

BIDDING DOCUMENT

No. PLDDB/GIC/Dec-058/2017

Expression of Interest (Eoi)

For the Rehabilitation & Operation of Genetic Improvement Center, Khizerabad



For any query, please contact; 0321-4529657

Muhammad Farooq (Manager P & E)



Punjab Livestock & Dairy Development Board

29-EII, Model Town, Lahore

Ph. 042 –35915346-47, URL: www.plddb.pk



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NEWSPAPER AD

EXPRESSION OF INTEREST (EOI) FOR THE REHABILITATION

&

OPERATION OF GENETIC IMPROVEMENT CENTRE,

KHIZERABAD

Expression of Interest (Eoi)

For the Rehabilitation & Operation of Genetic Improvement Centre, Khizerabad



Punjab Livestock & Dairy Development Board (PLDDB) is a not-for-profit Organization established under Section 42 of the Companies Ordinance, 1984/Companies Act, 2017. The PLDDB has been aimed to develop Livestock & Dairy sector of the Punjab while facilitating small & large farmers in production, processing & marketing with the latest infrastructures and modern farming technologies, to improve their animals' genetic milk & meat production.

PLDDB is also working to improve our indigenous breeds and is establishing a "Semen Semen Production Unit" named Genetic Improvement Centre (GIC) at Khizerabad district Sangodha for the conservation and improvement of Sahiwal cattle, Christian cattle and Nili Ravi buffalo. PLDDB intends to operate the Semen Production Unit under Public Private Partnership through Rehabilitation, Concessions and Transfer (ROT) model. GIC will be operated as per the international standards while complying the Terms & Conditions given in the Bidding Document.

Terms & Conditions to submit the Eoi

- a- Interested parties are required to purchase the Request for Proposal (RFP) document from PLDDB head office on or before 09th January, 2018 till 3 pm while paying PKR 10 thousand only. Bidding Document (Pre-qualification, Technical & Financial criteria) is available on RFPB website and PLDDB official website immediately; bidders may also get the same from PLDDB office.
- b- Bidders are required to submit their proposals under single stage 3 envelopes method. Each envelope should be sealed separately clearly indicating Pre-qualification documents, Technical documents and financial offer and all three envelopes should be sealed in one pack indicating Tender Document name and number with company sign and seal.
- c- Only prequalified firms will be considered for next stage i.e. Technical qualification and technically qualified firms will be moved into the Financial bid opening stage, rest all will be declared unqualified.
- d- All details about pre-qualification, technical-qualification and financial proposal are available in the Bid Document.
- e- The Bid Meeting will be held on 09th January 2018 at 11 am in PLDDB office to clarify the procedures and queries regarding project. Interested parties if want to attend the meeting may participate.
- f- All bids must be accompanied with the Bid Security amounting with Rs. 10,000,000/- (Ten Million) in shape of pay order or demand draft. The bids without Bid Security shall be declared as non-responsive.
- g- Tender will be received on 15th January, 2018 till 10 am and will be opened at 11 am on the same day as per tender opening criteria in the presence of all bidders in the meeting room of PLDDB head office.
- h- PLDDB has the rights to accept or reject any or all tenders without assigning any reason in accordance to RFPB rules 2014.



Project Executive, GIC
Punjab Livestock & Dairy Development Board
22-23, Model Town, Lahore. 347-35-1554-47 www.plddb.gov.pk



PRE-QUALIFICATION DOCUMENT
THE PROJECT FOR REHABILITATION AND OPERATION OF
GENETIC IMPROVEMENT CENTRE,
KHIZARABAD (DISTRICT SARGODHA)
ON
A REHABILITATE OPERATE AND TRANSFER (ROT) BASIS

PRE-QUALIFICATION DOCUMENT

THE PROJECT FOR REHABILITATION, AND OPERATION OF GENETIC IMPROVEMENT CENTRE, KHIZARABAD (DISTRICT SARGODHA) ON A REHABILITATE OPERATE AND TRANSFER (ROT) BASIS

Issued to: _____

Issued on: _____



PUNJAB LIVESTOCK & DAIRY DEVELOPMENT BOARD
29 E-II, Model Town Lahore, Pakistan



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Pre-qualification Procedures

PLDDB



Section I. Instructions to Applicants

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Section I. Instructions to Applicants

A. General

1 Scope of Application

- 1.1 In connection with the Invitation for Pre-qualification published in leading National newspapers, PPRA Website and official website of PLDDB, the Agency, as defined in the Prequalification Data Sheet (**PDS**), issues this Pre-qualification Document (PQD) to applicants interested in bidding for the Project. The name of Project, corresponding to this pre-qualification Document (PQD) to applicants interested in bidding qualification is provided in the **PDS**
- 1.2 The Agency shall evaluate the capabilities of the applicants through this Pre-qualification exercise. The pre-qualification applications will assist the applicants to summarize relevant information to enable the Agency to determine if they are qualified to undertake and successfully complete the Project and whether they possess necessary professional and technical qualifications, competence, financial resources, equipment and experience and reputation and the personnel to finance, develop and operate the Project.

2. Source of Funds

- 2.1 The funds for the Project shall be arranged by the Successful Bidder itself.

3. Fraud and Corruption

- 3.1 The Agency requires that Applicants, Bidders, Suppliers, Contractors, and Consultants under these contracts, observe the highest standard of ethics during the procurement and execution of such contracts. In pursuit of this policy, the Agency:
- (a) Defines, for the purposes of this provision, the terms set
 - (i) “**corrupt practice**” means the offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence the action of a public official in the procurement process or in contract execution;
 - (ii) “**fraudulent practice**” means a mis-representation or omission of facts in order to influence a procurement process or the execution of a contract;
 - (iii) “**collusive practice**” means a scheme or arrangement between two or more bidders, with or without the knowledge of the Agency, designed to establish bid prices at artificial, noncompetitive levels; and
 - (iv) “**coercive practice**” means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the procurement process or affect the execution of a contract;



- (b) will reject a proposal for award if it determines that the Bidder recommended for award has, directly or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the Contract in question. Accordingly, the Agency shall sanction that firm and declare it ineligible

4. Eligible Applicants

- 4.1 An Applicant shall be Domestic (private, public or government) or International Contractor including Joint Venture (JV) and / or Consortia with the formal intent, as evidenced by a letter of intent, to enter into an agreement or under an existing agreement.

