

GOVERNMENT OF THE ISLAMIC REPUBLIC OF PAKISTAN
MINISTRY OF RAILWAYS



REQUEST FOR PROPOSAL (RFP)

CONSULTANCY SERVICES

FOR

**Establishment of Pakistan Railways Pension Fund
Including Design and Implementation**

November 2020

**Director Establishment
Ministry of Railways
Room # 339, 3rd Floor, Block-D,
Pak Secretariat, Islamabad.
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Section 1: Invitation for RFP

No.....

Date:

SUB: REQUEST FOR PROPOSAL (RFP) FOR CONSULTANCY SERVICES FOR ESTABLISHMENT OF PAKISTAN RAILWAYS PENSION FUND INCLUDING DESIGN AND IMPLEMENTATION.

1. Director Establishment, Ministry of Railways, invites Technical & Financial proposal from to provide the consultancy services for the following assignment:

“Consultancy Services for Establishment of Pakistan Railways Pension Fund including Design and Implementation.”

2. The Consultant will be selected under Quality and Cost Based Selection (QCBS) method and procedures, described in this RFP in accordance with PPRA Rule 2004 and PPRA Procurement of Consultancy Services Regulations 2010.
3. The RFP includes the following documents:
Section 1: General Information
Section 2: Instructions to Consultants (including Data Sheet)
Section 3: Technical Proposal – Standard Forms
Section 4: Financial Proposal – Standard Forms
Section 5: Terms of Reference
4. The Consultant can be Single Entity or Joint Venture of national and international firms or Group of individual Consultants (GoIC).
5. In case of GoIC, the group must comprise all five (05) individual Consultants as stated in General Information. Individual Consultant can be local (Pakistani) or foreigner (only from the countries which has not been banned for doing business with Pakistan). In case any of the individual Consultant is missing or not found in accordance with the requirement, the proposal is liable to be rejected.
6. It is mandatory for proposals to be prepared using Standard Forms of RFP. Any proposal not prepared according to the prescribed format may be rejected. If any information required in the Forms is found missing or written elsewhere, no credit will be given in the evaluation of the relevant section.
7. The Consulting firms / JVs or GoIC should submit details of **Five (5)** of their most relevant projects of “Similar Assignments” for Technical evaluation using the prescribed format. Assignments given beyond the given number will not be considered.
8. CVs of Key personnel’s corresponding to the list given in Data Sheet should provide detail of **Five (5)** projects done by each individual in the past. The requirement for Similar Assignments is for the purpose of comparison of the projects completed by the Consulting firms / Joint Ventures. For various professional in firms and in GoIC, similar assignments or relevant experience shall be as per their respective field of specialization.
9. The proposal is liable to be rejected, if the firm / GoIC makes any false or misleading statement in the proposal (s).
10. A pre-proposal conference shall be held on **30th November, 2020** at **11.00 hours** at the

address mentioned in Data Sheet, which prospective Consultants may attend. Any further information can be obtained from the undersigned during office hours.

11. The Technical & Financial proposals are to be submitted in separate sealed envelopes at following address not later than **18th December, 2020 till 14:00 Hrs.**
12. Technical Proposals will be opened publicly at undermentioned address on the last date of submission at **14.30 hours** in the presence of Consultant's representatives, who may choose to attend. Proposals received after the due date and time will not be accepted and will be returned to the Consultants unopened. For opening of Financial Proposals the date, time and venue will be communicated separately.

**Director Establishment
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Room # 339, 3rd Floor, Block-D,
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Ph: 051-9203068 Fax: 051-9208846**

General Information in case of Firms / JVs

The Consultants / Joint Ventures are required to provide the following information which is necessary for further processing:

1. Applied as Single Entity or Joint Venture, please specify.
2. In case of Single Entity, specify the name of Firm and provide the information as per prescribed Form **General-1** attached.
3. In case of Joint Venture, provide the following information besides detail as prescribed in attached Form **General-1** for all Joint Venture and Consortium partners.

S.No	Name of JV Partners	%age share proposed for this assignment
1	Lead Partner	
2	Partner No.1	
3	Partner No.2	

4. The Consultant or Joint Venture or Consortium are required to provide accurate information on any litigation or arbitration, arising out of the projects completed or in progress over the last five years in the manner as prescribed in the Form **General-2**
5. The Consultant or Joint Venture or Consortium are required to provide Certificate / Affidavit that their firm is not blacklisted by any Government Department / Authority.
6. For local firms, National Income Tax number (NTN) and for foreign firms, Tax Registration Number of parent country is required. In case of Joint Venture provide NTN / Tax Registration Number of parent country for all partners. (Attach copies of valid tax registration).
7. The Consultant or Joint Venture or Consortium is required to provide last three years audited reports of accounts of their firms.
8. The Consultant or Joint Venture is required to provide Power of Attorney to sign the proposal.
9. The Joint Venture is required to provide JV Agreement or MOU between the partners for this project.

General Information in case of Group of individual Consultants (GoIC)

The GoIC are required to provide the following information which is necessary for further processing:

1. Fill the following table:

S.No	Proposed designation of individual Consultant	Name of proposed of individual Consultant	Nationality
1	Fund Manager and Pension Reforms Expert (Team Leader)		
2	Actuary		
3	Legal Expert		
4	Human Resource (HR) Expert		
5	IT Expert		

2. Office address, phone number, email etc., of GoIC or of Team Leader:

3. The individual Consultants are required to provide accurate information on any litigation or arbitration, arising out of the projects completed or in progress over the last five years in the manner as prescribed in the Form **General-2**
4. The individual Consultants are required to provide Certificate / Affidavit that their firm is not blacklisted by any Government Department / Authority.
5. For local individual Consultant, National Income Tax number (NTN) and for foreign individual Consultant, Tax Registration Number of parent country is required.
6. The individual Consultants are required to provide last three years annual income Tax Returns.
7. Team Leader is required to have Power of Attorney from other individual Consultants to sign the proposal.
8. The GoIC is required to provide an Agreement or MOU between the all individual Consultants binding all individual Consultants jointly & severally for this Assignment and also clearly defining roles & responsibilities of each Consultant.

Form General-1: Basic Information in case of Firms / JVs

1. Name of Firm.
2. Office address in Pakistan.
3. Office address overseas (if applicable).
4. Organization Chart.
5. Telephone & Fax
6. e-mail
7. Contact person
8. Place of incorporation / registration of firm
9. Year of incorporation / registration of firm
10. Country of origin (if other than Pakistan)
11. Type of organization, whether Partnership / Sole Proprietorship / Public Limited Company / Private Limited Company (Attach copy of Memorandum of Article, Memorandum of Association and Registration certificate with Security Exchange or Registrar of Firm).

Note:

In case of Joint Venture above information should be provided for all partners.

Section 2: Instructions to Consultant

2.1. Definitions

- 2.1.1. “Government of Pakistan” means the Government of Pakistan and all its associated departments, agencies, autonomous/semi-autonomous bodies, boards, universities and similar other organizations.
- 2.1.2. “Employer” means Ministry of Railways acting through Director Establishment, Ministry of Railways, Islamabad.
- 2.1.3. “Consultant” means any Entity or Firm or Joint Venture (JV) of firms or Group of individual Consultants (GoIC) that may provide the services for this assignment to the Employer under the Agreement. The Consultant can be Single Entity or Joint Venture of national and international firms or can be Group of individual Consultants (GoIC).
- 2.1.4. “Agreement” means the Agreement signed between the Employer and the Consultant and all the attached documents.
- 2.1.5. “Data Sheet” means such part of the Instructions to Consultant as used to reflect specific conditions.
- 2.1.6. “Day” means calendar day.
- 2.1.7. “Instructions to Consultant” means the document which provides Consultant with all information needed to prepare their Proposal.
- 2.1.8. “Personnel” means professionals and support staff provided by the Consultant or by any Sub-Consultant to perform the services or any part thereof; “Foreign Personnel” means such professionals and support staff who at the time of being so provided had their domicile outside Pakistan; ‘Local Personnel” means such professionals and support staff who at the time of being so provided had their domicile inside Pakistan.
- 2.1.9. “Assignment” or “Project” means consultancy services for Establishment of Pakistan Railways Pension Fund including Design and Implementation.
- 2.1.10. “Proposal” means the Technical Proposal and the Financial Proposal.
- 2.1.11. “RFP” means the Request for Proposal issued by the Employer for the selection of Consultant.
- 2.1.12. “Services” means the work to be performed by the Consultant pursuant to the Agreement.
- 2.1.13. “Sub-Consultant” means any person or entity with whom the Consultant enters into sub-agreement(s) for any part of the Services.
- 2.1.14. “Terms of Reference” (TOR) means the document included in the RFP which explains the objectives, scope of work, activities, tasks to be

performed, respective responsibilities of the Employer & the Consultant and expected results, deliverables of the assignment.

- 2.1.15. “Similar Assignment” means transformation and financial reform projects i.e. Pension Reforms / Policy Reforms / Fund management / Strategic business plans in Pakistan or abroad for public or private sector organization having more than or equal to 100 employees.

