**KARANDAAZ PAKISTAN**

**Request for Proposal**

"A firm to develop an Operations Manual for its Digital Financial Services (DFS) , Knowledge Management & Communications (KMC) and Innovation Challenge Fund & Monitoring (ICF) & Evaluation units (M&E)”.

01 February 2018

**SECTION 1. LETTER OF INVITATION**

RFP no. (NA)

01 February, 2018- Islamabad

The purpose of this RFP is to solicit bids from companies interested in providing “a firm to develop four Operations Manuals for Karandaaz’s four work streams i.e. DFS, KMC and ICF & M&E units”.

1. The RFP is designed to assess whether organizations are able to provide the services required, and through a competitive and fair assessment, select a winning vendor for a goods and services year-long contract.
2. Karandaaz Pakistan invites sealed proposals from interested and eligible organizations. More details on the Services required are provided in the Terms of Reference (Section 4 of RFP).
3. The company will be selected under open competitive procedures, in accordance with the procurement policies and procedures of Karandaaz Pakistan.
4. The full RFP is available at [**www.karandaaz.com.pk**](http://www.karandaaz.com.pk).
5. Both financial and technical proposals must be submitted before **close of business-COB** Pakistan Standard Time on 15th February 2018. Offerors must prepare four hard copies of the technical proposal and one hard copy of the cost proposals, and submit in separate **sealed** envelopes to the attention of ‘The Procurement Department’ 1-E, Ali Plaza, D Chowk, Mezzanine Floor, Naziumudin Road, Blue Area, Islamabad

Yours sincerely,

**The Procurement Department**

Karandaaz Pakistan

**SECTION 2. INSTRUCTIONS TO FIRMS**

**A. General**

1. **Scope of Proposal**

Karandaaz Pakistan issues this Request for Proposal (RFP) for the following services:

“Operating manuals for Digital Financial Services , Knowledge Management & Communications and Innovation Challenge Fund & Monitoring & Evaluation

Throughout this RFP:

1. The term “in writing” means communicated in written form (e.g., by mail, e-mail, fax)
2. “Day” means calendar day
3. **Fraud and Corruption**

Firms shall comply with Karandaaz Pakistan’s policy regarding fraud and corruption given in Section 3 of the RFP.

1. **Eligibility**

Karandaaz Pakistan may specify certain minimum qualification criteria in the Terms of Reference e.g. minimum years of relevant experience.

The firm has an obligation to disclose to Karandaaz Pakistan any situation of actual or potential conflict that impacts its capacity to serve Karandaaz Pakistan’s best interests. Failure to disclose such situations may lead to the disqualification of the firm or the termination of its Contract. Karandaaz Pakistan’s policy with regard to conflict of interest is given Section 3 of the RFP.

Firms shall provide such evidence of their continued eligibility satisfactory to Karandaaz Pakistan, upon request.

1. **One Proposal Per Firm**

Each firm shall submit only one proposal, either individually or as a partner in a joint venture. A firm that submits or participates in more than one proposal shall cause all the proposals with the firm’s participation to be disqualified.

1. **Cost of Preparation of Proposal**

The firm shall bear all costs associated with the preparation and submission of its proposal. Karandaaz Pakistan shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

**B. Request for Proposal**

1. **Contents of the RFP**

The RFP includes the documents listed below and any Addendum issued in pursuant to point 8 of this section ‘Amendment of RFP’.

Section 1 - Letter of Invitation

Section 2 - Instructions to firms

Section 3 – Procurement Policy – vendor conduct

Section 4 - Terms of Reference

Annexure A – Proposal Submission Form

1. **Clarification of RFP**

All questions and/or clarifications regarding this RFP must be submitted via email to Procurement@karandaaz.com.pk no later than **COB** local time on February 08, 2018. All correspondence and/or inquiries regarding this solicitation must reference the RFP number. No phone calls or in-person inquiries will be entertained; all questions and inquiries must be in writing

Questions and requests for clarification—and the responses thereto—will be circulated to all RFP recipients who have indicated an interest in bidding by **COB** on February 12, 2018.

Only the written answers will be considered official and carry weight in the RFP process and subsequent evaluation. Any verbal information received from a Karandaaz employee or other entity should not be considered as an official response to any questions regarding this RFP.

1. **Amendment of RFP**

At any time prior to the deadline for submission of bids, Karandaaz Pakistan may amend the RFP by issuing an Addendum.

Any Addendum issued shall be part of the RFP and will be communicated via the Karandaaz Pakistan website. Firms are advised to monitor the site for updates.

To give prospective firms reasonable time in which to take an Addendum into account in preparing their bids, Karandaaz Pakistan may, at its discretion, extend the deadline for the submission of bids, pursuant to point 17 ‘Deadline for Submission of Proposals’ of this section.

**C. Preparation and Submission of Proposals**

1. **Language of proposal**

All documents relating to the proposal shall be written in the English language.

1. **Documents Comprising the Proposal**

The proposal shall consist of the following:

1. Technical proposal consisting of the following;
2. Firm’s profile (max. 1 pages);
3. Comments and suggestions on the terms of reference, counterpart staff, and facilities to be provided by the client;
4. Description of approach, methodology, and milestone based work plan in responding to the terms of reference (max. 3 pages, excluding work plan);
5. Examples of relevant past experience (max. 3 pages)
6. Team composition and roles along with Curriculum vitae (CV).
7. Financial proposal
8. **Currencies of Bid and Payment**

Firms may express the price only in PKR.

