

GOVERNMENT OF PAKISTAN
REVENUE DIVISION
FEDERAL BOARD OF REVENUE
INLAND REVENUE

[PUBLIC NOTICE]
[EXTENSION IN DATE FOR SUBMISSION OF APPLICATIONS]

Country: Islamic Republic of Pakistan

Name of Project: Track and Trace System for Tobacco, Sugar, Cement and Fertilizer

Contract Title: Invitation for Licensing (IFL) for IT-based solution for Electronic Monitoring (Trace and Trace System) for Tobacco, Sugar, Cement and Fertilizer

This is with reference to Federal Board's of Revenue advertisement published in the various national dailies on 20th November, 2020 for Supply, Install and Operation of IT-based Services for Electronic Monitoring (Track & Trace System). In this regard, it is brought to the notice of all concerned that Competent Authority has been pleased to extend the date for submission of applications for licensing upto 31st December, 2020.



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**Instructions for Licence (IFL)
for IT-based solution for Electronic Monitoring (Track and Trace System)
for Tobacco Products, Sugar, Fertilizer and Cement**

- The Federal Board of Revenue of Government of Pakistan is seeking applications for the grant of five-year license(s) under Licensing Rules, 2019 (as amended from time to time) of Track and Trace System/ Solutions for electronic monitoring of tobacco products, sugar, fertilizer and cement, manufactured or imported in Pakistan;
- The licensee(s) will be responsible for end-to-end installation and operation of a Track and Trace System/ Solutions connecting manufacturing sites and import stations to the FBR's Central Control Room (CCR). The Track and Trace System/Solutions would include the provision of tax stamps and integrated codes to enable real-time electronic monitoring of above products throughout Pakistan;
- Instructions for Licensing (IFL)/document can be collected from the office of undersigned between 0900 hrs to 1600 hrs on any working day through written application. IFL/documents may be downloaded from PPRA (www.ppra.org.pk) & FBR (www.fbr.gov.pk) websites. Further, details can be obtained from FBR House, Constitution Avenue, Islamabad during office hours (0900 to 1700 hours).
- All the applicants shall submit their technical and financial proposals in sealed envelopes separately, which will be evaluated as per evaluation criteria given in the IFL and related annexures.
- Sealed applications/ proposals must be delivered by or before 1600 hours (PST) on 19th December, 2020 at the address given below, which shall be opened on same date at 1630 hours in the presence of the authorized representatives of applicants, who may choose to be present.
- A Pre-licensing conference shall be held at FBR-HQ, Islamabad at 1100 hrs on 4th December, 2020 in the Conference Room, FBR(HQ), Islamabad.
- The FBR reserves the right to accept or reject the applications as per the Licencing Rules, 2019 (as amended from time to time).
- This advertisement is also being placed on the FBR and PPRA websites.

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INSTRUCTIONS FOR LICENCE (IFL)

FOR TRACK AND TRACE SYSTEM FOR TOBACCO PRODUCTS, CEMENT, SUGAR AND FERTILIZERS



NOVEMBER, 2020

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1. Introduction

1.1 The Federal Board of Revenues of the Government of Pakistan (“FBR”) aims at acquiring and implementing information technology-based tools and solutions in order to ensure fair and just federal tax revenue collection, improved monitoring of federal tax collection and reliable federal tax revenue forecasting. Though Large-Scale Manufacturing (“LSM”), being the major and comparatively well documented sector of the Pakistan economy, contributes a significant portion of total federal tax revenue. However, the full real federal tax potential in LSM segments like tobacco, cement, sugar and fertilizer is yet to be realized. Currently, across the globe, track and trace technologies (the “T&T” solution) are used to assist in the process of tax collection. Such technology enhanced tax collection solutions offer the most feasible, reliable and trustworthy approaches to tax collection. With minimum human intervention a T&T solution, if implemented in a proper and transparent manner, can:

- a) Safeguard the interests of tax revenue collection by providing traceability and process visibility through automated data capturing at all relevant role players in the respective supply chains and enabling tax collection governance based on real-time information; and
- b) Act as a deterrent to tax fraud entailing visibility of production volumes and product attributes and dis-incentivising fraudulent activities such as under-declaration; and
- c) Ensuring a level playing field to all role players in the aforesaid industry sectors.

1.2 In order to prevent leakage of federal tax revenue and under-reporting of production and sales of tobacco, cement, sugar and fertilizer products (the “Goods”) and to ensure proper payment of duties/taxes on the manufacture and sale of the Goods, FBR is mandated to licence the development, implementation, operation and maintenance of a track and trace system (the “System”). The System shall cover all Goods manufactured in and imported into Pakistan and also products manufactured in Pakistan for export. To this end, FBR is inviting applications (the “Application”) for granting of such a licence (the “License”) to be issued under the Sales Tax Rules, 2006, (as amended by SRO 250(I)/2019 dated February 26, 2019, by SRO 918(I)/2019 dated August 7, 2019, and by SRO 223(I)/2020 dated March 16, 2020, (the “Regulations”) for the development, maintenance and operation of a track and trace system in accordance with the provisions of the rules and the instructions specified herein below (the “Instructions”).

1.3 The License shall be issued for a period of 5 years with possible extension for additional period of 3 years. Effective date of the License shall be announced by FBR.

1.4 The applicant who will be awarded the License (the “Licensee”) shall implement and operate the System, including the secure paper based, serialized, non-removable (tamper evident) unique identification markings of the Goods (the “UIM”), designed specifically for the System, and combined with state-of-the-art electronic monitoring and tracking systems of the Goods.

- 1.5 Pakistan ratified the Framework Convention on Tobacco Control (the “FCTC”) and acceded to the FCTC Protocol to Eliminate Illicit Trade in Tobacco Products (the “Protocol”). Article 8 and 9 of the Protocol requires Pakistan to establish the System, to be controlled by Pakistan, for all tobacco products that are manufactured in, imported into, or transiting through its territory. It also specifies a minimum information requirement with specific data fields to be captured and managed by the System for the respective tobacco products. For these reasons the instructions in this document stipulate, if and where applicable, certain additional requirements for the System.

2. General Requirements for the System

- 2.1 Applicants responding to the Instructions (the “Applicant”) must ensure that the System being offered is suitable for monitoring, in real or near-real time, in the production lines as detailed below, as well as 6 (six) designated import stations for the Goods.

