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**Pre-Proposal Conference Minutes**  
**Ref: UNDP-RFP-2020-085**  
**Engagement of Organization/Firm to develop Value Chain Strategies and execute implementation plan for the development of Value Chains in Newly Merged Districts**  
**Held on 25 June 2020 11:30 HRS**  
**Venue: Zoom meeting**

The Pre-proposal meeting was organized by UNDP for the subject Request for Proposal, following members presented UNDP in the Pre-proposal meeting:

1. Mr. Salman Ahmed Khan/Enterprises Development Specialist.
2. Mr. Muhammad Tahir ul Islam, Procurement Officer, UNDP-Country Office.
3. Mr. Israr Ahmad, Admin and Finance Officer, YEP CPRU

During Pre-proposal meeting following major Questions were raised by bidders. Point wise reply of these Questions are given below for information of vendors.

**Question#01: The contract does not allow any consortium to participate but can the work (e.g. ISO certifications) be sub-contracted under the agreement?**

**Answer:** Yes, consortium is not allowed under this RFP. The contractor will work on implementing all the deliverables either through its own resources or any other external expertise available in the market. UNDP is not concerned with any experts recruited by the contractor as long as the contractor is sole responsible and accountable to UNDP.

**Question#02: We understand that the value-chains have been reduced from 5 to 3 and value-chain identification exercise is not required anymore. Is the understanding correct?**

**Answer:** Yes, the partner will work only on the given value chains in the RFP, which are three only.

**Question#03: We understand that the exercise shall be carried out in 3 newly merged districts of the KP province (North & South Waziristan and Khyber) whilst the teams shall be placed in Peshawar and Islamabad with travel to the NMDs as and when required. Is that still valid? How is the engagement planned to be carried out if the COVID situation continues? The engagement can't be carried out remotely.**

**Answer:** The contractor needs to apply and get the NOC from relevant government departments. Government has allowed to open majority of the industries and sectors and lockdown has been lifted from most of the areas in KP and NMDs. UNDP existing mobilization partners such as SRSP and IRP have resumed their field activities and implementing different programmatic activities under Stabilization & Development Programme (SDP). Similarly, it is expected that the contractor under this RFP will undertake activities in the field and find innovative solutions, incase field visits are not possible.

**Question#04: Now instead of one report, 3 reports are required - one for each district covering all 3 value-chains. Is that understanding correct?**

**Answer:** No, only one report is required. It is up to the contractor to develop report either district wise or value chain wise. UNDP is interested to gather detailed information on the three value chains mentioned in the RFP (mines & minerals, light engineering & manufacturing and agribusiness) in the three districts, which are North Waziristan, South Waziristan and Khyber. The information can be bifurcated either district wise or value chain wise in one single report for the ease of the reader and understanding.

**Question#05: We also understand that in identification of 3 value-chains and 40 businesses, adjoining areas of these districts may also be considered as long as these districts contribute to the value-chain in terms of skills, resources etc. or provide any other input to it. Is that still valid?**

**Answer:** Yes, it is still valid, and your understanding is correct. UNDP expects that the contractor identifies SMEs from the three districts, which are North Waziristan, South Waziristan and Khyber. In-case, beneficiaries are identified from adjoining areas, then a proper justification needs to be provided (such as workers, management, suppliers etc., from that SME are from those districts) and approved by UNDP.

**Question#06: Value-chains, as identified in the RFP are at a very high sectoral level. Development of value-chain strategy shall require specificity (e.g. Marbles in Mines and Minerals or Leather in off-farm agri-businesses). We understand that identification of such sub-sectors shall be part of the study.**

**Answer:** Yes, Sub-sectors shall be part of the study.

**Question#07: Do 40 entities have to be unique for all support categories or 1 entity can count as 2 or more if it is getting support in more categories?**

**Answer:** Yes, UNDP expects that the SMEs for all the interventions should be unique, meaning that 40 different SMEs needs to be supported from the three districts under the two categories. A solid justification will have to be provided by the contractor, if one SME get support in more than one category and the justification must be approved by UNDP in-order to count one SME as two.

**Question# 08: We had proposed that the entities participating in the study should be the same as getting the support later so as to incentivize the study. Does that hold valid for the RFP?**

**Answer:** Yes, the same entities / SMEs participating in the study part of the project can be supported under output 2, in category 1 and category 2. UNDP has no problem with that.

**Question#09: For ISO 9000 and ISO 45000 certification support for 15 entities (30 certifications) how can this exercise be made time-bound for the consultant since the activity requires actual implementation down to audit and certification? What is the**

**investment required for upgrades in terms of time, cost and resources is not made by the SME? How would the consultant's responsibility be limited here?**

**Answer:** There are number of reputed organizations in Pakistan who provides both the certification consulting, certification systems enhancement, its documentation, trainings, final audit and issuance of certification at a reasonable cost. The time required for the certifications mentioned in the RFP is approximately between 6-8 months, right from documentation, trainings, audit and issuance of certificate. UNDP expects the contractor to identify those SMEs/entities in the districts, which have genuine need for the certification, are committed and give their time, resources and efforts to complete the certification right from initiation till its issuance. The cost of the certifications will be borne by the contractor as agreed between UNDP and contractor in the agreement.