1. **Proposal Validity**

Proposal shall remain valid for ninety (90) days after the proposal submission deadline date established by Karandaaz Pakistan. A proposal valid for a shorter period shall be rejected as non-responsive.

In exceptional circumstances, prior to the expiration of the proposal validity period, Karandaaz Pakistan may request all firms who submitted their proposals to extend the period of validity of their proposal for a specified additional period. The request and the responses shall be made in writing. If the firm agrees to extend the validity of its proposal, it shall be done without any change in the original proposal and with the confirmation of the availability of the key experts. The firm has the right to refuse to extend the validity of its proposal in which case such proposal will not be further evaluated.

If any of the Key Experts become unavailable for the extended validity period, the firm shall provide a written adequate justification and evidence satisfactory to the Client together with the substitution request. In such case, a replacement Key Expert shall have equal or better qualifications and experience than those of the originally proposed Key Expert. The technical evaluation score, however, will remain to be based on the evaluation of the CV of the original Key Expert.

If the firm fails to provide a replacement Key Expert with equal or better qualifications, or if the provided reasons for the replacement or justification are unacceptable to the Client, such Proposal will be rejected.

1. **Proposal Security**

In this procurement, a proposal security is not required.

1. **Alternative Proposals**

Alternative proposals shall not be considered.

1. **Format, Signing, and Submission of Proposals of Proposal**

The firm shall prepare and email a scanned copy of the documents comprising the Proposal as described in point 10 on official company letterhead. Each document shall be signed by a person duly authorized to sign on behalf of the firm. All pages of the proposal shall be initialled by the person or persons signing the proposal.

Both financial and technical proposals must be submitted before **COB** Pakistan Standard Time on February 15th, 2018. Offerors must prepare four hard copies of the technical proposal and one hard copy of the cost proposals, and submit in separate **sealed** envelopes to the attention of ‘The Procurement Department’ 1-E, Ali Plaza, D Chowk, Mezzanine Floor, Naziumudin Road, Blue Area, Islamabad

The proposal should also be sent to the following email address: **procurement@karandaaz.com.pk** with the subject line: Responding to RFP for “A firm to develop an Operations Manual for its Digital Financial Services (DFS) , Knowledge Management & Communications (KMC) and Innovation Challenge Fund & Monitoring (ICF) & Evaluation units (M&E)”.

The Proposal shall contain no alterations or additions, except those to comply with instructions issued by Karandaaz Pakistan, or as necessary to correct errors made by the firm, in which case such corrections shall be initialled by the person or persons signing the Proposal.

1. **Deadline for Submission of Proposals**

Proposals must be received by Karandaaz Pakistan no later than **COB** Pakistan Standard Time on February 15th, 2018.

Karandaaz Pakistan may extend the deadline for submission of proposals by issuing an amendment in accordance with point 8 ‘Amendment of RFP’, in which case all rights and obligations of Karandaaz Pakistan and the firms previously subject to the original deadline shall then be subject to the new deadline.

1. **Late Proposals**

Any Proposal received late by Karandaaz Pakistan will be considered only at the discretion of the evaluation team

1. **Withdrawal, Substitution, and Modification of Proposals**

Firms may withdraw, substitute or modify their proposals by giving notice in writing before the deadline for submission of proposals prescribed in point 16 ‘Deadline for Submission of Proposal’ of this section.

Each firm’s withdrawal, substitution or modification notice shall be prepared, sealed, marked, and delivered in accordance with point 15 ‘Format, Signing, and Submission of Proposals of Proposal’, with the subject line as example: Responding to RFP for “Website Enhancement, Maintenance and Technical Services; Digital Marketing and Design Development of Web Products - “WITHDRAWAL,” SUBSTITUTION” or “MODIFICATION” as appropriate. No Proposal may be substituted or modified after the deadline for submission of proposals.

**E. Proposal Opening and Evaluation**

1. **Proposal Opening**

Karandaaz Pakistan shall open the proposals, including modifications made pursuant to point 18, on the business day following the deadline, as per point 16.

1. **Confidentiality**

Information relating to the examination, evaluation, comparison, and post-qualification of proposals, and recommendation of contract award, shall not be disclosed to firms or any other persons not officially concerned with such process until publication of the contract award. Any effort by a firm to influence Karandaaz Pakistan in the examination, evaluation, comparison, and post-qualification of the Proposals or contract award decisions may result in the rejection of its Bid. Notwithstanding the above, from the time of proposal opening to the time of contract award, if any firm wishes to contact Karandaaz Pakistan on any matter related to the bidding process, it should do so in writing at the address indicated in point 7 ‘Clarification of RFP’.

1. **Clarification of Bids**

To assist in the examination, evaluation, and comparison of proposals, Karandaaz Pakistan may, at its discretion, ask any firm for clarification of the firm’s proposal. The request for clarification and the response shall be in writing, but no change in the price or substance of the proposal shall be sought, offered, or permitted except as required to confirm the correction of arithmetic errors discovered by Karandaaz Pakistan in the evaluation of the proposals in accordance with point 25 ‘Correction of Errors’.

1. **Preliminary Examination of Proposals**

Prior to the detailed evaluation of proposals, Karandaaz Pakistan shall first review each Proposal and check the power of attorney or any other form demonstrating that the representative has been duly authorized to sign the proposal, initialization of all pages, etc.

1. **Determination of Firm’s Eligibility and Qualifications**

Then Karandaaz Pakistan shall determine whether the firm meets the eligibility and qualification requirements of the bidding documents. Firms failing to comply with the eligibility criteria indicated in point 3 ‘Eligibility’ shall be disqualified.

