

PC-II

GOVERNMENT OF THE PUNJAB
PLANNING COMMISSION

Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Laboratory

ADP 2022-23 (GS No. 4545)



Total Cost: Rs. 50.00 million

**Directorate of Planning, Evaluation and New
Initiatives, PSIC, Head Office, Lahore**

December, 2022

PC-II

1	Name by which survey/ feasibility will be identified	Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab
2	Administrative Authorities responsible for: i. Sponsoring ii. Execution	Industries, Commerce, Investment & Skills Development Department (ICI&SDD), Government of the Punjab, Lahore. Punjab Small Industries Corporation (PSIC)
3	i. General description and justification	<p><u>BACKGROUND</u></p> <p>Product Quality in international business is no more an option, it is compulsory. Under the scenario of globalization of trade, many countries have implemented various directives and technical regulations dealing with safety compliance of materials & products, packing, hazardous contamination, electromagnetic compatibility, good manufacturing practices, social compliance etc.</p> <p>To cope with the increasing importance of standardization, Govt. of Punjab considered to establish material testing laboratory along with its accreditation as per requirement of ISO/IEC 17025 standard which deals with Quality management system of testing laboratories.</p> <p>The planned laboratory was supposed to:</p> <ul style="list-style-type: none"> • Provide fast and reliable internationally accredited testing services. • Provide assistance in achieving product safety compliance, quality marks through a stringent certification process. • Facilitate in improving product quality and streamlining production processes. • Enhance confidence of international buyers. • Promote quality culture. <p>In this context, United Nations Industrial Development Organization (UNIDO) under Trade Related Technical Assistance Program (TRTA-I) funded by European Commission facilitated Commerce and Investment Department, Govt. of Punjab by hiring services of an International Expert during year 2006. The expert conducted a survey and interacted with some major stakeholders at Sialkot, Gujrat, Wazirabad and Gujranwala to review the existing scenario at that time related need of testing facilities in this triangular region. At the end of</p>

mission of International Expert, UNIDO submitted a proposal for **Development of Materials Testing Laboratory.**

Considering the above stated concept, a scheme of Commerce & Investment (C&I) Department titled “**Sports Goods & Material Testing Laboratory, Sialkot**” was approved in 2006 and revised in 2009 at a total cost of **Rs.265.602 million**. The project building was completed by C&W department in 2010 at a plot measuring 08 kanal at Small Industrial Estate Sambrial/Sialkot at the cost of **Rs.32.823 million** but neither machinery was purchased nor any recruitment was made against the posts envisaged in the PC-I by the then C&I Department. After merger of both departments, revised PC-I of the scheme was prepared by Directorate of Industries at a cost of **Rs.450.00 million**, which was submitted to P&D Board. PDWP in its meeting held on 10.10.2012 discussed the project and Member (PSD), P&D Board was nominated to review the PC-I. Member (PSD), P&D Board informed that requisite testing facilities are available both in Lahore (PCSIR & PSQCA) & in Sialkot (CPC, SIMTEL, MIDC & ILT Gujranwala), therefore, the revised PC-I was returned to the department with the request to minutely examine the proposal, identify gaps in existing setups and prepare a proposal (if required) to plug in the lacunas (if present) and also consider funding from Federal Government’s relevant organizations and Sports Goods Industry via Public Private Partnership as matter pertains to exports of Sports Goods from the private sector.

A meeting of committee comprising of Secretary, ICI, Member (P&D), and President, Sialkot Chamber of Commerce and Industry was held on 21.04.2014 to discuss utilization of vacant building of sports goods testing laboratory district Sialkot. It was decided in the meeting that Sialkot CC&I will provide detail of the materials / goods and tests needed by the industry of Sialkot along with present testing facilities and cost. The tests required for export of goods will also be included in the list so as to assess need of the laboratory. Sialkot CC&I shall also explore the availability of funds from Export Development Fund for running the laboratory. Later on, a meeting of committee was again held on 24.06.2014 in the office of Secretary, IC&I, Punjab to discuss utilization of vacant building of sports goods testing laboratory district Sialkot and it was decided that:

- i. Determination of tests required for material testing is a technical area therefore a consultant may be hired to prepare feasibility for establishment of material testing laboratory for all industries in Sialkot rather than limiting it to the sports goods industry only.
- ii. The consultant will carry out need assessment for establishment of laboratory and types/nature of tests required. He will propose a model for sustainable operation of lab and its international

accreditation.

iii. The consultant will also prepare PC-I of the project.

iv. PC-II would be prepared for the engagement of the consultant.

Accordingly, the IC&I Department moved a summary with aforementioned recommendations which was approved by the Chief Minister, Punjab.

Later on, Chief Operating Officer, TEVTA was requested by Industries Department on 08.08.2014 and 03.09.2014 to prepare PC-II of the scheme to implement the order of the Chief Minister, Punjab but TEVTA did not prepare PC-II. During a meeting on the issue held on 30.04.2015 under the Chairmanship of AS (Commerce), IC&I Department, it was decided that TEVTA will give its final verdict in writing regarding hiring of consultant for the said project and accordingly the task for engaging a consultant will be imparted to PSIC.

As per above decision, Manager (Projects), TEVTA gave his final verdict that TEVTA has been mandated as a Service Provider for Technical Education & Vocational Training and the matter relates to establishing/revamping material testing facility to the SMEs of Sialkot and surrounding area, therefore, it will be in fitness of things if the matter may be referred to PSIC being most appropriate forum having capacity for hiring required consultants.

Subsequently, IC&I Department vide letter No. AEA-I. 2-2/2012(P-I) dated 11.05.2015 requested PSIC to hire a consultant to prepare feasibility for establishment of material testing laboratory for all industries at Sambrial, Sialkot. The Consultant will also carry out need assessment for establishment of laboratory and nature of tests required. He will propose a model for sustainable operation of laboratory and its international accreditation. PSIC will hire the Consultant for the said assignment from its own resources by placing the matter in PSIC Board Meeting.

Moreover, Assistant Economic Advisor-I, IC&I Department further informed vide letter dated 03-06-2015 that PSIC will hire the consultant for the said assignment from its own resources by placing the matter in PSIC Board meeting. If project is found feasible, then PSIC will undertake the project as per model proposed by the consultant for sustainable operation of the laboratory.

Accordingly, the working paper regarding hiring of consultant for establishment of material testing laboratory for all industries in Sialkot was discussed in the meeting of PSIC Board of Members held on 29.12.2015. The decision of PSIC Board of Members is reproduced as under:

“PSIC Board after due consideration did not agree with the proposal for hiring of consultants by PSIC”

The decision of the Board was conveyed to IC&I Department. Thereafter, Assistant Economic Advisor-I, IC&ID Department, vide letter dated 14-01-2016 intimated that Secretary, IC&I has recorded following directions in the matter:

“It is clear that the Board approved the proposal. MD PSIC, be asked to develop a plan along with timelines for hiring of consultant and submit in 3 days positively.”

Moreover, during the meeting held on 27-01-2016 regarding operationalization of growth strategy sector plan, the Chief Minister, Punjab directed that *a Provincial Quality Control Cell be established in Industries, Commerce & Investment Department along with the state-of-the-art laboratories of international level to assure the quality of exports and even local products.* Chief Minister observed that the Laboratory can be established by Govt. and outsourced later on to assure the Quality Control. It should be a separate entity and its accreditation with International Agencies.

Keeping in view the importance of an accredited material testing laboratory for industrial units of Gujranwala & Sialkot, the Minister for Industries / Chairman PSIC BOM vide Note dated 18-02-2016 was requested to allow PSIC Management to hire consultant from its own resources to work out potential for establishment of an accredited material testing laboratory for all industries in Sialkot. The same was very kindly approved by the Minister. The PSIC Board of Members in its 93rd meeting held on 29-03-2016 ratified the action of Minister for IC&ID / Chairman PSIC Board of Members for hiring of consultant for establishment of Material Testing Laboratory, Sialkot.

Accordingly, PSIC hired a consultant and signed contract on 18-08-2016. However, the consultant failed to complete the assignment as per agreed TORs and within stipulated period. Hence, the contract was terminated vide letter No. PSIC/PEN/250/2397 dated 04-10-2017. Later on, matter was referred to Strategic Policy Unit (SPU); established in Industries Department, for hiring of a consultant by them but reportedly no consultant was hired. The matter remained under discussion with SPU but could not be finalized.

JUSTIFICATION

Globalization has become a driving force for change in economic arena and provides at the same time the opportunities of Pakistan to increase market access in international trade. This can only be achieved if Pakistani products meets the requirements of global trading system

governed by regulations as defined by various importing countries.

Standards and regulations have become a key feature of international trade. The compliance of product quality is now mandatory which needs infrastructure for conformity assessment with respect to product performance, safety, packaging, RoHS, QMS, GMP and social compliance etc.

Sialkot is well known as a producer and exporter of high-quality sports goods, surgical, dental instruments and sportswear. Exports of surgical instruments are mainly concentrated in the USA, UK, Germany and other EU countries. This sector is one sector where exporters have been able to penetrate the high-income market and are striving to retain their share over a large period. The industry currently faces stringent compliance requirements. Global buyers demand compliance with MDR and CE marking which is mandatory for export to EU countries. To cope the relevant directives and regulations, EU notified body is involved to verify the compliance. Accredited testing labs are required to perform tests on material and finished products in accordance with the harmonized EN and other related standards.

In order to fulfill these regulations, some manufacturers have to get their products tested and certified from laboratories and notified bodies in EU to fulfill regulatory requirement under EU directive. This implies high cost and takes long time. For most of products in the mechanical field involvement of notified body is not required and these products can therefore be Labelled CE mark through self-assessment. Technical documentation of the products must be drawn up before the Declaration of Conformity is issued and CE mark is affixed.

Some manufacturers deliver their products to Europe without needed technical documentation, declaration of conformity and CE marking. The assessment is instead made by an importer within European market. This means that the importer is the owner of needed certificate and is, because of this, probably taking more than a fair share of the profit. If the manufacturers shall be able to increase their production and income, they must be able to take control of the certification and CE marking of their products. For this purpose, their need for qualified test facilities is essential.

Almost the similar situations exist for leather products, sports goods sportswear and accessories.

Similarly, **Gujranwala and Gujrat** regions are also known internationally as a producer of high-quality products such as home appliances, cutlery, sanitary items, ceramics products, cookware, etc.

Cutlery kitchen utensils and metal cookware are such items which come in contact with food. Therefore quantity, safety food contact listing and certification to meet the requirements FDA and LFGB have been made mandatory by many importing countries including EU, USA, Germany, Italy and even gulf countries. In order to certify the products, the relevant authorities have notified authorized bodies to perform certification tasks. The exporters of these products need accredited testing laboratory to present test reports to the notified bodies for issuance of compliance certificate.

On the other hand, the manufacturers/exporters of **home appliances** (including electric, gas, motor based) need testing and compliance certification for G-Mark, SASO and SABS as well as for CE Marking before exporting their products to Gulf Countries, African and EU markets in addition to other compliance including QMS, GMP, Social Compliance, etc., which are applicable to almost all industrial sectors especially cutlery, surgical instruments, sports goods, sportswear, leather products etc.

With due consideration of all above, the proposed laboratory infrastructure for testing of materials/products to serve the industrial clusters in the triangular region including Sialkot, Gujranwala, Gujrat and adjacent areas is required to perform:

- **Mechanical tests**
- **Metallographic tests**
- **Physical and Chemical analysis**
- **Electrical Safety (LVD) tests**
- **Electromagnetic compatibility (EMC) tests**
- **RoHS compliance evaluation**
- **Energy Efficiency (Eco-design)**
- **Microbiological analysis**

DELIBERATIONS ABOUT THE SCHEME

A scheme titled “**Renovation and Operationalization of Sports Goods and Material Testing Lab**” at a total cost of **Rs. 1000.00 million** was included in ADP 2021-22 in order to renovate and operationalize testing laboratory in the existing building situated at Small Industries Estate, Sambrial / Sialkot.

Before starting preparation of the PC-I of the scheme, titled “**Renovation and Operationalization of Sports Goods and Material Testing Lab**”, stakeholders’ consultations were considered necessary to decide scope and features of the scheme. For the purpose, a meeting was convened on **06-07-2021** under the chairmanship of Managing Director, PSIC with all stakeholders before proceeding further in the matter. During the discussions with stakeholder and in-house

discussions within the department, it was revealed that project is technically complex & quite complicated and involves highly technical and sophisticated machinery and equipment. On the other hand, specific information regarding scope of services, identification of export oriented sectors, required testing facilities on the basis of Gap analysis, list of machinery required for the lab, cost estimation(s), international accreditation process and requirements, operational cost of the project, HR requirement and most important operational / managerial and financial model to run the lab after completion of the scheme etc. was not available with any of the stakeholder(s) including Sialkot Chamber of Commerce. Minutes of the meeting are at **Annexure-III**.

Subsequently, a committee was constituted and notified vide No. PSIC/PEN/331/653, dated 02.08.2021 (**Annexure-IV**) under the Chairmanship of Regional Director, PSIC Gujranwala with the representation of members of **Sialkot, Gujranwala and Gujrat** Chamber of Commerce and Industries. The Committee in its meeting held on **17-08-2021** deliberated on the matter and recommended hiring of sector-based consultants for feasibility, designing & planning of lab and preparation of PC-I for best utilization of available resources. The Committee decided that a lead consultant and sector experts may be engaged for the purpose. The sector experts will work in their respective sectors and the lead consultant will guide, supervise & monitor the work of experts. The lead consultant will review the findings and based upon these will ultimately prepare a comprehensive report, feasibility of the project and PC-I in collaboration with sector experts. The Committee also shortlisted following export-oriented sectors for consideration to provide testing facilities under the project:

- i. Sports Industry
- ii. Leather Industry
- iii. Home Appliances (Including electric, gas, motor based)
- iv. Metal Processing and metal-based products (including sanitary, cutlery, cookware etc.)
- v. Surgical Industry
- vi. Rice

Minutes of the meeting issued by Regional Director, PSIC Gujranwala vide No. PSIC/ROG/ACCTS/472 dated 20.08.2021 are available at **Annexure-V**.

In view of the above, a summary was moved to Chief Minister, Punjab to accord approval to place the case for approval of the following proposal before Standing Committee of Cabinet on Finance & Development:

“The Government of Punjab may allow to change the nomenclature, scope and cost of the scheme titled “Renovation and

Operationalization of Sports Goods and Material Testing Lab” at a cost of Rs. 1000.00 million, reflected at GS No. 6721 of ADP 2021-22, to the scheme titled “Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab” at total cost of Rs. 50.00 million, with same GS No. 6721, in ADP 2021-22”.

The above proposal was placed before Standing Committee of Cabinet on Finance & Development in its 65th meeting held on 12.10.2021. The Standing Committee of Cabinet on Finance & Development considered and approved the proposal. The Committee also approved that this project should take into account the economic opportunities in triangle (Sialkot, Gujranwala and Gujrat) and should be reflected in the TORs of PC-II and P&D Board should spearhead the process in consultation with the Administrative Department. (Minutes of meeting are available at **Annexure-VI**)

In light of the aforementioned decisions, a draft PC-II for **“Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab”** at total cost of **Rs. 50.00 million**, also containing the Terms of References (TORs) for hiring the services of a well reputed International Consultancy Firm having vast relevant experience of research/studies pertaining to material/product testing, certifications and international accreditation, under PPRA Rules, 2014 to carry-out the feasibility study and preparation of PC-I (if found feasible), was prepared and forwarded to ICI&SD Department vide letter No. PSIC/PEN/331/3077 dated 08.11.2021 with the request to forward the same to P&D Board for their valuable comments / input, enabling this office to finalize the PC-II.

In response, Deputy Economic Advisor-I, ICI&SD Department vide letter No. DEA-I. 1-1(11)/2021, dated 29.11.2021 (**Annexure-VII**) forwarded the comments of Industries Sector of P&D Board, issued by Planning Officer (IND), P&D Board vide letter No. 2(705) IND/P&D/2021, dated 23.11.2021 on the draft PC-II which are reproduced hereunder along with actions taken / response of the department in light of pre-PDWP decisions / discussion:

Sr. No.	Comments of Industries Sector of P&D Board	Actions taken / Response of the department
i.	Senior Chief Consultancy, P&D Board to be included as Chairman of the Committee proposed for	Response given in previously submitted PC-II: The issue was also discussed in pre-PDWP meeting held on 17.12.2021 and it was decided that Head of ICI&SSD or PSIC to be nominated as Chairman of the committee proposed to prepare / finalize

		<p>finalizing the documents such as TORs, request for expression of interest, pre-qualification document and request for proposal etc., rather than Member PSD, P&D Board (Page 8).</p>	<p>the documents such as TORs, REOI, PQD and RFP etc. Rep of P&D Board may be added as member of the committee instead.</p> <p>Accordingly, composition of the committee is proposed as under:</p> <table border="1" data-bbox="925 398 1476 1317"> <tr> <td>i.</td> <td>Managing Director, PSIC</td> <td>Chairman</td> </tr> <tr> <td>ii.</td> <td>Director (A&C), PSIC</td> <td>Member / Secretary</td> </tr> <tr> <td>iii.</td> <td>Director (F&A), PSIC</td> <td>Member</td> </tr> <tr> <td>iv.</td> <td>Director (PEN), PSIC</td> <td>Member</td> </tr> <tr> <td>v.</td> <td>Representative from P&D Board</td> <td>Member</td> </tr> <tr> <td>vi.</td> <td>Representative from Finance Department</td> <td>Member</td> </tr> <tr> <td>vii.</td> <td>Representative from ICI&SD Department</td> <td>Member</td> </tr> <tr> <td>viii.</td> <td>Representative from Gujranwala Chamber of Commerce & Industry</td> <td>Member</td> </tr> <tr> <td>ix.</td> <td>Representative from Gujrat Chamber of Commerce & Industry</td> <td>Member</td> </tr> <tr> <td>x.</td> <td>Representative from Sialkot Chamber of Commerce & Industry</td> <td>Member</td> </tr> </table> <p>Moreover, representatives from Gujranwala, Gujrat and Sialkot Chambers of Commerce and Industry have also been added as Members of the Committee for industry representation so that TORs / scope of work can be defined well in accordance with the need of the respective industry.</p> <p>Due to complexity of the assignment, the services of consultant(s) may be hired to prepare documentations etc. and other purposes in connection with hiring of international consultancy firm as per PPRA Rules with the approval of Managing Director, PSIC. Necessary provision of funds has been allocated for the purpose.</p>	i.	Managing Director, PSIC	Chairman	ii.	Director (A&C), PSIC	Member / Secretary	iii.	Director (F&A), PSIC	Member	iv.	Director (PEN), PSIC	Member	v.	Representative from P&D Board	Member	vi.	Representative from Finance Department	Member	vii.	Representative from ICI&SD Department	Member	viii.	Representative from Gujranwala Chamber of Commerce & Industry	Member	ix.	Representative from Gujrat Chamber of Commerce & Industry	Member	x.	Representative from Sialkot Chamber of Commerce & Industry	Member
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x.	Representative from Sialkot Chamber of Commerce & Industry	Member																															

