

BID NO. _____



BIDDING DOCUMENTS

HIRING OF SERVICES OF WELL REPUTED CHARTERED ACCOUNTANT FIRM FOR ASSISTANCE IN SELECTION OF SERVICE PROVIDER FOR THE SCHEME TITLED “LOW COST HOUSING SCHEME” AS PER PUBLIC PROCUREMENT RULES AND CARRYING OUT VERIFICATION AND VALIDATION PROCEDURES FOR DISBURSEMENT AND RECOVERY OF INTEREST FREE LOANS FOR THE SCHEME TITLED “LOW COST HOUSING SCHEME” (UNDER PUBLIC PROCUREMENT RULES)

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GOVERNMENT OF PAKISTAN

INVITATION TO BID
FOR SELECTION OF FIRM FOR PROCEDURES VERIFICATION

Government of Pakistan intends to initiate an interest free loan scheme titled “**Low Cost Housing Scheme**”. Under this scheme, the Government intends to advance interest free loans with a fund of PKR 5 billion (might be increased/decreased in future) on need basis. The Government intends to hire services of a firm of **CHARTERED ACCOUNTANTS** who is enrolled with the Institute of Chartered Accountants of Pakistan for assistance in selection of Service Provider for the scheme titled “**Low Cost Housing Scheme**” and for carrying out verification and validation procedures for disbursement and recovery of interest free loans of the said scheme. Sealed bids from eligible bidders are invited for the said assignment as per details mentioned below and given in the bidding documents:-

1. **Title of Procurement:** Hiring of services of a firm of Chartered Accountants for assistance in selection of Service Provider for the scheme titled “**Low Cost Housing Scheme**” and for carrying out verification and validation procedures for disbursement and recovery of interest free loans for the scheme titled “low cost housing scheme” (under public procurement rules).
 2. **Procedure of open Competitive bidding:** Single Stage-Two Envelope Procedure prescribed in Rule-36(b) PPR-2004 shall be followed. A single package containing Two Separate Envelops clearly mentioning Technical & Financial Bids, duly completed, signed, stamped, sealed and in complete conformity with bidding Documents should be submitted / furnished.
 3. **Bid Fee:** Rs.1,000/- per set (non-refundable) payment in cash with “Cashier, Ministry of Housing & Works, B-Block, Pak Secretariat, Islamabad.” The deposit slip must accompany the technical proposal, else wise the bid will stand rejected.
 4. **Contact Person for seeking bidding documents:** Joint Secretary (A): Ministry of Housing & Works, Room # 207, B-Block Pak Secretariat, Islamabad.
Request for Proposal (RFP) including Eligibility Criteria and detailed Terms of Reference can be obtained from the above mentioned contact person and also can be downloaded from the official websites of Ministry of Housing & Works and PPRA.
 5. **Closing Date & Time as well as place for receiving bids:** April 08, 2019 at 3:00 PM. The bid should be received in Ministry of Housing & Works, B-Block Pak Secretariat, Islamabad on or before closing date & time. Tenders received after the due date & time will not be entertained.
 6. **Time, date and place of public opening of bids:** April 08, 2019 at 3:30 PM in the committee room of Ministry of Housing & Works.
 7. **Amount of bid security:** PKR. 500,000/- (Re-fundable) in the shape of Pay Order/Bank Draft in the name of “Ministry of Housing & Works” accompanied with technical proposal.
 8. **Time period for performance of contract:** Initially (05) years from signing of the Service Agreement.
 9. **Bid validity:** 90 days
- a) Bids received through Telex / Fax / E-mail will not be entertained / considered.

- b) Interested parties may contact on the above mentioned address for any queries during office hours.
- c) The procuring agency has the right to reject all bids / proposals at any time prior to acceptance of a bids/proposals.

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1 INVITATION TO BID

Government of the Pakistan intends to initiate an interest free loan scheme titled “**Low Cost Housing Scheme**”. Under this scheme, the Government intends to advance interest free loans with the fund of PKR.5 billion on need basis. The Government intends to engage the services of A FIRM OF **CHARTERED ACCOUNTANTS** who are enrolled with the Institute of Chartered Accountant of Pakistan for assistance in selection of service provider for the scheme titled “Low Cost Housing Scheme” as per Public Procurement Rules and conducting the internal auditing work of the said project for every quarter ending of the financial year and to advise the company on financial discipline, procedural aspects etc. fulfilling the eligibility criteria through Quality and Cost Based Selection (QCBS). Sealed bids from eligible bidders are invited for the said assignment as per detail mentioned in the bidding documents.

Public Procurement Rules as modified from time to time, will be strictly followed. These may be obtained from PPRA’s website: www.ppra.org.pk

In this document, unless otherwise mentioned to the contrary, "Rule" means a Rule under the Public Procurement Rules.

1.1 Mode of Advertisement(s)

As per Rule 12(2), 12(3) and 12(4), this Bid is being placed online at PPRA's / GOP website, as well as being advertised in print media. The bidding document carrying all details can be downloaded from websites (<http://www.ppra.org.pk/>) and (<http://mohw.gov.pk/>) or can be obtained from the office of Muhammad Yasin Shar, Joint Secretary (A), Room # 207, B-Block, Pak Secretariat, Islamabad. The bidding documents are available for the interested bidders on March 21, 2019

1.2 Type of Open Competitive Bidding

As per PPRA rule 36(b), Single Stage - Two Envelope Procedure shall be followed. As per relevant rule;

- i. The bid shall comprise of a single package containing two (2) separate envelopes.
- ii. The envelopes shall be marked in bold and legible letters to avoid confusion, as follows:
 - a. ENVELOPE-NO. 1: “**TECHNICAL PROPOSAL**”
 - b. ENVELOPE-NO. 2: “**FINANCIAL PROPOSAL**”
- iii. Initially, only the ENVELOPE-NO. 1 marked **TECHNICAL PROPOSAL** shall be opened
- iv. ENVELOPE NO 2 shall be retained in the custody of the Client without being opened;
- v. The technical proposal will be evaluated in a manner as per the clauses mentioned in this document; and proposals which do not conform to the specified requirements as listed in said document will be rejected.
- vi. During the technical evaluation no amendments in the technical proposal shall be permitted
- vii. The ENVELOPE-NO. 2: **FINANCIAL PROPOSAL** of **technically qualified bidders** shall be opened publicly at a time, date and venue announced and communicated to the bidders in advance;

- viii. After the evaluation and approval of the technical proposal the Client shall, at a time within the bid validity period, publicly open the ENVELOPE-NO. 2: FINANCIAL PROPOSAL of the technically qualified bidders only.
- ix. Separate numbers will be awarded to qualified bidders for technical qualification and for low financial bids. By adding these two, the successful bidder will be declared.
- x. The client will invite the successful bidder to enter into an Agreement to provide Services of disbursement & recovery of loans under the scheme titled “Low Cost Housing Scheme”.