Further, Karandaaz Pakistan shall determine whether the proposal is substantially responsive to the requirements of the bidding documents.

Karandaaz Pakistan’s determination of a proposal’s responsiveness is to be based on the contents of the proposal itself. A substantially responsive proposal is one, which conforms to all the terms, conditions, and specifications of the RFP, without material deviation or reservation. A material deviation or reservation is one (a) which affects in any substantial way the scope, quality, or performance of the service; (b) which limits in any substantial way, inconsistent with the RFP, Karandaaz Pakistan’s rights or firm’s obligations under the contract; or (c) whose rectification would affect unfairly the competitive position of other firms presenting substantially responsive Proposals.

1. **Evaluation of Technical Proposal**

Karandaaz Pakistan shall evaluate the technical aspects of the proposals received, applying the evaluation criteria specified in this point. Each proposal that is not rejected for reasons stated in these Instructions will be given a technical score.

The evaluation criteria, relevant sub-criteria, and point system to be used to evaluate the Technical Proposals shall be:

Technical Proposal (80% of total score)

Relevant Experience (30%)

Proposed Methadology (20%)

Personnel (30%)

1. **Correction of Errors**

Proposals determined to be substantially responsive shall be checked by Karandaaz Pakistan for any arithmetic errors. Errors shall be corrected by Karandaaz Pakistan as follows:

Where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern.

The amount stated in the proposal shall be adjusted by Karandaaz Pakistan in accordance with the above procedure for the correction of errors and, with the concurrence of the firm, shall be considered as binding upon the firm. If the firm does not accept the corrected amount, the proposal shall be rejected.

1. **Currency for Price Evaluation**

For evaluation and comparison purposes, Kaandaaz Pakitan shall convert all proposal prices expressed in US Dollars into an equivalent amount in PKR, using the selling exchange rates established by the State Bank of Pakistan on the date of proposal opening specified in point 19 ‘Proposal Opening’.

1. **Evaluation of Proposal Price and ranking :**

Financial Proposal (20% of Total Score):

Cost proposals submitted will be evaluated according to price reasonableness determination under full and open competition and known market conditions.

Evaluation of the cost proposal will consider, but will not be limited to, the following:

* Cost reasonableness;
* Consistency with the technical proposal;

20 points will be awarded to the lowest responsive bidder while rest of the bids will be allocated points according to following formula:

Points of a Bidder = (P1/ P2)\* 20

Where:

P1= Price of Lowest Responsive Bidder

P2= Price of the Bidder

**F. Award of Contract**

1. **Award Criteria**

Subject to 31 below, Karandaaz Pakistan shall award the contract to the firm whose proposal has been determined to be substantially responsive to the RFP and which has the highest combined technical and financial score, provided that such firm has been determined to be eligible in accordance with point 3.

1. **Karandaaz Pakistan’s right to accept Any proposal and to reject any or all proposals**

Notwithstanding point 28 above, Karandaaz Pakistan reserves the right to accept or reject any proposal, and to cancel the bidding process and reject all bids, at any time prior to the award of contract, without thereby incurring any liability to the affected firm or firms or any obligation to inform the affected firm or firms of the grounds for Karandaaz Pakistan’s action.

1. **Notification of Award and Signing of Agreement**

The firm whose Proposal has been accepted shall be notified of the award by Karandaaz Pakistan prior to expiration of the proposal validity period in writing. This letter (hereinafter and in the contract called the “Letter of Acceptance”) shall state the sum that Karandaaz Pakistan shall pay the contractor in consideration of the services as prescribed by the contract.

The Agreement shall incorporate all agreements between Karandaaz Pakistan and the successful firm. It shall be signed by Karandaaz Pakistan and sent to the successful firm, within seven (7) days following the Letter of Acceptance’s date. Within seven (7) days of receipt, the successful firm shall sign the Form of Agreement and deliver it to Karandaaz Pakistan.

Karandaaz Pakistan will also promptly notify in writing each unsuccessful firm. After publication of the award, unsuccessful firms may request in writing to Karandaaz Pakistan seeking explanations of the grounds on which their Proposals were not selected. Also, Karandaaz Pakistan shall entertain a complaint from any firm that claims to have suffered or that may suffer, loss or injury due to a breach of a duty by the company in the conduct of this bidding process. Such requests shall be addressed and delivered in writing to:

Karandaaz Pakistan

Attention: The Procurement Department

Re: “RFP :Operations Manuals for its DFS, KMC and ICF & M&E unit”

1 E, Ali Plaza, Nazimuddin Road, D-Chowk, Islamabad

Any requests via email seeking this explanation will not be answered.

**SECTION 3. PROCUREMENT POLICY – VENDOR CONDUCT**

1. **Corrupt or fraudulent practices**

Bidders, suppliers, contractors and their agents (whether declared or not), sub-contractors, sub-consultants, firms or suppliers, and any personnel thereof, shall observe the highest standard of ethics during the procurement and execution of contracts.

