

NATIONAL HIGHWAY AUTHORITY



REQUEST FOR PROPOSAL

Revaluation of Fixed Assets (Freehold Land, Roads on Freehold
Land, Buildings on Freehold Land and Bridges)

MAY-2009

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1. INTRODUCTION

The National Highway Authority (NHA) was created, in 1991, through an Act of the Parliament, for planning, development, operation, repair and maintenance of National Highways and Strategic Roads specially entrusted to NHA by the Federal Government or by a Provincial Government or other authority concerned. Total length of the federalized roads under NHA now stands at 11900 KMs, account for 4% of the entire road network and 80% of the commercial road traffic in the country.

Key functions of NHA are to Plan, Promote, Organize and Implement Programs for Construction, Development, Operation, Repairs and Maintenance of National Highways/ Motorways and Strategic Roads.

NHA has its Head Office at Islamabad with the Chairman as its Chief Executive Officer. The Head Office is comprised of eight Wings/Sections namely; Planning Wing, Operation Wing, Finance Wing, Administration Wing, Secretary Section, Public Relation Section, Internal Audit Section. The Head Office of NHA is supported by Seven Regional Offices and three Self Accounting Units situated at Karachi, Quetta, Multan, Lahore, Peshawar, Abbottabad, M-2(Maintenance) Balkasar, M-1 Burhan, NHIP and GM (Construction) Lahore.

Various wings at the Head Office are further sub-divided into sections described hereunder:

- a. Planning wing
 - Planning
 - Procurement & Contracts
 - Design
 - Legal
 - Computer

- b. Operation Wing
 - Construction
 - Operation
 - Machinery Plant Operations
 - Land Management & Infrastructure

- c. Finance
 - Finance
 - Budget & Accounts

- d. Administration Wing
 - Personnel
 - Establishment
 - Human Resource Department

The Annexure I,II and III shows the value of roads on freehold land, freehold land, buildings and bridges. The summary is as under;

Description	Cost	Written Down Value
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2. Purpose of the Request for Proposal (RFP)

Freehold land	7,371,275,006	7,371,275,006
Roads on freehold land	151,833,240,597	85,303,790,098
Bridges	1,767,885,178	1,534,351,126
Buildings on freehold land	411,000,665	374,496,515

2. PURPOSE OF THE REQUEST FOR PROPOSAL (RFP)

The purpose of this document is to solicit Technical and Financial Proposals from short listed qualified firms of Chartered Accountants. The authority wishes to outsource its assignment for physical verification and revaluation of fixed assets (roads, buildings, bridges and freehold land) which includes its 100% physical verification and revaluation and ultimately incorporation of revalued amount in its books of accounts by an independent firm of chartered accountants and is inviting proposals from firms with this objective.

3. INSTRUCTIONS TO CONSULTANTS

Data Sheet
<p>Name of the Client: National Highway Authority</p> <p>Method of selection: Quality Based Selection (QBS).</p>
<p>Financial Proposal to be submitted together with Technical Proposal:</p> <p>Name of the assignment is: Physical Verification, Revaluation of Fixed Assets (Freehold Land, Roads on freehold land, Building on Freehold Land and Bridges) and Incorporation of same in the Entity’s Books of Accounts</p>
<p>The Client will provide the following inputs and facilities:</p> <ul style="list-style-type: none"> i. Office accommodation and facilities including desk, chairs, computers, book cases, printer etc. ii. Professional and support counterpart personnel (as per Consultant’s advice, based on assignment requirements). iii. The Client will arrange transport and logistics for consultants other than Islamabad office.
<p>Proposals must remain valid for 30 (Thirty) days after the submission date specified in this Data Sheet.</p>
<p>Clarifications may be requested not later than 3 (Three) days before the submission date.</p> <p>The address for requesting clarifications is: General Manager Finance National Highway Authority, 27 Mauve Area, G-9/1, Islamabad. Telephone: 051-8351604 Email : shoaibakhan@nha.gov.pk</p>
<p>Proposals shall be submitted in English language.</p>
<p>Short listed Consultants will not associate with other short listed Consultants</p>
<p>The estimated time to complete the Assignment is 4 Months. (please also refer section 5 of</p>

