



**PUNJAB SMALL INDUSTRIES CORPORATION (PSIC) –
CLUSTER DEVELOPMENT INITIATIVE (CDI)
GOVERNMENT OF THE PUNJAB**

PRE-QUALIFICATION DOCUMENT (PQD)

FOR

**CONSULTANCY SERVICES FOR IMPLEMENTATION OF
PRODUCTIVITY IMPROVEMENT COMPETITIVE
REINFORCEMENT INITIATIVE (CRI) OF THE
READYMADE GARMENTS CLUSTER IN LAHORE**

Punjab Small Industries Corporation (PSIC) - Cluster Development Initiative
(CDI)

April____, 2021

Punjab Small Industries Corporation

Ground Floor, Alfalah Building, The Mall, Lahore, Punjab, Pakistan

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Acronyms

| | |
|----------|--|
| CDI | Cluster Development Initiative |
| CRI | Competitiveness Reinforcement Initiative |
| CV | Curriculum Vitae |
| EOI | Expression of Interest |
| GoPb | Government of Punjab |
| JV | Joint Venture |
| MD | Managing Director |
| PSIC | Punjab Small Industries Corporation |
| PPRA | Punjab Procurement Regulatory Authority |
| PPR 2014 | Punjab Procurement Rules 2014 (as amended from time to time) |
| PQD | Pre-Qualification Document |
| QCBS | Quality and Cost Based Selection |
| RFP | Request for Proposals |
| REOI | Request for Expressions of Interest |
| SME | Small & Medium Enterprise |
| TOR | Terms of Reference |
| UNIDO | United Nations Industrial Development Organization |



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Section I. Definitions and Interpretation

Definitions

In this PQD, the following words and expressions shall have the following meanings unless the context requires otherwise:

“**5S**” is a generally accepted business management term that means the workplace organization method that uses a list of five Japanese words translated as "Sort", "Set In order", "Shine", "Standardize" and "Sustain".

“**Baseline Study**” is a generally accepted business management term that means an analysis of the current situation of a manufacturer (from the perspective of productivity improvement).

“**Baseline Value**” is a generally accepted business management term that means a value with which future value of the same parameter can be compared.

“**Bidder**” means a firm or Consortium participating in the Bidding Process for the Project.

“**Bidding Document**” means the set of documents which includes this Pre-Qualification Document (PQD) and the subsequent Request for Proposals (RFP) to be issued to shortlisted Bidders.

“**Bidding Process**” means the entire process commencing from publication of the Request for Expressions of Interest and the issuance of the PQD followed by the RFP until the signing of the Agreement for Consultancy Services under the PPR 2014.

“**Change Management**” is a generally accepted business management term that means the systematic approach to deal with the transition or transformation of an organization's goals, processes or technologies.

“**Changeover Time**” is a generally accepted business management term that means the measurement of the cycle time from the moment the last good part of the previous process is produced to the moment first good part of the subsequent process is produced.

“**Cluster Development Initiative**” or “**CDI**” means the cluster development initiative of the Government of the Punjab jointly implemented by the Government of the Punjab and the United Nations Industrial Development Organization (UNIDO) to provide technical assistance for the development of industrial clusters in Punjab province and to support their further integration into global value chains.



“**Competitive Reinforcement Initiative**” means the specific interventions made by the CDI focused on addressing the issues of the selected clusters and having high potential of improvement in areas such as design and development, productivity, export marketing etc.

“**Consortium**” means an association of Consulting Firms, including their Sub-Consultants, who have mutually agreed to jointly participate in the Bidding Process in accordance with Rule 51 of the PPR 2014 and have undertaken to individually sign and commit to and be jointly and severally liable for the entire Project.

“**Consultancy Firm**” or “**Consultant**” means a firm such as a ‘company’ duly incorporated under the laws of Pakistan, a registered or unregistered ‘partnership firm’ or ‘association of persons’ or a ‘limited liability partnership’ or ‘sole proprietorship’ duly existing under the law of Pakistan or Consortium that intends to provide the Consultancy Services described in the Bidding Documents to the Procuring Agency.

“**Consultancy Services**” means the services provided by the Consultancy Firm to the Procuring Agency under the Agreement for Consultancy Services for the Productivity Improvement Competitiveness Reinforcement Initiative (CRI) under the Cluster Development Initiative (CDI) Project in the readymade garments cluster.

“**Consultant Selection Committee**” means the committee formed by the Procuring Agency for the selection of the Consultancy Firm in line with PPR 2014 as amended from time to time.

“**EOI**” or “**Expressions of Interest**” means the proposal submitted by the Bidders in response to the PQD for pre-qualification / short-listing purposes.

“**Government Agency**” includes a department or attached department of the Government of the Punjab, an autonomous, statutory body, a local government or any organization or corporation owned or controlled by the Government of Punjab.

“**Inventory**” is a generally accepted business management term that means the array of products including but not limited to raw materials, work in process, finished product) or products used in production held by a business.

“**Layout Redesigning**” is a generally accepted business management term that means the physical placement of resources such as equipment and storage facilities. The layout is designed to facilitate the efficient flow of materials through the manufacturing cycle.



“**Lead Member**” means the lead member of a Consortium that is participating in the Bidding Process that is authorized to represent and lead the Consortium.

“**Lead Time**” is a generally accepted business management term that means the time between the initiation and completion of a production lot (order quantity).

