



Government of Pakistan  
**PAKISTAN TELECOMMUNICATION AUTHORITY**  
[www.pta.gov.pk](http://www.pta.gov.pk)

## **REQUEST FOR PROPOSAL FOR HIRING OF CONSULTANT FOR MOBILE FINANCIAL SERVICES**

Pakistan Telecommunication Authority (PTA), the Client, requests for proposal from the national and international consultancy firms / consultants, to carry out study of Mobile Financial Services in Pakistan covering technical, legal and financial aspects etc viz-e-viz international best practices in implementation of mobile financial services. The International Firm may work in collaboration with qualified Local Representative Company in Pakistan, listed on Active Taxpayer List of Federal Board of Revenue. Interested consultancy firms/consultants must provide all the relevant information indicating that they are qualified to perform the required tasks.

Method of selection is quality and cost based as provided under Regulations 3 (B) of PPRA Consultancy Service Regulations 2010. Interested firms are requested to submit their proposals, in accordance with the RFP available on PTA Website [www.pta.gov.pk](http://www.pta.gov.pk)

The proposals submitted in response to the RFP, must reach at the office of Director (Budget & Accounts), PTA HQs, F-5/1 Islamabad on or before **25<sup>th</sup> January, 2021 at 03:00 PM**. Technical Proposals will be opened on the same day at **04:00 PM**. This advertisement is also available on PPRA website at [www.ppra.org.pk](http://www.ppra.org.pk)

**Director (Budget and Accounts)**  
**PTA Headquarters F-5/1, Islamabad**  
**Phone: 051-9216004 Fax: 051 9214039**

16X3



**PAKISTAN TELECOMMUNICATION AUTHORITY**

**REQUEST FOR PROPOSAL (RFP)**

**HIRING OF CONSULTANT FOR MOBILE**

**FINANCIAL SERVICES**

## Contents

1. Introduction .....	4
2. Instructions to the consultant .....	4
3. Terms of References (ToRs) .....	6
3.1. Objectives of Consultancy: .....	6
3.2. Scope of Work ( <i>SoW</i> ): .....	6
3.3. Deliverables and Payment Schedule: .....	7
3.4. Competency & Expertise: .....	8
3.5. Reporting and Time Schedule: .....	9
3.6. Confidentiality, Ethics and Code of Conduct: .....	9
3.7. Ineligibility and Disqualification: .....	9
3.8. Liason with Consultant: .....	9
4. The Proposal .....	10
4.1. Language: .....	10
4.2. Technical Proposal .....	10
4.3. Financial Proposal .....	11
4.4. Submission, Receipt and Opening of Proposals .....	11
5. Proposal Evaluation .....	13
5.1. Evaluation of Technical Proposals: .....	13
5.2. Evaluation of Financial Proposals: .....	14
6. Contract Negotiations .....	16
7. Award of Contract .....	17
7.1. Commencement of Assignment: .....	17
7.2. The Client's Rights in respect of RFP: .....	17
7.3. Guarantees: .....	17
7.4. Award of Contract: .....	18
7.5. Force - Majeure: .....	18
7.6. Arbitration: .....	19
7.7. Conflict of Interest: .....	19
7.8. Integrity Pact: .....	19
List of Technical Proposal Forms .....	20
Annexure I.A Covering Letter .....	21
Annexure I. B The Consultant Firm's References .....	22
Annexure I. C Comments on ToR and Facilities needed .....	23
Annexure I. D Methodology and Work Plan .....	24
Annexure I. E Team Composition and Task Assignments .....	25
Annexure I. F CVs of Professional Staff .....	26
Annexure I. G Details of Consultancy Projects .....	27
Annexure II List of Financial Proposal Forms .....	28
Annexure II.A Financial Proposal Submission Form .....	29
Annexure II.C Corporate Guarantee for Performance Bank Guarantee .....	31

Annexure III Conflicting Activities and Declaration.....32  
Annexure IV CONTRACT AGREEMENT.....33

## 1. Introduction

- 1.1. Pakistan Telecommunication Authority (PTA) a statutory body established under section 3 of the Pakistan Telecommunication (Re-Organization) Act, 1996 (herein after referred to as "the Act").
- 1.2. The vision of the Authority is to create a fair regulatory regime to promote investment, encourage competition, protect consumer interest and ensure high quality Information & Communication Technology (*ICT*) services.
- 1.3. Ministry of Information Technology and Telecom (MoIT&T) issued a “Policy Directive to Support Technical Implementation of Mobile Banking including Mobile Money Transfers and Remittances” on 20th May, 2008, wherein PTA was required to implement framework for telecommunication sector development for reaching out with m-banking services through regulations to be framed by PTA as per details provided in the aforesaid directive. The regulations are required to govern technical implementation of m-banking systems, through mobile infrastructure of cellular operators facilitating transfers and remittances etc. based on the general and technical parameters set out in the directive.
- 1.4. Accordingly, PTA in consultation with State Bank of Pakistan issued the “Regulations for Technical Implementation of Mobile Banking, 2016” (hereinafter referred to as “Mobile Banking Regulations”) which are applicable on all mobile cellular licensees and third party service providers to offer technical services for mobile banking through service level agreements with authorized financial institutions by means of the mobile banking models prescribed in the regulations.
- 1.5. Request for Proposal (*RFP*) is invited on the basis of the terms and conditions illustrated in this document, for which the applicant shall provide details along with the proposal. Expertise in technical, legal, financial and regulatory matters related to telecommunications regulation are required with proven success in licensing of telecommunication services, Mobile Financial Services, with in-depth knowledge of Telecommunication, Banking Sector and Mobile Financial Services related frameworks.

## 2. Instructions to the consultant

- 2.1. The consultants are invited to submit a sealed package containing Technical Proposal and Financial Proposal, in separately marked sealed envelopes as per rule 36 (b) of PPRA Procurement Rules 2004 available on [www.ppra.org.pk](http://www.ppra.org.pk) and as outlined in Section 4. The proposal will be the basis for contract negotiations and ultimately for a signed contract with the successful Consultant.
- 2.2. The consultant may request a clarification of any of the RFP documents not later than six (06) days before the proposal submission date. Any request for clarification must be sent in writing by paper mail, facsimile, or electronic mail to the client’s address given below.

Director (Budget & Accounts)  
Pakistan Telecommunication Authority  
PTA HQs, F-5/1, Islamabad, Pakistan

Email: [abdurrab@pta.gov.pk](mailto:abdurrab@pta.gov.pk)

Tel: +92 (51) 9216004

Fax: +92 (51) 9214039

- 2.3.** The client will respond by facsimile or electronic mail to such requests and will publish on client's website the response (including an explanation of the query but without identifying the source of inquiry) for information of all the intending consultant.
- 2.4.** At any time before the submission of proposals, the client may, for any reason, whether at its own initiative or in response to a clarification requested by the consultant, amend the RFP. Any amendment shall be issued in writing through addenda. The client shall post the addenda on its website. The addenda shall be considered part of the RFP and will be binding. The client may at its sole discretion extend the deadline for the submission of proposals.
- 2.5.** The costs of preparing the proposal and of negotiating the contract, including visit(s) to the client, are not reimbursable as a direct cost of the assignment.
- 2.6.** The client is not bound to accept any of the proposals submitted, however, upon request, ground of rejection of bid, shall be communicated to the applicant.
- 2.7.** The Consultant, its authorized representative, its substantial equity holders and all its members would be jointly and severally responsible for consultancy on regulatory issues of the client.

### 3. Terms of References (ToRs)

#### 3.1. Objectives of Consultancy:

- 3.1.1. Study of Mobile Financial Services (herein after referred to as "MFS") models in Pakistan covering policy, financial and technical aspects viz-e-viz international best practices.

#### 3.2. Scope of Work (SoW):

The scope of the work shall include the following list of tasks:

##### 3.2.1. Task-1

Thorough evaluation/ assessment of existing regulatory Frameworks, vis-a-vis scope of "MFS" in accordance with provisions of the Pakistan Telecommunication (Re-organization) Act, 1996 and Mobile Cellular License. Further, it also involves study of relevant regulations and guidelines issued by State Bank of Pakistan. Considering the above the Consultant shall ascertain the followings:

- a) Whether existing regulatory frameworks including Regulation of Technical implementation of Mobile Banking 2016 provides sufficient basis for regulating MFS and revenue earned by CMOs?
- b) Whether the mandate of PTA and State Bank of Pakistan in terms of MFS is distinct or is there any overlap?
- c) Other aspects related to MFS with reference to existing regulatory practices.

##### 3.2.2. Task-2

To review international and regional best practices in application of regulatory requirements on MFS revenue earned by CMOs. Further, following will also be considered:

- a) Evaluation of different MFS models with respect to regulatory requirements/compliances.
- b) International best regulatory practices for MFS including identification/classification of revenues for calculations of regulatory dues/fees/charges etc, by telecom and banking regulators.
- c) GAP analysis with respect to current regulatory frameworks and international best practices.

##### 3.2.3. Task-3

To review existing business and technical MFS models being implemented by CMOs taking into account the followings;

- a) Agreements between Financial Institutions and CMOs
- b) Branchless banking arrangements
- c) Standalone arrangements of banks and applicability/relevancy with MFS

##### 3.2.4. Task-4

The Consultant shall carry out in-depth analysis of the following:

- a) Financial statements of banks
- b) Financial statements of corresponding CMOs including projections of contribution by MFS in future revenue streams.
- c) Costing (i.e direct and indirect costs incurred for the telecom infrastructure and related overheads) and revenue/pricing of MFS for telecom operator and financial institution.

**3.2.5. Task-5**

- a) Upon completion of the tasks 1 to 4, the consultant shall identify areas requiring review or modification in prevailing Telecom regulations or any related regulations.
- b) Accordingly the Consultant shall devise recommendations encompassing the way forward including application of Annual Regulatory Dues.

For completion of the above tasks (3.2.1 to 3.2.5), the Consultant will be required to follow the below mentioned methodology:

- a) Meeting with stakeholders to gather market information, challenges and potential regulatory framework.
- b) Preparation of questionnaire including but not limited to potential regulatory framework's highlights, impact on the local market, impact on the existing licensing etc. Consultant will prepare a report for this purpose and give a presentation to the Authority before finalizing the report.
- c) Consultant may complete his exercise in 65 days, time period.

**3.2.6.** To make presentation/ briefing and report for information as per contract agreement i.e. Appendix A of Annexure IV.

**3.3. Deliverables and Payment Schedule:**

**3.3.1.** The specific deliverables as per the timelines mentioned in contract agreement i.e. Appendix F of Annexure IV are:

- a) A report on existing regulatory frameworks, involving study of relevant regulations/guidelines and other aspects as detailed in task-1.
- b) A report on international and regional best practices along with gap analysis as mentioned in task-2.
- c) A report on existing business and technical MFS models being implemented by CMOs as indicated in task-3.
- d) Submission of report on analysis of financial statements along with costing as provided in Task-4.
- e) Submission of report identifying areas requiring review or modification in prevailing regulations either from Telecom and Banking perspective and devise recommendations encompassing the

way forward including application of Annual Regulatory Dues, as applicable.

**3.3.2. Payment Schedule:** The client will make the payments to the consultant in line with the above deliverables. Payments will be made upon acceptance of deliverable by the client as a completed task(s). The payment shall be made as per following:

- a) Fifteen percent (15%) of the contract price shall be paid upon completion of deliverable at 3.3.1 (a).
- b) Fifteen percent (15%) of the contract price shall be paid upon completion of deliverable at 3.3.1 (b).
- c) Fifteen percent (15%) of the contract price shall be paid upon completion of deliverable at 3.3.1 (c).
- d) Fifteen percent (15%) of the Contract price shall be paid upon completion of deliverable at 3.3.1 (d).
- e) Forty percent (40%) of the Contract price shall be paid upon completion of deliverable at 3.3.1 (e).