In the case of a JV, unless otherwise specified in the **PDS**, (i) all parties shall be jointly and severally liable and (ii) there shall be no limit on the number of partners.

- 4.2 The eligibility criteria listed in this Clause 4 shall apply to the Applicant, including the parties constituting the Applicant, i.e., its proposed partners, design consultant or financial institution for any part of the Contract including related services.

- 4.3 An Applicant and all parties (contractors and consultants) constituting the applicant, shall have been registered with Security and Exchange Commission of Pakistan and shall have a valid registration Certificate. In case of the financial institution or any other firm in the capacity of sponsor being the JV Partner shall also be required to be registered with Security and Exchange Commission of Pakistan (SECP).

- 4.4 An applicant the single entity or the Lead Firm (contractor / consultant or sponsor) can submit only one application in the same pre-qualification process, either individually as an Applicant or as a partner of a joint venture. No Lead Partner can be a JV Partner while submitting an application individually or as a partner of another joint venture in the same pre-qualification process.

An applicant who submits or participates in more than one application will cause all the applications, in which the applicant has participated, to be disqualified.

- 4.5 Applicants shall not be under execution of a Bid–Securing Declaration.

- 4.6 Applicants and all parties constituting the Applicant shall provide such evidence of their continued eligibility satisfactory to the Agency, as the Agency shall reasonably request including legal and financial autonomy and compliance with Commercial Law in case of Government owned entities of Pakistan.



B. Contents of the Prequalification Document

5. Sections of Prequalification Document

5.1 The document for the prequalification of Applicants (hereinafter called "PREQUALIFICATION DOCUMENT") CONSISTSEOFIO indicated below, and should be read in on junction with any Addendum issued in accordance with ITA 7.

Prequalification Procedures

- Section I. Instructions to Applicants (ITA)
- Section II. Prequalification Data Sheet (PDS)
- Section III. Qualification Criteria and Requirements
- Section IV. Application Forms
- Section V. Scope of Works

5.2 THE "INVITATION FOR PREQUALIFICATION APPLICATIONS" ISS Agency is not part of the prequalification document.

5.3 The Agency accepts no responsibility for the completeness of the prequalification document and its addenda unless they were obtained directly from the Agency.

5.4 The Applicant is expected to examine all instructions, forms, and terms in the Prequalification Document and to furnish all information or documentation required by the Prequalification Document.

6. Clarification of Prequalification Document

6.1 A prospective Applicant requiring any clarification of the Prequalification Document shall contact the Agency in writing at the Agency'S ADDRESS INDICATED PDSHE Agency will respond in writing to any request for clarification provided that such request is received no later than five (05) days prior to the deadline for submission of applications.

7. Amendment of Prequalification Document

7.1 At any time prior to the deadline for submission of applications, the Agency may amend the Prequalification Document by issuing addenda.

7.2 Any addendum issued shall be part of the Prequalification Document and shall be communicated in writing to all who have obtained the prequalification Documents from the Agency.



C. Preparation of Applications

- The Applicant shall bear all costs associated with the preparation and submission of its application. The Agency will in no case be responsible or liable for those costs.
- 8. Cost of Applications** 8.1
- 9. Language of Application** 9.1 The application as well as all correspondence and documents relating to the prequalification exchanged by the Applicant and the Agency, shall be written in **English language**. Supporting documents and printed literature that are part of the application shall also in same language.
- 10. Documents Comprising the Application** 10.1 The application shall comprise the following:
- (a) Application Submission Form, in accordance with ITA 11;
 - (b) DOCUMENTARY EVIDENCE ESTABLISHING THE APPLICANT'S eligibility to pre-qualify, in accordance with ITA 12;
 - (c) DOCUMENTARY EVIDENCE ESTABLISHING THE APPLICANT'S qualifications, in accordance with ITA 13; and
 - (d) any other document(s) required as specified in the **PDS**.
- 11. Application Submission Form** 11.1 The Applicant shall prepare an Application Submission Sheet using the form furnished in Section IV, Application Forms. This Form must be completed without any alteration to its format.
- 12. Documents Establishing the Eligibility of the Applicant** 12.1 To establish its eligibility in accordance with ITA 4, the Applicant shall complete the eligibility declarations in the Application Submission Form and Forms ELI (eligibility) 1.1 and 1.2, included in Section IV, Application Forms.
- 13. Documents Establishing the Qualifications of the Applicant** 13.1 To establish its qualifications to perform the contract(s) in accordance with Section III, Qualification Criteria and Requirements, the Applicant shall provide the information requested in the corresponding Information Sheets included in Section IV, Application Forms.
- 14. Signing of the Application and Number of Copies** 14.1 The Applicant shall prepare one original of the documents comprising the application as described in ITA 10 and clearly MARK IT "ORIGINAL". THE ORIGINAL OF THE APPLICATION SHALL BE TYPED OR WRITTEN IN INDELIBLE INK AND SHALL BE SIGNED BY A PERSON DULY AUTHORIZED TO SIGN ON BEHALF OF THE APPLICANT.
- 14.2 The Applicant shall submit copies of the signed original application, in the number specified in the **PDS**, and clearly MARK THEM "COPY". IN THE EVENT OF ANY DISCREPANCY BETWEEN the original and the copies, the original shall prevail.