“**Lean Manufacturing**” is a generally accepted business management term that means the methodology that focuses on minimizing waste within manufacturing systems while simultaneously maximizing productivity.

“**Line Balancing Efficiency**” is a generally accepted business management term that means the production strategy that involves setting an intended rate of production for required materials to be fabricated within a particular time frame. It is calculated by using formula: $(\text{Summation of time of all the processes}) / ((\text{number of processes}) \times (\text{longest process time}))$.

“**Material Travel Distance**” is a generally accepted business management term that means distance that a material would travel from the raw material inventory store to the finished goods store / dispatch area.

“**Member**” means a Consultancy Firm or a Sub-Consultant who is a member of a Consortium.

“**Model Production Area**” is a generally accepted business management term that means the specific area or operations of the manufacturer where Lean Manufacturing and Total Quality Management tools and techniques will be implemented.

“**PPR 2014**” means the Punjab Procurement Rules, 2014, as amended from time to time.

“**Process Cycle Time**” is a generally accepted business management term that means the time required to complete one manufacturing process in a production line.

“**Procuring Agency**” means the ‘Punjab Small Industries Corporation’, a statutory corporation set up under the *Punjab Small Industries Corporation Act, 1973* (Act XV of 1973) and owned and controlled by the Government of the Punjab, with its office at Ground Floor, Alfalah Building, The Mall, Lahore, Punjab, Pakistan.

“**Production per day**” is a generally accepted business management term that means the number of products that are or can be produced in a day.

“**Project**” means the Productivity Improvement Competitiveness Reinforcement Initiative (CRI) under the Cluster Development Initiative (CDI) in readymade



garments cluster in Lahore.

“Quality Defect Rate” is a generally accepted business management term that means the percentage of output that fails to meet a quality target.

“Quality Level” is a generally accepted business management term that means a measure of excellence or a state of being free from defects, deficiencies and significant variations.

“Quality Rejection Rate” is a generally accepted business management term that means the quality measure reflecting the number of units rejected or returned.

“REOI” or **“Request for Expressions of Interest”** means the publication / advertisement in the newspaper and on the PPRA website that commences the Bidding Process and solicits EOIs from interested Consultancy Firms.

“Request for Proposals” (RFP) means the set of documents to be issued to shortlisted Bidders subject to which, the Consultancy Firms shall submit their Bids for providing the required Consultancy Services to the Procuring Agency and which contains the terms and conditions applicable to the Consultancy Firms.

“Sub-Consultant” means an individual consultant or a Consultancy Firm that participates in the Bidding Process as part of a Consortium under a subcontract with the Consultancy Firm or Lead Member under Rule 51 of the PPR 2014.

“Terms of Reference” (TOR) means the document included in this PQD (Section. III) which explains the objectives and scope of work of the Consultancy Services, including activities and tasks to be performed by the Consultancy Firm, respective responsibilities of the Procuring Agency and the Consultancy Firm, and expected outputs, results and deliverables of the Project.

“Total Quality Management” is a generally accepted business management term that means the philosophy of management based on the principle that every member of the organization must be committed to maintain and improve high standards of work in every aspect.

“Work in Process” or **“WIP”** is a generally accepted business management term that means the production and supply-chain management term describing partially finished products awaiting completion.

“Worker Productivity” is a generally accepted business management term that means the amount of products that a worker / labour produces in a given amount of time.



Interpretations

In this PQD, unless the context otherwise requires:

- i. All capitalized terms used herein which are not otherwise defined shall bear the meaning ascribed to them in their ordinary sense;
- ii. Any reference to a statutory provision shall include such provision as is from time to time modified or re-enacted or consolidated so far as such modification or re-enactment or consolidation applies to any transactions entered into hereunder;
- iii. Words importing singular shall include plural and *vice versa*, and words denoting natural persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether they are incorporated or not);
- iv. The headings are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this PQD;
- v. The words "include" and "including" are to be construed without limitation;
- vi. Any reference to any period of time shall mean a reference to that time according to Pakistan Standard Time;
- vii. Any reference to day shall mean a reference to a calendar day;
- viii. Any reference to month shall mean a reference to a calendar month;
- ix. Any reference to GoPb shall mean Government of the Punjab;
- x. The Annexures to this PQD or any Addenda issued subsequent to the issuance of this PQD, if any, shall form an integral part of this PQD and shall be in full force and effective as if they were expressly set out in the body of this PQD;
- xi. Unless otherwise stated, any reference to any period commencing "from" a specified day or date and "till" or "until" a specified day or date shall include both such days or dates; and
- xii. The terms "Bid", "EOI" and "Proposal" are used interchangeably in this PQD.



Section II. Request for Expressions of Interest (REOI)

(CONSULTANCY SERVICES - FIRM)

The Punjab Small Industries Corporation (PSIC) - Cluster Development Initiative (CDI) intends to hire the services of local consultancy firms to provide consultancy services for implementation of productivity improvement Competitive Reinforcement Initiative (CRI) in the **Readymade Garments** cluster of Lahore.

CDI has identified four industrial clusters (i.e. **readymade garments**; **ii. leather footwear and products**; **iii. surgical instruments** and **iv. auto parts**) to improve quality, productivity and competitiveness of enterprises in these clusters and support their development and integration into global value chains.