#### **3.4. Competency & Expertise:**

3.4.1. The consultant shall provide all the expertise to the client to complete each deliverable. The consultant must have experience to perform and conduct similar nature of projects internationally. Technical proposal will be evaluated based on expertise given herein below in accordance with the criteria and manner as specified in Para 5.1 of RFP. The applicants are required to highlight competencies and expertise in following areas including but not limited to:

- a) **Technical Expertise:**
  - i. Provision of consultancy/ advisory services in ICT sector with strong emphasis on the latest and emerging technical trends and regulatory aspects including MFS, Branchless banking services, Mobile Banking services.
  - ii. Experience in review/ formulation of regulatory Framework,
  - iii. Proven experience involving direct engagement and in-depth knowledge of regional and international standard bodies/forums i.e. ITU etc.
  - iv. Experience in MFS, branchless banking, technical arrangements, planning & costing etc.
- b) **Legal Expertise:**
  - i. Experience along with the details of the projects relevant to this RFP for which the Consultant was engaged to provide input on similar assignments like proposed regulatory / policy framework for provision of MFS.
- c) **Commercial/ Financial Expertise:**

- i. Practical experience and deep understanding of commercial/ financial matters of modern telecom industry including issues related to MFS, market structures, accounting, financing, undertaking business, economic, operation, governance & technology strategy analysis for telecom industry. Further, experience of conducting assignments related to costing (i.e direct and indirect cost incurred for the telecom infrastructure and related overheads) and revenue/pricing of MFS for telecom operators and financial institutions.

**3.5. Reporting and Time Schedule:**

- 3.5.1. The client expects that the entire consultancy can be completed within a period of sixty five (65) days from the signing of the contract. However, the exact timeline for professional consulting services will be mutually, agreed with the consultant after the finalization of issues and assignments/ tasks.

**3.6. Confidentiality, Ethics and Code of Conduct:**

- 3.6.1. The consultant shall undertake to maintain complete confidentiality of all the information, facts, proceedings, decisions, and documents etc.
- 3.6.2. The consultant will also be required to execute a Confidentiality Agreement before starting the assignment.

**3.7. Ineligibility and Disqualification:**

- 3.7.1. The consultant shall stipulate that it is not presently affiliated with any telecom operator, for any similar or related services, or otherwise receiving financial compensation from any existing telecom licensee in Pakistan for work related to similar or related assignment, or similar relationship by its parent or holding company whether in Pakistan or outside. Non-compliance and breach of this stipulation shall result in immediate disqualification of the consultant. The consultant will declare conflicts of interest, if any, with this Consultancy.
- 3.7.2. The client reserves the right to disqualify a consultant if it finds, at any time, that the information submitted by the consultant concerning his qualifications as consultant was false and materially inaccurate and incomplete.

**3.8. Liason with Consultant:**

- 3.8.1. The consultant will nominate a focal person as liaison officer to act as the primary Point of Contact (PoC) for the client. The client will appoint Project Manager for proper coordination and control. The consultant shall report directly to Project Manager and will discuss issues or get instructions from him/ them on matters appropriate to fulfill the requirements of the Consultancy.

## 4. The Proposal

### 4.1. Language:

- 4.1.1. The consultant is requested to submit proposals in English language and strictly follow the formats as given with this document.

### 4.2. Technical Proposal

- 4.2.1. In the first stage of evaluation, a Proposal shall be rejected if it is found deficient of Separately sealed Technical Proposal and Financial Proposal in a sealed envelope.
- 4.2.2. Subject to initial qualification as per Para 4.2.1 above, evaluation of the technical proposal will start in accordance with Para 5.1.1 and at this stage the financial proposal shall remain unopened.
- 4.2.3. The Evaluation Committee constituted by the client may seek information / clarification from initially qualified applicant(s) through interactive session(s) via physical presence / conference calls as per mutual convenience.
- 4.2.4. The Technical Proposal shall provide the following information using the attached Standard Forms in the Annexure I:
  - a) A brief description of the consultant's organization and an outline of recent experience on assignments (Annexure I.B) of a similar nature. For each assignment, the outline should indicate, *inter alia*, the profiles of the expert(s) [*who will be also assigned to this consultancy*], duration of the assignment, contract amount, and Consultant's involvement.
  - b) Any comments or suggestions on the ToR (Para 3 of the RFP) and on the data, a list of services and facilities needed from the client, if any (Annexure I.C).
  - c) A description of the methodology and work plan for performing the assignment as per Scope of Work (Annexure I.D).
  - d) The list of experts by their specialty, the tasks that would be assigned to each expert team member, and their timing in case of firm and the organogram of the project team to clearly identify the PoC and its position in the team (*please see* Annexure I.E). However, in case of individual applicants, a list of expert person(s), engaged by the applicant, for accomplishment of consultancy in respective relevant areas would also be required.
  - e) Updated CVs of the expert(s) and the authorized representative submitting the proposal (*please see* Annexure I.F). Key information should include number of years worked for the firm/entity and degree of responsibility held in various assignments at least during the last ten (10) years.

- f) At minimum the consultant may specify three (03) visits, in consultation with the client, for rendering services with regard to deliverables as specified in Para 3.3.1 of RFP.
- g) The Technical Proposal shall not include any financial information.

#### **4.3. Financial Proposal**

- 4.3.1. In preparing the Financial Proposal, the consultant is expected to take into account the requirements and conditions outlined in the RFP documents. The Financial Proposal should be in accordance with Annexure II.A. The cost shall be inclusive of all taxes, duties, fees, levies, and other charges imposed under the applicable laws in Pakistan. The client shall evaluate the proposal and the lowest bid shall be awarded maximum marks.
- 4.3.2. Within Pakistan the client can help arrange accommodation in hotels at preferred rates to be borne by the consultant. However, the client will provide office space at the client HQs, telephone facilities with limited but reasonable minutes of local and international calls, internet facilities for local (Pakistan) office.
- 4.3.3. The consultant shall express the price of their services in PKR. Payments will be made after applicable deductions for tax etc.
- 4.3.4. The proposal must remain valid for a period of 120 days after the submission date. The client will make its best effort to complete negotiations within this period. If the client wishes to extend the validity period of the proposals, the consultant who does not agree has the right not to extend the validity of their proposals, or may be allowed to give a revised proposal for the extended period.

#### **4.4. Submission, Receipt and Opening of Proposals**

- 4.4.1. The original proposal (comprising of **Technical Proposal** and **Financial Proposal**) shall be prepared without any inter-lineation or overwriting.
- 4.4.2. An authorized representative of the prospective consultant shall initial all pages of the proposal and sign in full on the last page of proposal, clearly mentioning the full name of the representative. The representative's authorization is confirmed by a written power of attorney accompanying the proposal.
- 4.4.3. The consultant shall prepare four (04) copies of proposal. Each Technical Proposal and Financial Proposal shall be marked "ORIGINAL" or "COPY". If there are any discrepancies between the original and the copies of the proposal, the original proposal will be taken as the correct one.
- 4.4.4. The original and three (03) copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "Technical Proposal". The original and all copies of the Financial Proposal shall be placed in sealed envelope clearly marked "Financial Proposal" with the words: "DO NOT OPEN WITH THE TECHNICAL PROPOSAL" clearly written on the envelope. Both envelopes shall be placed in an outer envelope and sealed.

This outer envelope shall bear: (i) the submission address, (ii) and clearly marked, **“CONSULTANCY FOR MOBILE FINANCIAL SERVICES”**.

4.4.5. The bids shall be submitted in a sealed package in such manner that the contents are fully enclosed and cannot be known until duly opened.

4.4.6. The proposal submission address is:

Director (Budget & Accounts)  
Pakistan Telecommunication Authority  
PTA HQs, F-5/1, Islamabad, Pakistan  
Email: [abdurrab@pta.gov.pk](mailto:abdurrab@pta.gov.pk)  
Tel: +92 (51) 9216004 Fax: +92 (51) 9214039

4.4.7. The complete **Technical** and **Financial** Proposals must be delivered at the submission address by the date as notified. Proposals must be submitted no later than **25<sup>th</sup> January, 2021 at 03:00 PM** Pakistan Standard Time (PST). Any proposal received after the closing time for submission of proposals shall be returned unopened.

4.4.8. The proposal therefore, shall be submitted in the manner of this RFP comprising the following:

- a) A covering letter as attached Annexure-I.A with supporting documents (original and three photocopies along with the soft copy).
- b) The proposal shall be evaluated in 2 phases: (i) technical and (ii) financial evaluation.
- c) After the deadline for submission of proposals, Technical Proposals shall be opened by the client on **25<sup>th</sup> January, 2021 at 04:00 PM** PST at the client HQs, F-5/1, Islamabad, Pakistan. Financial Proposals shall remain sealed and deposited with Director (B&A) of the client. Upon completion of evaluation of Technical Proposals, the Financial Proposals of qualified applicants will be opened in accordance with Section 4.4.

## 5. Proposal Evaluation

Method of selection will be Quality and Cost Based. The weights given to the Technical and Financial Proposals are:

T = Technical Proposal 70%

F = Financial Proposal 30%

### 5.1. Evaluation of Technical Proposals:

5.1.1. The evaluation committee, appointed by the client will evaluate each Technical Proposal by assessing the documents submitted with technical proposal based on the evaluation criteria defined below in accordance with the expertise defined in Para No. 3.4 of RFP. Maximum marks will be given to the proposal using relative marking based on the evaluation criteria defined below:

6.

1	Experience of conducting similar assignments	50 (Marks)
1.1	Experience in conducting MFS or similar nature of assignments for local and/or international regulatory bodies and telecom service providers: a. 6 Marks for each assignment (minimum 2 regulatory body assignments). b. Maximum 5 assignments	30
1.2	Experience in MFS or Digital Financial Service (DFS) a. 2 Marks for each assignment	14
1.3	Experience in Branchless banking services a. 2 mark for each assignment. b. Maximum 6 marks for branchless banking related assignments	6
2	Work Plan and Methodology	20
2.1	a. Understanding of the objectives of RFP and Efficiency of Work plan/ Methodology. b. Committee will review methodology in detail and will award score as per nearness of consultant(s) methodology with requirements of the Client as understood by committee.	10
2.2	Number of relevant experts assigned by the consultant for conducting tasks as below in MFS / DFS: a. 3 marks for regulatory / legal expertise b. 2 mark for technical expertise c. 2 mark for Financial expertise	7
2.3	Presentation of the proposal: a. All documents should be in correct sequence (including page numbers) and separated through identification.	3
3	Qualification, Relevance and Competence of the Key Staff	30

3.1	<b>Technical/ Latest ICT Technologies / Financial Expert</b>	<b>15</b>
3.1.1	a. Experience along with the details of the projects relevant to this RFP for which the Consultant was engaged to provide input on similar assignments like provision of consultancy/ advisory services in MFS sector with strong emphasis on latest and emerging technical trends and regulatory issues;	5
	i. 0.5 Marks for each technology Experience;	
	ii. Maximum 10 experiences will be considered.	
	b. Experience in review/ formulation of Regulatory Framework for implementation of MFS;	5
	i. 1 Marks for each assignment;	
	ii. Maximum 5 assignments to be considered.	
	c. Experience involving direct engagement and in-depth knowledge of regional & international organization / regulatory forums;	2
	i. 2 Marks if international experience is shown;	
	ii. 1 Mark if national experience is shown.	
	d. Experience of conducting assignments related to costing (i.e direct and indirect cost incurred for the telecom infrastructure and related overheads) and revenue/pricing of MFS for telecom operators and financial institutions.	3
	i. 1 Mark for each assignment.	
	3.2	<b>Legal /Regulatory/ Policy Expert</b>
3.2.1	a. Experience along with the details of the projects relevant to this RFP for which the Consultant was engaged to provide input on similar assignments like proposed regulatory / policy framework for provision of MFS.	15
	i. 1 Mark for each type of legal Experience ;	
	ii. Maximum 15 experiences will be considered.	
<b>Total</b>		<b>100</b>

Note: All supporting documents to be attached with technical proposal to obtain marks.

