

GOVERNMENT OF PAKISTAN
FEDERAL BOARD OF REVENUE
(REVENUE DIVISION)

ADDENDUM

Islamabad, the 13th June, 2018

To all bidders

SUBJECT: **INVITATION FOR BIDS (IFB) - SUPPLY, INSTALL AND OPERATION OF IT-BASED SERVICES FOR ELECTRONIC MONITORING (TRACK AND TRACE SYSTEM) OF TOBACCO PRODUCTS. RFP FOR TAX STAMPS / STAMPS AND MONITORING SYSTEM.**

Further to the publication of the Request for Proposal issued by the Federal Board of Revenue on 24th May, 2017, and further to the pre-bid meeting held on 8th June, 2017 at FBR and subsequent meetings held with stakeholders, the FBR is communicating to all the bidders the following amendments/clarifications that shall be considered as fully part of the RFP.

S. No	Existing Text of the RFP	Section	Amended Provision
1	The design, development and delivery, of high security tax stamps or such similar stamps which secure codes to be applied directly on the tobacco products, including mechanisms for their application or affixation.	Section 1-Purpose of the Document	The design, development and delivery, of high security tax stamps or such similar stamps with secure codes to be applied directly on the tobacco products; excluding mechanisms for their application or affixation with installation, operation and maintenance of stamps applicators that will be under the responsibility of the tobacco producers.
2	A specific Track and Trace information data center will be developed installed and made ready to use (including the solution requirements such as necessary hardware, software, etc.) under supervision of FBR.	Section 2-Scope of tender-bullet point 4	A specific monitoring information data center will be installed and made ready to use (including the solution requirements such as necessary hardware, software, etc.) under supervision of FBR. The licensee will supply the IT hardware and software while FBR will provide the suitable room and infrastructure at FBR (HQs) (security, conditioning, network lines, etc.) according to specification mutually defined. This system will securely transfer the data to FBR warehouse, queried and analyzed as a whole.
3	<i>Addition</i>	Section 2.1-Project Design	FBR will provide the necessary rooms at FBR headquarters for the main server center and at backup place for the backup site. Telecom lines between both sites and connection to Internet with the adequate

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			throughput and taken in charge and maintained by FBR.
4	Bid Bond	Section 3.5-Bid Bond	The bid bond amount is 2% of the estimated one-year value of the contract, to be issued by any International bank having its branch in Pakistan and at least rated AA & above by PACRA/JCR.
5	Bid to be quoted in Pakistani rupees PKR	Section 3.6-Currency	Pak Rupees (PKR) or US Dollar (USD) or Euro (EUR).
6	<i>Addition</i>	Section 3.12-Performance Guarantee	Performance Guarantee amounting 5% (five percent) of the one-year value of the contract in the form of Bank Guarantee issued by a Scheduled Bank in Pakistan or International Bank having its branch in Pakistan at least rated AA & above by PACRA/JCR.
7	FBR expects the potential successful bidder to be fully conversant with large tax stamp or stamp affixation programs and projects with Track & Trace capabilities, having worked on multimillion quantity deliverables. The company should have enough experience in delivering hardware, software, products and services of the similar nature in past; preferably in multiple countries. FBR expects an end to end Tobacco Tax solution with Track & Trace component.	Section 4-Bidder profile-Para 1	FBR expects the potential successful bidder to be fully conversant with large tax stamp or stamp affixation programs and projects with Track & Trace capabilities, having worked on multimillion quantity deliverables. The company should have enough experience in delivering hardware, software, products and services of similar nature in past; preferably in multiple countries.
8	Yearly Revenue US\$ 100 million. The bidders (in the case of a consortium, at least the Prime contractor) will have to present consolidated yearly revenues above USD 100,000,000 (one hundred million).	Section 4-Bidder profile-Para 2	The Prime contractor should have yearly turnover above USD 50,000,000 (fifty million), and in case of a consortium, the consortium should have consolidated yearly turnover above USD 100,000,000 (one hundred million).