2.2. Introduction

- 2.2.1. The Employer named in the Data Sheet will select a Consulting firm or Joint Venture or GoIC (the Consultant) in accordance with the method of selection specified in the Data Sheet. The Consultant can be Single entity or Joint Venture of national or international firms.
- 2.2.2. The Consultants are invited to submit a Technical Proposal and Financial Proposal for consulting services required for the assignment named in the Data Sheet. The proposals should be in separate marked and sealed envelopes. The proposal will be the basis for agreement negotiations and ultimately for a signed agreement with the selected Consultant.
- 2.2.3. Consultants should familiarize themselves with assignment conditions and take them into account in preparing their Proposals. To obtain first-hand information on the assignment, Consultants are encouraged to visit the Client before submitting a proposal and to attend a pre-proposal conference as per schedule specified in Data Sheet.
- 2.2.4. The Consultant should contact the Employer’s representative named in the Data Sheet to obtain information regarding the assignment. Consultant should ensure the official is informed well-ahead of time in case they wish to visit the Employer.
- 2.2.5. The Consultants shall bear all the costs associated with the preparation and submission of their proposals. The Employer is not bound to accept any proposal and reserves the right to annul the selection process at any time prior to agreement award, without thereby incurring any liability to the Consultant.
- 2.2.6. Subject to the availability of any information, the Consultant may require such information and data from the Employer for performance of technical, financial and legal due diligence. Provided further that provision of any such data or information shall not mean that Consultant should entirely rely on that data and information, they need to conduct their independent due diligence, and submission of the proposal shall mean that the Consultants have conducted their own due diligence, at their own risk and cost, while submitting the Proposal in response to this RFP. The Employer shall not take any responsibility as to the authenticity or correctness of such data or information in any manner whatsoever.

2.3. Conflict of Interest

- 2.3.1. Government of Pakistan policy requires that Consultant provide professional, objective, and impartial advice and at all times hold the Employer's interests paramount, strictly avoid conflicts with other assignments or their own corporate interests and act without any consideration for their future business.
- 2.3.2. Without limitation on the generality of the foregoing, Consultant, and any of their affiliates, shall be considered to have a conflict of interest and shall not be recruited, under any of the circumstances set forth below:

2.4. Conflicting Activities

- 2.4.1. A firm that has been engaged by the Employer to provide goods, works or services other than consulting services for a project, and any of its affiliates, shall be disqualified from providing consulting services related to those goods, works or services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, and any of its affiliates, shall be disqualified from subsequently providing goods or works or services other than consulting services resulting from or directly related to the firm's consulting services for such preparation or implementation.

2.5. Conflicting Assignments

- 2.5.1. A Consultant (including its personnel and Sub-Consultant) or any of its affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant to be executed for the same or for another Employer. For example, a Consultant hired to prepare engineering design for an infrastructure project shall not be engaged to prepare an independent environmental assessment for the same project and a Consultant assisting an Employer in the privatization of public assets shall neither purchase, nor advice purchasers of such assets. Similarly, a Consultant hired to prepare Terms of Reference for an assignment should not be hired for this assignment.

2.6. Conflicting Relationships

- 2.6.1. A Consultant (including its personnel and Sub-Consultant) having business or family relationship with a member of the Employer's staff who is directly or indirectly involved in any part of (i) the preparation of the Terms of Reference of the assignment, (ii) the selection process for such assignment, or (iii) supervision of the agreement, may not be awarded an agreement, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Employer throughout the selection process and the execution of the agreement.
- 2.6.2. The Consultant have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Employer, or that may reasonably be perceived as having this

effect. Failure to disclose said situations may lead to the disqualification of the Consultant or the termination of the agreement.

- 2.6.3. No agency (except subsidiaries of Pakistan Railways) or current employees of the Employer shall work as Consultant under their own Ministries, Departments or Agencies. Recruiting former government employees of the Employer to work for their former Ministries, Departments or Agencies is acceptable provided no conflict of interest exists. When the Consultant nominates any government employee as Personnel in their technical proposal, such personnel must have written certification from their Government or Employer confirming that they are on leave without pay from their official position and allowed to work full-time outside of their previous official position. Such certification shall be provided to the Employer by the Consultant as part of his Technical Proposal.

2.7. Unfair Advantage

- 2.7.1. If a Consultant could derive a competitive advantage from having provided consulting services related to the assignment in question, the Employer shall make available to all Consultants together with this RFP all information that would in that respect give such Consultant any competitive advantage over competing Consultants.

2.8. Fraud and Corruption

- 2.8.1. Employer requires that Consultants participating in the Assignment to adhere to the highest ethical standards, both during the selection process and throughout the execution of an agreement. In pursuance of this policy, Employer:

- (1) defines, for the purpose of this paragraph, the terms set forth below as follows:

- (i) “corrupt practice” means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the selection process or in agreement execution;
- (ii) “fraudulent practice” means a misrepresentation or omission of facts in order to influence a selection process or the execution of a agreement;
- (iii) “collusive practices” means a scheme or arrangement between two or more Consultants with or without the knowledge of the Employer, designed to establish prices at artificial, noncompetitive levels;
- (iv) “coercive practices” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in a procurement process, or affect the execution of a agreement.

- (2) will reject a proposal for award if it determines that the Consultant recommended for award has directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for

the agreement in question;

- (3) will sanction a Consultant, including declaring the Consultant ineligible, either indefinitely or for a stated period of time, to be awarded a Government of Pakistan agreement, if at any time, it determines that the Consultant has directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for or in executing a Government of Pakistan agreement; and
- (4) will have the right to require that a provision be included requiring Consultant to permit the Government of Pakistan to inspect their accounts and records and other documents relating to the submission of proposals and agreement performance, and have them audited by auditors appointed by the Government of Pakistan.
- (5) Consultant, their Sub-Consultants, and their associates shall not be under a declaration of ineligibility for corrupt and fraudulent practices issued by the Government of Pakistan in accordance with the above. Furthermore, the Consultant shall be aware of the provisions on fraud and corruption stated in the specific clauses in the General Conditions of agreement.

2.9. Only one Proposal

- 2.9.1. Any alternative proposal, such as one by a firm in sole capacity and another in Joint Venture with another firm, or as a part of two or more Joint Ventures for the same package, will be summarily rejected. In such an event, all the proposals submitted by such Firm and its Joint Venture shall be rejected.

2.10. Proposal Validity

- 2.10.1. The Data Sheet indicates how long Consultant Proposals must remain valid after the submission date. During this period, Consultant shall maintain the availability of Professional staff nominated in the Proposal. The Employer will make its best effort to complete the evaluation within this period. Should the need arise; however, the Employer may request Consultants to extend the validity period of their proposals. Consultants who agree to such extension shall confirm that they maintain the availability of the Professional staff nominated in the Proposal. Consultants, who do not agree, have the right to refuse to extend the validity of their Proposals.

2.11. Clarification and Amendment of RFP Documents

- 2.11.1. Consultant may request a clarification of any of the RFP documents up to the number of days indicated in the Data Sheet before the proposal submission date. Any request for clarification must be sent in writing or by standard electronic means to the Employer's address indicated in the Data Sheet. The Employer will respond in writing or by standard electronic means and will send written copies of the response (including an explanation of the query but without identifying the

source of inquiry) to all Consultants. Should the Employer deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure as stated in para below:

- 2.11.2. At any time before the submission of Proposals, the Employer may amend the RFP by issuing an addendum in writing or by standard electronic means. To give Consultants reasonable time in which to take an amendment into account in their Proposals, the Employer may, if the amendment is substantial, extend the deadline for the submission of Proposals.

2.12. Preparation of Proposal

- 2.12.1. The Proposal, as well as all related correspondences exchanged by the Consultant and the Employer, shall be written in the language (s) specified in the Data Sheet.
- 2.12.2. In preparing Proposal, Consultants are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.

2.13. Technical Proposal Format and Content

- 2.13.1. The Technical Proposal shall provide the information indicated in the following paras from (1) to (6) using the attached Standard Forms (Section 3).

- (1) A brief description of the Consultant organization and an outline of recent experience of the Consultant (each partner in case of Joint Venture or Consortium) on assignments of a similar nature is required in Form TECH-2 of Section 3, Form Tech-2A is for GoIC. For each assignment, the outline should indicate the names of Sub-Consultants/ Professional staff who participated, duration of the assignment, agreement amount and Consultant involvement. Information should be provided only for those assignments for which the Consultant was legally engaged by the Employer as a firm or as one of the major firms within a Joint Venture or Consortium. Assignments completed by individual Professional staff working privately or through other consulting firms cannot be claimed as the experience of the Consultant or that of the Consultant associates, but can be claimed by the Professional staff themselves in their CVs. Consultant should be prepared to substantiate the claim of experience if so, requested by the Employer.
- (2) Comments and suggestions on the Terms of Reference including workable suggestions that could improve the quality/effectiveness of the assignment; (TECH-3 of Section 3).
- (3) A description of the approach, methodology and work plan for performing the assignment covering the following subjects: technical approach & methodology, work plan and organization & staffing schedule. Guidance on the content of this section of the Technical Proposal is provided under Form TECH-4 of Section 3.

- (4) The list of the proposed Professional staff team by area of expertise. The position that would be assigned to each staff team member, and their tasks (Form TECH-5 of Section 3).
- (5) CVs of the Professional staff needs to have been recently signed by them with date in blue indelible ink and countersigned by the authorized official of the Consultant. Photo copy or unsigned or countersigned CVs shall be rejected (Form TECH-6 of Section-3). Also provide computerized National Identity Card numbers of Professional staff (if local) or Passport numbers (if foreign).
- (6) Estimates of the staff input needed to carry out the assignment (Form TECH-7 of Section 3). The staff months input should be indicated separately for home office and field activities.

2.13.2. The Technical Proposal shall not include any financial information. A Technical Proposal containing financial information shall be declared non responsive.

2.14. Financial Proposal

2.14.1. The Financial Proposal shall be prepared using the attached Standard Forms (Section 4). It shall list all costs associated with the assignment.

2.15. Payment of Consultancy Services Fee

2.15.1. The payment shall be made in accordance with Payment Schedule stated in the RFP.

2.15.2. Retention Money will be deducted @5% from each deliverable payments. Retention Money will be returned after six months of completion of the Assignment.

2.15.3. The Employer shall make all payments to the Consultant in Pak Rupees. However, the Employer shall have no objection and shall facilitate the remittance in foreign currency of the remuneration of the foreign partner to the extent of services rendered by foreign partner with regard to this assignment.

2.16. Taxes

2.16.1. The Consultant shall be subjected to local taxes on amounts payable by the Employer under the Agreement. The Employer will state in the Data Sheet if the Consultant is subject to payment of any taxes. Payment of all taxes shall be the responsibility of the Consultant.

