



Minutes of Meeting

Technical Evaluation Committee for Common Effluent Treatment Plant at Sialkot Tannery Zone – Electromechanical Works

Date : 18 February 2021
 Time : 1400 hours (PST)
 Venue : Virtual Meeting through Zoom

Project Background & Introduction

There are 250 tanneries located in 10 different clusters, scattered all around Sialkot city and suburbs. These 250 tanneries of Sialkot are categorized as SMEs, while the products produced by these SMEs are 100% for export to Europe & USA. Being SMEs they are unable to meet the international standards, which are becoming more and more stringent with the passage of time. The main reasons for noncompliance are weak financials and not having technical knowhow.

Seeing the deteriorating conditions of exports and environment condition of Sialkot, the tanners along with Sialkot Chamber of Commerce & Industries (SCCI) took the initiative and agreed that the best solution to enhance exports and to improve environment is to shift the tanneries out of the city, at a dedicated zone, where common environment improvement facilities like Common Effluent Treatment Plant, Chrome Recovery Plant, etc could be established. For the purpose, Sialkot Tanneries Association Guarantee Ltd. (STAGL) was formed. STAGL has taken up the assignment of establishment of Sialkot Tannery Zone (STZ). The Government of Punjab supported the idea and administratively & financially facilitated for acquisition of land.

Moreover United Nations Industrial Development Organization (UNIDO) also appreciated this idea and joined hands in the development of layout plan of Sialkot Tannery Zone. The whole idea was converted into project document by UNIDO for seeking the National & International technical & financial support. Currently, UNIDO is working as a project partner on behalf of international donor agency "Global Environment Facility (GEF).



Common Effluent Treatment Plant at Sialkot Tannery Zone

One of the main aim of the project is to implement & introduce affordable & advance technology for effluent treatment and water conservation. In this regard the detailed design of CETP has been finalized, whereas, the construction is planned in three phases with the modular approach. In phase-1 of the project the first (of three modules) is planned to be establish with initial capacity of 4,000 m³/day of tannery wastewater.

The tendering process is planned in two parts: i) Civil Works and General Electric Works CETP with the approved funding of Govt of Pakistan through Export Development Fund (EDF) and ii) Mechanical & Electrical Works of CETP with the available funding of UNIDO-GEF under the supervision of STAGL. In this regard, the tender notice for CETP-Electromechanical works has been published in daily newspapers on dated: 7th July 2020. The technical & financial bids by bidders have been submitted by bidders on 15th of October, 2020.

Scope & Objectives of Bid Evaluation Committee (BEC)

- The Tender Committee reports to Board of Directors of STAGL.
- BEC is responsible for evaluation of Bidders as per the criteria set in tender documents.
- Technical Evaluation of proposals received from bidders including alternative proposals.
- Review the initial assessments of proposals undertaken by consultant.
- Request supporting documentation, more information or clarification if necessary from bidders.
- Drafting technical recommendations for Board of Directors of STAG, in light of the proposals received from bidders.
- Recommendation and Selection / Qualification of bidders based on technical proposals received.
- Financial review of Bids.
- Recommendations and Selection of bidder based on financial analysis of bids.
- Consider matters relating to the efficiency and effectiveness of the procurement process and provide recommendations to the Board of Directors of STAGL for contractual management.
- Act as an Appeal Board for issues raised by external parties arising from this procurement activity.