Karandaaz Pakistan shall not award contract if it is determined that the bidder, or any of its personnel, or its agents, or its sub-consultants, sub-contractors, firms, suppliers and/or their employees, has, directly or indirectly, engaged in corrupt, fraudulent, collusive, coercive, or obstructive practices in competing for the contract in question. As part of bidding/ solicitation documents, Karandaaz Pakistan will seek declaration of ‘Non collusive non corrupt practices’ from each bidder. Format for such declaration is prescribed in section 3 of the standard bidding document. In pursuance of this policy, following terms are defined as follows:

1. “Corrupt practice” is the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
2. “Fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
3. “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;
4. “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;
5. “Obstructive practice” is deliberately destroying, falsifying, altering, or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede 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.
6. **Avoidance of conflict of interest**

Any firm participating in the procurement process should disclose any actual or perceived conflict of interest situation/condition. Any firm found to have a conflict of interest shall be ineligible for award of a contract.

A firm shall be considered to have a conflict of interest in a procurement process if:

1. Such firm is providing goods, works, or non-consulting services resulting from or directly related to consulting services for the preparation or implementation of a project that it provided or were provided by any affiliate that directly or indirectly controls, is controlled by, or is under common control with that firm; or
2. Such firm submits more than one bid, either individually or as a joint venture partner in another bid, except for permitted alternative bids. This will result in the disqualification of all bids in which the bidder is involved. However, this does not limit the inclusion of a firm as a sub-contractor in more than one bid. Only for certain types of procurement, the participation of a bidder as a sub-contractor in another bid may be permitted subject to the company’s no objection and as allowed by the standard bidding documents applicable to such types of procurement; or
3. Such firm (including its personnel) has a close business or family relationship with a professional staff of the company who: (i) are directly or indirectly involved in the preparation of the bidding documents or specifications of the contract, and/or the bid evaluation process of such contract; or (ii) would be involved in the implementation or supervision of such contract unless the conflict stemming from such relationship has been resolved in a manner acceptable to the company throughout the procurement process and execution of the contract; or
4. Such firm does not comply with any other conflict of interest situation as specified in the standard bidding documents relevant to the specific procurement process.
5. **Duty of care**

The supplier in performance of services for Karandaaz Pakistan shall exercise duty of care. Duty of care holds the supplier responsible for the safety and well-being of its personnel and any third party affected by its activities.

**SECTION 4. TERMS OF REFERENCE**

**Thematic Area**: Knowledge Management and Communications

**Project Title:** Operations Manual for KMC

**Expected Start Date:** January, 2018.

**End Date:**  March, 2018.

**Task Manager:** Director KMC.

**About Karandaaz Pakistan**

KARANDAAZ PAKISTAN, a not-for-profit company established in August 2014, promotes access to finance for small businesses through a commercially directed investment platform, and financial inclusion for individuals by employing technology enabled digital solutions. The company has financial and institutional support from leading international development finance institutions; principally the United Kingdom Department for International Development (DFID) and the Bill & Melinda Gates Foundation (BMGF).

Karandaaz Pakistan has four core work streams:

1. **Karandaaz Digital** focuses on providing technical assistance and services to promote financial inclusion through technology enabled solutions. KD is working with national regulators, public agencies, private corporations, and technology entrepreneurs to strengthen national payments infrastructure, digitizing government to people payments, corporate supply chains and supporting FinTech innovation in Pakistan.
2. **Karandaaz Capital** invests growth capital in small and medium size enterprises (SMEs) with the objective of generating commercial financial returns for Karandaaz and supporting broad-based employment generation in Pakistan.
3. **Knowledge Management and Communications (KMC)** develops and disseminates evidence-based insights and solutions to inform the core themes of the company, including innovation, women entrepreneurship and youth, and to influence the financial eco-system to promote financial inclusion in Pakistan..
4. **Karandaaz Innovation** manages and oversees theInnovation Challenge Fund (ICF) and provides risk capital and grants to partners with an aim to generate innovative yet practicable solutions for solving complex problems in areas of financial inclusion and entrepreneurship. The Fund is especially focused on addressing stubborn barriers faced by SMEs, women and youth in accessing appropriate financial services and participating in the economy.

Karandaaz Pakistan is looking to engage a Firm (individual or firm) to develop an Operations Manual for the KMC unit.

**About the Project**

The purpose of developing the Manual is to ensure transparency and consistency of processes, and to provide guidance on KMC policies and systems to Karandaaz staff as well as key stakeholders, including funders and the Board.

**Scope of Work**

TORs for operating manual.

Karandaaz Pakistan seeks to engage an experienced Firm (individual or firm) to develop an Operations Manual for the KMC unit. The Manual will help standardize key processes and procedures in the department, ensure transparency and facilitate business continuity.

The selected Firm will be required to:

1. Holding a kick-off meeting to discuss the scope of the manual with the KMC team.
2. Understanding the current working of the KMC team, including the range and type of activities, objectives, processes and parameters, through consultations across the organization and the review of internal documents. Consultations would need to be held with, at least the KMC team, KRN CEO, Board members and KRN funders as identified by the KRN team. The firm should also review KMC work plans.
3. Undertaking a review of similar functions, i.e. research and knowledge creation and communications, brand building and marketing to identify best practices and procedures that are relevant for KRN and can be aptly implemented at Karandaaz.
4. Reviewing the current standard operating procedures (SOPs) of KMC and identifying gaps in the existing procedures. Identification of gaps should be made in light of international best practices and consultations with senior management at Karandaaz and other departments.
5. Reviewing other KRN documentation, policies, and manuals to align the process and policies of KMC with overall institutional policies and ensure no contradiction exists.
6. Reviewing the vision and requirements of the KMC function(s) by the donors (DFID and BMGF), as demonstrated through the Enterprise and Asset Growth (EAGR) programme Business Case, the Gates Tracker as well as subsequent Annual Reviews. These requirements should be incorporated within the manual.
7. Review administrative controls currently in place for KMC and identifying any gaps. Care should be taken to ensure administrative controls are enabling and do not enmesh the KMC unit in excessive paperwork and approval loops where avoidable.
8. Developing Key Performance Indicators (KPI’s) for KMC in line with the objectives of the function(s).
9. Get an understanding of KMC role and expectations within KRN Board, senior management, peer department leads and colleagues.
10. Review the team structure and JDs of individual staff members of the KMC team and evaluate against the core objectives and expectations from the team. The operational and administrative tasks should also be clearly spread across the staff in the KMC unit, with unambiguous assignment of roles and responsibilities.
11. Developing a draft version of the Manual based on the scope defined in the kick-off meeting and sharing with KMC for review. A final version to be submitted after incorporating comments on the draft. The Manual should include at least the following (change in the scope and structure of the TOC may be agreed in the kick-off meeting):
* Section 1: This should include an introduction to Karandaaz Pakistan and the KMC function(s), and the purpose and scope of the manual.
* Section 2: Governance and management structure of KMC
* Section 3: Description of KMC principles and processes, including but not limited to:
	+ Types of activities undertaken by team – research, marketing campaign, branding (building KRN marketing collateral), etc.
	+ Selection and approval of topic for research/communications initiative
	+ Solicitation of proposals /portfolios
	+ Review and selection of firm (individual or firm)
	+ Contracts and agreements
	+ Management of projects
	+ Project closure
	+ Data protection and data sharing
* Section 4: KPIs for KMC
* Consolidation/Appendix of relevant forms and templates

**Timeline**

|  |  |  |
| --- | --- | --- |
| **Deliverable** | **Tranche** **(% of Total)** | **Timeline** |
| *Inception report*, which should demonstrate an understanding of overall structure and vision and mission of KRN and the specific role within that context to be played by KMC, including its objectives, goals. Table of contents for the manual should be included in the Inception Report.  | 30% | 3 weeks after signing of contract |
| 1. Draft Operations Manual
2. Presentation to KRN management
 | 30% | 6 weeks after signing of contract |
| Finalised Operations Manual | 40% | 8 weeks after signing of contract |

**Qualifications**

The ideal firm/firm should have:

1. Demonstrated experience in developing operational manuals for not-for-profit organisations. Experience with DFID funded organizations and projects will be an advantage.
2. Demonstrated experience of working in the financial inclusion space in Pakistan.
3. Experience of developing similar products for challenge funds will be an advantage.
4. Understanding of and familiarity with knowledge management and communication frameworks.
5. Ability to work collaboratively with multiple individuals and groups.
6. Excellent communication, facilitation, synthesis and organisation skills.

Individuals and firms are eligible to apply. Applicants will need to meet the following pre-requisites to be eligible for evaluation for the assignment:

1. Has an NTN
2. Is able to travel to and work across Pakistan
3. If employed full-time, be available to work on the assignment as per proposed timeline

**Ownership/Control of Work and Product/Publication**

The ownership of all copyright and other intellectual property rights in respect of any data compilations, research, spreadsheets, graphs, reports, diagrams, designs, work products, software, or any other documents, developed in connection with this Contract will exclusively vest in and remain with Karandaaz which shall have all proprietary rights therein, notwithstanding that the Contractor or its employees may be the author of the intellectual property. All documents relating to the intellectual property or otherwise connected with this Contract, the services, or duties must be returned or delivered to Karandaaz at the time of the expiration or termination of this Contract. The Contractor agrees not to publish or make use of any of the intellectual property, or documents relating thereto, without the prior written approval of Karandaaz, and where approval is granted, without proper attribution to Karandaaz.

**Task Manager/Reporting**

Director KMC.

**Payment**

Karandaaz will pay the Contractor’s invoice within thirty (30) business days after a) Karandaaz’ approval of the Contractor’s Deliverables, or b) Karandaaz’ receipt of the Contractor’s invoice, whichever is later. Payment will be made in PKR on USD, as agreed, to the account specified in the Contractor’s invoice.

**SECTION 4. TERMS OF REFERENCE**

**Digital Financial Services**

**Thematic Area**: Karandaaz Digital

**Project Title: Operations Manual**

**Expected Start Date:** January, 2018.

**End Date:**  March, 2018.

**Task Manager:** Director DFS.

**About Karandaaz Pakistan**

KARANDAAZ PAKISTAN, a not-for-profit company established in August 2014, promotes access to finance for small businesses through a commercially directed investment platform, and financial inclusion for individuals by employing technology enabled digital solutions. The company has financial and institutional support from leading international development finance institutions; principally the United Kingdom Department for International Development (DFID) and the Bill & Melinda Gates Foundation (BMGF).

Karandaaz Pakistan has four core work streams:

1. **Karandaaz Digital** focuses on providing technical assistance and services to promote financial inclusion through technology enabled solutions. KD is working with national regulators, public agencies, private corporations, and technology entrepreneurs to strengthen national payments infrastructure, digitizing government to people payments, corporate supply chains and supporting FinTech innovation in Pakistan.
2. **Karandaaz Capital** invests growth capital in small and medium size enterprises (SMEs) with the objective of generating commercial financial returns for Karandaaz and supporting broad-based employment generation in Pakistan.
3. **Knowledge Management and Communications (KMC)** develops and disseminates evidence-based insights and solutions to inform the core themes of the company, including innovation, women entrepreneurship and youth, and to influence the financial eco-system to promote financial inclusion in Pakistan..
4. **Karandaaz Innovation** manages and oversees theInnovation Challenge Fund (ICF) and provides risk capital and grants to partners with an aim to generate innovative yet practicable solutions for solving complex problems in areas of financial inclusion and entrepreneurship. The Fund is especially focused on addressing stubborn barriers faced by SMEs, women and youth in accessing appropriate financial services and participating in the economy.