2 **BIDDING DETAILS (INSTRUCTIONS TO BIDDERS)**

- i. Bidding Rs.1, 000/- per set (non-refundable) payment in cash with “Cashier, of Ministry of Housing & Works, B-Block, Pak Secretariat, Islamabad.” The deposit slip must accompany the technical proposal, else wise the bid will be stand rejected
- ii. Bids shall be addressed to Joint Secretary (A): Ministry of Housing & Works, Room # 207, B-Block Pak Secretariat, Islamabad.
- iii. The firms fulfilling the eligibility criteria may only participate in bidding process. **Documentary evidence must be attached with technical proposals.**
- iv. Bidders should note that each and every page of the bidding documents shall be signed and stamped by the bidders.
- v. Bid Security. PKR. 500,000/- (Rupees Five Hundred Thousand Only) (Refundable) in the shape of Pay Order/Bank Draft in the name of “**Ministry of Housing & Works**” be accompanied with technical proposal.
- vi. Bid should be dropped in the Bids Box to be placed at reception of Joint Secretary (A): Ministry of Housing & Works, Room # 207, B-Block Pak Secretariat, Islamabad on or before closing date & time.
- vii. During the technical evaluation, no amendments in the technical proposal shall be permitted.
- viii. Envelops marked “**FINANCIAL PROPOSAL**” of the only technically responsive/qualified bids shall be opened publically on the date & time and place to be announced & communicated to the bidders in advance by the “**Procurement Committee/Technical Appraisal Committee**”. Participating bidders will be informed accordingly within the bid validity period.
- ix. The Financial Proposal of the bid found “Technically Disqualified” shall be returned un-opened to the respective bidders.
- x. 70% marks will be on the basis of technical bid and 30% on the basis of financial bid. Total marks will be added up and the successful bidder will be declared accordingly.

- xi. Service Charges to be mentioned in Financial Bid, shall be quoted in Pakistani Rupees.
- xii. Conditional / incomplete bid will be liable for rejection.
- xiii. The bid quoted by Service Provider shall include all expenses and taxes.
- xiv. The procuring agency has the right to reject all bids / proposals at any time prior to acceptance of a bid/proposal.
- xv. The bid will be disqualified in case of submission of false, fabricated and materially incorrect information.
- xvi. All payments will be made in Pakistani Rupees only.
- xvii. Payment will be made on receipt of the bill submitted by the Name of Service Provider.
- xviii. The successful bidder shall have full and exclusive liability for payment of all duties, taxes and other statutory payments payable under any or all of the statutes / laws etc. now or hereafter imposed in Pakistan.
- xix. Withholding/Income Tax etc. (if applicable) on the amount invoiced to the department shall be deducted at source as per income Tax Law. The bidder along with invoice shall furnish proof of registration with Income Tax Department.
- xx. As per tax Rules. (If Service Provider is exempted from Tax, exemption Certificate may be provided).

Queries of the Bidders (if any) for seeking clarifications regarding the specifications of the services must be received in writing at the office of Joint Secretary (A): Ministry of Housing & Works, Room # 207, B-Block Pak Secretariat, Islamabad on or before April 08, 2019. All queries shall be responded within due time.

The bidder must submit bids on the basis of complete fulfillment of requirements. Failure to meet this condition will cause disqualification of the bidder. The bidder shall submit bids which comply with the Bidding Document. Alternative bids will not be considered. The attention of bidders is drawn to the provisions of Clause on "Determination of Responsiveness of Bid" regarding the rejection of Bids, which are not substantially responsive to the requirements of the Bidding Document.

The contact detail for all correspondence in relation to this bid is as follows:

Muhammad Yasin Shar
Joint Secretary (A)
Room # 207, B-Block, Pak Secretariat,
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Bidders should note that during the period from the advertisement of the Bid till the receipt of the bid, all queries should be communicated to the above contact in writing or via e-mail at the above stated address. Bidders are also required to state, in their proposals, the name, title, fax number and e-mail address of the bidder's authorized representative through whom all communications shall be directed until the process has been completed or terminated. Client will not be responsible for any costs or expenses incurred by bidders in connection with the preparation or delivery of bids. As authority competent to accept the bids, Client reserves the right to cancel or reject all bids prior to acceptance of bid as per section 33 of PPRA Rules 2004.

3 DEFINITIONS

- 3.1 **"GOP"** Government of Pakistan
- 3.2 **"Government Territory"** All the provinces including FATA, GB, AJ&K and ICT etc.
- 3.3 **"Client/Procuring Agency"** shall mean Government of Pakistan through its authorized representative "Ministry of Housing & Works."
- 3.4 **"Service Provider" or "Successful Bidder"**: The one technically qualified bidder with lowest evaluated bid, who has the probability of award of contract **for rendering of service as 3rd Party Validator/ Internal Auditor** under the scheme titled **"Low Cost Housing Scheme"** subject to necessary approvals and applicable policies.
- 3.5 **"Registered Firm"** means a firm duly registered with Institute of Chartered Accountant of Pakistan.
- 3.6 **"Confirmation"** means confirmation in writing.
- 3.7 **"Bidder"** means a registered firm that has submitted its bid as per the criteria / specifications mentioned in the bidding documents and listed in the advertisement.
- 3.8 **"Contract"** means the contract proposed to be entered into between the procuring agency and the Bidder, including all attachments, appendixes, and all documents incorporated by reference therein.
- 3.9 **"Service Charges"** means the price payable to the Service Provider under the Contract for the full and proper performance of its contractual obligations.
- 3.10 **"Procurement Methods"** means any one of the procurement mode / method as provided in the Public Procurement Rules as amended from time to time.
- 3.11 **"Proposal"** means the Technical Proposal and the Financial Proposal submitted by a bidder in response to invitation of bids for provision of the Services.
- 3.12 **"SBD"** means Standard Bidding Documents.
- 3.13 **"LCHS"** Low Cost Housing Scheme.
- 3.14 **"Services"** means the tasks to be performed by the bidder pursuant to the Contract.
- 3.15 **"TEC"** means the Technical Evaluation Committee, constituted for the purpose of evaluating the Technical Proposals received from the bidders.
- 3.16 **"Terms of Reference" or "TOR"** means the document which explains the objectives, scope of work, activities, task to be performed, respective responsibilities of the procuring entity and the bidder, and expected results and deliverables of the assignment.
- 3.17 **"Works"** means work to be done by the Service Provider under the Contract.
- 3.18 **"Interest free Loan"** mean zero interest loan where no additional amount is received from the borrower and only the principal amount of loan is recovered.
- 3.19 **"Principal Amount"** mean the amount disbursed to loanee.

4 HEADINGS AND TITLES

In this document, headings and titles shall not be construed to be part thereof or be taken into

consideration in the interpretation of the document and words importing the singular only shall also include the plural and vice versa where the context so requires.

5 NOTICE

In this document, unless otherwise specified, wherever provision is made for exchanging notice, certificate, order, consent, approval or instructions amongst Service Provider and the Client, the same shall be:

- i. in writing;
- ii. issued within reasonable time;
- iii. served by sending the same by courier or registered post or by hand to their principal office in Pakistan or such other address as they shall notify for the purpose; and
- iv. The words "notify", "certify", "order", "consent", "approve", "instruct", shall be construed accordingly.