2.17. Submission, Receipt and Opening of Proposal

2.17.1. The original proposal (Technical Proposal and Financial Proposal) shall contain no interlineations or overwriting, except as necessary to correct errors made by the Consultant themselves. The person who signed the proposal must initial such corrections. Submission letters for both Technical and Financial Proposals should respectively be in

the format of TECH-1 of Section 3, and FIN-1 of Section 4.

- 2.17.2. An authorized representative of the Consultant shall initial all pages of the original Technical and Financial Proposals. The authorization shall be in the form of a written Power of Attorney accompanying the Proposal or in any other form demonstrating that the representative has been duly authorized to sign. The signed Technical and Financial Proposals shall be marked "ORIGINAL".
- 2.17.3. The Technical Proposal shall be marked "ORIGINAL" or "COPY" as appropriate. The Technical Proposals shall be sent to the address referred to in Data Sheet and the number of copies indicated in the Data Sheet. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.
- 2.17.4. The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL" Similarly, the original Financial Proposal shall be placed in a sealed envelope clearly marked "FINANCIAL PROPOSAL" followed by the name of the assignment, and with a warning "DO NOT OPEN WITH THE TECHNICAL PROPOSAL." The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address and title of the Assignment, clearly marked "DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED, BEFORE SUBMISSION DEADLINE". The Employer shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be cause for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.
- 2.17.5. The Proposals must be sent to the address/addresses indicated in the Data Sheet and received by the Employer not later than the time and the date indicated in the Data Sheet, or any extension granted thereof. Any proposal received by the Employer after the deadline for submission shall be returned unopened.
- 2.17.6. The Employer shall open the Technical Proposal immediately after the deadline for their submission. The envelopes with the Financial Proposal shall remain sealed and securely stored.

2.18. Proposal Evaluation

- 2.18.1. From the time the Proposals are opened to the time the agreement is awarded, the Consultant should not contact the Employer on any matter related to its Technical and/or Financial Proposal. Any effort by Consultant to influence the Employer in the examination, evaluation, ranking of Proposals and recommendation for award of agreement may result in the rejection of the Consultant Proposal. Evaluators of

Technical Proposal shall have no access to the Financial Proposals until the technical evaluation is concluded.

2.19. Evaluation of Technical Proposal

2.19.1. The Evaluation Committee shall evaluate the Technical Proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria, sub-criteria, and point system specified in Evaluation Criteria in Data Sheet and Appendix-I to Data Sheet and each responsive Proposal will be given a technical score. A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP and particularly the Terms of Reference or if it fails to achieve the minimum technical score indicated in the Evaluation Criteria.

2.20. Public Opening and Evaluation of Financial Proposals.

2.20.1. After the technical evaluation is complete, the Employer shall notify the result of technical evaluation in writing to all participants by clearly mentioning their secured marks. The Employer will notify the date, time and location for opening the Financial Proposal. Consultants' attendance at the opening of Financial Proposal is optional. The opening date shall be set so as to allow interested Consultants sufficient time to make arrangements for attending the opening.

2.20.2. Financial Proposals shall be opened publicly in the presence of the Consultants representatives who choose to attend. The name of the Consultants and the technical scores of the Consultants shall be read aloud. The Financial Proposal of the Consultants who met the minimum qualifying marks will then be inspected to confirm that they have remained sealed and unopened. These Financial Proposals shall be then opened and the total prices read aloud and recorded.

2.20.3. The Evaluation Committee will correct any computational errors. When correcting computational errors, in case of discrepancy between a partial amount and the total amount or between words and figures, the former will prevail. The Evaluation Committee shall correct the quantification indicated in the Financial Proposal so as to make it consistent with that indicated in the Technical Proposal, apply the relevant unit price included in the Financial Proposal to the corrected quantity and correct the total Proposal cost.

2.20.4. The weightage of Technical and Financial Proposals would be as indicated in Data Sheet.

2.20.5. The announcement of financial results shall not mean the award of assignment unless so declared by the Employer after due deliberations, in-house detailed evaluations keeping in view of QCBS modality and obtaining subsequent approvals required for this purpose.

2.21. Technical Negotiations

- 2.21.1. Technical negotiations (if deemed necessary) will be held with the successful Consultant (after the issuance of Acceptance Letter) at the address indicated in the Data Sheet. The invited Consultant will, as a pre-requisite for attendance at the negotiations, confirm availability of all Professional staff. Failure in satisfying such requirements may result in the Employer proceeding to negotiate with the next-ranked Consultant.
- 2.21.2. Representatives conducting negotiations on behalf of the Consultant must have written authority to negotiate and conclude an agreement.
- 2.21.3. Technical negotiations will include a discussion of the Technical proposal, the proposed technical approach and methodology, work plan, organization and staffing. The Employer and the Consultant will finalize staffing schedule, work schedule, logistics, and reporting. These documents will then be incorporated in the agreement as "Description of Services". Special attention will be paid to clearly defining the inputs and facilities required from the Employer to ensure satisfactory implementation of the assignment. The Employer shall prepare minutes of negotiations which will be signed by the Employer and the Consultant.

2.22. Availability of Professional Staff / Experts

- 2.22.1. Having selected the Consultant on the basis of, among other things, an evaluation of proposed Professional staff, the Employer expects to negotiate an agreement on the basis of the Professional staff named in the Proposal. Before agreement negotiations, the Employer will require assurance that the Professional staff will be actually available. The Employer will not consider substitutions during agreement negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or for reasons such as death or medical incapacity. If this is not the case and if it is established that Professional staff were offered in the proposal without confirming their availability, the Consultant may be disqualified. Any proposed substitute shall have equivalent or better qualifications and experience than the original candidate be submitted by the Consultant within the period of time specified in the letter of invitation to negotiate.

2.23. Conclusion of the Negotiations.

- 2.23.1. Negotiations will conclude with a review of the draft agreement. To complete negotiations the Employer and the Consultant will initial the agreed agreement. If negotiations fail, the Employer will invite the Consultant whose Proposal received the second highest score to negotiate an agreement.

2.24. Award of Agreement

- 2.24.1. After completing negotiations, the Employer shall award the agreement to the selected Consultant. The agreement will be executed based on Standard Format of Pakistan Engineering Council (PEC) for

large projects (Lump Sum Based).

2.25. Confidentiality

- 2.25.1. Information relating to evaluation of Proposals and recommendations concerning awards shall not be disclosed to the Consultants who submitted the Proposals or to other persons not officially concerned with the process, until the publication of the award of agreement. The undue use by any Consultant of confidential information related to the process may result in the rejection of its Proposal and may be subjected to the provisions of the Consultant Selection Guidelines relating to fraud and corruption.

2.26. Integrity Pact

- 2.26.1. The successful Consultant shall sign and stamp the Integrity Pact, as per Standard Format of Pakistan Engineering Council (PEC), in case contract value exceeds Pak Rs.10.000 Million.

2.27. Time for Completion

- 2.27.1. Time for completion of the Assignment shall be as specified in the Data Sheet.
- 2.27.2. Mobilization Period, after signing of agreement shall be as specified in the Data Sheet.

Instructions to Consultants

Paragraph Reference	DATA SHEET
2.2.1	<p><u>Name of the Employer:</u> Director Establishment Ministry of Railways Room # 339, 3rd Floor, Block-D, Pak Secretariat, Islamabad.</p> <p><u>Method of selection:</u> QCBS (Quality and cost based Selection) in accordance with PPRA Rule 2004 and PPRA Procurement of Consultancy Services Regulations 2010.</p>
2.2.2	<p><u>Name of the assignment is:</u> “Consultancy Services for Establishment of Pakistan Railways Pension Fund including Design and Implementation.”</p> <p>Financial Proposal to be submitted together with Technical Proposal, however, both should be in separate sealed envelopes, clearly marked with name of Assignment and Firm.</p>
2.2.3	<p>Pre-proposal conference shall be held as per following schedule:</p> <p>Venue: Conference Room of Ministry of Railways 4th Floor, Block-D, Pak Secretariat, Islamabad</p> <p>Date 30th November, 2020</p> <p>Time 11:00 Hrs</p>
2.2.4	<p>Employer’s Representative Director Establishment Ministry of Railways Room # 339, 3rd Floor, Block-D, Pak Secretariat, Islamabad Ph: 051-9203068</p>
2.10.1	Proposals must remain valid for ninety (90) days after the submission date
2.11.1	Clarifications may be requested not later than seven (7) days before the submission date.
2.12.1	Proposals shall be submitted in the following language: English.
2.16.1	Withholding / Advance Income Tax will be deducted as per prevailing government rules. It will be exclusively Consultant’s responsibility to include all applicable Federal, Provincial or City taxes / fees & levies in the Financial

Paragraph Reference	DATA SHEET
	Proposal
2.17.3	Consultant must submit one (1) original and two (2) copies of the Technical Proposal and the original of the Financial Proposal.
2.17.5	<p>The Proposal submission address is: Director Establishment Ministry of Railways Room # 339, 3rd Floor, Block-D, Pak Secretariat, Islamabad</p> <p>Proposals must be submitted not later than the following date and time: On or before 18th December, 2020 not later than 14:00 Hrs</p>
2.29	<p>TIME FOR COMPLETION OF ASSIGNMENT</p> <p>2.29.1 Mobilization Period, after signing of Agreement shall be fifteen (15) days.</p> <p>2.29.3 Tentative completion period is two years, however, the Consultant can propose different time period in the methodology with sound justification. However, completion period shall be firmed up during agreement negotiation with successful Consultant.</p> <p>2.29.4 Successful Consultant shall also shall be required to provide breakdown of completion period in the Inception Report indicating time required for each deliverable.</p>
2.19.1	Evaluation Criteria, separately for firms / JVs and GoIC has been stated in Appendix-I to Data Sheet
2.20.4	<p>Technical = 80% Financial = 20%</p> <p>The formula for determining the financial scores is as under: $S_f = 100 \times F_m / F$ S_f = The financial score F_m = The lowest price F = The price of the proposal under consideration.</p>
2.21.1	<p>Address for Technical negotiations: Director Establishment Ministry of Railways Room # 339, 3rd Floor, Block-D, Pak Secretariat, Islamabad</p>