Karandaaz Pakistan is looking to engage a firm to develop an Operations Manual for its Digital Financial Services (DFS) unit.

**About the Project**

The purpose of developing the Manual is to ensure transparency and consistency of processes, provide guidance on DFS policies and processes to Karandaaz staff as well as key stakeholders, including funders and Board. The Manual should cover objectives, structure, activities, procedures and processes of the DFS unit.

**Scope of Work**

The scope of work for the Firm will include but not be limited to:

1. Holding a kick-off meeting to discuss the scope of the Manual with the DFS team.
2. Understanding the current working of the DFS unit, including the objectives, mission, processes and parameters, through consultations with concerned stakeholders and the review of internal documents. Consultations would need to be held with, at least the DFS team, KRN CEO, Advisor Committee members, Board members and KRN funders as identified by the KRN team.
3. Undertaking an international review of similar functions, providing grants especially in the area of financial inclusion to private and public entities, to identify best practices and procedures that are relevant for KRN and can be aptly implemented at Karandaaz.
4. Reviewing the current standard operating procedures of DFS and identifying gaps in the existing procedures. The review should encompass audit reports for DFS activities. Identification of the gaps should be made in light of international best practices and consultations with senior management at Karandaaz.
5. Reviewing other KRN documentation to align the process and policies of the DFS with overall institutional policies and ensure no contradiction exists.
6. Reviewing the vision and requirements of the DFS function by the donors, as demonstrated through the Enterprise and Asset Growth (EaGR) programme Business Case as well as the Grant Proposal Narrative. These requirements should be incorporated within the Manual of the department.
7. Developing a draft version of the Manual based on the scope defined in the kick-off meeting and sharing with DFS for review. A final version to be submitted after incorporating comments on the draft. The Manual should include at least the following:
* Section 1: This should include an introduction to the company and the DFS Unit, the purpose and scope of the Manual
* Section 2: Governance and management structure of the DFS Unit
* Section 3: Description of DFS objectives and processes, including but not limited to
	+ Partner Selection for Public & Private Entities
	+ Solicitation of applications in challenge rounds
	+ Review and selection of implementing partners
	+ Contracts and grant agreements
	+ Disbursement of Funds
	+ Management of projects and grants
	+ Project closure
	+ Monitoring, evaluation and learnings from project
	+ Data protection and data sharing
* Section 4: KPIs for DFS
* Consolidation/Appendix of relevant forms and templates

**Timeline**

|  |  |  |
| --- | --- | --- |
| *Inception report*, which should demonstrate an understanding of the DFS, mission, objectives, goals and include the TOC for the Manual | 30% | 3 weeks after signing of contract |
| 1. Draft Operations Manual
2. Presentation to KRN management
 | 30% | 6 weeks after signing of contract |
| Finalized Operations Manual | 40% | 8 weeks after signing of contract |

**Qualifications**

The ideal firm should have:

1. Demonstrated experience in developing operational and grants manuals for not-for-profit organisations. Experience with DFID & Bill and Melinda Gates Foundation (BMGF) funded organizations and projects will be an advantage.
2. Demonstrated experience of working in the financial inclusion space in Pakistan.
3. Definitive knowledge of and experience of grant, technical assistance and challenge funds.
4. Ability to work collaboratively with multiple individuals and groups.
5. Excellent communication, facilitation, synthesis and organization skills.

Evaluation Prerequisites:

Individuals and firms are eligible to apply. Applicants will need to meet the following pre-requisites to be eligible for evaluation for the assignment:

* Has an NTN
* Is able to travel to and work across Pakistan
* If employed full-time, be available to work on the assignment as per proposed timeline

**Ownership/Control of Work and Product/Publication**

The ownership of all copyright and other intellectual property rights in respect of any data compilations, research, spreadsheets, graphs, reports, diagrams, designs, work products, software, or any other documents, developed in connection with this Contract will exclusively vest in and remain with Karandaaz which shall have all proprietary rights therein, notwithstanding that the Contractor or its employees may be the author of the intellectual property. All documents relating to the intellectual property or otherwise connected with this Contract, the services, or duties must be returned or delivered to Karandaaz at the time of the expiration or termination of this Contract. The Contractor agrees not to publish or make use of any of the intellectual property, or documents relating thereto, without the prior written approval of Karandaaz, and where approval is granted, without proper attribution to Karandaaz.

**Task Manager/Reporting**

Director DFS.

**Payment**

Karandaaz will pay the Contractor’s invoice within thirty (30) business days after a) Karandaaz’ approval of the Contractor’s Deliverables, or b) Karandaaz’ receipt of the Contractor’s invoice, whichever is later. Payment will be made in PKR on USD, as agreed, to the account specified in the Contractor’s invoice.

