

GOVERNMENT OF PAKISTAN  
MINISTRY OF FINANCE  
CENTRAL DIRECTORATE OF NATIONAL SAVINGS  
ISLAMABAD

**Bid Evaluation Report**

**No. F 9(1) Sch -3 / 2008-09**

**May 4, 2018**

1.	Name of Procuring Agency	Central Directorate of National Savings, Islamabad
2.	Method of Procurement	"PPRA 36(b) Single Stage – Two Envelope"
3.	Title of Procurement	Hiring of Services for Appointment of Manager to Issue ("MTI") for Operations, Custody, Services, Settlement and Reporting of the Overseas Pakistani Savings Certificate
4.	Tender Inquiry No	051-9215751
5.	PPRA Ref. No. (TSE)	TS352002E
6.	Date & Time of Bid Closing	11:30 a.m. on 30-04-2018
7.	Date & Time of Bid Opening	11:30 a.m. on 30-04-2018
8.	No of Bids Received	<b>Two (2)</b>
9.	Criteria for Bid Evaluation	70 Marks for Technical Bids and 30 Marks for Financial Bids as per published RFP
10.	Details of Biding Evaluation	As under

**Technical evaluation criteria**

Sr. No.	Criteria	Max. points	Standard Chartered	United Bank Limited
1	<b>Experience in issuance of sovereign debt instruments in international capital markets as Lead Manager or Joint-Lead Manager</b>	5	5.00	5.00
	The bidder is required to provide an outline of recent experience as Lead Manager or Joint-Lead Manager in the issuance of a sovereign debt instruments. For each sovereign issue in which the bank / financial institution has been involved, the outline should indicate, the role that the bank undertook, key staff involved in the transaction, year of issue, funds raised, description tasks/ services performed. Lead Manager or Joint-Lead Manager for: 5 or more sovereign issues (5 marks) 4 sovereign issues (4 marks) 3 sovereign issues (3 marks) 2 sovereign issues (2 marks) 1 sovereign issues (1 marks)		Both the banks have specified five or more transactions involving issuance of sovereign debt instruments. Hence, maximum points have been awarded.	
2	<b>Rank position as per Bloomberg's league tables during the last three years</b>	5	5.00	0.00
	Ranking in top 05 (5 marks) Ranking in top 10 (3 marks) Ranking in top 15 (2 marks) Ranking in top 20 (1 marks)		SCB has been ranked #1 Bookrunner (no of deals) in Bloomberg's International Sukuk league tables for the period 2015-2017. (Technical proposal page 9)	UBL has not been part of Bloomberg's league tables. (Technical proposal page 15)
3	<b>Experience with Government of Pakistan in issuance of international Euro bonds and Sukuk as Lead Manager or Joint-Lead Manager</b>	5	5.00	0.00