Category of the Goods	Number of factory premises	Number of production lines
Cigarettes	15	50
Cement	25	50
Sugar	80	160
Fertilizer	15	30

- 2.2 The Applicant must also ensure that the System being offered would be suitable to cover the following approximate volume of units of the Goods per annum:

Category of the Goods	Unit of the Goods	Approximate per annum volume of units of the Goods
Locally manufactured and imported cigarettes for domestic sale	Pack	5 billion per year
Locally manufactured sugar for domestic sale	Bag	1.5 billion per year
Locally manufactured cement for domestic sale	Bag	
Locally manufactured fertilizers for domestic sale	Bag	

- 2.3 The System must enable FBR to:

- Monitor production activities of the concerned production lines, factory premises and designated import stations;
- Generate near real-time information about volumes of the Goods produced at the manufacturing lines;
- Obtain validated information during manufacturing that will support the correct collection of applicable taxes levied on the Goods;
- Collect validated inputs at manufacturing for determination of the origin and legal status of the Goods after manufacturing.

- 2.4 The System shall include a secure, dedicated smart mobile phone application enabling duly authorized representatives of FBR and of other Pakistan Government agencies automatic authentication of a UIM and capturing traceability information in both offline and online modes.
- 2.5 The respective Goods imported into Pakistan will be required to have the UIM affixed already abroad or the concerned importer of such Goods will have to arrange for the affixation of the UIM at the designated import stations in Pakistan.
- 2.6 After the System implementation it will be forbidden to import, manufacture, distribute and sell in Pakistan the Goods without a duly affixed UIM. Non-compliance with this requirement will be eligible for prosecution in accordance with the applicable legislation of Pakistan.
- 2.7 Prior to implementation of the System for any of the categories of the Goods, FBR will issue, for each such respective category of the Goods, a regulation establishing:
 - a) The effective date of validity of the System for the respective category of the Goods;
 - b) The date as of from when the Goods of the respective category may be imported or locally manufactured only with duly attached UIM;
 - c) The date as of from when any and all Goods of the respective category without duly attached UIM must be removed from the domestic distribution chain.
- 2.8 The Applicant shall provide a comprehensive implementation plan which shall specify the expected delivery and implementation time for the System for each of the four respective industry sectors.
- 2.9 During the duration of the License the Licensee shall charge a usage fee (the “Fee”) to the manufacturers and importers of the Goods for the operation of the Systems. The Fee shall be expressed in the form of an amount, in Pakistan Rupees, for each one thousand UIM units which the Licensee will provide for affixation on the Goods.

3. Key Technical Requirements for the System

3.1 The System shall comprise of the following key functional areas:

- a) Dedicated IT platform/management information system (“MIS”) for secure management, execution and control of functioning of all modules and deliverables of the System as outlined in sub-points b) to g) of this point 3.1 and, in addition, to generate and distribute, via secure communication channels, relevant statistics, operational and management reports, actionable information and business intelligence for the FBR and other duly authorized Pakistan Government agencies;
- b) Ordering and production of UIM’s;
- c) Delivery of UIMs to manufacturers and importers of the Goods;
- d) Activation of UIMs applied onto the Goods;

- e) Monitoring of the volume of local production and the volume of imports of the Goods;
 - f) Field audit of UIMs and the Goods by FBR inspectors and representatives of other duly authorised Pakistan Government agencies;
 - g) Verification of UIMs and the Goods national distribution chain stakeholders and final customers/general public.
- 3.2 MIS shall comprise of the main MIS and the back-up MIS, which shall be physically located in two different premises to enable business continuity of the System operation in case the main MIS becomes unavailable.
- 3.3 The Applicant shall, in its application for the License, provides a detailed description of architecture, functionalities, deliverables and other relevant information of the MIS being proposed for the System.
- 3.4 Ordering and management of the production process of UIMs shall be enabled by the MIS, via the following MIS functionalities:
- a) Registration of local manufacturers and importers of the Goods;
 - b) On-line and secure placing of orders for UIM's by these manufacturers and importers;
 - c) On-line and secure review and approval or rejection of such orders by FBR;
 - d) Monitoring of execution of approved orders;
 - e) Secure physical delivery of executed orders to relevant local manufacturers and importers of the Goods, or to other parties which would be duly designated and authorised in the orders, and approval of such orders by FBR.
- Manufacturers and importers shall have on-line and secure access to information on the status of their respective UIM orders as per sub-points c) to e) of this point.
- 3.5 UIMs shall utilize core material which must be made of an anti-tampering substrate so that any attempt to tamper with or to remove an UIM will crumble a portion of the UIM, which will be clearly and immediately recognized.
- 3.6 UIMs shall be resistant to environmental factors such as temperature, humidity and sunlight.
- 3.7 UIMs shall contain, as the minimum, the following security features:
- a) One overt material security feature visible by naked eye;
 - b) One semi-overt material security feature visible through a simple and very low-cost device;
 - c) One covert material security feature by smart phone application, which will be utilized by the FBR inspectors and representatives of other duly authorized Pakistan Government agencies;
 - d) One forensic security feature to unequivocally assist laboratorial analysis and legal procedures;
 - e) One digital/IT security feature readable by the System dedicated smart phone application.

- 3.8 For tobacco products the UIM size shall be 20 x 40 mm with maximum tolerance of +/- 2 mm in each dimension. For cement, sugar and fertilizer products UIM size shall be 20 x 60 mm with maximum tolerance +/- 2 mm in each dimension. UIMs shall be compatible with the standard high-speed automated label application equipment used for the Goods.
- 3.9 The Applicant shall, in his applications for the License, provide specimens of each of UIM, as requested in point 3.8 above, with detail and full description of the security features stipulated in sub-points a) to e) of above point 3.7.
- 3.10 The Licensee shall be responsible for secure physical delivery of UIMs to the concerned manufacturers and importers of the Goods within the territory of Pakistan. For this reason, the Applicant shall, in his applications for the License, provide detail description of the secure physical delivery process of UIMs proposed for the System. The Applicant shall also provide specific proposals for the format of UIM delivery (sheets, stacks, reels, etc.) and the minimum number of UIM placed in each unit of such delivery formats.
- 3.11 Activation of UIMs shall take place immediately after the affixation of UIMs onto the Goods. In exceptional cases it may not be possible, in which case activation needs to happen immediately before affixation of UIMs onto the Goods. Activation shall be the responsibility of the concerned manufacturers and importers of the Goods. The Applicant shall, in his application for the License, provide detail description of UIM activation process and how his proposed System would support/execute it.
- 3.12 Application of UIMs onto the Goods shall be the responsibility, and at the cost of, the concerned manufacturers and importers of the Goods. The Applicant shall, in his application for the License, provide detail description of the UIM-application process and how the proposed System would support/execute it.
- 3.13 After activation of UIMs and affixation of UIMs onto the Goods the System shall utilize UIMs for:
- a) Identification of Goods by means of the unique serialization code per Goods item;
 - b) Monitoring of the volume of the production or importation of the Goods;
 - c) Supporting the execution of the field audits of UIMs and the Goods (by scanning the UIMs affixed to Goods items) at any level of the national distribution chain by FBR or other duly authorized Pakistan Government agencies;
 - d) Verification of the Goods by national distribution chain stakeholders and final customers/general public;
 - e) Compilation of other information, statistics and reports to enable FBR to identify any anomalies and abnormalities related to the importation or manufacturing or national distribution of the Goods and to adopt respective corrective actions for preventing such events and for protecting relevant tax revenues.
- The Applicant shall, in his application for the License, provide a detailed description of how the proposed System would support/execute the above objectives a) to e).