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9	<p>In case the Bidder involves local companies as partners/associates it may provide experts for implementation of the application and operating the Track & Trace, Stamps & Monitoring System for 5 years, and partner training of trainers and end users, technical support and maintenance / of Stamps & Monitoring System for contract period and during the warranty period. Please provide RACI matrix that explains the responsibility of each party. The Local Partner may preferably possess:</p> <ul style="list-style-type: none"> - Comprehensive management and technical knowledge in all aspects of planning, designing, development, customization, configuration and implementation of Stamp and Monitoring System in public/private sector;- Experience in training and ability to transfer expertise, knowledge and skills; 	<p>Section-4.1-Local Partner/ Associates</p>	<p>A firm may submit bids either as a single Bidder on its own or as a partner in a consortium submitting bids in response to this tender. In this case, the consortium will form a whole entity. The Bidder shall submit the following additional documents: In the event that bidder is a Joint Venture / Consortium, the original Joint Venture (JV) agreement or a teaming agreement to form a JV if awarded the contract should be submitted and it should indicate precisely the responsibility of all members of JV in respect of planning, supply of equipment, civil works and infrastructure development, provision of maintenance and repair services, software development, customization, integration and configuration, installation, commissioning, and training for the project. This should not be varied / modified subsequently without prior approval of the Purchaser. Bids submitted by a Joint Venture / Consortium / Association of two or more firms as partners shall also comply with the following requirements: (a) the bid shall be signed so as to be legally binding on all partners; (b) one of the partners shall be nominated as being in charge, and this nomination shall be evidenced by submitting a Power of Attorney signed by legally authorized signatories of all the partners; (c) the partner in charge shall be authorized to incur liabilities and receive instructions for and on behalf of any and all partners of the Joint Venture / Consortium / Association, and the entire execution of the Contract, including payment, shall be done exclusively with the partner in charge; (d) the partner or combination of partners that is responsible for a specific component(s) of the System must meet the relevant minimum qualification criteria for that component; (e) a firm may submit bids either as a single Bidder on its own, or as a partner in one Joint Venture / Consortium / Association submitting bids in response to these Bidding Documents. Furthermore, a firm which is a Bidder, whether as a single Bidder or as a partner in a Joint Venture / Consortium / Association, cannot be a subcontractor in other bids, except for the supply of commercially available hardware or software manufactured or produced by the firm, as well as purely incidental</p>

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10	The bidders should demonstrate that their in-house coded stamp production equipment's capacity is above 10 billion stamps per annum.	Section 4-Bidder profile-Para 3	The bidders (or its affiliates) should demonstrate that their in-house high security stamps production and coding equipment's capacity altogether should be above 3.5 (three point five) billion stamps per annum.
11	<i>Addition</i>	Section 4-Bidder profile-Para 4	Multiple product category such as tobacco, soft drinks, alcohol medicines, etc.
12	The bidder must be certified ISO 9001/2010, ISO 14001, with either CWA High Security Printer or High Security Hologram manufacturer certification or NASPO class 2 certification.	Section 4-Bidder profile-Para 5	The bidder (or its affiliates) must be certified ISO 9001:2010, ISO 14001, member of ITSA (International Tax Stamp Association), with either ISO 14298 high security printer certification or High Security Hologram Manufacturer certification or NASPO class 2 certification.
13	For the solution deployment the project team will have at least a PMP certified Project manager, in charge of auditing the schedule of deliverable, and stakeholder's duties.	Section 4-Bidder profile-Para 7	For the solution deployment the project team will have at least a qualified Project Director with proven references, in charge of auditing the schedule of deliverable, and stakeholder's duties.
14	The bidder shall confirm that, within one year after signing of the contract, all the security tax stamps will be produced, coded & distributed from within the territory of Pakistan. Moreover the bidder shall ensure at least 7.5 million dollars investment in Pakistan relating to Track & Trace system within 01 year after the signing of the contract.	Section 4-Bidder profile-Para 11	The bidder shall ensure local investment within one (1) year after signing of the contract, (either in 'cash' or 'kind') related to track and trace system, including hardware and software.
15	<i>Addition</i>	Section 5-Tax Stamp Monitoring System-Para-2	The communication link will be provided and maintained by FBR.
16	<i>Addition</i>	Section 6.2-Product-bullet point 3	At least one (1) special security feature must be readable by the mobile device simultaneously with the reading of the identification matrix, allowing a high security authentication of the stamp and acting as a key for authorizing the reading of the identification matrix.
17	Machine footprints.	Section 6.3-Track and Trace Solution-bullet point 1	Deleted.