			<p>Modified reply as recommended by consultant:</p> <p>Following Consultant Selection Committee (CSC) is proposed to prepare/finalize/approve the documents such as Terms of References (TORs), Request for Expression of Interest (REOI), Pre-Qualification Document (PQD), Request for Proposal (RFP), evaluation of technical & financial proposals, etc. and will also perform other functions as described in PPR Rules, for hiring of a consultancy firm of international repute having vast relevant experience of research / studies pertaining to material / product testing, certifications and international accreditation under PPR Rules, 2014:</p> <table border="1" data-bbox="922 931 1474 1626"> <tr> <td>i.</td> <td>Managing Director, PSIC</td> <td>Chairman</td> </tr> <tr> <td>ii.</td> <td>Nominee from P&D Board, Government of the Punjab</td> <td>Member</td> </tr> <tr> <td>iii.</td> <td>Nominee from Finance Department, Government of the Punjab</td> <td>Member</td> </tr> <tr> <td>iv.</td> <td>Nominee from ICI&SD Department, Government of the Punjab</td> <td>Member</td> </tr> <tr> <td>v.</td> <td>Director (A&C), PSIC</td> <td>Member / Secretary</td> </tr> <tr> <td>vi.</td> <td>Director (PEN), PSIC</td> <td>Co-opted Member</td> </tr> </table>	i.	Managing Director, PSIC	Chairman	ii.	Nominee from P&D Board, Government of the Punjab	Member	iii.	Nominee from Finance Department, Government of the Punjab	Member	iv.	Nominee from ICI&SD Department, Government of the Punjab	Member	v.	Director (A&C), PSIC	Member / Secretary	vi.	Director (PEN), PSIC	Co-opted Member
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		<p>ii. Secretary, P&D Board may be excluded from the Committee proposed to review and approve the deliverables of the Consultancy. The representative of P&D Board may be included as</p>	<p>Response given in previously submitted PC-II:</p> <p>The composition of the respective committee has been changed accordingly and is proposed as under:</p> <table border="1" data-bbox="922 1865 1474 2051"> <tr> <td>i.</td> <td>Managing Director, PSIC</td> <td>In Chair</td> </tr> <tr> <td>ii.</td> <td>Representative from Finance Department</td> <td>Member</td> </tr> </table>	i.	Managing Director, PSIC	In Chair	ii.	Representative from Finance Department	Member												
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		<p>member of the Committee (Page 9).</p>	<table border="1"> <tr> <td data-bbox="925 145 997 257"></td> <td data-bbox="997 145 1284 257">nominated by Secretary, Finance Department</td> <td data-bbox="1284 145 1492 257"></td> </tr> <tr> <td data-bbox="925 257 997 436">iii.</td> <td data-bbox="997 257 1284 436">Representative from P&D Board nominated by Chairman, P&D Board</td> <td data-bbox="1284 257 1492 436">Member</td> </tr> <tr> <td data-bbox="925 436 997 660">iv.</td> <td data-bbox="997 436 1284 660">Representative from ICI&SD Department nominated by Secretary, ICI&SD Department</td> <td data-bbox="1284 436 1492 660">Member</td> </tr> <tr> <td data-bbox="925 660 997 728">v.</td> <td data-bbox="997 660 1284 728">Director (A&C), PSIC</td> <td data-bbox="1284 660 1492 728">Member / Secretary</td> </tr> <tr> <td data-bbox="925 728 997 806">vi.</td> <td data-bbox="997 728 1284 806">Director(F&A), PSIC</td> <td data-bbox="1284 728 1492 806">Member</td> </tr> <tr> <td data-bbox="925 806 997 884">vii.</td> <td data-bbox="997 806 1284 884">Director (PEN), PSIC</td> <td data-bbox="1284 806 1492 884">Member</td> </tr> <tr> <td data-bbox="925 884 997 1030">vii i.</td> <td data-bbox="997 884 1284 1030">Any other member to be co-opted by the Committee for expert opinion, etc.</td> <td data-bbox="1284 884 1492 1030">Co-opted Member</td> </tr> </table> <p>Modified reply as recommended by consultant:</p> <p>The Steering Committee will review and approve the deliverables 1 to 6 as given in the TORs for “feasibility study of renovation and operationalization of sports goods and material testing lab” and to give recommendation(s) for making payment(s) to the selected consultancy firm of international repute.</p>		nominated by Secretary, Finance Department		iii.	Representative from P&D Board nominated by Chairman, P&D Board	Member	iv.	Representative from ICI&SD Department nominated by Secretary, ICI&SD Department	Member	v.	Director (A&C), PSIC	Member / Secretary	vi.	Director(F&A), PSIC	Member	vii.	Director (PEN), PSIC	Member	vii i.	Any other member to be co-opted by the Committee for expert opinion, etc.	Co-opted Member
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	iii.	Gestation period of the scheme to be reduced to six months.	<p>Response given in previously submitted PC-II:</p> <p>The gestation period of the scheme may not be reduced to six months because the hiring of a consultancy firm will be in accordance with the procedure as prescribed in PPRA Rules, 2014 and it will take approximately 2-3 months for completion. Further, five months of the current financial year i.e., 2021-22 has already been passed. Therefore, the gestation period of the scheme will be from January, 2022 to December, 2022.</p>																					

		<p>However, the time duration for the consultancy will be six (06) months after award of work to the selected Consultancy Firm. The same was also discussed in pre-PDWP meeting dated 17.12.2021.</p> <p>Modified reply as recommended by consultant:</p> <p>The implementation period of the scheme is identified as July 2022 to March 2024. However, to ensure the quality of work the time duration for the consultancy activity is proposed as Nine (09) months after the award of work to the selected consultancy firm out of which feasibility study will be completed within six (06) months and PC-I (If found feasible) will be prepared & submitted within three (03) Months.</p>
	iv.	<p>The word “establishment” may be replaced with “renovation”.</p> <p>Response given in previously submitted PC-II:</p> <p>The existing building of “Sports Goods & Material Testing Laboratory” situated at PSIC Small Industries Estate, Sambrial / Sialkot is proposed for establishment of the Laboratory. It is pertinent to mention that at present only building is available instead of laboratory, which will be used for this purpose. Hence, the word “establishment” is used in the PC-II.</p> <p>Modified reply as recommended by consultant:</p> <p>Agreed with the above stated response.</p>
	v.	<p>Getting the PC-I approved from the competent forum of the government is not the responsibility of consultancy firm (See Sr. No. 7 of deliverables at Page 18)</p> <p>Response given in previously submitted PC-II:</p> <p>The same has been re-phrased as under: “Facilitate PSIC in getting the PC-I approved from the Competent Forum”.</p> <p>Modified reply as recommended by consultant:</p> <p>Agreed with the above stated response.</p>
	vi.	<p>The condition for registration with PEC to be mentioned for all the engineering</p> <p>Response given in previously submitted PC-II:</p> <p>Since international consultancy firm is to be hired, hence, the condition of</p>

	experts proposed for core team of consultancy.	<p>“Registration with PEC” is irrelevant and therefore excluded against all posts of engineering experts.</p> <p>Modified reply as recommended by consultant:</p> <p>Agreed with the above stated response. However, the condition of registration with PEC for all local engineering experts those engaged by the Consulting Firm of International Repute will hold.</p>
vii.	Job title of “Manager (Civil)” to be replaced with “Expert” or “Specialist”.	<p>Response given in previously submitted PC-II:</p> <p>The job title of “Manager (Civil)” has been replaced with “Expert (Civil)” in light of decision pre-PDWP meeting held on 17.12.2021.</p> <p>Modified reply as recommended by consultant:</p> <p>Agreed with the above stated response.</p>

Moreover, Deputy Economic Advisor-I, ICI&SD Department vide letter No. DEA-I. 1-1(11)/2021, dated 23.12.2021 (**Annexure-VIII**) forwarded the comments of Consultancy Wing of P&D Board, issued by Planning Officer (IND), P&D Board vide letter No. 2(705) IND/P&D/2021, dated 17.12.2021 on the PC-II which are reproduced hereunder along with actions taken / response of the department in light pre-PDWP decisions / discussions:

Sr. No.	Comments of Consultancy Wing of P&D Board	Actions taken / response of PSIC
i.	It is pointed out that Sr. Chief Consultancy has been nominated as convenor of committee for finalization of documents such as TORs, RFP, EOI etc. As per PPRA Rule 40 head of procuring agency is the convenor of CSC and functions and responsibilities of committee are mention under rule 43 of PPRA 2014. Same may be corrected.	<p>Response given in previously submitted PC-II:</p> <p>In the PC-II, the Committee has been proposed to prepare/ finalize the documents such as Terms of References (TORs), Request for Expression of Interest (REOI), Pre-Qualification Document (PQD) and Request for Proposal (RFP), etc. for hiring of a well reputed</p>

			<p>International Consultancy Firm having relevant international experience of research / studies pertaining to material / product testing, certifications and international accreditation under PPRA Rules, 2014. The Chairman of the Committee has been replaced from “Senior Chief Consultancy, P&D Board” to “Managing Director, PSIC” and representatives from P&D Board and concerned chambers have been added as Members of the Committee as mentioned above.</p> <p>Due to complexity of the assignment, the services of consultant(s) may be hired to prepare documentations etc and other purposes in connection with hiring of international consultancy firm as per PPRA Rules with the approval of Managing Director, PSIC. Necessary provision of funds has been allocated for the purpose.</p>
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			<p>Modified reply as recommended by consultant:</p> <p>A Consultant Selection Committee (CSC) is proposed to prepare/finalize/approve the documents such as Terms of References (TORs), Request for Expression of Interest (REOI), Pre-Qualification Document (PQD), Request for Proposal (RFP), evaluation of technical & financial proposals, etc. and will also perform other functions as described in PPR Rules, for hiring of a consultancy firm of international repute having vast relevant experience of research / studies pertaining to material / product testing, certifications and international accreditation under PPRA Rules, 2014.</p>										
	ii.	<p>Estimated cost of the PC-II has been indicated as 50 Million, without giving any cost breakup. The cost breakup may be provided on following format:</p> <p>(a) Remuneration Cost:</p> <table border="1" data-bbox="662 1809 1150 2054"> <thead> <tr> <th data-bbox="662 1809 724 2054">Sr. No.</th> <th data-bbox="724 1809 810 2054">Expert</th> <th data-bbox="810 1809 896 2054">Unit Rate / Month</th> <th data-bbox="896 1809 983 2054">No. of Person Month</th> <th data-bbox="983 1809 1150 2054">Accumulative Cost</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Sr. No.	Expert	Unit Rate / Month	No. of Person Month	Accumulative Cost						<p>Tentative cost breakup is at Annexure-IX as proposed by the consultant.</p>
Sr. No.	Expert	Unit Rate / Month	No. of Person Month	Accumulative Cost									

		(b) Direct Cost / Reimbursable Cost	
	iii.	Provision of Rs.2.5 million has been provided separately for Consultancy charges in PC-II for preparation of PC-I. Same may be deleted as preparation of PC-I and rough cost estimates are the outcomes / part of feasibility study.	<p>Response given in previously submitted PC-II:</p> <p>The preparation of PC-I was mentioned in the “Scope, Duties and Responsibilities of Consultancy Firm” only if renovation and operationalization of material testing laboratory is found feasible. The same has been merged in total cost of consultancy services. However, contesting bidding firms will be asked to provide separate bid for preparation of PC-I. In case, the feasibility study shows it “non-feasible”, then neither PC-I will be prepared nor payment will be made for this purpose.</p> <p>Modified reply as recommended by consultant:</p> <p>Agreed with the above stated response. However, provision for consultancy charges for preparation of PC-I has been increased from Rs.2.50 million to Rs.5.00 million.</p>
	iv.	Sponsors have provided percentage of contract amount (%) for payment against Deliverable under heading payment mechanism. It may be excluded from the subject TORs as it	<p>Response given in previously submitted PC-II:</p> <p>Noted and excluded accordingly.</p>

		is incorporated in the contract document after negotiation with the consultant.	Modified reply as recommended by consultant: In order to maintain transparency in the process, payment plan has been incorporated in the TORs.
	v.	Sponsors may propose required Sector Specialists in core team of expert's inception report may be reduced as one week instead of 3 weeks.	Response given in previously submitted PC-II: Noted and incorporated accordingly. Modified reply as recommended by consultant: Noted and incorporated accordingly. The submission period of an Inception Report will be 01 month after the award of the work.
	vi.	Sponsors may provide details of Deliverables along with timelines in subject TORs.	Response given in previously submitted PC-II: The same has already been provided in the TORs at Heading No. 7 i.e., "Deliverables with Timelines". Modified reply as recommended by consultant: The same has already been provided in the TORs at Heading No. 8 i.e., "Deliverables with Timelines".
	vii.	Instead of relevant experience, specific qualification and experience may be indicated against each specialist.	Response given in previously submitted PC-II: Noted and incorporated

			<p>accordingly.</p> <p>Modified reply as recommended by consultant: Agreed with the above stated response.</p>
	viii.	Expert may be replaced with Civil Engineer Expert	<p>Response given in previously submitted PC-II: The same has been replaced with “Expert (Civil)”, in light of decision of pre-PDWP meeting held on 17.12.2021.</p> <p>Modified reply as recommended by consultant: Agreed with the above stated response.</p>
	ix.	Time duration of proposed consultancy is 06 months whereas break-up of cost provided at Annexure-A depicting two years consultancy.	<p>Response given in previously submitted PC-II: The duration of PC-II has been changed as “from January, 2022 to December, 2022”, in light of discussion made in pre-PDWP meeting held on 17.12.2021. However, actual time duration for the proposed consultancy will be six (6) months after award of work which has already been mentioned in the TORs under Heading 4.</p> <p>Modified reply as recommended by consultant: The implementation period of the scheme</p>

is identified as July 2022 to March 2024. However, to ensure the quality of work the time duration for the consultancy activity is proposed as Nine (09) months after the award of work to the selected consultancy firm out of which feasibility study will be completed within six (06) months and PC-I (If found feasible) will be prepared & submitted within three (03) Months.

Subsequently, Pre-PDWP meeting was held under the Chairmanship of Member (PSD), P&D Board on **17.12.2021**. Deputy Economic Advisor-I, ICI&SD Department vide letter No. DEA-I. 1-1(11)/2021, dated 24.12.2021 forwarded the minutes of pre-PDWP meeting dated 17.12.2021, issued by Planning Officer (IND), P&D Board vide letter No. 2(705) IND/P&D/2021, dated 22.12.2021. The minutes of pre-PDWP meeting are at **Annexure-X**. The decisions of pre-PDWP meeting are reproduced hereunder along with actions taken / response of the department:

Sr. No.	Pre-PDWP Decision	Actions taken / response of PSIC
a.	A strong justification may be incorporated in the PC-II for requirement of international consultancy and the TORs & criteria for selection of firm may be amended accordingly.	<p>Response given in previously submitted PC-II: Since internationally accredited laboratory is to be established, hence, it is essentially required to hire the services of an international consultancy firm having international exposure and expertise. The same has been incorporated in features of the scheme.</p> <p>Modified reply as recommended by consultant: The profile of “International</p>

			<p>Consultancy Firm” has been replaced with “Consultancy Firm of International Repute”. The justification of the proposed change is given at Annexure-XIV (Summary of changes and justifications)</p>
	b.	<p>Head of ICI&SD Department or PSIC to be nominated as chairman of the committee proposed to prepare/finalize the documents such as Terms of References (TORs), Request for Expression of Interest (REOI), Pre-Qualification Document (PQD) and Request for Proposal (RFP) etc. Representative of P&D Board may be added as member of the committee instead.</p>	<p>Response given in previously submitted PC-II:</p> <p>The Chairman of the Committee has been replaced from “Senior Chief Consultancy, P&D Board” to “Managing Director, PSIC”. The representative from P&D Board and concerned chambers have been added as Members of the Committee as mentioned above.</p> <p>Due to complexity of the assignment, the services of consultant(s) may be hired to prepare documentations etc. and other purposes in connection with hiring of international consultancy firm as per PPRA Rules with the approval of Managing Director, PSIC. Necessary provision of funds has been allocated for the purpose.</p> <p>Modified reply as recommended by consultant:</p> <p>A Consultant Selection Committee (CSC) is proposed to prepare/finalize/approve the documents such as Terms of References (TORs), Request for Expression of Interest (REOI), Pre-Qualification Document (PQD), Request for Proposal (RFP), evaluation of technical & financial proposals, etc. and will also perform other functions as described in PPR Rules, for hiring of a consultancy firm of international repute having vast relevant experience of research / studies pertaining to material / product testing, certifications and international accreditation under PPRA Rules, 2014.</p>

		<p>c. Financial phasing of the feasibility study may be incorporated in PC-II instead of payment mechanism.</p>	<p>Response given in previously submitted PC-II: Incorporated in Section- 3 (iii) of PC-II.</p> <p>Modified reply as recommended by consultant: Financial phasing of the feasibility study is updated in Section-3 (iii) of the PC-II. Payment mechanism/plan is added in the Draft TORs (Annexure-II). The justification of this inclusion is narrated under Annexure-XIV (Summary of changes and justifications)</p>
		<p>d. Uploading PC-I on SMDP portal to be deleted from deliverables of the consultancy.</p>	<p>The same has been deleted.</p>
		<p>e. Job title of “Manager (Civil)” to be replaced with “Expert (Civil)”.</p>	<p>Response given in previously submitted PC-II: Job title of “Manager (Civil)” has been replaced with “Expert (Civil)”.</p> <p>Modified reply as recommended by consultant: Agreed with the above stated response.</p>
		<p>f. The task of exploring economic opportunities in triangle (Sialkot, Gujranwala and Gujrat) to be mentioned separately in the TORs of Component A at Page 17 of PC-II</p>	<p>Response given in previously submitted PC-II: Incorporated at Sr.No.1 in the scope of work of Draft TORs.</p> <p>Modified reply as recommended by consultant: Incorporated at Sr. No. 3(x) in the scope of work of Draft TORs (Annexure-II)</p>
		<p>g. A minimum qualification and experience to be mentioned for the post of “Sector Specialist”.</p>	<p>Response given in previously submitted PC-II: Amended accordingly.</p> <p>Modified reply as recommended by consultant: Reviewed and agreed.</p>
		<p>h. PC-II shall be</p>	<p>Response given in previously</p>

presented before PDWP after vetting of the TORs from Consultancy Wing of P&D Board.

submitted PC-II:

Draft TORs have been forwarded to Consultancy Wing of P&D Board. Significant to mention that Sectors to be covered under the feasibility study have also been modified to clarify the scope of work as under:

Earlier Proposed Sectors	Modified Proposed Sectors
Sports Industry	Sports Goods and Sportswear
Leather Industry	Leather products
Home Appliances (Including gas, electric, motor based)	Home Appliances (Including gas, electric, motor based)
Metal Processing and metal-based products (including sanitary, cutlery, cookware etc.)	Metal / Ceramics based products (including ceramics / sanitary ware, cutlery & cookware etc.)
Surgical Industry	Surgical Instruments
Rice	Rice

Modified reply as recommended by consultant:

Reviewed and agreed.

Accordingly, the PC-II was amended / finalized in light of the decisions of pre-PDWP meeting and submitted to P&D Board for approval by the PDWP. The same was presented in 54th PDWP meeting held on 20.01.2022. **The key elements of discussion held in above PDWP meeting are summarized as under:**

- The pay package / Salaries of HR proposed for the consultancy are on the higher side for an international reputed consultancy firm.
- The role of consultancy firm for the feasibility study and preparation of PC-I was discussed in detail.
- The possibility of contract with service providers in private sector for undertaking the project via Build-Own-Operate

model to ensure efficiency.

- Real needs of exporters be determined in consultation with stakeholders.
- The execution department may select one of the identified six sectors having highest exports and kick start the project as a pilot project.
- TORs for hiring the services of a consultancy firm are quite deficient to meet the project objectives.

The scheme was **deferred** as per the following observation:

“The ICI&SD Department may procure a short term consultancy for the preparation of PC-II comprising of comprehensive and well-defined TORs as per discussion of PDWP”.

The minutes of 54th PDWP meeting held on 20.01.2022 are attached as **Annexure-XI**.

In light of the decision taken by PDWP in its 54th meeting held on 20.01.2022, a Consultant namely **Engr. Irfan Ahmad Rabbani** was hired by PSIC on short term consultancy for preparation of the PC-II comprising of comprehensive and well-defined TORs; as per discussion of PDWP, for hiring of a consultancy firm of international repute for **“Feasibility study of Renovation and Operationalization of Sports Goods and Material Testing lab.”**

The Consultant prepared the PC-II comprising of comprehensive and well-defined TORs for hiring of a consultancy firm of international repute for **“Feasibility study of Renovation and Operationalization of Sports Goods and Material Testing lab”** which is being submitted for consideration by PDWP. The summary of changes with justifications incorporated in the current PC-II is available at **Annexure-XIV**.

Significant to mention that earlier the scheme titled “Feasibility study of Renovation and Operationalization of Sports Goods and Material Testing lab” was included in ADP 2021-22 against GS No. 6721 with total allocation of Rs.50.00 million. The same was later dropped due to shortage of time for addressing the observation of PDWP. Now, the same has been included in ADP 2022-23 against GS No. 4545 with total allocation of Rs.50.00 million.

CONSULTATION WITH STAKEHOLDERS

During the review of the project concept and undertaking preparation of PC-II, consultative meetings by the Consultant with the relevant Trade Associations representing different clusters/sectors were conducted including:

- Pakistan Sports Goods Manufactures and Export Association

(PSGMEA), Sialkot.

- The Surgical Instruments Manufacturing Association of Pakistan (SIMAP), Sialkot.
- Pakistan Gloves Manufactures & Exporters Association (PGMEA), Sialkot.
- Pakistan Cutlery & Stainless Utensils Manufactures & Exporters Association (PCSUMEA), Wazirabad.
- All Pakistan Aluminum Utensils Manufactures Association (APUAMA), Gujranwala.
- Pakistan Ceramics Manufactures Association Gujranwala.
- Pakistan Electric fan Manufactures Association, (PEFMA), Gujrat.