6 BIDS SCOPE

6.1 GOP through its representative "Ministry of Housing & Works" for the services of **CHARTERED ACCOUNTANTS** who are enrolled with the Institute of Chartered Accountant of Pakistan for assistance in selection of service provider for the scheme titled "Low Cost Housing Scheme" as per Public Procurement Rules and conducting the internal auditing work of "LCHS" project for every quarter ending of the financial year and to advise the company on financial discipline, procedural aspects etc. as outlined in this document.

6.2 Overview & Objectives:

Government of the Pakistan initiated a scheme titled "Low Cost Housing Scheme" (LCHS) for provision of interest free financial assistance on soft term basis to help those families who are finding it hard to construct their own homes by themselves through a selected Micro Finance Institution. The Institute will be engaged for verification of the execution of the scheme. The salient features of the scheme are hereunder:

- i. Initial Fund Grant of Rs. 5 Billion.
- ii. Interest free loan size: up to Rs. 500,000/-.
- iii. Repayment period is from 36 to 60 months in form of monthly or quarterly installments.
- iv. Monthly installment amount ranges from Rs. 8,000/- to Rs. 15,000/-.
- v. Quarterly Instalment amount ranges from Rs. 25,000/- to 45,000/-.

- vi. Loans will be given for following purposes:
 - New Construction
 - Addition in already constructed house
- vii. There is no mark-up or interest on these loans.
- viii. Loans are given after due scrutiny and appraisal according to Operational Manual of the selected Service Provider duly approved from Government of Pakistan.
- ix. Application processing fee will be zero

So far, Government of the Pakistan has announced an amount of Rs. 5 billion under LCHS which will be transferred to the selected institutes in multiple tranches (depending on their Financial Model) for interest free loan to poor families.

Government of the Pakistan has allocated Rs.5.00 billion in budget estimates of 2018-19 for the said scheme. It has been decided that to utilize the funds allocated for the current financial year 2018-19 for Low Cost Housing Scheme, services of authorized and well reputed Non-profit/Non-commercial Interest Free Microfinance Institution through open procurement process under PPRA Rule, 2004. Government of the Pakistan intends to initiate an interest free loan scheme titled “Low Cost Housing Scheme”.

To safeguard client a third party validation firm i.e. a Chartered Accountant Firm (Service Provider) may be hired following PPRA rules and thorough eligibility criteria to be engaged for quarterly audits and follow-up compliance of loan provided to the needful.

6.3 Scope of the assignment:

The scope of the assignment will be as under: -

A. Reporting Related Matters

- i. Assistance in selection of service provider for the scheme titled “Low Cost Housing Scheme” as per Public Procurement Rules
- ii. To prepare annual work plan for the scheme specifying periodic outputs
- iii. To design the scheme information proformas, desired by GOP within the stipulated time period.
- iv. To provide the information/status of the scheme to GOP on prescribed proformas.
- v. To prepare quarterly reports for the GOP regarding the scheme.
- vi. To review the quarterly progress of the scheme and give presentation to GOP.
- vii. To ensure compliance of disbursement and recovery procedures as per Service Agreement and report to GOP in case of any discrepancy(s).

- viii. To carry out physical verification of loanees / construction sites, if required by GOP.

B. Disbursement Related Matters.

- ix. To examine and evaluate the complete documentation of loans and borrowers i.e. (name age, CNIC number, address, type of business, amount of interest, free loan, recent photograph etc.) as required for loan disbursement.
- x. To evaluate the fund requirement in terms of requests generated for next tranche and related service charges.
- xi. To monitor loan disbursement to target group as per approved limit.
- xii. To monitor recovery of loans as per repayment schedule.
- xiii. To examine and evaluate the bad debts and confirm for written off, if any.

C. Accounting Related Matters.

- xiv. To examine the Bank Reconciliation Statement.
- xv. To examine and analyze the accounts & financial statements provided and generate analytical & comparative statements for management accordingly.
- xvi. To reconcile the accounts relating to micro credit disbursement under this scheme.

7 CONTRACT TYPE AND DURATION

The Service Agreement describing the all terms & conditions and responsibilities of the parties shall be signed between selected Service Provider and Procuring Agency to provide the services under the scheme titled “Low Cost Housing” for the period of five (05) years.

8 SERVICES REQUIRED

Contractual obligations roles & responsibilities shall be as under:-

8.1 Client Responsibilities

- i. Undertake and complete a competitive and transparent bidding process to select the successful bidder.
- ii. Follow PPRA Rules 2004, as revised from time to time, and procedures for bidding process to ensure transparency and economically efficient outcome.
- iii. Advertise the project to initiate the procurement process and conduct evaluation of bids (technical and financial) submitted against this Bid Document.
- iv. Grant timely approvals and documents when required.
- v. Implement the Service Level Agreement.
- vi. Make payments to the Service Provider as per service agreement.

8.2 Scope for Work of Service Providers (Responsibilities)

- i. **Service Provider** shall perform the services under this Service Agreement in accordance with the provisions of this agreement, terms of reference set forth in project guidelines and in accordance with the attached Annexures which are integral part of the Service Agreement.
 - ii. **Service Provider** will commence the services as soon as possible but not later than 30 days after signing of Service Agreement.
 - iii. The project will be executed according to policies, procedures, Operational Manual and guidelines of GOP.
 - iv. After signing the Service Agreement, **Service Provider** shall provide the operational frame work to GOP to carry out its activities to achieve the objectives of the scheme in line with the vision of the government.
 - v. **Service Provider** shall draw up their overall work plan for first year and submit the same to the GOP within two weeks of signing the Service Agreement. The work plan will clearly specify annual scheme outputs
 - a. Tentative Work Plan may include:
 - Prescribed Performa's and formats
 - Compliance checklists
 - Determination & Evaluation of Key performance indicators
 - vi. To conduct auditing of all financial transactions on quarterly basis as per Internal Auditing Standards' and submit audit reports along with recommendations for future course of action.
 - vii. **Service Provider** shall recommend the loan amount of the applicant after due appraisal / scrutiny.
 - viii. **Service Provider** shall participate in coordination meetings arranged by GOP as and when required
 - ix. **Service Provider** shall be responsible to evaluate and determine the suitability of provided KPIs for the impact assessment of the scheme. Broad KPIs are;
 - a. No. of applications received
 - b. No of loans disbursed
 - c. No of houses constructed
 - d. No. of families shifted into their houses
 - x. **Service Provider** will reconcile recovery and disbursement accounts with bank on monthly basis.
 - xi. **Service Provider** shall submit Quarterly progress report to the Project Coordination Committee (PCC), and GOP.
 - xii. **Service Provider** shall not enter into any sub-Agreement / Contract with any other Organization in connection with the operations under this Service Agreement without the prior written approval of GOP Board.
 - xiii. Pro-poor, non-political and non-sectarian dimension of project will be ensured under all circumstances by the **Service Provider**.
-

9 KEY SERVICE LEVEL PARAMETERS:

In case of non-performance of the service provider for scope of work/ responsibilities or its obligations, fines will be charged as decided by the competent authority i.e. Government of Pakistan.