A. Evaluation Criteria for Firms or JVs

(i.) Company Profile:	50%
(ii.) Assignment Team:	30%
(iii.) Approach & Methodology:	20%

Distribution of Points

(i.) Company Profile:	[100]
(a) Number of Similar Assignments	[60]
(b) Organizational structure	[20]
(c) Financial Capability	[20]
Total =	A1
(ii.) Assignment Team:	[100]
(1) Fund Manager and Pension Reforms Expert (Team Leader)	[25]
(2) Actuary	[20]
(3) Legal Expert	[20]
(4) Human Resource (HR) Expert	[20]
(5) IT Expert	[15]
Total =	A2
iii) Approach & Methodology:	[100]
a) Understanding & Innovativeness	[40]
b) Methodology & Work plan	[60]
Total =	A3

$$\text{Technical Score} = \frac{A_1[50]}{100} + \frac{A_2[30]}{100} + \frac{A_3[20]}{100}$$

The minimum technical score (St) required to pass is: **70** Marks

A-1 Mandatory Requirements

1. In case of Firms / JVs
 - a. For Firms / JVs must have completed minimum two (02) Similar Assignments. Firms / JVs not fulfilling said requirement shall be disqualified.
2. In case of GoIC:
 - a. Fund Manager and Pension Fund Reform Expert (Team Leader) must have completed at-least two (02) Similar Assignments. In case of non-fulfillment of this condition, the GoIC shall be disqualified.
 - b. Actuary must have completed at-least two (02) Similar Assignments. In case of non-fulfillment of this condition, the GoIC shall be disqualified.
 - c. In case any of the above listed professionals secure zero mark due to any reason then the GoIC shall be disqualified.

A-2 Other Requirements

1. If any professional secure zero marks, the Firm / JV, in case declared successful, shall replace such professional meeting the minimum requirement prior to signing of Consultancy

Agreement.

2. In case Firm / JV fails to replace the professional within 15 days (or any time extended by the Client) the Letter of Acceptance issued to Firm / JV shall be withdrawn and Client shall be at liberty to award the Contract to next ranked GoIC or Firm.

Details of Evaluation Criteria for Firms / JVs**A. Company Profile (100 Marks)****(a) Number of Similar Assignments (60 Marks)**

1. Similar Assignment means transformation and financial reform projects i.e. Pension Reforms / Policy Reforms / Fund management / Strategic business plans in Pakistan or abroad for public or private sector organization having more than or equal to 100 employees.
2. Five Similar Assignments shall be evaluated as under:
 - (i) Two (02) Similar Assignments = 55%
 - (ii) 3rd Similar Assignments = 15%
 - (iii) 4th Similar Assignments = 15%
 - (iv) 5th Similar Assignments = 15%
3. Similar Assignments in respect of number of employees (shall have weightage of 60% marks obtained in in item No.2 above) shall be graded as under:
 - (i) Similar Assignment for more than 5000 employees = Full Marks
 - (ii) Similar Assignment for more than or equal to 3000 but upto 5000 employees = 90% Marks
 - (iii) Similar Assignment for more than or equal to 1000 but less than 3000 employees = 80% Marks
 - (iv) Similar Assignment for more than or equal to 100 but less than 1000 employees = 70% Marks
 - (v) Above conditions shall not apply for two mandatory Similar Assignments which can be for 100 employees and shall be awarded full marks.
4. Similar Assignments with respect to country (shall have weightage of 40% marks obtained in in item No.2 above) shall be graded as under:
 - (i) Completed for a Client situated outside Pakistan in case of Pakistani Firms and outside of country of origin in case of foreign firms = 100%
 - (ii) Completed for a Client situated in Pakistan in case of Pakistani Firms and within country of origin in case of foreign firms = 90%
 - (iii) Above conditions shall not apply for two mandatory Similar Assignments and shall be awarded full marks regardless of country where these were executed.

(b) Organizational structure (10 Marks)

Excellent	= 100%
Very Good	= 90%
Good	= 80%
Satisfactory	= 70%

(c) Financial Capabilities (10 Marks)

Annual Turnover (Pak Rs in Million), average of last three financial years shall be considered.

More than or equal to 300	=100%
More than or equal to 200 but <300	=80%
More than or equal to 100 but <200	=60%
More than or equal to 50 but <100	=40%
Less than 50	=20%

In case of Joint Venture, average of last three years of each partner will be summed up for evaluation.

B. Assignment Team (100 Marks)

For minimum qualification and experience of assignment team, refer to Appendix-II to Data Sheet. Each member of the proposed team will be evaluated on the following criteria:

a. Education (40%)

- (1) For Fund Manager and Pension Reform Expert (Team Leader)

Qualifying Minimum Qualification = 90%

For relevant higher qualification = 100%

- (2) For Actuary

Qualifying Minimum Qualification = 90%

For relevant higher qualification or additional certification = 100%

- (3) For Legal Expert

Qualifying Minimum Qualification = 90%

For relevant higher qualification = 100%

- (4) For Human Resource (HR) Expert

Qualifying Minimum Qualification = 80%

For relevant higher qualification = 90%

For Certification of PHR or SPHR = 10% will be added

- (5) For IT Expert

Qualifying Minimum Qualification = 90%

For relevant higher qualification = 100%

b. Experience of Professionals (30%)

1. For Fund Manager and Pension Reform Expert (Team Leader)

Twenty years or more= 100%

15 to <20 years = 80%

Less than 15 years Staff will not be considered for evaluation

2. For Actuary

Twenty years or more= 90%

15 to <20 years = 80%

Less than 15 years Staff will not be considered for evaluation

Experience with Federal and Provincial Governments (including public sector entities) = 10% will be added

3. For Legal Expert

Twenty years or more= 90%

15 to <20 years = 80%

Less than 15 years Staff will not be considered for evaluation

Experience (min 2 years) relating to matters of civil service/pension etc = 10% will be added

4. For Human Resource (HR) Expert

Fifteen years or more= 90%

10 to <15 years= 80%

Less than 10 years Staff will not be considered for evaluation

Experience (min 2 years) relating pension matters of civil / public service = 10% will be added

5. For IT Expert

Fifteen years or more= 90%
 10 to <15 years= 80%
 Less than 10 years Staff will not be considered for evaluation

c. No. of assignments completed by Professional (30%)

1. For Fund Manager and Pension Reform Expert (Team Leader)

Must have completed at-least one Similar Assignment, however, other assignments can be relevant to his qualification / experience.

Two Assignments = 60%
 Three Assignments = 80%
 Four Assignments = 90%
 Five or more Assignments = 100%

2. For Actuary

Must have completed at-least one Similar Assignment, however, other assignments can be relevant to his qualification / experience.

Two Assignments = 60%
 Three Assignments = 80%
 Four Assignments = 90%
 Five or more Assignments = 100%

3. For Legal Expert

One Assignment = 60%
 Two Assignments = 70%
 Three Assignments = 80%
 Four Assignments = 90%
 Five or more Assignments = 100%

4. For Human Resource (HR) Expert

One Assignment = 60%
 Two Assignments = 70%
 Three Assignments = 80%
 Four Assignments = 90%
 Five or more Assignments = 100%

5. For IT Expert

One Assignment = 60%
 Two Assignments = 70%
 Three Assignments = 80%
 Four Assignments = 90%
 Five or more Assignments = 100%

Similar Assignment has been defined under definitions for the purpose of comparison of the assignments / projects completed by the Consulting firm / Joint Venture. For various professional, similar assignment or relevant experience shall be as per their respective field of specialization unless otherwise specified any specific requirement for any professional.

C. Approach & Methodology

Methodology submitted by Consultants will be analyzed by evaluating team in accordance with criteria stated above and graded as under:

Quality	Grade	Weight
Excellent	A	100%

Appendix-I to Data Sheet

Good	B	70%
Average	C	50%
Below average	D	25%
Methodology not provided	E	0

Methodology will be analyzed based on following:

a) Understanding & Innovativeness

- i) What is the depth of the firm's understanding of the requirements and objectives of the assignment in question?
- ii) What is the quality of the improvements to the TOR suggested by the consultant to improve the outcome of the assignment?
- iii) What is the level of identification of potential risks that will affect the execution of the assignment and what is the quality of the mitigation strategies proposed?

b) Methodology & Work Plan

- i) How in-depth is the Statement of Work: does it fully cover the scope of the assignment and is it sufficiently developed to ensure assignment completion?
- ii) How developed is the Work Breakdown Structure (WBS) for the assignment?
- iii) How suitable is the Work Plan (staffing schedule): is the resource utilization sufficient and practical?

Appendix-II to Data Sheet

Minimum Qualification and Experience required for each position in Project Team for Firms / JVs

The Professional's having less education and less experience than minimum specified below shall not be considered.