RFP)	
Amounts payable by the Client to the Consultant under the contract to be subject to local taxation.	
Consultants must state cost in local Currency.	
Consultant must submit the Original and 2 (two) copies of the Technical Proposal, and the original of the Financial Proposal.	
<p>The Proposal submission address is:</p> <p style="text-align: center;">General Manager Finance , National Highway Authority Mauve Area, G-9, Islamabad</p> <p>Proposals must be submitted not later than the following date and time: Date July 18, 2009 Time : 12:00 hrs</p>	
Criteria, sub-criteria, and point system for the evaluation of Full Technical Proposals are:	
Criteria / Sub-Criteria	Points
1. Specific experience of the CA firm related to the assignment.	10
2.Adequacy of the proposed work plan and methodology in responding to the Assignment	40
a) Understanding about the scope	6
b) Technical approach & methodology	24
c) CA Firms Proprietary tools and technologies	10
3.Qualifications and competence of the key staff for the Assignment (Staff to be deputed for the assignment)	20

<p>The number of points to be assigned to each of the above positions or disciplines shall be determined considering the following three sub criteria and relevant percentage weights:</p>	
General Qualification (20%)	4
Adequacy for the Project (80%)	16
<i>Total</i>	20
4. Experience in public sector Organization	10
5. International Affiliation :	10
a) Big Four Affiliation	10
b) SBP A Listed firm	5
6. Experience of the NHA's business	10
Total	100
The minimum technical score required to pass is: 80 points.	
<p>Expected date for contract negotiations:</p> <p>Date: July 24, 2008.</p>	
<p>Expected date for commencement of consulting services is August 1, 2009.</p>	
<p>The formula for determining the financial scores is the following:</p> <p>$FS = 100 \times F_{min} / F_p$, in which "FS" is the financial score, "F_{min}" is the lowest price and "F_p" the price of the proposal under consideration</p>	
<p>The Weights given to the Technical and Financial Proposal are:</p> <p>T= _____ [0.80]</p> <p>F= _____ [0.20]</p>	

4. SCOPE OF WORK

The authority wishes to outsource its assignment for physical verification and revaluation of roads, buildings, bridges and freehold land which includes its 100% physical verification and revaluation by an independent firm of chartered accountants/consultants, and incorporation of the revalued amount into entity's books of accounts.

The consultant shall gather information from respective sections and the physical verification and revaluation shall be followed later.

5. TIMELINE

Timeline for completion of the Assignment is within 4 months of the date of signing of contract with GO-LIVE deadline.

5.1 PHYSICAL VERIFICATION

Physical verification and Revaluation will be done within 3 and a half month after signing of contract.

5.2 INCORPORATION OF REVALUED ASSETS INTO ACCOUNTS

Revaluation of all the physically verified assets will be incorporated in the accounts immediately after submission of final report to NHA.

6. PROPOSAL REQUIREMENTS

Proposals must offer NHA a complete solution to meet all of its conditions and requirements, as listed in this Request for Proposal. Technical and Financial proposals will be submitted in A sealed envelopes clearly marked as such.

All proposals submitted in response to this document should be in English language and comply with minimum guidelines detailed below.

6.1 TECHNICAL PROPOSAL

Technical proposal should be submitted on the following format.

6.1.1 TITLE PAGE

Should indicate name of the project, proponent's name, address, telephone number, email, web site address, etc

6.1.2 LETTER OF INTRODUCTION

Introduction to the organization signed by the organization's Partner

6.1.3 TABLE OF CONTENTS

Indicating all sections/subsections with page numbers

6.1.4 EXECUTIVE SUMMARY

An Executive Summary of key features contained in the proposal

6.1.5 ORGANIZATION PROFILE

An overview of the Organization, its standing in Pakistan and at international level, objectives and experience

6.1.6 GENERAL

Type of business entity i.e. sole proprietorship or partnership firm;

- Place and Year of Registration
- Principal place of business

- Location of branch offices and/or affiliates
- Name of all the key personnel in the organization including their positions and structure within country of origin
- Main business activities and relevant specializations

6.1.7 RELEVANT EXPERIENCE

The Bidder shall provide details of experience on revaluation and physical verification:

Information with respect to revaluation includes the following:

- Client Name
- Location of the Project
- Contract value
- Description of work
- Year of Assignment
- Assignment duration
- Details of manpower deployed
- Assignment outcome

6.1.8 EXISTING AND PAST RELATIONSHIP WITH NHA

The bidders should provide a statement showing their understanding of NHA's business in particular and Infrastructure projects in general along with a detail of their existing and past association with NHA, if any.

6.1.9 ORGANIZATION AND CAPABILITY

Proprietary tools, methodologies and personnel level by indicating category of the specialization relevant to this assignment.