Composition of Bid Evaluation Committee

1. Project Manager UNIDO (Mr. Ivan Kral) – Chairperson
2. CEO STAGL – Convener (Mr. Sheikh Waheed Sandal)
3. International Expert (Mr. Emmanuel Kunumpurath Varghese)
4. Representative of CETP Designer (Mr. Kashif Masood - M/s NEC Pvt. Ltd. , Karachi)
5. Mian Naeem Javed (Convener Environment Committee STAGL) As Special Member
6. Mr. Ahtsham Gillani (Ex CEO STAGL) As special member

Secretary of Committee

Project Director STAGL (Mr. Muhammad Atif)

SUMMARY OF THE MEETING

- 1- The 1st meeting of Bid Evaluation Committee for Electromechanical Works of CETP at STZ was held on 18th February 2021. Following Members have participated in this meeting. ,

Members /Invitees	Location
Mr. Ivan Kral - Project Manager UNIDO – Chairperson	From UNIDO Vienna Office
Mr. Ch. Raza Munir - Chairman STAGL instead of CEO STAGL	Sialkot
Mr. Emmanuel Kunumpurath Varghese - International Expert	India
Mr. Kashif Masood - Representative of CETP Designer - NEC	Absent due to effected by COVID19
Mian Naeem Javed – Director STAGL - As Special Member	Sialkot
Mr. Ahtsham Gillani - Ex CEO STAGL- As special member	Sialkot
Mr. Sheikh Naveed Iqbal – Director STAGL - As Special Invitee	Sialkot
Mr. Muhammad Atif - Project Director STAGL	Sialkot
Mr. Adeel Sohail – Effluent Treatment Expert	Sialkot
Mr. Shams Iqbal Cheema - Resident Engineer STAGL	Sialkot

- 2- Starting the proceedings of the meeting, the Chair of Committee Mr. Ivan Kral welcomed all the participants and requested Mr. Muhammad Atif –PD STAGL to formally start the proceedings of the meeting.



- 3- The Project Director (Mr. Muhammad Atif), first introduced the board of the directors of STAGL present in the meeting. Then he apprised the members that as per the new executive contract of STAGL & UNIDO for the GEF funded project “Mainstreaming Climate Change Adaptation through Water Resource Management in Leather Industrial Zone Development”, the procurement of CETP – Electromechanical Works has been assigned to STAGL.
- 4- In this context, STAGL has floated the tender advertisements in National dailies of Pakistan on 7th July 2020. In total 18 companies have purchased the tender documents and most of companies have established joint venture with international companies. The initial bid submission date was 2nd September, 2020, but as most of the interested bidder had international JV partners and the process equipment have foreign sourcing, therefore the bid submission date was extended twice on request of bidders. On, 15th October, 2020, five (05) bidders have submitted their sealed technical and financial bids. The names of the five (05) bidders are,

Sr	Name of Bidders / JV
1	M/S 3W Systems (Pvt.) Ltd. and Solutions Engineering (Pvt.) Ltd.
2	M/S Orient Water Technologies and Zahir Khan Brothers
3	M/S KSB Pumps Limited
4	M/S ICC and AMV
5	M/S Water World International and Kaim Khani & Brothers

- 5- He further said that, the technical bid have been opened and sent to M/s NEC for review and evaluation, while the financial bids were retained un-opened till the completion of technical evaluation.
- 6- The project director apprised the committee that M/S NEC evaluated the bids as per qualification criteria mentioned in tender documents. During the review some clarifications were required from bidders which were communicated to bidders through STAGL. After receiving all clarifications from bidders the M/s NEC reviewed the bids and recommended four