This REOI relates to the **Readymade Garments** cluster in specific. The consultancy services include:

- (a) identification and selection of readymade garments manufacturers in Lahore interested in productivity improvement;
- (b) design and implementation of productivity improvement interventions for each of the selected readymade garments manufacturers;
- (c) training and development of cluster entrepreneurs / readymade garments manufacturers on “change management”;
- (d) compilation and dissemination of results amongst participant readymade garments manufacturers; and
- (e) documenting and reporting on progress of interventions through the course of the CRI.

The detailed Pre-Qualification Document (PQD) including Terms of Reference (TOR) of the assignment, parameters and evaluation / pre-qualification selection criteria can be downloaded from the websites: <http://cdi.psic.gov.pk/index.php> and <https://eproc.punjab.gov.pk/ActiveTenders.aspx> and <http://www.psic.gov.pk/index.php/joomla1/presets1/tenders>

PSIC requests consultancy firms under the Punjab Procurement Rules 2014 as amended from time to time (“PPR 2014”) to submit their expressions of interest in providing the requisite services as per the provisions of the PQD.

Interested consultancy firms are requested to provide specific information clearly demonstrating that they have the capacity, required qualifications and relevant experience to render the services as per the PQD and to avoid submitting generic promotional material.



Prequalification and selection will be carried out in accordance with the PPR 2014. The Procuring Agency may reject all EOIs at any time prior to acceptance of any EOI. Further information can be obtained from the address below during office hours from Monday to Friday.

All EOIs must be submitted in hard copy alongwith one set of photocopy in sealed envelope at reception of PSIC Head Office, 1st Floor, Alfalah Building, Shahrah-e-Quaid-e-Azam, Lahore by or before **11:00 hours** (Pakistan Standard Time) on ____ April 2021. The subject of the sealed envelope should clearly state: "EOI – Readymade Garments Cluster – [name of Consultancy Firm]".

Director, Administration & Coordination

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Section III. Terms of Reference (TOR)

CONSULTANCY SERVICES FOR IMPLEMENTATION OF PRODUCTIVITY IMPROVEMENT CRI IN THE READYMADE GARMENTS CLUSTER OF LAHORE

1. Introduction and Background

- 1.1 The Government of Punjab has adopted the “Punjab Growth Strategy” which incorporates target of an annual 8% GDP growth within the Province. The Industrial Sector Development Plan, an element of the Growth Strategy, is oriented to increase private sector investment, thereby increasing job creation and exports. As part of the development plan, the Government has introduced Cluster Development Initiative (CDI) to support the growth and competitiveness of key manufacturing clusters in particular through the Punjab Small Industries Corporation (PSIC). This initiative is part of a larger cooperation on “Jobs and Competitiveness” programme with The World Bank.
- 1.2 In the framework of the Punjab Jobs and Competitiveness Programme, the Government of Punjab has signed a cooperation agreement with the United Nations Industrial Development Organization (UNIDO) to provide technical assistance for the development of industrial clusters in Punjab province and to support their further integration into global value chains.
- 1.3 A strong cluster support system would require joint efforts for the development process including public and the private sector in order to help upgrade management, technology and skills and provide help to firms in networking with each other and accessing new markets. The purpose of Cluster Development Initiative (CDI) is therefore to create an enabling environment for growth and prosperity of industries, to create better quality of life through economic uplift in Punjab and to up-grade technology and enhance productivity quality and profitability of local industries.
- 1.4 The key objectives of the CDI are:
 - Driving productivity and competitiveness improvements through key established Punjab export focused SME manufacturing clusters.
 - Building the support infrastructure that underpins collaborative and strategic industry activity.



- To address the comparative shortcomings i.e. costly factors of production, quality and delivery inefficiencies and lack of demand driven export strategies.
- 1.5 The CDI approach combines strategic analysis with cluster change management tools and, in some cases, funding for implementation of specific interventions. These specific interventions called as **Competitive Reinforcement Initiatives** (CRIs) are packages that are based on the selection of clusters within priority sectors and areas within their operations, which exhibit high potential for improvement and/or growth and incorporate plans for working with the firms involved to deliver these outcomes.
- 1.6 The overall objective of the CRI is to develop the capacity of cluster manufacturers for on-time supplies of high quality and low-price products to international buyers through application of latest knowledge and skills related to production/productivity management, quality management and supply chain management.

2 Scope of Work and Deliverables

- 2.1 The Consultancy Firm will carry out activities in the **Readymade Garments** cluster in close cooperation with the PSIC-CDI team for smooth execution of the CRI.
- 2.2 The Consultancy Firm will meet the following sub-outputs to realize the overall objective of the CRI:
- 2.2.1 Sub-output 1: Readymade Garments Manufacturers interested in productivity improvement are identified and selected. The productivity improvement Work Plan is developed.**

The Consultancy Firm will organise an awareness raising event at the readymade garments cluster level so as to apprise the cluster enterprises on the importance of productivity improvement and selection criteria. The Pakistan Readymade Garments Manufacturers & Exporters Association (“PRGMEA”) will be engaged for nomination of the readymade garments manufacturers interested in participating in the CRI. The Consultancy Firm will prepare a Productivity Improvement Work Plan for the readymade garments cluster along with criteria for selection of readymade garments manufacturers who are to participate. The readymade garments manufacturers interested in participating in the productivity improvement CRI will be evaluated against the selection criteria including factors such as commitment from top management of the respective entities, availability of Human Resource (HR) to



be engaged in the productivity improvement project and production level of the readymade garments manufacturer.