5.1.2. A consultant will be declared technically qualified if it obtains seventy (70) marks.

5.1.3. Technical Proposal shall be marked as per following formula:  
*(70/100 x marks obtained )*

## 5.2. Evaluation of Financial Proposals:

5.2.1. After Technical Proposal Evaluation is completed, the client shall notify the consultant whose proposals did not meet the minimum qualifying marks i.e. seventy (70) or were considered nonresponsive to the RFP and Terms of Reference, indicating that their Financial Proposals will be returned unopened, on request, after completing the selection process. The client shall simultaneously notify the consultant that has secured the

minimum qualifying marks, indicating the date and time set for opening the Financial Proposals. The opening date shall be informed in advance. The notification may be sent by courier letter/electronic mail/ facsimile. The list of successful applicants of technical evaluation shall be uploaded on the client's website ([www.pta.gov.pk](http://www.pta.gov.pk)).

5.2.2. The Financial Proposals shall be opened in the presence of the consultant authorized representatives of the applicants who choose to attend.

5.2.3. Lowest financial proposal shall be awarded maximum 30 marks. Financial proposals shall be evaluated and marked as per the following formula:

***(30 marks x Lowest bid amount / Bid amount to be evaluated)***

5.3. The name of the consultant, the technical evaluation scores, and the financial evaluation scores shall be read aloud and recorded. The client shall prepare minutes of the financial bid opening session.

5.4. The contract shall be awarded to the consultant obtaining the highest aggregate marks after technical and financial evaluation. In case two or more bidders obtain equal marks, the contract shall be awarded to the consultant offering the lowest price.

## **6. Contract Negotiations**

- 6.1.** Negotiations will include a discussion of the Technical Proposal, the proposed methodology (work plan), adequacy of experts and any suggestions made by the consultant to improve the Terms of Reference. The client and the consultant will then work out final Terms of Reference, and bar charts indicating activities, logistics and reporting. The agreed work plan and final Terms of Reference will then be incorporated in the contract. Special attention will be paid to getting the most the consultant can offer within the available budget and to clearly defining the inputs required from the client to ensure satisfactory implementation of the assignment.
- 6.2.** Having selected the consultant, the client expects to negotiate a contract. Before contract negotiations, the client will require assurances that the experts will be actually available for preparation of relevant consultancy reports/proposals and for development/modification of legal instruments. The client will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key experts were offered in the proposal without confirming their availability, the consultant may be disqualified.
- 6.3.** The contract negotiations will conclude with a review of the draft contract. To complete negotiations, the client and the consultant will sign the agreed contract. If negotiations fail, the client will invite the next ranked qualified consultant to negotiate a Contract in line with the provisions of Regulation 10 of Procurement of Consultancy Services Regulations, 2010 and Rule 40 of the Public Procurement Rules, 2004.

## **7. Award of Contract**

### **7.1. Commencement of Assignment:**

- 7.1.1. The contract will be lump sum contract as defined in sub-regulation 8(e)(i) of PPRA Consultancy Service Regulations 2010.
- 7.1.2. The contract will be awarded after the contract negotiations. The assignment is expected to commence immediately upon Effective Date of Contract.

### **7.2. The Client's Rights in respect of RFP:**

- 7.2.1. Confidentiality: Information relating to evaluation of proposals and recommendations concerning awards shall not be disclosed to the consultant who submitted the proposals or to other persons not officially concerned with the process, until the successful consultant has been notified that it has been awarded the contract.
- 7.2.2. Bid Validity: Bids must remain valid for 120 days after the submission date. Should the need arise, however, the consultant may be requested to extend the validity period of their bids. The consultant who agrees to such extension shall confirm that their financial bids remain unchanged.
- 7.2.3. Fees & Payment: The successful consultant would be paid the fee, as per the Schedule of Payments given in the Contract, within one month of the receipt of original invoice by the client from the consultant. The payment will be made in Pak Rupees. No payment other than a payment as agreed in the agreement shall be made for any charge or expenditure.
- 7.2.4. The client reserves the right to accept or reject any proposal as per Rule 38 & 33 of Public Procurement Rules. 2004.
- 7.2.5. The client reserves the right to modify terms and conditions of the contract which shall be granted to the successful consultant after the bidding process, if in the opinion of the client, it is necessary or expedient to do so in the public interest or interest of the security of the State.
- 7.2.6. The client reserves the right to cancel the contract with the selected consultant in part or in whole at any time if in the opinion of the client it is necessary or expedient in the public interest. The decision of the client shall be final and binding in this regard. Also the client shall not be responsible for any damage or loss caused or arising out of aforesaid action.
- 7.2.7. For interpretation of any Para of this RFP, the decision of the client would be final and binding on the consultant.

### **7.3. Guarantees:**

- 7.3.1. **Performance Bank Guarantee (PBG)**, a PBG from a bank having credit rating of at least AA+ in the prescribed format for an amount equal to five percent (5%) of the bid/ contract price in USD or equivalent on the date of calling of the guarantee before signing the contract for carrying out the assignment. For the purpose of Bank Guarantee, the bid/ contract

price will mean the total bid amount as provided in Annexure II.A. If the PBG is from a Bank outside Pakistan it shall be guaranteed by a local correspondent bank in Pakistan having a credit rating of at least AA<sup>+</sup>. On satisfactory completion of assignment, this PBG shall be released. The Proforma of PBG is enclosed at Annexure II.B.

- 7.3.2. **Corporate Guarantee (CG):** The successful consultant should also submit, a Corporate Guarantee on its own letter head, and duly signed by the directors (Owners) of the firm/ Company, duly ratified by the full board of the consultant in a general meeting convened for this purpose to back up the PBG submitted by the client from a bank having credit rating of at least AA<sup>+</sup>. This CG should be in the prescribed format for an amount equal to five percent (5%) of the contract price in USD before signing the contract for carrying out the assignment. The Proforma of corporate guarantee for back up of PBG is enclosed at Annexure II.C.

**7.4. Award of Contract:**

- 7.4.1. The client shall issue a Letter of Intent (LoI) to the selected consultant immediately upon acceptance of the bid. The selected consultant will sign the contract after fulfilling all the formalities/ pre-conditions mentioned in the Letter of Intent. The selected consultant shall commence the assignment on receipt of LoI and as per schedule given in the contract.

**7.5. Force - Majeure:**

- 7.5.1. If at any time, during the continuance of this contract, the performance in whole or in part, by either party, of any obligation under this is prevented or delayed, by reason of war, or hostility, acts of the public enemy, civic commotion, sabotage, Act of State or direction from Statutory Authority, epidemic, quarantine restriction, strikes and lockouts (as are not limited to the establishments and facilities of the consultant), fire, floods, natural calamities or any act of GOD (*hereinafter referred to as "Event"*), provided notice of happenings of any such Event is given by the affected party to the other, within 21 Calendar days from the date of occurrence thereof, neither party shall, by reason of such event, be entitled to terminate this contract, nor shall either party have any such claims for damages against the other, in respect of such non-performance or delay in performance provided the contract shall be resumed as soon as practicable, after such Event comes to an end or ceases to exist. The decision of the Government as to whether the service may be so resumed (and the time frame within which the service may be resumed) or not, shall be final and conclusive, provided further that if the performance in whole or part of any obligation under this contract is prevented or delayed by reason of any such event for a period exceeding 90 days either party may, at his option terminate the contract.

## **7.6. Arbitration:**

- 7.6.1. In the event of any question, dispute or difference arising under the agreement in connection therewith (except as to matters, the decision to which is specifically provided under this agreement) the same shall be referred to sole arbitration of the Government of Pakistan, (*hereinafter referred to as "the arbitrator"*) and if the Government of Pakistan is unable or unwilling to act as such, then to the sole arbitration of some other person appointed by the Government. The agreement to appoint an arbitrator will be in accordance with the Arbitration Act, 1940. The adjudication of such Arbitrator shall be governed by the provisions of the Arbitration Act, 1940 or any statutory modification or re-enactment thereof or any rules made thereof.
- 7.6.2. The arbitrator may from time to time with the consent of both the parties enlarge the time frame for making and publishing the award. Subject to aforesaid Arbitration Act, and the rules made there under, any modification thereof for the time being in force shall be deemed to apply to the arbitration proceeding under this Para.
- 7.6.3. The venue of the arbitration proceeding shall be the office of the client or such other place as the arbitrator may decide.
- 7.6.4. Upon any and every reference as aforesaid, the assessment of costs and incidental expenses in the proceedings for the award shall be at the discretion of the Arbitrator.

## **7.7. Conflict of Interest:**

- 7.7.1. It is necessary that the consultant provide professional, objective, and impartial advice and services at all times holding the national interests paramount, without any consideration for present or future personal gains, and strictly avoid conflicts with other assignments or their own corporate interests, if any. Any individual/ firm shall not be considered for consultation that might be in conflict with its current obligations, or anything that might place it in a position of not being able to carry out the assignment in the best interest of Pakistan.
- 7.7.2. The consultant is required to provide a declaration regarding non-existence of any conflicting activities as per Annexure III.

## **7.8. Integrity Pact:**

An 'Integrity Pact' has to be signed by the selected consultant. Format of the Integrity Pact is placed at Appendix E of Annexure IV.

## **ANNEXURE-I**

**Annexure I.A      Covering Letter (To be placed in Main Envelope)**

### **List of Technical Proposal Forms**

**Annexure I.B      The Consultant Firm`s References**  
**Annexure I.C      Suggestions and Facilities**  
**Annexure I.D      Methodology and Work Plan**  
**Annexure I.E      Team Composition and Task Assignments**  
**Annexure I.F      CVs of Professional Staff**  
**Annexure I.G      Details of Consultancy Projects**

## Annexure I.A Covering Letter

[Location, Date]

To:

**Director (Budget & Accounts)**  
Pakistan Telecommunication Authority  
PTA HQs, F-5/1, Islamabad, Pakistan

Sir,

I/We, the undersigned, offer to provide the consulting services on broad technical, legal and commercial / financial issues of PTA in accordance with your Request for Proposal and our Proposal. I/We hereby submit our Proposal, which includes separately sealed **Technical Proposal** and **Financial Proposal** in a sealed envelope.

I/We, undertake that all requirements raised in the Terms of Reference mentioned at Section 3 of this document have been fully responded to in the Technical Proposal.

If negotiations are held during the period of validity of the Proposal, i.e., before [Date] I/we undertake to negotiate on the basis of our proposal. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

I/We understand you are not bound to accept our Proposal.