D. Submission of Applications

15. Sealing and Identification of Applications

- 15.1 The Applicant shall enclose the original and the copies of the application in a sealed envelope that shall:
- (a) bear the name and address of the Applicant;
 - (b) be addressed to the Agency, in accordance with ITA 16.1; And
 - (c) bear the specific identification of this pre-qualification process indicated in the **PDS 1.1**.

15.2 The Agency shall accept no responsibility for not processing any envelope that was not identified as required.

16. Deadline for Submission of Applications

16.1 Applications shall be received by the Agency at the address and no later than the deadline indicated in the **PDS**. A receipt will be given for all applications submitted. Applicants may always submit their applications by mail or by hand. When so specified in the **PDS**.

16.2 The Agency may, at its discretion, extend the deadline for the submission of applications by amending the Prequalification Document in accordance with ITA 7, in which case all rights and obligations of the Agency and the Applicants subject to the previous deadline shall thereafter be subject to the deadline as extended.

17. Late Applications

17.1 The Agency shall not accept the application after the deadline for submission of applications prescribed in ITA 16.

18. Opening of Applications

18.1 The Agency shall open the applications as per its standard procedures and shall prepare a record of the opening of applications that shall include, as a minimum, the name of the Applicant. A copy of the record may be distributed to all Applicants.



E. Procedures for Evaluation of Applications

- 19. Confidentiality** 19.1 Information relating to the evaluation of applications, and recommendation for pre-qualification, shall not be disclosed to Applicants or any other persons not officially concerned with such process until the notification of results of pre-qualification is made to all Applicants
- 20. Clarification of Application** 20.1 To assist in the evaluation of applications, the Agency may, at its discretion, ask any Applicant for a clarification of its application which shall be submitted within a stated reasonable period of time
- 20.2 If an Applicant does not provide clarifications of the information requested by the date and time set in the Agency'S REQUEST clarification, its application may be rejected.
- 21. Responsiveness of Application** 21.1 The Agency may reject any application which is not responsive to the requirements of the Prequalification Document.
- 22. Subcontractors** 22.1 At this time, the Agency does not intend to execute certain specific parts of the Works by subcontractors selected in advance by the Agency (Nominated Subcontractors) unless otherwise stated in the **PDS**.



F. Evaluation of Applications and Prequalification of Applicants

23. Evaluation of Applications

- 23.1 The Agency shall use the factors, methods, criteria, and requirements defined in Section III, Qualification Criteria and Requirements to evaluate the qualifications of the Applicants. The Agency reserves the right to waive minor deviations in the qualification criteria if they do not materially affect the capability of an Applicant to perform the contract.
- 23.2 The Agency shall also evaluate the performance of the applicant against its completed and ongoing project with the recommendations of Technical Wing PLDDB. PLDDB may disqualify the Applicants to whom a slow progress notice has been issued.
- 23.3 Only the qualifications of subcontractors that have been identified in the application may be considered in the evaluation of an Applicant.
- 23.4 In case of multiple contracts, the Agency shall pre-qualify each Applicant for the maximum number and types of contracts for which the Applicant meets the appropriate aggregate requirements of such contracts, as specified in Section III, Qualification Criteria and Requirements.

24. Agency'S RIGHT to Accept or Reject Applications

- 24.1 The Agency reserves the right to accept or reject any application, and to annul the prequalification process and reject all applications at any time, without thereby incurring any liability to Applicants.

25. Prequalification of Applicants

- 25.1 All Applicants whose applications have met or exceeded ("PASSED") THE SPECIFIED THRESHOLD REQUIREMENTS WILL, exclusion of all others, be pre-qualified by the Agency.

26. Notification of Prequalification

- 26.1 Once the Agency has completed the evaluation of the applications it shall notify all Applicants in writing of the names of those applicants who have been pre-qualified.

27. Invitation to Bid

- 27.1 Promptly after the notification of the results of the prequalification the Agency shall invite bids from all the Applicants that have been pre-qualified.



28. Changes in Qualifications of Applicants

28.1 Any change in the structure or formation of an Applicant after being pre-qualified in accordance with ITA 25 and invited to bid shall be subject to a written approval of the Agency prior to the deadline for submission of bids. Such approval shall be denied if as a consequence of the change the Applicant no longer substantially meets the qualification criteria set forth in Section III, Qualification Criteria and Requirements, or if in the opinion of the Agency, a substantial reduction in competition may result. Any such changes shall be submitted to the Agency not later than seven (07) days after the date of the Invitation for Bids.

29. Disqualification

29.1 The Agency shall disqualify a Bidder if it finds at any time that the information submitted concerning its Prequalification Application was false;

29.2 The Agency may disqualify a Bidder if it finds at any time that the information submitted concerning its Prequalification Application was materially inaccurate or materially incomplete; materiality being defined as a substantial misrepresentation of its technical or financial capabilities or qualifications, as well as an omission which substantially misrepresents its technical or financial capabilities or qualifications

29.3 The Agency will not disqualify a Bidder on the ground that information submitted concerning its qualifications was inaccurate or incomplete in a non-material respect; i.e., an inaccuracy or omission that a reasonable person would not FIND MISREPRESENTATION THE BIDDER'S TECHNICAL capabilities or Qualifications. However, the Bidder may be disqualified if it fails to remedy such deficiencies promptly upon request by the Agency.