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- 3.14 To ensure the deliverables listed under point 3.13 above the System shall be able to digitally transfer to and record in the MIS, the unique serialization component of UIMs and pair (link) it with, as a minimum requirement, the following specific information about the Goods:
- a) Factory premise, production line and date of manufacturing;
 - b) Stock Keeping Unit / Product Item level information such as the manufacturer, brand, packaging type and packaging size/volume;
 - c) Tax class, HS code;
 - d) For tobacco products only: information as specified in Article 8 of the FCTC Protocol.
- 3.15 For products manufactured in Pakistan for export or for sale under duty free customs regime standard UIMs will still be required. The System will show these products as earmarked for export or duty-free. The System shall monitor and record these product items for:
- a) Volume verification of production of these tobacco products;
 - b) Collection of other information on these tobacco products as required by Article 8 and 9 of the FCTC Protocol.
- 3.16 Further to provision stipulated under above points 3.11.d) and 3.12, and requirements presented in Article 8, Paragraph 11(c) of the FCTC Protocol, the Applicant shall, in his application for the License, provide description of how his proposed System would address the matters related to the tobacco products packaging aggregation.

4. Profile of the Applicant

- 4.1 FBR shall consider applications only from Applicants that are not involved in any proved fiscal fraud or corruption or other illegal activities linked to the award, implementation and operation of the past or current government or other contracts.
- 4.2 FBR shall consider applications only from Applicants who are fully conversant with the provision and execution of large-scale UIM programs with T&T functionalities, having worked on multi-billion quantity UIM's and product items in various sectors. Specific experience from the sectors of the Goods is not essential. However, it will be essential to demonstrate a capacity to work with the high-speed and fully automated production lines. The management team of the Applicant shall have appropriate capacity to execute and run the System, and shall have significant experience in delivering hardware, software, products and services of a similar nature in the past; preferably in countries other than Pakistan.
- 4.3 Pursuant to above point 4.2, FBR shall consider applications only from Applicants who can demonstrate current engagements in track and trace solutions utilizing secure paper based, uniquely serialized tax or control stamps (the "Stamps"). The Applicant must demonstrate, on the date of submission of the application:
- a) Current or recent engagement in at least 3 effective contracts for government track and trace or similar solutions in 3 different countries, for fast moving consumer or other goods

- such as, but not limited to, tobacco products, alcoholic products, non-alcohol beverages, pharmaceuticals, cosmetics, fuel, sugar, cement and fertilizers;
- b) Provides, for execution of the above solutions, at least 5 billion Stamps per annum.

- 4.4. FBR shall consider application only from Applicants who can ensure a secure printing facility and provide information about its name, location, printing equipment, annual volume of production and contact person. The printing facility of the Applicant shall have, as minimum, the following valid certifications: BS OHSAS 18001 or ISO 45001, ISO 9001, ISO 14001, ISO 14298 and ISO 27001 or equivalent or more certification. The Applicant shall also demonstrate that such facility does have a capacity to provide additional volume of at least 2 billion UIMs within 10 months after the date of the submission his application.
- 4.5 FBR shall consider applications only from Applicants who can demonstrate an annual turnover of at least USD 50 million in each of the last 3 calendar years.
- 4.6 FBR shall consider applications only from Applicants who can demonstrate experience relating to the installation of production monitoring system on at least 50 high-speed and automated production lines over the last 3 calendar years.
- 4.7 The Licensee will need to interface effectively with the Goods industry including at their production lines and the factory premises. For this reason, the Applicant shall provide a declaration and full disclosure, demonstrating that the Applicant has no material conflicts of interest with the respective four industry sectors of the Goods and that the Applicant complies with all provisions of Article 8, Paragraph 12 of the FCTC Protocol.
- 4.8 FBR may, in assessing applications from Applicants, require Applicants to provide information regarding holding structure and ownership, affiliations, finances, key personnel and activities to ensure that no such conflicts of interests and/or links with the industry of the Goods exist.

5. Consortium and Joint Venture

- 5.1 The Applicant may be either a single entity or a consortium of entities (the “Consortium”). The consortium may have two or more entities. An entity which is part of the Consortium, is not permitted to be part of another consortium or apply in parallel as a single entity.
- 5.2 In the event that the Applicant is a Joint Venture (“JV”) or a Consortium, then the Applicant shall submit the following additional documents:
 - a) Copy of the original JV/the Consortium agreement, which must clearly specify the lead entity.
 - b) The documentation must outline precisely the responsibility of each member entity of JV/the Consortium.

- c) List of assets (moveable and immoveable) in Pakistan of JV/the Consortium member entities.
- d) At least one member-entity of JV/the Consortium must have Incorporation Certificate issued by Security and Exchange Commission of Pakistan having registration with FBR and filing its returns for last 3 years.

6. Eligibility and Responsibilities of the Licensee

- 6.1 Prior to formal and final award of the License, the Licensee shall arrange for an unconditional bank guarantee amounting to PKR 100 million (the “Guarantee”) in favour of FBR.
- 6.2 The Licensee shall implement the System within a time frame of 6 months since the Effective Date. In case the Licensee:
 - a) Cannot implement the System within this period; or
 - b) Is unable to operate the System during the term of the Licence in accordance with provisions of the License agreement between FBR and the Licensee;the Guarantee shall be forfeited.
- 6.3 In case of genuine hardships and the circumstances beyond the control of the Licensee, FBR or a duly appointed licensing committee may consider a request of the Licensee for 3 months extension of the above time frame.
- 6.4 If, in line with the provisions set out in the above points 6.2 and 6.3, the System is not implemented within 9 months since the Effective Date, the Licence would be liable for cancelation in accordance with the provision of the Regulations and the Instructions. In such circumstances, FBR would be allowed to consider another eligible Applicant recommended by the licensing committee for the grant of the License.
- 6.5 The License Agreement shall allow for a phased implementation of the System where each respective category of the Goods (industry sector) may be commissioned in series and not in parallel. Implementation of the System for the first category of the Goods (industry sector) should be accepted as the confirmation that the System is implemented as referred above.
- 6.6 The obligations with respect to development, implementation, operation and maintenance of the System shall not be performed by or delegated by the Licensee to any other party related to any of the industry sectors of the Goods in order to avoid conflict of interest.
- 6.7 All tangible and intangible assets and services that the Licensee will install, operate and maintain on the production lines, at the factory premises, and at the designated import stations for the implementation and during the term of the License shall be the responsibility, the ownership and at the cost of the Licensee.