10 PAYMENTS:

The client shall make payment as agreed in the service agreement to be signed between client and Service Provider.

11 BIDDERS ELIGIBILITY:

An eligible bidder is a bidder who fulfill the following eligibility criteria:-

- i. Having registration with Institute of Chartered Accountants of Pakistan.
 - ii. The Chartered Accountant Firm should not be blacklisted by any public or private agency / authority.
 - iii. Having affiliation with International Firms / Networks.
 - iv. Having at least 10 partners and a staff of more than 400.
 - v. Entitlement of "A" Category with State Bank of Pakistan.
 - vi. Having at least 35 years' of Audit experience.
 - vii. Having Satisfactory QCR Rating.
 - viii. Having nationwide exposure across the Pakistan for service delivery.
 - ix. Having valid National Tax Number.
- (Documentary evidence must be attached with technical proposal)

12 BID COST:

The Bidder shall bear all costs / expenses associated with the preparation and submission of the bid and the Client shall in no case be responsible / liable for those costs / expenses.

13 JOINT VENTURES:

Joint venture is not permissible.

14 EXAMINATION OF THE BID DOCUMENT

The Bidder is expected to examine the Bid Document, including all instructions and terms & conditions.

15 AMENDMENT OF THE BID DOCUMENT:

- i. The Client may, at any time prior to the deadline for submission of the Bid, at its own initiative or in response to a clarification requested by the Bidder(s), amend the Bids Document, on any account, for any reason. All amendment(s) shall be part of the Bids Document and binding on the Bidder(s).
- ii. The Client shall notify the amendment(s) in writing to the prospective Bidders.
- iii. The Client may, at its exclusive discretion, amend the Bids Document to extend the deadline for the submission of the bids, in which case all rights and obligations of the

Client and the Bidders previously subject to the deadline shall thereafter be subject to the deadline as extended.

16 PREPARATION / SUBMISSION OF BIDS:

- i. The Bidder is not allowed to bid for partial procurement of services or part of the services.
- ii. The Bids and all documents relating to the Bids, exchanged between the Bidder and the Client, shall be in English. Any printed literature furnished by the Bidder in another language shall be accompanied by an English translation.
- iii. The Bids shall be submitted accompanied by the prescribed Forms, Annexes, Documents, required evidences etc. which shall be typed, completely filled in, stamped and signed by the Bidder or his Authorized Representative. In case of copies, photocopies may be submitted.
- iv. **Single Stage-Two Envelope Procedure** as prescribed in Rule-36 (b) PPRA-2004 shall be followed. A single package containing Two Separate Envelopes clearly mentioning Technical & Financial Bids, duly completed, signed stamped, sealed and in complete conformity with bidding Documents should be submitted / furnished. Each proposal shall be in two sets i.e. the **original and the copy**. In the event of any discrepancy between the original and the duplicate, the original shall govern.
- v. The Technical Proposal shall contain the following, **without quoting the price and must be in in sequence mentioned below:**

DOCUMENTS REQUIRED FOR SUBSTANTIAL RESPONSIVENESS: -

Documents required for substantial responsiveness should be in order mentioned below and tags in the proposals with their names: -

- i. Evidence of Registration with Institute of Chartered Accountants of Pakistan.
- ii. Certificate of affiliation with a reputable international Network of firms.
- iii. Evidence of "A" Category with State Bank of Pakistan.
- iv. Satisfactory QCR certificate From ICAP.
- v. List of partners and staff members containing names and qualifications.
- vi. Valid National Tax Number
- vii. Valid STRN

DOCUMENTS REQUIRED FOR TECHNICAL EVALUATION & OTHER REQUIREMENTS: -

Documentation required for Technical Evaluation & other requirements should be in order mentioned below and tags in the proposals with their names: -

- i. Pay Order/Bank Draft in original of Rs. 500,000/- (Rupees Five Hundred Thousand Only) in the Name of **Ministry of Housing and Works**.
- ii. Deposit Slip in original as bid documents fee of Rs.1,000/-
- iii. List of employees, mentioning their qualification duly stamped & signed by Service Provider.
- iv. Affidavit of not being blacklisted or deregistered from any panel by any agency or institute.

17 KEY STAFF REQUIREMENT

The firm shall have minimum 10 partners to carry out the assignment under this contract out of which at least 7 should be FCA. The required experience of the staff is given as below.

Position	Qualification	Experience
Team Leader	FCA	<ul style="list-style-type: none">• Minimum 10 years' experience in auditing and financial advice.• Experience in auditing of Government organizations will be preferred.
Asst. Team Leader	FCA	<ul style="list-style-type: none">• Minimum 10 years' experience in auditing and financial advice.• Experience in auditing of Government organizations will be preferred.
Support staff (Minimum 3 Staffs)	ACA/CA Articles	<ul style="list-style-type: none">• Minimum 2 years' experience in auditing and financial advice.

Please note that the firm shall depute only the staffs mentioned in their proposal for conducting the Company audit works.

18 BIDS PRICE:

The quoted price shall be:

- a. Bids Price must be quoted inclusive all applicable rates & taxes except as mentioned below, and must be all inclusive on the following form of bid:
 - i. in Pak Rupees (PKR);
 - ii. Is inclusive of all applicable taxes as per Laws of the Government of Pakistan, but shall be exclusive of Sales Tax on Services which shall be added by the Client over and above the offered amount, as applicable/required under the relevant Tax Laws, to arrive at the Contract Price. Accordingly, the Contract Price shall be subject to adjustments for change in rate of Sales Tax on Services as and when applicable.
- b. If not specifically mentioned in the Tender(s), it shall be presumed that the quoted price is as per the above requirements.
- c. The price hereby quoted by the Bidders would cover the whole scope of services for the contract period.

19 FORM OF BID

Form-1

Muhammad Yasin Shar
Joint Secretary (A)
Room # 207, B-Block, Pak Secretariat,
Islamabad
051-9104031

Subject: -

HIRING OF SERVICES OF WELL REPUTED CHARTERED ACCOUNTANT FIRM FOR CARRYING OUT VERIFICATION AND VALIDATION PROCEDURES FOR DISBURSEMENT AND RECOVERY OF INTEREST FREE LOANS FOR THE SCHEME TITLED “LOW COST HOUSING SCHEME” (UNDER PUBLIC PROCUREMENT RULES)

Reference to your advertisement dated: _____ published in daily _____ newspaper, we the undersigned agree to provide our services for above mentioned purposes, under Low Cost Housing Scheme in all the provinces of Pakistan.

The detail of financial proposal is hereunder:-

Particulars	Service Charges (including all applicable expenditures / taxes)
Service Charges that firm will charge against verification and validation services as per scope defined.	Rupees _____/- including all applicable rate & taxes and other expenses

This financial bid is quoted without any hidden/open terms & conditions by the bidder.

Dated: _____

Signature: _____

Name: _____

M/s: _____

Address: _____

Form-2

FORM OF SUBMISSION OF TECHNICAL/FINANCIAL PROPOSAL

From:

To:

.....
.....
.....
.....
.....

.....
.....
.....
.....
.....

