

KARANDAAZ PAKISTAN

REQUEST FOR EXPRESSION OF INTEREST

Country:	Pakistan
Title of EOI:	SECP Digital Transformation Program
EOI Number:	15
Issuance date of EOI:	January 04, 2020
Last date for Queries:	January 14, 2020
Response to Queries:	January 21, 2020
Closing date of EOI:	January 30, 2020
Project Duration:	Approx. 2.5 Years
Address EOI response to:	Procurement Department
E-mail Address:	procurement@karandaaaz.com.pk

1. COMPANY OVERVIEW

KARANDAAZ PAKISTAN, a section 42 company incorporated in Pakistan 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. Karandaaaz Pakistan has financial and institutional support from leading international development finance institutions; principally the United Kingdom's Department for International Development (DFID) and the Bill & Melinda Gates Foundation (BMGF).

The Company has four verticals.

1. **Karandaaaz Capital** provides wholesale structured credit and equity-linked direct growth capital investments in micro, small and mid-size enterprises (MSMEs) with compelling prospects for sustainable growth and employment generation in Pakistan.
2. **Karandaaaz Digital** focuses on expanding the poor's access to digital financial services in Pakistan by working across the ecosystem with all stakeholders including regulators, policy-makers, government departments, businesses and researchers and academics with activities arranged in four key work areas—Policy and Regulation, Seeding Innovation, Experimentation and Solutions Development, and Scale and Outreach.
3. **Karandaaaz Innovation** manages the Innovation Challenge Fund, providing risk capital and grants to partners with an aim to generate innovative solutions to complex problems in areas of financial inclusion and entrepreneurship.
4. **Knowledge Management and Communications** supports the company's core financial inclusion goal by developing and disseminating evidence-based insights and solutions to influence markets and the financial ecosystem.

2. BACKGROUND

SECP was setup in pursuance of the Securities and Exchange Commission of Pakistan Act, 1997 and became operational in January, 1999. It has investigative and enforcement powers to regulate, administer and enforce laws pertaining to corporate sector, capital markets, non-banking financial sector and insurance sector with an aim to facilitate capital formation, protect rights of investors, develop an efficient and dynamic regulatory framework and maintain fair, orderly and efficient markets. The core business functions include promoting corporatization, market development, investor awareness and education, registration & licensing, supervision (prudential & regulatory) and enforcement (civil & criminal).

Over the years, in order to facilitate interaction with its regulatees, SECP has automated a number of business processes through a platform called eServices. SECP management has envisioned a digital transformation program named "leading efficiency through automation prowess" (LEAP) to position SECP as a role-model regulator through end-to-end automation and digitization to deliver a world-class experience to its stakeholders. LEAP would enhance the internal capability of SECP to perform monitoring,

enforcement and investigation functions swiftly and efficiently; encourage regulatory compliance, promote transparency and fairness, and continue to position SECP's reputation as a credible corporate regulator. During and after the completion of the program it is envisioned that the regulates will be involved in decision-making, policy setting, problem solving and the co-design of services.

SECP has identified approximately 250+ business processes spanned over multiple functional areas, that needs to be reviewed, documented, re-engineered and automated. Currently, the end-users and internal officers are exposed to outdated user experience; through LEAP, end to end automated process execution will be achieved to meet the needs of internal and external stakeholders in terms of providing the following, non-exhaustive outcomes:

- 1) Facilitate ease of doing business in Pakistan
- 2) Multiple digital channels for process execution
- 3) Integrated user data verifications for real time service fulfilment
- 4) Multiple online payment modes for convenience of real time payments
- 5) Integrated Information exchange with external organizations /systems
- 6) Real time business monitoring to keep track of process and system efficiency
- 7) Process status tracking through online and mobile interface
- 8) Document filing and archiving management
- 9) Easy management of business rules
- 10) Informed decision making through business intelligence reporting and data analytics

In addition to the above, LEAP has two key components: The Secured Transactions Registry (STR) and SECP's enablement to receive company's reporting digitally using XBRL format and develop requisite analytical capabilities to effectively use the reports for sectoral insights and policy making.

The Secured Transactions Act was enacted in 2016. The Act governs the creation, perfection, priorities and enforcement of security interests for non-incorporated entities and calls for the creation of the modern notice based collateral registry. An online system for registration, modification and satisfaction of charges as well as availability of information to the public is a part of LEAP.

XBRL is a digital financial reporting format, which improves data quality and enhances data consistency, transparency, and analysis. The implementation of XBRL for digital reporting of financial data is a part of LEAP.

3. OBJECTIVES

Karandaa Pakistan seeks services of a consultancy firm which will be responsible for assessing the business needs to establish the context and scope of work for LEAP, including STR and XBRL and then provide project management support through PMO for the implementation of LEAP.