PSGMEA was observed not aware of the background of this scheme. Being a major stakeholder, the members of the association urged to provide accredited testing facilities for materials & finished products which would be acceptable to their buyers especially FIFA. The members of the association also suggested to consider the facilities available at SIDC and MIDC while conducting the feasibility study.

SIMAP is in need of an accredited testing laboratory which can fulfil the stringent quality and technical compliance requirements due to enforcement of Medical Devices regulation (MDR) as well as recognition by EU Notified Bodies, which stand authorized to issue certificate of compliance.

PSGMEA informed that currently the testing need is mainly being fulfilled by TTI Labs. Lahore and SGS Pakistan. However, many buyers acquire to get tested the products by their designated laboratories and due to these heavy expenses are to be incurred on the account of shipment and payment of testing fee. The association is of the view that material testing Laboratory as proposed to be established should hold acceptance of the international buyers with due involvement if certification bodies as a partner to operate and monitor the functions of the laboratory. In other words, the testing lab as planned to be established be got recognized as a subsidiary of a renowned testing house in Europe.

PCSUMEA explained the current scenario of exports of cutlery items and desired to have a testing facility for materials and products which stands accreditation to perform conformity assessment as per demands of buyers and buying houses.

The meeting with Director SONAX, representing **APAUMA** revealed that the manufactures of metal cookware need to have materials testing Laboratory which hold accreditation to perform tests as required by the importing countries. Furthermore, the test lab also needs to be got

recognized by the authorized product inspection and certification bodies in order to get issued Product Certificate of Compliance.

Pakistan Ceramics Manufactures Association suggested to manager accreditation of testing facilities at PCSIR Lahore as available to serve the purpose for export of ceramics sanitary ware. The Association also emphasized to strengthen testing services at Ceramics Development and Training Center (CDTC), Gujranwala.

PEFMA informed that at present exporters of electric fans and other house-hold electrical appliances have to send products to abroad as PCSIR Lahore doesn't have testing facilities for EMC and RoHS. However, PCSIR Lahore is performing safety tests but doesn't hold authorization to issue compliance certificate for the relevant Directives and for this purpose the exporter has to engage Notified Inspection & Certification Bodies to accept test reports for LVD, EMC and RoHS.

In light of the above background and deliberations, following features of the scheme are proposed:

FEATURES OF THE SCHEME

With due consideration of the discussions held with trade bodies representing different clusters/sectors and inherent technical characteristics of the project which involve role of manufactures/exporters internationally recognised product inspection and certification bodies., stringent requirements of relevant directives and regulations in establishment of testing lab and its accreditation, it is deemed necessary to hire the services of a consultancy firm of international repute having sound international exposure and expertise.

Therefore, keeping in view need of the laboratory in the area and in light of discussions with stakeholders, PSIC intends to hire the services of a **Consultancy Firm of International repute** having relevant experience of research/studies pertaining to material/product testing, certifications and international accreditation, under PPRA Rules, 2014 to carry out the need assessment covering testing requirements and gap analysis and preparation of feasibility report for establishment of material testing laboratory with reference to the following sectors in Sialkot, Gujranwala, Gujrat and adjacent areas:

- i. Sports Goods and Sportswear
- ii. Leather products
- iii. Home appliances (including gas, electric, motor based)
- iv. Metal / Ceramics based products (including ceramics / sanitary ware, cutlery & cookware etc.)
- v. Surgical Instruments
- vi. Rice

It is important to note that in the previously submitted PC-II, it was mentioned in features of the scheme that services of a well reputed **International Consulting Firm** having vast relevant experience of research/studies pertaining to material/product testing, certifications and international accreditation will be hired under PPRA Rules, 2014 for the purposes mentioned above.

This wording gives an impression that only International Consultancy Firm having relevant expertise would be eligible to conduct the feasibility study. The consultant (Engr. Irfan Ahmad Rabbani) is of the view that a well reputed International Consulting Firms perhaps would not be interested to come forward to bid for such small activity in Pakistan due to limited budgetary provision of Rs. 50.0 million as allocated for the scheme. In case if anyone bids it will charge too high and likely to get attraction to bid, if the budgetary provision is in the range of Rs. 150 – Rs. 200 million or more. Furthermore, for International Consulting Firm knowledge of local market and its dynamics is very important and ultimately for this it will have to engage local resources to conduct the study. Therefore, it seems justified to hire services of a “**Consultancy Firm of International Repute**” having business office and professional activities in Pakistan. The wording “Consultancy Firm of International Repute” does not specifically predict “**a Pakistani Firm or a Foreign Firm**”.

Proposed Location

Existing building of “Sports Goods & Material Testing Laboratory” situated at PSIC Small Industries Estate, Sambrial / Sialkot would be used for establishment of the Laboratory. The layout plan of existing building is attached as **Annexure-XII**

Objective of the feasibility study

The main objective of the feasibility study is to assess / analyze the need of export-oriented industries situated in and around triangular region of Sialkot, Gujranwala and Gujrat pertaining to materials/products testing by identifying gaps in the current available testing facilities/services and determining testing requirements in order to establish material testing laboratory at proposed location of existing building situated at Small Industrial Estate, Sambrial/Sialkot with sustainable management/operational model, business plan, financial model and its accreditation as per requirement of ISO/IEC 17025 standard in order to establish its recognition by the International Product Certification Bodies.

The detailed TORs for hiring the services of a Consultancy Firm of International repute having relevant experience of research and conducting feasibility studies pertaining to material/product testing,

		certifications and accreditation, under PPRA Rules, 2014 to carry-out the feasibility study and preparation of PC-I (if found feasible) are attached at Annexure-II .								
	ii. Implementation period	<p>The gestation period of the scheme will be from July, 2022 to March, 2024.</p> <p>However, the time duration for the consultancy will be Nine (09) months after award of work to the selected Consultancy Firm out of which feasibility study will be completed within six (06) months and PC-I (If found feasible) will be prepared & submitted within three (03) Months.</p> <p>Project Implementation Schedule (Phasing of Physical Activities – Timeline Chart) is attached as Annexure-XIII</p>								
	iii. Year wise estimated cost	<table border="1"> <thead> <tr> <th>Year</th> <th>Estimated Cost / Allocation (Rs. in Million)</th> </tr> </thead> <tbody> <tr> <td>ADP 2022-23</td> <td>31.50</td> </tr> <tr> <td>ADP 2023-24</td> <td>18.50</td> </tr> <tr> <td>Total</td> <td>50.00</td> </tr> </tbody> </table> <p>Detail of Total Cost is at Annexure-I</p>	Year	Estimated Cost / Allocation (Rs. in Million)	ADP 2022-23	31.50	ADP 2023-24	18.50	Total	50.00
Year	Estimated Cost / Allocation (Rs. in Million)									
ADP 2022-23	31.50									
ADP 2023-24	18.50									
Total	50.00									
	iv. Manpower Requirements (Professional and Technical)	<p>A Consultancy Firm of international repute having relevant experience of research / studies pertaining to material / product testing, certifications and international accreditation, will be hired under PPRA Rules, 2014 to carry-out the feasibility study and preparation of PC-I (if found feasible).</p> <p>No additional manpower will be required.</p> <p>Following Consultant Selection Committee (CSC) is proposed to prepare/finalize/approve the documents such as Terms of References (TORs), Request for Expression of Interest (REOI), Pre-Qualification Document (PQD), Request for Proposal (RFP), evaluation of technical & financial proposals, etc. and will also perform other functions as described in PPR Rules, for hiring of a consultancy firm of international repute having vast relevant experience of research / studies pertaining to material / product testing, certifications and international accreditation under PPRA Rules, 2014:</p> <table border="1"> <tbody> <tr> <td>i.</td> <td>Managing Director, PSIC</td> <td>Chairman</td> </tr> <tr> <td>ii.</td> <td>Nominee from P&D Board, Government of the Punjab</td> <td>Member</td> </tr> </tbody> </table>	i.	Managing Director, PSIC	Chairman	ii.	Nominee from P&D Board, Government of the Punjab	Member		
i.	Managing Director, PSIC	Chairman								
ii.	Nominee from P&D Board, Government of the Punjab	Member								

iii.	Nominee from Finance Department, Government of the Punjab	Member
iv.	Nominee from ICI&SD Department, Government of the Punjab	Member
v.	Director (A&C), PSIC	Member / Secretary
vi	Director (PEN), PSIC	Co-opted Member

Due to complexity of the assignment, the services of consultant(s) may be hired to prepare documentations etc. and other purposes in connection with hiring of consultancy firm of international repute as per PPRA Rules with the approval of Managing Director, PSIC. Necessary provision of funds has been allocated for the purpose. The nature of such consultancy along with TORs etc. will be approved by Managing Director, PSIC.

CONSTITUTION OF STEERING COMMITTEE

Following Steering Committee is proposed to review and approve the deliverables 1 to 6 as given in the TORs for “feasibility study of renovation and operationalization of sports goods and material testing lab” and to give recommendation(s) for making payment(s) to the selected consultancy firm of international repute (**Annexure-II**):

i.	Secretary ICI&SDD	In Chair
ii.	Managing Director, PSIC	Member
iii.	Representative from Finance Department nominated by Secretary, Finance Department	Member
iv.	Representative from P&D Board nominated by Chairman, P&D Board	Member
v.	Representative from ICI&SD Department nominated by Secretary, ICI&SD Department	Member
vi.	Director (A&C), PSIC	Member
vii.	Director (F&A), PSIC	Member
viii.	Director (PEN), PSIC	Member / Secretary
ix.	Member(s) (upto two) to be co-opted by the Committee for expert opinion, etc.	Co-opted Member

		<p>The Steering Committee may hire the Consultant to validate the deliverables / feasibility study report. Necessary provision of funds has been allocated for the purpose.</p> <p>The Steering Committee, in consultation with the consultancy firm of international repute hired for the required feasibility study, may also increase the engagement period of consultancy firm (if required / deemed necessary) without increase in cost / work award / contract price, for delivery of good quality work.</p> <p>Execution of the scheme will be monitored and supervised by Directorate of PEN, PSIC whereas procurement of consultancies will be carried out by Directorate of A&C, PSIC as per PPRA Rules.</p>
	<p>v. Financial Plan</p>	<p>Annexure-I.</p> <p>After issuance of Administrative Approval of the scheme, PSIC/ Department will move request for release of funds under the scheme to P&D Board / Finance Department. Funds of the scheme will be transferred from MD's Asaan Assignment Account to PSIC's main account for making timely payment(s) to the Consultancy Firm / consultant(s), etc. and to ensure smooth sailing of the scheme. All payments under the scheme will be made through cross cheques and in Pak Rupees. Director (A&C)/DMD/Managing Director, PSIC will exercise administrative and financial powers as per PSIC delegation of powers for all intents and purposes. Payment to the consultancy firm will be made with the approval of Managing Director, PSIC after completing all necessary formalities and recommendations of the Steering Committee. Payment to the consultant(s) will be made with the approval of Managing Director, PSIC after completing all necessary formalities.</p>
<p>4</p>	<p>Expected outcome of the survey feasibility study and details of projects likely to be submitted after the survey.</p>	<p>The following outcomes of this feasibility study are expected:</p> <ol style="list-style-type: none"> i. Need assessment of testing requirements for material/products as associated with export-oriented business in triangle (Sialkot, Gujranwala and Gujrat) ii. Detailed analysis of existing testing facilities & their effectiveness, identification of gaps in the existing material/product testing regime and economic viability of the proposed laboratory. iii. Feasibility for establishment of material testing laboratory with reference to following sectors in Sialkot, Gujranwala, Gujrat and adjacent areas. <ol style="list-style-type: none"> a. Sports Goods and Sportswear b. Leather products c. Home Appliances (Including gas, electric, motor based) d. Metal / Ceramics based products (including ceramics / sanitary ware, cutlery & cookware etc.)

		<p>e. Surgical Instruments f. Rice</p> <p>iv. Determining of economic opportunities which can be anticipated as a result of establishment of lab.</p> <p>v. SWOT analysis for establishment of the laboratory at the proposed location i.e., existing building of “Sports Goods & Material Testing Laboratory” situated at PSIC Small Industries Estate, Sambrial / Sialkot.</p> <p>vi. Identification of Machinery / equipment required to be installed for provision of identified material / product testing services and to meet the international requirements / compliances</p> <p>vii. Sustainable management / operational, business, and financial models for lab and its international accreditation.</p> <p>viii. PC-I of the scheme (if found feasible) based on feasibility study.</p> <p>Based upon outcomes and results of the feasibility study, the project titled “Renovation and Operationalization of Sports Goods and Material Testing laboratory in existing building at Sambrial (Sialkot)” will be submitted for approval from PDWP.</p>
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It is certified that the PC-II for the Feasibility Study has been prepared on the basis of instructions provided by the P&D Board.

Prepared by:

<p style="text-align: center;">IRFAN AHMAD RABBANI (CONSULTANT) Tel # 0333-4212132</p>	
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Checked by:

<p style="text-align: center;">KHAWAJA MUHAMMAD IMRAN DIRECTOR (PLANNING, EVALUATION & NEW INITIATIVES) 042-99201436</p>	
<p style="text-align: center;">ALI RAZA TARAR DIRECTOR (FINANCE & ACCOUNTS) 042-99201432</p>	
<p style="text-align: center;">SHUMAILA MANZOOR DIRECTOR (ADMN & COORD.) 042-99200439</p>	

Approved by:

<p style="text-align: center;">ASIF ALI FARRUKH MANAGING DIRECTOR, PSIC 042-99200453/63</p>	
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TOTAL COST OF THE SCHEME**Rs. In Million**

Sr. No.	Component	2022-23	2023-24 (July 2023 to March, 2024)	Total
1	Consultancy Charges for Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab & preparation of PC-I by Consultancy Firm of international repute. (Tentative cost breakup is at (Annexure-IX))	30.00	17.50	47.50
2	Consultancy Fee for hiring of consultant(s) for: i) preparation of PQD, REOI, RFP, etc. related documents for hiring of consultancy firm of international repute ii) validation of deliverables / feasibility study report.	1.0	0.8	1.8
3	Operational Expense (Advertisement, Stationary & Printing, and other operating expenses etc.)	0.5	0.2	0.7
Total		31.50	18.50	50.00

DRAFT TERMS OF REFERENCE (TORs)

FOR

**HIRING THE SERVICES OF CONSULTANCY FIRM OF INTERNATIONAL REPUTE
FOR “FEASIBILITY STUDY OF RENOVATION AND OPERATIONALIZATION OF
SPORTS GOODS AND MATERIAL TESTING LAB”**

1. PROJECT BRIEF

Punjab Small Industries Corporation (PSIC) is a statutory body established in 1972 with the objective to promote development of Industries through sectoral analysis and development of clusters, provision of market driven credit, infrastructure and technological support contributing to employment generation, poverty alleviation and social economic uplift of the province.

A scheme of Commerce & Investment (C&I) department Government of Punjab titled as “**Sports Goods & Material Testing Laboratory**” was approved in year 2006 and revised in year 2009. The project building was constructed in year 2010 on a plot measuring 08 kanal at Small Industries Estate Sambrial/Sialkot. Due to some cogent reasons neither equipment/machinery was purchased nor any project staff was got recruited by the Directorate of Industries, Govt. of Punjab. Due to this the physical infrastructure of the project remained incomplete to operationalize the laboratory.

During the past period, the Govt. of Punjab remained very keen to take adequate measures in order to complete the infrastructure for operationalization of laboratory, Therefore, a scheme titled “**Sports Goods and Material Testing Laboratory, Sialkot**” at a total cost of Rs. 1000.00 million was included in ADP 2021-22 in order to renovate and operationalize testing lab in the existing building situated at Small Industrial Estate, Sambrial/Sialkot.

Before starting the preparation of PC-I of the scheme titled “**Sports Goods and Material Testing Laboratory, Sialkot**” consultation with relevant stakeholders were considered necessary. During discussion with stakeholders and in-house discussions within the department revealed that project is technically complexed & quite complicated and involves highly technical and sophisticated machinery and equipment. On the other hand, specific information regarding scope of services, identification of export oriented sectors, required testing facilities on the basis of Gap analysis, list of machinery required for the lab, cost estimation(s), international accreditation process as per ISO/IEC 17025 standard and other allied requirements, operational cost of the project, HR requirement and most important operational / managerial and financial model to run the lab after completion of the scheme etc. was not available with any of the stakeholder(s) including Sialkot Chamber of Commerce. Therefore, need was felt to hire the services of a consultancy firm of International Repute for “**Feasibility Study of Renovation and Operationalization of Sports and Material testing Lab**”

During consultative meetings with the representative members of Sialkot, Gujranwala and Gujrat chamber of Commerce and Industries, it was envisaged to include the following export-oriented sectors for consideration to provide testing facilities under the project:

- a. Sports Goods and Sportswear
- b. Leather Products
- c. Home appliances (including gas, electric, motor based)
- d. Metal/Ceramics based products (including sanitary ware, cutlery, cookware etc.)
- e. Surgical Instruments
- f. Rice

2. OBJECTIVE OF THE STUDY

The main objective of the feasibility study is to assess / analyze the need of export-oriented industries situated in and around triangular region of Sialkot, Gujranwala and Gujrat pertaining to materials/products testing by identifying gaps in the current available testing facilities/services and determining testing requirements in order to establish material testing laboratory at proposed location of existing building situated at Small Industrial Estate, Sambrial/Sialkot with sustainable management/operational model, business plan and financial model and its accreditation as per requirements of ISO/IEC 17025 standard in order to establish its recognition by the International Product Certification Bodies.

3. SCOPE, DUTIES AND RESPONSIBILITIES OF CONSULTANCY FIRM FOR FEASIBILITY STUDY OF RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND MATERIAL TESTING LAB

The services by the Consultancy Firm shall include but not limited to the following:

Component A:

Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab: The detailed feasibility study of Renovation and Operationalization of Sports Goods and Material Testing Lab will comprise of the following:

- (i) Need assessment of testing and certification requirements associated with export-oriented business in triangular region of (Sialkot, Gujranwala and Gujrat). The following sectors in Sialkot, Gujranwala, Gujrat and adjacent areas will be prioritized according to existing export volume, taking into consideration of the future potential:
 - a. Sports Goods and Sportswear
 - b. Leather Products
 - c. Home appliances (including gas, electric, motor based)
 - d. Metal/Ceramics based products (including sanitary ware, cutlery, cookware etc.)
 - e. Surgical Instruments
 - f. Rice
- ii. To conduct detailed analysis of existing testing facilities in the above sectors according to needs identified above and their effectiveness. This will include:
 - a) Highlight and review any previous or in progress studies for testing facilities in the project area and their current status.
 - b) Hold meetings with relevant stakeholders, in public and private sector (including PSQCA, PCSIR, NPSL, PNAC, TDAP, TUSDEC, Chambers of Sialkot, Gujrat, Gujranwala, relevant Trade Associations,

- internationally recognized Notified Product Inspection & Certification Bodies, etc.) to identify realistic needs with due consideration of existing test facilities for each sector and cities in which these are available.
- c) Present institutional arrangement of the existing test facilities, e.g., Government, industry association, private sector, etc.
 - d) Review current scenario of material/product testing & certification for export as being practiced by the exporters in each sector to materialize their exports.
- iii. Identification of gaps in the existing material / product testing regime based upon needs identified.
 - iv. Disaggregation of above testing needs according to:
 - a) Raw materials
 - b) Finished products
 - v. SWOT analysis for establishment of the laboratory at the proposed location i.e., existing building of “Sports Goods & Material Testing Laboratory” situated at PSIC Small Industrial Estate, Sambrial/Sialkot including suitability of the proposed location of existing building, renovation/civil work requirements, provision of necessary utilities, changes in structural design (if any) as deemed necessary for installation of equipment and machinery at the proposed laboratory.
 - vi. To make recommendations regarding the most suitable institutional arrangement for ownership and operation of the proposed testing facilities. The consultancy firm may also consider the contract arrangements with service providers in private sector for undertaking the project via Build-Own-Operate model.
 - vii. To identify machinery / equipment along with their cost as required to be installed for provision of identified material / product testing services and to meet the international requirements / compliance for certification of products.
 - viii. For the proposed institutional infrastructure, identify the human resource requirement along with required qualifications/ expertise for operating the laboratory and to run the machinery / equipment specific training needs and related expenses are also to be worked out.
 - ix. To develop sustainable Business Model for the proposed testing laboratory.
 - x. To determine economic / financial benefits in term of foreign exchange and revenue earned which can be anticipated with the establishment of proposed testing facilities.
 - xi. To develop detailed mechanism for seeking accreditation by the National Accreditation Body and certifications from the relevant International Products Inspection & Certification Bodies.
 - xii. Complete scope of required tests with reference to applicable standards is to be worked out for the laboratory accreditation / certifications.
 - xiii. To determine anticipatory annual calibration and repair/maintenance cost for the laboratory.
 - xiv. To conduct Risk Analysis related to electrical hazards, fire hazards and others associated with the laboratory activities along with Environmental Impact Assessment for the disposal of waste materials and hazardous chemicals.
 - xv. Any other activity which deems necessary during the study.

