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Government of Pakistan
Finance Division

Request for Proposals

Engagement of Financial Advisers

- The Government of Pakistan intends to engage a consortium of Islamic Financial Institutions for issuance of Ijara Sukuk, Green Sukuk and other structures of Shariah Compliant Instruments in domestic market.
- Technical and financial proposals should be furnished to Finance Division in two separate sealed envelopes not later than 26th June 2023.
- RfP document can be accessed from the website of Finance Division.

Section Officer (Debt Management Office)

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REQUEST FOR PROPOSALS

Government of Pakistan
Debt Management Office
Finance Division

ENGAGEMENT OF FINANCIAL ADVISORS FOR GOVERNMENT OF PAKISTAN'S SUKUK ISSUANCE IN DOMESTIC CAPITAL MARKET

INTRODUCTION

1. Government of Pakistan carries out issuance of Sukuk in domestic capital market against various underlying assets.
2. For the purpose, Finance Division plans to engage a consortium of Islamic Financial Institutions for issuance of Ijara Sukuk, Green Sukuk and other structures of Shariah Compliant Instruments in domestic market.
3. The selected consortium is expected to guide, advise, manage, coordinate and execute the whole range of activities associated with the structuring and issuance of different Sukuk in domestic capital market.
4. The engagement of the consortium shall be initially for the period of five (5) years, extendable through consent of all parties subject to satisfactory performance of consortium members.

INSTRUCTIONS TO ISLAMIC FINANCIAL INSTITUTIONS

1. The consortium will be engaged through an open competitive process as per the following procedure and method of selection:
 - i. Procedure: Single stage - two envelope.
 - ii. Method of selection: Quality and Cost-Based Selection.
2. Each interested Islamic Financial Institution shall submit following two proposals individually and not as a consortium:
 - i. Technical proposal.
 - ii. Financial proposal.
3. The 'technical proposal' and 'financial proposals' shall be submitted separately in two sealed and clearly labeled envelopes also mentioning the name of the Islamic Financial Institution.
 - i. The envelopes marked 'technical proposal' shall contain one original and one copy of the original 'technical proposal'. Each page of the original proposal must be signed and stamped. The 'technical proposals' must contain no reference to the financial proposals.
 - ii. The envelopes marked 'financial proposal' shall contain one original copy with each page signed and stamped.

4. The 'technical proposals' shall be opened on the due date at 1730 hrs in presence of representatives of Islamic Financial Institutions, who choose to be present. Subsequent in due course:
 - i. An evaluation committee constituted by Finance Division will carry out evaluation of the 'technical proposals' to determine the technically qualified Islamic Financial Institutions.
 - ii. After the completion of evaluation of 'technical proposals', date and time will be intimated only to the technically qualified Islamic Financial Institutions for the opening of 'financial proposals'.
 - iii. The 'financial proposals' of Islamic Financial Institutions who do not qualify technically shall be returned unopened to the Islamic Financial Institutions who choose to be present.
5. While submitting the proposals, the Islamic Financial Institutions may note that the selected consortium, shall at its own expense and cost, engage any other service providers on behalf of Government, needed for the purpose of the issuance / structuring / any other aspect i.e., tax advisor, legal counsel, or valuator etc.
6. Non adherence to any of the above guideline will lead to disqualification from the selection process.

SELECTION OF CONSORTIUM

1. The Islamic Financial Institution submitting the most advantageous (least fee charge) financial proposal will be selected first (ranked first).
2. Option to become part of consortium at least fee charge will be first given to the Islamic Financial Institution with highest technical score.
3. The second option to match will be given to the Islamic Financial Institution with second best technical score.
4. The process shall continue until the consortium is completed (number of members of consortium shall be determined by the evaluation committee).
5. During the engagement period, if the contract of any consortium member is terminated then Finance Division shall opt following options in sequence:
 - i. Give option to the next in line technically qualified Islamic financial institution (if applicable) to become part of the consortium; or
 - ii. Consider proceeding with the remaining consortium.

LANGUAGE OF PROPOSALS

The proposals shall be submitted in English language.

VALIDITY OF PROPOSALS

The proposals shall remain valid for six months after the last submission date.

FOR CLARIFICATIONS

Clarifications may be requested from the office below no later than seven working days prior to the submission deadline. No query shall be entertained thereafter.

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SUBMISSION DATE AND TIME

Proposals must be submitted in person or through courier at the aforementioned contact latest by 1700 hrs, 26th June, 2023.

EVALUATION CRITERIA

Following will be the evaluation criteria for the 'technical proposals' and 'financial proposals':

(1) TECHNICAL PROPOSALS

'Technical proposals' shall be evaluated as per below criteria.

1	Total amount of Islamic securities in domestic market issued by Government of Pakistan in which the financial institution was a financial adviser.	30 marks
2	Financial institution's overall Islamic finance experience along with, its financial profile, financial strength, asset & deposit market share & growth in Pakistan over the period of last 10 years	20 marks
3	Details on: i. Total Islamic financing extended to Government of Pakistan, bilaterally and in syndication separately (last 10 years). ii. Total investment made in Government of Pakistan's Sukuk in last 10 years	15 marks
4	Sukuk issuance undertaken in last 10 years as Lead Manager or Shariah Structuring advisor or otherwise with private sector in Pakistan (year-wise)	10 marks
5	Green sukuk / syndicate transactions undertaken as Lead Manager or otherwise in last 10 years (year-wise)	10 marks
6	Proposed Sukuk issuance plan including the amount that the Government of Pakistan should target through: i. Ijara Sukuk; ii. Green Sukuk; iii. Any other Shariah Compliant Instrument.	10 marks

7	Names and profiles of three (3) key members of the deal team	5 marks
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(2) FINANCIAL PROPOSALS

Financial proposals shall be submitted on the following format:

All-in fee to be charged for structuring.	PKR _____ Rupees
<p>Note:</p> <p>i. Consortium members shall not be entitled to receive any fee if a particular structure used once is thereafter employed continuously or alternatively for subsequent issues.</p> <p>ii. Government of Pakistan shall not be liable to pay any other fee.</p>	

SUBMISSION OF FEE QUOTE

1. The all-in fee includes:
 - i. Applicable taxes in connection with the issuances.
 - ii. Fee of service providers to be engaged.
 - iii. Any other cost / fee (if applicable).