It is anticipated that a list of at least ten (10) readymade garments manufacturers will be finalised by the Procuring Agency, with the advice of the Consultancy Firm, to start with the implementation. The final selection of the readymade garment manufacturers shall be the sole prerogative of the Procuring Agency.

Following is the list of **Deliverables** under this sub-output:

| Sub-output 1: Readymade Garments Manufacturers interested in productivity improvement are identified and selected. The Productivity Improvement Work Plan is developed. | |
|--|---|
| Description | Deliverable |
| Awareness raising event for the Readymade Garments cluster on Importance of Productivity Improvement | One seminar conducted through the best available means based on future developments in efforts to manage the Covid-19 pandemic |
| Criteria for selection of Readymade Garments Manufacturers in consultation with CDI team | Selection criteria developed |
| Evaluation of interested Readymade Garments Manufacturers in consultation with CDI team | Interested Readymade Garments Manufacturers evaluated |
| Final list of selected Readymade Garments Manufacturers | At least ten (10) Readymade Garments Manufacturers short listed |
| Productivity Improvement Work Plan | Cluster level Work Plan developed |
| Joint Workshop with selected Readymade Garments Manufacturers | One workshop conducted through the best available means based on future developments in efforts to manage the Covid-19 pandemic |

2.2.2 Sub-output 2: Productivity Improvement Work Implementation at Selected Readymade Garments Manufacturers

During the implementation at the manufacturer level, the main objective is to help readymade garments manufacturers turn implicit unmanageable practices into explicit manageable practices. This will be accomplished by quantitative measurements of the current state of affairs (base line) in



production and quality related operations of the respective readymade garments manufacturer such as Production Cycle Times, Changeover Time, Lead Times, Work in Process (WIP) inventories, Layout Redesigning, Worker Productivity, Quality Levels, 5S etc.

The Consultancy Firm will develop the baseline values of these aspects referred to as Key Performance Indicators (KPIs). Through training and implementation of Lean and Total Quality Management (TQM) approaches, meaningful improvements are expected to be realised. Following is the list of Deliverables under this sub-output:

| Sub-output 2: Productivity Improvement Work Implementation at Selected Readymade Garments Manufacturers | |
|---|--|
| Description | Deliverable |
| Nomination of factory team | Dedicated personnel from factory are engaged |
| Kick off meeting factory management on workplan | Management is briefed on the workplan to be executed |
| Following KPIs to be assessed (baseline study) for the Model Production Area: 1. Material travel distance 2. No. of workers 3. Production per day 4. Labour productivity 5. Work in Process (WIP) 6. Lead time 7. Line balancing efficiency 8. Quality defect rate 9. Quality rejection rate 10. 5S | The initial values (baseline values) of these KPIs are calculated along with reporting formats developed |
| Interim presentation to factory management and CDI | Consolidated presentation for each factory is prepared and presented to factory management and CDI |



| | |
|--|--|
| <p>Improvement plan along with target setting for the identified KPIs</p> | <p>Improvement plan is developed and KPIs targets are set</p> |
| <p>Minimum following improvement values to be achieved for the identified KPIs:</p> <p>Material travel distance</p> <ul style="list-style-type: none"> •30% reduction in travel distance <p>Number of workers</p> <ul style="list-style-type: none"> •15-20% optimization <p>Production per day</p> <ul style="list-style-type: none"> •20-25% increase <p>Labor productivity</p> <ul style="list-style-type: none"> •15-20% increase <p>Work in Progress(WIP)</p> <ul style="list-style-type: none"> •bundle size of 10 or single piece flow <p>Lead time</p> <ul style="list-style-type: none"> •30% improvement <p>Line balancing efficiency</p> <ul style="list-style-type: none"> •30% increase <p>Quality defect rate</p> <ul style="list-style-type: none"> •25% decrease <p>Quality rejection rate</p> <ul style="list-style-type: none"> •less than 1% <p>5S</p> <ul style="list-style-type: none"> •Factory zoning, zone teams, reward system, 5S reporting, suggestion system <p>Disclaimer:</p> <p><i>“The above-mentioned improvement requirements are dependent on the Baseline Study. Minimum improvement requirements may differ from manufacturer to manufacturer and will depend on the finalization of productivity improvement workplan with manufacturer management. KPIs may further be included or excluded only with the written consent of the CDI team and manufacturer management depending on the on-ground situation at company premises. The term “minimum” stands for minimum improvement from the existing status of the KPIs of production of model area of selected manufacturer e.g.</i></p> | <p>The initial values of these KPIs are calculated along with reporting formats developed. At least all the minimum improvement values for identified KPIs are achieved.</p> |



| | |
|---|---|
| <p><i>Quality Rejection rate will be improved as a minimum to 05 % from existing status as calculated in the baseline study."</i></p> <p>Note: <i>The above-mentioned KPIs for 'Productivity Improvement' must be achieved only through focus on resource optimization and utilization of available resources such as technology, HR, financial, others etc.</i></p> | |
| <p>Before-and-After comparison</p> | <p>Final presentation including details of activities carried out, results achieved in terms of KPIs improvement, and pictures showing <i>before-after</i> comparison will be given to factory management at factory premises in the presence of PSIC-CDI team.</p> |

2.2.3 Sub-output 3: Training and Development of Readymade Garments Cluster Manufacturers on Change Management

The productivity improvement initiative requires a sustained top management commitment not only for the duration of the project, but also after completion of the project. There is a normal tendency on the part of factory-owners to remain isolated from the ground floor activities, thereby resulting in a gradual decrease in their commitment level negatively impacting successful completion of the project. One of the major reasons for this lack of commitment is that the factory owners are not fully engaged and trained on the modern management approaches. As a result, they lack the capacity to perceive the importance of their management style, presence of performance management systems, employee involvement and organizational transformation paradigms.