(Name of Chartered Accountants)

(Name of Company)

Subject: Hiring Of Services Of Well Reputed Chartered Accountant Firm For Carrying Out Verification And Validation Procedures For Disbursement And Recovery Of Interest Free Loans For The Scheme Titled “Low Cost Housing Scheme” (Under Public Procurement Rules)

Dear Sir,

We herewith enclose Technical/Financial Proposals for the above assignment, we further undertake that, in competing for (and, if award is made to us, in executing) the contract for the above assignment, we will strictly observe all applicable laws.

Yours faithfully,

Signature:.....

Name:.....

Address:.....

.....

.....

(Authorized representative)

FORM F – 3

**ASSIGNMENTS OF SIMILAR NATURE SUCCESSFULLY COMPLETED
DURING LAST FIVE YEARS**

1. Brief description of the Bidder Firm (bidder has to submit the firm’ registration Certificate, financial statements including IT returns for the last 3 financial years, along with brief note about the firm)
2. Outline of the experience on assignments of similar nature:

S. #	Name of Assignment	Name of Organization	Authorized Share capital and turnover of the organization	Cost of Assignment	Date of Commencement	Date of completion

[Note: Please attach certificates from the Company by way of documentary proof]

FORM F – 4

WORK PLAN AND TIME SCHEDULE

A. A Note on the bidders understanding of the scope of work and Approach and Methodology outlining various steps for performing the Assignments.

B. Time schedule proposed by the bidder for conducting the audit work and submission of reports.

C. Comments/Suggestions on Terms of Reference

D. Comments on the data, services and facilities to be provided by the Company.

FORM F - 5

COMPOSITION OF THE TEAM PERSONNEL AND THE TASK ASSIGNED TO EACH TEAM MEMBER

1. Key Staff

S.#	Name	Position	Task Assignment
1.			
2.			
3.			
4.			
5.			
6.			

2. Additional Support Staff

S.#	Name	Position	Task Assignment
1.			
2.			
3.			
4.			
5.			
6.			

FORM F – 6

SUGGESTED FORMAT OF CURRICULUM VITAE FOR MEMBERS OF CHARTERED ACCOUNTANT FIRM

1. Name:
2. Profession/ Present Designation:
3. Years with Firm/ Organization:
4. Nationality:
5. Area of Specialization:
6. Proposed Position on Team:
7. Education:

(Under this heading, summarize college/university and other specialized education of Staff member, giving names of schools/colleges, etc., dates attended and degrees obtained)

8. Experience:

(Under this heading, list all positions held by staff member since graduation, giving dates, names of employing organization, title of positions held and location of assignments. For experience in last ten years, also give types of activities performed and Company references, where appropriate.)

9. Languages:

(Indicate proficiency in speaking, reading and writing of each language by 'excellent', 'good' or 'poor'.)

Signature of Staff Member

Date:

Place:

20 FORMAT OF ALL SECURITIES REQUIRED:

Bid security will be submitted in the shape of Demand Draft / Pay Order issued by a scheduled bank operating in Pakistan, in the name of “Ministry of Housing and Works”. Bid security in shape of cheque will not be acceptable.

21 BID SECURITY:

- i. PKR. 500,000/- (Rupees Five Hundred Thousands only) in the shape of Pay Order/Bank Draft in the name of “**Ministry of Housing and Works**” accompanied with technical proposal.
- ii. The bid security (Pay Order/CDR) will be returned to unsuccessful bidders, on their written request, after award/signing of contract /service agreement to the winning bidder.
- iii. The bid security would be forfeited if the successful bidder fails to sign the service agreement within the respective due date.

22 BID VALIDITY

The offer / bid will remain valid for a period of **90 days** from the date of opening of bid. The client may solicit the bidder’s consent to an extension of the validity period of the bid. The request and the response thereto shall be made in writing. If the bidders agree to extension of validity period of tender, the validity period of the tender security shall also be suitably extended. The bidders may refuse the extension of validity period of the bid, without forfeiting the bid security.

23 MODIFICATION / WITHDRAWAL OF THE BID

- i. The Bidder may, by written notice served on the Client, modify or withdraw the Bids after submission of the Tender, prior to the deadline for submission of the Tender.
- ii. The Tender, withdrawn after the deadline for submission of the Bids and prior to the expiration of the period of the Bids validity, shall result in forfeiture of the Bids Security.

24 OPENING OF THE TENDER

- i. Tenders shall be opened, April 08, 2019 at 3:30 PM, in the presence of the Bidder(s), if available, for which they shall ensure their presence without further invitation.
- ii. The Bidder's name, modifications, withdrawal, security, attendance of the Bidder and such other details as the Client may, at its exclusive discretion, consider appropriate, shall be announced and recorded.
- iii. No Bidder or its representative will be allowed to keep any digital device (camera, audio recorder, cell phone etc.) during Bids opening meeting at given time and location. Non-compliance will cause the rejection of respective bidder.

25 CLARIFICATION OF THE BIDS BY THE CLIENT

The Client shall have the right, at his exclusive discretion, to require, in writing, further information or clarification of the Tender, from any or all the Bidder(s). No change in the price or substance of the Bids shall be sought, offered or permitted except as required to confirm the corrections of ambiguities / conflicting statements / arithmetical errors discovered in the Tender. Acceptance of any such correction is solid discretion of the Client.

26 DETERMINATION OF RESPONSIVENESS OF THE BID (TENDER)

- a) The Client shall determine the substantial responsiveness of the Bidder to the Bids Document, prior to the Technical Evaluation, on the basis of the contents of the Bids itself without recourse to extrinsic evidence. A substantially responsive Bids is one which:
 - i. meets the eligibility criteria for the Bidder for the Services;
 - ii. is accompanied by the required Bids Security as part of Technical Bid;
 - iii. is otherwise complete and generally in order;
 - iv. Conform to all terms and conditions of the Bids Document, without material deviation or reservation.
- b. A material deviation or reservation is one which affects the scope, quality or performance of the Services or limits the Client's rights or the Bidder's obligations under the Contract.
- c. The Bids determined as not substantially responsive shall not subsequently be made responsive by the Bidder by correction or withdrawal of the material deviation or reservation. However, the Client may waive off any minor non-conformity or inconsistency or informality or irregularity in the Tender; but subject to recommendations of the Bids Evaluation Committee.

27 CORRECTION OF ERRORS / AMENDMENT OF BID

- a. The Bids shall be checked for any arithmetic errors which shall be rectified, as follows:
 - i. If there is a discrepancy between the amount in figures and the amount in words for the Total Bids Price entered in the Bids Form; the amount in words, shall govern.
- b. The Bidder shall state the Bids Price for the payment terms outlined in the Conditions of Contract which will be considered for the evaluation of the Tender.

28 REJECTION / ACCEPTANCE OF THE BID

- a. The Client shall have the right, at his exclusive discretion, to accept a Bids (lowest evaluated bid), reject all tender(s), cancel / annul the tendering process at any time prior to award of formal contract, and without thereby incurring any liability to the Bidder and the decision of the client shall be final.