6.1.14 FINANCIAL CREDIBILITY

The bidder is required to prove their financial credibility to conduct the business. In order to prove the same, following documents have to be submitted along with the proposal:

- National Tax Number
- Bank Reference Letter
- Audited Financial Statement for the last two years

NHA will evaluate financial credibility of the firm on the basis of above-mentioned documents.



6.1.15 ADDITIONAL INFORMATION

Proposal should be comprehensive and complete in all respect and cover all the information requested in this RFP. Bidder should provide any additional information that the Bidder may deem useful for the Assignment. All additional information should be placed as annexure.

6.2 FINANCIAL PROPOSALS

The bidders, in the financial bid, should propose the milestones of the progress of their work. These milestones will be used for planning / monitoring / payment purposes. Professional charges for assignment should be quoted in Pak Rupees separately for:

- Professional fees for Physical verification and revaluation
- Reimbursable expenses.
- Post revaluation supports i.e. incorporation.

The financial proposal should provide fixed cost basis rather than time basis.

7. OTHER TERMS AND CONDITIONS

7.1 COMMUNICATION REGARDING RFP

Bidders may seek clarifications pertaining to any section of RFP in writing to:

General Manager Finance
National Highway Authority,
27 Mauve Areas, G-9/1,
Islamabad

7.2 PROPOSAL SUBMISSION

Submit your proposals (Technical and Financial proposals) on or before July 18, 2009.

7.3 PROPOSAL CONDITIONS AND VALIDITY

The proposal should be valid for 30 days from the date of submission, during which time you will maintain, without change, the personnel proposed and relative pricing. Moreover, work on the assignment would be required to start within fifteen days and the assignment completed within four months from the date of assigning the work to the consultants.

7.4 ELIGIBILITY

The Bidder must be a firm of Chartered Accountants duly registered in Pakistan under applicable laws. The Bidder must submit an Affidavit that the bidder:

- a. is not black listed by the Government of Pakistan or any of its affiliated departments;
- b. is duly registered firm, and the deponent is duly authorised to represent it and submit the tender on its behalf;
- c. that no misstatements are made with regard to the information provided and there is no fact known which if disclosed would affect NHA's decision with regard to evaluation of the information provided and/or award of the tender;
- d. that no proceedings are pending or threatened for the liquidation or insolvency of the firm or that could materially or adversely affect NHA's decision with regard to the evaluation of the information provided and/or award of the tender; and

that the submission of its bid and subsequent performance of its obligations does not constitute a violation of any law, court ruling, Government regulation, decision of arbitrator(s) or contractual obligation applicable or relating to it, its assets or business.

7.5 ACCEPTANCE OF INSTRUCTIONS AND INTENTION TO RESPOND

The submission of a proposal shall denote the Bidder's acceptance of an undertaking to comply with all foregoing instructions. By submitting a proposal, the Bidder agrees that it will not make

any claims for or have any right to damages due to any misinterpretation or misunderstanding of the specifications or due to any misinformation or lack of information.

7.6 ACCEPTANCE OR REJECTION

NHA, at its sole discretion, reserves the right to reject (without any compensation and without incurring any liability to the effected bidders) any and all proposals in part or in entirety received after the stipulated bid closing date as well as any proposals which do not comply with the requirements of this RFP without assigning any reason. The existence of this request for proposal shall not, in any way, obligate NHA to take any action regarding any response submitted by a Bidder to this request. Furthermore, NHA is under no obligation to disclose the results of the evaluation process or to disclose the reason(s) for the rejection of any proposal.

7.7 ASSIGNMENT AND SUB-LETTING

In case a Bidder considers that it does not have all the expertise for the assignment, and needs to obtain expertise by associating with other consultants or entities in a joint venture or sub consultancy, the type and extent of such external dependencies should be clearly mentioned in the proposal. In case where consultant/valuer is mentioned in the light of this clause, it must be on the panel of Pakistan Banks Association. The firm shall provide the letter issued by the Pakistan Banks Association in which the valuation limit is mentioned that is allowed to valuer.

7.8 CONFIDENTIALITY

Any information considered to be proprietary by the Bidder shall be placed in a separate envelope and marked Proprietary Information. To the extent the NHA concurs, this information will not be considered public information. NHA is the final authority as to the extent of material, which is considered confidential. Pricing information cannot be considered proprietary.

After the public opening of bids, the bidders will not be entitled to demand / receive any information as to the conduct by NHA of the examination, clarification, evaluation, comparison of bids and / or the recommendations made by NHA regarding award of the contract. Any effort by a bidder, directly or indirectly to influence NHA or any of its members, employees, consultants, agents etc., in the process of examination, clarification, evaluation and comparison of bids, and in decisions concerning award of contract, will result in rejection of that bidders bid.