	"Experience with Government of Pakistan in issuance of international Euro bonds and Sukuk as Lead Manager or Joint-Lead Manager The bidder is required to provide an outline of recent experience as Lead Manager or Joint-Lead Manager with Government of Pakistan in issuance of international Euro bonds and Sukuk. Lead Manager or Joint-Lead Manager for: 3 or more sovereign issues (5 marks) 2 sovereign issues (3 marks) 1 sovereign issues (1 marks) "		Experience as Lead Manager or Joint-Lead Manager with GoP 1) 2017 - 10 year Conventional Eurobond issuance 2) 2017 - 5 year Sukuk issuance 3) 2016 - 5 year Sukuk issuance 4) 2017 - 10 year Conventional Eurobond issuance 5) 5 year 144A/Reg s Trust certificates (Technical proposal page 10)	UBL has not had the experience as Lead / Joint Lead Manager with GoP in issuance of International Euro Bonds and Sukuk  (Technical proposal page 21)
<b>4</b>	<b>Proposed methodology and work plan displaying capability</b>	<b>5</b>	<b>5.00</b>	<b>5.00</b>
	The bidder is required to provide a detailed description of the proposed methodology and work plan for the management of sales, issuance, encashment, settlement, liquidity process and procedures of the OPSCs.		SCB and UBL both parties provided a detailed and robust description of the proposed methodology and work plan for the management of sales, issuance, encashment, settlement, liquidity process and procedures of the OPSCs. Hence, maximum marks have been awarded to both the banks.	
<b>5</b>	<b>Footprint in GCC and marketing and sale of OPSCs to its current Pakistani customers base</b>	<b>5</b>	<b>5.00</b>	<b>5.00</b>
	The bidder is required to provide a detailed branch network within the GCC and strategy to sell OPSCs to existing Pakistani customer base of the bank in GCC.		Both banks have a presence in UAE, Oman, Qatar, Bahrain, Kuwait and Saudi Arabia, either directly or through their affiliates and hence both the banks have been 5 marks each	
<b>6</b>	<b>Qualification and experience of key personnel</b>	<b>15</b>	<b>12.50</b>	<b>8.33</b>
	Qualification and experience of key personnel that would be engaged in the OPSCs project with diversified experience profiles i.e. Investment banking, financial institutions/ international banking, wealth management, compliance and operations.		The review and analysis of qualification & experience of key personnel that would be engaged in the OPSCs project was done on the basis of profiles of the core team provided in the technical proposals SCB - Shazad Dada - CEO, Arslan Nayeem (Head, Global Banking), Farooq Mustafa Alavi (Head FI), Unaib Tala (Client Manager FI), Masharif Shah (Head, Transaction Banking), Naveen Akber Saifi (Business Account Manager Securities Services), Majid Aziz (Chief Information officer), Shyam Prem (Head, Corporate Institutional and Commercial Banking Operations, Mubbashir Yasin (Head, Compliance) UBL - Zia Ejaz (GE Retail and Branch Banking), Naeem Bashir (Head of International Banking), Syed Jaffar Hussain (Banking Product Group), Saeed Iqbal (Head Institutional and Investment Banking), Maliha Anwar Khan (Head of Wealth Management), Amanat Ali (Head of Home Remittances), Mishal Quadri (Head of Debt Capital Market & Syndications)	
<b>7</b>	<b>Robustness of the bank's Core Banking Solution</b>	<b>10</b>	<b>7.00</b>	<b>9.00</b>
	Robustness of the bank's Core Banking Solution and related operational software and systems [Measured through number of CBS used in last 10 years (Year wise)] The bidder is required to share the snapshot of the existing Core Banking System in place and clearly disclose Core Banking Solutions used during the last 10 years. Please justify the reasons for the changes between systems if any. Only one (1) – (10 marks) Relative marking would be applicable for others		SCB has developed their own inhouse system which is not recognized internationally. However, SCB is using this in their worldwide operations.	UBL changed their system once in last year from Unibank to Sungard/Symbols which is internationally recognized CBS.
<b>8</b>	<b>Ranking of the Core banking system as per Gartner magic quadrant in 2017</b>	<b>5</b>	<b>0.00</b>	<b>0.00</b>