- b. The Tender/ Bid may be rejected if:
- i. it is substantially non-responsive; or
 - ii. it is submitted in other than prescribed forms, annexes, documents / by other than specified mode; or
 - iii. it is incomplete, un-sealed, un-signed, partial, conditional, alternative, late (by more than 59 seconds subject to Pakistan Standard Time); or
 - iv. it is subjected to interlineations / cuttings / corrections / erasures / overwriting; or
 - v. the Bidder submits more than one Tenders; or
 - vi. the Bidder fails to meet the minimum passing score of 80 in the Technical Evaluation Criteria; or
 - vii. the Bidder refuses to accept the corrected Total Tender Price; or
 - viii. the Bidder has conflict of interest with the Client; or
 - ix. the Bidder tries to influence the Tender evaluation / Contract award; or
 - x. the Bidder engages in corrupt or fraudulent practices in competing for the Contract award or
 - xi. there is any discrepancy between bidding documents and bidder's proposal i.e. any non-conformity or inconsistency or informality or irregularity in the submitted bid or
 - xii. the Bidder submits any financial conditions as part of its bid which are not in conformity with tender document or
 - xiii. Submission of false, fabricated and materially incorrect information.

29 ACCEPTANCE LETTER (LETTER OF INTENT)

The Client shall, send the Acceptance Letter (Letter of Intent) to the successful Bidder, prior to the expiry of the validity period of the Tender, which shall be made part of the formal contract. Acceptance letter shall not confirm the award of contract that can be withdrawal before entering into service agreement.

30 AWARD OF CONTRACT

The contract will be awarded to the bidder who scores highest combined scores.

31 REDRESSING OF GRIEVANCES BY THE CLIENT

- a. The Client shall constitute a committee comprising of odd number of persons, with proper powers and authorizations, to address the complaints of bidders that may occur prior to the entry into force of the procurement contract.
- b. Any bidder feeling aggrieved by any act of the Client after the submission of his bid may lodge a written complaint concerning his grievances **not later than ten (10) days** after the announcement of the bid evaluation report.
- c. The committee shall investigate and decide upon the complaint within fifteen days of the receipt of the complaint.
- d. Mere fact of lodging of a complaint shall not warrant suspension of the procurement process.
- e. Any bidder not satisfied with the decision of the committee of the Client may follow the process mentioned vide Statutes and Regulations.

32 QUALIFICATION CRITERIA

- i. The bidder fulfilling the technical evaluation criteria with at least 70% score shall be qualified for opening and evaluation of financial bid.
- ii. Least cost method will be adopted in financial appraisal for selection of the **Service Provider**.

33 BID EVALUATION CRITERIA

33.1 Technical:

Following Evaluation Criteria will be used for evaluation of technical proposals. Firms must provide supporting documentary evidences with their bids.

Sr. No.	Particulars	Maximum Marks
1.	Number of offices in Pakistan (15 marks for each office in Pakistan)	60
2.	Number of years of audit experience in Pakistan (1 mark for each year of audit experience subject to minimum 35 years of experience)	50
3.	Experience of audit services to clients in microfinance sector during last 15 years (10 marks for each client)	40
4.	Experience of third party validation assignments during the last 15 years (10 marks for each client)	30
5.	Number of staff members in Pakistan Less than 400 staff members = 0 marks 400 – 450 staff members = 10 marks More than 450 staff members = 20 marks	20

33.2 Financial:

Lump sum fee per quarter (inclusive of all reimbursable expenses and taxes) to be quoted against the scope of work of the assignment (on 60% randomly selected sample basis) as stated in Clause 6.3 above. However, for Quarterly Validation/verification of loanees, lump sum fee (inclusive of all reimbursable expenses and taxes) to be quoted separately for 1% on random sample basis of the total loanees:

Tentative Branches = 100

Tentative No. of Loanees = 50000

Note: The financial bids of only those bidders will be accepted/opened, who will get at least 80% scores in technical bid evaluation criteria.

SIGNATURE

Seal of the Office of the Bidder
Name & Address of the Bidder

**Terms & conditions of the service agreement to
be signed between GOP & Selected Service
Provider**

**SERVICE AGREEMENT
FOR**

LOW COST HOUSING SCHEME

BETWEEN

**GOVERNMENT OF PAKISTAN
&
SUCCESSFUL BIDDER / SELECTED
SERVICE PROVIDER**

(SERVICE AGREEMENT)

(Proposed)

This Service Agreement is made at Islamabad this _____ day of _____, 2019

BETWEEN

THE GOVERNMENT OF PAKISTAN (GOP), through its Authorized Representative, (hereinafter referred to as the Competent Authority, which expression shall include its successors-in-interest, attorneys and assigns) **Party of the First Part.**

AND

Service Provider to be selected

(Hereinafter referred to as the Competent Authority, which expression shall include his successors-in-interest, attorneys and assigns) **Party of the Second Part.**

THE GOVERNMENT OF PAKISTAN (GOP), and **Service Provider** hereinafter are collectively referred to as the “**Parties**”

1. RECITALS

WHEREAS Government of Pakistan has allocated an amount of Rs.5 Billion for Low Cost Housing Scheme (LCHS). The Government of Pakistan is desirous to lend this amount to the poor and deserving Families for Housing and Microfinance Institute is willing to undertake interest free micro lending activities (disbursement & recovery). The funds can be increased or decreased as per discretion of Government. Moreover, Services of Chartered Accountant Firms are being hired for 3rd Party Validation and Verification Agent for Government of Pakistan.

The Client has requested the Service Provider to provide certain services as described in Tender Document.

The Service Provider, having represented to the Client that it has the required professional skills, personnel technical and financial resources, has agreed to provide such services on the terms and conditions set forth in this Contract.

NOW THEREFORE, the Parties to this Contract agree as follows:

2. COVENANT:

- 2.1 The Service Provider hereby covenants with the Client to supply services, in conformity in all respects with the provisions of the Contract, in consideration of the payments to be made by the Client to the Service Provider.
- 2.2 The Client hereby covenants with the Service Provider to pay the Service Provider, the Contract Price or such other sum as may become payable, at the times and in the manner, in conformity in all respects with the provisions of the Contract, in consideration of supply of the Services.

3. ANNEXES TO THE AGREEMENT:

- 3.1 The following shall be deemed to form and be read and construed as part of this Contract:
 - 3.1.1 The Tender / Bidding Document
 - 3.1.2 Bidder's Proposal
 - 3.1.3 Acceptance Letter (Letter of Intent)
 - 3.1.4 Terms and Conditions of the Contract
 - 3.1.5 Special Stipulations
 - 3.1.6 The Technical Specifications/ Project Guidelines
 - 3.1.7 Tender/ Bid Form
 - 3.1.8 Affidavit(s)
 - 3.1.9 Operational manual of the scheme
- 3.2 This Contract shall prevail over all other documents. In the event of any discrepancy / inconsistency within the Contract, the above Documents shall prevail in the order listed above.

4. SIGNING OF THE AGREEMENT.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed in their respective names as of the day and year first above written.