**SECTION 4. TERMS OF REFERENCE**

**Innovation Challenge Fund and Monitoring and Evaluation**

**Thematic Area**: Innovation Challenge Fund (ICF) and Monitoring, Evaluation and Learning (MEL)

**Project Title:** Operations Manuals for M&E and ICF

**Expected Start Date:** January, 2018.

**End Date:**  March, 2018.

**Task Manager:** Head of ICF & M&E.

**About Karandaaz Pakistan**

KARANDAAZ PAKISTAN, a not-for-profit company established in August 2014, promotes access to finance for small businesses through a commercially directed investment platform, and financial inclusion for individuals by employing technology enabled digital solutions. The company has financial and institutional support from leading international development finance institutions; principally the United Kingdom Department for International Development (DFID) and the Bill & Melinda Gates Foundation (BMGF).

Karandaaz Pakistan has four core work streams:

1. **Karandaaz Digital** focuses on providing technical assistance and services to promote financial inclusion through technology enabled solutions. KD is working with national regulators, public agencies, private corporations, and technology entrepreneurs to strengthen national payments infrastructure, digitizing government to people payments, corporate supply chains and supporting FinTech innovation in Pakistan.
2. **Karandaaz Capital** invests growth capital in small and medium size enterprises (SMEs) with the objective of generating commercial financial returns for Karandaaz and supporting broad-based employment generation in Pakistan.
3. **Knowledge Management and Communications (KMC)** develops and disseminates evidence-based insights and solutions to inform the core themes of the company, including innovation, women entrepreneurship and youth, and to influence the financial eco-system to promote financial inclusion in Pakistan..
4. **Karandaaz Innovation** manages and oversees theInnovation Challenge Fund (ICF) and provides risk capital and grants to partners with an aim to generate innovative yet practicable solutions for solving complex problems in areas of financial inclusion and entrepreneurship. The Fund is especially focused on addressing stubborn barriers faced by SMEs, women and youth in accessing appropriate financial services and participating in the economy.

Karandaaz Pakistan is looking to engage a Firm to develop two separate Operations Manual for two units: the Innovation Challenge Fund (ICF), and the Monitoring, Evaluation and Learning (MEL) unit.

**About the Project**

The purpose of developing the Manuals is to ensure transparency and consistency of processes, and to provide guidance on ICF and MELpolicies and systems to Karandaaz staff as well as key stakeholders, including funders and the Board.

**Scope of Work**

Each unit (ICF and MEL) will have individual TORs for their separate operating manuals.

**ICF TOR:**

Karandaaz Pakistan seeks to engage an experienced Firm (individual or firm) to develop an Operations Manual for its Innovation Challenge Fund (ICF). The Manual will help standardize key processes and procedures in the department, ensure transparency and facilitate business continuity.

**Scope of Work**

The selected Firm will be required to:

1. Hold a kick-off meeting with KRN team to fully understand the purpose and scope of the Manual.
2. Understand the purpose and operations of ICF, including the objectives, mission, processes and parameters, through consultations with concerned stakeholders and the review of internal documents. Consultations would need to be held with, at least the ICF team, KRN CEO, Board members and KRN funders as identified by the KRN team.
3. Undertake a comprehensive review to understand how similar entities, i.e. challenge funds and other initiatives/organizations providing grants especially in the area of financial inclusion and innovations, operate. This will be used to identify best practices and operating models related to ICF and that can be aptly implemented at Karandaaz.
4. Review the current operating procedures of the ICF, identify gaps and make recommendations to improve existing procedures. This would include a comprehensive review of related documents, such as donor reviews and audit reports. Identification of the gaps should be made in light of international best practices and consultations with senior management at Karandaaz and other departments.
5. Review other KRN documentation to align the process and policies of the ICF with overall institutional policies and ensure no contradiction exists.
6. Review the vision and requirements of the ICF function by the donors (DFID), as demonstrated through the Enterprise and Asset Growth (EaGR) programme Business Case as well as subsequent Annual Reviews. These requirements should be incorporated within the Manual of the department.
7. Develop operating procedures for ICF in light of the above.
8. Develop Key Performance Indicators (KPI’s) for the ICF in line with the objectives of the function.
9. Recommend a team structure and developing specific TORs of individual staff members of the ICF team.
10. Develop a draft version of the Manual based on the scope defined in the kick-off meeting and share with ICF for review. A final version to be submitted after incorporating comments on the draft. The Manual should include at least the following (change in the scope and structure of the TOC may be agreed in the kick-off meeting):
* Section 1: This should include an introduction to the company and the Innovation Challenge Fund, the purpose and scope of the Manual
* Section 2: Governance and management structure of the ICF
* Section 3: Description of ICF principles and processes, including but not limited to
	+ Selection of theme for challenge rounds
	+ Solicitation of applications in challenge rounds
	+ Review and selection of implementing partners
	+ Contracts and grant agreements
	+ Disbursement of Funds
	+ Management of projects and grants
	+ Project closure
	+ Monitoring, evaluation and learnings from project
	+ Data protection and data sharing
* Section 4: KPIs for ICF

**MEL TOR**

Karandaaz Pakistan is looking to engage a Firm to develop an Operations Manual for its Monitoring, Evaluation and Learning (MEL) function. The Manual will help standardize key processes and procedures in the department, ensure transparency and facilitate business continuity. It should help the MEL team to strengthen their practical monitoring and assessment of progress towards achieving the results defined in the DFID Logframe and BMGF Results Framework. In such, the Manual should be a practical document aimed primarily at MEL staff.

**Scope of Work**

The Manual is intended to focus on how MEL can support KRN management and other stakeholders (especially donors and Board) in understanding progress, learning from achievements and problems, and agreeing how to improve strategy and operations. To this end, it should document all the tools and processes involved in collecting, analysing and reporting data.