Component B:

Preparation of PC-I of the scheme titled “Renovation and Operationalization of Sports Goods and Material Testing Lab” based on the feasibility study (**if found feasible**) on P&D Board’s format which will include the following major information but not limited to and facilitate PSIC/Client in getting the PC-I approved from the Competent Forum:

- i. Cost estimates of building /Civil works, etc.
- ii. Detail of machinery & equipment requirements with external cost.
- iii. Cost for the proposed manpower.
- iv. Financial and Economic analysis / Economic benefits
- v. Identification of risks and Risk Mitigation Plan
- vi. Financial model / plan (development and non-development) of the project, including cash flow analysis and operation & maintenance cost
- vii. Sustainable Management / operational and business plan of the project
- viii. Environmental management plan
- ix. Procurement plan
- x. Result Based Monitoring Indicators
- xi. Implementation schedule.
- xii. Monitoring & Evaluation Plan.

Component C:

Any other activity which may deem necessary to be executed, relevant to this study.

4. ACTUAL TIME DURATION FOR THE PROPOSED CONSULTANCY

The actual time duration for the proposed consultancy will be **Nine (09) months** after the award of work.

5. ROLE OF CONSULTANCY FIRM

The selected Consultancy Firm will perform the assignment as per given TORs and tasks assigned by the Client (PSIC in this case).

6. ROLE OF CLIENT

The Client will provide necessary support required by the Consultancy Firm in carrying out the assignment. The Client will discharge its responsibilities set forth in the work award / contract to be given / signed to / with selected Consultancy Firm.

7. PROFILE OF THE CONSULTANCY FIRM

The profile of the consultancy firm would at-least cover:

- Relevant experience of research and conducting feasibilities studies pertaining to material/product testing, certification and accreditation. The preference will be given to the consultancy firms having international experience.
- Have International representation/affiliation.
- Have worked with small and medium enterprises, industry associations and Chambers of Commerce Industry on development projects.

8. DELIVERABLES WITH TIMELINES

Component A: Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab

S.#	Activity	Deliverables	Timeline
1	Submission of Inception Report (Including outlining approach, methodology and implementation plan to conduct the study) and getting its approval from the Steering Committee	Deliverable 1	Within 01 Month after the award of the work
2	Submission of Midterm report and getting its approval from the Steering Committee.	Deliverable 2	Within the 03 Months after the award of the work
3	Submission of draft Final Report and getting its approval from the Steering Committee.	Deliverable 3	Within 05 Months after the award of the work
4	Submission of Final Report and getting its approval from the Steering Committee. Final soft (PDF, MS office, DVD) & hard copies (10 sets of the feasibility study)	Deliverable 4	Within 06 Months after the award of the work

Component B: Preparation of PC-I of the scheme (If found Feasible)

5	Submission of draft PC-I and getting approval from the Steering Committee.	Deliverable 5	Within 02 Months after the approval of feasibility study
6	Submission of final PC-I. Final soft (PDF, MS office, DVD) & hard copies (10 sets of the PC-I)	Deliverable 6	Within 01 month after the approval of draft PC-I

9. CORE TEAM OF EXPERTS REQUIRED FOR THE PROPOSED CONSULTANCY

The core team of experts required for the proposed consultancy shall include but not limited to the following:

Sr. #	Expert	No.	Minimum Academic Qualification	Minimum Post Qualification relevant experience
1	Team Lead Engineer	01	16 years of Education with degree in Mechanical / Electrical / Industrial / Metallurgy Engineering or Applied Sciences / Quality Management System.	<ul style="list-style-type: none"> a) At least 12 years of professional relevant experience of sectoral studies. b) Adequate knowledge of Lab accreditation system as per ISO/IEC 17025 standard. c) Experience of conducting need assessments to cater industrial Quality control and assurance measures. d) Good comprehension, writing and

				<p>communication skills in Urdu & English.</p> <p>e) Strong working experience in the Quality control lab and R&D.</p> <p>f) Remained actively involved in products testing and certification activities/processes.</p> <p>g) Possess knowledge of technical Directives and Regulations of products compliance certifications as being implemented/ recognized internationally.</p>
2	Material Scientist/Engineer (Metal & Non-metal materials)	02	16 years of Education with degree in Metallurgical / Materials Engineering	At least 05 years of professional experience relevant in material science lab environment.
3	Chemical Expert/Analyst (metal & non-metal materials)	02	16 years of Education with degree in Chemical Engineering / Chemistry	At least 05 years of professional experience relevant to chemical analysis of materials.
4	Expert (Civil Engineering)	01	16 years of Education with degree in Civil Engineering	At least 05 years of professional experience relevant to civil works.
5	Design Engineer (HVAC)	01	16 years of Education with degree in Design Engineering (HVAC)	At least 05 years of professional experience relevant to HVAC Engineering
6	Electrical Engineer	01	16 years of Education with degree in Electrical Engineering	At least 05 years of professional experience relevant to electrical works
7	Economist	01	16 years of Education with degree in Economics	At least 05 years of professional experience relevant to economic / feasibility studies of development projects.
8	Financial & Business Strategy Expert	01	16 years of Education with degree in Business Administration / Finance	At least 05 years of professional experience relevant to developing business plans / financial models preferably in service sector
9	Architect	01	16 years of Education with degree in Architecture / Architectural Engineering	At least 05 years of professional experience relevant to developing architectural design for building preferably laboratories

10	Sector Specialist	06	16 years of Education with degree in Mechanical / Electrical / Industrial / Chemical / Metallurgy Engineering or Applied Sciences / Quality Management System.	Each Sector Specialist must have at least 05 years of relevant sector experience. One sector specialist for each of the following sectors: a. Sports Goods and Sportswear b. Leather products c. Home appliances (including gas, electric, motor based) d. Metal / Ceramics based products (including ceramics / sanitary ware, cutlery & cookware etc.) e. Surgical Instruments f. Rice
	Total	17		

10. PAYMENT PLAN

Component A: Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab

S.#	Description	Payment Plan
1	Submission of Inception Report (Including outlining approach, methodology and implementation plan to conduct the study) and getting its approval from the Steering Committee	15% of the Contract value for Component A
2	Submission of Midterm report and getting its approval from the Steering Committee.	20% of the Contract value for Component A
3	Submission of draft Final Report and getting its approval from the Steering Committee.	30% of the Contract value for Component A
4	Submission of Final Report. Final soft (PDF, MS office, DVD) & hard copies (10 sets of the feasibility study)	35% of the Contract value for Component A

Component B: Preparation of PC-I of the scheme (If found feasible)

5	Submission of draft PC-I and getting approval from the Steering Committee.	60% of the Contract value for Component B
6	Submission of final PC-I. Final soft (PDF, MS office, DVD) & hard copies (10 sets of the PC-I)	40% of the Contract value for Component B

Note:

- i) The participating consultancy firms will be required to submit bids / proposals for **Component A** and **Component B** separately. It will be the mandatory requirement for the firm to bid for both the components. However, the combined bid value against both the components will be considered for the purpose of evaluation.
- ii) A single contract / agreement will be signed with selected consultancy firm indicating mutually agreed contract values / amounts for **Component A** and **Component B** separately.

11. GENERAL CONDITIONS OF PAYMENT

- i) Payment to the consultancy firm will be linked with physical progress and consultancy charges would be paid in Pak Rupees proportionate to the actual work done and completion of deliverables.
- ii) Payment to the consultancy firm shall be made upon achievement of deliverables and its acceptance/approval of deliverables by Steering Committee. The payments shall be made up to 90% of every payable amount on the recommendations of Steering Committee. 10% of the remaining payments shall be withheld and released after the successful completion of the assignment.
- iii) The payment plan may be altered and finalized in the contract document after negotiation with the selected Consultant.


12. TOTAL COST OF CONSULTANCY

Sr. No.	Description	Total Cost (Rs, in Million)
1	Component A: Consultancy Charges for Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab	42.50
2	Component B: Consultancy charges for preparation of PC-I of the scheme (If found feasible)	5.00
	Grand Total	47.50

Note:

- 1) In case the result of feasibility study shows “renovation and operationalization of Sports Goods and Material Testing Lab” “**Non-feasible**”, then on approval of Deliverable 4 by the Steering Committee, the remaining full and final payment on account of “**Component A: Consultancy Charges for Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab**” will be paid to the Consultancy Firm, after observing all codal formalities. In such case, neither PC-I will be prepared nor payment on this account, will be paid to the Consultancy Firm.
- 2) The procedures described in PPRA Rules for hiring the consultancy services will be observed / adopted. These draft TORs for hiring of consultancy firm of international repute may be modified (if required) by the Consultant Selection Committee.

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	Phone No. 042-99201436
	PUNJAB SMALL INDUSTRIES CORPORATION DIRECTORATE OF PLANNING EVALUATION & NEW INITIATIVES ROOM NO.203, 2ND FLOOR ALFALAH BUILDING THE MALL LAHORE

No. PSIC/PEN/323/ 400

Dated: 19.07.2021

1. The Director(A&C), PSIC
2. The Director (Estate Management), PSIC, Head Office, Lahore
3. Senior Economic Advisor, ICI&SDD, Lahore
4. The Regional Director, PSIC, Regional Office, Gujranwala.
5. President, Sialkot Chamber of Commerce & Industry
6. President, Gujrat Chamber of Commerce & Industry
7. President, Gujranwala Chamber of Commerce & Industry
8. Chairman, Surgical Instruments Manufacturers Association of Pakistan (SIMAP), Near Sublime Chowk, Marala Road, Sialkot.(052-3554890)

Subject: **MINUTES OF MEETING HELD ON 06-07-2021 UNDER THE CHAIRMANSHIP OF MANAGING DIRECTOR, PSIC TO DISCUSS THE SCOPE AND FEATURES OF ADP SCHEMES TITLED "RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND MATERIAL TESTING LAB" & "ESTABLISHMENT OF SURGICAL CITY AT SIALKOT"**

Enclosed please find minutes of meeting held on 06-07-2021 at 12:30 p.m., under the chairmanship of Managing Director, PSIC, in committee Room at PSIC Head Office, Lahore in order to discuss the scope and features of the ADP schemes titled "Renovation and Operationalization of Sports Goods and Material Testing Lab" and "Establishment of Surgical City (with surgical laboratory) at Sialkot" for information and further necessary action please.

Encl: As above

 DIRECTOR (PEN)

o/c

Copy to:

1. The Director(W&D), PSIC
2. Project Director, CDI
3. Mr. Qasar Wasique, National Technical Expert, UNIDO
4. Deputy Economic Advisor, ICI&SDD, Lahore.
5. PS to Managing Director, PSIC.
6. PS to Deputy Managing Director, PSIC.

Subject: MINUTES OF MEETING HELD ON 06-07-2021 UNDER THE CHAIRMANSHIP OF MANAGING DIRECTOR, PSIC TO DISCUSS THE SCOPE AND FEATURES OF ADP SCHEMES TITLED "RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND MATERIAL TESTING LAB" & "ESTABLISHMENT OF SURGICAL CITY AT SIALKOT"

A meeting to discuss the scope and features of the ADP schemes titled "Renovation and Operationalization of Sports Goods and Material Testing Lab" and "Establishment of Surgical City (with surgical laboratory) at Sialkot" was held on 06-07-2021 (Tuesday) at 12:30 p.m., under the chairmanship of Managing Director, PSIC, in committee Room at PSIC Head Office, Lahore. Initially the meeting was chaired by Director (A&C), PSIC and subsequently, Managing Director, PSIC joined and chaired the meeting. List of participants is attached at Annexure-I.

The meeting started with the recitation from Holy Quran. Director (A&C), PSIC welcomed the participants and briefly informed that meeting is called to discuss the scope and features of the aforementioned ADP schemes with all stakeholders. Then, he invited Director (PEN) PSIC to apprise the participants about background of these schemes.

Background:

The Director (PEN), PSIC apprised the participants that a scheme titled "Sports Goods & Material Testing Laboratory, Sialkot" was approved by the C&I Department in 2006 and project building was completed in 2010 by C&W Department at the cost of Rs.32.823 million but neither machinery was purchased nor any recruitment was made against the posts envisaged in the PC-I by the then C&I Department. After merger of both Departments, revised PC-I of the scheme was prepared by Directorate of Industries, which was submitted to P&D Department. Project was discussed in PDWP meeting held on 10.10.2012 and Member (PSD) P&D Board was nominated to review the PC-I. Member (PSD) P&D Board informed that requisite testing facilities are available both in Lahore & Sialkot, therefore, the revised PC-I was returned to Directorate of Industries.

A meeting of committee comprising of Secretary, ICI, Member (P&D), and President Sialkot Chamber of Commerce and Industry was held on 21.04.2014 to discuss utilization of vacant building sports goods testing laboratory district Sialkot. It was decided in the meeting that Sialkot CCI will provide details of the materials / goods tests needed by the industry of Sialkot along with present testing facilities and cost. The tests required for export of goods will also be included in list so as to assess need of the laboratory. Sialkot CCI shall also explore the availability of funds from Export Development Fund for running the laboratory. Later on, a meeting of committee was again held on 24.06.2014 in the office of Secretary, IC&I,

Punjab to discuss utilization of vacant building sports goods testing laboratory district Sialkot and it was decided that:

- i. Determination of tests required for material testing, is a technical area, therefore, a consultant may be hired to prepare feasibility for establishment of material testing laboratory for all industries in Sialkot rather than limiting it to the sports goods industry only.
- ii. The consultant will carry out need assessment for establishment of laboratory and types/nature of tests required. He will propose a model for sustainable operation of lab and its international accreditation.
- iii. The consultant will also prepare PC-I of the project.
- iv. PC-II would be prepared for the engagement of the consultant.

Thereafter, on the direction of ICI&SD Department, PSIC hired consultant for feasibility study who could not complete the assignment. Later, the matter was referred to Strategic Policy Unit (SPU), established in Industry Department for hiring of consultant by them but reportedly no consultant was hired.

Now, the scheme titled "**Renovation and Operationalization of Sports Goods and Material Testing Lab**" at the total cost of **Rs. 1000.00 Million** has been entrusted to PSIC on the recommendation of ICI&SD Department. Moreover, a surgical laboratory at the total cost of **Rs. 200.00 Million** has also been proposed to be included in the ADP scheme titled "**Establishment of Surgical City at Sialkot**" with a total cost of scheme **Rs. 1721.729 Million**. Since PSIC has not requisite expertise to devise/design the aforementioned schemes, PSIC Management called this meeting to discuss the scope and features of the schemes with all stakeholders before proceeding further in the matter.

Deliberations / Comments of the participants:

The President, Sialkot Chamber of Commerce & Industry (SCC&I) stated that earlier PC-I of the scheme was prepared and scope was also defined. But with the passage of time, new technology has been introduced in the market and a lot of tests are required to the international market for export purposes, hence, a material testing laboratory as per international standard is required which may be designed with the support of stakeholders. He further added that services of an experienced and well-qualified consultant are required for the need assessment/feasibility study of the material testing lab at Sialkot. The consultant will ascertain type of tests required and accordingly, which type of machinery would be required for identified tests / lab. He further emphasized that a relevant international company / consultant will also be required for providing technical support and training of staff (to be appointed) of laboratory and other purposes to ensure acknowledgment/acceptance of testing facilities in the laboratory at international level. He further proposed that laboratory will be run through independent Board comprising of local industrialists / Engineers.

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The Director (A&C) pointed out that PSIC may not be able to operate the laboratory, therefore, operational model of the lab need to be identified / decided. It should be identified whether the project would be viable or not. Can it be run by PSIC? If yes then which model is to be adopted? Whether PCSIR or any other relevant body is to be approached to run the lab.

The President, SCC&I stated that laboratory will be operated/run through Independent Local Board of Management whereas PSIC will only be the observer. All types of decision making will rest with Board. Technical experts will operate the lab and it will be self-sustained. Board of members will be involved from designing phase to execution phase of the scheme and then will be responsible for its operation and management.

Mr. Irfan Ahmad Rabbani, a technical expert informed that PC-I of the scheme was developed more than 10 years ago wherein scope of Sialkot lab along with sponsoring and execution was decided; however, recurring / operational cost could not be decided at that time. However, considerable time has been lapsed. Only building was developed whereas staff should have been hired who remained involve in the procurement of machinery as well as its operation. Staff should have been trained for the purpose also. At this stage, it is the need of the time that sector and subsectors be clearly identified who will be catered for testing facilities. Handling of all sectors will be difficult in one lab. Certification requirements/ regulations have been changed. Then, testing requirement for these sectors should be identified. Gap analysis should be done. It should be determined that which types of tests are already available so that there should be no duplication and wastage of money. He mentioned there are many sectors like Gloves, Sports goods, home appliances, fan, etc. in the Gujranwala, Gujrat and Sialkot area. However, priority should be given to export oriented sectors. It should be identified that which type of testing facility will benefit the export oriented industry. He was also of the view that it is not an easy task to establish an internationally accredited Laboratory and run it in a sustainable manner. Huge calibration and operating/recurring cost is involved in it. Hence appropriate need assessment is required before establishment of Laboratory.

The Cluster Manager (Surgical), Cluster Development Initiative apprised that she has conducted various meetings with Sialkot Chamber of Commerce & Industry and SIMAP in order to determine testing facility required for the surgical sector. She informed that very few tests are done by PCSIR and there another many more for which testing facilities are required at local level.

Mr. Jahangir Bajwa from SIMAP participated in the conversation and emphasized that separate surgical testing lab should be developed in surgical city Sialkot which is being established by PSIC under separate ADP Scheme. He further stated that lab should be sector specific. As far as surgical sector is concerned, they have identified/developed a list of required tests and machinery.



(15)

Dr. Shahzad Alam, Material Scientist, having 35-36 years of experience in PCSIR, who attended the meeting along with SIMAP representatives, apprised that he was involved in preparation of previous PC-I of sports good lab scheme. At that time, they consulted every sector association in the area and identified need of the sectors. On the demand of Government, he has developed top notch institution in Lahore. He added that established of lab and training to staff is not a problem. Most important thing is identification of requirements. Then he emphasized that we should move towards value addition in the products and there should no labor intensive productions keeping in view the changing world requirement. He ensured his volunteer support in formulation of the scheme.

The President, Gujrat Chamber of Commerce and Industry, added that they are exporting fan, rice and furniture to other countries, however, overall they have less export share in the economy being manufacturers of less exportable items. He further informed that they need certain testing facilities with reference to rice, furniture, fan and pottery industry. However, they would share testing requirements, if required. He emphasized that local industry should also be catered/considered as they also require certain certifications. For example, certain testing regarding type/nature of chemical, clay and stone used in pottery industry as raw material are required.

On the query from Director (A&C) that which industry is to be catered in ADP scheme, Director (PEN) apprised that initially scheme was developed with reference to sports goods material testing facility but later it was decided that all industries in Sialkot rather than limiting it to the sports goods industry may be considered and taken into account for need assessment. Therefore, this meeting is called to determine which sectors should be considered. He further stated that export oriented sectors may be given priority as it is not possible to cover all sectors in a single lab.

President, Sialkot Chamber proposed that Sports Goods and Material Testing Lab under discussion is in Sialkot, therefore, scope of the scheme should be limited to Sialkot only.

Deputy Economic Advisor, ICI&SD Department informed that a discussion session of Gujranwala and Sialkot Chamber of Commerce and Industry was held under the co-chairmanship of Minister for Industries and Minister for Finance wherein it was highlighted by the industrialist that export oriented products are to be sent abroad for testing. Therefore, a testing laboratory should be established locally in order to support the exports. In this context, the scheme was envisaged primarily focusing on export oriented sectors. The word 'material' in the name of the scheme refers to export oriented sectors other than sports goods which may also be facilitated under this scheme. However, priority may be given to export oriented sectors.

It was also suggested by the participants that consultant may be hired to assess the testing needs of all sectors and then after cost benefit analysis; it may be identified which sectors are to be selected / catered under the scheme.

d.

(14)

Mr. Fahd Rafiq from PEFMA apprised that one test i.e LVD for fan industry is not being done locally which may benefit the fan industry and enhance its exports. He further added that Cost benefit analysis should be done for all sectors in order to determine which sector may provide more benefit with less investment. Ceramics and Cookware are major sectors of Gujranwala. It was also discussed that material testing and end product testing in one sector are two different things. There should be a combination of both types of testing in the laboratory. Sector Specific Consultants are required to be hired to conduct need assessment / testing requirements of relevant sector. To conduct need assessment/gap analysis of all sectors is not the job of a single consultant.