	Relative marking will apply		eBBs not included in Gartner magic quadrant rankings of 2017 of Core banking system	SunGard's Symbols not included in Gartner magic quadrant rankings of 2017 of Core banking system
<b>9</b>	<b>Compliance screening and monitoring systems [Measured through number of inbound remittance transactions and effectiveness of existing systems]</b>	<b>15</b>	<b>5.15</b>	<b>15.00</b>
	Compliance screening and monitoring systems [Measured through number of inbound remittance transactions and effectiveness of existing systems] The bidder is required to provide the following: 1. The number of inbound remittance transactions in 2017 2. Details/ Snapshot of the existing systems (Technology driven and other wise) in place 3. Any penalties or warnings received on account of compliance issues from the regulator (Nature and extent must be disclosed)  Bidder with highest number of transactions will be given 10 marks (Relative marking would be applicable for others)		No of inbound transactions - 142,532 Details/ snapshot of existing system provided. Last regulatory review was marked as satisfactory.	No of inbound transactions - 9,563,562 Details/ snapshot of existing system provided. No penalties have been imposed by State Bank of Pakistan on inbound remittances in the last 5 years
<b>10</b>	<b>Alternative delivery channels (ADC) for product delivery</b>	<b>10</b>	<b>8.93</b>	<b>7.50</b>
	5 marks will be given for number of years of implementing Internet/ web based (ADC) 5 marks will be given for number of years of implementing Mobile/ App based (ADC)		Number of years of implementing Internet/ web based (ADC) - 11 years Number of years of implementing Mobile/ App based - 8	Number of years of implementing Internet/ web based (ADC) - 14 years Number of years of implementing Mobile/ App based - 4
<b>11</b>	<b>Alternative delivery channels for product delivery</b>	<b>5</b>	<b>5.00</b>	<b>1.94</b>
	The bidder is required to state the number of digital transactions using ADCs (Mobile and Internet/ Web based) in 2017. 2.5 marks will be given for highest Internet/ web based transactions 2.5 marks will be given for highest Mobile/ App based transactions (Relative marking will be followed)		Internet/ web based transactions - 11,000,000 Mobile/ App based transactions - 2,000,000	Internet/ web based transactions - 2,940,883 Mobile/ App based transactions - 1,016,197
<b>12</b>	<b>Custody service business unit</b>	<b>15</b>	<b>15.00</b>	<b>7.50</b>
	The bidder is required to provide the following: 1. Details of existing custody service of offered to the existing foreign clientele 2. Number of transactions and the size of the portfolio 3. Reporting mechanisms in place and proposed to be put in place for OPSCs OR In case there is no existing custody service focused team, submit a detailed plan including identification of core human and system requirements which will be put in place for OPSCs project  Banks with no existing custody service business will be scored out of 10 marks		Details of existing custody service offered to the existing foreign clientele include; securities settlement, safekeeping, Broker clearing, securities registration, income collection, proxy voting, client reporting, bank guarantees to exchanges, foreign exchange regulation etc. Number of transactions and the size of the portfolio The total number of securities transactions in 2017 were approximately 36,000. Current assets under custody USD 3.4 billion.	UBL has only recently started custodial services and have opened 5 accounts.
	<b>Total Technical Marks</b>	<b>100</b>	<b>78.58</b>	<b>64.27</b>

<b>Financial valuation criteria</b>				
			<b>Standard Chartered   Pakistan</b>	<b>United Bank Limited</b>
<b>F</b>	Fixed Fee %	<i>Insert %</i>	0.25%	0.34%
<b>V</b>	Variable Fee	<i>Insert %</i>	0.45%	0.10%
		Sum (F%+V%)	<b>0.70%</b>	<b>0.44%</b>
	Marketing spend %	<i>Insert %</i>	10.00%	40.00%
		<b>Weightage</b>		
<i>Min</i>	Fix Marks %	30%	0.30	0.22
<i>Min</i>	Variable Marks %	50%	0.11	0.50
<i>Max</i>	Marketing spend %	20%	0.05	0.20
	<b>Marks Obtained</b>		<b>0.46</b>	<b>0.92</b>
	<b>Value in Amount</b>			
	Fixed Fee		71.875 Million	97.00 Million
	Variable Fee		129.375 Million	28.75 Million
	Total		201.25Million	125.75 Million
	Marketing Spent		7.1875 Million	38.8 Million

<b>Technical + Financial valuation -Total marks - %</b>			
		<b>Standard Chartered   Pakistan</b>	<b>United Bank Limited</b>
Technical marks	100	78.58	64.27
Technical marks %		78.58%	64.27%
Financial marks	1	0.46	0.92
Financial marks %		46%	92%
<b>Weightage average marks</b>			
Technical marks	70%	55.00%	44.99%
Financial marks	30%	13.83%	27.67%
<b>Final score (%)</b>		<b>68.84%</b>	<b>72.66%</b>

SD  
Secretary  
Finance/Purchase Committee