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- 6.8 The Licensee shall be responsible for end-to-end installation and operation of the System. This shall include ensuring that there will be effective connectivity between the FBR central control room, regional hubs, production lines, factory premises and designated import stations. The Licensee must ensure that all software, equipment and infrastructure components of The System to be installed and operated, must be integrated into the production lines in a manner which would have minimal impact on established production processes.
- 6.9 The Licensee shall be responsible for safe and secure capture and real or near-real time transmission of the System related information from the production lines, factory premises and designated import stations to FBR control rooms. In addition, the Licensee shall ensure that the System relevant monitoring data captured in the field by FBR or representatives of other duly authorized Pakistan Government agencies are transmitted in the manner that will be readable/ translatable for the purpose of the License, without incurring any additional cost to the Goods manufacturers. In both cases, the Licensee shall ensure that in case of network outages the data shall be securely stored for later synchronization with FBR control rooms.
- 6.10 The Licensee shall provide a complete MIS, including analytical dashboard, enabling FBR to access and evaluate the events, gaps and other deviations from the normal production process. The data shall be displayed on a geographical map of Pakistan that will enable data analytics and effective reporting by FBR. The tobacco data collection and reporting need to support the compliance by Pakistan with its obligations under Articles 8 and 9 of the FCTC Protocol.
- 6.11 Ownership of the System data will vest with FBR on behalf of the Government of Pakistan. The Licensee will have the right to access and use the System data solely for the authorised operation of the System. The Licensee shall not disclose the data to any third parties including affiliates and keep the data confidential.
- 6.12 The Licensee shall be responsible for providing all maintenance and technical upgrades of the System. The Licensee will also be responsible for the provision of technical support including rapid response and repair of any technical problem found in the System to ensure uninterrupted functioning of the System.
- 6.13 The licensee shall be responsible for providing technical and operational training for FBR officers/officials regarding the use of the System and the System data interpretation.
- 6.14 FBR requires the licensee to observe the highest standards of ethics during the term of the Licence.
- 6.15 The Licensee shall make sure that all goods used in relation to the Licence are new, unused, and of the most recent or current models and that they incorporate all recent improvements in design and materials. The warranty of all equipment shall remain valid for the period of the Licence.

- 6.16 The licensing committee shall at the time of issuance of the license notify the maximum amount of fee and charges which can be collected by the licensee from importers or manufacturers during the duration of the license. Furthermore, any revision of prices will also be subject to the Licensing Rules.

7. Governing Rules for the Licensee

- 7.1 The Rules governing the Licensee are set out in the Regulations and the Instructions as defined in the above point 1.2. Besides, provisions of Sales Tax Act 1990, Federal Excise Act 2005, Income Tax Ordinance 2001 and Rules made thereunder shall govern the relationship between the Licensee and FBR.
- 7.2 The Applicants shall acquaint themselves with the above-mentioned legislation and rules and shall provide the proposal for the System in accordance with such acts.

8. Confidentiality of Data & Information

- 8.1 The data and other information obtained directly or indirectly from the manufacturer and/or importers of the Goods or otherwise including information transmitted through any means shall be the property of FBR and the Licensee shall not disclose this data and other information to any third party without prior approval of FBR.
- 8.2 The Licensee shall not sell or commercially exploit the above data or use it for any other purposes than of the License. The Licensee will be responsible for maintaining confidentiality of System data, mitigation of data breaches and will bear all associated costs.
- 8.3 Confidentiality obligations will extend to the Licensee personnel and to any third parties or affiliates involved in the provision of the System or services, with the Licensee retaining primary responsibility for any breach of confidentiality.

9. Further Information

- 9.1 A single entity, JV or the Consortium that wish to submit its application for the License may contact the Project Director for further information:

Project Director (Track & Trace System),
FBR HQ, Constitution Avenue,
Islamabad, Pakistan
Email: pdtnt@fbr.gov.pk
Phone: +92 519 204520 (office)

10. List of Annexes

Annex No. 1 - The Applicant's Information Sheet

Annex No. 2 - The Applicant's Eligibility Requirements

Annex No. 3 - Form for Presentation of Price Proposal

Annex No. 4 - The Application Opening Checklist

Annex No. 5 - Evaluation Criteria

Annex No. 6 - Administrative Guidelines

Annex No. 7 - The Regulations (as listed in Instructions for Application paragraph 1.2)

**INSTRUCTIONS FOR APPLICATION FOR LICENCE
FOR TRACK AND TRACE SYSTEM FOR TOBACCO PRODUCTS, CEMENT, SUGAR
AND FERTILIZERS**

ANNEX No 1 - THE APPLICANT'S INFORMATION SHEET

1.

If the Applicant is a single entity:

1.	Full Name	
2.	Legal Form (shareholding company, limited liability company, state enterprise, etc.)	
3.	Year, Place and Country of Registration	
4.	Registered Address	
5.	Mailing Address	
6.	Phone Number	
7.	Fax Number	
8.	Email Address	
9.	Website	
10.	Duly Authorized Contact Person(s): Name & Surname, Title, Phone, Mobile Phone, Fax and Email	
11.	Applicant to attach photocopies of the following original document:	
	Articles of Incorporation or Registration of the legal entity named above in item 1.	
12.	The following two requirements are for National Pakistan Applicants only:	
	Applicant's National Tax Number (NTN)	
	Applicant's General Sales Tax Number (GST)	

2.

If the Applicant is a JV or a Consortium, then the information as per above point 1 shall be submitted for each member of JV or the Consortium.

3.

If the Applicant is a JV or the Consortium, such Applicant shall also submit, in annex of his respective "Applicant Information Sheet", documents and information as required in point 5.2 of the Instructions.

4.

Financial Information of the Applicant:

1.	Audited financial statements for the last three years with minimum average turnover of USD50, 000,000 (Fifty million) for each entity.	
2.	Name, address and contact details of Banks that may provide references if contacted by FBR	
3.	Latest Income Tax Returns	

5.