Managing Director, PSIC proposed to the participants that PSIC/GoPb will establish the Laboratory in Sialkot but it would be operated by Board of Management comprising of Members from Government and Private Sector (Representatives of Chambers) who will also be the beneficiaries of this laboratory. A committee comprising of all stakeholders including representative from Gujranwala, Sialkot and Gujrat chambers should be constituted which will be engaged in formulation of the scheme right from the very start. Committee will be comprised of representatives from Government and private sectors. Scope of the scheme will also be decided by this committee for smooth execution of the scheme.

After detailed deliberations, following decisions were made;

DECISIONS:

- i. A committee of stakeholders will be constituted which would be involved in the formulation of the scheme right from the outset. Sialkot, Gujranwala, and Gujrat Chamber of Commerce & Industry will provide nominations of their representatives (2-Nos. each) for constitution of the committee.
- ii. Scope of the scheme and identification of sectors (preferably export oriented sectors), to be considered under the scheme, will be recommended / proposed by the committee.
- iii. Committee will also give its recommendations for hiring of consultant(s) for feasibility study / need assessments including Gap analysis / scope of services / cost estimation(s) etc in respect of the identified sectors. (Detailed TORs will be formulated later on).
- iv. On the recommendations of the committee, PSIC will hire consultant(s) for the purpose with the approval of PSIC Board of Members.
- v. Consultant(s) will be fully supported by the concerned Chamber(s) through their nominated representatives in connection with provision of all required information so as to complete the assignment(s) well in time.
- vi. Dedicated Surgical material / product testing Lab will be established in Surgical City, Sialkot.

The meeting ended with the vote of thanks.



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Annexure-I

LIST OF PARTICIPANTS

Sr. No	Name	Designation
1	Muhammad Tahir Watto	Managing Director, PSIC
2	Waseem Abbas	Director(A&C), PSIC
3	Mr. Khalid Ur Rehman	Director(Estate Management), PSIC
4	Khawaja Muhammad Imran	Director(PEN), PSIC
5	Mr. Hassan Baqir	Director (W&D), PSIC
6	Mr. Hassan Faiq Minhas	Deputy Economic Advisor, ICI&SDD
7	Qaisar Iqbal Baryar	President , Sialkot Chamber of Commerce and Industry
8	Mr. Umair Nisar	Deputy Secretary, R&D, Sialkot Chamber of Commerce & Industry.
9	Mr. Salman Mir	Research & Development Officer, Sialkot Chamber of Commerce & Industry.
10	Mr. Hassan Adil	SVP, Gujrat Chamber of Commerce & Industry
11	Mr. Ch. Waheed ud Din	President, Gujrat Chamber of Commerce & Industry
12	Mr. M. Burhan	Secretary General, Gujranwala Chamber of Commerce & Industry
13	Mr. Irfan Ahmad Rabbani	Consultant
14	Mr. Fahad Rafiq	Pakistan Electric Fans Manufacturers Association (PEFMA)
15	Mr. Andcela Seher Fatima	Cluster Manager , CDI Surgical
16	Mr. Qasar Wasique	National Technical Expert, UNIDO
17	Mr. Zeshan Tariq	Chairman SIMAP
18	Mr. Jahangeer Bajwa	SIMAP
19	Dr. Shehzad Alam	Industry Expert
20	Mr. Salman Qaiser Mahmood	Senior R&D Officer Sialkot Chamber



**PUNJAB SMALL INDUSTRIES CORPORATION
DIRECTORATE OF PLANNING, EVALUATION & NEW
INITIATIVES
ROOM NO.203, 2nd FLOOR ALFALAH BUILDING, THE MALL,
LAHORE**

No. PSIC/PEN/331/ 653

Dated: 2/8/2021

NOTIFICATION

In light of decisions taken in meeting dated 06.07.2021, Managing Director, PSIC has been pleased to approve / constitute the following committee which would be involved in the formulation of the scheme titled "**Renovation and Operationalization of Sports Goods and Material Testing Lab**" right from the outset:

Sl. No.	Name and Designation	Role
1.	Regional Director, PSIC, Gujranwala	In Chair
2.	Mr. Qaisar Iqbal Baryar President SCCI / Chief Executive, M/s Talon Sports (Pvt) Ltd. Sialkot	Member
3.	Dr. Nauman Idris Butt Managing Director, M/s Capital Sports Corp. (Pvt) Ltd. Sialkot	Member
4.	Khawaja Masud Akhter, Managing Director, M/s Forward Sports (Pvt) Ltd. Sialkot	Member
5.	Mr. Jarrar Hussain Awan, Director, M/s Awan Sports Industries (Pvt) Ltd. Sialkot	Member
6.	Mr. Umer Ashraf, President Gujranwala CCI.	Member
7.	Mr. Irfan Ahmad Rabbani, Representative of Gujranwala CCI.	Member
8.	Ghulam Mahaiudin, Executive Member, Gujrat CCI.	Member
9.	Tariq Bilal Malik, Former President, Gujrat CCI.	Member

The committee will also give its recommendations as per following TORs within weeks' time to proceeds further:-

- To recommend/ propose scope of the scheme and identification of sectors (preferably export oriented sectors), to be considered under the scheme.
- To make recommendations for hiring of consultant(s) for feasibility study / need assessments including Gap analysis / scope of services / cost estimation(s) etc in respect of the identified sectors.

DIRECTOR (PEN)

Copy to:-

- All concerned
- Director (Estate Management), PSIC.
- Director (W&D), PSIC.
- PS to Managing Director, PSIC.
- PS to Dy. Managing Director, PSIC.



**Punjab Small Industries Corporation
Regional Directorate**

Small Industries Estate-II, Near Khiali Bypass, P.O. Box # 35, Gujranwala.
Telephone: 055-4283074, 9130052 Fax: (055) 4285774

No. PSIC/ROG/ACCTS/472

Dated: August 20, 2021

**MEETING OF COMMITTEE CONSTITUTED FOR CONSULTATION FOR THE SCHE TTITLED RENOVATION AND
OPERATIONALIZATION OF SPORTS GOODS & MATERIAL TESTING LAB**

Minutes of Meeting

Venue:

PSIC Regional Office, Gujranwala

Date & Time:

Tuesday, August 17, 2021

Chaired by:

PSIC Regional Director, Gujranwala

Agenda:

1. To recommend/propose scope of the scheme and identification of sectors to be considered under the scheme
2. To make recommendations for hiring of consultant(s) for feasibility study/need assessments including Gap analysis/ scope estimation(s) etc in respect of identified sectors.

Committee Members:

1. PSIC Regional Director, Gujranwala
2. Mr. Qaisar Iqbal Baryar, President Sialkot Chamber of Commerce & Industry (SCCI), Sialkot
3. Dr. Naiman Idris Butt, M.D. M/S Capital Sports Corp. (Pvt) Ltd. Sialkot/Nominee from SCCI
4. Khawaja Masud Akhter, M.D. Forward Sports (Pvt) Ltd. Sialkot/Nominee from SCCI
5. Mr. Jatta Hussain Awan, Director M/S Awan Sports Industries (Pvt) Ltd. Sialkot
6. Mr. Umer Ashraf, President Gujranwala Chamber of Commerce & Industry (GCCCI), Gujranwala
7. Mr. Irfan Ahmad Rahbani, Nominee of GCCCI
8. Mr. Ghulam Mahiuddin, Executive Member, Gujrat Chamber of Commerce & Industry (GICCI), Gujrat/
Nominee from GICCI
9. Mr. Tariq Bilal Malik, Former President, GICCI/ Nominee from GICCI

The meeting started with recitation of Holy Quran in Regional Office, Gujranwala at 11:00 am. Participants at Serial No. 3&5 joined via Zoom and participants at Sr. No. 1,4, 6 (Represented by SVP GCCI), 7,8 & 9 attended the meeting at scheduled venue. The members at Sr. No. 2 did not attend the meeting.

#	Item	Decision	Action by
1.	<p>To recommend/propose scope of the scheme and identification of sectors to be considered under the scheme:</p> <p>The participants emphasized that the testing facility should be established by provide testing of material & finished goods, duly accredited by relevant body for acceptance of its reports, otherwise mere establishment of lab would be wastage of resources.</p> <p>Initially the assessment may be made for all relevant sectors for the golden triangle i.e. Gujranwala, Gujrat & Sialkot, followed by the selection of target sectors upon cost/benefit analysis basis.</p> <p>The nominees from SCCI recommended that they will discuss the scheme with International accredited bodies providing such facilities like SGS, Intertech etc, for their consent in principal, to operate the lab to be established by Government. Detailed Modus-Operandi will be drafted at later stage subject to approval of the proposal/operating mechanism and in consultation with concerned body.</p> <p>The Participants agreed upon that a governing body may be constituted by Government comprising of reps. from all three CCI's of Golden Triangle. The said governing body may enter into agreement with the international accredited body to operate the lab in best public interest. The prospects of following sectors for inclusion in scope were discussed:</p> <ul style="list-style-type: none"> • Sports Industry (Including composite based sports goods) • Surgical Industry • Leather Industry including PPEs, Sports wears etc) • Fan Industry 	<p>Nominees from SCCI will communicate with SGS, Intertech or any other recognized body and get their consent for management of lab in collaboration with Governing Body comprising of representatives from SCCI, GCCCI & GCCI to be established by Government of Punjab.</p> <p>Following export oriented sectors were short-listed for consideration to provide testing facilities under the project:</p> <ul style="list-style-type: none"> • Sports Industry • Leather Industry • Home Appliances (Including gas, electric, motor based) • Metal Processing and metal based products (including sanitary, cutlery, cookware etc) • Surgical Industry 	<p>Nominees from SCCI</p> <p>PSIC</p>

<ul style="list-style-type: none"> • Furniture Industry • Rice • Textile • Cutlery • PVC • Metal Processing • Sanitary ware • Ceramics • Metal Cookware (Coated/non-coated) • House Hold Appliances (Gas, Electric and motor based appliances) • Light Engineering Sector <p>The members unanimously proposed that the sectors should be prioritized based upon the current export volume, future export potential to broaden the export base & standardization for product improvement in domestic market in chronological order.</p>	<ul style="list-style-type: none"> • Rice 	
<p>2.</p> <p>To make recommendations for hiring of consultant(s) for feasibility study/need assessments including Gap analysis/ scope estimation(s) etc in respect of identified sectors.</p> <p>The committee members discussed about the in-depth requirements of material testing involving chemical, physical, composition testing for the acceptance of Pakistani Products in Europe, Middle East & African markets as major export destinations. Each regime has its own requirements which are drawn from relevant ISOs. The enlistment of region-wise testing requirements of materials/products, availability of testing facility in Pakistan (to avoid duplication) and establishment of lab requires a detailed need & gap analysis by the sector specific experts as each industry/product has its own certification requirements. These experts are neither available with CCTs nor with PSIC. Therefore</p>	<p>A lead consultant and sector experts may be engaged for the purpose. The sector experts will work in their respective sectors and the Lead Consultant will guide, supervise & monitor the work of experts. The lead consultant will review the findings and based upon these will ultimately prepare a comprehensive report. Feasibility</p>	<p>PSIC & stakeholders</p>



<p>the members recommended the hiring of sector based consultants for feasibility, designing & planning of lab and preparation of PC-1 for best utilization of available resources.</p> <p>The following consultants already engaged with relevant sectors/chambers were discussed for their consideration to be hired as consultant by PSIC:</p> <table border="1"> <tr> <td data-bbox="1066 443 1098 622">Sports Industry</td> <td data-bbox="976 813 1098 1171">Members from SCCI proposed to provide list of test required. Consultant hiring may be done accordingly.</td> </tr> <tr> <td data-bbox="1034 443 1066 622">Leather Industry</td> <td data-bbox="944 813 976 1093">Mr. Irfan Ahmad Rabbani</td> </tr> <tr> <td data-bbox="912 443 970 801">Home Appliances (Including gas, electric, motor based)</td> <td data-bbox="849 813 880 869">NA</td> </tr> <tr> <td data-bbox="880 443 912 645">Light Engineering</td> <td data-bbox="817 813 849 869">NA</td> </tr> <tr> <td data-bbox="785 443 880 757">Metal Processing and metal based products (including sanitary, cutlery, cookware etc)</td> <td data-bbox="689 813 785 1104">Mr. Shaikat Ali, Regulatory & Management Consultant (Recommended by SIMAP)</td> </tr> <tr> <td data-bbox="753 443 785 645">Surgical Industry</td> <td data-bbox="657 813 689 869">NA</td> </tr> <tr> <td data-bbox="625 443 657 510">Rice</td> <td data-bbox="625 813 657 869">NA</td> </tr> </table>	Sports Industry	Members from SCCI proposed to provide list of test required. Consultant hiring may be done accordingly.	Leather Industry	Mr. Irfan Ahmad Rabbani	Home Appliances (Including gas, electric, motor based)	NA	Light Engineering	NA	Metal Processing and metal based products (including sanitary, cutlery, cookware etc)	Mr. Shaikat Ali, Regulatory & Management Consultant (Recommended by SIMAP)	Surgical Industry	NA	Rice	NA	<p>of project & PC-1 in collaboration with Sector experts.</p>
Sports Industry	Members from SCCI proposed to provide list of test required. Consultant hiring may be done accordingly.														
Leather Industry	Mr. Irfan Ahmad Rabbani														
Home Appliances (Including gas, electric, motor based)	NA														
Light Engineering	NA														
Metal Processing and metal based products (including sanitary, cutlery, cookware etc)	Mr. Shaikat Ali, Regulatory & Management Consultant (Recommended by SIMAP)														
Surgical Industry	NA														
Rice	NA														


Regional Director

- Copy to:
1. The Director PEN, PSIC Head Office, Lahore
 2. All concerned committee members

THROUGH SPECIAL MESSENGER



No. DEA-I. 1-1(12)/2021
GOVERNMENT OF THE PUNJAB
INDUSTRIES, COMMERCE, INVESTMENT AND
SKILLS DEVELOPMENT DEPARTMENT
Dated Lahore, the 22nd October, 2021

To,
The Managing Director,
Punjab Small Industries Corporation,
Lahore.

Dir. (PEN)
[Handwritten signature]
25/10

Subject: **MINUTES / DECISIONS OF THE 65TH MEETING OF STANDING COMMITTEE OF CABINET ON FINANCE & DEVELOPMENT HELD ON 12.10.2021 AT 1:00 P.M IN THE COMMITTEE ROOM OF 8-CLUB, GOR-I, LAHORE**

I am directed to enclose a copy of minutes of subject meeting, received from Section Officer (Cabinet-II), Cabinet Wing, S&GA Department, Punjab, vide letter No.SO(CAB-II)1-17/2021(SCCFD), dated 21.10.2021, on the subject noted above, for information and further necessary action, please.

Encls: **As above.**

[Handwritten signature]
DEPUTY ECONOMIC ADVISOR-I

C.C.

1. P.S. to the Secretary, ICI&SD Department.

*Pen-977
26-10-21*

SECRET/IMMEDIATE/CABINET BUSINESS/THROUGH SPECIAL MESSENGER



No.SO(CAB-II)1-17/2021(SCCFD)
GOVERNMENT OF THE PUNJAB
SERVICES & GENERAL ADMINISTRATION
DEPARTMENT
(CABINET WING)

Dated Lahore, the 21st of October, 2021

To

1. The Senior Member, Board of Revenue, Punjab
2. The Secretary, Govt. of the Punjab, HUD&PHE Department
3. The Chairman, Chief Minister Inspection Team
4. The Chairman, Planning & Development Board, Punjab
5. The Secretary, Govt. of the Punjab, Irrigation Department
6. The Secretary, Govt. of the Punjab, C&W Department
7. The Secretary, Govt. of the Punjab, HR&MA Department
8. The Secretary, Govt. of the Punjab, FW&F Department
9. The Secretary, Govt. of the Punjab, Youth Affairs & Sports Department
10. The Secretary, Govt. of the Punjab, P&SH Department
11. The Secretary, Govt. of the Punjab, ICI&SD Department

Subject:

MINUTES / DECISIONS OF THE 65th MEETING OF STANDING COMMITTEE OF CABINET ON FINANCE & DEVELOPMENT HELD ON 12.10.2021 AT 01:00 P.M. IN THE COMMITTEE ROOM OF 8-CLUB, GOR-I, LAHORE

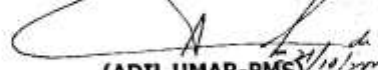
I am directed to refer to the subject noted above and to enclose herewith a copy of the minutes/decisions of the **65th Meeting of Standing Committee of the Cabinet on Finance & Development held on 12.10.2021 at 01:00 P.M. in the Committee Room of 8-Club, GOR-I, Lahore** relating to your department, for information and necessary action in terms of Rules 28(15) & 30 of the Punjab Government Rules of Business, 2011:

Sr.#	Agenda	Department
1.	Inclusion of Scheme titled "Establishment of Dehi Markaz Maal at Qanungoi Level" in ADP 2021-22	BOR
2.	Supplementary Grant against SNE of PhA, Lahore for the Financial Year 2021-22	HUD&PHE
3.	Substitution of Scheme at G.S.No. 6177 in ADP 2021-22	
4.	Correction of Cost of the Scheme Reflected in ADP 2021-22 at G.Sr.#1968	
5.	Inclusion of Major Impact Schemes in ADP 2021-22	
6.	Request by Syed Waseem Raza Jaffery (Late) (PME/BS-21) Ex-Member, CMIT for Reimbursement of Expenditure Incurred on "Next Generation Sequencing (NGS) (Function Medicine CDX) Medical Test From USA During Treatment Of Cancer	CMIT
7.	Reauthorization of Unspent Balance of PKR.55,703,932 Lapsed on 30.6.2021 under International Development Partner's Assisted Program Through Supplementary Grant during the Current Financial Year 2021-22	P&D
8.	Simplification of Procedure for Submission of Request for Donor Assistance	
	Provision Of Additional Resource For ADP 2021-22	



10.	Re-Validation / Re-Authorization of Unspent amount under Public Sector Development Program (PSDP) Federal Grant during Financial Year 2021-22	Irrigation
11.	Release / Revalidation / Reauthorization of Lapsed Funds amounting to Rs.38,188,475/- of F.Y 2020-21 for Scheme titled "Rehabilitation of Old Deg Nullah from Deg Diversion Channel to Q.B.Link Canal" under National Disaster Risk Management Fund	
12.	Inclusion of Scheme in Annual Development Program 2021-22 under Roads Sector (Gujranwala)	C&W
13.	Financial Assistance for Transplantation of Liver	
14.	Substitution of ADP (2021-22) Scheme mentioned at GS No.5118	
15.	Substitution Of Scheme Titled "Construction Of Ellah Abad Bypass From Kkd Road Km No.45 To Kanganpur Road Via Laddi, Length 5.55 Km In District Kasur	
16.	Re-imburement of Medical Charges Amounting to Rs.7,09,874/- Spent on Treatment of Mr. Imran Ali, Superintendent (BS-17), C&W Department at Fatima Memorial Hospital, Lahore	HR&MA
17.	Implementation of Minority Rights Judgement in SMC No.1 of 2014 dated 19 th June 2014 (Para 37 I-VIII) of the Supreme Court of Pakistan	
18.	Sanction for Re-Validation/ Release of Funds for 4 th Quarter 2020-21 in respect of Project Titled "IB-0638 Ten Billion Trees Tsunami Programme - Phase-I Upscaling Of Green Pakistan Programme (Revised)" During Current Financial Year 2021-22	FW&F
19.	New Scheme of Sports Sector in ADP 2021-22	Youth Affairs & Sports
20.	Re-Validation / Re-Allocation of Development Funds Amounting to Rs.7,877.787 Million, Provided by Federal Government during Previous Financial Year 2020-2021, Under Umbrella Scheme, Titled "COVID-19 Responsive and other Natural Calamities Control Programme" for Establishment / Up-Gradation of Nine Hospitals in Punjab	P&SH
21.	Establishment of Rural Health Center at Village Kuri U.C Mari Khokhran Tehsil & District Gujrat.	
22.	Request for Changing the Nomenclature, Scope and cost of the scheme titled "Renovation and Operationalization of Sports Goods and Material Testing Lab" at a cost of Rs. 1000.00 Million, Reflected at GS No. 6721 of ADP 2021-22, to the scheme titled "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" at Total Cost of Rs. 50.00 Million, with same GS No. 6721, In ADP 2021-22"	ICI&SD
23.	Approval of Salary Packages against the Posts of Projects of Planning & Development Board	P&D

The enclosed certificate acknowledging receipt of the decision(s), duly filled in and signed, may please be returned to the Cabinet Wing, S&GAD.