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18	Once the secure production of the tax stamps starts against orders received from FBR (or a programmed partial order), the security tax stamps should be generated by the system using the international standards of printing.	Section 7.4.1.2-Tax Stamp production and tracking, sub section 7.4.1.2.1	Once the secure production of the tax stamps starts against orders received from FBR (or a programmed partial order), the security tax stamps should be generated and produced by the system using the international standards of printing.
19	Once the product units are out to the market and available for the consumers to purchase from shops, the authorized personnel should be able to check and verify the authenticity of the stamps. They will be given portable devices with preloaded verification application, or they might also be carrying a laptop or tablet PC attached to a specific reader. After reading the tax stamp using their available verification tools, the system will declare if the product unit is original and valid to be sold in the market or not.	Section 7.4.1.6 - Offline Verification Tools	As per specifications given in the said section, the bidder shall be entitled to propose an “equivalent” device or smart phone application to perform the function of verification.
20	<i>Addition</i>	Section-7.4.2- Technical Requirements-sub section-7.4.2.9	Bidder shall propose the equivalent or the latest market technologies for the proposed hardware and Software. Bidder will be responsible for the replacement of the obsolete technologies with the latest versions without any extra charges to FBR for the hardware and software during the five years of operation. Bidder can also propose the equivalent of the desired technology.
21	<i>Addition</i>	Section-7.4.3- Hardware Requirements	Bidder shall propose the equivalent or the latest market technologies for the proposed hardware and Software. Bidder will be responsible for the replacement of the obsolete technologies with the latest versions without any extra charges to FBR for the hardware and software during the five years of operation. Bidder can also propose the equivalent of the desired technology.
22	As per existing text of the RFP.	Section 7.5 Delivery Timelines	After signing of the contract, the commissioning, installation and functioning along with transmission of the data from the production side to the FBR database to be completed in all respects within thirty (30) weeks.

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23	Price Schedule	Annex 6. Price Schedule	Unit price (column 5) can be provided excluding all duties and taxes, and can include the price per thousand stamps.
24	Visit to production unit	Section 6.1.10	FBR reserves the right to visit a production unit of the awarded bidder prior to contract signature. If such visit is not satisfactory, the FBR reserves the right to choose the second best bidder, for whom a similar visit will be conducted, and so on.
25	Terminology	Across the bidding document	The terms “stamp”, “label” or “paper” are synonymous and are used interchangeably.
26	ASSESSMENT CRITERIA 1. BIDDER’S EXPERIENCE (35) 2. GOVERNMENT APPROVED (CERTIFIED) PRODUCT MONITORING SYSTEM (15) 3. FEATURES OF THE PRODUCT MONITORING SYSTEM (20) 4. COST (BIDDER’S TOTAL PRICE) (30) TOTAL (100)	Section-9.2-Evaluation Formula and Award of the Tender	ASSESSMENT CRITERIA 1. BIDDER’S EXPERIENCE (25) 2. BIDDER’S STAMPS LARGE SCALE PRODUCTION CAPABILITY (20) 3. FEATURES OF THE PRODUCT MONITORING SYSTEM (25) 4. COST (BIDDER’S TOTAL PRICE) (30) <p style="text-align: right;">TOTAL (100)</p>
27	A. (20) 1. If the bidder has applied a product monitoring system in any country before a) If yes, in how many countries and for how many years (6 points if in 2 countries) (6) b) The volume and capacity of the application (6 points if over 15 billion banderoles per year for different product categories) (6) 2. If the bidder has applied a product monitoring system for tobacco products and/or beverages in any country before (please specify) a) If yes, in how many countries and for how many years?(4 points if multi-products in 3 countries for 5 years)	Section-9.2-Evaluation Formula and Award of the Tender-bullet no: 01-Bidders Experience	A. (12 points) 1. If the bidder has applied a product monitoring system in any country before: a) If yes, in how many countries and for how many years (3 points if evidence for 2 countries or more). b) The volume and capacity of the application (3 points if 3.5 billion banderoles/stamps/labels/marks per year for different product categories). 2. If the bidder has developed a system based on product monitoring by high security stamp (such as hologram, optical variable ink on label, lenticular device, or other security print: a) If the system is in use, and successful (letter of reference, renewals) for governments (3 points for 2 full and successful demonstrations with supporting letter of reference and renewal evidence). b) The volume and capacity of the