Sr. No.	Position	Minimum Qualification & Experience
1	Fund Manager and Pension Reform Expert (Team Leader)	<ul style="list-style-type: none"> (a) Chartered Accountant (CA) or Certified Financial Analyst (CFA) or MBA (copy of certificate or charter should be attached) (b) 15 years' overall experience (c) At least 10 years' experience in Pension Reforms / Policy Reforms / Fund management or Strategy at a position of Senior Level. (d) Must have completed at-least one Similar Assignment otherwise professional will not be evaluated.
2	Actuary	<ul style="list-style-type: none"> (a) MSc Actuarial Science or MSc Statistics or MSc Applied Mathematics (b) A Fellow of Society of Actuaries (please attach copy of active membership) (c) 15 years' overall experience (d) At least 10 years' post qualifications experience for undertaking actuarial analysis of employee benefit schemes. (e) Experience with Federal and Provincial Governments (including public sector entities) for actuarial analysis will be awarded additional marks as stated in evaluation criteria. (f) Must have completed at-least one Similar Assignment otherwise professional will not be evaluated.
3	Legal Expert	<ul style="list-style-type: none"> (a) LLB from a university recognized by the Higher Education Commission of Pakistan. (in case of LLM additional marks shall be awarded as stated in evaluation criteria). (b) Member of a high court bar association of Pakistan. (c) At least 15 years' professional legal experience in public or private sector with at least 10 years proven experience of legislative drafting preferable in public sector (d) In case of having experience (min 2 years) relating to matters of civil service/pension etc. will be awarded additional marks as stated in evaluation

		criteria.
4	Human Resource (HR) Expert	<p>(a) Bachelor degree in Human Resource Management or any Master Degree with Diploma in Human Resource Management.</p> <p>(b) At least 10 years' post qualification experience in Human Resource Management for private or Public sector organizations.</p> <p>(c) In case of having certification of PHR (Professional in Human Resources) and SPHR (Senior Professional in Human Resources) additional marks will be awarded as stated in evaluation criteria.</p> <p>(d) In case of having experience (min 2 years) relating to pension matters of civil / public service will be awarded additional marks as stated in evaluation criteria.</p>
5	IT Expert	<p>(a) BS Computer Science or BS IT or BS Software Engineering.</p> <p>(b) At least 10 years' post qualification experience in for private or Public sector organizations</p>

Note-1: Minimum qualification has been suggested for the guidance of the Consultants. However, Consultants can quote any other relevant degree as per norms of the country from where such degree has been obtained and it would be considered for acceptance if found appropriate.

Note-2: Similar Assignment has been defined under definitions for the purpose of comparison of the assignments / projects completed by the Consulting firm / Joint Venture. For various professional, similar assignment or relevant experience shall be as per their respective field of specialization unless otherwise specified any specific requirement for any professional.

B. Evaluation Criteria for Group of Individual Consultants (GoIC)

(i.)	Assignment Team:	80%
(ii.)	Approach & Methodology:	20%
<u>Distribution of Points</u>		
(i.)	Assignment Team:	[100]
(1)	Fund Manager and Pension Reforms Expert (Team Leader)	[25]
(2)	Actuary	[20]
(3)	Legal Expert	[20]
(4)	Human Resource (HR) Expert	[20]
(5)	IT Expert	[15]
	Total =	A2
(ii.)	Approach & Methodology:	[100]
a)	Understanding & Innovativeness	[40]
b)	Methodology & Work plan	[60]
	Total =	A3

Technical Score =	$\frac{A_1[80]}{100}$	+	$\frac{A_2[20]}{100}$

The minimum technical score (St) required to pass is: **70** Marks

B-1 Mandatory Requirements

In addition to other mandatory requirements stated in RFP following shall be mandatory for GoIC:

1. Fund Manager and Pension Fund Reform Expert (Team Leader) must have completed at-least two (02) Similar Assignments. In case of non-fulfillment of this condition, the GoIC shall be disqualified.
2. Actuary must have completed at-least two (02) Similar Assignments. In case of non-fulfillment of this condition, the GoIC shall be disqualified.
3. In case any of the above listed professionals secure zero mark due to any reason then the GoIC shall be disqualified.

B-2 Other Requirements

1. If any professional other than Fund Manager and Pension Reforms Expert (Team Leader) and Actuary Expert secure zero marks, the GoIC, in case declared successful, shall replace such professional meeting the minimum requirement prior to signing of Consultancy Agreement.
2. In case GoIC fails to replace the professional within 15 days (or any time extended by the Client) the Letter of Acceptance issued to GoIC shall be withdrawn and Client shall be at liberty to award the Contract to next ranked GoIC or Firm.

Details of Evaluation Criteria for Group of Individual Consultants (GoIC)

A. Assignment Team

For minimum qualification and experience of project team, refer to Appendix-II-A to Data Sheet. Each member of Consultant team will be evaluated on the following criteria:-

a. Education (40%)

- (1) For Fund Manager and Pension Reform Expert (Team Leader)

Qualifying Minimum Qualification = 90%

For relevant higher qualification = 100%

- (2) For Actuary

Qualifying Minimum Qualification = 90%

For relevant higher qualification or additional certification = 100%

- (3) For Legal Expert

Qualifying Minimum Qualification = 90%

For relevant higher qualification = 100%

- (4) For Human Resource (HR) Expert

Qualifying Minimum Qualification = 80%

For relevant higher qualification = 90%

For Certification of PHR or SPHR = 10% will be added

- (5) For IT Expert

Qualifying Minimum Qualification = 90%

For relevant higher qualification = 100%

b. Experience of Professionals (30%)

1. For Fund Manager and Pension Reform Expert (Team Leader)

Twenty years or more= 100%

15 to <20 years = 80%

Less than 15 years Staff will not be considered for evaluation

2. For Actuary

Twenty years or more= 90%

15 to <20 years = 80%

Less than 15 years Staff will not be considered for evaluation

Experience with Federal and Provincial Governments (including public sector entities) = 10% will be added

3. For Legal Expert

Twenty years or more= 90%

15 to <20 years = 80%

Less than 15 years Staff will not be considered for evaluation

Experience (min 2 years) relating to matters of civil service/pension etc = 10% will be added

4. For Human Resource (HR) Expert

Fifteen years or more= 90%

10 to <15 years= 80%

Less than 10 years Staff will not be considered for evaluation

Experience (min 2 years) relating pension matters of civil / public service = 10% will be added

5. For IT Expert

Fifteen years or more= 90%
10 to <15 years= 80%
Less than 10 years Staff will not be considered for evaluation

c. No. of assignments completed by Professional (30%)

1. For Fund Manager and Pension Reform Expert (Team Leader) and Actuary

A. Five Similar Assignments shall be evaluated as under:

- (i) Two (02) Similar Assignments = 55%
- (ii) 3rd Similar Assignments = 15%
- (iii) 4th Similar Assignments = 15%
- (iv) 5th Similar Assignments = 15%

B. Similar Assignments in respect of number of employees (shall have weightage of 60% marks obtained in in item No.A above) shall be graded as under:

- (i) Similar Assignment for more than 5000 employees = Full Marks
- (ii) Similar Assignment for more than or equal to 3000 but upto 5000 employees = 90% Marks
- (iii) Similar Assignment for more than or equal to 1000 but less than 3000 employees = 80% Marks
- (iv) Similar Assignment for more than or equal to 100 but less than 1000 employees = 70% Marks
- (v) Above conditions shall not apply for two mandatory Similar Assignments which can be for 100 employees.

C. Similar Assignments with respect to country (shall have weightage of 40% marks obtained in in item No. A above) shall be graded as under:

- (i) Completed for a Client situated outside Pakistan in case of Pakistani Firms and outside of country of origin in case of foreign firms = 100%
- (ii) Completed for a Client situated in Pakistan in case of Pakistani Firms and within country of origin in case of foreign firms = 90%
- (iii) Above conditions shall not apply for two mandatory Similar Assignments.

2. For Legal Expert

First Assignment	= 40%
Second Assignment	= 20%
Third Assignment	= 15%
Fourth Assignment	= 15%
Fifth Assignment	= 10%

3. For Human Resource (HR) Expert

First Assignment	= 40%
Second Assignment	= 20%
Third Assignment	= 15%
Fourth Assignment	= 15%
Fifth Assignment	= 10%

4. For IT Expert

First Assignment	= 40%
Second Assignment	= 20%
Third Assignment	= 15%

Fourth Assignment	= 15%
Fifth Assignment	= 10%

Similar Assignment has been defined under definitions for the purpose of comparison of the assignments / projects completed by the Consulting firm / Joint Venture. For various professional, similar assignment or relevant experience shall be as per their respective field of specialization unless otherwise specified any specific requirement for any professional.

B. Approach & Methodology

Methodology submitted by Consultants will be analyzed by evaluating team in accordance with criteria stated above and graded as under:

Quality	Grade	Weight
Excellent	A	100%
Good	B	70%
Average	C	50%
Below average	D	25%
Methodology not provided	E	0

Methodology will be analyzed based on following:

a) Understanding & Innovativeness

- i) What is the depth of the firm's understanding of the requirements and objectives of the assignment in question?
- ii) What is the quality of the improvements to the TOR suggested by the consultant to improve the outcome of the assignment?
- iii) What is the level of identification of potential risks that will affect the execution of the assignment and what is the quality of the mitigation strategies proposed?

b) Methodology & Work Plan

- i) How in-depth is the Statement of Work: does it fully cover the scope of the assignment and is it sufficiently developed to ensure assignment completion?
- ii) How developed is the Work Breakdown Structure (WBS) for the assignment?
- iii) How suitable is the Work Plan (staffing schedule): is the resource utilization sufficient and practical?

Appendix-II-A to Data Sheet

Minimum Qualification and Experience required for each position in Project Team for Group of Individual Consultants (GoIC)

The Professional's having less education and less experience than minimum specified below shall not be considered.