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Section II. Prequalification Data Sheet

A. General

ITA 1.1	The Agency is Punjab Live Stock & Dairy Development Board (“ PLDDB ”) 29 E-II Model Town, Lahore (Pakistan) Phone # 92-42-35915346-47, Fax # 92-42-35915348
ITA 1.1	<p>“THE PROJECT FOR REHABILITATION, LEASE AND OPERATION AND IMPROVEMENT CENTRE, Khizarabad (District Sargodha) On REHABILITATE, OPERATE AND TRANSFER BASIS”</p> <p>The estimated / tentative cost of the project (for the purpose of the pre-qualification) may be considered as Pak Rupees 450 Million. This cost does not include the investment made by Agency on the Project todate.</p>
ITA 4.1	<p>(i) The applicants are hereby encouraged to have Consortium / Joint Venture arrangements with a financial institution or a sponsor to meet the financial and equity requirements of the Project. The Applicant must have Bovine Semen Production /Genetic Improvement capabilities either in-house or through Consortium / JV arrangements with Bovine Semen Production /Genetic Improvement Contractor to meet the state-of-the-art Bovine Semen Production /Genetic Improvement requirements of the Project.</p> <p>(ii) The parties in JV shall be jointly and severally liable.</p>
ITA 4.3	<p>An Applicant and all parties (contractors and consultants) constituting the applicant and all firms being the JV Partner in the capacity of sponsor engaged for equity requirements shall be required to be registered with Security and Exchange Commission of Pakistan (SECP).</p>
ITA 4.4	<p>An Applicant either single entity or the Lead Firm (contractor or sponsor) can submit only one application in the same Pre-qualification process, either individually as an Applicant or as a partner of a joint venture. No Lead Partner can be a JV Partner while submitting an application individually or as a partner of a joint venture in the same pre-qualification process. However, the Consultant partner in any application may participate in more than one application, but only in that capacity. An applicant who submits, or participates in, more than one application will cause all the applications in which the Applicant has participated to be disqualified.</p>



B. Contents of the Prequalification Document

ITA 6.1	Manager Planning and Evaluation (GIC) Punjab Live Stock & Dairy Development Board 29- E / II- Model Town, Circular Road, Lahore (Pakistan) Phone # 92-42-35915346-47, Fax # 92-42-35915348 Web: www.plddb.pk
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C. Preparation of Applications

ITA 9.1	The language of the application as well as of all correspondence is English .
ITA 10.1 (d)	- Nil -
ITA 14.2	Number of copies = Two (02) copies in addition to one original. Applicants shall submit one electronic copy in PDF Format with the Application in CD .

D. Submission of Applications

ITA 16.1	The last date for submission of Application is January __, 2018 up to 1400 hours at the address mentioned above at ITA 16.1.
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Section III. Qualification Criteria and Requirements

This Section contains all the methods, criteria, and requirements that the Agency shall use to evaluate applications. The information to be provided in relation to each requirement and the definitions of the corresponding terms are included in the respective Application Forms.

PLDDB



SUMMARY OF EVALUATION CRITERIA

A. Eligibility:

- 1. All Pre-qualified applicants are obliged to meet this condition before bidding/concession signing.
 - 1.1 SECP Certificate (as applicable)
 - 1.2 One Applicant (single or lead firm / one application)
 - 1.3 Ineligibility

B. Technical Qualifications: (a maximum of Sixty (40) Marks – Min 50% Required for Technical Qualification)

- 2. **Business Structure: 05 Marks**
 - 2.1 Bio Data
 - 2.2 Professional Personnel
 - 2.3 Physical resources
- 3. **Performance of the Applicant: 05 Marks**
 - 3.1 Performance of the Firm or any of its JV Partner on its past or ongoing works
 - 3.2 Resolved/Pending litigation
- 4. **Experience: 30 Marks**
 - 4.1 General Experience 10 Marks
 - 4.2 Specific Project experience..... 10 Marks
 - 4.3 Specific Management experience of ROT projects 05 Marks
 - 4.4 Specific Design/Operation experience 05 Marks

The Applicant is encouraged to have the Consortium arrangements with a Design Consultant to meet the State of the Art Design requirements of the Project.

C. Financial Qualifications: (a maximum of Forty (60) Marks – Min 50% Required for Financial Qualification)

- 5. **Financial Qualifications:..... 60 Marks**
(Audited Balance Sheet is required to be submitted for the last 3 years)
 - 5.1 Equity Requirement (minimum 30%)..... 10 Marks
 - 5.2 Average Annual Turnover..... 40 Marks
 - 5.3 Letter of Intent from a financial institution
to secure loan 10Marks

The Applicants are encouraged to have Consortium arrangements with another financial organization / Institution, to meet the equity requirements.

TOTAL: 100 Marks
Minimum Overall Passing Requirement: 60 Marks



Detailed Narrative Evaluation Criteria:

A. Eligibility:

1.		<u>Eligibility</u>	<u>Compliance Requirements</u>		<u>Maximum Marks</u>	<u>Forms to Be Filled</u>	
No.	Subject	Requirement	Single Entity	JV	Yes/No		
1.1	Legal Status of Company	Valid Registration of company with Security and Exchange Commission of Pakistan along with submitted Annual Reports of last three years.	<p>The eligibility of single entity or all the JV partners shall be evaluated separately. - So each partner must meet the eligibility otherwise its application shall not be considered for further evaluation</p>			Form-ELI-1.1 ELI-1.2	
1.2		An applicant single or lead partner (contractor or sponsor) shall submit only one application in the same Pre-qualification process, either individually or as a JV partner. However refer to Clause 4.4 for details.					Application submission form
1.3	Ineligibility	Not having been declared ineligible / blacklisted by any Agency (Affidavit).					Application submission form



B. Technical Qualification (Sixty-60 Marks)

- Business Structure (10 Marks)
- Performance (30 Marks)
- Experience (40 Marks)