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	<p>(4) b) The volume and capacity of the application(4 points if over 15 billion banderoles per year for different product categories) (4)</p>		<p>application (3 points if over 3.5 billion banderoles/stamps/ labels/marks per year for different product categories together).</p>
28	<p>B. (10) 1. If the product monitoring system in such countries is applied by using secure paper such as banderole, hologram, label, etc. a) If yes, in how many countries and for how many years?(2 points if in more than 5 countries for 5 years) (2) b) The volume and capacity of the application(2 points if over 5 billion banderoles per year for different product categories) (2) 2. If data is processed on secure paper such as banderole, hologram, label, etc in the product monitoring system applied in other countries, and if such data is usable a) If yes, in how many countries and for how many years?(2 points if in more than 3 countries for 5 years) (2) b) The volume and capacity of the application(2 points if over 5 billion banderoles per year for different product categories) (2) c) Is such data usable after transfer to any database?(2 points if yes) (2)</p>	<p>Section-9.2-Evaluation Formula and Award of the Tender-bullet no: 01-Bidders Experience</p>	<p>B. (13 points) 1. If the bidder has provided high security stamps: a) If yes, in how many countries and for how many years? (2 points if at least 2 countries for 3 years or more). b) The volume and capacity of the application (2 points if over 3.5 billion banderoles /stamps/ labels/marks per year for different product categories). 2. If the bidder has experience in high security governmental programs such as banknotes, tax stamps, ID documents, etc., in any country before: a) If yes, in how many countries and for how many years? (3 points if multi-products in at least 2 countries. for more than 3 years). 3. If high security stamps has been implemented for governments for soft drinks, tobacco, bank notes, alcohol or medicine etc. ...): a) If yes, in how many countries and for how many years? (3 points for at least 2 countries for 3 years or more). b) The volume and capacity (3 points if over 3.5 billion products stamped per year over the last 3 years for different product categories).</p>

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29	<p>A- Demonstrate that system is in use, and successful (letter of reference, renewals) for governments(7 points for two full and successful demonstration and supporting letter of reference and renewal evidence) (7)</p> <p>B- Is the government approved system based on product monitoring by secure paper such as banderole, hologram, label, etc (3 points for evidence of government approval) (3)</p> <p>C- Is product data only decodable by special devices processed on the secure paper used in the product monitoring government approved system (3 points for evidence that data is only decodable by special device) (3)</p> <p>D- The number of stages as well as the speed and method of processing data on the secure paper used in the product monitoring government approved system(2 points for detailed explanation of the stages required) (2)</p>	<p>Section-9.2-Evaluation Formula and Award of the Tender-bullet no: 02-Bidders Large Production Capability</p>	<p>A. Demonstrate that system is in use and successful for governments (7 points for two full and successful demonstrations with supporting letters of reference and renewal evidence).</p> <p>B. If high security stamps including high level authentication features such as holograms, optical variable inks, lenticular images, have been delivered to governments: a) If yes, in how many countries and for how many years? (3 points for reference letters in more than 2 countries for 3 years minimum). b) The volume and capacity of such high security stamps (3 point for reference letters mentioning together over 3.5 billion units per year over the same 3 years).</p> <p>C. If such product was delivered with databases of codes? (3 points for 2 reference letters mentioning databases of codes).</p> <p>D. If the bidder has printed data on secure banderole/ stamps/labels/marks in any country: a) If yes, in how many countries and for how many years? (4 points for reference letters in at least 2 countries for 3 years minimum).</p>
30	<p>A- Architecture and appearance of stamps (1 point for providing clear description of architecture and appearance of the stamps)</p> <p>B-</p> <p>1. Overt security features of the intended secure stamp a) How many overt security features are suggested (1 point if 3 or more) b) Do the overt security features allow for convenient verification by the naked eye (1 point if yes)</p> <p>2. Covert security features of the intended secure paper a) How many covert security</p>	<p>Section-9.2-Evaluation Formula and Award of the Tender-bullet no: 03-Bidders Features of the Product Monitoring System</p>	<p>A. Demonstrate that system for governments based on product monitoring by high security stamp (such as holograms, optical variable inks, lenticular devices, or other security features...) is in use, and successful (3 points for 2 full and successful demonstrations with supporting letter of reference and, if appropriate, renewal letter).</p> <p>B. Are codes decodable by inspectors and by consumers using mobile device(s) (2 points if evidence that codes can be decoded with mobile devices by both inspectors and consumers).</p> <p>C. The number of phases for processing the data in the proposed system (2 points for providing detailed explanations).</p>

