**KARANDAAZ PAKISTAN**

**Request for Proposal**

27th of August, 2018

***Strategic Review of Digital Financial Services (DFS) vertical of Karandaaz***.

**SECTION 1. LETTER OF INVITATION**

RFP no. 50.

27/8/18, Islamabad

1. The purpose of this RFP is to solicit bids from companies interested in providing ***Strategic Review of Digital Financial Services (DFS) vertical of Karandaaz***. 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.In the event of any conflict or inconsistency in terms and conditions of the request for proposal, Karandaaz Pakistan procurement policies and procedures shall prevail.
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 12:00 noon Pakistan Standard Time on Thursday 11th of September, 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:

“DFS Strategic Review”

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. However, this does not limit the participation of subcontractors and individual experts in more than one proposal.

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 5:00PM local time on August 31st, 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 5:00PM on September 4th, 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 16 ‘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 not be more than 10 pages and should consist of the following:

1. Technical proposal consisting of the following;
2. Firm’s organization/Individuals profile and experience;
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 work plan in responding to the terms of reference;
5. Examples of past experience
6. Work schedule and planning for deliverables; and
7. Team composition, assignment, and key experts’ inputs and Curriculum vitae (CV).
8. Financial proposal
9. **Currencies of Bid and Payment**

Firms may express the price only in PKR/USD.

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 12:00 noon Pakistan Standard Time on September 11th 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, Nazimuddin Road, Blue Area, Islamabad.

The proposal should also be sent to the following email address: [**procurement@karandaaz.com.pk**](mailto:procurement@karandaaz.com.pk) with the subject line: Responding to RFP for “DFS Strategic Review”.

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 12:00 noon Pakistan Standard Time on September 11th 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: Responding to RFP for “DFS Strategic Review - “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)

1. **Prior Experience (50%)**

The consultant should be able to demonstrate a strong background in strategic review of the digital financial services space in Pakistan. This will need to be evidenced through projects and assignments with leading digital financial services entities, with preference for BMGF funded programs. More specifically:

1. Experience in strategic reviews of the sponsors/ donors funded programs. (15%)
2. Experience of program review/ management of programs in digital financial services domain in Pakistan. (10%)
3. International experience of review of programs in the digital financial services domain. (10%)
4. Experience in strategic review/ managing of BMGF funded programs. (10%)
5. Experience of working with fintechs (local and/ or international. (5%)

The consultant will be responsible to obtain commitment of key team members and ensure that the stated team is deployed till the end of the project. Any change in team lead or key team members will require approval from KRN and shall be backed by reasonable justifications.

1. **Proposed Methodology (30%)**
2. Appropriateness and relevance of proposed research methodology for each of the projects under review. (10%.)
3. Understanding of the risks and suggested mitigation strategies. (10%.)
4. Completeness of the methodology i.e. the proposed approaches should address the complete scope of work described above. (10%)

All proposals must score 50% of the total technical score to be eligible for financial evaluation.

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, Karandaaz Pakistan 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 point 29 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: Procurement Department

Re: “DFS Strategic Review”

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

Any requests via email seeking this explanation should be sent to

**proccomplaint@karandaaz.com.pk**.

**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**: Digital Financial Services

**Project Title: DFS Strategic Review**

**Expected Start Date:** September 24, 2018

**End Date:**  November 31st,2018

**Task Manager:** Hussam Razi, MEL Specialist

**About Karandaaz Pakistan**

KARANDAAZ PAKISTAN, a private 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 (UKAid) and the Bill & Melinda Gates Foundation. The Consultative Group to Assist the Poor (CGAP), a member of the World Bank Group, provides technical support to Karandaaz Pakistan.

Karandaaz Pakistan has three core work streams:

1. **Corporate Investment and Credit (CIC)** focuses on providing credit and capital to high impact small and medium-size businesses, and business models that have potential to generate sustainable employment and offer attractive risk-adjusted financial returns.
2. **Digital Financial Services (DFS)** focuses on expanding the poor’s access to digital financial services in Pakistan by working across the ecosystem of local actors – policy-makers, regulators, government departments, businesses, researchers and academics. The DFS Unit facilitates digitization of government and other payment streams, encourages experimentation with businesses, and provides support to innovative DFS start-ups.
3. **Knowledge Management and Communications** focuses developing and communicating credible data to inform the core themes of the Company, including DFS innovation, women’s empowerment and youth employment.