The scope of work for the Firm will include but not be limited to:

1. Holding a kick-off meeting to discuss the purpose and scope of the Manual with the KRN team.
2. Understanding the current working of the MEL, including the objectives, mission, processes and parameters, through consultations with concerned stakeholders and the review of internal documents. Consultations would need to be held with, at least the MEL team, KRN CEO, Board members and KRN funders as identified by the KRN team.
3. Undertaking an international review of *Monitoring and Evaluation* function of comparable organizations
4. Reviewing the current operating procedures of the MEL department, identify gaps and make recommendations. The review should also encompass relevant documents, such as KRN audit reports, Risk Frameworks, donor review reports as well as examination of monthly, quarterly, and annual reports compiled by MEL department. Identification of the gaps should be made in light of international best practices and consultations with senior management at Karandaaz and other departments.
5. Reviewing other KRN documentation to align the process and policies of the MEL with overall institutional policies and ensure no contradiction exists.
6. Reviewing the vision and requirements of the MEL function by the donors (DFID), as demonstrated through the Enterprise and Asset Growth (EAGR) Business Case as well as subsequent Annual Reviews. These requirements should be incorporated within the Manual of the department.
7. Develop operating procedures for ICF in light of the above
8. Developing Key Performance Indicators (KPI’s) for MEL in line with the objectives of the function.
9. Recommending a team structure and developing specific TORs of individual staff members of the MEL team.
10. Developing a draft version of the Manual based on the scope defined in the kick-off meeting and sharing with MEL team for review. A final version to be submitted after incorporating comments on the draft. The Manual should include at least the following (change in the scope and structure of the TORs may be agreed in the kick-off meeting):
* *Section 1*: This should include, at least, an introduction to the company, the purpose of MEL in the context of KRN, summary of the purpose and scope of the Manual
* *Section 2:* Governance and management structure of the MEL department, including JDs/TORs for key personnel
* *Section 3*: MEL department’s standard operating procedures. This should include, at least,
	+ Principles and frameworks that guide the operations
	+ Work plan development and tracking, ensuring its alignment with overall KRN activities and Logframe/results framework targets and including parameters for developing MEL Plans for KRN
	+ Data management processes/systems, including data quality parameters, how to ensure data quality and purpose of information collected. The processes would need to take into account the operating model of KRN’s different activities and the constraints across the different activities.
	+ Procedure and methodology to update logframe indicators and targets
	+ Any other relevant process
* *Section 4*: Defining instruments and tools for MEL for data collection, verification, consolidation, analysis and reporting
* *Section 5*: KPIs for MEL
* *Section 6*: Roles and responsibilities, especially including an information/data flow between MEL and other KRN departments.
* *Annexure:* Consolidation/Appendix of relevant forms and templates (field visit report template, partner data collection template, beneficiary feedback forms, training assessment template, data quality assessment (DQA) etc.)

The firm is expected to elaborate on the above contents in more detail, including who performs each task/function, who supports each task/function, when these things happen, and how.

**Timeline**

ICF Timeline:

|  |  |  |
| --- | --- | --- |
| **Deliverable** | **Tranche** **(% of Total)** | **Timeline** |
| *Inception report*, which should demonstrate an understanding of the ICF, mission, objectives, goals and include the TOC for the Manual | 30% | 3 weeks after signing of contract |
| 1. Draft Operations Manual
2. Presentation to KRN management
 | 30% | 6 weeks after signing of contract |
| Final Operations Manual | 40% | 8 weeks after signing of contract |

MEL Timeline:

|  |  |  |
| --- | --- | --- |
| **Deliverable** | **Tranche** **(% of Total)** | **Timeline** |
| *Inception report*, which should demonstrate an understanding of the project scope and the working of MEL at KRN.  | 30% | 3 weeks after signing of contract |
| 1. Draft Operations Manual
2. Presentation to KRN management
 | 30% | 8 weeks after signing of contract |
| Final Operations Manual | 40% | 12 weeks after signing of contract |

**Qualifications**

The ideal firm should have:

1. Demonstrated experience in developing operational and grants manuals for not-for-profit organisations. Experience with DFID funded organizations and projects will be an advantage.
2. Demonstrated experience of working in the financial inclusion space in Pakistan.
3. Experience of developing similar products for challenge funds will be an advantage.
4. Understanding of and familiarity with monitoring and evaluating frameworks.
5. Ability to work collaboratively with multiple individuals and groups.
6. Excellent communication, facilitation, synthesis and organisation skills.

**Evaluation Prerequisites**

Individuals and firms are eligible to apply. Applicants will need to meet the following pre-requisites to be eligible for evaluation for the assignment:

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* Is able to travel to and work across Pakistan
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**Task Manager/Reporting**

Head of ICF & M&E.

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**PROPOSAL SUBMISSION FORM**

Dear Sir/Madam,

Having examined the Solicitation Documents, the receipt of which is hereby duly acknowledged, “THE FIRM NAME” undersigned, offer to provide consulting for “INSERT REFERENCE NUMBER” to Karandaaz Pakistan in accordance with the Price Schedule attached herewith and made part of this proposal. “THE FIRM NAME” undertake, if our proposal is accepted, to commence and complete delivery of all services specified in the contract within the time frame stipulated.

“THE FIRM NAME” agree to abide by this proposal for a period of 90 days from date fixed for opening of proposal in the invitation for proposal, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept any proposal you may receive.

Dated: this------day of -------2018

**Name, Designation and Signature of the “firm Representative”**