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	<p>features are suggested (2 points if 3 or more)</p> <p>b) How are the covert security features created and verified through electronic device (1 point if yes)</p> <p>C- The features of paper, ink, etc to be used for printing the intended banderoles</p> <p>a) Does the intended paper have any distinguishing features (1 point if 3 or more distinguishing features)</p> <p>b) Does the intended ink have any distinguishing features? What are they? (2 points if 3 or more distinguishing features detailed)</p> <p>D- The clarity of the features of the special inspection devices recommended by the company (such as size, memory, capacity, type of connection, operating system, battery life, functions, extent of offline decoding) (1 point for full and clear description of the proposed features)</p> <p>E- How will the codes to be printed in secure paper be generated, and what are the risks of this method (such as encryption, repetition, illegal duplication, etc)? Is technical documentation available? (3 points for full and clear description of the code generation and risks)</p> <p>F- R&D studies to be conducted for the new features to replace the covert or overt features which have been encrypted or duplicated illegally, available alternate solutions, and recommendations to implement such solutions within an acceptable period of time when necessary</p>		<p>D. Architecture and appearance of stamps (2 points for providing clear description of architecture and appearance of the stamps).</p> <p>E. Over-security features of the proposed stamp:</p> <p>a) How many overt security features are suggested (1 points if 3 or more).</p> <p>b) Do the overt security features allow for convenient verification by naked eye (1 point if yes).</p> <p>F. Covert security features of the proposed stamp:</p> <p>a) How many covert security features are suggested (2 points if 3 or more).</p> <p>b) How are the covert security features created and verified through electronic device(s) (1 point for explanations).</p> <p>G. The security features (inks, etc) to be used for production of the proposed stamp:</p> <p>a) Does the intended substrate have any distinguishing security characteristics (1 point if 3 or more).</p> <p>b) Does the intended stamp have any distinguishing visual features? What are they? (1 point if 3 or more).</p> <p>H. The clarity of the features of the recommended special mobile inspection devices (size, memory, capacity, type of connection, operating system, battery life, functions, extended of offline decoding) (2 points for full description).</p> <p>I. How will the codes be printed on the stamp and what are the risks of such printing method (encryption, repetition, illegal duplication etc.)? Is technical documentation available? (2 points for full description).</p> <p>J. R&D studies to be conducted for the new features to replace the covert and overt features which have been copied illegally, and recommendations to implement such corrective solution within an acceptable period of time (1 point for providing the R&D study that has been conducted to replace cracked features).</p> <p>K. Action plan against any contingencies to hinder installation and/or operation of the product monitoring system (1 point for providing detailed contingency plan).</p>

<p>(1 point for providing the R&D studies that would be conducted to replace cracked features)</p> <p>G- Security Plan to prevent cyber-attacks and unauthorized access to the product monitoring system and the database, including mirror site and Disaster Recovery Plan (2 points for providing detailed security plan)</p> <p>H- Action Plan against any contingencies to hinder installation and/or operation of the product monitoring system (1 point for providing detailed contingency plan)</p> <p>I- The bidder's action plan indicating all the processes planned for the whole contractual period, and the Arrangement and Application Plan to setup and install all the hardware and software required by the product monitoring system (2 points for providing detailed action plan)</p> <p>J- Technical Support, Warranty and Maintenance Plan description in detail (1 point for providing detailed support, warranty and maintenance plan)</p>		<p>L. The bidder's action plan indicating the processes planned for the whole contractual period, and the arrangement application plan to set up and install all hardware and software required by the product monitoring system (2 points for providing detailed action plan).</p> <p>M. Technical support, warranty, and maintenance plan description (1 point for full details).</p>
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(Muhammad Zaheer Qureshi)
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