Sr. No.	Position	Qualification & Experience
1	Fund Manager and Pension Reform Expert (Team Leader)	<ul style="list-style-type: none"> (a) Chartered Accountant (CA) or certified Financial Analyst (CFA) or MBA (copy of certificate or charter should be attached) (b) 15 years' overall experience (c) At least 10 years' experience in Pension Reforms / Policy Reforms / Fund management or Strategy at a position of Senior Level. (d) For this Position only Similar Assignments (as defined in the definition) shall be considered for awarding score. (e) Must have completed at-least two (02) Similar Assignments.
2	Actuary	<ul style="list-style-type: none"> (a) MSc Actuarial Science or MSc Statistics or MSc Applied Mathematics (b) A Fellow of Society of Actuaries (please attach copy of active membership) (c) 15 years' overall experience (d) At least 10 years' post qualifications experience for undertaking actuarial analysis of employee benefit schemes. (e) For this Position only Similar Assignments (as defined in the definition) shall be considered for awarding score. (f) Experience with Federal and Provincial Governments (including public sector entities) for actuarial analysis will be awarded additional marks as stated in evaluation criteria. (g) Must have completed at-least two (02) Similar Assignments.
3	Legal Expert	<ul style="list-style-type: none"> (a) LLB from a university recognized by the Higher Education Commission of Pakistan. (in case of LLM additional marks shall be awarded as stated in evaluation criteria). (b) Member of a high court bar association of Pakistan. (c) At least 15 years' professional legal experience in public or private sector with at least 10 years proven experience of legislative drafting preferable in public

		sector (d) In case of having experience (min 2 years) relating to matters of civil service/pension etc. will be awarded additional marks as stated in evaluation criteria.
4	Human Resource (HR) Expert	(a) Bachelor degree in Human Resource Management or any Master Degree with Diploma in Human Resource Management. (b) 15 years' overall experience (c) At least 10 years' post qualification experience in Human Resource Management for private or Public sector organizations. (d) For this Position, assignments of only Preparation or Management of Pension Fund or Pension Reforms or Preparation HR System shall be considered for awarding score. (e) In case of having certification of PHR (Professional in Human Resources) and SPHR (Senior Professional in Human Resources) additional marks will be awarded as stated in evaluation criteria. (f) In case of having experience (min 2 years) relating to pension matters of civil / public service will be awarded additional marks as stated in evaluation criteria.
5	IT Expert	(a) BS Computer Science or BS IT or BS Software Engineering. (b) At least 10 years' post qualification experience in private or Public sector organizations

Note-1: Minimum qualification has been suggested for the guidance of the Consultants. However, Consultants can quote any other relevant degree as per norms of the country from where such degree has been obtained and it would be considered for acceptance if found appropriate.

Note-2: Similar Assignment has been defined under definitions for the purpose of comparison of the assignments / projects completed by the Consulting firm / Joint Venture. For various professional, similar assignment or relevant experience shall be as per their respective field of specialization unless otherwise specified any specific requirement for any professional.

Section 3: Technical Proposal – Standard Forms

Consultants are required to prepare Technical Proposal as per following format:

TECH-1	Technical Proposal Submission Form
TECH-2	For Firms / JVs Consultant's Organization and Experience A Consultant's Organization B Consultant's Experience
TECH-2A	For GoIC Consultant's Organization and Experience A Consultant's Organization B Consultant's Experience
TECH-3	Comments or Suggestions on the Terms of Reference.
TECH-4	Description of the Approach, Methodology and Work Plan for Performing the Assignment
TECH-5	Composition of Team to be deployed for this assignment and Task Assigned
TECH-6	Curriculum Vitae (CV) of Proposed Professional Staff
TECH-7	Staffing Schedule
TECH-8	Financial Capabilities (Only for Firms / JVs)

TECH-1: TECHNICAL PROPOSAL SUBMISSION FORM

(Please submit on Company's Letterhead)

To

Director Establishment
Ministry of Railways
Room # 339, 3rd Floor, Block-D,
Pak Secretariat, Islamabad

Subject: Consultancy Services for Establishment of Pakistan Railways Pension Fund including Design and Implementation

Dear Sir,

We, the undersigned, offer to provide the Consultancy Services for the subject assignment in accordance with your Request for Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under separate envelopes.

We are submitting our Proposal as Single Entity / Joint Ventures / Group of Individual Consultants (GoIC) [*please specify with list of JV partners or list of Individual Consultants as the case may be*]

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If technical negotiations are held during the period of validity of the Proposal, we undertake to negotiate on the basis of the proposed staff. Our Proposal is binding upon us and subject to the modifications resulting from Agreement negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in the Data Sheet of the proposal.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

TECH-2: CONSULTANT'S ORGANIZATION AND EXPERIENCE
(For Firms & JVs but not required from GoIC)

A - Consultant's Organization

Please provide the following of your firm/entity and each associate / partner for this assignment

1. Firm Background and Achievements (min two pages)
2. Organogram.
3. List of Staff with Qualification and Experience.

**TECH-2: DETAIL OF GROUP OF INDIVIDUAL CONSULTANTS (GoIC)
(For GoIC only)**

A – Detail of GoIC

Please provide the following GoIC this assignment

1. List of all individual consultants included in GoIC
2. Achievements of each individual Consultant including education, experience etc
3. Methodology of working of group of Consultants to complete the assignment defining roles and responsibilities etc.
4. Detail of support staff or associates (if any)

TECH-2: CONSULTANT’S ORGANIZATION AND EXPERIENCE
(For Firms & JVs but not required from GoIC)

B - Consultant’s Experience

[Using the format below, provide information on each assignment for which your firm, and each associate / partner for this assignment, was legally contracted as a corporate entity or as one of the major companies within an association / partnership, for carrying out consulting services similar to the ones requested under this Assignment.]

Assignment name:	Value of the Project (in Pak Rs or US\$):
Country: Location within country:	Duration of assignment (months):
Name of Employer:	
Start date (month/year): Completion date (month/year):	Value of consultancy services provided by your firm under the agreement (in Pak Rs or US\$):
Name of associated Consultants, if any:	Percentage of input provided by associated Consultants:
Name of senior professional staff of your firm involved and functions performed (indicate most significant profiles such as Project Director/Coordinator, Team Leader):	
Narrative description of Project: (please specify the number of employees of the organization for which this assignment was carried out)	
Description of actual services provided by your staff within the assignment:	

TECH-2: CONSULTANT’S ORGANIZATION AND EXPERIENCE
(For GoIC only)

B – Experience of Individual Consultants included in GoIC

[Using the format below, provide information on each relevant assignments carried out by each individual Consultant preferably similar to the ones requested under this Assignment.]

Assignment name:	Value of the Project (in Pak Rs or US\$):
Country: Location within country:	Duration of assignment (months):
Name of Employer:	
Start date (month/year): Completion date (month/year):	
Name of associated Consultants, if any:	Percentage of input provided by associated Consultants:
Description of actual services provided for this assignment:	
Narrative description of Project: (please specify the number of employees of the organization for which this assignment was carried out, if applicable)	

TECH-3: COMMENTS OR SUGGESTIONS ON THE TOR.

(The Employer is not bound to accept the suggestion provided by the Consultant. The Consultant is requested not to include any financial impact of the suggestions in the Financial Proposal. Any claim on this account shall not be accepted at the stage of evaluation or after award of contract).

TECH-4: DESCRIPTION OF APPROACH, METHODOLOGY AND WORK PLAN FOR PERFORMING THE ASSIGNMENT

[Technical approach, methodology and work plan are key components of the Technical Proposal. You are suggested to present your Technical proposal divided into the following three chapters:

- a) Technical Approach and Methodology,
- b) Work Plan
- c) Organization and Staffing

a) Technical Approach and Methodology.

In this chapter, you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output and the degree of detail of such output. You should highlight the problems being addressed, their importance and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) Work Plan.

In this chapter, you should propose the main activities of the assignment, their content & duration, phasing & interrelations, milestones (including interim approvals by the Employer), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach & methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings and tables, etc to be delivered as final output, should be included here.

c) Organization and Staffing.

In this chapter, you should propose the structure and composition of your team. You should list the main disciplines of the assignment, key expert responsible and proposed technical & support staff.

**TECH-5: COMPOSITION OF PROFESSIONAL STAFF TEAM TO BE
DEPLOYED FOR THIS ASSIGNMENT AND TASK ASSIGNED**

Name of Staff	CNIC No./Passport	Firm	Area of Expertise	Position Assigned
For Foreign Professional Staff				
For Local Professional Staff				

TECH-6: CURRICULUM VITAE (CV) OF PROPOSED PROFESSIONAL STAFF

1. **Proposed Position** [only one candidate shall be nominated for each position]: _____
2. **Name of Firm** [Insert name of firm proposing the staff]: _____
3. **Name of Staff** [Insert full name]: _____
4. **Date of Birth:** _____
5. **Nationality:** _____
6. **CNIC No** (if Pakistani): _____ **or Passport No:** _____
7. **Education :**

<i>Degree</i>	<i>Major/Minor</i>	<i>Institution</i>	<i>Date (MM/YYYY)</i>

8. **Membership of Professional Associations:** _____

9. **Other Training** [Indicate significant training since degrees under 6 - Education were obtained]:

10. **Languages** [For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]:

11. **Employment Record**

[Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.]:

<i>Employer</i>	<i>Position</i>	<i>From (MM/YYYY)</i>	<i>To (MM/YYYY)</i>

11. Detailed Tasks Assigned

[List all tasks to be performed under this assignment]

12. Work Undertaken that Best Illustrates Capability to Handle the Tasks Assigned [Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 11.]

- 1) Name of assignment or project: _____
- Year: _____
- Location: _____
- Employer: _____
- Main project features: _____
- Positions held: _____
- Activities performed: _____

<p>2) Name of assignment or project: _____ Year: _____ Location: _____ Employer: _____ Main project features: _____ Positions held: _____ Activities performed: _____</p>
<p>3) Name of assignment or project: _____ Year: _____ Location: _____ Employer: _____ Main project features: _____ Positions held: _____ Activities performed: _____</p>
<p>4) Name of assignment or project: _____ Year: _____ Location: _____ Employer: _____ Main project features: _____ Positions held: _____ Activities performed: _____</p>
<p>5) Name of assignment or project: _____ Year: _____ Location: _____ Employer: _____ Main project features: _____ Positions held: _____ Activities performed: _____</p>

13. Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged.