Yours,

Authorized Signature:  
Name and Title of Signatory:  
Name of Firm:  
Address:  
Cell:  
Tel:  
Fax:  
Email:

## **Annexure I. B The Consultant Firm's References**

### **Relevant Consultancy Services Carried Out That Best Illustrate Qualifications**

General: < In addition to the questions and forms in this section, take as much space as desired for your responses. >

All items mentioned in the ToR at Para No. 3 shall also be responded.

Using the format below, provide information on each assignment for which your firm/entity, either individually or as a corporate entity or as one of the major companies within an association, was legally contracted.

<b>Assignment Name:</b>		<b>Country:</b>
Location within Country		Professional Staff Provided by Your Firm/Entity(profiles of each):
Name of Client:		No. of Staff:
Address:		No. of Staff-Months; Duration of Assignment:
Start Date (Day Month/Year):	Completion Date (Day Month/Year):	Approx. Value of Services (in Current US\$):
Name of Associated Consultants, If Any:		Number of Months of Professional Staff Provided by Associated Consultants:
Name of Senior Staff (Project Director/Coordinator, Team Leader) Involved and Functions Performed:		
Narrative Description of Project:		
Description of <u>Actual</u> Services Provided by Your Staff:		

Firm's Name: \_\_\_\_\_

**Annexure I. C      Comments on ToR and Facilities needed**  
**Comments and Suggestions of consultant on the ToR and on Data, Services, and**  
**Facilities needed from the client**

---

On the ToR:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

On the Data, Services and Facilities Needed from the Client:

- 1.
- 2.
- 3.
- 4.
- 5.
- 6.

**Annexure I. D Methodology and Work Plan**  
**Description of the Methodology and Work Plan for Performing the Assignment**

---

(To be filled in by the consultant)

## **Annexure I. E Team Composition and Task Assignments**

<b>1. Experts [Technical, Legal, Regulatory, Financial, Commercial Issues, etc.]</b>			
<b>Name</b>	<b>Position</b>	<b>Task</b>	<b>Experience</b>

**Annexure I. F CVs of Professional Staff**  
**Format of Curriculum Vitae (CV) for Proposed Professional Staff**

**(It should be completed for each team member)**

Role in the Consultancy: \_\_\_\_\_

Name of Staff: \_\_\_\_\_

Name of Firm: \_\_\_\_\_

Years with Firm/Entity: \_\_\_\_\_ Nationality: \_\_\_\_\_

Membership in Professional Societies: \_\_\_\_\_

Detailed Tasks Assigned: \_\_\_\_\_

---

**Key Qualifications:**

*[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations. Use about half a page.]*

---

**Education:**

*[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]*\_\_\_\_\_

Consultancy Assignment Completed:

**Employment Record:**

*[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments. For experience in last ten years, also give types of activities performed and references specific to Pakistan, where appropriate. Use about two pages.]*

---

**Consultancy Assignment completed:**

Give an outline of the task pertinent to the subject assignment details or similar projects included but not limited to name, date company year etc.

**Languages:**

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

---

**Certification:**

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, consultancy assignments completed by me and my experience.

\_\_\_\_\_  
Date: \_\_\_\_\_

*[Signature of staff member and authorized representative of the firm]* Day/Month/Year

Full name of staff member: \_\_\_\_\_

Full name of authorized representative: \_\_\_\_\_

## **Annexure I. G Details of Consultancy Projects**

### **Details of Consultancy Project which have already been Carried out by the consultant**

(To be substantiated with job completion certificate(s) or any other evidence from concerned client for the projects carried out by consultant)

**Annexure II      List of Financial Proposal Forms**

**Annexure II.A      Financial Proposal Submission Form**

**Annexure II.B      Performance Bank Guarantee Form**

**Annexure II.C      Corporate Guarantee Form for PBG**

## Annexure II.A Financial Proposal Submission Form

[Location, Date]

To:

**Director (Budget & Accounts)**  
Pakistan Telecommunication Authority  
PTA HQs, F-5/1, Islamabad Pakistan

Sir,

I/We, the undersigned, offer to provide the ***Consultancy for Mobile Financial Services*** in accordance with your Request for Proposal and our Proposal (Technical and Financial Proposals). Our attached Financial Proposal is for the sum of [*Amount in words and figures*]. The amounts are inclusive of all applicable taxes in Pakistan.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e., [*Date*].

We understand you are not bound to accept our Proposal.

Yours,  
Authorized Signature:  
Name and Title of Signatory:

Name of Firm:

Address:

Cell:

Tel:

Fax:

Email

## Annexure II. B Performance Bank Guarantee Form

### Performance Guarantee for Performance Obligations

Date:-----

\_\_\_\_\_ *[On a legal document/stamp paper]*

**Beneficiary:** Pakistan Telecommunication Authority, Headquarters Building, F-5/1, Islamabad, Pakistan.

**Date:** \_\_\_\_\_

We *[name of Bank]* are providing Performance Guarantee for *[Consulting firm/consultant]* (hereinafter called "the consultant") who has entered into CONTRACT No. *[Reference number of the CONTRACT]* dated *[insert date]* with Pakistan Telecommunication Authority (hereinafter called the "client"), for the provision of **Consultancy for Mobile financial Services** (hereinafter called "the CONTRACT").

Furthermore, we understand that, according to the conditions of the CONTRACT, a performance guarantee in the sum of *[PKR amount in figures]* *[PKR amount in words only]* (the amount equal to 10% of the total CONTRACT Price) is to be made against the performance obligations of the consultant.

We *[name of Bank]* hereby irrevocably, unconditionally and continuingly guarantee without recourse to the client, and undertake to pay to the client any sum or sums not exceeding in total an amount of *[amount in figures]* (*[Rupees amount in words only]*) (the amount equal to 10% of the total CONTRACT Price) upon receipt by us of client's first demand in writing accompanied by a written statement stating that "the consultant" is in breach of their obligations under the CONTRACT.

\_\_\_\_\_  
*[Signature]*

*Endorsed and guaranteed by Commercial Bank in Pakistan*

*[Bank Stamp & Signature(s)]*

*Note: All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product. If the bank guarantee is arranged from a bank outside Pakistan that bank guarantee has to be backed by the bank guarantee of a local bank in Pakistan with a credit rating of at least AA+.*

## **Annexure II.C Corporate Guarantee for Performance Bank Guarantee**

**Beneficiary:** Pakistan Telecommunication Authority, Headquarters Building, F-5/1, Islamabad, Pakistan.

**Date:** *Day Month 20xx*

1. We *Name of the consultant* (hereinafter called the "consultant") have entered into CONTRACT No. xxxxxxxx dated *day month 20xx* with Pakistan Telecommunication Authority (hereinafter called the "client"), for the provision of **Consultancy for Mobile Financial Services** (hereinafter called "the CONTRACT").

2 We understand that, according to the conditions of the CONTRACT, a performance bank guarantee in the sum of PKR \_\_\_\_\_/- (PKR \_\_\_\_\_) is to be provided by the consultant against the performance obligations of the consultant.

3. We, the consultant, do hereby irrevocably and unconditionally undertake that in case the Performance Bank Guarantee (PBG) cannot be encashed for any reason, the consultant is liable to pay the amount of PBG of PKR \_\_\_\_\_/- (PKR \_\_\_\_\_ only) as mentioned in para 2 above to the client.

4 This guarantee shall in all respects be governed by, and construed in accordance with, the laws of Pakistan. The consultant hereby attorns and submits to the exclusive jurisdiction of the Courts of Islamabad, Pakistan in respect of any legal action or proceeding commenced in respect of this guarantee.

5. This guarantee will expire one month after completion of the contract or the final payment whichever is later.

For and on behalf of consultant

*Name of the Consultant*

\_\_\_\_\_  
*(Signature)*  
1. Name: \_\_\_\_\_  
Designation: \_\_\_\_\_

**Witnesses:**

\_\_\_\_\_  
*(Signature)*  
1. Name: \_\_\_\_\_  
Designation: \_\_\_\_\_

\_\_\_\_\_  
*(Signature)*  
2. Name: \_\_\_\_\_  
Designation: \_\_\_\_\_

\_\_\_\_\_  
*(Signature)*  
2. Name: \_\_\_\_\_  
Designation: \_\_\_\_\_

### **Annexure III      Conflicting Activities and Declaration**

#### **Information Regarding any Conflicting Activities and Declaration Thereof**

*[Location, Date]*

Are there any activities carried out by the consultant which are of conflicting nature as mentioned in RFP and allied documents?

If yes, please furnish details of any such activities.

If no, please certify,

We hereby declare that our firm, our associate / group firm or any of the member of the consortium are not engaged in any such activities which can be termed as the 'conflicting activities' under this RFP. We also acknowledge that in case of misrepresentation of the information, our proposal/ contract shall be cancelled/ terminated by the Client which shall be binding on us.

Authorized Signature [In full and initials]:

Name and Title of Signatory:

Name of the consultant:

Address:

**CONSULTANCY FOR MOBILE FINANCIAL SERVICES**

**(LUMP-SUM Based on completion of work products as defined in Clause \_\_\_)**

Between

Pakistan Telecommunication Authority (PTA)

and

----- Name of consultant

\_\_\_\_\_, 201x

(This Contract is signed in two sets of original, one each for both the parties)

**I. Form of CONTRACT**

## **Lump-Sum**

This CONTRACT, for procuring and providing **CONSULTANCY FOR MOBILE FINANCIAL SERVICES** (hereinafter called the “CONTRACT”), as an integral part of the Request for Proposal (RFP), is made on this \_\_\_\_\_ day of \_\_\_\_\_, 201x at Islamabad Pakistan, by and between, on the one part Pakistan Telecommunication Authority (PTA), PTA Headquarters Building, F-5/1, Islamabad, Pakistan, (hereinafter called the “client” which expression shall mean and include, unless the context otherwise requires, its successors in the office and assigns) and on the other part \_\_\_\_\_ (hereinafter called the “consultant” which expression shall mean and include, unless the context otherwise requires, The Team, partners, affiliates (jointly and severally) and its successors in the office and assigns) and both the parties jointly and collectively may be referred to as the “PARTIES”

WHEREAS,

- (a) the client has requested the consultant to provide all consulting services required for effective discharge of the duties and the deliverables (hereinafter called the “SERVICES”) as defined in this CONTRACT at Appendix-A attached hereto and as provided in the RFP as an integral part thereof;
- (b) the consultant, having represented to the client that it has the required professional skills, expertise, experience, personnel and technical resources, has agreed to provide the Services on the terms and conditions as set forth in this CONTRACT at Appendix-A attached hereto and the RFP;

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this CONTRACT:
  - (a) General Conditions of Contract;
  - (b) Appendix A: Description of Services;
  - (c) Appendix B: Reporting Requirements;
  - (d) Appendix C: Key Personnel;
  - (e) Appendix D: Form of Performance Bank Guarantee;
  - (f) Appendix E: Integrity Pact;
  - (g) Appendix F: Project Work Plan;
  - (h) Appendix G: Corporate Guarantee for Performance Bank Guarantee.
2. The mutual rights and obligations of the client and the consultant shall be as set forth in this CONTRACT and the RFP as integral part, in particular but not limited to:

- (a) the consultant(s) shall carry out the Services in accordance with the provisions of the CONTRACT as per prevailing best international practices and the RFP as an integral part; and
- (b) The client shall make payments to the consultant(s) in accordance with the provisions of the CONTRACT.