Litigation:

1.	If there is no history of litigation or no pending litigation, then state "NONE". If there is a history of litigation or number of awards against the Applicant, provide details below.		
2.	History of Litigation during the last 5 years.		
	Year and Matter in dispute	Value of Claim	As percentage of Net Worth
3.	Pending litigation		
	Matter in dispute	Value of Claim	As percentage of net worth
4.	Applicants to attach original declarations signed by their director/partners		

**INSTRUCTIONS FOR APPLICATION FOR LICENCE
FOR TRACK AND TRACE SYSTEM FOR TOBACCO PRODUCTS, CEMENT, SUGAR
AND FERTILIZERS**

ANNEX No 2 - THE APPLICANT'S ELIGIBILITY REQUIREMENTS

**1. Mandatory Eligibility Requirements as Defined in Point 4 of the Instructions –
“Profile of the Applicant”**

- 1.1 The Applicant shall not be involved in any proved fiscal fraud or corruption or other illegal activities linked to the award, implementation and operation of the past or current government or other contracts.
- 1.2 The Applicant shall be fully conversant with the provision and execution of large-scale UIM programs with T&T functionalities, having worked on multi-billion quantity deliverables in various sectors. Specifically, the Applicant shall demonstrate capacity to work with the high-speed and fully automated production lines.
- 1.3 The management team of the Applicant shall have appropriate capacity to execute and run the System, and shall have significant experience in delivering hardware, software, products and services of a similar nature in the past, preferably in other countries.
- 1.4 The Applicant shall demonstrate that he currently or has recently provided track and trace solution utilizing the Stamps. For this reason, the Applicant must prove that he:
 - a) Has or has had at least 3 effective contracts for government/corporate track and trace or similar solutions in 3 different countries over the past five years, for fast moving consumer or other goods such as, but not limited to, tobacco products, beverages, medicaments, cosmetics, fuel, sugar, cement and fertilizers;
 - b) Provides or has provided, for execution of the above solutions, at least 2 billion Stamps per annum over the past five years.
- 1.5 The Applicant shall ensure secure printing facility and provide information about its name, location, printing equipment, annual volume of production and contact person. The Applicant shall demonstrate that such facility does have, as minimum, the following valid certifications: BS OHSAS 18001 or ISO 45001, ISO 9001, ISO 14001, ISO 14298 and ISO 27001 and equivalent or more certifications; and a capacity to provide additional volume of at least 2 billion UIM within 10 months after the date of the submission his application.
- 1.6 The Applicant shall demonstrate that his annual turnover has been at least USD 50 million in each of the last 3 calendar years.
- 1.7 The Applicant shall demonstrate his experience relating to the installation of production monitoring system on at least 50 high-speed and automated production lines over the

last 3 calendar years. The production monitoring examples must at a minimum involve the reading of unique identifiers on individual production items.

- 1.8 The Applicant shall have no material conflict of interest with the industry of the Goods such as, but not limited to, direct or indirect involvement in the manufacturing, import, export, distribution, wholesale and retail of the Goods.
- 1.9 The Applicant shall comply with all provisions of Article 8, Paragraphs 12 and 13, and article 9 of the Protocol.

2. Additional Mandatory Eligibility Requirements

- 2.1 The Applicant shall have, as minimum, the following valid certifications: ISO 9001, ISO 17025, ISO 17034, and ISO 27001 or equivalent or more certifications.
- 2.2 The Applicant shall have legal capacity to enter into a contract for procurement.
- 2.3 The Applicant shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
- 2.4 The Applicant shall not be debarred from participating in public procurement.

3. Mandatory documents and information to be provided by the Applicant

To confirm its compliance with the eligibility requirements defined in points 1 and 2 of this Annex and additionally stipulated in the Instructions, the Applicant shall present the following documentation:

- a. For requirement as per subpoint 1.1: Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant has not been involved in any proved fiscal fraud or corruption or other illegal activities linked to the award, implementation and operation of the past or current government or other contracts.
- b. For requirement as per subpoint 1.2: Detail description of the Applicant's experience in provision and execution of large-scale UIM programs with T&T functionalities and other programs with secure and unique authentication functionalities, in various sectors, for government or corporate clients. Specifically, experience of the Applicant in working with the high-speed and fully automated production lines shall be provided.
- c. For requirement as per subpoint 1.3: Detail description of the Applicant's management team experience and capacity relevant for ensuring smooth execution and operation of the System, including the experience and capacity in

delivering hardware, software, products and services of a similar nature in the past, preferably in other countries.

- d. For requirement as per subpoint 1.4: Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant:
 - i. Has or has had at least 3 effective contracts for government/ corporate track and trace or similar solutions in 3 different countries over the past five years, for fast moving consumer or other goods such as, but not limited to, tobacco products, beverages, medicaments, cosmetics, fuel, sugar, cement and fertilizers. For the respective contracts the Applicant shall provide the title, the full name and address of the client, the description of the scope of the contract activities and the total volume of goods which were covered by the contract in the last calendar year.
 - ii. Provides or has provided, for execution of the above solutions, at least 2 billion Stamps per annum over the past three years.
- e. For requirement as per subpoint 1.5: Information about secure printing facility: name, location, printing equipment, scope of production, annual volume of production and contact person. The Applicant shall provide copies of the following valid certifications of the above secure printing facility: BS OHSAS 18001 or ISO 45001, ISO 9001, ISO 14001, ISO 14298, and ISO 27001 or equivalent or more certifications. The Applicant shall sufficiently demonstrate that such facility does have a capacity to provide additional volume of at least 2 Billion UIM within 10 months after the date of the submission his application.
- f. For requirement as per subpoint 1.6: Audited accounts or similar financial records evidencing that the Applicant's annual turnover in each of the most recent 3 fiscal years has been at least USD 50 million or equivalent of this amount in other currency
- g. For requirement as per subpoint 1.7: Information confirming the Applicant's experience relating to the installation of production monitoring system on at least 50 high-speed and automated production lines over the last 3 calendar years. The Applicant shall provide non-confidential information on when, where, for which client, for monitoring of how many production lines and for what production the installation has been executed.
- h. For requirement as per subpoint 1.8: Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant has no material conflict of interest with the industry of the Goods such as, but not limited to, direct or indirect involvement in the manufacturing, import, export, distribution, wholesale and retail of the Goods.
- i. For requirement as per subpoint 2.1: Copies of valid ISO 9001, ISO 17025, ISO 17034, and ISO 27001 or equivalent or more certifications.

- j. For requirement as per subpoint 2.2: Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant has the legal capacity to enter into a contract for procurement.
- k. For requirement as per subpoint 2.3: Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant is not insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
- l. For requirement as per subpoint 2.3: Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant is not barred from participating in public procurement in any country.

Furthermore, as per requirements stipulated in S.R.O. 250(1)/2019 dated February 26, 2019 (as amended from time to time), the Applicant shall provide the following documents and information:

- m. Comprehensive corporate profile of the Applicant including the actual total number of full time/part time employees of the Applicant.
- n. Incorporation certificate under the Pakistan Companies Act, 2017.
- o. NTN – Pakistan National Tax Number Certificate.
- p. Income Tax Returns for the last three years.
- q. Registration with the Sales Tax Department.
- r. Computerized National Identity Cards of Directors of the incorporated company.

