

TERMS OF REFERENCE FOR THIRD PARTY VALIDATION

1. Introduction

- 1.1 The Government of Sindh is consistently making heavy investments in the Public sector development schemes for economic and social growth in the province both through Annual Development Plan (ADP) and the Federal Public Sector Development Program.
- 1.2 In this regard, during the FY 2012-13, an allocation of Rs. 161 Billions has been allocated for Annual Development Plan.

2 Background

- 2.1 The project aims at undertaking Third Party Validation of the implementation of investments made in development projects, with a view to confirm various aspects of these investments.

In this context, a development scheme namely “Strengthening of Monitoring & Evaluation Cell in Planning & Development Department including outsourcing for Third Party Monitoring” executed by MEC Cell P&D Department plans to facilitate an institutional evaluation of a range of public sector interventions.

- 2.2 With a view to undertake independent reviews of some of selected ADP schemes, the MEC P&D plans to enter into agreements with Consultants / Firms / Individuals for undertaking the envisaged Third Party Validation of the implementation of selected portfolio of investments undertaken in development Projects.

3. Objectives

- 3.1 The objective of this assignment is to facilitate institutional accountability & transparency of the public sector expenditures through a technical and third party monitoring/review and evaluation of the implementation of public sector interventions.

4. Scope of work

- 4.1 The scope and extent of the Third Party Validation (TPV) is to monitor & validate the execution & implementation of on-going development projects up to period 30-06-2012.

The subject exercise shall involve the (i) deployment of suitable technical staff for monitoring & examination of the scheme implementation documents (ii) understanding of overall design & objectives (iii) validation of adopted procedures/ SOPs for different activities and the level of adherence (iv) visual

inspection of schemes (v) checking of quality of the executed works through visual inspection & testing (vi) quantitative measurement i.e. work done v/s payment made to contractors with respect to cost, quality, time & scope envisaged in the approved PC-1s and Contract Documents of the schemes (vii) financial review of contracts and PC-1s (viii) recommending specific remedial measures to achieve the required standards (ix) submission of periodic deliverable progress reports.

- 4.2 Detailed list of on-going schemes are enclosed herewith (sector wise) in following format:

DETAIL OF PROPOSED ON-GOING SCHEMES FOR TPV

Sr./ADP #	Name of Schemes	Location	Date of Completion	Estimated Cost (Rs. in millions)	Expd. Up to 30 June 2012 (Rs. in millions)	Scope of physical work	Physical Achievements
1	2	3	4	5	6	7	8

5. Specific tasks and Deliverables

- i. The assignment requires proper planning of the activities against a predetermined timeframe involving a detailed desk review of the identified scheme documents followed by field verification, thorough analysis of project implementation and submission of progress reports.
- ii. The consultant shall provide a clear strategy & field operational plan methodology along with adequate mechanisms for monitoring, evaluation & coordination in Inception Report.
- iii. The consultant shall deploy a suitable technical staff team for third part validation exercise.

The assigned team shall perform initial desk review of project documents consisting of PC-I, Monthly Progress Reports etc. for understanding of overall design & objectives involving:

- Analysis of the work plan/actions as mentioned in PC-I.
- Analysis of design, quality, its related components and objectives.
- Identification of project performance indicators in terms of cost, time, quality & scope etc.

Then, the consulting firm team shall pay Initial field visit for visual inspection of selected schemes.