2.		<u>Business Structure</u>	<u>Compliance Requirements</u>		<u>Maximum Marks</u>	<u>Forms to Be Filled</u>
No.	Subject	Requirement	Single Entity	JV	05 Marks	Along with Attachments
2.1	Bio Data	Legal Name of the Firm(s) Detailed address(es) Description of the firms organizations and activities Company Brochures or any other similar information	Must Meet	Each partner must provide the information		Applicant Information Form-BS-2.1
2.2	Professional Personnel	Number and classification of full time and part time employees more particularly which are expected to be assigned on the project if awarded. The personnel, for all the following activities shall be evaluated considering their qualifications and experience: - Project Design - Bovine Semen Production /Genetic Improvement Projects - Finance - Management (ROT)	Must Meet	Each partner must meet	05 Marks	Form-BS-2.2
2.3	Physical Resources	In addition to the above the applicant must show its physical resources (equipments, labs and other infrastructure including biological assets) to execute the said project. The equipment required for the project and available with firm must be listed down or any proposed arrangement, if required.	Must Meet	Each partner must meet		Form-BS-2.3
3.		<u>Performance of the Applicant</u>	<u>Compliance Requirements</u>		<u>Maximum Marks</u>	<u>Forms to Be Filled</u>
No.	Subject	Requirement	Single Entity	JV	05 Marks	Along with Attachments
3.1	Performance of the Applicant	The performance of the applicant on all completed and ongoing projects shall also be checked in coordination with PLDDDB technical wing. If poor a performance is found then not only zero (0) mark shall be awarded but the applicant may also be declared as ineligible or disqualified.	Must meet	Each partner Must meet		Form-PER 3.1
3.2	Litigation	An applicant involved in litigation with its Agency on its past projects shall leave negative impression on the applicant and the applicant has to provide the details of past litigations or a certificate of No Litigation in Past.	Must meet	Each partner Must meet		Form-PER 3.2 + an affidavit



4.		<u>Experience</u>	<u>Compliance Requirements</u>		<u>Maximum Marks</u>	<u>Forms to Be Filled</u>
No.	Subject	Requirement	Single Entity	JV	30 Marks	Along with attachments
4.1	General Experience	Experience in Live Stock related contracts/projects in the role of contractor, or management contractor for at least the last Five (05) years prior the application submission deadline. Note: Letter of Award / Acceptance and Completion Certificate must be Provided with the Documents.	Must meet	Each partner Must meet	10 Marks	Form-EXP-4.1
4.2	Specific Project Experience	The applicant (constructor) must have successfully executed and completed at least one (01) contract within the last Ten (10) years in the capacity of Contractor and Operator. This contract must be similar to the proposed works. The similarity shall be based on the physical size, complexity, methods / technology or other characteristics. Note: Letter of Award/ Acceptance and Completion Certificate must be provided with the Documents.	Must meet	Any one partner (each constructor partner) must meet	10 Marks	Form-EXP-4.2
4.3	Specific Experience of Management of BOT Projects	The applicant or any of its partners must have successfully and substantially completed at least one (01) contract within the last Ten (10) years, in the capacity of ROT/BOT Management party.	Must meet	Any one partner must meet	05 Marks	Form-EXP-4.3
4.4	Specific Design/Operation Experience	The applicant or any of its partners must have the experience of Designing and Operating similar projects. The Design and Operational skills shall be evaluated in detail. In the aspect the applicant is encouraged to have a consortium with a well reputed international company in the field of Bovine Semen Production /Genetic Improvement to meet the state of the art design and operational requirements of the project.	Must meet	Any one partner must meet	05 Marks	Form-EXP-4.4



C. Financial Qualifications (Forty-60 Marks)

- Equity Requirements (10 Marks)
- Average Annual Turnover (40 Marks)
- Letter of Intent form a Financial Institution (10 Marks)

5.		<u>Financial Qualifications</u>	<u>Compliance Requirements</u>		<u>Maximum Marks</u>	<u>Forms to Be Filled</u> Along with <u>attachments</u>
No.	Subject		Requirement	Single Entity		
		<i>Submission of audited balance sheets, for the last Three (03) years to demonstrate: THE CURRENT SOUNDNESS OF THE APPLICANT'S FINANCIAL POSITION AND ITS PROSPECTIVE LONG TERM profitability, to evaluate;</i>				
5.1	Equity Requirements (minimum of 30%)	The applicant is required to provide the evidence of the equity available within amounting to the minimum of 30% of the estimated cost of the project. For this purpose the applicant can evidence it by establishing that the Net Worth / Working Capital/ Running Capital of same amount.	Must meet	Partners Must meet in Combined	10 Marks	Form-FIN-5.1
5.2	Average Annual Turnover (AATO)	The Average annual Turnover for the last three (03) years of the applicant shall also be analyzed to evaluate the financial soundness of the firm. However a minimum of Rs. 2 Billion annual turnover is required to be evidenced through a duly verified Income Tax return.	Must meet	Any one partner must Meet	40 Marks	Form-FIN-5.2
5.3	Letter of Intent from a Financial institution to secure loan (for remaining 70% of project cost)	The applicant is required to produce a Letter of Intent from a Financial Institution as evidence to secure loan from the Financial Institution for the 70% of the project cost or any amount which forms loan part of the Project. This Letter of Intent must be Project and Party specific and must be designed to evidence the success of the future Financial Close to be submitted by the applicant for the project if awarded.	Must meet	Any one partner must Meet	10 Marks	Form-FIN-5.3

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Specific / Similar Design /Operation Experience	
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Letter of Intent Form.....	



Application Submission Form

Date: _____, 2017

Contract:

Manager (Planning and Evaluation)
Punjab Livestock & Dairy Development Board
29-E/II Model Town, Lahore (Pakistan)

We, the undersigned, apply to be pre-qualified for the referenced Project and declare that:

- (a) we have examined and have no reservations to the Pre-qualification Documents, including Addendum(s) No(s)., issued in accordance with Instructions to Applicants (ITA) Clause 7;
- (b) we, including any subcontractors or suppliers for any part of the contract resulting from this prequalification, do not have any conflict of interest, in accordance with ITA Sub-Clause 4.4;
- (c) we, including any subcontractors or suppliers for any part of the contract resulting from this prequalification, have not been declared ineligible by the Agency, or under THE GOVERNMENT OF PAKISTAN'S LAWS, OFFICIAL REGULATION CONCERNING EXECUTION OF A BID Securing Declaration in Pakistan;
- (d) we, in accordance with ITA Sub-Clause 22.1 plan not to subcontract the works /or parts of the works;
- (e) We understand that you may cancel the prequalification process at any time and that you are neither bound to accept any application that you may receive nor to invite the pre-qualified applicants to bid for the contract subject of this pre-qualification, without incurring any liability to the Applicants, in accordance with ITA Clause 24.