The consultant upon award of contract shall sign a Non-Disclosure Agreement with NHA.

7.9 QUALITY OF SERVICE

The Bidder shall perform its services with care, skill, and diligence, in accordance with the applicable professional standards currently recognized by such profession and shall be responsible for the professional quality, technical accuracy, completeness, and coordination of all reports, designs, drawings, plans, information, specifications, and other items and services furnished for the assignment. It shall comply with all applicable federal and local laws, ordinances, codes, and regulations in performing its services. If it fails to meet applicable professional standards, shall, without additional compensation, correct or revise any errors or deficiencies in its reports, drawings, specifications, designs, and other items or services.

7.10 GOVERNING LAW AND JURISDICTION

This RFP and any contract executed pursuant to this RFP shall be governed by and construed in accordance with the laws of Pakistan. The NHA and all responding organizations responding to this RFP and parties to any contract executed pursuant to this RFP shall submit to the exclusive jurisdiction of Pakistani Courts.

7.11 PROJECT LOCATION

The project headquarter is based in Islamabad.

7.12 WITHHOLDING TAX

The successful bidder shall fully inform itself of all Pakistani tax laws and regulations and shall pay all taxes, duties, tariffs and impositions lawfully assessed against such bidder for the execution and performance of the services covered by this RFP, which are later to be made part of the contract to be signed between NHA and the successful bidder. NHA shall be entitled to deduct all applicable taxes e.g. withholding tax, from any payments made to the service provider.

7.13 OPENING OF BIDS

- a. NHA will at its sole discretion and manner determine the technical compliance of each bidder. Bidders whose technical proposal is equal or above the minimum threshold (which shall be determined in the sole opinion of NHA) as per the criteria given in Data Sheet shall be considered technically compliant and his financial proposal then will be considered.

7.14 INFLUENCING EVALUATION

- a. Any effort by a bidder to influence NHA's bid evaluation, bid comparison or contract award decision may result in the rejection of that bidder's bid;
- b. The bidder shall be liable to be disqualified in case of applying extraneous pressures or other unhealthy influences in dealing with NHA;
- c. The bidders found involved in the above mentioned or similar none-transparent practices shall be liable to be blacklisted and / or forbidden from participation in future bidding for five (05) years or any other time period declared by NHA; and
- d. The bidder shall provide a certificate duly attested to the effect that extra payment in the form of commission, bribe, kick-back or pay-off, over and above the contracted value, has neither been paid nor shall be paid to any of the employees, personnel, agents or officers of NHA

7.15 EVALUATION OF PROPOSALS

The total score shall be calculated by combining scores for technical evaluation and financial bids (80% for technical evaluation and 20% for financial bids).

The decision of NHA project evaluation committee will be binding on all concerned and will in no case be challengeable in any forum.

7.16 SIGNING OF CONTRACT

Within seven (07) days of being notified by NHA that its bid has been accepted, the successful bidder shall be required to sign the standard contract form (along with the general and/or special conditions of contract, if any, and the annexure) and return the same to NHA. In case the successful bidder fails to sign the contract within the stipulated time period and in the form acceptable to NHA, NHA reserves the right to cancel the offer and extend the same to the next highest bidder.”

7.17 PROFESSIONAL LIABILITY

The consultant will be liable to be held responsible and accountable for the (a) Non fulfillment of his task, (b) Non-observance of his duties and care in the performance for more than one occasion. The consultant will make good such losses or damages, subject to the total remuneration of the consultants under professional liability insurance.

The liability of consultants will expire at the successful completion of the project and submission of final report to NHA.

7.18 INSURANCE TO BE TAKEN BY THE CONSULTANTS

The risk and coverage will be as follows:

- a. Professional Indemnity Bond for twice the total remuneration cost, in the joint name of client and consultant will be provided as per PEC regulations. The consultant is to cover this cost in his overheads.
- b. Third Party Liability insurance with a minimum coverage of Rs. 0.5 million.

7.19 PERFORMANCE GUARANTEE

The successful bidder shall furnish a performance guarantee in favor of NHA for an amount equivalent to ten percent (10%) of the contract amount which shall remain valid for the period of the contract awarded to the successful bidder. The performance guarantee shall be in the form of an unconditional, irrecoverable and without resource bank guarantee issued by a reputable first class bank operating in Pakistan. The guarantee shall stand discharged upon the successful completion of the contract and the resultant completion certificate issued by NHA.”