FOR AND ON BEHALF OF GOP	FOR AND ON BEHALF OF SERVICE PROVIDER
---------------------------------	--

(Authorized Representative)	(CHIEF EXECUTIVE OFFICER)
Signature _____	Signature _____
Name:	Name:

WITNESSES

Signature _____

CNIC # _____

Name _____

Designation _____

Address _____

Signature _____

CNIC# _____

Name _____

Designation _____

Address _____

5. GENERAL CONDITIONS OF CONTRACT

5.1. CONTRACT

The contract will be signed within 10-days after issuance of Letter of Acceptance/ Intent to the bidder.

5.2. CONTRACT DOCUMENTS AND INFORMATION

The Service Provider shall not, without the Client's prior written consent, make use of the Contract, or any provision thereof, or any document(s), specifications, or information furnished by or on behalf of the Client in connection therewith, except for purposes of performing the Contract or disclose the same to any person other than a person employed by the Service Provider in the performance of the Contract. Disclosure to any such employed person shall be made in confidence and shall extend only as far as may be necessary for purposes of such performance.

5.3. CONTRACT VALIDITY

This Service Agreement will become effective from the date of signing of the agreement. This Agreement shall be valid for a period of five (05) years commencing as of the Effective Date of the Agreement. Prior to or on expiry of the Term.

5.4. RELATION BETWEEN PARTIES

Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the Parties. **Service Provider**, subject to the Agreement, shall have complete charge of its personnel and the services that shall be provided pursuant to the Agreement.

5.5. CONTRACT LANGUAGE

The Contract and all documents relating to the Contract, exchanged between the Service Provider and the Client, shall be in English. The Service Provider shall bear all costs of translation to English and all risks of the accuracy of such translation.

5.6. EXECUTION SCHEDULE

The Service Provider shall submit an Execution Schedule, giving details of services to be rendered, as required under the Contract, to the Client, within ten (10) days of the signing of the Contract.

6. PAYMENT

Procedure for payment to service provider shall be as under: -

6.1. RELEASE OF SERVICE CHARGES TO SERVICE PROVIDER

- i. Payment will be made for every quarter ending of the financial year after satisfactory completion of work, within 10 days from the date of submission of reports/financial statements / disbursement certificates and recommendations for improvement.
- ii. The Service Provider shall raise invoices on submissions of quarterly reports.

7. CONTRACT PRICE

This financial bid quoted in Pakistan Rupees including all applicable rate & taxes and other expenses without any hidden/open terms & conditions by the bidder will be the contract price. The successful bidder shall have full and exclusive liability for payment of all duties, taxes and other statutory payments payable under any or all of the statutes / laws etc. now or hereafter imposed by provincial / federal government in Pakistan.

8. CONTRACT AMENDMENT

The Client, at any time, by written notice served on the Service Provider, may initiate, alter, amend, omit, increase, decrease or otherwise change the nature, quality, quantity and scope, of all / any of the Services / the Works, in whole or in part. The Service Provider shall not execute the Change until and unless the Client has allowed the said Change, by written order served on the Service Provider. The Change, mutually agreed upon, shall constitute part of the obligations under this Contract, and the provisions of the Contract shall apply to the said Change. No variation in or modification in the Contract shall be made, except by written amendment signed by both the Client and the Service Provider.

9. ASSIGNMENT / SUBCONTRACT

The Service Provider will not voluntarily assign or by operation of law sub-contract its obligations under this agreement, in whole or in part.

10. EXTENSIONS IN TIME FOR PERFORMANCE OF OBLIGATIONS UNDER THE CONTRACT

If the Service Provider encounters conditions impeding timely performance of any of the obligations, under the Contract, at any time, the Service Provider shall, by written notice served on the Client, promptly indicate the facts of the delay, its likely duration and its

cause(s). As soon as practicable after receipt of such notice, the Client shall evaluate the situation and may, at its exclusive discretion, without prejudice to any other remedy it may have, by written order served on the Service Provider, extend the Service Provider's time for performance of its obligations under the Contract. However, the contract period of the project can be extended with mutual consent of the parties.

11. TERMINATION

- i) GOP may terminate the Agreement by serving thirty days' prior written notice to Service Provider, if Service Provider fails to remedy a failure in the performance of its obligations under the Agreement as identified in a suspension notice issued by GOP provided that it shall not be subject to a dispute between the Parties, or where Service Provider becomes insolvent or upon winding up of Service Provider. Service Provider may terminate the Agreement, by serving thirty days' prior written notice to GOP, if GOP fails to pay the claim due to Service Provider pursuant to the Agreement or where Service Provider is unable to continue its operations under any event of the Force Majeure.
- ii) In the event of pre-mature closure of the scheme by any party, any payment due to Service Provider under the Agreement shall be made to Service Provider.

11.1. SUSPENSION

GOP may, by written notice of sixty days to **Service Provider**, suspend, in whole or part, the services, if **Service Provider** fails to perform its obligation under the Agreement. Similarly, **Service Provider** may, by written notice of sixty days to GOP, suspend, in whole or part, the implementation services, if GOP fails to ensure coordination or timely releases of funds.

12. LIMITATIONS OF LIABILITIES

The Service Provider selected as monitor & third party validator of the scheme may verify loan disbursement to the target as per eligibility criteria if cases are not verifiable / verified by the teams on account of inadequate evidence regarding eligibility criteria of the Borrower and/or transfer of funds to the Borrower.

13. FORCE MAJEURE

A party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case, not later than fourteen days following the occurrence of such event, shall provide evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible. Neither GOP nor **Service Provider** shall be deemed to have committed a breach of the Agreement if performance of their respective obligations is prevented by an event of Force Majeure that arises after the Effective Date.

14. **DISPUTE AND ARBITRATION**

In the event of dispute, the Parties shall try to resolve the dispute amicably through a process of consultation and mutual resolution. If the dispute is not resolved through consultation, the same shall be resolved under the provisions of the Arbitration Act, 1940 by an Arbitrator appointed with mutual consent of the Parties. The venue of arbitration shall be at Islamabad. In all such cases, GOP shall be responsible for making payment for Service Charges due for the intervening period that is from the date of claim by **Service Provider** till the date such claim stands settled.

15. **JURISDICTION AND APPLICABLE LAW**

The Agreement shall be governed and construed in accordance with the laws of Pakistan and a Court of competent jurisdiction at Islamabad shall have the jurisdiction to adjudicate the cases arising out of the Agreement.

16. **SEVERANCE**

If, for any reason any of the provisions contained in the Agreement becomes invalid, illegal or unenforceable in any respect, the effect of all the other provisions of this Agreement shall remain valid.

17. **TAXES AND DUTIES**

The Contractor shall be responsible for the payment, if any is required, of all Pakistani Income Tax, Duties any other taxes on income arising out of the Contract, and the financial bid mentioned in "Financial Proposal Submission Form"/"Price Table" shall be deemed to cover all such taxes.

18. **WAIVER**

No failure to exercise, and no delay in exercising, any right, power or privilege hereunder shall operate as a waiver thereof. No waiver of any breach of any provision of the Agreement shall be deemed to be a waiver of any preceding or succeeding breach of the same or any other provision.