Signed *[insert signature(s) of an authorized representative(s) of the Applicant]*

Name [insert full name of person signing the application]

In the Capacity of [insert capacity of person signing the application]

Duly
authorized to sign THE APPLICATION FOR AND ON BEHALF OF: APPLICANT'S NAME
[insert full name of Applicant] Address *[insert street number/town or city/country address]*_____

Dated on *[insert day number]* day of *[insert month]*,
*[insert year]*_____



Form ELI -1.1 Applicant Information Form

Date: _____, 2017

Contract:

Page _____ of _____

Applicant's legal name:	
In case of Joint Venture (JV), legal name of each partner:	
Applicant's Actual or Intended country of constitution:	
Applicant's actual or Intended year of constitution:	
Applicant's legal address in country of constitution:	
PEC Registration Category _____ Validity _____	
Detail of Owners of Applicants Name: Address: Telephone/Fax numbers: E-mail address:	Authorized representative information Name: Address: Telephone/Fax numbers: E-mail address:
Attached are copies of original documents of:	
Articles of Incorporation or Documents of Constitution, and documents of registration of the legal entity named above, in accordance with ITA 4.1.	
In case of JV, letter of intent to form JV or JV agreement, in accordance with ITA 4.1.	
In case of Government owned entity, documents establishing legal and financial autonomy and compliance with commercial law, in accordance with ITA 4.7.	
Valid Registration Certificate from PEC.	



Form ELI -1.2 Applicant's Party Information Form

[The following form shall be filled in for the Applicant's parties including partner(s) of a joint venture, subcontractors, suppliers and other parties]

Date: _____, 2017

Contract:

Page _____ of _____

JV applicant legal name:
Applicant's Party legal name:
Applicant's Party country of registration:
Applicant Party's year of constitution:
Applicant Party's legal address in country of constitution:
Applicant Party's owner or authorized representative information: Name: Address: Telephone/Fax numbers: E-mail address:
Attached are copies of original documents of: Articles of Incorporation or Documents of Constitution, and Registration Documents of the legal entity named above, in accordance with ITA 4.1. In case of a Government owned entity, documents establishing legal and financial autonomy and compliance with commercial law, in accordance with ITA 4.7. Valid Registration Certificate from PEC (if available)



Form Business Structure (BS) – 2.1/2.2

The applicant shall provide all the details as mentioned in the Criteria Mentioned at Clause 2.1 and 2.2.

PLDDB



Form PER - 3.1 Performance of Applicant

[The following table shall be filled in for the Applicant and for each partner of Joint Venture]

Date: _____, 2017

Contract:

Page _____ of _____

The Applicant must provide the Performance Certificate from its Agency:			
Contract(s) non-performed during the 10 (Ten) years specified in Section III, Qualification Criteria and Requirements 2.1. are indicated below:			
Year	Non performed portion of contract	Contract Identification	Total Contract Amount current value Rs.
<i>[insert year]</i>	<i>[insert amount and %age]</i>	Contract Identification: Name of Agency: _____ Address of Agency: Reason(s) for non performance:	

Litigation			
The Applicant must provide an Affidavit:			
Year	Outcome as Percentage of Total Assets	Contract Identification	Total Contract Amount (current value, Rs.)



Form EXP - 4.1 General Experience

[The following table shall be filled in for the Applicant and for each partner of a Joint Venture]

Date: _____, 2017

Contract:

Page _____ of _____

[Identify contracts that demonstrate continuous livestock development work over the past five [05] years pursuant to Section III, Qualification Criteria and Requirements, Sub-Factor 4.1. List contracts chronologically, according to their commencement (starting) dates.]

Date of award	Date of completion	Contract Identification	Role of Applicant
		Contract name: _____ Brief Description of the Works performed by the Applicant: _____ Amount of contract: _____ Name of Agency: _____ Address: _____	<i>(insert "CONTRACTOR" OR "SubcontractOR" or "Contract MANAGER")</i>
		Contract name: _____ Brief Description of the Works performed by the Applicant: _____ Amount of contract: _____ Name of Agency: _____ Address: _____	



Form EXP - 4.2 Specific/Similar Project Experience

[The following table shall be filled in for contracts performed by the Applicant, each partner of a Joint Venture, and specialist sub contractors]

Date: _____, 2017

Contract:

Page _____ of _____

[Identify similar contracts over the past ten (10) years pursuant to List contracts chronologically, according to their commencement (starting) dates]

Similar Contract No.	Information		
Contract Identification			
Total Contract Amount			
Award date (Letter of Award)			
Completion date (completion Certificate)			
Role in Contract	Contractor	Management Contractor/ Operator	Subcontractor
If partner in a JV, or subcontractor	%age Amount (specify participation)	Total Amount	
Agency's Name:			
Address: Telephone/fax number: E-mail:			
Description of the similarity in			
1. Physical size			
2. Complexity			
3. Method / Technology			



Form EXP - 4.3 Specific/Similar Management Experience of BOT/ROT Projects

[The following table shall be filled in for contracts performed by the Applicant, each partner of a Joint Venture, and specialist sub contractors]

Date: _____, 2017

Contract:

Page _____ of _____

Similar Contract No.	Information		
Contract Identification			
Total Contract Amount			
Award date (Letter of Award)			
Completion date (completion Certificate)			
Role in Contract	Contractor	Management Contractor/ Operator	Subcontractor
If partner in a JV, or subcontractor	%age (specify participation)	Amount	Total Amount
Agency's Name:			
Address: Telephone/fax number: E-mail:			
Description of the similarity in			
1. Physical size			
2. Complexity			
3. Method / Technology			