Date:
Day/Month/Year
[Signature of staff member or authorized representative]
Full name of authorized representative: _____

Note:

CVs need to have been recently signed by the Professional staff by them with date in blue indelible ink and countersigned by the authorized official of the firm.

Photo copy or unsigned or countersigned CVs shall be rejected.

TECH-7: PROFESSIONAL STAFFING SCHEDULE

1. For Professional Staff the input should be indicated individually, for Support Staff it should be indicated by category (e.g: draftsmen, clerical staff, etc.).
2. Months are counted from the start of the assignment. For each staff indicate separately staff input for home and field work.
3. Field work means work carried out at a place other than the Consultant's home office.

Year: 2020-21		Total staff-month input											Home	Field ³	Total		
No	Name of Staff	1 st Month	2 nd Month														
		For Foreign Professional Staff															
1		[Home]															
		[Field]															
2																	
3																	
For Local Professional Staff																	
1		[Home]															
		[Field]															
2																	
3																	

TECH-8: FINANCIAL CAPABILITIES

(Only for Firms / JVs)

1. Total Assets = (in Million Pak Rs or US\$)
2. Total Liabilities = (in Million Pak Rs or US\$)
3. Annual Turnover

For the year		
2017-18	2018-19	2019-20

For assessment purpose average turnover of last three years shall be considered for Joint Venture / Consortium. Average turnover will be summed up for evaluation.

(In case of Joint Venture / Consortium please provide above information for all partners and average annual turnover of firm having high value shall be considered)

Section 4: FINANCIAL PROPOSAL - STANDARD FORMS

Financial Proposal Standard Forms shall be used for the preparation of the Financial Proposal.

FIN-1 Financial Proposal Submission Form

FIN-2 Summary of Costs

FIN-3 Costs of Preparation of Pension Fund

FIN-4 Costs of Transition Management

FIN-1:FINANCIAL PROPOSAL SUBMISSION FORM

(Please submit on Company's Letterhead)

[Location, Date]

To

Director Establishment
Ministry of Railways
Room # 339, 3rd Floor, Block-D,
Pak Secretariat, Islamabad

Subject: Consultancy Services for Establishment of Pakistan Railways Pension Fund including Design and Implementation

Dear Sir,

We, the undersigned, offer to provide Consultancy services for the subject Assignment in accordance with your Request for Proposal and our Technical Proposal. Our attached Financial Proposal is for the sum of [*Insert amount(s) in words and figures*]. This amount is inclusive of all taxes.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Agreement negotiations, up to expiration of the validity period of the Proposal.

No commissions or gratuities have been or are to be paid by us to agents relating to this Proposal and Agreement execution.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: _____

Name and Title of Signatory: _____

Name of Firm: _____

Address: _____

FIN-2: SUMMARY OF COSTS

(Pak Rupees)

Item	Cost	
	In Figure	In Words
Professional Fee including all out of Pocket Expenses, overheads, taxes etc. (Total of FIN-3)		
Transition management Fee including all out of Pocket Expenses, overheads, taxes etc (Total of FIN-4)		
Grand Total		

Note:

- i. Cost of whole Assignment should be inclusive of all taxes, overheads and any other cost required to complete the assignment as per TOR.
- ii. Any tax imposed by the Government after submission date of RFP shall be paid separately to Consultant, in addition to accepted Financial Proposal

Authorized Signature of Consultant

(Pak Rupees)

FIN-3: COSTS OF PREPARATION OF PENSION FUND

(Pak Rupees)

Item	Cost	
	In Figure	In Words
Professional Fee including all out of Pocket Expenses, overheads, taxes etc.		

Authorized Signature of Consultant

FIN-4: COSTS OF TRANSITION MANAGEMENT

(Pak Rupees)

Item	Unit	Quantity	Rate	Amount
Transition management Fee including all out of Pocket Expenses, overheads, taxes etc.	Month	12		

Authorized Signature of Consultant

TERMS OF REFERENCES (TORs)

FOR

**Establishment of Pakistan Railways Pension Fund
including Design and Implementation**

November, 2020

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1. Objectives

- (i) At present, the employees of Pakistan Railway are facing serious problems and hardships in getting their dues and other financial benefits upon retirement due to insufficient funds and lengthy & cumbersome procedure of finalizing pension cases. Sometime they have to wait for at least two to three years for release of their gratuity and other pension dues. The prime objective of proposed Pension Fund is to develop an efficient post retirement payment system where retired employees will be able to get their pension dues on the very first day of retirement in a systematic way with utmost guarantee and assurance without waiting in long queues.
- (ii) The second most important objective of the Pension Fund is to develop an efficient post-retirement benefit system where employees will be empowered to choose from various modes of payment instead of present day conventional payment regime. The proposed scheme will be more beneficial to the employees as it will give them greater control and leverage to their deductions and subsequent payments.
- (iii) The proposed Pension Fund is being created with the intension of relieving Pakistan Railways from the colossal burden of pension payments which requires a perpetual assistance from the Federal Government to shoulder this public liability. Subsidy received on this account portrays a very grim picture of PR's financials and thus overall image of this largest public enterprise does not convey its operational gains and true contribution to the national economy.
- (iv) The proposed Pension Fund will enable Pakistan Railways to divert its revenues to the much needed Operational & Maintenance requirements. All over the world, Railway business is highly maintenance intensive and requires large amounts of funds. At present, O&M of Pakistan Railways is highly compromised due to short of funds because the largest chunk is paid in shape of pension liabilities. A modest percentage of just 2 to 3 is allocated for O&M which is far less than international standards and to maintain a healthy and safe train operation.
- (v) Another objective of the proposed Pension Fund is to engage private sector in a way to create synergies and develop a healthy environment to benefit from each other's strengths. The Pension Fund will attract Banking and Insurance sectors to join hands with Pakistan Railways to explore even bigger investment opportunities which will ultimately give more comfort and wide range of post retirement payment options to the employees.

- (vi) One of the most important objectives of the proposed Pension Fund is to develop and provide a “Flexible Pension Plan” to each Railway employee as tailored to his/her future requirements. The employee will be at liberty to choose from various available options. This may include but not limited to a guaranteed job to his/her son or daughter, plot / house at the end of service or any similar benefit as preferred by the employee. The overall purpose of this exercise will result into a win-win situation for both employees and the organization. Such wide range of options and hassle free payments will eventually result into job satisfaction, efficiency gains and above all a mind free from post-retirement worries.

2. Background

- (i) Pakistan Railways runs its Defined Benefit (DB) Pension Scheme on Pay-As-You-Go (PAYGO) basis. In the absence of any pension reserve, Federal Government is currently shouldering pension expenditure of PR. This necessitates creation of the Pension Fund so that it can shoulder PR future pension expenditure. Current exercise aims to establish Pakistan Railway Pension Fund (PRPF).
- (ii) PR has not undertaken actuarial analysis of its pension liabilities lately for its existing DB Pension Scheme. As a result, it does not know the quantum of its pension liabilities and the projected pension cash outflows in coming years. In the absence of actuarial analysis of pension liabilities, no initiative on pension policy reforms has been made by PR.
- (iii) The total number of Railway employees of all categories is 65,354 which requires around Rs.27.00 Billion annually to pay their salaries. During 2019-20 Pakistan Railways retired employees were around 124,000 for which approximately Rs.52.436 Billion were paid as pension. The estimated amount of pension to be paid during 2020-21 is Rs.46.281 Billion and for the year 2021-22 will be Rs.49.895 Billion. The said data is provided only for information of the Consultant and may contain error and omission. The successful Consultant is required to collect correct and up-to-date data from relevant offices of Pakistan Railways for its analysis and completion of the Assignment.
- (iv) Current assignment aims to not only determine pension liabilities at June 30, 2020 and projected pension cash outflow in coming years which PR will have to bear, but also aims to devise a funding strategy to capitalize its Pension Fund. The assignment also aims to highlight major issues in the current DB Pension Scheme and possible policy reforms to arrest exponential growth in pension expenditure

and liabilities. The Consultant shall also be required to design a new Defined Contributory (DC) Pension Scheme for new hires in Pakistan Railways.

3. Summarized Scope of Services

- (a) MOR (Ministry of Railways) is inviting consulting firms (the Consultants) to submit their proposals to provide advisory work, as the subject matter expert, to design and implement the proposed new pension scheme which encompasses the following scope of work (SoW):
- (i) Section A: Establish Pakistan Railways Pension Fund
 - (ii) Section B: Set up disbursement operations of the Pension Fund
 - (iii) Section C: Set up Investment and Reserve fund operations of the Pension Fund
 - (iv) Section D: Actuarial Valuation of the current Pension Scheme
 - (v) Section E: Policy Reforms in the existing DB Pension Scheme
 - (vi) Section F: Design of the New Defined Contributory (DC) Pension Scheme for new Hires.
 - (vii) Section G: Funding Strategy for Capitalization of the Fund
 - (viii) Section H: Stakeholders' Engagements
 - (ix) Section I: Implementation of the New Pension Scheme
- (b) In addition to designing of Pension Fund and preparation various deliverables, the Consultants shall also be responsible for implementation of proposed Pension Fund and Change Management. During implementation the Consultant shall assist the Employer for any trouble shooting, preparation of necessary documents required for obtaining approval from various forums (other than Pakistan Railway), prepare proposed amendment in various rules (if required), attend meetings with various stakeholders, etc.

4. Detailed Scope of Services

4.1. Section A: Establish a Pakistan Railways Pension Fund

1. Establish Pakistan Railways Pension Fund and define its governance structure.
2. Prepare constituent documents of the Pakistan Railways Pension Fund in assistance with the Legal Advisor including its Investment Policy. If any policy requires legal amendment, the same will also be prepared and processed for statutory cover.
3. Prepare HR Manual of the Pakistan Railways Pension Fund including its Organogram and Terms of Reference for the positions defined in the Organogram and assist Pakistan Railways in hiring of executive management for the Pension Fund.