The consultancy firm will carry out Business Process Re-Engineering (BPR) using design thinking methodology to enhance end-user experience and efficiency of the processes keeping in view the laws, rules and regulations of SECP. To automate the revised processes, the firm will prepare the RFPs for LEAP and a roadmap for XBRL implementation.

The consultancy firm will be required to plan and manage the implementation of the LEAP program which should cover bidding documents to support procurements of the new IT systems, costing of the systems, advisory in shortlisting the vendors, and managing the implementation of the SECP LEAP project.

4. SCOPE OF WORK

The scope of work is distributed into two categories:

- 4.1 **Assessments, strategy & planning** : Comprehensive assessments leading to development of strategy to realize the vision, IT & IS strategy including assessment for SOC, transformation and change strategy including automation and digitization of SECP, designing of business process re-

engineering approach, define success KPIs, deliver RFPs and bid packages for purchasing required systems and capabilities to implement the change

- 4.1.1 Review and understanding of existing laws, rules and regulations
- 4.1.2 Review and understanding of existing systems
- 4.1.3 Review existing payments and other related policies, regulations, existing practices and technologies
- 4.1.4 Analysis and understanding of business needs and leverage global best practices on transformation of Securities and Exchange commissions
- 4.1.5 Create a detailed project plan covering total scope of work and its approval from steering committee
- 4.1.6 Approach to BRP (Business Process Re-engineering)
 - 4.1.6.1 Approach to gap identification and BPR
 - 4.1.6.2 Strategy to implement the change and change management approach
- 4.1.7 Roadmap for Implementation of XBRL
- 4.1.8 Preparing Digital, IS and IT strategy
- 4.1.9 Preparation of RFP for establishment of Security Operations Centre (SOC)
- 4.1.10 Advising on organizational redesign and fit-for-growth
- 4.1.11 Develop strategy and viable lifecycle framework for adoption of new technologies (blockchain, distributed ledger, artificial intelligence, machine learning and deep learning).
- 4.1.12 Advice use cases and clear outcomes
- 4.1.13 Preparation of bidding documents and RFPs for all systems involved
- 4.1.14 Assistance in evaluation of proposals and selection of implementation partner

4.2 BPR & Implementation: Conducting business process re-engineering (AS-IS, BPR, TO-BE), implement and manage change, through PMO oversee, coordinate & supervise all implementation activities including purchase, contracting and delivery of required systems measure and report progress against success KPIs, deployment and training of all stakeholders of LEAP including STR and XBRL, Capacity building and knowledge transfer.

- 4.2.1 BRP and creation of TO-BE based on design thinking methodology
 - 4.2.1.1 Creation of A-IS
 - 4.2.1.2 Gap Identification
 - 4.2.1.3 Creation of TO-BE
- 4.2.2 Preparation of implementation roadmap
- 4.2.3 Prepare detailed project plan from initiation till completion of the project
- 4.2.4 Preparation of standards and processes to be followed throughout the project lifecycle
- 4.2.5 Ensuring the use of these standards and processes
- 4.2.6 Facilitate cooperation of stakeholders throughout the project
- 4.2.7 Managing project resources
- 4.2.8 Provide post implementation audit
- 4.2.9 Provide final acceptance certification of all implemented systems
- 4.2.10 Assist in developing TORs for any consultants or services that may be required such as TORs for pre-shipment and post-shipment inspections of all paraphernalia if required
- 4.2.11 Setup & run a program management office, identifying and addressing any deviations from the project plans including physical and financial progress, prepare presentations for the steering committee and organize the meetings of the steering committees for the entire duration of the project
- 4.2.12 Ensuring seamless deployment and operation of phase wise deliverables

- 4.2.13 Coordinate and supervise the implementation activities of the project for successful technical delivery and its integrations
- 4.2.14 Manage industry collaboration through workshop, boot camps and meetings
- 4.2.15 Plan and manage 360 degrees change of people, process and systems
- 4.2.16 Create use case adoption strategy and program including go-to-market plans, product roll out plans, marketing and communications plans including pilots, and full-scale roll outs
- 4.2.17 Defining KPIs, benchmarking and impact measurement from the project
- 4.2.18 Provide assessment and roadmap for Implementation of XBRL
- 4.2.19 Provide PMO for the implementation of STR system
- 4.2.20 Build capability of relevant people and business process re-engineering at SECP and other relevant stakeholders for successful & smooth operations in future
- 4.2.21 Managing preparation of training and awareness materials as well as training of all stakeholders
- 4.2.22 Ensuring seamless handover of all artefacts at all stages of the program including at final sign off