Form EXP - 4.4 Specific/Similar Design/Operation Experience

[The following table shall be filled in for contracts performed by the Applicant, each partner of a Joint Venture, and specialist sub contractors]

Date: _____, 2017

Contract:

Page _____ of _____

Similar Contract No.	Information		
Contract Identification			
Total Contract Amount			
Award date (Letter of Award)			
Completion date			
(completion Certificate)			
Role in Contract	Contractor	Management Contractor/ Operator	Sub-contractor
If partner in a JV, or subcontractor	%age Amount (specify participation)	Total Amount	
Agency's Name:			
Address:			
Telephone/fax number:			
E-mail:			
Description of the similarity in			
1. Physical size			
2. Complexity			
3. Method / Technology			



Form FIN – 5.1 Financial Qualification

[The following table shall be filled in for the Applicant and for each partner of a Joint Venture]

Date: _____, 2017

Contract:

Page _____ of _____

1. Financial data

Financial information	Historic information for previous years (Rupees in million)		
	2017	2016	2015
Information from Balance Sheet			
Total Assets (TA)			
Total Liabilities (TL)			
Net Worth (NW)			
Current Assets (CA)			
Current Liabilities (CL)			
Net working Capital.			
Information from Income Statement			
Total Revenue (TR)			
Profits Before Taxes (PBT)			



2. Financial documents

The Applicant and its parties shall provide copies of the balance sheets and/or financial statements for 03 (Three) years pursuant to Section III, Qualifications Criteria and Requirements, Sub-factor 3.1. The financial statements shall:

- (a) reflect the financial situation of the Applicant or partner to a JV, and not sister or parent companies.
- (b) be audited by a certified accountant.
- (c) be complete, including all notes to the financial statements.
- (d) correspond to accounting periods already completed and audited (no statements for partial periods shall be requested or accepted).



3. EVIDENCE FOR THE Equity Requirements of (30% of the Project Cost)

Specific proposed sources of financing to meet the Equity Requirements of the Project.

Source of Financing	Amount (Pak Rs. or equivalent)
1.	
2.	
3.	

PLDDB



Form FIN - 5.2 Average Annual Turnover

[The following table shall be filled in for the Applicant and for each partner of a Joint Venture]

Date: _____, 2017

Contract:

Page ____ of ____

Annual Turnover Data

Financial Year	Amount and Currency	Rupees in million
2014/15		
2015/16		
2016/17		
Average Annual Turnover *		

* Average annual turnover calculated as total certified payments received for work in progress or completed, divided by the number of years specified in Section III, Qualification Criteria and Requirements, Sub-Factor 5.2.



Form FIN-5.3

**Letter of Intent from a Financial Institution as evidence to secure
Loan for the 70% of the Project Cost:**

In Pursuant to the Clause 5.3 of Qualification Criteria:

PLDDB



Section V. Scope of Works

The Project

Name of the Project

“THE PROJECT FOR REHABILITATION, AND OPERATION OF GENETIC IMPROVEMENT CENTRE, KHIZARABAD (DISTRICT SARGODHA) ON A REHABILITATE, OPERATE AND TRANSFER (ROT) BASIS

Project Brief

The Government of Punjab (GOPb) aims to improve Live Stock Breeding in Punjab. A major constraint is the shortage of technical knowhow, viable and facilitating infrastructure and its financing. In consolidating growth and development trend the role of private sector investment in co-ordination with foreign expertise is vital for the development of an efficient and well organized Genetic Improvement Centre (GIC) with the objective to provide for improvement of bovines by regulating bovine breeding activities including use of bovine breeding bulls for production of bovine semen, processing, storage, sale and distribution of bovine semen, and artificial insemination and any other breeding activity in bovines in the province of Punjab.

Punjab Livestock & Dairy Development Board (PLDDB) is a non-profit Organization established under Section 42 of the Companies Ordinance, 1984. The PLDDB has been aimed to develop Livestock & Dairy sector of the Punjab while facilitating small & large farmers in production, processing & marketing with the latest infrastructure and modern farming technologies to IMPROVE THEIR ANIMALS' GENETICS/MEAT production ratio. PLDDB is also meant to accelerate private investment opportunities in this sector. The whole domain will result-in poverty alleviation and economic growth of the Punjab. The Board is being operated by 3 major wings i.e. Farm Production & Planning, Nutrition Resource Management and Field Service & Capacity Building.

The **PLDDB** is very rightly trying to put its existing infrastructure into a state of an art Genetic Improvement Centre of first of its kind Pakistan. It is undoubtedly the most critical activity at present moment and the country needs to get equipped with the this infrastructure in the next 2 years.

The Genetic Improvement Centre (GIC) at Khizarabad (District Sargodha) is going to be a state of the art semen production unit. It will be producing Two Million Semen Doses annually. Efforts are in hand to induct Genomic testing technology for bull selection which will play a great role in transforming dairy cattle in the province in particular and Pakistan in general. The specific objectives of this project are:-



1. Genetic improvement of non-descriptive cattle herd for higher productivity & poverty alleviation.
2. Establishment of STATE OF THE ART SPU'S.
3. Preservation & genetic up-gradation of local breeds to compete international standards/market.
4. ADOPTION AND FARMERS' FACILITATION OF MODERN TECHNOLOGY for developing high pedigree pure breed and cross breed cattle herd.
5. Facilitate in provision of high quality semen doses at an reasonable cost to youth involved in Livestock improvement for encouraging them to adopt Artificial Insemination as a career under self employment.

Following is the short scope and feature of the Project:

1. **Location – Khizarabad – District Sargodha**
2. **Estimated Project Cost Rs. 450 Million.**
3. **Construction Period: 12 month**
4. **Concession Term: 25 Years**

Socio- Economic Benefits:

PUNJAB'S ANNUAL REQUIREMENT OF SEMEN DOSES is 8 million, whereas only 3 million doses approx. which are being produced and there exists a deficiency of more than 60%. Production of two million doses by GICK on completion will facilitate in reducing the deficiency significantly.