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

**For and on behalf of client**

**Pakistan Telecommunication Authority**

Name: -----

Designation: XXXX, PTA

**Witnesses:**

\_\_\_\_\_  
 1. Name:  
 Designation:

\_\_\_\_\_  
 2. Name:  
 Designation:

**For and on behalf of consultant**

\_\_\_\_\_

\_\_\_\_\_  
 Name:  
 Designation:

**Witnesses:**

\_\_\_\_\_  
 1. Name:  
 Designation:

\_\_\_\_\_  
 2. Name:  
 Designation:

(This Contract is signed in two sets of original, one each for both the parties)

## II. GENERAL CONDITIONS OF CONTRACT

### 1. General Provisions

<p><b>1.1. Definitions</b></p>	<p>Unless the context otherwise suggests:</p> <p>(a) “Applicable Law” means the laws and any other instruments having the force of law in Pakistan from time to time.</p> <p>(b) “CONTRACT” means the CONTRACT signed by the Parties and all the attached documents listed in its Clause 1, i.e. the General Conditions (GC), the Special Conditions (SC), and the Appendices.</p> <p>(c) “CONTRACT Price” means the total price to be paid for the performance of the SERVICES, in accordance with Clause 6;</p> <p>(d) “Effective Date” means the date on which this CONTRACT comes into force and effect pursuant to Clause 2.1 of GC.</p> <p>(e) “GC” mean the General Conditions of this CONTRACT.</p> <p>(f) “Federal Government” means the Ministry of Information Technology &amp; Telecommunications, Pakistan.</p> <p>(g) “Party” means the client or the consultant, as the case may be, and “Parties” means both of them.</p> <p>(h) “Personnel” means and includes qualified professional experts in their field respectively for the performance of the SERVICES or any part thereof.</p> <p>(i) “RFP” means the ‘Request for Proposal’ issued by the client on _____, 201x for hiring of the <b>CONSULTANT FOR MOBILE FINANCIAL SERVICES</b>.</p> <p>(j) “Services” means the work to be performed by the consultant pursuant to this CONTRACT and the RFP, as described in Appendix A and all other obligations to be performed by the consultant under this CONTRACT, including such Additional Services as may be agreed hereto.</p> <p>(k) “Stakeholder” means an individual, group, or organization who may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a project. In present situation, the main stakeholders include but not limited to PTA, FAB, PEMRA, MOIT and PTA Licensees.</p>
<p><b>1.2. Law Governing CONTRACT</b></p>	<p>This CONTRACT shall be construed and enforced according to the Laws of Pakistan and any dispute under this CONTRACT must be brought in the courts of Islamabad, Pakistan and not in any other court.</p>
<p><b>1.3. Language</b></p>	<p>This CONTRACT has been executed in English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this CONTRACT.</p>
<p><b>1.4. Notices</b></p>	

<p>1.4.1.</p>	<p>All notices, requests or consents required hereunder shall be in writing and shall have been properly served, delivered by hand, sent by mail, facsimile or telex or any other electronic means to the addresses set out in the SC given in Part III Appendix, as applicable, or such different address as a Party may designate from time to time. Any notice, request or consent by mail shall be sent through Registered Post or Courier Services as the case may be.</p> <p>Any notice shall be deemed to have been given:</p> <ul style="list-style-type: none"> <li>i. on the day it is delivered, if delivered by hand;</li> <li>ii. the day it is sent, if sent by facsimile or e-mail;</li> <li>iii. 5 days after the date of posting, if sent by registered post/courier.</li> </ul> <p>The addresses are:</p> <p>Client: Pakistan Telecommunication Authority, PTA Head Quarters Building, F-5/1, Islamabad, Pakistan.</p> <p>Attention: Director (Budget &amp; Accounts), PTA</p> <p>Tel: +92 (51) 9216004</p> <p>Fax: +92 (51) 9214039</p> <p>E-mail: abdurrah@pta.gov.pk</p> <p>consultant: _____</p> <p>ADDRESS: _____.</p> <p>Authorized Representative: _____</p> <p>Attention: _____</p> <p>Tel: + _____</p> <p>Cell: + _____</p> <p>Facsimile: + _____</p> <p>E-mail: _____</p>
<p><b>1.5. Location</b></p>	<p>The SERVICES shall be performed at such locations as are specified in Appendix-A hereto and, where the location of a particular task is not so specified, at such locations, whether in Pakistan or elsewhere, as the client may require or approve. At minimum the consultant may specify three visits for rendering a services with regard to deliverable as prescribed in Appendix-A of the contract. Visits other than the three visits mentioned above will be decided with mutual understanding of the client and the consultant</p>

<p><b>1.6. Authorized Representatives</b></p>	<p>Any action required or permitted to be taken, and any document required or permitted to be executed under this CONTRACT by the client or the consultant may be taken or executed by the authorized officials</p> <p>The Authorized Representatives are:</p> <p>For the client: -----</p> <p>For the consultant:</p> <p>1. _____,                      2. _____</p>
<p><b>1.7. Taxes and Duties</b></p>	<p>The consultant shall pay all taxes, duties, fees, levies and other impositions levied under the applicable Laws of Pakistan as specified in the SC (as per GC clause 5.2), the amount of which is deemed to have been included in the CONTRACT Price and any taxes, duties, fees, levies and other impositions that may be levied by the Government after the signing of this CONTRACT, otherwise if not included, same shall be deducted (if required) from the payments of consultant, or payable by them as per applicable laws of Pakistan for the time being enforced. The client will deduct the applicable taxes and duties as per law prevalent at the time of payment. As per regulation 2(2) of PPRA Eligible Bidders (Tax Compliance) Regulations 2015, payment to the consultant shall be linked with active tax payer status. If a consultant is not ATL, no payment shall be made until the consultant appears on ATL of FBR. The client considers that all prices in this agreement and accordingly the invoices generated on those will be inclusive of taxes, duties, fees, levies and other impositions imposed by the Government of Pakistan. The consultant shall be liable to pay all taxes and duties in accordance with the laws of Islamic Republic of Pakistan.</p>
<p><b>1.8. Fraud and Corruption</b></p>	<p>Consultant is under obligation to avoid and refrain from any fraudulent or corrupt practices directly or indirectly as defined under this contract. However, if the client determines that the consultant has engaged in corrupt, collusive, coercive, obstructive or continued delaying practices, in completing for or in executing the CONTRACT, then the client may, after giving fifteen (15) day notice to the consultant, terminate the CONTRACT, and the provisions of Clause 2 shall apply as if such expulsion had been made under Sub-Clause 2.6.1(c).</p> <p>Should any personnel of the consultant be determined to have engaged in corrupt, fraudulent, collusive, coercive, obstructive or continued delaying practice during the execution of the CONTRACT, then such personnel shall be removed in accordance with Sub-Clause 4.2.</p>
<p><b>1.8.1 Definitions</b></p>	<p>For the purposes of this Sub-Clause, the terms set-forth below are defined as follows:</p> <p>(a) “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;</p> <p>(b) “fraudulent practice” is any act or omission, including a</p>

	<p>misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;</p> <p>(c) “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including to influence improperly the actions of another party;</p> <p>(d) “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;</p> <p>(e) “obstructive practice” is</p> <p>(i) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede an investigation into allegations of a corrupt, fraudulent, coercive or collusive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or</p> <p>(ii) acts intended to materially impede the client’s inspection and audit rights provided for under Clause 3.8.</p> <p>(f) “Continued Delaying practice” is a practice observed by the client whereby the consultant is found deliberately delaying the deliverables as identified in the RFP/CONTRACT when compared against the services timeline of the RFP/CONTRACT.</p>
<p><b>1.8.2 Measures to be Taken</b></p>	<p>The client:</p> <p>(a) will cancel the CONTRACT if it determines at any time that consultant or any of its experts for performance of SERVICES under this contract were engaged in corrupt, fraudulent, collusive or coercive practices during the selection process or the execution of the CONTRACT;</p> <p>(b) will sanction the consultant, including declaring the consultant ineligible, either indefinitely or for a stated period of time, to be awarded any CONTRACT if it at any time determines that the consultant has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for, or in executing, this CONTRACT;</p>
<p><b>1.9.</b></p>	<p>The headings in this Contract are for reference purposes only and shall not affect the meaning or construction of the clauses to which they relate.</p>
<p><b>1.10.</b></p>	<p>Any reference in this Contract to the singular shall include reference to the plural and vice versa unless the context otherwise requires.</p>
<p><b>1.11.</b></p>	<p>References to clauses and Appendices are references to clauses and Appendices to this Contract, unless the context otherwise requires.</p>
<p><b>1.12.</b></p>	<p>References to any statute, statutory instrument, regulation, legislation or ordinance (whether of Federal or Provincial level) shall be interpreted as a reference to the same as amended by any subsequent variation, modification or re-enactment.</p>
<p><b>1.13.</b></p>	<p>In the event of any conflict or inconsistency between the clauses and</p>

Appendices of this Contract, the former shall prevail.

**2. Commencement, Completion, Modification and Termination of CONTRACT**

<p><b>2.1. Effectiveness of CONTRACT</b></p>	<p>The Commencement date of this CONTRACT Shall be the date of execution of this contract.</p> <p>The Effective Date is _____, 201x.</p>
<p><b>2.2 Commencement of Services</b></p>	<p>The Services shall commenced by the consultant on the Effective Date and shall subject to termination as provided below, continue during the terms of the Contract.</p>
<p><b>2.3 Expiration of CONTRACT</b></p>	<p>The time period for completion of the SERVICES shall be 65 days (as defined in Appendix F) from the effective date or such extended time as may be allowed under GC 2.5.3, unless terminated earlier pursuant to clause GC 2.6 this Contract shall expire and to be considered as closed when the services have been completed and the payments have been made to the consultant.</p> <p>This CONTRACT shall expire on the date of completion of the Consultancy Services as Specified above, (or such earlier date as may be agreed between the client and the consultant) unless terminated earlier in accordance with the provisions of this CONTRACT.</p>
<p><b>2.4 Modifications or Variations</b></p>	<p>Any modification or variation of the terms and conditions of this CONTRACT, including any modification or variation of the scope of the SERVICES, may only be made in writing between the Parties. However, each Party shall give due consideration to any proposals for modification or variation made by the other Party.</p>
<p><b>2.5 Force Majeure</b></p>	
<p><b>2.5.1 Scope of Force Majeure</b></p>	<p>For the purposes of this CONTRACT, “Force Majeure” means an event which is beyond the reasonable control of a Party and which makes a Party’s performance of its obligations under the CONTRACT impossible or so impractical as to be considered impossible under the circumstances.</p>
<p><b>2.5.2 No Breach of CONTRACT</b></p>	<p>The failure of a Party to fulfill any of its obligations under the CONTRACT shall not be considered to be a breach of, or default under, this CONTRACT insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this CONTRACT, and (b) has informed the other Party as soon as possible about the occurrence of such an event.</p>
<p><b>2.5.3 Extension of</b></p>	<p>In order to avoid the failure of the project, the client may extend the</p>