(ADIL UMAR-PMS)
SECTION OFFICER (CABINET-II)

P.C.

1. P.S.O to Principal Secretary to Chief Minister, Punjab, Lahore.
2. P.S to Secretary (I&C), Punjab.
3. P.A to Deputy Secretary (Cabinet), S&GAD.

**AGENDA
ITEM
NO.22** **REQUEST FOR CHANGING THE NOMENCLATURE, SCOPE AND COST OF THE SCHEME TITLED "RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND MATERIAL TESTING LAB" AT A COST OF RS. 1000.00 MILLION, REFLECTED AT GS NO. 6721 OF ADP 2021-22, TO THE SCHEME TITLED "FEASIBILITY STUDY OF RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND MATERIAL TESTING LAB" AT TOTAL COST OF RS. 50.00 MILLION, WITH SAME GS NO. 6721, IN ADP 2021-22"**

22.1 Additional Secretary ICI&SD briefed the Standing Committee of Cabinet on Finance & Development that a scheme titled "Renovation and Operationalization of Sports Goods and Material Testing Lab" at a total cost of Rs. 1000.00 Million has been included in ADP 2021-22 in order to renovate and operationalize testing laboratory in the existing building situated at Small Industries Estate, Sambrial, district Sialkot.

22.2 It was further briefed that, in 2006, a scheme titled "Sports Goods & Material Testing Laboratory, Sialkot" was approved by the then Commerce & Investment Department and project building was completed in 2010 by Communication & Works Department, however, neither machinery was purchased for the operationalization of the laboratory nor any recruitment was made against the posts given in the PC-I. After merger of C&I Department in Industries Department, revised PC-I of the scheme was prepared by Directorate of Industries, which was submitted to P&D Department. Project was discussed in PDWP meeting held on 10.10.2012 and Member (PSD), Planning & Development Board was nominated to review the PC-I, who after reviewing informed that requisite testing facilities are available both in Lahore (PCSIR & PSQCA) and in Sialkot (CPC, SIMTEL, MIDC & ILT Gujranwala), therefore, the revised PC-I was returned to the Department with the request to minutely examine the germane milieu, identify gaps in exiting setups and prepare a proposal (if required) to plug in the lacunas (if present) and also consider funding from Federal Government's relevant organizations as well as Sports Goods Industry via Public Private Partnership as matter pertains to export of Sports Goods from the private sector.

CABINET WING, SIALKOT

22.3 Moreover, on starting preparation of the PC-I of the subject scheme, consultations of the stakeholders were considered necessary to decide scope and features of the scheme. For this purpose, a meeting was convened on 06-07-2021 under the chairmanship of Managing Director, PSIC, with all stakeholders viz. Chambers of Commerce & Industry Gujranwala, Sialkot and Gujrat, and scope of PC-I was discussed at length.

22.4 Afterwards, during the discussion with the stakeholders and in-house discussion within the Department, it was observed that project was technically complex & quite complicated and involves installation of highly technical & sophisticated machinery/equipment which was to be procured from international companies. On the other hand, specific information regarding scope of services, identification of export oriented sectors, required testing facilities on the basis of gap analysis, list of machinery required for the lab, cost estimation, international accreditation process & requirements, operational cost of the project, Human Resource requirement, and most importantly, operational / managerial and financial model to run the lab after completion of the scheme etc. was not available with any of the stakeholder(s) including Sialkot Chamber of Commerce.

22.5 The Committee was further apprised that the Managing Director, PSIC constituted a committee under the Chairmanship of Regional Director, PSIC Gujranwala, with the representation of members of Sialkot, Gujranwala and Gujrat Chamber of Commerce and Industry. The Committee also proposed that need assessment / feasibility study was required before preparation of PC-I of the scheme to ensure efficient usage of resources and to execute the scheme successfully.

22.6 In light of the above, ICI&SD Department submitted a summary to the Chief Minister with a request that permission may be accorded to place the following proposal before Standing Committee of Cabinet on Finance and Development for consideration / approval:



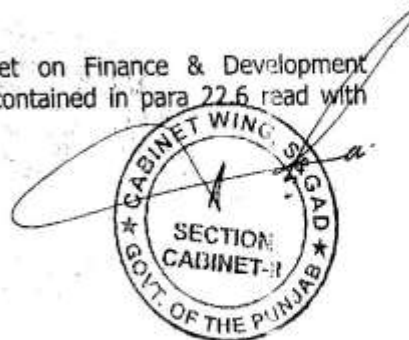
"The Government of Punjab may allow to change the nomenclature, scope and cost of the scheme titled "Renovation and Operationalization of Sports Goods and Material Testing Lab" at a cost of Rs. 1000.00 Million, reflected at GS No. 6721 of ADP 2021-22, to the scheme titled "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" at total cost of Rs. 50.00 Million, with same GS No. 6721, in ADP 2021-22".

22.7 Accordingly, the Standing Committee of Cabinet on Finance & Development was requested to consider and approve the proposals contained in para 22.6 above.

22.8 - It was discussed that this project should take into account the economic opportunities in triangle (Sialkot, Gujranwala and Gujrat) and should be reflected in the ToRs of PC-II. It was further desired that P&D Board should spearhead the process in consultation with the Administrative Department.

DECISION NO.22:

The Standing Committee of the Cabinet on Finance & Development considered and approved the proposals contained in para 22.6 read with para 22.8 above.



(TO BE RETURNED TO THE CABINET WING, S&GAD, AFTER SIGNATURE)

CERTIFICATE

Certified that decision (s) on agenda items No.(s) 22.
discussed in 65th Meeting of Standing Committee of Cabinet on Finance &
Development held on 12.10.2021 has / have been received by me for information
and necessary action as required under Rules 28(15) & 30 of the Punjab
Government Rules of Business, 2011.

**(NAME & SIGNATURE OF THE SECRETARY
CONCERNED)**

Date. _____

To

The Section Officer (Cabinet-II),
Government of the Punjab,
S&GAD.

Through Special Messenger



No. DEA-I. 1-1(11)/2021
GOVERNMENT OF THE PUNJAB
INDUSTRIES, COMMERCE, INVESTMENT AND
SKILLS DEVELOPMENT DEPARTMENT
Dated Lahore, the 29th November, 2021

To,

The Managing Director,
Punjab Small Industries Corporation,
Lahore.

Dir. (PEN)

PSIC/PEN
Dairy No: 1156
Date: 01-12-21

✓ Subject: MINUTES / DECISION OF THE 65TH MEETING OF STANDING COMMITTEE OF CABINET ON THE FINANCE AND DEVELOPMENT HELD ON 12.10.2021 AT 1:00 P.M. IN THE COMMITTEE ROOM OF 8-CLUB, GOR-I, LAHORE

I am directed to enclose a copy of letter No. 2(705)IND/P&D/2021, dated 23.11.2021, on the subject noted above, received from Planning Officer (Industries), P&D Board, for information and further necessary action, please.

Encls: As above.

DEPUTY ECONOMIC ADVISOR-I

1/12
Amr (PEN)
2/12
A. S. 6/12

C.C.

1. The Planning Officer (Industries), Planning & Development Board.
2. P.S. to the Secretary, ICI&SD Department.



No. 2(705) IND/ P&D/2021
GOVERNMENT OF THE PUNJAB
PLANNING & DEVELOPMENT BOARD
Dated 23rd November, 2021

To,

✓ The Secretary,
Government of the Punjab,
Industries, Commerce, Investment and Skills Development
Department, Lahore.

SUBJECT: MINUTES/ DECISION OF THE 65TH MEETING OF STANDING COMMITTEE OF CABINET ON FINANCE AND DEVELOPMENT HELD ON 12.10.2021 AT 1:00 PM IN THE COMMITTEE ROOM OF 8-CLUB, GOR-I, LAHORE


Kindly refer to your letter No. DEA-I.1-1(11)/2021 dated 11th November, 2021 on the above noted subject.

2. I am directed to state that the draft PC-II of the scheme titled "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" has been examined and comments of Industries Sector of P&D Board are as under:

- ❖ Senior Chief Consultancy, P&D Board to be included as Chairman of the Committee proposed for finalizing the documents such as TORs, request for expression of interest, pre-qualification document and request for proposal etc, rather than Member PSD, P&D Board (Page 8).
- ❖ Secretary, P&D Board may be excluded from the Committee proposed to review and approve the deliverables of the Consultancy. The representative of P&D Board may be included as member of the Committee (Page 9).
- ❖ Gestation period of the scheme to be reduced to six months.
- ❖ The word "establishment" may be replaced with "renovation".
- ❖ Getting the PC-I approved from the competent forum of the government is not the responsibility of consultancy firm (See Sr No. 7 of deliverables at Page 18).
- ❖ The condition for registration with PEC to be mentioned for all the engineering experts proposed for core team of consultancy.
- ❖ Job title of "Manager (Civil)" to be replaced with "Expert" or "Specialist".

3. I am further directed to request that the PC-II of the above said scheme may be submitted to P&D Board at the earliest so that the same is placed before PDWP for approval.

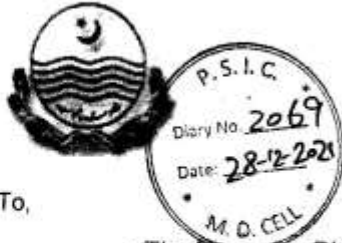
4. The matter may be assigned **Top Priority** please.


Planning Officer (IND)

C.C.

1. Assistant Chief (Coord-II), P&D Board.
2. PS to Member (PSD), P&D Board.
3. PA to Chief (IND/SD), P&D Board.

Through Special Messenger



No. DEA-I. 1-1(11)/2021
GOVERNMENT OF THE PUNJAB
INDUSTRIES, COMMERCE, INVESTMENT AND
SKILLS DEVELOPMENT DEPARTMENT
Dated Lahore, the 23rd December, 2021

To,
The Managing Director,
Punjab Small Industries Corporation,
Lahore.

Subject: PC-II OF THE SCHEME TITLED "FEASIBILITY STUDY OF RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND MATERIAL TESTING LAB"

I am directed to enclose a copy of letter No. 2(705)IND/P&D/2021, dated 17.12.2021, on the subject noted above, received from Planning Officer (IND), Planning & Development Board, for information and further necessary action, please.

Encls: As above.

Hasnaw
29/12
DEPUTY ECONOMIC ADVISOR-I

C.C.

1. The Planning Officer (IND), Planning & Development Board, Lahore.
2. P.S. to the Secretary, ICI&SD Department.

PSIC/PEN
Diary No. 2069
Date: 28-12-2021



To,

The Secretary,
 Government of the Punjab,
 Industries, Commerce, Investment and Skills Development
 Department, Lahore.

SUBJECT: PC-II OF THE SCHEME TITLED "FEASIBILITY STUDY OF RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND MATERIAL TESTING LAB"

Kindly refer to your letter No. DEA-I.1-1(11)/2021 dated 8th December, 2021 on the above noted subject.

20/12/2021
 79/16
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 9512
 20/12/2021
 1836
 20/12/2021

2. I am directed to convey the following comments of Consultancy wing of P&D Board on the PC-II of the scheme titled "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" for information and further necessary action:

- i. It is pointed out that Sr.Chief Consultancy has been nominated as convener of committee for finalization of documents such as TORs, RFP, EOI etc. As per PPRA Rule 40 head of procuring agency is the convener of CSC and functions and responsibilities of committee are mention under rule 43 of PPRA 2014. Same may be corrected.
- ii. Estimated cost of the PC-II has been indicated as 50 Million, without giving any cost breakup. The cost breakup may be provided on following format:


(a) Remuneration Cost:

Sr.No	Expert	Unit Rate / Month	No. of Person	Accumulative Cost

(b) Direct Cost / Reimbursable Cost

- iii. Provision of Rs.2.5 million has been provided separately for Consultancy charges in PC-II for preparation of PC-I. Same may be deleted as preparation of PC-I and rough cost estimates are the outcomes / part of feasibility study.
- iv. Sponsors have proved percentage of contract amount (%) for payment against Deliverable under heading payment mechanism. It may be excluded from the subject TORs as it is incorporated in the contract document after negotiation with the consultant.

- v. Sponsors may propose required Sector specialists in core team of experts inception report may be reduced as one week instead of 3 weeks.
- vi. Sponsors may provide details of Deliverables along with timelines in subject TORs.
- vii. Instead of relevant experience, specific qualification and experience may be indicated against each specialist.
- viii. Expert may be replaced with Civil Engineer Expert.
- ix. Time duration of proposed consultancy is 06 months whereas break-up of cost provided at Annex-A depicting two years consultancy.


Planning Officer (IND)

C.C.

1. PS to Member (PSD), P&D Board.
2. PS to Sr. Chief (Consultancy), P&D Board.
3. PA to Chief (IND/SD), P&D Board.

Tentative Cost Break-Up**Estimated Allocation for Consultancy Charges****1. Remuneration Cost**

Sr. #	Expert	Unit Rate/ Month	No. of Person	Man Month Required	Accumulative Cost (PKR)
1	Team Lead Engineer	600,000	1	10	6,000,000
2	Metal & Non-metallic materials Scientist/Engineer	400,000	2	4	3,200,000
3	Chemical Expert/Analyst (Metal & Non-metal materials)	400,000	2	4	3,200,000
4	Civil Engineer	300,000	1	2	600,000
5	HVAC Design Engineer	300,000	1	2	600,000
6	Electrical Engineer	300,000	1	2	600,000
7	Economist	300,000	1	2	600,000
8	Financial & Business Strategy Expert	300,000	1	2	600,000
9	Architect	300,000	1	2	600,000
10	Sector Specialists	500,000	6	8	24,000,000
Total Remuneration Cost		3,700,000	17	38	40,000,000

2. Direct Cost/ Reimbursable Cost

Sr. #	Expert	Amount
1	Travelling Cost	1,300,000
2	Boarding & Lodging Expenses	600,000
3	Misc. Cost	600,000
Total Direct Cost/Reimbursable Cost		2,500,000

Total Cost

Description	Amount (PKR)
Remuneration Cost	40,000,000
Direct Cost/Reimbursable Cost	2,500,000
Est. Overhead & profit	5,000,000
Grand Total	47,500,000

Through Special Messenger



No. DEA-I. 1-1(11)/2021
GOVERNMENT OF THE PUNJAB
INDUSTRIES, COMMERCE, INVESTMENT AND
SKILLS DEVELOPMENT DEPARTMENT
Dated Lahore, the 24th December, 2021

To,

The Managing Director,
Punjab Small Industries Corporation,
Lahore.

Div (PEN)
[Signature]
28/12/21

Subject:

MINUTES OF PRE-PDWP MEETING OF ADP SCHEME TITLED
"FEASIBILITY STUDY OF RENOVATION AND OPERATIONALIZATION
OF SPORTS GOODS AND MATERIAL TESTING LAB"

I am directed to enclose a copy of letter No. 2(705)IND/P&D/2021, dated 22.12.2021, on the subject noted above, received from Planning Officer (IND), Planning & Development Board, for information and further necessary action, please.

Encls: As above.

[Signature]
DEPUTY ECONOMIC ADVISOR-I

[Signature]
29/12

C.C.

1. The Planning Officer (IND), Planning & Development Board, Lahore.
2. P.S. to the Secretary, ICI&SD Department.

AD (PEN)
29/12
[Signature]

PSIC/PEN

Dairy No... 1256
Date... 28/12/2021



No. 2(705)/IND/P&D/2021
GOVERNMENT OF THE PUNJAB
PLANNING & DEVELOPMENT BOARD
Dated: Lahore; the 22nd December, 2021

To,

1. **The Secretaries,**
Government of the Punjab,
 - i. Industries, Commerce, Investment & Skills Development Department,
Lahore
 - ii. Finance Department, Lahore
2. **The Managing Director,**
Government of the Punjab,
Punjab Small Industries & Corporation, (PSIC), Lahore
3. **The Joint Chief Economist,**
Government of the Punjab,
Planning & Development Board, Lahore
4. **The Chief Consultancy,**
Government of the Punjab,
Planning & Development Board, Lahore

DISC PEN
[Signature]

Subject: **MINUTES OF PRE-PDWP MEETING OF ADP SCHEME TITLED "FEASIBILITY STUDY OF RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND MATERIAL TESTING LAB"**

I am directed to enclose herewith a copy of approved minutes of the Pre-PDWP meeting of the ADP scheme titled "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" held on 17-12-2021 under the Chairmanship of Member PSD, P&D Board for information and further necessary action.

[Handwritten notes and signatures]
27/12
28/12
ASST

[Signature]
Planning Officer (IND)

C.C.

- I. PSO to Chairman, P&D Board.
- II. PS to Member (PSD), P&D Board.
- III. PA to Chief (Ind), P&D Board.

PSIC/IND/P&D/2021
Diary No. 2054
Date: 24-12-2021



Subject: MINUTES OF THE PRE-PDWP MEETING OF THE SCHEME TITLED "FEASIBILITY STUDY OF RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND MATERIAL TESTING LAB"

The Pre-PDWP meeting on the scheme titled "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" was held on 17-12-2021, at 12.00 noon under the chairmanship of the Member (PSD), P&D Board. List of participants is attached. The meeting started with recitation from the Holy Quran. After welcome remarks by the Chair, Assistant Chief Industries opened the discussion stating that product quality in international business is no more an option, it is compulsory. Developed nations have implemented various regulations dealing with issues related to product safety, packing, hazard contamination, social compliance etc. End consumers have also become more aware when it comes to health and safety and quality of product. Special reference here is being made to EU which has issued various directives related to product quality and safety. In some European directives, products are categorized in classes according to risk they pose to end users. It is mandatory for such products (if desired for EU) to comply with EU directive in question and have CE mark affixed to them. The directives are, for many products, often interpreted in harmonized EN-Standards where test methods and requirements are stated. In order to fulfill these regulations, some manufacturers have to get their products tested and certified from laboratories and notified bodies in EU to fulfill regulatory requirement under EU directive. For this purpose, their need for qualified test facilities is essential.

2. Sialkot is known internationally as a producer of high quality sports goods, surgical instruments, cutlery and sportswear. As of 2019, Sialkot exported goods worth \$2.5 billion or over 10% of total national exports (\$23bn) and local industries employed about 250,000 people. Similarly Gujranwala and Gujrat are also known internationally as a producer of high quality products such as sanitary, cookware, cutlery and electric fan, etc. which also require material testing and international accreditation facilities before exporting the products.

3. He further elaborated that a scheme titled "Renovation and Operationalization of Sports Goods and Material Testing Lab" at a total cost of Rs. 1000.00 Million was included in ADP 2021-22 in order to renovate and operationalize

testing laboratory in the existing building situated at Small Industries Estate, Sambrial / Sialkot. However, upon request from the ICI&SD Department, Standing Committee of Cabinet on Finance & Development in its 65th meeting held on 12.10.2021 changed the nomenclature, scope and cost of the scheme titled "Renovation and Operationalization of Sports Goods and Material Testing Lab" at a cost of Rs. 1000.00 Million, reflected at **GS No. 6721 of ADP 2021-22**, to the scheme titled "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" at total cost of Rs. 50.00 Million, with same GS No. 6721, in ADP 2021-22". The Committee also approved that this project should take into account the economic opportunities in triangle (Sialkot, Gujranwala and Gujrat) and should be reflected in the ToRs of PC-II and P&D Board should spearhead the process in consultation with the Administrative Department. In light of this decision, instant PC-II for "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" at total cost of Rs. 50.00 million has been prepared and submitted to P&D Board.