19. **DEFINITIONS**

In the Agreement, the words and expressions defined hereinafter shall, except where the context requires otherwise, have the following meaning: -

19.1 "Agreement" shall mean the Agreement executed between GOP and **Service Provider** for implementation of the Scheme in Pakistan. and shall include annexures, appendix, schedules appended therewith and amendments made therein.

19.2 "**Approving Authority**" shall mean an official of **Service Provider** duly authorized to approve the interest free loan cases.

- 19.3 “Audit”** shall mean the audit undertaken by the **Service Provider** pursuant to the Audit Terms of Reference (for brief the **“Audit TORs”**) prescribed by GOP.
- 19.4 “Service Provider”** shall mean an independent firm of chartered accountants with sufficient expertise, experience and resources to conduct the Audit
- 19.5 “Audit Terms of Reference”** shall mean the terms of reference outlining the scope of work to be undertaken by the Audit Firm for purposes of the Audit
- 19.6 “LCHS”** shall mean Low Cost Housing Scheme.
- 19.7 “Eligibility Criteria”** shall mean the criteria spelled out in the Scheme, Project Documents, and Operational Manual of the selected **Service Provider**.
- 19.8 “Force Majeure”** shall mean and include an event, which is beyond the reasonable control of a Party, not foreseeable, unavoidable, and which makes a Party’s performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible in the circumstances, and includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather conditions, strikes, lockouts or other industrial action (except where such strikes, lockouts or other industrial action are within the power of the Party invoking Force Majeure to prevent), confiscation or any other action by Government agencies.
- 19.9 Force Majeure shall not include:**
- a) any event, which is caused by the negligence or intentional action of a Party or its agents or its employees;
 - b) any event, which a diligent Party could reasonably have been expected both to take into account at the time of the conclusion of the Agreement, and avoid or overcome in the carrying out of its obligations hereunder; and
 - c) Insufficiency of funds or failure to make any payment required hereunder.
- 19.10 “GOP”** shall mean Government of Pakistan.
- 19.11 “I&OC”** shall mean Implementation & Oversight Committee consisting of the following five (05) members to review the progress of the scheme and to ensure the compliance of the decisions of PCC and responsible for working out the modalities & mechanism for the implementation & smooth functioning of the scheme on quarterly or on need basis: -
- i. Secretary Housing (Convener)
 - ii. Secretary Finance (Member)
 - iii. Secretary Law (Member)
 - iv. Secretary BISP (Member)
 - v. Chairman (HTF) (Member)
- 19.12 “PCC”** shall mean Project Coordination Committee consisting of following four (04) members to review the progress of the scheme on monthly or on need basis:-
- i. Secretary Housing (Convener)
 - ii. Authorized Representative of GOP (Member)
 - iii. Minister Housing (Member)
 - iv. Head of the Service Provider/ Authorized Representative (Member)
- 19.13 “Scheme”/ “Project”** shall mean “Low Cost Housing Scheme” initiated by GOP with the financial support of Government of Pakistan to provide interest free loans in all provinces of Pakistan.

- 19.14 “Service Charges”** shall mean charges (in Pakistan Rupees) quoted and agreed by **Service Provider** as fee for services.
- 19.15 “Service Provider”** shall mean Service Provider to be selected for 3rd Party Validation and Verification in the scheme titled “Low Cost Housing Scheme”.
- 19.16 “Standard Accounting Principle”** shall mean the accounting practices being used in Pakistan, notified by Securities and Exchange Commission of Pakistan under Companies Ordinance 1984/2016.
- 19.17 “Time Period”** shall mean time/ duration of implementation and execution of the scheme starting from disbursement of loans.
- 19.18 “TORs”** shall mean the Terms of Reference arising from the Scheme and mutually agreed to by the Parties.
- 19.19 “Working Day”** shall mean a day on which the office of the parties are open for working.
- 19.20 “Website”** shall mean the website operated by GOP containing the information about the scheme.

20. SPECIAL STIPULATIONS / CONDITIONS

SECTION	ARTICLES
No.	Article No. 1
1.1	Service Provider shall perform the services under this Service Agreement in accordance with the provisions of this agreement, terms of reference set forth in project guidelines and in accordance with the attached Annexes which are integral part of the Service Agreement.
1.2	Service Provider will commence the services as soon as possible but not later than 30 days.
1.3	The project will be executed according to policies and procedures of Service Provider , Operational Manual and guidelines of GOP. Operational Manual will be submitted to GOP along with work plan within fifteen days of signing of Service Agreement. Updated manual (if any) will be provided annually to GOP also.
Article 2: Responsibilities of Service Provider	
2.1	After signing the Service Agreement, Service Provider shall provide the operational frame work/manual to GOP to carry out its field activities to achieve the objectives of the assignment in line with the objective set for the assignment.
2.2	Service Provider shall draw up their overall work plan for first year and submit the same to the GOP within two weeks of signing the Service Agreement. The work plan will clearly specify annual work deliverables.
2.3	Service Provider shall design the scheme information proformas, desired by GOP within the stipulated time period.
2.5	Service Provider shall provide the information/status of the scheme to GOP on prescribed proformas.
2.5	Service Provider shall prepare quarterly reports for the GOP regarding the scheme.
2.6	Service Provider shall review the quarterly progress of the scheme and give presentation to GOP.
2.7	Service Provider shall ensure compliance of disbursement and recovery procedures as per Service Agreement and report to GOP in case of any discrepancy(s).
2.8	Service Provider shall carry out physical verification of construction sites, if required by GOP
2.9	Any other assignment as prescribed by GOP
2.10	Service Provider shall examine and evaluate the complete documentation of loan and borrowers i.e. (name age, CNIC number, address, type of business, amount of interest, free loan, recent photograph etc.) as required for loan disbursement.
2.11	Service Provider shall evaluate the fund requirement in terms of requests generated for next tranche and related service charges.

2.12	Service Provider shall monitor loan disbursement to target group as per approved limit.
2.13	Service Provider shall monitor recovery of loan as per repayment schedule.
2.14	Service Provider shall examine and evaluate the bad debts and confirm for written off, if any.
2.15	Service Provider shall examine the Bank Reconciliation Statement.
2.16	Service Provider shall examine and analyze the accounts & financial statements provided and generate analytical & comparative statements for management accordingly.
2.17	Service Provider shall reconcile the accounts relating to micro credit disbursement under this scheme.
2.18	Service Provider shall ensure that accounts maintained for this scheme will be as per International Accounting Standards.
Article 3: Responsibilities of Government of Pakistan	
3.1	Undertake and complete a competitive and transparent bidding process to select the successful bidder.
3.2	Follow PPRA Rules, as revised from time to time, and procedures for bidding process to ensure transparency and economically efficient outcome.
3.3	Advertise the project to initiate the procurement process and conduct evaluation of bids (technical and financial) submitted against this Bid Document.
3.4	Grant timely approvals and documents when required.
3.5	Implement the Service Level Agreement and make payments to the Service Provider as per service agreement.

NOTE: At the time of signing of agreement the contents of the agreement may be added / deleted with the consent of the parties which don't change the substance of the bid or major deviation of the scope of the work.