**Question#10: For 5 entities getting IT upgrades support Website / Webpage development, HR management, Payroll/Finance Application (total 15 implementations). The cost can vary greatly based on the software provider and specifications. How would that be standardized for comparable costing in the proposal? Implementation and adoption may take much longer than the time required in the project plan (5-6 months). How would that be limited in terms of consultant's engagement?**

**Answer:** The contractor can identify five SMEs having employees between 15 to 40 for standardization. UNDP is interested in upgrading the SMEs through implementing cost effective but secure IT systems rather than providing them with expensive applications from Oracle, SAP and other big names. There are local companies in Pakistan who develops such applications and some open source applications are also available. The contractor can identify and engage local IT companies and startups for this implementation for the cost to be standardized but ensure that these companies have enough manpower, required expertise and successful track record for implementing such applications. Generally, the implementation and close out for such application will take around 8 to 9 months and the total project timeline under this RFP is for 11 months so UNDP expects the contractor to implement this within the stipulated timelines.

**Question#11: We understand that the costs involved with 2 study tours in Sindh and Punjab are based on an initial estimate of 10 entities (5 each) including entrepreneurs and EY staff. Please confirm.**

**Answer:** The contractor will have to identify five entrepreneurs each from the three districts for a total of 10 entrepreneurs with five travelling to Punjab and five travelling to Sindh. The staff of the contractor travelling on study tours is separate from the 10 entrepreneurs and have to be budgeted separately in the staffing section of the budget. These entrepreneurs can be the CEO/Director of the identified SME or its nominee.

**Question#12: We understand that creating market linkages for the 10 selected entities shall be limited to introduction and MoU (or other non-binding) arrangements between other corporates/SMEs and selected entities. This does not require an actual commitment of sales and purchase transaction between the contracting parties.**

**Answer:** Yes, an actual MOU (or other non-binding arrangement such as letter etc.) between buyer and seller will be good enough to complete this activity. UNDP, though expects the contractor to enforce actual sale transaction between buyers and sellers but it is not a requirement.

**Question#13: We understand that the provision of equipment / machinery support (Category 3 in the previous RFP) is not required anymore.**

**Answer:** This category for the provision of equipment / machinery support has been removed from the current RFP and is not required anymore.

**Question#14: Please explain, how will UNDP treat taxation on payments? Should we have proposed cost inclusive or exclusive of applicable taxes?**

**Answer:** Every bidder should mention both the prices in their financial proposal i.e. prices inclusive and exclusive of taxes.

Firstly, the bidder should mention prices exclusive of taxes and then mention the applicable tax percentage and tax amount separately as per the revised financial proposal template uploaded in revised version of the e-tendering event as "Revised-Returnable Forms". Relevant additional text/cells have been highlighted yellow.

**Question#15: The deadline for submitting proposal - July 10th, is only two weeks from now, Will UNDP consider extending the deadline?**

**Answer:** No, the deadline will remain as July 10th and there is not extension so kindly submit your proposal within the deadline.

**Question#16: As the proposal submission is electronic, therefore, for submitting Bid Security (in original) please provide name/address of the receiver through courier.**

**Answer:** Original proposal security should be sent to UNDP office at following address;

**UNDP-RFP-2020-085**  
**UNDP Registry, Quotation/Bids/Proposals**  
**United Nations Development Programme**  
**Serena Business Complex, 2nd Floor, Khayaban e Suharwardy, G-5/1,**  
**Islamabad, Pakistan**  
**Tel: 051-8355664 Fax: 051-2600254-5**

**Question#17: The 3 values chains identified by UNDP are the final ones, please clarify if the vendor isn't allowed to identify other values chains?**

**Answer:** No, these value chains are final, and contractor is expected to work on the three-value chain mentioned in the RFP

**Question#18: Please confirm, if the Strategy reports can be prepared value chain-wise and not district-wise (as proposed in the RFP) or if both are allowed?**

**Answer:** It is up to the contractor to develop report either district wise or value chain wise. UNDP is interested to gather detailed information on the three value chains mentioned in the RFP (mines & minerals, light engineering & manufacturing and agribusiness) in the three districts, which are North Waziristan, South Waziristan and Khyber. The information can be bifurcated either district wise or value chain wise in one single report for the ease of the reader and understanding.

**Question#19: The cost of Study Tours for 10 enterprise depends on the total number of participants from each enterprise, please suggest a number so that costs proposed by all vendors are comparable.**

**Answer:** 10 enterprise means, 10 participants so contractor should identify 1 entrepreneur from one enterprise. The contractor will have to identify five entrepreneurs each from the three districts for a total of 10 entrepreneurs with five travelling to Punjab and five travelling to Sindh. The staff of the contractor travelling on study tours is separate from the 10 entrepreneurs and have to be budgeted separately in the staffing section of the budget. These entrepreneurs can be the CEO/Director of the identified SME or its nominee.

**Question#20: The criteria for selection of enterprise, mentions cost sharing by the respective enterprise. Please clarify what cost sharing ratio is UNDP proposing for acquiring services? We believe this criterion was previously for grant component – which has been excluded from the current RFP.**

**Answer:** Yes, the cost share part was for the matching grants component, which has been removed now. The services provided under this RFP does not require applications / beneficiaries to share the cost of the acquired service.



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