- iv. The consulting firm team shall get scheme implementation documents from the concerned departments that may include PC-Is, Monthly Progress Reports, Financial Statements, Statements of expenditure, Detail of Work estimates, Design Detail, Drawings, Measurement Books, Progress Reports, Maps Showing Engineering Schemes, Tender Documents (tender of all bidders), Technical Sanctioned Cost, Work Orders, Tender Evaluation Reports, Guarantees, Contract Agreements, Sampling & Testing of Materials & Executable Work record etc. The further project data may be collected through interviews, site snaps, direct observation and then mapping the observation etc. Then team shall review all above documents.
- v. Team shall pay a detailed visit of all on-going schemes for physical verification and dimensional measurements to assess physical progress viz-a-viz financial progress made of the executed work done up to 30-06-2012. Then firm shall submit Interim report about the findings.
- vi. Then consulting firm shall review quality tests & lab reports record and pay second field inspection visit for quality & quantity verification. Here, the consulting firm shall:
 - (a) Check and analyze the ingredients/materials used and executed worked done up to 30-06-2012 through agreed destructive and non destructive tests based on internationally accepted material testing methods and best national /international engineering practices for compliance with the approved project design & specifications defined in the PC-I of subject scheme.
 - (b) Quantitatively measure the work done viz-a-viz payment made to contractors with respect to time & scope envisaged in the approved PC-1s and Contract Documents of the schemes to find any delay either in work execution or fund release..
- vii. Then, consulting firm shall be required to review the financial contracts and adopted procedures/ SOPs for project management/administration, procurement, and execution of works, communications, meetings, and methodology etc and the level of adherence. Then, consulting firm shall meet with project related Officials/Officers. Then, firm shall submit Draft Final Report and shall get comments/feedback on subject report from MEC, P&D, GOS.
- viii. The firm shall thoroughly assess/analyze & report specific scheme defects, delays, management issues and recommend rectification/remedial measures along with time frame for achievement of requisite standards for the executing agency compliance. Then, firm shall submit Final Report that shall integrate the

entire evaluation i.e. Identification of key learning (gaps , failures, areas of further improvement) and action points and recommending corrective measures also highlighting key achievements including executive presentation.

6. REPORT SUBMISSIONS

The firm shall submit progressive periodic deliverable reports that have to be authorized and approved by MEC of the P&D Department, GoS, during the course of their assignment as per following schedule

Sr #	Description of Services	Time Frame
1	Inception Report containing Validation Frame Work & Methodology with Operational Plan/ & its tools and Field Plan for undertaking activities as per Agreement. (2 copies)	Within 14 days of Effectiveness of the Contract.
2	Feedback from MEC	Within 28 days of Effectiveness of the Contract.
3	Testing tools i.e. field + software etc	Within 35 days of Effectiveness of the Contract.
4	Field Operations survey	Within 70 days of Effectiveness of the Contract.
5	Preparation & submission of Interim Report containing (i) detail of data collection e.g. PC-I as well as relevant documents and examination (ii) Detail of Field visits & initial findings of validation. (2 copies)	Within 84 days of Effectiveness of the Contract.
6	Feedback from MEC	Within 98 days of Effectiveness of the Contract.
7	Incorporation of feedback and submission of Draft Final Report containing detailed analysis & evaluation of data with respect to status of execution , Findings regarding quality of works, expenditure and covering 100% activities, level of compliance with procedures, and relevance of investment to aims & objectives of program (2 copies)	Within 105 days of Effectiveness of the Contract
8	Submission of Final Report integrating the entire evaluation i.e. Identification of key learning (gaps , failures, areas of further improvement) and action points and recommending corrective measures also highlighting key achievements including executive presentation. (10 copies)	Within 120 days of Effectiveness of the Contract.

7. COMPOSITION AND QUALIFICATION OF THE THIRD PARTY VALIDATION TEAM

- a) The firm should be a relevant professional body/organization registered organization operating under regulations of Government of Pakistan.
- b) The key staff team members should possess relevant expertise and skills to carry out validation exercise.
- c) The consultant selection criteria shall be:
 - Qualification & experience of the relevant staff.
 - Experience of the firm.
 - Financial Capability of firm.

8. ASSISTANCE

The Monitoring & Evaluation Cell shall try to make available the following documents namely:

- a) All existing data, information, studies and reports available with GOS, P&D Department (MEC) such as PC-I & latest Monthly Progress Report.
- b) Necessary liaison and access to the relevant record/data available with GOS, P&D Department (MEC) for the completion of their assignment.
- c) Qualified counterparts from its staff for the purpose of the liaison.

9. **TERMS OF PAYMENT**

Payments shall be made according to the following schedule:

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| (a) Advance Payment upon signing of Contract
<i>(on submission of a demand guarantee for the same)</i> | @ 10% |
| (b) Upon submission of Inception Report | @ 15%. |
| (c) Upon submission of Interim Report | @25%. |
| (d) Upon submission of Draft Final Report | @25%. |
| (e) Upon submission of Final Report and Executive Presentation | @ 25%. |

Note: The demand guarantee shall be released when the total payments reach fifty (50) percent of the lump-sum amount.