Therefore, the Consultancy Firm will provide training to the factory owners on the change management concepts. The trainings imparted to the factory



owners in parallel to the productivity improvement activities at the shop floor is likely to increase the impact of the CRI. The Consultancy Firm is to ensure that the quality of training material and expertise of its consultants and experts are at par with the expectations of the audience.

In this connection, following are the Deliverables of this sub-output:

| Sub-output 3: Training and Development of Readymade Garments Cluster Manufacturers on Change Management | |
|--|--|
| Description | Deliverable |
| Training and Development Plan for cluster enterprises on change management aspects | Training and Development Plan prepared and shared with PSIC-CDI for approval |
| Number of Change Management Trainings held for Cluster Manufacturers | Three (03) to five (05) trainings are conducted with the management of the readymade garments manufacturer |

2.2.4 Sub-output 4: Communication of the Results of the CRI

The success stories on productivity improvement developed under this CRI are to be disseminated at the readymade garments cluster level so as to create awareness among all the cluster entities on the benefits realized using the productivity improvement approaches and creating an appetite among the left-over companies for enterprise level productivity improvement initiative. Also, through dissemination of success stories the cluster entities will have easy access to the local productivity improvement experts in case more readymade garments manufacturers are willing to avail productivity improvement services.

In this connection, the Consultancy Firm will organise a dissemination Seminar involving all the relevant stakeholders including readymade garments manufacturers, relevant government departments, academia and business service providers. The Consultancy Firm will also develop a plan for continuity of productivity improvement support to the industry in consultation with PSIC-CDI.

2.2.5 Reporting Requirements

In addition to the Deliverables mentioned in this section, the Consultancy Firm will deliver the following documentation as evidence of the activities and data



as per the data collection formats, mutually agreed between the Consultancy Firm and PSIC-CDI:

- i. The Consultancy Firm will provide a Monthly Progress Report for each factory covering the following aspects:
 - Weekly Activity Plan
 - Name(s) of factory team involved
 - Training conducted at factory level
 - Data collection formats introduced
 - Status of the KPIs
 - Issues encountered during implementation and measures taken
 - Data collected should be annexed
- ii. Three to five Change Management Workshops:
 - Training and Development Plan
 - Training material
 - Videos and photos
 - Profile of the trainers engaged
- iii. 5S factory zoning, zone teams, 5S champion team, audit sheets, checklists and reports. 5S before-after pictures.
- iv. Comprehensive Final Report of the productivity improvement CRI for each factory.
- v. Comprehensive Final Report of the CRI for the Readymade Garments cluster.
- vi. Financial impact of the project on cost competitiveness of the beneficiary SMEs.

3. Duration of the Assignment / Project

The Project will be completed by the Consultancy Firm no later than twelve (12) months from the date of the signing of the Agreement for Consultancy Services. Consultancy Firms have to submit tentative timetables outlining the



timeframes within which they intend to complete each Project milestone. An indicative timetable is provided below:

| Sr No. | Activity | YEAR 1 | | | |
|--|--|--------|----|----|----|
| | | Q1 | Q2 | Q3 | Q4 |
| Sub-output 1: Readymade Garments Manufacturers interested in productivity improvement are identified and selected. The Productivity Improvement Work Plan is developed. | | | | | |
| 1.1 | Awareness raising event at the cluster level | x | | | |
| 1.2 | Preparation of the Productivity Improvement Work Plan | x | | | |
| 1.3 | Development of criteria for selection of manufacturers to participate | x | | | |
| 1.4 | Evaluation and selection of manufacturers | x | | | |
| 1.5 | Joint workshop with selected cluster manufacturers | x | | | |
| Sub-output 2: Productivity Improvement Work Implementation at Selected Readymade Garments Manufacturers | | | | | |
| 2.1. | Training of factory teams on productivity improvement tools | x | x | x | |
| 2.2 | Selection of model area | | x | | |
| 2.3 | Data collection for development of productivity baseline | x | x | | |
| 2.4 | Interim presentation to factory management | | x | | |
| 2.5 | Development of Productivity Improvement Action Plan for each factory | | x | | |
| 2.6 | Implementation of Productivity Improvement Action Plan for each selected factory including lean production tools and techniques explained above including but not limited to 5S, improve productivity, | | x | x | x |



| | | | | | |
|--|---|---|---|---|---|
| | better layout, reduced defect rate and rejection rate. | | | | |
| 2.7 | Before-after comparison of the productivity gains | | | | x |
| Sub-output 3: Training and Development of Readymade Garments Cluster Manufacturers on Change Management | | | | | |
| 3.1 | Preparation of Training and Development Plan for the cluster entrepreneurs | x | | | |
| 3.2 | Execution of Training and Development Plan | | x | x | x |
| Sub-output 4: Communication of the Results of the CRI | | | | | |
| 4.1 | Sharing of experiences, best practices, outputs and outcomes during and after implementation of CRI through seminar with stakeholders | | | | x |

4. Coordination / PSIC-CDI Key Point of Contact

The key point of contact for coordination purposes from PSIC-CDI will be:

Name: Mr. Muhammad Umer Wattoo

Designation: Additional Project Director, CDI

Tel. +92 42 3571 4083-86

Email: cdipsic123@gmail.com

5. Ownership of Confidential Information

The Consultancy Firm shall enter into a Non-Disclosure Agreement with each selected readymade garments manufacturer and ensure that all the data/information collected under this consultancy assignment / project is kept *strictly confidential* and shall be the sole and exclusive property of PSIC-CDI. The Consultancy Firm shall not acquire any right, title or interest in or to any of the confidential information collected for this consultancy assignment / project.