**About the Project**

1. **Project Background**

Karandaaz Pakistan (KRN) is implementing a USD 32 million program to advance digital financial services in Pakistan, funded by Bill and Melinda Gates Foundation (BMGF). The program began in 2014 with a funding commitment from BMGF till 2021. Details about the program, its structure and different interventions can be viewed at <https://karandaaz.com.pk/our-programs/karandaaz-digital/>

1. **Identification of Need Analysis**

KRN is entering into discussions with BMGF for a cost extension[[1]](#footnote-1) of the program till 2024. This Strategic Review is being commissioned to inform the design and priorities of this extension. These terms of reference are being issued to engage a Consultant (Individual or firm) to undertake the Strategic Review, and define the scope of the assignment as well as the eligibility criteria for the Consultant. The purpose of this Strategic Review is to produce evidence based options and recommendations for a possible cost extension for the Digital Financial Services program at KRN. The work will include:

1. A review of the financial inclusion and digital financial services ecosystem in Pakistan in order to identify significant shifts (if any) that have occurred since the DFS program was conceived.
2. A strategic review of DFS’s existing business case and program design to assess its relevance to the current state of the DFS sector in Pakistan.
3. Recommendations for interventions and design of a cost extension of DFS program, taking into account KRN and BMGF priorities, capacity and timeline of the program.

**Scope of Work**

The Consultant will be expected to deliver the following:

1. Produce an up-to-date situation analysis of the current DFS context in Pakistan.
2. Assess to what extent KRN’s current DFS program aligns with the situation analysis.
3. Provide KRN with recommendations on the design and priorities for the potential extension of its DFS program through BMGF support.

In order to produce the above analysis, the consultants will review existing literature and data, and engage with all major stakeholders, including key private and public sector entities, multilateral and bilateral donors supporting programs in financial inclusion, KRN internal staff and Board members, local and international experts and researchers working in digital finance, and any other party identified by KRN. This will be used to develop a paper that, at least, answers the following questions:

1. Is there a business case for extending BMGF’s investment for advancing DFS in Pakistan?
2. What should be the role that Karandaaz plays in the digital finance ecosystem in the country? This role should complement other stakeholders and align with the National Financial Inclusion Policy of SBP.
3. What should be the priorities and interventions for Karandaaz’ DFS vertical in the next few years? These should be identified in light of the state of the DFS industry in Pakistan as well as the overall its overall objectives of BMGF’s investment (in terms of intended beneficiary segments and vision of success).
4. What are the key outcomes that the program should aim to achieve by 2024? How should these be measured and what would ‘success’ mean for the program?

**Methodology**

The consultant will need to develop a comprehensive view of the digital finance space in Pakistan, understand the roles, responsibilities and strategies of the various players as well as take into account the priorities of Karandaaz Board and sponsors in order to deliver a useful paper. To do so, the consultant may use different tools and approaches as required. However, at minimum, the consultant will need to undertake a review of existing literature, documents and data, and engage with key informants through interviews. In this context, the consultants will:

1. Take account of existing and emerging policies, strategies and programs in the financial inclusion and digital finance space in Pakistan.
2. Take account of wider analytical work in Pakistan as well globally in this area.
3. Meet with key informants, including key private and public sector entities, multilateral and bilateral donors supporting programs in financial inclusion, KRN internal staff and Board members, local and international experts and researchers working in digital finance, and any other party identified by KRN

Once the consultants have reviewed and analyzed the information above, they should convene a small meeting/workshop with KRN’s management to share their preliminary findings. KRN will consider whether there are one or two external experts that should be invited to join these discussions. Main purpose of the meeting is to review findings and conclusions and provide guidance on the strategic direction that the paper should take.

The consultant will subsequently produce a draft paper and in consultation with KRN will review and agree on the contents and changes for the final draft. The consultants will then work to produce a final document.

**Expected Outputs**

The **main outputs** expected from the consultant are:

1. **Inception report** outlining methodology (including list of key informants and documents/data/literature to be reviewed) and work plan (within one week of signing of contract).
2. A **workshop/meeting** to share preliminary findings from the literature review and stakeholder engagement (within 4 weeks of signing of contract).
3. A **draft report** of maximum 20 pages (not including annexed analysis) within 6 weeks of signing of contract. This must include options (along with pros and cons) for KRN’s strategy for future engagement in the DFS space in Pakistan as well as recommendations. The consultants may be required to present and discuss the draft with relevant KRN and BMGF staff.
4. A **final report** of up to 20 pages (not including annexed analysis) revised in light of comments received on the draft report. The final report is to be delivered approximately 1- 2 weeks after receiving feedback.

In addition to the above, the Consultants will be expected to give regular updates to the project manager (via email or phone) and flag any delays or deviations from the original work plan. KRN may request in-person meetings occasionally if so required with the Consultant.