4. Explanatory Notes

- 4.1 Documents per above sub-points n. to r. inclusive shall be provided in case the Applicant or member(s) of JV or of the Consortium is(are) an entity(-ies) incorporated in Pakistan. The Applicant who is a foreign registered entity or the member(s) of JV or of the Consortium who is(are) foreign registered entity(-ies), shall present documents equivalent to the documents required under sub-points n. to r. in their respective country(-ies) of incorporation/place of business. If the respective local regulatory frameworks does not require and issue such documents the Applicant or the concerned member(s) of JV or of the Consortium shall provide respectively self-declaration(s) and submit alternative documents.
- 4.2 If the Applicant is JV or the Consortium then, in addition to the above required documents and information, such Applicant shall also present the following (reference is made to point 5.2 of the Instructions:

- a) Copy of the original JV/the Consortium agreement, which must clearly specify the lead entity.
- b) The documentation must outline precisely the responsibility of each member entity of JV/the Consortium.
- c) List of assets (moveable and immoveable) in Pakistan of JV/the Consortium member entities.
- d) At least one member-entity of JV/the Consortium must have Incorporation Certificate issued by Security and Exchange Commission of Pakistan having registration with FBR and filing its returns for last 3 years.

4.3 If any documents and information which the Applicant will provide for meeting the above requirements or its parts are in other language than English, then the translation of such documents and information or its parts to English shall be provided by the Applicant and submitted altogether.

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ANNEX No 3 - FORM FOR PRESENTATION OF FINANCIAL PROPOSAL

(To be provided on company's letterhead)

Full Name of the Applicant: _____

PRICE SCHEDULE/THE FEE FORM

Item No.	Description	Expected quantity	Price per 1000 Stamps/ UIM
1	Tax Stamps/ UIMs	6.5 Billion (Approx.)	-----/1000 stamps

Terms and Conditions:

1. This Price Schedule/the Fee Form is valid for a period of 90 calendar days since the Application submission date.
2. The Fee presented in this Price Schedule/the Fee Form is quoted in PKR (= Pakistan Rupees) for 1'000 of UIMs.
3. This Price Schedule/the Fee Form presents all-inclusive Fee for the System proposed by the Applicant.
4. The proposed Fee includes import duties and taxes, wherever applicable.
5. The proposed Fee excludes the all taxes payable on local supplies/services in Pakistan, if such is to be applicable.

Note "Anticipated Annual Volume in millions of units" is the estimation only, based on approximation of available trade statistics of Pakistan for the full year 2020. This figure is only for orientation purposes of the Applicant and to enable FBR transparent and fair evaluation of the Financial Proposals as defined in Annex No 6 - Administrative Guidelines" of the Instructions, and further detailed in Annex No 5 - "Evaluation Criteria" of the Instructions. The Applicant is encouraged to use his own information resources for preparation of his Price Schedule/the Fee Form.

Signature of the authorized representative of the Applicant:

Seal of the Applicant:

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ANNEX No 4 - THE APPLICATION OPENING CHECKLIST

Name of the Applicant: _____

#	Documents/Information Required	Provided	
		Yes	No
1.	Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant has not been involved in any proved fiscal fraud or corruption or other illegal activities linked to the award, implementation and operation of the past or current government or other contracts.		
2.	Description of the Applicant's experience in provision and execution of large-scale UIM programs with T&T functionalities and other programs with secure and unique authentication functionalities, in various sectors, for government or corporate clients. Specifically, experience of the Applicant in working with the high-speed and fully automated production lines shall be provided.		
3.	Total number of employees		
4.	Description of the Applicant's management team experience and capacity relevant for ensuring smooth execution and operation of the System, including the experience and capacity in delivering hardware, software, products and services of a similar nature in the past, preferably in other countries.		
5.	Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant has or has had in the past 5 years, at least 3 effective contracts for government/ corporate track and trace or similar solutions in 3 different countries for fast moving consumer or other goods such as, but not limited to, tobacco products, beverages, medicaments, cosmetics, fuel, sugar, cement and fertilizers. For the respective contracts, the Applicant shall provide the title, the full name and address of the client, the description of the scope of the contract activities and the total volume of goods which were covered by the contract in the last calendar year.		
6.	Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant has provided in the past 05 years, for execution of the above solutions, at least 2 Billion Stamps per annum.		

7.	Information about secure printing facility: name, location, printing equipment, scope of production, annual volume of production and contact person. The Applicant shall sufficiently demonstrate that such facility does have a capacity to provide additional volume of at least 2 billion UIM within 10 months after the date of the submission his application.		
8.	Audited accounts or similar financial records evidencing that the Applicant's annual turnover in each of the most recent 3 fiscal years has been at least USD 50 million or equivalent of this amount in other currency.		
9.	Information confirming the Applicant's experience relating to the installation of production monitoring system on at least 50 high-speed and automated production lines over the last 3 calendar years. The Applicant shall provide non-confidential information on when, where, for which client, for monitoring of how many production lines and for what production the installation has been executed. The production monitoring examples must at a minimum involve the reading of unique identifiers on individual production items.		
10.	Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant has no material conflict of interest with the industry of the Goods such as, but not limited to, direct or indirect involvement in the manufacturing, import, export, distribution, wholesale and retail of the Goods.		
11.	Copies of the Applicant's valid ISO 9001, ISO 17025, ISO 17034 and ISO 27001 or equivalent certification, and copies of valid BS OHSAS 18001 or ISO 45001, ISO 9001, ISO 14001, ISO 14298 and ISO 27001 certifications of the secure printing facility.		
12.	Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant has the legal capacity to enter into a contract for procurement.		
13.	Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant is not insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.		
14.	Self-declaration duly executed by authorized signatories of the Applicant confirming that the Applicant is not barred from participating in public procurement in any country.		
15.	Comprehensive corporate profile of the Applicant including the actual total number of full time/part time employees of the Applicant.		
16.	Incorporation certificate under the Pakistan Companies Act, 2017.		
17.	NTN – Pakistan National Tax Number Certificate.		
18.	Income Tax Returns for the last three years.		

19.	Registration with the Sales Tax Department.		
20.	Computerized National Identity Cards of Directors of the incorporated company.		

Important Note:

Additional instructions and clarifications regarding the documents and information which may or shall be required is stipulated at point 4 of the Annex No 2 of the Instructions - “The Applicant’s Eligibility Requirements”.

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ANNEX No 5 - EVALUATION CRITERIA

1. Evaluation of Technical Proposals

The scoring of presented and compliant technical proposals shall be executed by FBR through the review, the quantitative and qualitative evaluation of technical proposals in accordance with criteria presented in point 3 of the Instructions - “Key Technical Requirements for the System”, specifically the parameters defined in sub-points 3.2 - 3.16 inclusive.