6. Corrupt Practices



By participating in the Bidding Process, the Consultancy Firm acknowledges and accepts that:

- (a) In accordance with Rule 20 of the PPR 2014, the Procuring Agency may, after providing an opportunity of hearing, declare, through a notification, the Consultancy Firm seeking prequalification as ineligible for participating in any public procurement process for such period as it may determine on account of engaging, directly or through an agent, in corrupt practice.
- (b) In accordance with Rule 21 of the PPR 2014, the Procuring Agency may, for a specified period, debar the Consultancy Firm from participating in any public procurement process of the Procuring Agency if the Consultancy Firm has:
 - i. acted in a manner detrimental to the public interest or good practices;
 - ii. consistently failed to perform his obligation under the contract;
 - iii. not performed the contract up to the mark; or
 - iv. indulged in any corrupt practice.



**Section IV. Shortlisting / Pre-Qualification Criteria and
Instructions to Consultancy Firms**

1. Score Based Evaluation Criteria

| Sr. No. | Criteria | Maximum Points | |
|------------|--|---|-----------|
| | <u>Technical Capability of Consultancy Firm (Max. 45 Marks)</u> | | |
| 1. | <i>General Experience & Relevant / Productivity Improvement Experience</i> | General Consultancy: Less than 5 consultancies = 0 6 - 10 consultancies = 5 11 - 15 consultancies = 10 More than 15 consultancies = 15 | 15 |
| | | Experience of working in Readymade Garments Sector | 5 |
| | | Prior experience of working with national and / or international agencies / firms / companies / manufacturers / inter- governmental organizations for implementation of Productivity Improvement projects For each relevant project= 3 points (max. 15) | 15 |
| | | Experience in providing trainings o 1 – 3 trainings = 3 o 4 – 8 trainings = 6 o 9 or more trainings = 10 | 10 |



| | | |
|----|--|-----------|
| | | |
| 2. | <u>Human Resource Capability (Max. 45 Marks)</u> | |
| | <p>Education (Engineering / Business Administration / Business Management / International Development)</p> <ul style="list-style-type: none"> ○ Bachelors = 5 ○ Masters = 12 ○ Ph.D. or above = 15 <p>Note:</p> <ul style="list-style-type: none"> ○ x = No. of personnel with Bachelors degree ○ y = No. of personnel with Masters degree ○ z = No. of personnel with Ph.D degree <p>Evaluation formulae for determining education marks = $A = (5*x) + (12*y) + (15*z)$ Marks Obtained = $(A/M)*15$ M = Maximum Value of A of a firm amongst all firms</p> | 15 |
| | <p>Total Years of Experience of Personnel of the Consultancy Firm</p> <ul style="list-style-type: none"> ○ Less than 1 year = 0 ○ 1 - 3 years of experience = 2 ○ 4 - 5 years of experience = 5 ○ 6-10 years of experience = 10 ○ More than 10 years of experience = 15 <p>Note:</p> <ul style="list-style-type: none"> ○ x = No. of personnel with 1 - 3 years of experience ○ y = No. of personnel with 4 - 5 years of experience ○ z = No. of personnel with more than 6 - 10 years of experience ○ j = No. of personnel with more than 10 years of experience <p>Evaluation formulae for determining education marks = $A = (2*x) + (5*y) + (10*z) + (15*j)$ Marks Obtained = $(A/M)*7$ M = Maximum Value of A of a firm amongst all firms</p> | 7 |



| | | |
|--|--|------------|
| | <p>Experience in implementation of industrial engineering tools, productivity improvement techniques, lean production / manufacturing and TQM by providing client list.</p> <ul style="list-style-type: none"> ○ 1 – 5 companies = 5 ○ 6 – 10 companies = 10 ○ 11 and more companies = 15 <p>Note:</p> <ul style="list-style-type: none"> ○ x = Experience in implementation in 1-5 companies ○ y = Experience in implementation in 6-10 companies ○ z = Experience in implementation in 11 or more companies <p>Evaluation formulae for determining education marks = $A = (5*x) + (10*y) + (15*z)$ Marks Obtained = $(A/M)*23$ M = Maximum value of A of a firm amongst all firms</p> | 23 |
| 3. | <u>Financial Capability</u> (Max. 10 Marks) | |
| | <p><i>Average Annual Revenue for Financial Years 2016-17, 2017-18, and 2018-19</i></p> <ul style="list-style-type: none"> ○ Less than PKR 5 Million shall be considered as non-responsive ○ Equal to or greater than PKR 5 Million but less than PKR 7.5 Million = 3 marks ○ Equal to or greater than PKR 7.5 Million but less than PKR 10 Million = 5 marks ○ Equal to or greater than PKR 10 Million = 10 marks | 10 |
| Total | | 100 |
| <p>* The minimum score required to be shortlisted is 65 Points</p> | | |