<i>Time</i>	time period for completion of the services beyond that specified in GC 2.3, with mutual understanding, after provision of a plausible justification by the consultant for such extension. However, any extension beyond the time period specified in GC 2.3 will be subject to the provisions of GC 2.6.4.
<b>2.6 Termination</b>	
<b>2.6.1 By the client</b>	<p>The client, in the following circumstances may terminate this contract by giving a notice in writing, for a period of fifteen (15) days unless otherwise required :</p> <ul style="list-style-type: none"> <li>(a) if the client is not satisfied with the standard of any part of the Consultancy Service performed by the consultant ( or any third party engaged by it to assist in the provision of the Consultancy Services), it may by written notice require the consultant to remedy any defective work within 15 days of the receipt of such a notice. The client, however, may terminate this CONTRACT with immediate effect if it is not satisfied with the standard of any such remedial work under taken by the Consultant.</li> <li>(b) If the consultant becomes insolvent or bankrupt.</li> <li>(c) If the consultant, in the reasonable judgment of the client supported by evidence, has engaged in corrupt or fraudulent practices in competing for or in executing the CONTRACT.</li> <li>(d) If, as a result of Force Majeure, the consultant is unable to perform a material portion of the SERVICES for a period of not less than twenty (20) days.</li> <li>(e) If the consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Clause GC 8 hereof.</li> <li>(f) If the client, in its sole discretion and for any reason whatsoever, decides to terminate this CONTRACT without giving prior written notice.</li> <li>(g) If conditions arise because of a change in Government policy or the passing of any law, which in the opinion of the client, makes it advisable or necessary to dispense with the Consultancy Services under this CONTRACT, the client may terminate this CONTRACT upon 15 days' written notice to the consultant. Such termination shall be effected in the manner specified in the said notice and shall be without prejudice to any accrued claims which either Party may have against the other under this CONTRACT. In the event of such termination by the client, the client shall pay to the consultant such charges as are properly owing to the consultant for Consultancy Services performed up</li> </ul>



### 3. Obligations of the consultant

<b>3.1 General</b>	
<b>3.1.1 Standard of Performance</b>	<p>The consultant shall perform the Services, with due diligence, skill, professionalism efficiency with professional standards, observing sound management practices, materials and methods. The consultant shall always act, in respect of any matter relating to this CONTRACT or to the Services. And shall at all times support and safeguard the client’s legitimate interests in any dealings with third Parties.</p>
<b>3.2 Conflict of Interests</b>	<p>The consultant shall hold the client’s interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or its own corporate interests.</p>
<b>3.2.1 consultant not to Benefit from Commissions, Discounts, etc.</b>	<p>The payment of the consultant pursuant to Clause GC 6 shall constitute the payment in connection with this CONTRACT and the Services only, and the consultant shall not accept for its own benefit any trade commission, discount, or similar payment(s) in connection with activities pursuant to this CONTRACT or to the Services or in the discharge of its obligations under the CONTRACT, and the consultant shall use its best efforts to ensure that the Personnel, representatives, and agents of any of the Party to this Contract shall not receive any such additional payment(s).</p>
<b>3.2.2 consultant and Affiliates not to be otherwise interested in Project</b>	<p>The consultant agrees that, during the term of this CONTRACT and after its termination, the consultant and any entity affiliated with the consultant, shall be barred/restricted from providing any goods, works or services (other than consulting services) resulting from or directly related to the consultant’s Services for the preparation or implementation of this Contract.</p>
<b>3.3 Confidentiality</b>	<p>Except with the prior written consent of the client, the consultant and the Personnel shall not at any time communicate or disclose to any person or entity any confidential information acquired in the course of the Services, nor shall the consultant and the Personnel make public the recommendations formulated in the course of, or as a result of, the Services.</p>
<b>3.4 Insurance to be Taken Out by the consultant</b>	<p>The consultant (a) shall take out and maintain at its own cost but on terms and conditions approved by the client, insurance against the risks, and for the coverage, as specified below; and (b) at the client’s request, shall provide evidence to the client showing that such insurance has been taken out and maintained and that the current premiums have been paid. The risks and the coverage shall be: Professional Liability for an amount not less than the CONTRACT Price.</p>

	<p>The risks and coverage for losses related to professional liabilities shall be the sole responsibility of the consultant and the consultant shall hold the client indemnified in all actions under law of torts.</p>
<p><b>3.5 consultant's Actions Requiring client's Prior Approval</b></p>	<p>The consultant shall obtain the client's prior approval in writing before taking any of the following actions:</p> <ul style="list-style-type: none"> <li>(a) entering into a subcontract for the performance of any part of the Services,</li> <li>(b) appointing such members of Personnel, in addition to and not listed by name in Appendix C, and</li> <li>(c) The consultant shall not provide Consultancy Services of similar nature to any telecom operator of Pakistan, including its parent, subsidiaries or associates in Pakistan, for at least one year from the date of completion of this consultancy, unless otherwise permitted by the client. In case the permission is not given the client will give objective reasons for not giving the permission.</li> </ul>
<p><b>3.6 Reporting Obligations</b></p>	<ul style="list-style-type: none"> <li>(a) The consultant shall submit to the client the reports and documents specified in Appendix B hereto, in the form, in the numbers and within the time periods set forth in the said Appendix, through authorized person(s).</li> <li>(b) Final reports shall be delivered on CD ROM and USB in addition to the hard copies specified in said Appendix.</li> </ul>
<p><b>3.7 Documents Prepared by the consultant to be the Property of the client</b></p>	<ul style="list-style-type: none"> <li>(a) All plans, specifications, designs, reports and other documents, submitted by the consultant under this CONTRACT shall become and remain the property of the client with all allied rights and titles, including the Copy Rights and Intellectual Property Rights thereof, and the consultant shall, not later than upon termination or expiration of this CONTRACT, deliver all such documents to the client, together with a detailed inventory thereof.</li> <li>(b) The consultant shall not use these documents and data related to Mobile Financial Services for purposes unrelated to this CONTRACT without the prior written approval of the client.</li> </ul>
<p><b>3.8 Accounting, Inspection and Auditing</b></p>	<p>The consultant shall permit the client and/or persons appointed by the client to inspect its accounts and records as well as those of its Personnel relating to the performance of the CONTRACT, and to have such accounts and records audited by auditors appointed by the client if required by the client. The consultant's attention is drawn to Clause 1.8 which provides, inter alia, that acts intended to materially impede the exercise of the client's inspection and audit rights provided for under Clause 3.8 constitute a prohibited practice subject to CONTRACT termination.</p>

<b>3.9 Integrity Pact</b>	The consultant shall sign an ‘Integrity Pact’ in the form as set forth in APPENDIX E of Annex-IV of the RFP.
---------------------------	--

#### 4. Consultant’s PERSONNEL

<b>4.1 Description of Personnel</b>	The consultant shall employ and provide such qualified and experienced Personnel as are required to carry out the Services. The titles, agreed job descriptions, minimum qualifications, and estimated periods of engagement in the carrying out of the Services of the consultant’s Key Personnel are described in Appendix C. The Key Personnel listed by title as well as by name in Appendix C are hereby approved by the client.
<b>4.2 Removal and/or Replacement of Personnel</b>	<p>(a) Except as the client may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the consultant, limited to death or medical disability, it becomes necessary to replace any of the Key Personnel, the consultant shall provide as a replacement a person of equivalent or better qualifications. Each new person so provided shall be subject to written client approval.</p> <p>(b) If the client finds that any of the Personnel have (i) committed serious misconduct or have been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the consultant shall, at the client’s written request specifying the grounds thereof, provide a replacement personnel with qualifications and experience acceptable to the client.</p> <p>(c) The consultant shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.</p> <p>(d) All Personnel of the consultant as per the consultant proposal shall have a valid passport and visa in order to travel to Pakistan.</p>

#### 5. Obligations of the client

<b>5.1 Assistance and Exemptions</b>	The client shall use its best efforts to ensure that the Government shall provide the consultant such assistance and exemptions as possible for the client.
<b>5.2 Change in the Applicable Law related to taxes and duties</b>	If, after the date of this CONTRACT, there is any change in Applicable Law with respect to taxes and duties which increases or decreases the cost incurred by the consultant in performing the Services, then the remuneration and reimbursable expenses otherwise payable to the

	consultant under this CONTRACT shall be increased or decreased accordingly by agreement between the parties, and corresponding adjustments shall be made to the amounts referred to in Clauses GC 6.2. The applicable changes will only take effect when reduced to writing and signed by both the parties.
--	---

## 6. Payments to the consultant

<b>6.1 Lump-Sum Payment</b>	The total payment due to the consultant, in consideration of the Consultancy Services under this Contract, shall not exceed the CONTRACT Price which is an all-inclusive fixed lump-sum covering all costs required to carry out the Services described in Appendix A. The CONTRACT Price may only be increased above the amounts stated in Clause 5.2 or 6.3 if the Parties have agreed to additional payments.
<b>6.2 CONTRACT Price</b>	(a) Total Contract price inclusive of all taxes, duties, fees, levies, and other charges imposed under the applicable law in Pakistan in US\$ is _____/- only). (b) The amount in local currency is _____.
<b>6.3 Payment for Additional Services</b>	For the purposes of determining the remuneration due for additional services as may be agreed between the parties, a breakdown of the lump-sum price is provided.
<b>6.4 Terms and Conditions of Payment</b>	<p>Payments shall be made to the consultant in accordance to the following schedule:</p> <ul style="list-style-type: none"> <li>f) Fifteen percent (15%) of the contract price shall be paid upon completion of deliverable at 3.3.1 (a).</li> <li>g) Fifteen percent (15%) of the contract price shall be paid upon completion of deliverable at 3.3.1 (b).</li> <li>h) Fifteen percent (15%) of the contract price shall be paid upon completion of deliverable at 3.3.1 (c).</li> <li>i) Fifteen percent (15%) of the Contract price shall be paid upon completion of deliverable at 3.3.1 (d).</li> <li>j) Forty percent (40%) of the Contract price shall be paid upon completion of deliverable at 3.3.1 (e).</li> </ul> <p>The payment shall be made after the conditions listed for such payment have been met, and the consultant has submitted the invoice with company stamp to the client after approval of the reports/deliverables by client, inclusive of all taxes and duties specifying the amount due. The payment, however, will be made after deduction of all applicable taxes. . As per regulation 2(2) of PPRA Eligible Bidders (Tax Compliance) Regulations 2015, payment to the consultant shall be linked with active</p>

	<p>tax payer status. If a consultant is not ATL, no payment shall be made until the consultant appears on ATL of FBR For the purpose of this contract, payment shall be considered having been made/effectuated, when the client has delivered irrevocable payment instructions to its bank with copy for information to the consultant.</p> <p>The consultant is further required to submit a Performance Bank Guarantee of an amount equal to 10% of the CONTRACT Price as stated in GC 6.2 as an assurance in the event of failure to perform its obligations under the CONTRACT by delaying the performance during the term of the CONTRACT. This guarantee shall be released after successful completion of the Consultancy. Such guarantee shall be in the form set forth in Appendix E hereto, and submitted on a judicial stamp paper as the client shall have approved in writing. In case the Performance Bank Guarantee (PBG) cannot be en-cashed for any reason, the consultant is liable to pay the amount of PBG to the client. The consultant shall also provide Corporate Guarantee to cover the PBG.</p> <p>All payments shall be made on submission of a written invoice on Company's letter head duly signed by the Authorized representative GC 1.6 as per Schedule of Payments GC 6.4. The payment shall be due within one month of the receipt of invoice and after deduction of the applicable taxes and any other deduction(s) as per terms of the contract.</p>
<p><b>6.5 Remedial Work and Payments</b></p>	<p>If the client is not satisfied with the standard of any part of the work/service carried out by the Consultant and requires the Consultant to rectify any defective work or part of any service, as the case may be, in accordance with clause 2.6 above, such remedial work or rectification as may be required shall be carried out by the Consultant at its own expense and it shall not be entitled to any additional payments/charges in respect of such remedial work.</p>

**7. Good Faith**

<p><b>7.1 Good Faith</b></p>	<p>The Parties undertake to act in good faith with respect to each other's rights under this CONTRACT and to adopt all reasonable measures to ensure the realization of the objectives of this CONTRACT.</p>
------------------------------	--