5. KEY DELIVERABLES AND PROPOSED TIMELINE

SN	Deliverable	Timeline (expected dates)
1	Project Scoping Document	After 1 month of On-boarding
2	RFP for LEAP Project	After 3 months of On-boarding
3	Business Process Re-engineering Report	Throughout project lifecycle
4	XBRL Roadmap	After 3 months of On-boarding
5	Digital, IT and Information Security Strategy including lifecycle framework for adoption of new technologies	After 3 months of On-boarding
6	Assessment report for establishment of SOC	After 6 months of On-boarding
7	PMO Activities and Change Management	Throughout project lifecycle
8	Manage go Live of STR	Immediately after On-boarding
9	Training	Throughout project lifecycle
10	Advisory and Consultancy Services	Throughout project lifecycle
11	Project Handover	At completion of project
12	Final Report	At completion of project

6. REQUIRED EXPERTISE OF THE CONSULTANCY FIRM

The Consulting firm should have the following experience and skills:

- Proven track record in the assessment and designing of large-scale digital transformation projects.
- Proven track record in the assessment and implementation of IT systems in government institutes preferably exchange commissions. Experience in regtech will be a plus.
- Thorough understanding of the local IT industry including various service providers will be a plus. If necessary, the consultant can partner with other firms in undertaking this assignment.
- Proven track record in the assessment and development of a comprehensive IT strategy and Systems implementation plan for large organizations.
- International experience and familiarity with processes for G2C, G2G and G2B programs.

- Experience in developing business strategy for public sector is preferred.
- Proven track record in the business process management, workflow, business process analysis, business process re-engineering, analytics and monitoring.
- The consulting firm will assign a project manager / team leader to coordinate the required work at SECP. The team leader will have minimum ten years of IT assessments and implementation experience, particularly in government or large organizations.
- Firms having XBRL, new technologies such as AI, Big Data etc. experience will be preferred.
- Firms having experience of Pakistani context will be preferred.
- Have staff with minimum five years of experience in all relevant areas: ICT, business strategy, change management, outsourcing and software applications
- Experience in developing IT Enterprise Architecture & Information Security.

7. QUALIFICATION CRITERIA (PREREQUISITES)

To establish eligibility, the bidders shall complete all eligibility requirements as set out in this document supported by verifiable documentary evidence. Bidders without complete supporting documentary evidence, as required under this EOI, shall be considered non-responsive and shall be rejected.

1. The single or the lead entity, in case of consortium, should be officially registered as a legal entity (in Pakistan or elsewhere) and have a valid registration number. Copy of company registration and tax certificate (if applicable) will be required.
2. Letter of Expression of Interest from single entity or the lead entity, in case of consortium.
3. In case of consortium, letter to be signed by authorised personnel of each partner in the consortium authorizing the lead entity to act on their behalf & enter in to legal binding agreement.
4. Provide last two years audited financial statements and/or income tax returns filed with the tax authorities and/or the letter from the external auditor and/or from CFO confirming the revenues and that the accounts have been audited. In case of consortium, the information should be provided for all the partners.
5. Provide complete profile of the single entity or lead entity and its partners, in case of consortium. This should include: company name, address, phone number, email, office locations, type of organization, details of Board, Management Team, Organogram, Office addresses, Website, etc.
6. Commitment to make the project team available on-site as required by the assignment. In case of consortium, the commitment should be provided by all the partners. The proposed team members should be able to travel to Pakistan; nationals from countries who face visa restrictions in Pakistan should not be included in the proposed team.
7. Provide an undertaking declaring that bidder has not been blacklisted by any Gov. agency / authority. In case of consortium, the undertaking should be provided by all the partners. Entities blacklisted or under current blacklisting process by Karandaaz are not eligible to submit a bid.
8. Minimum annual turnover of PKR 150 million or about USD 1.0 million.
9. Minimum 3 references from clients with complete contact details for digital transformation projects including but not limited to IT/IS strategy, business process management/reengineering, business intelligence/ reporting etc.
10. Proof of track record of successfully implementing similar projects preferably in public sector institutions/ regulators.
11. Acceptance of all Karandaaz conditions given in this EOI.

*All documents as evidence to be provided with the bid document

8. QUERIES

Bidders are requested to submit queries, if any, regarding this EOI through email address: procurement@karandaaz.com.pk **no later than 5:00 PM Pakistan Standard Time on or before 14th January 2020**. All correspondence and/or inquiries regarding this EOI must reference the EOI number.

9. CLARIFICATION TO EOI

List of the questions raised and the responses given will be uploaded at Karandaaz website under procurement section by **10:00 PM Pakistan Standard Time on 21st January 2020**.

No phone calls or in-person inquiries will be entertained; all questions and inquiries must be in writing. Only written answers will be considered in the EOI 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 EOI.