Note:

1. After meeting mandatory eligibility criteria, the minimum passing score is 65%.



2. Bidder has to fill in the above scoring criteria and also provide relevant evidence for the information required in this table. Procuring Agency reserves the right to request for any additional evidence as deemed necessary.
3. In case more than one firm have obtained the same overall score, the firm with the highest score in relevant experience will be shortlisted. In case if more than one firms have the same relevant experience as well, then the firm with the oldest incorporation / formation date will be shortlisted.
4. The shortlisted Consultancy Firms will be issued the Request for Proposal documents for soliciting sealed Technical and Financial Proposals under the Quality and Cost-Based Selection Method under the PPR 2014.
5. The EOIs should be submitted in hard copy alongwith one set of photocopy in sealed envelope at reception of PSIC Head Office, 1st Floor, Alfalah Building, Shahrah-e-Quaid-e-Azam, Lahore.



INSTRUCTIONS TO CONSULTANCY FIRMS FOR SUBMISSION OF EOIs

- 1) Eligible Consultancy Firms should submit Expressions of Interest (EOI) in English along with relevant complete details and evidence of their qualification and experience as requested as per the Evaluation Criteria above and as follows: -
 - a) The name, address, phone and e-mail address along with postal and telegraphic address for the head office, branch offices and contact of the authorized personnel of the Consultancy Firm and, where applicable, Consortium members:
 - i) in case of a single Consultancy Firm or the Lead Member of a Consortium, as per **Annex-I, Part-I**; and
 - ii) in the case of a Consortium, for each other member of the Consortium besides the Lead Member, as per **Annex-I, Part-II**.
 - b) Certificate of Incorporation/Registration with authorized government department(s) of the company or firm (in case of a Consortium, proof of incorporation / registration of all members of the Consortium required) or Sub-Consultant, along with a copy of National Tax Number and other tax registration details such as registration with relevant provincial revenue authorities.
 - c) Corporate / Firm Profile of the Consultancy Firm, or where applicable, each member of the Consortium or Sub-Consultants, providing sufficient information/details as follows:
 - i) Years of operation;
 - ii) Management Structure/Organogram with relevant information about Board of Directors / Partners and key senior management positions;
 - iii) Information as to Divisions / Departments / Practice Groups of the firm;
 - iv) List of Key Personnel as per **Annex-II**.
 - d) Certificate of affiliations with different trade bodies or associations (including international standards certifications) or chambers of commerce and any rankings / ratings (if applicable).



- e) Information and evidence related to the experience of the Consultancy Firm, or where applicable, each member of the Consortium or each Sub-Consultant, as per **Annex-III**, along with any relevant documents to support the experience of the Consultancy Firm/member of the Consortium/Sub-Consultant such as Letter from Employer acknowledging engagement with dates or Project / Assignment Agreement / Letter of Engagement or Project / Assignment Completion Certificate.
- f) CVs of all Key Technical personnel as per **Annex-IV**
- g) In case of firms participating as Sub-Consultant or in a Consortium, original Letter(s) from each Consortium member, confirming the Lead Member on the letter-head of a firm/Consortium member/Sub-Consultant duly signed and stamped must be provided.
- h) A list detailing the nature and status of litigation/arbitration between the Consultancy Firm, or where applicable each member of the Consortium or Sub-Consultant on the one part, and the Procuring Agency or any government department / entity on the other part, if any.
- i) An Affidavit from the Consultancy Firm, or where applicable all the members of the Consortium or Sub-Consultants or members of any association, as per **Annex-V** confirming that:
 - i) the Consultancy Firm/entity has never been blacklisted or debarred by any International, Government/Semi Government Organization; and
 - ii) all the information provided by the applicant entity is true and accurate.
- j) Re. *Financial Capability criteria*, the income tax returns of the Consultancy Firm, or Lead Member of the Consortium, as the case may be, for the financial years 2016-17, 2017-18, and 2018-19, and,
 - i) in case a Consultancy firm or lead member of the Consortium is a 'company' to which section 233 of the Companies Act 2017 applies, the *annual audited accounts* for the financial years 2016-17, 2017-18, and 2018-19; or
 - ii) in case a Consultancy firm or lead member of the Consortium is a 'company' to which Section 234 of the Companies Act 2017 applies, the *annual accounts* (whether audited or not) for the financial years 2016-17,



2017-18, and 2018-19, which have been duly authenticated as per the Companies Act 2017.

- 2) Eligible Consultancy Firms must provide clear information as per above requirements indicating that they are qualified to perform the above services as per the TORs and must provide only those materials that would be specific to the proposed services, and to avoid submitting generic promotional material.
- 3) If the EOI response consists of more than one volume, the applicant must clearly number the volumes constituting the EOI and provide an indexed table of contents for each volume. All documents should be legible.
- 4) Any further information/clarification can be sought in writing from PSIC at least three days before the EOI submission date by emailing info@cdi.psic.gov.pk and cdipsic123@gmail.com.



Annex-I (Consultancy Firm Details)

Part-I

Consultancy Firm Details / (in case of Consortium) Lead Member Details

Date: _____

| Consultancy Firm Information | |
|---|--|
| Legal name | |
| Year of constitution | |
| Registered Address | |
| Address for head office and any branch offices | |
| NTN Number | |
| Registration ID with the concerned Provincial Revenue Authority (if applicable) | |
| Authorized representative information (name, address, telephone numbers, fax numbers, e-mail address) | |



Attached are certified copies of the following original documents.

