provide an opinion on financial information provided to management and assess any risks arising from the operations of the current system. The firm will also provide solutions in cases where the reliability, relevance or timeliness of information provided to management is at risk.
- The firm may be asked to provide sources and procedures for maximizing information flows to upper management. This may include establishment of

processes to provide relevant information streams to upper management at the end of each pre-defined period.

- The firms may be asked to assess current procedures regarding fixed assets.
- The firm is to evaluate and review internal controls with a focus on identifying gaps that might result in any sort of irregularities or malpractices. The firm will be expected to provide a solutions and/or mitigating measures to such gaps.

4. Audit Plan

- The firm is to develop, in consultation with higher management, a strategic Internal Audit Plan for each of the programs based on assessment of key risk factors facing PIU and selected implementing agencies, with regard to its current operations, specifications and requirements for future audits and schedule of audits to be conducted at the organization.
- The firm may also be asked to prepare audit reports in line with the approved audit plan;
- The firm may be asked to perform other tasks as and when required by upper management.

5. Deliverables and Reporting Requirements (Each Year)

The firm will be expected to deliver on the following outcomes for this assignment:

Sr. No.	Report	Delivery Time Period
1.	Inception Report	15-days after commencement of services
2.	First Draft Report	45 days after submission of Inception Report.
3.	Final Report	30 days after submission of draft report.

At the time of submission, the firm will provide PIU with an **electronic copy** of each report as well as **three (3)** printed reports. The firm will provide draft reports which will be approved by upper management before issuance of final reports.

6. Team of Experts

The firm is expected to depute the following staff for the purpose of this assignment:

Sr. No.	Description	Strength	Criteria
1.	Team Lead	1	CA/CPA/ACCA with 7 years' work experience
2.	Associates/ Accountants	4	CA/CPA/ACCA with 3 years' work experience

7. Responsibility of the Firm

The firm will have full, free and unrestricted access to the project's records, physical properties, personnel and other entities relevant to an area under review. The firm will have no responsibility for or authority over any of the activities or operations subject to its review.

The firm shall not perform any operational duties, develop and install systems and procedures, prepare records, or engage in any other activity which it would normally review and appraise and which could reasonably be construed to compromise in appearance or fact, the independence and/or objectivity of the firm.

8. 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.

9. Period of Assignment

The duration of the assignment is three (03) years subject to satisfactory performance. The firm is expected to deploy its resources for 3-4 months for each year. 9-12 person months depending upon input of each expert spread over 36 calendar month.

10. Method of Selection

Selection of the firm will be based on Quality and Cost Based (QCBS) as defined in PPRA Rules 2014.

SECTION 3: EVALUATION CRITERIA

SHORTLISTING CRITERIA

The minimum qualifying marks is 65

Sr. No.	Criteria	Marks
1	General	
1.1	a. Legal status of firm (registration with registrar of firm or SECP etc). b. registration with relevant professional body i.e institute of Chartered accounts of Pakistan (ICAP).Duly renewed for the year 2020. C. Must have ranking of State Bank of Pakistan (A category)	Mandatory Criteria
1.2	Registration with Federal Board of Revenue FBR (NTN Certificate and with Punjab Revenue Authority PRA (PRA registration certificate)	Mandatory Criteria
1.3	Declaration on stamp paper regarding non-black listing/delisting of applicant and all of its practice in Pakistan	Mandatory Criteria

Sr. No	Criteria	Max. Marks	
1.	Financial Position Average turnover of at least 20 million in last three financial year supported with FY 2016-17, 2017-18, 2018-19 annual financial statements	10	a. Turnover from 10 million to 20 Million =05 Marks b. Turnover from 21 million to 40 Million=07 Marks c. Turnover from 41 Million and above =10 Marks
2.	Managerial Capability List of partners attached with ICAP registration numbers and date of admission.	10	Upto 5 Partners = 02marks 6-10 partners = 05 marks More than 11 partners = 10 Marks
3.	ICAP qualified chartered accounts employed by the firm in Pakistan excluding partners (attached list with ICAP registration numbers, department and location)	10	Up to 10 qualified CAs = 05 Marks Upto 11-20 ICAP qualified CAs = 07 Marks More than 20 ICAP qualified CAs =10 Marks

4.	Experience: Completion of similar donor funded assignments duly supported with documentary evidence i.e; completion certificates / contract agreement/work orders et.c)	50	3-5 Completed Projects = 35 Marks	
			6-7 Completed Projects = 40 Marks	
			8 and above Completed Projects = 50 Marks	
5.	Firm's Experience since incorporation	General since	20	5-7 years = 10 Marks 8-10 years = 15 Marks More than 10 years = 20 Marks

ANNEXURE-A: FORMAT FOR POWER OF ATTORNEY

(On a Notary / Stamp Paper of Appropriate Value)

Know all men by these presents, we _____ (name and address of the registered office) do hereby constitute, appoint and authorize Mr./Ms. _____ (name and address of residence) who is presently employed with us and holding the position of _____ as our attorney, to do in our name and on our behalf, all such acts, deeds and things necessary in connection with or incidental to our EOI for the Development of Punjab Spatial Strategy, including signing and submission of all documents and providing information/ responses to Urban Sector Planning and Management Services Unit (Pvt) Limited, representing us in all matters and generally dealing in all matters in connection with our proposal for the said project.

We hereby agree to ratify all such acts, deeds and things lawfully done by our said attorney pursuant to this Power of Attorney and that all such acts, deeds and things awfully done by our aforesaid attorney shall and shall always be deemed to have been done by us.

**For -----
(Signature)
(Name, Title and Address)
Applicant seal & stamp**

Important Notes:

- 1. To be executed by all members of the Consortium duly supported .by a Board Resolution*
- 2. The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executants (s) and when it is so required the same should be under common seal affixed in accordance with the required procedure.*
- 3. Also, where required, the executants(s) should submit for verification the extract of the charter documents and documents such as a resolution / power of attorney in favor of the Person executing this Power of Attorney for the delegation of power hereunder on behalf of the Applicant.*

ANNEXURE B: EXPERIENCE FORM

[Using the format below, provide information on each project for which you, and each associate for this project, was legally contracted as a corporate entity or as one of the major members within an consortium, for carrying out project similar to the ones requested under this Project. Use maximum 20 pages. Please provide Client’s certification and/or evidence of the contract agreement.]

Project name:	Value of the agreement (in current PKR):
Country: Location within country:	Duration of project (months):
Name of Client:	Total No. of staff-months (by your company) on the project:
Start date (month/year): Completion date (month/year):	Value of total project provided under an agreement (in current PKR) In case of consortium, value of part of the project provided by Applicant under the agreement (in current PKR):
Name of associated members, if any:	No. of professional staff-months provided by associated members:
Name of senior professional staff of your company involved and functions performed (indicate most significant profiles such as Team Leader, Urban Economist etc):	
Narrative description of Project:	
Description of actual services provided by your staff within the assignment:	

Note:

- 1. Only the eligible projects that satisfy technical criteria shall be included.*
- 2. All the Financial numbers are to be given in Pak Rupees*
- 3. The format shall be filled up for each member of the consortium and as a cumulative experience for the consortium*

(Signature of Authorized Signatory)

Applicant seal & stamp _