**8. GENERAL**

<p><b>8.1 Amicable Settlement of Disputes</b></p>	<p>Disputes shall be settled by arbitration in accordance with the provisions of the Arbitration Act, 1940 of Pakistan, at Islamabad Pakistan.</p> <p>The parties agree that this dispute resolution mechanism shall exclude all other modes of National or International dispute resolution.</p>
---	---

<p><b>8.2 Dispute Resolution</b></p>	<p>Any dispute between the Parties as to matters arising pursuant to this CONTRACT that cannot be settled amicably within fifteen (15) days after receipt by one Party of the other Party's request for such amicable settlement may be submitted by either Party for settlement in accordance with the provisions specified in the SC. In such case the parties will go for arbitration proceedings in accordance with the provisions of the Arbitration Act, 1940 of Pakistan at Islamabad.</p> <p>The parties agree that this dispute resolution mechanism will exclude all other modes of National or International dispute resolution.</p> <p>If dispute resolution between the client and the consultant without involving a 3<sup>rd</sup> party goes beyond 90 days and is decided in favor of the consultant, the interest will be paid at the rate of LIBOR + 3% per annum.</p>
<p><b>8.3 Entire Agreement</b></p>	<p>This Contract is complete and constitutes the entire agreement and understanding between the parties with respect to the Consultancy Services and supersedes any previous negotiations and discussions between the parties.</p>
<p><b>8.4. Severability</b></p>	<p>If any provision of this Contract shall be found by any Court, Arbitrator or Administrative body of Competent Jurisdiction to be invalid or unenforceable, such provision shall be deemed to have been deleted without affecting the remaining provisions of this Agreement.</p> <p>No failure by either party to exercise any right or remedy available to it hereunder nor any delay to exercise any such right to remedy shall operate as a waiver of it nor shall any single or partial exercise of any right or remedy preclude any other or further exercise thereof or the exercise of any other right or remedy.</p>
<p><b>8.5. Waiver</b></p>	<p>Nothing in this Contract and no action taken by the Parties pursuant to this Contract shall form, interpreted or construed as creating a partnership, association, or joint venture or other co-operative entity between the parties, nor establish a relationship of agency between the Parties.</p>
<p><b>8.6 Relationship /Status of the Parties:</b></p>	<p>The Parties acknowledge that nothing in this Contract shall give rise to the relationship of employer/employee between the client and the consultant and /or any authorized representative/personnel and any substitute or replacement or any other persons providing Service to the Client or behalf of the Consultant under this Contract.</p> <p>Neither Party shall have any right, power of authority to enter into any agreement, or act on behalf of, or to act as or to be an agent or representative of, or to otherwise bind the other Party unless expressly provided in the Contract.</p>

<b>8.7 Limitation of liability</b>	The aggregate liability of the consultant to the client under this CONTRACT for any losses, damages, penalties, costs and professional and other expenses of any nature shall be limited to the value of the CONTRACT.
------------------------------------	--

**APPENDIX A OF ANNEXURE IV**  
**DESCRIPTION OF SERVICES**

1. The objective of this Consultancy is study of Mobile Financial Services models in Pakistan covering policy, financial and technical aspects viz-e-viz international best practices.

1. Scope of Work (*SoW*):

2.1 The scope of the work shall include the following list of tasks:

2.1.1 **Task-1**

Thorough evaluation/ assessment of existing regulatory Frameworks, vis-a-vis scope of “MFS” in accordance with provisions of the Pakistan Telecommunication (Re-organization) Act, 1996 and Mobile Cellular License. Further, it also involves study of relevant regulations and guidelines issued by State Bank of Pakistan. Considering the above the Consultant shall ascertain the followings:

- a) Whether existing regulatory frameworks including Regulation of Technical implementation of Mobile Banking 2016 provides sufficient basis for regulating MFS and revenue earned by CMOs?
- b) Whether the mandate of PTA and State Bank of Pakistan in terms of MFS is distinct or is there any overlap?
- c) Other aspects related to MFS with reference to existing regulatory practices.

2.1.2 **Task-2**

To review international and regional best practices in application of regulatory requirements on MFS revenue earned by CMOs. Further, following will also be considered:

- a) Evaluation of different MFS models with respect to regulatory requirements/compliances.
- b) International best regulatory practices for MFS including identification/classification of revenues for calculations of regulatory dues/fees/charges etc, by telecom and banking regulators.
- c) GAP analysis with respect to current regulatory frameworks and international best practices.

2.1.3 **Task-3**

To review existing business and technical MFS models being implemented by CMOs taking into account the followings;

- d) Agreements between Financial Institutions and CMOs
- e) Branchless banking arrangements
- f) Standalone arrangements of banks and applicability/relevancy with MFS

#### 2.1.4 Task-4

The Consultant shall carry out in-depth analysis of the following:

- d) Financial statements of banks
- e) Financial statements of corresponding CMOs including projections of contribution by MFS in future revenue streams.
- f) Costing (i.e direct and indirect costs incurred for the telecom infrastructure and related overheads) and revenue/pricing of MFS for telecom operator and financial institution.

#### 2.1.5 Task-5

- a) Upon completion of the tasks 1 to 4, the consultant shall identify areas requiring review or modification in prevailing telecom regulations or any related regulations.

Accordingly the Consultant shall devise recommendations encompassing the way forward including application of Annual Regulatory Dues.

For completion of the above tasks (3.2.1 to 3.2.5), the Consultant will be required to follow the below mentioned methodology:

- g) Meeting with stakeholders to gather market information, challenges and potential regulatory framework.
- h) Preparation of questionnaire including but not limited to potential regulatory framework's highlights, impact on the local market, impact on the existing licensing etc. Consultant will prepare a report for this purpose and give a presentation to the Authority before finalizing the report.
- i) Consultant may complete his exercise in 65 days, time period.

#### 3. The specific deliverables are:

- a) A report on existing regulatory frameworks, involving study of relevant regulations/guidelines and other aspects as detailed in task-1.
- b) A report on international and regional best practices along with gap analysis as mentioned in task-2.
- c) A report on existing business and technical MFS models being implemented by CMOs as indicated in task-3.
- d) Submission of report on analysis of financial statements along with costing as provided in Task-4.
- e) Submission of report identifying areas requiring review or modification in prevailing regulations either from Telecom and Banking perspective and devise recommendations encompassing the way forward including application of Annual Regulatory Dues, as applicable.

2. Physical presence of Consultant(s) in Islamabad is required for meetings/ discussions to submit a report and deliver presentation to the Client on completion of deliverable mentioned in 3.3.1 (a-e) above of this RFP. The Consultant will deliver presentation or carryout discussion through Video Conference as and when required by the Client. Visits other than aforesaid three (3) visits will be decided with mutual understanding of the Client and the Consultant.

#### **APPENDIX B OF ANNEXURE IV**

##### **REPORTING REQUIREMENTS**

- a. The proposal and the Contract between the client and the Consultant shall include specific sequencing and timing of each task and any other necessary sub tasks.
- b. The Consultant shall update the client on weekly basis about the project status.
- c. The Consultant shall submit 5 copies of the Final Report at the end of the assignment along with soft copies including business and / or econometric models, if any developed or used, during the consultancy.
- d. The Report shall be considered final, after it has been accepted by the client. It shall be both in the print form and supported by soft copies of deliverables, and simulation models, if any.
- e. As and when required, during the consultancy, Power Point presentations may be required to be made.
- g. The Consultant will hold a workshop in addition to the meetings with the representation of the client and stakeholders (if required).

**APPENDIX C OF ANNEXURE IV**  
**KEY PERSONNEL**

**APPENDIX D OF ANNEXURE IV**

**FORM OF PERFORMANCE BANK GUARANTEE**

*Note: See Clause GC 6.4*

**Performance Guarantee for Performance Obligations**

Date:-----

\_\_\_\_\_ *[On a legal document/stamp paper]*

**Beneficiary:** Pakistan Telecommunication Authority, Headquarters Building, F-5/1, Islamabad, Pakistan.

**Date:** \_\_\_\_\_

We, *[name of Bank]* are providing Performance Guarantee for \_\_\_\_\_ (hereinafter called "the consultant") have entered into CONTRACT No. *[Reference number of the CONTRACT]* dated *[insert date]* with Pakistan Telecommunication Authority (hereinafter called the "client"), for the provision of **consultancy for mobile financial services** (hereinafter called "the CONTRACT").

Furthermore, we understand that, according to the conditions of the CONTRACT, a performance guarantee in the sum of PKR \_\_\_\_\_ / [PKR \_\_\_\_\_] (*the amount equal to 10% of the total CONTRACT Price*) is to be made against the performance obligations of the consultant.

We *[name of Bank]* hereby irrevocably, unconditionally and continuingly guarantee without recourse to the client, and undertake to pay to the client any sum or sums not exceeding in total an amount of PKR \_\_\_\_\_ /-PKR \_\_\_\_\_ only) (*the amount equal to 10% of the total CONTRACT Price*) upon receipt by us of client's first demand in writing accompanied by a written statement stating that "the consultant" is in breach of their obligations under the CONTRACT.

This guarantee shall be released after successful completion of the Consultancy.

\_\_\_\_\_  
*[signature(s)]*

*Endorsed and guaranteed by Commercial Bank in Pakistan*

*[Bank Stamp & Signature(s)]*

*Note: All italicized text is for indicative purposes only to assist in preparing this form and shall be deleted from the final product. If the bank guarantee is arranged from a bank outside Pakistan that bank guarantee has to be backed by the bank guarantee of a local bank in Pakistan with a credit rating of at least AA+.*

***The expiry date of this guarantee will be six months from the start date of the consultancy***

## APPENDIX E OF ANNEXURE IV

### INTEGRITY PACT

#### GENERAL

This pre-contract Agreement (hereinafter called the "Integrity Pact") is made on \_\_\_ day of the month of \_\_\_ 201x, between, Pakistan Telecommunication Authority (PTA) (hereinafter called the "client", which expression shall mean and include, unless the context otherwise require, its successors in office and permitted assigns) of the First Part and M/s. \_\_\_\_\_ (hereinafter called "the consultant" which expression shall mean and include, unless the context otherwise requires, its successors and permitted assigns) of the Second Part and both parties jointly and collectively may be referred to as the "PARTIES".

**WHEREAS the client** proposes to procure **CONSULTANCY FOR MOBILE FINANCIAL SERVICES** the consultant is willing to offer/ has offered the services.

WHEREAS the consultant is a consultant/Consulting Firms/Consortium etc. recognized under the applicable relevant Laws, in the subject matter and the client is a body corporate established by a federal statute i.e. Pakistan Telecommunication (Re-organization) Act, 1996 ("the Act").

NOW, THEREFORE, to avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the CONTRACT to be entered into with a view to :-

- Enable the client to obtain the desired said Consultancy Services at a competitive price in conformity with the defined specifications by avoiding the high cost and the distortion impact of corruption on public procurement, and
- Ensure that the consultant abstains from bribing or indulging in any corrupt practice to secure the contract and the client will commit to prevent corruption, in any form, by its officials by following transparent procedures.

The PARTIES hereto hereby agree to enter into this integrity Pact and agree as follows:

#### 1. COMMITMENTS OF THE client

- 1.1 The client undertakes that no official of the client, connected directly or indirectly with the contract, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favor or any material or immaterial benefit or any other advantage from the consultant, either for themselves or for any person, organization or third party related to the contract in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the Contract.
- 1.2 The client will, during the pre-contract stage, treat all Consultants alike, and will provide to all Consultants the same information and will not provide any such information to any particular consultant which could afford an advantage to that particular consultant in comparison to other Consultants.