Each of these parameters shall be allocated maximum points to be scored as follows:

Sub-point	Sub-point requirement	Maximum number of points to be allocated
3.2	The System MIS comprises of the main MIS and the back-up MIS physically located in two different premises, to enable continuation of the System operation in case the main MIS is down.	5
3.3	Quality and security of architecture, functionalities, deliverables, and other relevant information MIS is to execute within the System.	5
3.4	Ordering and management of production process of UIM is enabled by MIS via the following MIS functionalities: <ul style="list-style-type: none">a) Registration of local manufacturers and importers of the Goods.b) On-line and secure placing of orders for UIM by these manufacturers and importers.c) On-line and secure review and approval or rejection of such orders by FBR.d) Monitoring of execution of approved orders.e) Delivery of executed orders to relevant local manufacturers and importers of the Goods or to other parties which would be duly designated in the orders and such orders approved by FBR.f) On-line and secure access of the manufacturers and importers of the Goods to information on the status of their respective UIM orders as per above points c), d) and e).	12

3.5	UIM utilize core material which is made of an anti-tampering substrate so that any attempt to tamper with, remove UIM or crumble a portion of UIM is clearly and immediately recognized.	5
3.6	UIM are resistant to environmental factors such as temperature, humidity, and sunlight.	5
3.7	UIM contain, as the minimum, the following security features: <ul style="list-style-type: none"> a) One overt material security feature visible by naked eye. b) One semi-overt material security feature visible through a simple and low-cost device. c) One covert material security feature, verifiable by smart phone application, which will be utilized by the FBR inspectors and representatives of other duly authorized Pakistan Government agencies. d) One forensic security feature to unequivocally assist laboratorial analysis and legal procedures. e) One digital/IT security feature readable by the System dedicated smart phone application. 	5
3.8	Presented UIM are: <ul style="list-style-type: none"> a) Of required size. b) Compatible with the standard high-speed automated label application equipment used for the Goods. 	4
3.9	Quality of security features of each type of proposed UIM (real specimens have to be presented with detail and full description of the security features).	30
3.10	Capacity of the System to undertake for the secure delivery of UIM to the concerned manufacturers and importers of the Goods within the territory of Pakistan.	50
3.11	Capacity of the System to execute/support activation of UIM immediately prior or during the affixation of UIM onto the Good.	5
3.12	Ability of the System to ensure activation of UIM on the Goods and/or to support concerned manufacturers and importers of the Goods in UIM application of the Goods.	5
3.13	Capacity of the System to utilize UIM for: <ul style="list-style-type: none"> a) The Goods unique serialization. b) Monitoring of the volume of the production or importation of the Goods. c) Execution of the field audit of UIM and the Goods UIM will be affixed at any level of the national distribution chain by FBR or other duly authorized Pakistan Government agencies. d) Verification of the Goods by national distribution chain stakeholders and final customers/general public. e) Compilation of other information, statistics and reports to enable FBR to identify any anomalies and abnormalities 	15

	related to the importation or manufacturing or national distribution of the Goods and to adopt respective corrective actions for preventing such events and for protecting relevant tax revenues.	
3.14	Capacity of the System to digitally transfer to, and record in MIS, the unique serialization component of UIM and pair it with, as the minimum, the following specific information about the Goods: <ul style="list-style-type: none"> a) Factory premise, production line and date of manufacturing. b) Stock Keeping Unit / Product Item level information such as the manufacturer, brand, packaging type and packaging size/volume. c) Tax class. d) For tobacco products only: information as specified in Article 8 of the Protocol. 	4
3.15	Capacity of the System to uniquely serialize packs of the tobacco products manufactured in Pakistan for export or for sale under duty free customs regime, and utilize such serialization for: <ul style="list-style-type: none"> a) Volume verification of production of these tobacco products b) Collection of other information on these tobacco products as required by the Protocol. 	5
3.16	Capacity of the System to address and undertake for serialization of tobacco products packaging aggregation and distribution chain tracking as required by the Protocol.	5
	Total possible number of points	160

The following scoring procedure shall apply:

- (i) Each requirement stated above shall be rated with a mark ranging from 0 (minimum) to the maximum specified score.
- (ii) The mark with the maximum specified score shall be delivered to the best response to the requirements stated above.
- (iii) The mark 1 shall be delivered to the least advanced, yet compliant, response to the requirements stated above.
- (iv) The intermediary mark between 1 and the maximum specified score shall be delivered to the remaining replies upon quality of the responses to the requirements stated above.

2. Evaluation of Financial Proposals

The scoring of presented and compliant financial/price proposals shall be done by FBR using a mathematical formula.

As the first step, FBR shall use the information provided by each Applicant in his submission of duly filled Annex No 3 of the Instructions - “Form for Presentation of Price Proposal”.

As the second step, FBR shall determine the lowest total annual price of all the Applications (“C-low”). The C-low shall be awarded 40 points – the maximum possible for the price proposal.

Consequently, C-low shall be divided by the total annual price of each Applicant and multiplied by 40. The result will determine how many points shall each Applicant score for his price proposal.

Example: C-low is 9’000. Total annual price of the other Applicant is 15,000.
9,000 divided by 15,000 and multiplied by 40 is 24. Therefore, the price proposal of the other Applicant shall receive 24 points.

3. Grand total score and the awarded Application

For each Applicant FBR shall calculate the sum or points awarded to his respective the technical proposal and the price proposal. The Application with the highest grand total of points will be declared as the most advantageous Application and FBR shall invite the respective Applicant for the License contract negotiation.

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ANNEX No 6 - ADMINISTRATIVE GUIDELINESS

1. The Applicant shall bear all costs associated with the preparation and submission of the Application. FBR will not be responsible or liable for those costs, regardless of the conduct or outcome of the IFL evaluation process.
2. The Applicant shall examine the Instructions. Failure to furnish all information required by the Instructions or to submit the Application not substantially responsive to Instructions in every respect will be at the Applicant's risk and may result in the rejection of the Application.
3. The Applicant requiring any clarification of the Instructions may notify FBR in writing, by email, at FBR contacts indicated in the Instructions, but not later than 10 working days prior to the deadline for the submission of the Applications.
4. FBR shall reply to any clarifications sought by the Applicant within 5 working days of receiving the request to enable the Applicant to make necessary eventual adjustment into his Application and allow its timely submission.
5. At any time up to 5 working days prior to the deadline for submission of the Applications, FBR may modify the Instructions for any reason, whether at its own initiative or in response to a clarification requested by any Applicant.
6. All Applicants that have received Instructions will be notified, by email, of any replies to any Applicant's request for clarification or of FBR potential amendment of the Instructions.
7. In order to allow the Applicants reasonable time in which to take the above clarifications and/or eventual amendments of the Instructions into account in preparation of their Applications, FBR may, at its discretion, extend the submission deadline.
8. The Application prepared by the Applicant as well as all correspondence and documents relating to the Instructions exchanged between the Applicants and FBR shall be written in English language.
9. Prices shall be quoted in PKR - Pakistan Rupees.