4. The main objective of the feasibility study is to assess / analyze the need of export oriented SMEs pertaining to material/ product testing by identifying gaps in existing services and determining testing requirements in order to establish material testing laboratory in Sialkot at the proposed location with sustainable business / operation model and its international accreditation. PSIC intends to hire the services of a well reputed International Consultancy Firm having vast relevant experience of research/studies pertaining to material/product testing, certifications and international accreditation, under PPRA Rules, 2014 to carry out the need assessment covering testing requirements and gap analysis and preparation of feasibility report for establishment of material testing laboratory with reference to the following sectors in Sialkot, Gujranwala, Gujrat and adjacent areas:

- i. Sports industry
- ii. Leather industry
- iii. Home appliances (Including gas, electric, motor based)
- iv. Metal processing and metal based products (including sanitary, cutlery, cookware etc.)
- v. Surgical industry
- vi. Rice

5. He further apprised the house that a well reputed International Consultancy Firm having vast relevant experience of research / studies pertaining to material / product testing, certifications and international accreditation , will be hired under PPRA Rules, 2014 to carry-out the feasibility study and preparation of PC-I (if found feasible). No additional manpower will be required. Following Committee is proposed to prepare/finalize the documents such as Terms of References (TORs),

Request for Expression of Interest (REOI), Pre-Qualification Document (PQD) and Request for Proposal (RFP), etc. for hiring of consultancy firm under PPRA Rules, 2014:

i.	Senior Chief Consultancy, P&D Board	Chairman
ii.	Dy. Managing Director, PSIC	Member
iii.	Director (A&C), PSIC	Member / Secretary
iv.	Director (PEN), PSIC	Member
v.	Representative from Finance Department	Member
vi.	Representative from ICI&SD Department	Member
vii.	Representative from Gujranwala Chamber of Commerce & Industry	Member
viii.	Representative from Gujrat Chamber of Commerce & Industry	Member
ix.	Representative from Sialkot Chamber of Commerce & Industry	Member

6. Moreover, following Committee is proposed to review and approve the deliverables from 1 to 4 as given in the TORs for feasibility study of renovation and operationalization of sports goods and material testing lab:

i.	Managing Director, PSIC	In Chair
ii.	Representative from Finance Department nominated by Secretary, Finance Department	Member
iii.	Representative from P&D Board nominated by Chairman, P&D Board	Member
	Representative from ICI&SD Department nominated by Secretary, ICI&SD Department	Member
iv.	Director (A&C), PSIC	Member
v.	Director (PEN), PSIC	Secretary
vi.	Any other member to be co-opted by the Committee for expert opinion, etc.	Co-opted Member

7. Expected outcomes of the feasibility study are as under:
- a. Identification of economic opportunities in golden triangle (Sialkot, Gujranwala and Gujrat).
 - b. Feasibility report for establishment of material testing laboratory with reference to following sectors in Sialkot, Gujranwala, Gujrat and adjacent areas:
 - i. Sports Industry
 - ii. Leather Industry
 - iii. Home Appliances (Including gas, electric, motor based)

- iv. Metal Processing and metal based products (including sanitary, cutlery, cookware etc.)
 - v. Surgical Industry
 - vi. Rice
- c. Detailed analysis of existing testing facilities and their effectiveness, identification of gaps in the existing material/product testing regime
- d. Rational and viable need of the above sectors pertaining to material/product testing
- e. SWOT analysis for establishment of the laboratory at the proposed location i.e. existing building of "Sports Goods & Material Testing Laboratory" situated at PSIC Small Industries Estate, Sambrial / Sialkot which will also include suitability or otherwise of the proposed location of existing building etc., renovation / civil work requirements, provision of necessary utilities and changes in structural design (if any), with reference to installation of machinery & Equipment required to be installed for provision of testing services and its international accreditation etc.
- f. Identification of machinery / equipment required to be installed for provision of identified material / product testing services and to meet the international requirements / compliances
- g. Sustainable management, operational, business, and financial models for lab and its international accreditation.
- h. PC-I of the scheme based on feasibility study.
8. Cost estimates of the feasibility study are as under:

SN	Component	2021-22	2022-23	Total
1	Consultancy Charges for Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab.	24.000	22.500	46.500
2	Consultancy Charges for preparing PC-1.	-	2.500	2.500
3	Operational Expense (Advertisement, Stationary & Printing and other operating expenses)	1.000	-	1.000
Total		25.000	25.000	50.000

9. He further elaborated that consultancy shall have two components. First component consists of feasibility study. TORs of consultancy for first component are as under:

- i. To identify the economic opportunities in triangle (Sialkot, Gujranwala and Gujrat) and carrying out the need assessment and preparation of feasibility report for establishment of material/product testing laboratory with reference to the following sectors in Sialkot, Gujranwala, Gujrat and adjacent areas:
 - a. Sports Industry
 - b. Leather Industry
 - c. Home Appliances (Including gas, electric, motor based)
 - d. Metal Processing and metal based products (including sanitary, cutlery, cookware etc.)
 - e. Surgical Industry
 - f. Rice
- ii. To conduct detailed analysis of existing testing facilities in the above sectors, their effectiveness, and identification of gaps in the existing material / product testing regime.
- iii. To assess and analyze rational and viable need of the above sectors pertaining to material / product testing
- iv. SWOT analysis for establishment of the laboratory at the proposed location i.e. existing building of "Sports Goods & Material Testing Laboratory" situated at PSIC Small Industries Estate, Sambrial / Sialkot which will also include suitability or otherwise of the proposed location of existing building etc., renovation / civil work requirements, provision of necessary utilities and changes in structural design (if any) with reference to installation of machinery and equipment required to be installed for provision of testing services and its international accreditation etc.
- v. Identification of other export oriented industries / sectors exist in Sialkot, Gujranwala, Gujrat and adjacent areas where testing facility is required and types/nature of tests required to be performed in Lab in addition to sectors mentioned above.
- vi. Identification of different materials used as raw material by manufacturing sectors that requires testing facility with special focus to Sialkot, Gujranwala, Gujrat and its adjoining areas.
- vii. Identification of finished products manufactured/prepared within Sialkot, Gujranwala, Gujrat and adjacent areas and need assessment for testing facility for export purposes.
- viii. Identification of testing requirements along with the value chain of the identified products and product families.
- ix. To identify machinery / equipment required to be installed for provision of identified material / product testing services and to meet the international requirements / compliances.

- x. To identify human resource requirement along with required qualifications/ expertise for operating the laboratory and to run the machinery / equipment.
- xi. To develop sustainable management, operational, business, and financial models for lab and its international accreditation.
- xii. To measure economic / financial benefits in term of foreign exchange and revenue earned by the industrialists / sectors with the establishment of proposed Laboratory
- xiii. To develop detailed mechanism for seeking accreditation and certifications from international bodies for smooth operations of the laboratory. Complete lists of required compliances are to be worked out for the proposed accreditation / certifications.
- xiv. To determine anticipatory annual calibration and replacement cost for the laboratory.
- xv. Any other activity which deem necessary during the study.

10. In the second component, detailed PC-1, based on the feasibility study completed in Component A of TORs (if found feasible), will be prepared. TORs of consultancy are as under:

- i. PC-I to be prepared in the light of feasibility report's recommendations as per P&D Board's format after incorporating all relevant information including detail of required machinery, testing facilities and infrastructure facilities, etc.
- ii. Rough cost analysis of building works/Civil works, etc.
- iii. Revenue component to be prepared after market survey along with requisite specifications of equipment and competitive quotations.
- iv. Project objective, project outcomes, scope of work and relation of the project with sectoral and national policies as well as SDGs.
- v. Unit cost analysis
- vi. Financial and Economic analysis
- vii. Impact analysis (Economic, Environment, etc.)
- viii. Risks and Risk Mitigation Plan
- ix. Management and operational Model
- x. Financial model / plan (development and non-development) of the project, including cash flow analysis and operation & maintenance cost
- xi. Sound Sustainability and business model of the project
- xii. Environmental plan

- xiii. Procurement plan
- xiv. Result Based Monitoring Indicators
- xv. Implementation schedule.
- xvi. Monitoring & Evaluation Plan.
- xvii. Any other document required by the Government / PSIC
- xviii. Approval of PC-I from PSIC Management
- xix. Uploading the PC-I on SMDP portal as per prescribed format.
- xx. To address the observations of ICI&SDD and P&D Board and amend the PC-I accordingly.
- xxi. To facilitate PSIC in getting the PC-I approved from the Competent Forum of the Government.

11. The actual time duration for the proposed consultancy will be six (06) months after award of work. However, the committee mentioned in PC-II, in consultation with the consultancy firm, may increase the engagement period of consultancy firm (if required / deemed necessary) without increase in cost / work award / contract price, for delivery of good quality work. Deliverables of the consultancy alongwith timelines are as under:


S#	Description	Deliverables	Timeline
1	Preparation of Inception Report (Including outlining approach, methodology and implementation plan to conduct the study) and getting its approval from the Committee, mentioned in PC-II.	Deliverable 1	03 weeks after the award of the work
2	Preparation of Midterm report and getting its approval from the Committee, mentioned in PC-II.	Deliverable 2	Within the 2.5 Months after the award of the work
3	Preparation of draft Final Report and getting its approval from the Committee, mentioned in PC-II.	Deliverable 3	Within 04 Months after the award of the work
4	Preparation of Final Report and getting its approval from the Committee, mentioned in PC-II.	Deliverable 4	Within 05 Months after the award of the work
5	Preparation of PC-I (if found feasible) and its uploading on SMDP Portal	Deliverable 5	Within 06 Months after the award of the work

6	Final soft (PDF, MS office, DVD) & hard copy (10 sets of the feasibility study and 10 sets of PC-I)	Deliverable 6	Within 06 months of award of work
7	Facilitate PSIC in getting the PC-I approved from the Competent Forum of the Government	Deliverable 7	-

12. Core team of experts required for the proposed consultancy shall include but not limited to the following:

SN	Expert	No	Academic Qualification	Post Qualification relevant experience
1	Team Lead Engineer	01	Bachelor / Masters / MPhil in Mechanical / Electrical / Industrial / Metallurgy Engineering or Applied sciences / Quality Management System. (Registered with PEC)	a) At least 10 years of professional relevant experience. b) Experience regarding ISO/IEC 17025 requirements c) Experience of conducting needs assessment and industrial Quality control and assurance. d) Good comprehension, writing and communication skills in Urdu & English. e) Strong working experience in the Quality control lab and R&D.
2	Metallurgical/ Material Scientist	01	B.Sc. Metallurgical and Materials Engineering (Registered with PEC)	At least 08 years of professional relevant experience in local industry.
3	Chemical Expert	01	B.Sc. Chemical Engineering / MSc in Chemistry from HEC recognized Institution. (Registered with PEC)	At least 05 years of professional relevant experience in local industry.
4	Expert	01	BSc in the field of Civil Engineering from HEC recognized university. (Registered with PEC)	Minimum 5 years' of relevant experience
5	Economist	01	Bachelors or Masters in the field of Economics from HEC recognized university.	Minimum 5 years' of relevant experience
6	Business & strategic Expert	01	Master in Business Disciplines preferably MBA/Member ICAP/Member ICMA	Minimum 05 years' experience preferably in SME sector

7	Financial Expert	01	MBA in Finance or equivalent qualification	Minimum 05 years' experience in related field
8	Architect	01	Bachelors/Masters in Architecture / Architectural Engineering from HEC recognized university. (Registered with PEC)	Minimum 5 years' of relevant experience
9	Sector Specialist	The participating consultancy firm will provide the detail of Sector Specialists to be engaged by the firm as per requirement.		

13. Payment mechanism of the consultancy is as under: 

Sr. No.	Description	%age of Total Payment
1	On approval of Deliverable 1 by the Committee, mentioned in PC-II	10% of total cost of Component A
2	On approval of Deliverable 2 by the Committee, mentioned in PC-II	20% of total cost of Component A
3	On approval of Deliverable 3 by the Committee, mentioned in PC-II	20% of total cost of Component A
4	On approval of Deliverable 4 by the Committee, mentioned in PC-II and completion of Deliverable 5 & 6	25% of total cost of Component A + 60% of total cost of Component B
5	On completion of Deliverable 7	25% of total cost of Component A + 40% of total cost of Component B
Total		100% of Component A + B

14. After detailed briefing, Chief Industries highlighted that gestation period of the project does not correspond to the time duration of consultancy. He desired that gestation period of the scheme may be changed as "January 2022 to December 2022". Moreover, if PSIC intends to hire the services of a well reputed international consultancy firm, a strong justification may be incorporated in the PC-II for the same and TORs & criteria for selection of consultancy firm may also be amended accordingly

15. Representative of consultancy wing highlighted that criteria for selection of sector specialist need to be incorporated in the PC-II. Moreover, payment mechanism may be deleted from the PC-II. She further highlighted that funds amounting to Rs. 2.5 million have been reserved separately for consultancy charges for preparation of PC-I, however, the same is one of the deliverables of the consultancy. Director (PEN) PSIC

responded that PC-I will be prepared if found feasible. That's why funds have been allocated separately for preparation of PC-I.

16. Chief Economic Wing suggested that studies of similar nature conducted in the past may also be utilized for the purpose. Assistant Chief Industries highlighted that source of the facts and figures about the export industry of Sialkot quoted in the PC-II is not authentic. He suggested that accurate information collected from reliable sources may be incorporated in the PC-I. He further highlighted that uploading PC-I on SMDP portal is not the responsibility of consultant and the same may be deleted from the deliverables.

17. Glancing at the project committees, representative of consultancy wing highlighted that as per Rule 40 of PPRA rules 2014, head of procuring agency should be the convener of committee. Chief Industries seconded and suggested that instead of Sr. Chief Consultancy, head of ICI&SD Department or PSIC may be nominated as chairman of the committee proposed to prepare/ finalize the documents such as Terms of References (TORs), Request for Expression of Interest (REOI), Pre-Qualification Document (PQD) and Request for Proposal RFP) etc. Representative of P&D Board may be added as member of the committee instead.

18. After detailed discussion and deliberations, it was decided that ICI&SD Department shall submit modified PC-II after making following amendments:

- a. A strong justification may be incorporated in the PC-II for requirement of international consultancy and the TORs & criteria for selection of firm may be amended accordingly.
- b. Head of ICI&SD Department or PSIC to be nominated as chairman of the committee proposed to prepare/ finalize the documents such as Terms of References (TORs), Request for Expression of Interest (REOI), Pre-Qualification Document (PQD) and Request for Proposal RFP) etc. Representative of P&D Board may be added as member of the committee instead.
- c. Financial phasing of the feasibility study may be incorporated in PC-II instead of payment mechanism.
- d. Uploading PC-I on SMDP portal to be deleted from deliverables of the consultancy.
- e. Job title of "Manager (Civil)" to be replaced with "Expert (Civil)"
- f. The task of exploring economic opportunities in triangle (Sialkot, Gujranwala and Gujrat) to be mentioned separately in the TORs of Component A at Page 17 of PC-II.

- g. A minimum qualification and experience to be mentioned for the post of "Sector Specialist".
- h. PC-II shall be presented before PDWP after vetting of the TORs from consultancy wing of P&D Board.

19. The meeting culminated with a vote of thanks.



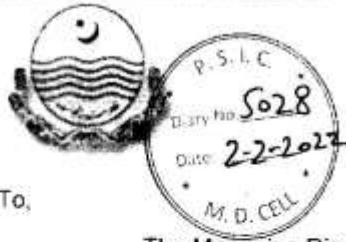
LIST OF PARTICIPANTS

**PRE-PDWP MEETING OF THE SCHEME TITLED "FEASIBILITY STUDY OF
RENOVATION AND OPERATIONALIZATION OF SPORTS GOODS AND
MATERIAL TESTING LAB"**

Sr.#	Name of Officer / Designation
P&D Board	
1.	Mr. Salman Iftikhar Shami Member PSD (In Chair)
2.	Mr. Muhammad Majid Iqbal Chief (Industries)
3.	Mr. Muhammad Musadiq Wattoo Chief Economic Wing
4.	Mr. Ahmad Rehman Assistant Chief (Industries)
5.	Ms. Hina Jamil Planning Officer (Consultancy)
6.	Ms. Bushra Manzoor Planning Officer (Industries)
ICI&SD DEPARTMENT & ALLIED BODIES	
7.	Babar Munir Deputy Economic Advisor-II, ICI&SDD
8.	Khawaja Muhammad Imran Director (PEN), PSIC
Finance Department	
9.	Mr. Muhammad Ilyas SO (IMET / EP)

329

Through Special Messenger



No. DEA-I. 1-1(11)/2021
GOVERNMENT OF THE PUNJAB
INDUSTRIES, COMMERCE, INVESTMENT AND
SKILLS DEVELOPMENT DEPARTMENT
Dated Lahore, the 31st January, 2022

PSIC/PEN
Diary No. 279
Date: 02-02-2022

To,
The Managing Director,
Punjab Small Industries Corporation,
Lahore.

Dix (PEN)
[Signature]

Subject: MINUTES / DECISIONS OF THE MEETING PROVINCIAL DEVELOPMENT WORKING PARTY (PDWP) (SECTOR: INDUSTRIES)

I am directed to enclose a copy of letter No. 12(5)PO(Coord-II)/P&D/2022, dated 28.1.2022 on the subject noted above, received from Planning Officer (Coord-II), Planning & Development Board, for information and further necessary action, please.

Encls: As above.

[Signature]
DEPUTY ECONOMIC ADVISOR-I

c.c.

1. The Planning Officer (Coord-II), Planning & Development Board, Lahore.
2. P.S. to the Secretary, ICI&SD Department.

Put up
3/2
AD/PEN
[Signature]
4/8 3/2
[Signature]





21021/00142

(38)

(5)

No. 12(5) PO(COORD-II)P&D/2022
GOVERNMENT OF THE PUNJAB
PLANNING & DEVELOPMENT BOARD
Dated; Lahore, the 28th January, 2022

Off # 042-99059302

1. The Secretary to Government of the Punjab,
 - i. Finance Department
 - ii. Industries, CI & SD Department
 - iii. Environment Protection Department
2. The All Members / Joint Chief Economist, P&D Board.
3. The Director, Punjab Economic Research Institute (PERI).
4. The Director General, Monitoring & Evaluation (M&E).
5. The Chief Executive Officer, Urban Unit, Lahore.

Dy. Secy
31/1/2022

SECRETARY
702
31/1/2022

DENT.
M. Ishaq
31/1/2022

Subject: **MINUTES / DECISIONS OF THE MEETING OF PROVINCIAL DEVELOPMENT WORKING PARTY (PDWP) (SECTOR: INDUSTRIES)**

I am directed to enclose herewith a copy of minutes of the **54th PDWP meeting held on 20th January, 2022** held under the chairmanship of Chairman, P&D Board, for information and further necessary action of the following item:

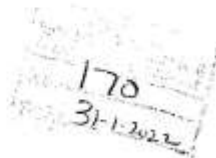
Agenda Item No.	Name of the scheme	Status
03	Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab. (PC-II)	Deferred

M. Ishaq
(M. ISHAQ)
PLANNING OFFICER (COORD-II)

A Copy, along-with copy of the minutes of meeting, is forwarded to the:

Sr. No.	PARTICULARS
PLANNING & DEVELOPMENT BOARD:	
1	Consultant (Coord.) / Chiefs: Industries, ECA, Technical, Consultancy and Monitoring.
2	Manager (MIS), P&D Board
3	PSO to Chairman, P&D Board.
4	PS to Secretary, P&D Board.
C.C.:	
5	Chief (Industries), M/o Planning, Development & Special Initiatives, Govt. of Pakistan, "P" Block, Pak Secretariat, Islamabad.

M. Ishaq
PLANNING OFFICER (COORD-II)



327



GOVERNMENT OF THE PUNJAB
PLANNING & DEVELOPMENT BOARD

Subject: MINUTES OF THE 54th PROVINCIAL DEVELOPMENT WORKING PARTY MEETING HELD ON 20.01.2022 UNDER THE CHAIRMANSHIP OF CHAIRMAN P&D BOARD

1.	Project Title	Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab
2.	Sponsoring Agency	Industries, Commerce, Investment and Skills Development Department
3.	Executing Agency	Punjab Small Industries Corporation
4.	Estimated Cost	Rs. 48.00 million
5.	Gestation Period	12 months (January 2022 to December 2022)
6.	Source of Funding	ADP 2021-22 (GS No. 6721)

1. The meeting started with recitation from the Holy Quran. After welcome remarks by the Chair, the Assistant Chief (Industries) P&D Board apprised the forum that a scheme titled "Renovation and Operationalization of Sports Goods and Material Testing Lab" at a total cost of Rs. 1000.00 Million was included in ADP 2021-22 in order to rehabilitate and operationalize testing laboratory in the existing building situated at Small Industries Estate, Sambrial / Sialkot. During PC-I preparation, the Department observed that a lot of baseline data with regards to export oriented industries and problems being faced by industries is required. The Department realized that instead of PC-I, a feasibility study through PC-II may be conducted for analysis and to find out scope of services, identification of export oriented sectors, required testing facilities, list of machinery required for the lab, cost estimation(s), international accreditation process and requirements, operational cost of the project, HR requirement and most important operational / managerial and financial model to run the lab. Accordingly, the case for changing the nomenclature of the scheme titled "Renovation and Operationalization of Sports Goods and Material Testing Lab" appearing at GS No. 6721 of ADP 2021-22, as "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" at a total cost of Rs. 50.00 Million was placed before the Standing Committee of Cabinet on Finance & Development (SCCFD) in its 65th meeting held on 12.10.2021. The Committee approved the proposal for change of nomenclature and also desired that this project should take into account the economic opportunities in the triangle (Sialkot, Gujranwala, and Gujrat) and should be reflected in the ToRs of PC-II and P&D Board should spearhead the process in consultation with the Administrative Department.