- 1.3 All the officials of the client will report to the appropriate Government office any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach.
2. In case any such preceding misconduct on the part of such official(s) is reported by the consultant to the client with full and verifiable facts and the same is prima-facie found to be correct by the client, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by the client and such a person shall be debarred from further dealings related to the contract process. In such a case while an enquiry is being conducted by the client the proceedings under the CONTRACT would not be stalled.
3. **COMMITMENTS OF CONSULTANTS:**

The consultant commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its proposal or during any pre-contract or post-contract stage in order to secure the CONTRACT or in furtherance to secure it and in particular commit itself to the following:-

  - 3.1 The consultant will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the client, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the CONTRACT in exchange for any advantage in the bidding, evaluation, contracting and implementation of the CONTRACT.
  - 3.2 The consultant further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favor, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the client or otherwise in procuring the CONTRACT or forbearing to do or having done any act in relation to the obtaining or execution of the Contract or any other contract with the Government for showing or forbearing to show favor or disfavor to any person in relation to the Contract or any other contract with the Government.
  - 3.3 The consultant, either while presenting the proposal or during pre-contract negotiations or before signing the Contract, shall disclose any payments he has made, is committed to or intends to make to officials of the client or their family members, agents, brokers or any other intermediaries in connection with the Contract and the Services agreed upon for such payments.
  - 3.4 The consultant will not collude with other parties interested in the contract to impair the transparency, fairness and progress of the bidding process, proposal evaluation, contracting and implementation of the Contract.
  - 3.5 The consultant will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
  - 3.6 The consultant shall not use improperly, for purposes of competition or personal gain, or pass on to other, any information provided by the client as part of the business relationship, regarding plans, technical proposals and business details, including

information contained in any electronic data carrier. The consultant also undertakes to exercise due and adequate care lest any such information is divulged.

- 3.7 The consultant commits to refrain from lodging any complaint directly or through any other manner without supporting it with full and verifiable facts.
- 3.8 The consultant shall not instigate or cause to instigate any third person to commit any of the actions mentioned above.
- 3.9 If the consultant or any employee of the consultant or any person acting on behalf of the consultant, either directly or indirectly, is a relative of any of the officers of the client, or alternatively, if any relative of an employee of the client has financial interest/stake in the consultant's firm, the same shall be disclosed by the consultant at the time of submitting its proposal.
- 3.10 The consultant shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of the client.

#### **4. PREVIOUS TRANSGRESSION**

- 4.1 The consultant declares that no previous transgression occurred in the last five years immediately before signing of this Integrity Pact, with any other company in any country in respect of any corrupt practices envisaged hereunder or with any Public Sector Enterprise in Pakistan or any Government Department in Pakistan that could justify consultant's exclusion from the bidding process.
- 4.2 The consultant agrees that if it makes incorrect statement on this subject consultant can be disqualified from the bidding process or the CONTRACT, if already awarded, can be terminated for such reason.

#### **5. SANCTIONS FOR VIOLATIONS**

- 5.1 Any breach of the aforesaid provisions by the consultant or any one employed by it or acting on its behalf (whether with or without the knowledge of the consultant) shall entitle the client to take all or any one of the following actions, wherever required:-
  - (i) To immediately call off the pre-contract negotiations without assigning any reason or giving any compensation to the consultant. However, the proceedings with the other consultant would continue.
  - (ii) The Performance Bond (after the Contract is signed) shall stand forfeited either fully and the client shall not be required to assign any reason thereof.
  - (iii) To immediately cancel the Contract, if already signed, without giving any compensation to the consultant.
  - (iv) To recover all sums already paid by the client, with interest thereon at the rate of prevailing 6 months KIBOR (Karachi Inter Bank Offer Rate).
  - (v) To encash the performance bond furnished by the consultant, in order to recover the payments, already made by the client, along with interest.
  - (vi) To cancel all or any other Contract with the consultant. The consultant shall be liable to pay compensation for any loss or damage to the client resulting from such cancellation/rescission and the client shall be entitled to deduct the amount so payable from the money(s) due to the consultant.

- (vii) To debar the consultant from participating in future bidding processes of the Government of Pakistan for a minimum period of five years, which may be further extended at the discretion of the client.
- (viii) To recover all sums paid in violation of this PACT by consultant to any middleman or agent or broker with a view to securing the Contract.
- (ix) In cases where irrevocable Letters of Credit have been received in respect of any contract signed by the client with the consultant, the same shall not be opened.
- (x) Forfeiture of Performance Guarantee in case of a decision by the client to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.

5.2 The client will be entitled to take all or any of the actions mentioned at para 5.1(i) to (x) of this Pact also on the Commission by the consultant or any one employed by it or acting on its behalf (whether with or without the knowledge of the consultant), of an offence as defined in the Pakistan Penal code, or any other statute enacted for prevention of corruption.

5.3 The decision of the client to the effect that a breach of the provisions of this Pact has been committed by the consultant shall be final and conclusive on the consultant. However, the consultant can approach the Independent Monitor(s), if any, appointed for the purposes of this Pact.

## **6. FALL CLAUSE**

The consultant undertakes that it has not supplied/is not supplying similar services at a price lower than that offered in the present bid in respect of any other Ministry/Department of the Government of Pakistan and if it is found at any stage that similar services were supplied by the consultant to any other Ministry/Department of the Government of Pakistan at a lower price, then that very price, with due allowance for elapsed time, will be applicable to the present case and the difference in the cost would be refunded by the consultant to the client, if the Contract has already been concluded.

## **7. MONITORS**

7.1 The client may appoint Independent Monitor(s) for this Consultancy.

7.2 The task of the Monitor(s) shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Consultancy.

7.3 Both the parties accept that the Monitor(s) have the right to access all the documents relating to the project/procurement, including minutes of meetings.

7.4 As soon as the Monitor(s) notice(s), or has reason to believe, a violation of this CONTRACT, will inform the Client. The Monitor(s) will submit a written report to the designated Authority of client biweekly from the date of reference or intimation to him by the client/ consultant and, should the occasion arise, submit proposals for correcting problematic situations.

## **8. FACILITATION OF INVESTIGATION**

In case of any allegations of violation of any provisions of this Pact or payment of commission, the client or its agencies shall be entitled to examine all the documents including the BOOKs of Accounts of the consultant and the consultant shall provide

necessary information and documents in English and shall extend all possible help for the purpose of such examination.

**9. LAW AND PLACE OF JURISDICTION**

This Pact is subject to Laws of Pakistan. The place of performance and jurisdiction is the seat of the client at Islamabad Pakistan.

**10. OTHER LEGAL ACTIONS**

The actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

**a. Validity**

- i. The validity of this Integrity Pact shall be from date of its signing and extend the complete execution of the Contract to the satisfaction of both the client and the consultant. In case consultant is unsuccessful, this integrity Pact shall expire after six months from the date of the signing of the CONTRACT.
- ii. Should one or several provisions of this Pact turn out to be invalid; the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

**b.** The parties hereby agree and sign this integrity Pact at Islamabad Pakistan on\_\_\_\_\_.

Client  
Authorized Representative  
Witnesses \_\_\_\_\_

Consultant  
Authorized Representative  
Witnesses \_\_\_\_\_

1. Name \_\_\_\_\_

Name \_\_\_\_\_

Designation \_\_\_\_\_

Designation \_\_\_\_\_

Organization \_\_\_\_\_

Organization \_\_\_\_\_

CNIC (if applicable) \_\_\_\_

CNIC (if applicable) \_\_\_\_\_

1. Name \_\_\_\_\_

Name \_\_\_\_\_

Designation \_\_\_\_\_

Designation \_\_\_\_\_

Organization \_\_\_\_\_

Organization \_\_\_\_\_

CNIC (if applicable) \_\_\_\_

CNIC (if applicable) \_\_\_\_\_

**APPENDIX F OF ANNEXURE IV  
PROJECT WORK PLAN**

S. No.	Milestone	No of days to complete tasks
<b>Start Date</b>		<b>*T0</b>
<b>1.</b>	A report on existing regulatory frameworks, involving study of relevant regulations/guidelines and other aspects as detailed in task-1.	<b>T1=T0+15</b>
<b>2.</b>	A report on international and regional best practices along with gap analysis as mentioned in task-2.	<b>T2=T1+15</b>
<b>3.</b>	A report on existing business and technical MFS models being implemented by CMOs as indicated in task-3.	<b>T3=T2+ 10</b>
<b>4.</b>	Submission of report on analysis of financial statements as provided in Task-4.	<b>T4=T3+10</b>
<b>5.</b>	Submission of report identifying areas requiring review or modification in prevailing regulations either from Telecom and Banking perspective and devise recommendations encompassing the way forward including application of Annual Regulatory Dues, as applicable.	<b>T5=T4+15</b>
<b>Total Days</b>		<b>T=T0+65</b>

**NOTE:** For the purpose of clarification of the timelines given herein above, sixty five (65) days for this consultancy will exclude the time taken by the client to approve the individual deliverables and a maximum of 5 days per deliverable to rectify deficiencies by the Consultant.

*Provided further that the milestones mentioned in the contract are sequential in nature and are not independent of each other. The consultant shall not be bound to submit a report for next milestone/task until and unless the previous report is finalized and approved by the Client.*

**APPENDIX G OF ANNEXURE IV**

**CORPORATE GUARANTEE FOR PERFORMANCE BANK GUARANTEE**

**Beneficiary:** Pakistan Telecommunication Authority, Headquarters Building, F-5/1, Islamabad, Pakistan.

**Date:** *Day Month 201x*

1. We *Name of the consultant* (hereinafter called the "consultant") have entered into CONTRACT No. *xxxxxxx* dated *day month 201x* with Pakistan Telecommunication Authority (hereinafter called the "client"), for the provision of *CONSULTANCY FOR MOBILE FINANCIAL SERVICES* (hereinafter called "the CONTRACT").

2. We understand that, according to the conditions of the CONTRACT, a performance bank guarantee in the sum of PKR \_\_\_\_\_/- (PKR \_\_\_\_\_) is to be provided by the consultant against the performance obligations of the consultant.

3. We, the consultant, do hereby irrevocably and unconditionally undertake that in case the Performance Bank Guarantee (PBG) cannot be encashed for any reason, the consultant is liable to pay the amount of PBG of PKR \_\_\_\_\_/- (PKR \_\_\_\_\_ only) as mentioned in para 2 above to the client.

4. This guarantee shall in all respects be governed by, and construed in accordance with, the laws of Pakistan. The consultant hereby attorns and submits to the exclusive jurisdiction of the Courts of Islamabad, Pakistan in respect of any legal action or proceeding commenced in respect of this guarantee.

5. This guarantee will expire one month after completion of the contract or the final payment whichever is later

For and on behalf of consultant

*Name of the Consultant*

\_\_\_\_\_  
*(Signature)*  
1. Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
CNIC (if applicable): \_\_\_\_\_

\_\_\_\_\_  
*(Signature)*  
2. Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
CNIC (if applicable): \_\_\_\_\_

**Witnesses:**

\_\_\_\_\_  
*(Signature)*  
1. Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
**Organization:** \_\_\_\_\_  
CNIC (if applicable): \_\_\_\_\_

\_\_\_\_\_  
*(Signature)*  
2. Name: \_\_\_\_\_  
Designation: \_\_\_\_\_  
**Organization:** \_\_\_\_\_  
CNIC (if applicable): \_\_\_\_\_