10. The Application shall remain valid for 90 calendar days. In exceptional circumstances, FBR may solicit the Applicant's consent to an extension of the period of validity. The request and the responses thereto shall be made by email.
11. The Application shall have no interlineations, erasures, or overwriting except as necessary to correct errors made by the Applicant, in which case such corrections shall be initialed by the person or persons signing the Application.
12. The Application must be received by FBR at the address specified in the Instructions no later than by local Pakistan at 1600 hours PST time on 19 December, 2020.
13. FBR shall open the duly received Applications 1630 hours local Pakistan time on 19th December, 2020 and complete the evaluation of the Applications within 15 calendar days from that date.
14. No Applicant shall contact FBR on any matter related to its Application from the time of the Applications opening to the time FBR announces the award of the License. Any effort by the Applicant to influence FBR in its decisions on the evaluation and comparison of received Applications or decision on the award of the License may result in the rejection of the Application of such Applicant.
15. FBR reserves the right to accept or reject any Application, and to annul the selection process at any time after the opening of the duly received Applications till the time of the announcement of the award of the License, without thereby incurring any liability to the affected Applicant or Applicants or any obligation to inform the affected Applicant or Applicants of the grounds for FBR's action.
16. The Application shall be made and submitted as a single package containing two separate outer envelopes. The first outer envelope shall be clearly marked as "Application Original" and the second outer envelope shall be clearly marked as "Application Copy". Submission by email or other electronic means of communication will not be allowed.
17. The outer envelope marked as "Application Original" shall contain the following three separate envelopes:
 - a) The first envelope shall be clearly marked as "Application & Eligibility - Original" and shall contain:
 - i. A cover letter of the Applicant executed by duly authorized representative(s) of the Applicant.
 - ii. Duly filled "The Applicant Information Sheet" provided in Annex No 1 of the Instructions.
 - iii. Documents and information demonstrating the Applicant's eligibility as specified in Annex No 2 of the Instructions - "The Applicant's Eligibility Requirements".

- b) The second envelope shall be clearly marked as “Technical Proposal - Original” and shall contain the technical proposal accommodating requirements defined in point 3 of the Instructions - “Key Technical Requirements for the System”.
 - c) The third envelope shall be clearly marked as “Financial Proposal - Original” and shall contain the financial proposal as prescribed in Annex No 3 of the Instructions – “Form for Presentation of Price Proposal”.
18. The outer envelope marked as “Application Copy” shall contain three separate envelopes marked as “Application & Eligibility – Copy”, “Technical Proposal – Copy” and “Financial Proposal – Copy”, respectively. The content of these three envelopes shall be identical with the required content of the three envelopes as per point 17.
 19. For evaluation of the Application FBR shall use the outer envelope marked as “Application Original” and the three envelopes contained therewith. The outer envelope marked as “Application – Copy” shall remain unopened and shall be retained in the custody of FBR for eventual utilization and control purposes during the evaluation process. In case of any discrepancy between the contents of the “Application Original” outer envelope and the “Application – Copy” outer envelope the former shall prevail.
 20. FBR shall first open the envelope “Application & Eligibility - Original”. FBR shall use a 2-step approach to determine if the scope and the contents of the documents and information presented in this envelope do or do not satisfy the requirements for the Applicant’s eligibility:
 - a) As step No 1, FBR shall check if all required documents and information are present in the envelope. For this purpose, FBR shall use the checklist introduced in the Annex No 4 of the Instructions – “Applications Opening Checklist”.
 - b) As step No 2, FBR shall validate that the content of the presented documents and information meet requirements as stipulated in Annex No 2 of the Instructions - “The Applicant’s Eligibility Requirements”.
 21. If FBR concludes that the Applicant failed to meet the eligibility requirements, then the Application shall be declared as nonresponsive and returned to the Applicant with the second and the third envelopes and the outer envelope “Application - Copy” un-opened.
 22. If the Application is found compliant with the requirements for the Applicant’s eligibility, then FBR shall open the second envelope “Technical Proposal - Original” while the third envelope marked “Financial Proposal - Original” shall be retained in the custody of FBR.
 23. If the technical proposal does not comply with the requirements defined in the point 3 of the Instructions - “Key Technical Requirements for the System”, the Application shall be declared as nonresponsive and returned the Applicant with the third envelope and the outer envelope “Application - Copy” un-opened.
 24. If the technical proposal is found compliant with the key technical requirements for the system, then FBR shall evaluate and score the technical proposal in line with the

applicable provisions stipulated in Annex No 5 of the Instructions - “Evaluation Criteria”.

25. Consequently, for all Applications technical proposal of which was found compliant, evaluated and scored, FBR shall open the third envelope “Financial Proposal - Original”.
26. If the financial proposal does not comply with the requirements stipulated in Annex No 3 of the Instructions - “Form for Presentation of Price Proposal” the Application shall be declared as nonresponsive and excluded from the evaluation process. The un-opened outer envelope “Application - Copy” shall be returned to the Applicant.
27. If the financial proposal is found compliant with the requirements of the form for presentation of financial proposals, then FBR shall evaluate and score the financial proposal in line with the applicable provisions stipulated in Annex No 5 of the Instructions - “Evaluation Criteria”.
28. Not later than on the date set in point 13 of this Annex for completion of the evaluation of the Applications FBR shall notify, by email, the Applicant whose Application has received the highest total score and has been determined the most advantageous as defined in SRO 442(I)2020 dated May 15, 2020. FBR notification shall also contain invitation for the License contract negotiations.
29. Simultaneously with the above notification FBR shall notify, by email, the other Applicants that their respective Applications have not been awarded.
30. FBR and the awarded Applicant shall conclude the License contract negotiation and execute it within 15 calendar days from the date of FBR notification unless the parties agree otherwise.
31. FBR shall maintain records of all its actions since the receipt of the Applications till the determination on the most advantageous Application including detail reasoning for undertaking of the respective step or adoption of the respective decision.

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ANNEX No 7 – THE REGULATIONS

- 1.** Sales Tax Rules, 2006 (as amended from time to time):
- 2.** As amended by SRO 250(I)/2019 dated February 26, 2019
 - a. As amended by SRO 918(I)/2019 dated August 7, 2019
 - b. As amended by SRO 223(I)/2020 dated March 16, 2020
- 3.** Sales Tax Act 1990 and Rules made thereunder,
- 4.** Federal Excise Act 2005 and Rules made thereunder,
- 5.** Income Tax Ordinance 2001 and Rules made thereunder,
- 6.** Sales Tax on Services by Provincial or Federal Revenue Authorities;
- 7.** PPRA Rules, 2004 and other related Government of Pakistan Procurement Rules,
- 8.** The Framework Convention on Tobacco Control (the “FCTC”), especially Articles 8 and 9
- 9.** Recommended standards and guidelines for compliance by the UIM Printing Facility:
 - a. BS OHSAS 18001, or ISO 45001 or equivalent or more certifications,
 - b. ISO 9001, ISO 14001, ISO 14298 and ISO 27001 or equivalent or more certifications.