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2. In compliance with the decision of SCCFD the ICI&SD Department submitted PC-II titled "Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab" costing Rs. 48.00 million as per the following detail:

A. REMUNERATION COST

(Amount in PKR)

Sr. No.	Expert	Unit Rate / Month	No. of Person	Man Month Required	Accumulative Cost
1	Team Lead Engineer	1,200,000	1	6	7,200,000
2	Metallurgical/Material Scientist	1,000,000	1	5	5,000,000
3	Chemical Expert / Analyst	1,000,000	1	5	5,000,000
4	Expert (Civil)	900,000	1	1	900,000
5	Economist	900,000	1	1	900,000
6	Financial and Business Strategy Expert	900,000	1	1	900,000
7	Architect	900,000	1	1	900,000
8	Sector Specialist	900,000	6	4	21,600,000
Total - Remuneration Cost		7,700,000	13	24	42,400,000

B. DIRECT COST

(Amount in PKR)

Sr. No.	Description	Amount
1	Travelling Cost	3,200,000
2	Boarding & Lodging including local transportation	1,000,000
3	Hotel Facility	1,000,000
4	Misc. costs	400,000
Total		5,600,000

TOTAL COST

(Amount in PKR)

Total - Remuneration Cost	42,400,000
Total - Direct Cost / Reimbursable Cost	5,600,000
Grand Total	48,000,000
Say	Rs. 48.000 Million

3. The Assistant Chief (Industries) further elaborated that the main objective of the feasibility study is to assess/analyze the need of export oriented SMEs pertaining to material/product testing by identifying gaps in existing services and determining testing requirements to establish material testing regarding the following sectors in Sialkot, Gujranwala, Gujrat, and adjacent areas:

- i. Sports Goods and Sportswear
- ii. Leather products



- iii. Home Appliances (Including gas, electric, motor based)
- iv. Metal / Ceramics based products (including ceramics / sanitary ware, cutlery & cookware, etc.)
- v. Surgical Instruments
- vi. Rice

4. Explaining the TORs of the consultancy firm, he apprised that the services of the consultancy firm shall include but not limited to the following:

A. The detailed feasibility study of Renovation and Operationalization of Sports Goods and Material Testing Lab will comprise of the following:

- i. To identify the economic opportunities in the triangle (Sialkot, Gujranwala, and Gujrat) which will also include economic/financial benefits of the establishment of proposed Laboratory in terms of foreign exchange etc. under prevailing local & international economic and market scenarios.
- ii. To carry out the need assessment for the establishment of material/product testing laboratory regarding the following sectors in Sialkot, Gujranwala, Gujrat, and adjacent areas:
 - a. Sports Goods and Sportswear
 - b. Leather products
 - c. Home Appliances (Including gas, electric, motor based)
 - d. Metal / Ceramics based products (including ceramics / sanitary ware, cutlery & cookware etc.)
 - e. Surgical Instruments
 - f. Rice
- iii. To conduct detailed analysis of existing testing facilities in the above sectors & their effectiveness, identification of gaps in the existing material / product testing regime and determination of economic viability of the proposed laboratory.
- iv. SWOT analysis for establishment of the laboratory at the proposed location i.e. existing building of "Sports Goods & Material Testing Laboratory" situated at PSIC Small Industries Estate, Sambrial / Sialkot which will also include suitability of the proposed location of existing building etc., renovation / civil work requirements, provision of necessary utilities and changes in structural design (if any) with reference to installation of machinery and equipment required to be installed for provision of recommended material / product testing services and its international accreditation etc.
- v. Identification of finished products and related materials along with their testing requirements to cover the certification of products and materials as per requirements of the international standards and practices with due consideration of technical regulations of importing countries.



- vi. To identify machinery/equipment required to be installed for provision of identified material/product testing services & its existing local/international suppliers and to meet the international requirements/compliances.
- vii. To identify human resource requirements along with required qualifications/ expertise for operating the laboratory and to run the machinery/equipment.
- viii. To develop sustainable management / operational, business, and financial models for lab and its international accreditation.
- ix. To develop a detailed mechanism for seeking accreditation and certifications from international bodies for smooth operations of the laboratory. Complete lists of required compliances are to be worked out for the proposed accreditation/certifications.
- x. To determine anticipatory annual recurring expenses of the laboratory including HR, operations, calibration, and replacement cost but not limited to.

- B. Preparation of PC-I of the scheme titled "Renovation and Operationalization of Sports Goods and Material Testing Lab", if the study is found feasible.
- C. Any other activity, which may deem necessary to be executed, relevant to this study.

5. He further explained that the actual time duration for the proposed consultancy will be six (06) months after the award of work. Deliverables of the consultancy along with timelines are as under:

S.#	Description	Deliverables	Timeline
1	Submission of Inception Report (Including outlining approach, methodology and implementation plan to conduct the study) and getting its approval from the Committee, as mentioned in PC-II.	Deliverable 1	01 week after the award of the work
2	Submission of Midterm report and getting its approval from the Committee as mentioned in PC-II.	Deliverable 2	Within the 2.5 Months after the award of the work
3	Submission of draft Final Report and getting its approval from the Committee, as mentioned in PC-II.	Deliverable 3	Within 04 Months after the award of the work
4	Submission of Final Report and getting its approval from the Committee, as mentioned in PC-II. Final soft (PDF, MS office, DVD) & hard copies (10 sets of the feasibility study)	Deliverable 4	Within 05 Months after the award of the work
5	Submission of PC-I (if found feasible). Final soft (PDF, MS office, DVD) & hard copies (10 sets of the PC-I)	Deliverable 5	Within 06 Months after the award of the work



6. Moreover, the Department has proposed two committees including Project Steering Committee for oversight and guidance and another Committee for Preparation/finalization of the documents such as Terms of References (TORs), Request for Expression of Interest (REOI), Pre-Qualification Document (PQD) and Request for Proposal RFP), etc. for the hiring of a well reputed international consultancy firm.

7. He further informed that PC-II was considered by Pre-PDWP in its meeting held on 17-12-2021. The observations raised in the working paper were discussed in detail. The PC-II was returned for re-submission after making necessary corrections as per the decisions of Pre-PDWP. Accordingly, the Department has furnished corrected PC-II costing Rs. 48.00 million which is now being placed before PDWP for consideration.

8. Member ID observed that the pay packages of HR proposed for the consultancy are on the higher side for an international reputed consultancy firm. The Secretary P&D Board also observed that salaries are on the higher side as compared to the deliverables. He enquired whether the role of a consultancy firm is restricted to identification of machinery and equipment required for the lab or it will also furnish specifications and costs for procurement of technical equipment required for the identified six sectors enabling the Department to prepare PC-I. Member P&D, Board responded that the consultant will prepare PC-I with all requisite details if the study is found feasible. He further added that the PC-II has been examined by the consultancy wing of the P&D Board twice which has suggested certain changes in TORs and composition of the core team. Forum's concerns about the size and cost of HR shall be resolved once the Department fulfills the said observations.

Member PSW stated that the establishment and operation of the product testing lab would require a robust mechanism for which IC&SD is incapacitated. For successful operation of the lab and avoid capital and maintenance costs, department may enter into a contract with private service providers. Member PSW stated that PSIC is not capacitated enough to prepare PC-I of projects like such a lab as the lab established around a decade ago has not been operational till date due to lack of departmental capacity. Member IT also observed that the department may consider undertaking the project via Build-Own-Operate model to ensure efficiency.

Member SI opined that the PC-II is vague and very broad. The regime of product testing involves many intricate details which have not been considered while designing the PC-II. He expressed that the Department should hold stakeholders consultations to start with and re-design the PC-II document on the basis of real needs of exporters / stakeholders. Member PSW suggested that the

Department may select one of the above six sectors having highest exports and kick start the project as a pilot. Other sectors may be hit if the first attempt is successful.

11. The Chair observed that the instant PC-II should be comprehensive enough to cover all the relevant aspects required for the establishment of an international level product/material testing lab. Also, TORs are quite deficient to meet the project objectives. Keeping in view the lack of capacity, Department may hire services of a consultant for the preparation of PC-II having comprehensive TORs for the establishment of testing lab. After detailed deliberations and discussions, the scheme was deferred.

Decision:

The scheme was deferred as per the following observation:

The ICI&SD Department may procure a short term consultancy for the preparation of PC-II comprising of comprehensive and well-defined TORs as per discussion of PDWP.



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LIST OF PARTICIPANTS

**54th PROVINCIAL DEVELOPMENT WORKING PARTY MEETING HELD ON
20.01.2022 UNDER THE CHAIRMANSHIP OF CHAIRMAN P&D BOARD**

P&D Board		
Sr.No	Name of the Officer	Designation
1	Mr. Abdullah Khan Sumbal	Chairman P&D Board (In Chair)
2	Mr. Mujahid Sherdil	Secretary P&D Board
3	Dr. M. Abid Bodla	Member (ID / Water / Environment)
4	Mr. Shafique Ahmad	Member SI
5	Mr. Salman Iftikhar Shami	Member PSD
6	Mr. Masood Anwar	Member Governance & IT
7	Mr. Sadaqat Hussain Khan	Member (Energy)
8	Mr. Waqar Azim	Member (PSW)
9	Mr. Ubaid Ullah	O/o Urban Unit
10	Mr. Muhammad Javed Latif	Consultant Coordination
11	Dr. Muhammad Awais	Director (PERI)
12	Mr. Ahmad Rehman	Assistant Chief (Ind)
13	Ms. Bushra Manzoor	Planning Officer (Ind)
ENVIRONMENT PROTECTION DEPARTMENT		
14	Mr. Nasim-ur-Rehman	Director EPA
ICI&I DEPARTMENT & ATTACHED BODIES		
15	Mr. Javed Iqbal Malik	Senior Economic Advisor, ICI&SDD
16	Mr. Jamil Ahmad Jamil	DMD, PSIC
17	Khawaja Muhammad Imran	Director (PEN), PSIC
FINANCE DEPARTMENT		
18	Mr. Muhammad Mehboob	DS (ES)



Annexure-XIII

PROJECT IMPLEMENTATION SCHEDULE																	
PHASING OF PHYSICAL ACTIVITIES - TIMELINE CHART																	
Sr. #	Activity	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
1	Submission, Review & Approval of PC-II from PDWP																
2	Issuance of advertisement for call for EOI and receiving of technical & financial bids from consulting firms																
3	Selection & Award of contract to the selected consulting firms																
4	Submission of Inception Report (Including outlining approach, methodology and implementation plan to conduct the study) and getting its approval from the Steering Committee																
5	Submission of Midterm report and getting its approval from the Steering Committee.																
6	Submission of draft Final Report and getting its approval from the Steering Committee.																
7	Submission of Final Report and getting its approval from the Steering Committee.																
8	Submission of draft PC-I and getting approval from the Steering Committee.																
9	Submission of final PC-I.																
10	Approval of PC-I from PDWP																

SUMMARY OF CHANGES AND JUSTIFICATIONS

Reference Short term consultancy contract No: PSIC/ADMN/LP-1355/1037 dated 19.08.2022 for preparation of PC-II of the scheme titled “**Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab.**” comprising of comprehensive and well-defined TORs as per discussion of Provincial Development Working Party (PDWP) in its 54th meeting held on 20.01.2022.

PC-II on the subject title as prepared by PSIC was reviewed in detail and revised by the Consultant (Eng. Irfan Ahmad Rabbani). The summary of changes/amendments in the PC-II are as follows:

1. Project Background:

The concept of the scheme titled “**Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab**” as approved in 2006 has been elaborated with past background as the lab is expected to:

- Provide fast and reliable internationally accredited testing services.
- Provide assistance in achieving product safety compliance, quality marks through a stringent certification process.
- Facilitate in improving product quality and streamlining production processes.
- Enhance confidence of international buyers.
- Promote quality culture.

2. Project Justification:

Almost completely re-drafted by elaborating the requirements to establish infrastructure for conformity assessment of materials/products as demanding by various importing countries in accordance to their set Directives, Technical Regulations and process of certifications which manufactures/exporters are bound to comply for the export of their products.

The type/category of testing on the materials/products has been included to describe the infrastructure of the proposed laboratory complex as being anticipated to meet the requirements of industrial clusters in the triangular region of Sialkot, Gujranwala, Gujrat and adjacent areas for testing of materials/products as discussed during consultative meetings with relevant stake-holders. The materials/products as identified need testing facilities to perform:

- Mechanical tests
- Metallographic tests
- Physical and Chemical Analysis
- Electrical Safety (LVD) tests
- Electromagnetic Compatibility (EMC) tests
- RoHS compliance evaluation
- Energy efficiency (Eco-design)
- Microbiological tests

3. Deliberation about Scheme:

Key elements of discussion held in the 54th PWDP meeting held on 20.01.2022 have been included and the minutes of this meeting have been made part of amended PC-II and attached at Annexure- XI

4. Change in Profile of Consultancy Firm

The draft PC-II titled “**Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab.**” as provided for revision was included in the description:

“Hiring the services of a well reputed **International Consulting Firm** having vast relevant experience of research/studies pertaining to material/product testing, certifications and international accreditation”. This wording gives an impression that only International Consultancy Firm having relevant expertise would be eligible to conduct the feasibility study.

The consultant (Engr. Irfan Ahmad Rabbani) is of the view that a well reputed International Consulting Firms perhaps would not be interested to come forward to bid for such small activity in Pakistan due to limited budgetary provision of Rs. 50.0 million as allocated for the scheme. In case if anyone bids it will charge too high and likely to get attraction to bid, if the budgetary provision is in the range of Rs. 150 – Rs. 200 million or more.

Furthermore, for International Consultancy Firm knowledge of local market and it’s dynamics is very important and ultimately for this it will has to engage local resources to conduct the study.

Therefore, it seems justified to hire services of a “**Consultancy Firm of International Repute**” having business office and professional activities in Pakistan. The wording “Consultancy Firm of International Repute” does not specifically predict “**a Pakistani Firm or a Foreign Firm**”.

The profile of the consultancy firm would at-least cover:

- Relevant experience of research and conducting feasibilities studies pertaining to material/product testing, certification and accreditation. The preference will be given to the consultancy firms having international experience.
- Have International representation/affiliation.
- Have worked with small and medium enterprises, industry associations and Chambers of Commerce Industry on development projects.

5. Consultation with the stake-holders

The relevant stake-holders were consulted to have a preliminary discussion about their specific needs of testing and certification. The details of some key issues discussed during meetings with the relevant trade associations have been included in the PC-II. The consultative meetings helped to frame out the TORs for hiring services of the consulting firm to conduct feasibility study for the proposed scheme.

6. Main features of the Scheme:

With due consideration of justification of changes as given under Para (4) above, the wording “**International Consultancy Firm**” has been replaced with “**Consultancy Firm of International Repute**”

7. Proposed Location:

The layout plan of existing building of “Sports Goods & Material Testing Laboratory” situated at PSIC Small Industrial Estate, Sambrial/Sialkot is attached as Annexure - XII

8. Objective of the feasibility Study:

Minor conceptual changes made by specifying the reference of accreditation standard and recognition of lab by the International Product certification Bodies as an outcome of discussions held with trade associations representing different clusters / sectors.

9. Implementation Period of the scheme:

- The implementation period of the scheme is identified as July 2022 to March 2024. However, the time duration for the consultancy activity is proposed as Nine (09) months after the award of work to the selected consultancy firm out of which feasibility study will be completed within six (06) months and PC-I (If found feasible) will be prepared & submitted within three (03) Months.
- The turn-around time for completion of the scheme is estimated with due consideration of revised/amended TORs mentioning therein the scope of activities which a consulting firm is expected to complete with quality of work.
- Project implementation schedule showing physical activities along with Timeline chart is added in the amended PC -II at Annexure-XIII

10. Financial Plan:

- Financial Plan revised according to planned project activities. (Annexure-I)
- Project implementation schedule showing physical activities along with Timeline chart is added at Annexure-XIII

11. Revised Terms of Reference (TORs) for hiring Services of consultancy Firm of International Repute (Annexure-II)

a. Project Brief:

Revised and summarized in the light of concept of the scheme and its past background.

b. Scope, Duties and Responsibilities of Consulting Firm:

TORs related “**Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab.**” have been Re-drafted and revised to make it comprehensive and target oriented with inclusion of possible interactive activities as envisaged to be conducted by the consultancy firm to reach a conclusion about status of its feasibility. While framing out TORs, the discussed issues during consultative meetings with relevant stake-holders have been given due consideration.

The revised draft TORs as proposed are under:

Component A: Feasibility Study of Renovation and Operationalization of Sports Goods and Material Testing Lab.

The detailed feasibility study of Renovation and Operationalization of Sports Goods and Material Testing Lab. will comprise of the following:

- (i) Need assessment of testing and certification requirements associated with export-oriented business in triangular region of (Sialkot, Gujranwala and Gujrat). The following sectors in Sialkot, Gujranwala, Gujrat and adjacent areas will be prioritized according to existing export volume, taking into consideration of the future potential:
 - a. Sports Goods and Sportswear
 - b. Leather Products
 - c. Home appliances (including electric, gas, motor based)
 - d. Metal/Ceramics based products (including sanitary ware, cutlery, cookware etc.)
 - e. Surgical Instruments
 - f. Rice
- (ii) To conduct detailed analysis of existing testing facilities in the above sectors according to needs identified above and their effectiveness. This will include:
 - a) Highlight and review any previous or in progress studies for testing facilities in the project area and their current status.
 - b) Hold meetings with relevant stakeholders, in public and private sector (including PSQCA, PCSIR, NPSL, PNAC, TDAP, TUSDEC, Chambers of Sialkot, Gujrat, Gujranwala, relevant Trade Associations, internationally recognized Notified Product Inspection & Certification Bodies, etc.) to identify realistic needs with due consideration of existing test facilities for each sector and cities in which these are available.
 - c) Present institutional arrangement of the existing test facilities, e.g., Government, industry association, private sector, etc.
 - d) Review current scenario of material/product testing & certification for export as being practiced by the exporters in each sector to materialize their exports.
 - e) Identification of gaps in the existing material / product testing regime based upon needs identified.
- (iii) Disaggregation of above testing needs according to:
 - (a) Raw materials
 - (b) Finished products
- (iv) SWOT analysis for establishment of the laboratory at the proposed location i.e., existing building of “Sports Goods & Material Testing Laboratory” situated at PSIC Small Industrial Estate, Sambrial/Sialkot including suitability of the proposed location of existing building, renovation/civil work requirements, provision of necessary utilities, changes in structural design (if any) as deemed necessary for installation of equipment and machinery at the proposed laboratory.
- (v) To make recommendations regarding the most suitable institutional arrangement for ownership and operation of the proposed testing facilities. The consultancy firm may also consider the contract arrangements with service providers in private sector for undertaking the project via Build-Own-Operate model.

- (vi) identify machinery / equipment required to be installed for provision of identified material / product testing services and to meet the international requirements / compliance for certification of products.
- (vii) For the proposed institutional infrastructure, identify the human resource requirement along with required qualifications/ expertise for operating the laboratory and to run the machinery / equipment specific training needs and related expenses are also to be worked out.
- (viii) To develop sustainable Business Model for the proposed testing laboratory.
- (ix) To determine economic / financial benefits in term of foreign exchange and revenue earned which can be anticipated with the establishment of proposed testing facilities.
- (x) To develop detailed mechanism for seeking accreditation by the National Accreditation Body and certifications from the relevant International Products Inspection & Certification Bodies.
- (xi) Complete scope of required tests with reference to applicable standards is to be worked out for the laboratory accreditation / certifications.
- (xii) To determine anticipatory annual calibration and repair/maintenance cost for the laboratory.
- (xiii) Any other activity which deems necessary during the study.

c. Deliverables with Timelines:

Deliverables with timelines for component A and Component B are segregated.

d. Core team of Experts required for the proposed Study

The core structure of project execution team consisting of experts has been revised with due consideration of project activities as per objectives and scope of work for different types of sectors as included in the feasibility study.

e. Payment Plan:

Payment Plan for Component A and Component B added showing partial payment against completion of each deliverable. The inclusion of payment plan is generally considered a part of TORs so that the participating consulting firms must be aware of the flow of release of payment against each completed activity. Following has also been added in this section:

- i. The participating consultancy firms will be required to submit bids / proposals for **Component A** and **Component B** separately. It will be the mandatory requirement for the firm to bid for both the components. However, the combined bid value against both the components will be considered for the purpose of evaluation.
- ii. A single contract / agreement will be signed with selected consultancy firm indicating mutually agreed contract values / amounts for **Component A** and **Component B** separately.

f. Total Cost of Consultancy:

The total cost for component A and Component B of the scheme, is estimated as Rs. 47.5 million.