- (04) out of five (05) bidders who qualified the criteria mentioned in tender document. The report is attached herewith as Annexure-A. He said that evaluation report by M/s NEC has already been shared with all committee members along with the technical proposals/offers of bidders.
- 7- The chair Mr. Ivan Kral, said that after fulfilling the qualification criteria by four (04) bidders, now it is important to decide whether the bids are Technically Accepted or not and for this purpose the comments / review of our International expert - Mr. Emmanuel, is very important to proceed. Then he invited Mr. Emmanuel.
- 8- Mr. Emmanuel, asked about the presence of M/s NEC as he want to discuss some design related points. Mr. Atif – PD STAGL informed that the main person of NEC who was involved in process designing and evaluation of bids, has suffered from COVID19 and currently admitted in hospital. He further said, whereas if there are some questions related to him, we can write him an email after this meeting.
- 9- Then, Mr. Emmanuel apprised the committee member that he has reviewed the technical offers of bidders along with tender requirement and process design report. He said that he has some reservations on the capacity of wastewater pumps. As per process design / tender requirements the duty time of pumps are 24hours, whereas for the pumps with the capacity mentioned in tender documents, it would be difficult to meet the design flow of 4,000 m³/day. Moreover he apprised the members that regarding Sludge Dewatering Device (Belt Press), the desired output sludge concentration mentioned in tender documents is 15% ~ 20%, which is quite low and it is doubtful to handle the sludge of this concentration easily. He said that generically the belt press can easily give output sludge concentration in between 25 ~ 30%. Furthermore, Mr. Emmanuel, asked from STAGL that what could be the possible way to ask some changes in the submitted bids with respect to the points / observations he mentioned.
- 10- Mr. Atif – Project Director, said that now it is very difficult to ask changes from bidders, because they have already submitted their financial offers. However, if the changes are very necessary that we can write a ask them to change their offer for that specific part/item only.



- 11- On this, Mr. Emmanuel said that during the review of bid he found that mostly the bidder have submitted very comprehensive details about the offered equipment / items. The observations discussed by him are related to our designing, done by NEC. Therefore in his experience it is not a good idea to ask bidders for such changes, because, may be they can lose the trust and interest in our project. Instead of it we can ask them some minor / general clarifications / confirmation that the equipment to be supplied by them shall be complete to ensure functional completion of the unit, the equipment to be supplied by them shall be adequate in capacity to treat 4000 m³/d of effluent with quality criteria as specified and an Undertaking that there are no deviations in offers from the tender document and if any specifications need deviations due to original supplier's requirement the same shall be subject to approval by the client. Moreover, Mr. Emmanuel also offer his services to write a specimen for the purpose.
- 12- The committee members unanimously agreed upon the suggestions of Mr. Emmanuel and also appreciated for his assistance regarding drafting the letters/specimen for bidders.
- 13- The committee members from STAGL, Mr. Mian Naveed and Mr. Raza Munir, chairman STAGL, further said that after receiving the confirmations / undertakings, we should proceed towards the opening of financial bids and send them to NEC for detailed financial analysis.
- 14- The chair of committee, Mr. Ivan said that for opening of bids it is best that STAGL should form a committee comprising of three (03) members.
- 15- On this, Project Director Mr. Atif said that in his view same committee members with same arrangement is better for opening of financial bids. Moreover, he also suggested to join some procurement official from UNIDO-Vienna Office along with Mr. Ivan. The project director further added that financial bid opening is just a speak out price formality, whereas the actual picture will be cleared after the detail financial analysis of all four (04) bids.
- 16- The chair, Mr. Ivan agreed with it and also recommend the after the submission of financial analysis of report, this committee should sit again to review, discuss and made recommendation for BOD –STAGL.
- 17- All the committee members endorsed the suggestion of the chair.

Conclusions of the Meeting:



All the members of committee unanimously agreed upon,

1. To take confirmation from qualified four (04) bidders that the equipment to be supplied by them shall be complete to ensure functional completion of the unit, the equipment to be supplied by them shall be adequate in capacity to treat 4000 m³/d of effluent with quality criteria as specified and an Undertaking that there are no deviations in offers from the tender document and if any specifications need deviations due to original supplier's requirement the same shall be subject to approval by the client. In this regard, Mr. Emmanuel will assist STAGL to draft confirmation / undertaking letters to bidders.
2. After taking the required confirmations / undertaking from bidders, STAGL will arrange the meeting of same committee members for financial opening of bids. In this meeting the procurement officials of UNIDO may also join. Moreover to ensure transparency in processes, one member of bidder to can also join in this meeting.
3. After opening of financial bids, the bids will be send to M/s NEC for detailed financial analysis.
4. The financial analysis report will be reviewed by the members of this committee and the committee will made their recommendations for STAGL Board of Directors.

***** THE MEETING ENDED WITH NOTE OF THANKS *****