The tentative delivery timelines and milestone are as follows:

| **Deliverable** | **Description** | **Timeline** | **Date** |
| --- | --- | --- | --- |
| Inception Report | A detailed work plan with milestones, person responsible and timelines will be shared with project manager. | Week 1 | 28th, September |
| Workshop/meeting | Provide preliminary findings from the literature review and stakeholder engagement | Week 4 | 19th October |
| Draft report and presentation | Maximum 20 pages (not including annexed analysis), which must include options (along with pros and cons) for KRN’s strategy for future engagement in the DFS space in Pakistan as well as recommendations. The consultants may be required to present and discuss the draft with relevant KRN and BMGF staff. | Week 6 | 2nd November |
| Final report | Maximum 20 pages (not including annexed analysis) revised in light of comments received on the draft report | Week 8 | 16th November |

1. **Dates Required**

It is expected that the project will be completed within proposed time, including any surveys, data collection and stakeholders’ consultations. The Consultant will be expected to deploy parallel teams if required to complete the task before November 16, 2018.

The consultant will be engaged till November 31, 2018 to respond to any additional clarification or input required by the MEL team on the final deliverable.

**Timeline**

The project will have the following series of milestones:

|  |  |
| --- | --- |
| **Deliverables** | **% Payment** |
| Inception Report | 20% |
| Workshop/meeting | 40% |
| Draft report and presentation |
| Final report | 40% |

**Qualifications**

Relevant firm/ individual is invited to submit technical and financial proposals against the above mentioned scope of work. The required qualifications for the consultant are:

1. At least five years of relevant experience in the digital financial services industry is mandatory. Experience of working with fintechs will be a plus.
2. A deep familiarity with the digital financial services industry in Pakistan. This should extend from an understanding of the key players and their roles in the ecosystem, emerging trends, products/services and financial infrastructure.
3. Experience delivering high quality research products on financial inclusion, digital financial products, or related for local or international clients. This should preferably include identifying, mapping and analyzing financial service industry opportunities in developing markets.
4. Fluency in English is mandatory.
5. Experience of working in emerging economies other than Pakistan on similar assignments will be a plus.
6. **Evaluation Criteria**

The Consultant will be required to submit both Technical Proposal (3 sets) and Financial Proposal separately. The Technical Evaluation will be weighed at 80% of total score and Financial Proposal at 20% of total score.

**Technical Evaluation Criteria**

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

1. **Prior Experience (50%)**

The consultant should be able to demonstrate a strong background in strategic review of the digital financial services space in Pakistan. This will need to be evidenced through projects and assignments with leading digital financial services entities, with preference for BMGF funded programs. More specifically:

1. Experience in strategic reviews of the sponsors/ donors funded programs. (15%)
2. Experience of program review/ management of programs in digital financial services domain in Pakistan. (10%)
3. International experience of review of programs in the digital financial services domain. (10%)
4. Experience in strategic review/ managing of BMGF funded programs. (10%)
5. Experience of working with fintechs (local and/ or international. (5%)

The consultant will be responsible to obtain commitment of key team members and ensure that the stated team is deployed till the end of the project. Any change in team lead or key team members will require approval from KRN and shall be backed by reasonable justifications.

1. **Proposed Methodology (30%)**
2. Appropriateness and relevance of proposed research methodology for each of the projects under review. (10%.)
3. Understanding of the risks and suggested mitigation strategies. (10%.)
4. Completeness of the methodology i.e. the proposed approaches should address the complete scope of work described above. (10%)

**Technical Proposal Guidelines**

The technical proposal (3 sets – no more than 10 pages) should follow the evaluation criteria described above to the extent possible. It should include:

1. A maximum of 2-page **executive summary** summarizing the Consultant’s overall understanding of the assignment, the proposed research methodology, and the strengths of the consultant and team proposed for executing the assignment;
2. Details of consultant’s **relevant experience** in strategic reviews of DFS programs, BMGF Programs or government managed/ public sector entities.
3. Detailed description of the **research methodology**.
4. Team lead and proposed **key team members profiles**, qualifications, defined roles in the proposed assignments and relevant experience of strategic reviews of programs in the field of digital financial services in Pakistan, double bottom line donor funded (BMGF) programs and institutions.
5. A detailed **work plan** including key milestones and deliverables.

In case of a registered organisation, the following shall be required as part of the Technical Proposal:

1. A valid license/ Certificate of Incorporation and NTN
2. Latest audited financial statements
3. Commitment from proposed team members to complete the assignment

In case of an individual, the following shall be required as part of the Technical Proposal:

1. A valid NTN
2. Commitment from proposed team members to complete the assignment

**Financial Proposal**

**Financial Proposal** should include a detailed budget including all expenses, fees and applicable taxes related to the assignment. Consultancy fee and out-of-pocket expenses should be shown separately.

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

MEL department

**Task Manager/Reporting**

Head of MEL and ICF

**Payment**

**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”**

1. Request to top up the sponsor’s funding commitment as well as extend the end date of the programme. [↑](#footnote-ref-1)