1. Memorandum & Articles of Association or Incorporation / Proof of Registration / Formation or Constitution of the legal entity named above.
2. Authorization to represent the firm or Consortium named in above (if applicable).
3. Comprehensive organization structure of the Consultancy Firm / Consortium.
4. Licenses / Certifications from the concerned Professional Bodies (if applicable).
5. In case of Consortium, letter of intent to form Consortium or Consortium agreement.
6. NTN / Active Tax Payer Proof.
7. Registration with the concerned Provincial Revenue Authority (if applicable).
8. Litigation/Arbitration History.



Part-II

(In case of Consortium or Sub-Consultant) Consortium Member / Sub-Consultant Information Sheet

Date: _____

Each Member of a Consortium / Sub-Consultant must fill in this form

| Consortium Member / Sub-Consultant Information | |
|---|--|
| Legal name | |
| Year of constitution | |
| Registered address | |
| NTN Number | |
| Registration ID with the concerned Provincial Revenue Authority (if applicable) | |
| Authorized representative information (name, address, telephone numbers, fax numbers, e-mail address) | |



Attached are copies of the following original documents.

1. Memorandum & Articles of Association or Incorporation / Proof of Registration / Formation or Constitution of the legal entity named above (not applicable if individual consultant).
2. Authorization to represent the firm named above (not applicable if individual consultant).
3. Comprehensive organization structure of the Member (not applicable if individual consultant).
4. Licenses / Certifications from the concerned Professional Bodies (if applicable).
5. Letter of Intent to form Consortium or JV / Consortium Agreement.
6. NTN / Active Tax Payer Proof.
7. Registration with the concerned Provincial Revenue Authority (if applicable)
8. Power of Attorney in favour of Lead Member.



Annex-II (List of Key Personnel)

| Sr No | Name | Qualification | Total Experience in Years | Position Proposed | Current Responsibilities |
|-------|------|---------------|---------------------------|-------------------|--------------------------|
| | | | | | |
| | | | | | |
| | | | | | |



Annex-III (Firm Experience)

| Project Details* | | | | | | | | |
|------------------|-----------------|--|--------|---------------------|----------------|------------|-----------------------|---------------------------------------|
| S. No | Name of Project | Location (Country / Province / Division) | Client | Project Description | Implementation | | Total Cost of Project | Cost of Consultancy Services Provided |
| | | | | | Start | Completion | | |
| 1 | | | | | | | | |
| 2 | | | | | | | | |
| 3 | | | | | | | | |

* Project / Assignment enlisted above must be supported with evidence such as Letter from Employer acknowledging engagement with dates or Project / Assignment Agreement / Letter of Engagement or Project / Assignment Completion Certificate.



Annex-IV (CVs of Key Personnel)

CURRICULUM VITAE (CV)

1. **Name:** _____
2. **Current Position:** _____
3. **Date of Birth:** _____
4. **Nationality:** _____
5. **CNIC No. (if Pakistani) or Passport No. (if foreigner):** _____
6. **Education:**

| Degree | Major / Minor | Institution | Date of Completion (MM/YYYY) |
|--------|---------------|-------------|---------------------------------|
| | | | |

7. **Membership of Professional Associations:**
8. **Other Training** [Indicate significant training since degrees under 6 - Education were obtained]:
9. **Languages** [For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]:
10. **Employment / Free Lancing Record** [Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below):

| Employer | Position | From (MM/YYYY) | To (MM/YYYY) |
|----------|----------|----------------|--------------|
| | | | |

11. **Detail of Work Undertaken**

Name of assignment or project:

Project Duration:

Date of Start:

Client:

Positions held / Role in Assignment:

Location:

Date of Completion:

Main Project Features:

Activities performed:

12. **Certification**

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience. I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged.

[Signature of proposed staff]

Date: _____
(DD/MM/YYYY)

[Counter Signature of authorized signatory]

Date: _____
(DD/MM/YYYY)



[On Non-Judicial Stamp Paper of appropriate value]

Annex-V (Form of Affidavit)

AFFIDAVIT

Date: _____

[Recipient Details]

We, [insert name of Applicant] hereby represent and warrant that, as of the date of this letter [name of Applicant/Lead Member of Consortium/JV], and each Member of our consortium/JV (if applicable, name each member / entity):

- (a) is not in bankruptcy or liquidation proceedings;
- (b) is not blacklisted by any federal / provincial government and / or department;
- (c) has never defaulted on any bank loans or on any payments to Government or to any private party;
- (d) has not been convicted of, fraud, corruption, collusion or money laundering; and
- (e) is not aware of any conflict of interest or potential conflict of interest arising from prior or existing contracts or relationships which could materially affect its capability to comply with the obligations under the PSIC-CDI Project.

We have also attached proof of registration of each Member, if applicable, from the relevant statutory authority.

Yours sincerely,

Signature of Authorized Signatory

Name and Title of Signatory:

Name of Firm:

Address:



**PUNJAB SMALL INDUSTRIES CORPORATION (PSIC) –
CLUSTER DEVELOPMENT INITIATIVE (CDI)**

GOVERNMENT OF THE PUNJAB

