



Government of Pakistan
Ministry of Finance
Debt Management Office

Request for Proposals

ENGAGEMENT OF CHINESE CREDIT RATING AGENCY

- Ministry of Finance (Finance Division), Government of Pakistan intends to carry out a Panda Bond transaction in the Chinese Capital Markets.
- For this purpose, Finance Division intends to engage the services of a Chinese Credit Rating Agency. Interested Chinese Credit Rating Agencies are invited to submit their proposals individually to work as Government of Pakistan's Credit Rating Counsel.
- Only agencies enlisted / connected with PPRA on E-PADS software as vendors are eligible to give technical and financial proposals.
- The prospective agencies are required to submit their technical and financial proposals online through E-PADS at <http://eprocare.gov.pk>. Furthermore, technical and financial proposals, in accordance with the provisions of PPRA Rule 36(a) and other terms & conditions as defined in the bidding documents must be submitted manually at below mentioned address in one sealed envelope.
- The deadline for submission is 29th July 2024. The closing time will be 17:00 PST and bids opening time will be 17:30 PST.
- RfP document can be accessed from the website of Finance Division as well as PPRA website.

Section Officer (Debt Management Office)

Room 115, S Block, Finance Division
Pak Secretariat, Islamabad, Pakistan
Ph: +92 51 9202396 Fax: +92 51 9207849

REQUEST FOR PROPOSALS

Government of Pakistan
Finance Division
Debt Management Office

ENGAGEMENT OF CHINESE CREDIT RATING AGENCY FOR GOVERNMENT OF PAKISTAN'S PANDA BOND ISSUANCE

INTRODUCTION

1. Ministry of Finance (Finance Division), Government of Pakistan intends to carry out a Panda Bond transaction (the "transaction") in the Chinese Capital Markets.
2. For this purpose, Finance Division intends to engage the services of a Chinese Credit Rating Agency for the Panda Bond issuance.

INSTRUCTIONS TO CREDIT RATING AGENCIES

1. The credit rating agency will be engaged through an open competitive process as per the following procedure and method of selection:
 - i. Procedure: Single stage - one envelope.
 - ii. Method of selection: Quality and Cost-Based Selection.
2. Each bid shall comprise one single envelope containing, separately, financial proposal and technical proposal. Both the Technical proposal and Financial proposal shall be provided separately in one original copy with each page signed and stamped.
3. Only agencies enlisted / connected with PPRA on E-PADS software as vendors are eligible to give technical and financial proposals.
4. The prospective agencies are required to submit their technical and financial proposals online through E-PADS at <http://eprocure.gov.pk>. Furthermore, technical and financial proposals, in accordance with the provisions of PPRA Rule 36(a) and other terms & conditions as defined in the bidding documents must be submitted manually.
5. An evaluation committee constituted by Finance Division will carry out evaluation of the proposals.
6. Once the committee decides to engage the qualified credit rating agency, an engagement letter will be signed between the credit rating agency and Government of Pakistan which will list down all terms of references.
7. Non adherence to any of the above guideline will lead to disqualification of the respective credit rating agency from the selection process.

EVALUATION AND SELECTION OF CREDIT RATING AGENCY

1. Eighty percent of the total evaluation marks will be allocated to the technical proposal and twenty percent to the financial proposal. The credit rating agency securing overall maximum marks shall be selected.

2. In a case where the top ranked credit rating agency withdraws its proposal, option will be given to the second credit rating agency in the order of ranking. This process shall be continued until a credit rating agency is selected.

TERMS OF REFERENCES

1. Issue credit rating to the issuer before the transaction takes place (credit rating reports of GoP).
2. Issue credit rating to the Panda Bond to be issued by the issuer (credit rating results).
3. Conduct annual surveillance of the ratings;
4. Perform all other services as may be required for successful execution of Panda Bond transaction.

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.

ENGAGEMENT PERIOD

Till completion of the project.

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.

Mr. Muhammad Nawaz Aalam
Joint Secretary, Debt Management Office, Finance Division
Room 114, S Block, Pak Secretariat, Islamabad, Pakistan
Ph: +92 51 920 7124
jsdebt114@gmail.com
ra.debt@finance.gov.pk

SUBMISSION DATE AND TIME

The deadline for submission is 29th July 2024. The closing time will be 17:00 PST and bids opening time will be 17:30 PST.

PROPOSALS CONTENTS

(1) TECHNICAL PROPOSALS

Technical proposal should contain following information:

- i. Market share of the credit rating agency in panda bond rating market.
- ii. Details of previous experience as credit rating agency for sovereign Panda Bond issuance (names of sovereigns, amounts issued through Panda bond etc.).
- iii. Details of previous experience as credit rating agency for corporate Panda Bond issuance (names of corporates, amounts issued through Panda Bond etc.).

- iv. Others documents showing in-depth knowledge of / and experience in cooperation with Pakistani entities.
- v. Representative cases that are similar to Government of Pakistan’s project.
- vi. Names and profiles of three (3) key personnel.
- vii. Total number of years since the establishment of the agency.
- viii. Details of rating methodology which will be used for Government of Pakistan.
- ix. Timeline for the whole rating process.

(2) FINANCIAL PROPOSALS

Financial proposals shall be submitted on the following format:

All-in fee to be charged in US dollar	US Dollar _____
---------------------------------------	-----------------

SUBMISSION OF FEE QUOTE

1. The all-in fee shall be one time and will include:
 - i. All applicable taxes and disbursements including travel and hotel charges for due diligence meetings in Islamabad or any other place; and
 - ii. All out of the pocket expenses incurred by credit rating agency in connection with its provision of service including travel and lodging expenses, fees and disbursements, translation and any other expense (if applicable).
2. Government of Pakistan shall not be liable to pay for any amount other than the fee agreed as ‘all in fee’.