4. The Pension Fund must be fully supported by a software. Assist Pakistan Railways in procurement of such software/hardware for establishing IT infrastructure for its Pension Fund ensuring its complete implementation.
5. The proposed system must be able to detect any ghost pensioner or payment.
6. The system should enable employee to “buy a benefit plan” in according to his requirement.

4.2. Section B: Set up disbursement operations of the Pension Fund

7. Propose target operating model of the disbursement function.
8. Implementation plan for setting up the structure for disbursement operations, whether in-house or outsourced.
9. Monitoring and advising the project management team of PR in undertaking the implementation plan activities.

4.3. Section C: Set up Investment and Reserve fund operations of the Pension Fund

10. Propose target operating model of the investment fund operations
11. Implementation plan for setting up the structure for investment operations, whether in-house or outsourced
12. Monitoring and advising the project management team of PR in undertaking the implementation plan activities.
13. The plan must present options that how much from the reserve fund can be re-invested and how much will be used for pension payment.
14. Identification of potential sources to be utilized for enhancement of Pension Fund such as income from land, renting of buildings, branding etc.

4.4. Section D: Actuarial Valuation of current Pension Scheme

15. Provide an actuarial valuation report on current pension scheme which includes projected pension liabilities of Pakistan Railways as at 30 June 2020.
 - a) It covers the following categories of Pakistan Railway staff:
 - Pakistan Railways employees;
 - Contract Staff (account for possible conversion to permanent position);
 - and
 - Any other relevant / applicable categories of Pakistan Railways staff.
 - b) Components of benefit under the pension scheme includes:
 - Pension;

- Gratuity; and
 - Any other scheme.
16. Develop a 30-year financial projection and recommend a set of appropriate assumptions.
17. Review contract/work-charge employees in the Pakistan Railways and determine the impact on pension liabilities under DB pension scheme, if their regularization is considered by the Board. Experts shall provide mechanism and impact of shifting all contract/work-charge employees to new DC Pension Scheme. Legal Expert shall draft proposed amendments in the legal statutes, if required, and carry the same for approval by the Pakistan Railways Board

4.5. Section E: Policy Reforms in the existing DB Pension Scheme

18. Conduct literature review on the current pension scheme to identify the fundamental principles/ philosophy supporting establishment of the scheme.
19. Analyze strengths and weaknesses of current pension scheme from socio-economic perspective including but not limited to, adequacy, equity, affordability, sustainability, behavioral impact and other relevant factors.
20. Conduct benchmarking against other pension schemes practiced globally and highlight strengths and weaknesses of those schemes. The benchmarking samples, of up to 5 schemes and/or countries, shall include developed and developing countries. The basis for the selection of the sample schemes and/or countries shall be recommended by the consultant.
21. Based on items (18), (19), and (20), identify guiding principles, philosophy and/or criteria to be used in designing the new pension scheme.

4.6. Section F: Design of the New Defined Contributory (DC) Pension Scheme for new Hires.

22. Based on item (21) of Section F, recommend up to two (2) new pension schemes design with the following details on each design:
- a) Optimal contribution level and the source of fund;
 - b) Optimal pension benefits level and the appropriate pay-out mechanism;
 - c) Ancillary pension-related benefits;
 - d) Appropriate funding policy to finance the pension obligations/liabilities;
- and

- e) Voluntary or optional post retirement, regular income scheme through investment with banks, insurance companies or other financial insinuations.
23. Develop a comprehensive financial model (the Model) which incorporates all the features mentioned in item (22). The Model shall include the following:
- a) Input sheet to allow for changing of key variables (ie contribution rates, salary growth rates, etc); and
 - b) A 30-year cashflow projection produced based on the features and variables mentioned above.
24. The Model is expected to be sufficiently robust to quantify the projected pension expenditure and its financial impact to the Government’s fiscal position, based on two (2) scenarios of the new pension scheme. The Model shall also be comparable to the current pension scheme, as evaluated per Section D (Actuarial Valuation) above.
25. The Model shall be developed in a “user-friendly” platform for ease of knowledge transfer on the usage of the Model, after completion of the engagement.
26. To take into account and consider the recruitment and remuneration policy for new recruits in the future which would impact the proposed new pension scheme.
27. Draft Contract (Service) Rules, End of Service, Benefits Rules and Conduct & Financial Rules for employees of the new DC Pension Scheme along with the legal vehicle through which this revised scheme will be made effective.

4.7. Section G: Funding Strategy for Capitalization of the Fund

28. To prepare the outputs from item (16) and item (23) above in the form required by the Ministry of Railways as their input into their forecasting models to ascertain relevant impact to the future fiscal position.
29. Analyze and review the outcome provided by the Ministry of Railways following item (28) in relation to the financial impact on Government’s finances (i.e. operating expenditure and overall budget given the design of the new pension scheme).
30. Propose funding strategy for capitalization of the fund.

4.8. Section H: Stakeholders’ Engagements

31. Devise the suitable engagement plan for engaging with the key stakeholders during the project and for implementation as required.
32. Advise the project management team from Pakistan Railways on communication strategy in accordance with the engagement plan.

4.9. Section I: Implementation of the New Pension Scheme(s)

33. Recommend implementation mechanism and roles.
34. Financial and administrative implications of the pension reform i.e. design of new scheme(s) and delivery mechanism.

4.10. Section J: Transition Management

35. The Consultant will remain engaged with the Client for a period of one year after the formal completion of the assignment. This Transition Management phase will include the troubleshooting of various issues during the implementation, on-job training, system audit and refinement / improvement.
36. At the end of Transition Management period, the Consultant will present a comprehensive document for the future improvements of the system, future HR requirements & capacity building and any other recommendations to fulfill the proposed objectives.

5. Deliverables and Schedule of Payment for Establishment of Pension Fund

Sr #	List of Deliverables	Payment
1	Inception Report	10%
2	Establish Pakistan Railways Pension Fund	
2(a)	Constituent Document of the Fund	5%
2(b)	HR Manual of the Fund Employees	5%
3	Set up disbursement operations of the Pension Fund	
3(a)	Propose target operating model of the disbursement function	5%
3(b)	Implementation plan for setting up the structure for disbursement operations, whether in-house or outsourced. Monitoring and advising the project management team of PR in undertaking the implementation plan activities.	5% split in 3 months
4	Set up Investment and Reserve fund operations of the Pension Fund	
4(a)	Propose target operating model of the investment fund operations	5%
4(b)	Implementation plan for setting up the structure for investment operations, whether in-house or outsourced. Monitoring and advising the project management team of PR in undertaking the implementation plan activities.	5% split in 3 months
5	Report on Actuarial Analysis of pension liabilities: 1. Screening the data received for sanity check (5%) 2. Draft report (5%) 3. Final report delivered (5%)	15% (5% each for 3 stages)
6	Policy Reforms in the existing DB Pension Scheme	

6(a)	Desk study of various reforms in pension schemes with the purpose to optimize the liabilities in different part of the world.	5%
6(b)	Impact of shifting different employee categories like permanent, contract / work Charge Employees etc., on the proposed scheme.	5%
7	New DC Pension Scheme for new hires	
7(a)	Submission of new DC Pension Scheme by the Consultant	10%
7(b)	Submission of Contract (Service) Rules, End of Service, Benefits Rules and Conduct & Financial Rules for employees of the new DC Pension Scheme	5%
7(c)	Implementation Plan for setting up the governance structure and organizational framework for the new scheme. Monitoring and advising the project management team of PR in undertaking the implementation plan activities. (3 months)	5% split in 3 months
8	Funding Strategy for Capitalization of the Fund	5%
9	Stakeholder Engagement Plan/ Implementation Plan for Railways	10%

5.1. Schedule of Payment for Transition Management

The payment will be made on quarterly basis in accordance with accepted monthly remuneration.

5.2. Other Requirements / Conditions

- (1) The Consultant shall provide ten (10) copies of each of the deliverables with an editable soft copy on CD/DVD.
- (2) The payment will be made after the submission and subsequent approval of each deliverable as tabulated above. However, on the request of the Consultant, 50% of the payment of deliverable will be released upon submission of invoice.
- (3) 5% Retention Money will be deducted from each deliverables payments. Retention Money will be returned after six months of completion of Assignment.
- (4) Progress payment of clubbed items can be made on propionate basis on request of the Consultant and as deemed appropriate by the Employer.
- (5) The Employer shall make all payments to the Consultant in Pak Rupees. However, the Employer shall have no objection and shall facilitate the remittance in foreign currency of the remuneration of the foreign partner to the extent of services rendered by it with regard to this consultancy assignment.

6. General Provisions

- (1) The Consultant shall sign and stamp the Integrity Pact, as per Standard Format of Pakistan Engineering Council (PEC), in case contract value exceeds Pak Rs. 10.000

Million.

- (2) Agreement with Consultnat shall be executed based on Standard Format of Pakistan Engineering Council for large projects (LUMP SUM BASED).
- (3) No financial charges shall be paid due to delayed payments.

7. Time for Completion of Assignment

- (1) Mobilization Period, after signing of Agreement shall be fifteen (15) days.
- (2) Tentative completion period is two years, however, the Consultant can propose different time period in the methodology with sound justification. However, completion period shall be firmed up during agreement negotiation with successful Consultant.
- (3) Successful Consultant shall also shall be required to provide breakdown of completion period in the Inception Report indicating time required for each deliverable.

8. Tasks to be independently led/executed by the Employer / Pakistan Railways

1. Hiring of Staff
2. Procurement of Software/Hardware for the IT Infrastructure
3. Appointment of acting CEO of the Fund
4. Deposit of Seed money into the Fund
5. Transfer of existing staff into the Fund
6. Pension Disbursement from the Fund
7. Implementation of the Policy Reforms
8. Implementation of the Funding Strategy.
9. Implementation of the new DC Pension Scheme
10. Implementation of the Contract (Service) Rules, End of Service Benefits Rules and Conduct& Financial.