10. EXPECTED TIMELINES

The tentative timeline for bidder selection is as follows:

Category	Estimated Dates
Advertisement of EOI	04-01-2020
Last date for Queries	14-01-2020
Response date of Queries	21-01-2020
Closing date of EOI	30-01-2020
Shortlisting of bidders based on EOIs	07-02-2020
Questions and answers session with qualified vendors	Week of 17 Feb 2020
Send out RFP to shortlisted bidders	21-02-2020
Proposal submission deadline	10-03-2020
Proposals assessment	16-03-2020
Inform bidders of final decision	24-03-2020

11. INSTITUTIONAL AND ORGANIZATIONAL REPORTING

The selected bidder will report to Chief Digital Officer at Karandaaz Pakistan or such other person as may be specified.

12. RESPONDING TO THIS REQUEST

The envelope marked "Pre-requisites" should be sealed and **must contain three hard copies** of the documents specified in section 7. Bidders who do not provide the information stated in section 7 above will not be considered for evaluation. This envelope containing the booklet should also contain the completed checklist with evidence (see **Annexure 'C'**). The envelope should have:

- Name and address of the bidder and
- Clearly marked "EOI 15" for "SECP Digital Transformation Program".

EOIs must also be submitted electronically through email (with subject: **EOI # 15 "SECP Digital Transformation Program"**) at or before 05:00 PM Pakistan Standard Time, January 30, 2020; procurement@karandaaz.com.pk.

The hard copies must be received or post-marked by January 30, 2020. Hard copies will be courier to: **1 E, Ali Plaza, Nazimuddin Road, D-Chowk, Islamabad, Pakistan.**

Documents submitted in response to EOI after the closing date will **NOT** be accepted.

Bidders who meet the pre-requisites will be invited through an RFP to submit a detailed Technical and Financial Proposals.

The decisions of Karandaaz will be final. Karandaaz Pakistan reserves the right to cancel the bidding process and to reject all bids or to accept or reject any bid, at any time prior to the award of contract, without thereby incurring any liability to the affected bidder or bidders or any obligation to inform the affected bidder or bidders of the grounds for Karandaaz Pakistan's action.

No contractual obligation whatsoever shall arise from the EOI/Bidding process.

Annexure - A

[LETTERHEAD OF THE ENTITY]

UNDERTAKING REGARDING AVAILABILITY OF THE PROJECT TEAM

It is hereby certified by **[Name of Organizations]** that the proposed team members mentioned in the Expression of Interest (EOI) and any subsequent project team members will be made available at the project site as per the requirement of the project.

In case of replacement of any proposed team member under extenuating and unforeseen circumstances a resource person with similar or better qualifications and experience will be made available after prior approval of Karandaaz.

Name of Signatory:

Signature of Authorized Signatory

Date: __/__/__

Company stamp:

Annexure - B

[LETTERHEAD OF THE ENTITY]

UNDERTAKING REGARDING NOT BEING BLACKLISTING

It is hereby certified that, **[Name of Organizations]** has not been blacklisted by any Govt. agency / authority **as on [Date]**. The Organization will immediately inform Karandaaz in case of any change in the status any time hereinafter.

Name of Signatory:

Signature of Authorized Signatory

Date: __/__/__

Company stamp:

Annexure – C

Checklist

The following checklist should be included in the package marked “Pre-requisites”.

SN	Required Documents	Check
1	Copy of Company Registration (Single entity or Lead entity)	<input type="checkbox"/>
2	Copy of Tax Certificate (Single entity or Lead entity) if applicable	<input type="checkbox"/>
3	Signed letter of Expression of Interest (Single entity or Lead entity)	<input type="checkbox"/>
4	Signed authority letter in case of consortium (Partners of consortium)	<input type="checkbox"/>
5	Last 2 financial years audited financial statements and/or income tax returns filed with the tax authorities and/or the letter from the external auditor and/or from CFO confirming the revenues and that the accounts have been audited. (Single entity or Lead entity and its partners)	<input type="checkbox"/>
6	Complete profile of the single entity or lead entity and its partners, in case of consortium	<input type="checkbox"/>
7	Commitment letter to make the project team available (Single entity or Lead entity and its partners) – Annexure A	<input type="checkbox"/>
8	An undertaking stating that the bidder(s) has not been blacklisted/debarred by any Govt. agency / authority (Single entity or Lead entity and its partners) – Annexure B	<input type="checkbox"/>
9	Proof of minimum annual turnover of PKR 150 million or about USD 1.0 million	<input type="checkbox"/>
10	Minimum 3 references from clients with complete contact details for digital transformation projects	<input type="checkbox"/>
11	Proven track record of successfully implementing similar projects preferably in public sector institutions/ regulators	<input type="checkbox"/>
12	The bidder accepts all Karandaaz conditions given in this EOI	<input type="checkbox"/>