The Use of semen from genetically superior bulls to impregnate the cows and buffaloes will result in 1-2% improved milk production in the progeny produced. This improvement will be the permanent one and will be repeated generation after generation resulting in a gradual rise of milk production to meet the increasing milk demand of growing human population.

These high producing local breeds due to their adaptability to local conditions will gradually decrease the dependence of our farmers on exotic imported semen

REQUEST FOR PROPOSAL (RFP)
FOR THE REHABILITATION OF
GENETIC IMPROVEMENT CENTRE
KHIZARABAD
(DISTRICT SARGODHA)

**REQUEST FOR PROPOSALS
(RFP)**

FOR

THE REHABILITATION AND OPERATION OF

**GENETIC IMPROVEMENT CENTRE
KHIZARABAD
(DISTRICT SARGODHA)**

THROUGH

REHABILITATE-OPERATE-TRANSFER (ROT) ARRANGEMENT

**PUNJAB LIVESTOCK & DAIRY DEVELOPMENT BOARD (PLDDB)
29 E-II, Model Town Lahore, Pakistan
Phone # +92-42-35915346-47, Fax # +92-42-35915348**

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REQUEST FOR PROPOSALS (RFP)

REHABILITATE-OPERATE-TRANSFER (R.O.T.) ARRANGEMENT GICK KHIZRABAD (DISTRICT SARGHODA)

PART I: INTRODUCTION

PUNJAB LIVESTOCK & DAIRY DEVELOPMENT BOARD (PLDDB), hereby disseminates this Request for Proposals (RFP) No. PLDDB-ROT-P-001-17 to invite all prequalified Bidders to submit pre-qualification, technical and financial proposals to compete for the construction of Genetic Improvement Centre Khizarabad (GICK) on a limited recourse basis under a "Rehabilitate-Operate-Transfer" (ROT) arrangement.

Following this Part I, Introduction, the RFP is divided into the following parts:

PART II: "Instructions to Bidders" that include:

- A. An overview description of the Project; including a statement of the objectives, scope, and expected outputs
- B. Proposal submission procedures; including the date, time and location of proposal submission and proposal validity period, and the permissible mode of proposal transmission;
- C. The Minimum Technical Design Parameters required of Bidders to be considered responsive;
- D. The Minimum Financial Data required of Bidders to be considered responsive; and
- E. The evaluation criteria the PLDDB will use to determine the most advantageous proposal, price and other factors considered.

Appendix-1 Pre-Feasibility Study (PC-I) which Bidder may wish to consider as a benchmark to develop their full feasibility study;

Appendix-2 Draft Concession Agreement to be negotiated and entered into between the successful Bidder and the PLDDB;

Appendix-3 Basic Design Layout

Appendix-4 Breeding Act 2014

Appendix-5 Form of Bid Security

Appendix-6 Financial Data Forms

Appendix-7 Key Performance Indicators and Penalties

A. PROJECT DESCRIPTION

A.1. Background

The Punjab Livestock & Dairy Development Board (PLDDB) intends to facilitate the development, operation and maintenance of Genetic Improvement Centre Khizarabad, District Sargodha on R.O.T basis. The concession period will be 25 years. PLDDB has already acquired land (**Total 37 Acres for this Project**) and completed approx 70% of the grey structure for the said GICK which will become PLDDB'S equity in the concession.

PLDDB has now decided to award a Concession for designing, financing, construction, management, operation and maintenance of the facility on ROT basis over a concession period of 25 years period.

Government of Punjab has focused on livestock development in the province for the economic growth and poverty alleviation. For both these objectives qualitative and quantitative improvement in the livestock sector is a need of the time. In order to achieve these objectives establishment of PLDDB as a company under section 42 of the Companies Ordinance 1984 is a step forward for undertaking such projects that will facilitate in boosting provincial economy on a fast track basis. The project is being undertaken to increase the productivity of LIVESTOCK IN SMALL HOLDER'S PRODUCTION SYSTEM by genetic improvement of livestock and to reduce the shortfall of semen doses by approx 2 Million each year. PLDDB is now seeking a private partner to undertake this project under ROT modality through a long term concession agreement.

A.2. Site Location

Genetic Improvement Centre, Khizarabad, District Sargodha.

A.3. Scope of the Project

Concessionaire is required to Finance, Design, Construct, Manage, Operate, Maintain and transfer the GICK facilities compatible with Highest International Standards and Breeding Act 2014 but not limited to following;

- i. Completion of existing Infrastructure
- ii. Construction of Additional Shed to house additional 50 bulls.
- iii. Boundary Wall and gate
- iv. Construction of Quarantine area
- v. Setting up and Procurement of Lab Equipment
- vi. Hiring manpower
- vii. Procurement of Bulls
- viii. Internal Roads, pavements, sewerage, water supply and electrification
- ix. Training of PLDDB employees.
- x. Transfer of the GICK facility to PLDDB at the end of the Concession period.

It is obligatory for the concessionaire to properly maintain the PLDDB perception in the GICK and PLDDB will be advertised as a compulsory component of 25% both in

electronic and print media at or out side the GICK area and no other Government/ Semi Government/ Private department will be allowed to use the GICK for any sort of advertisement without its payment.

The concessionaire will suggest with its technical proposal the size, numbers and location of advertisement boards, gantries etc.

A.4. Pre-Feasibility Study (PC-1)

PLDDB (PC-1) is attached at Appendix-1 and to be read as pre-feasibility study of the project. This will only act as a guideline to the Concessionaires and provides minimum basic requirement for the completion of the project so that all the bidders submit their competitive bids covering the minimum basic requirement of the project. PLDDB executed this project and completed almost 70% of the grey structure but since last 5 years despite spending huge amount of funds, the project is lying incomplete and idle and now PLDDB is seeking a Public Private Partnership with a private party which is not only financially sound but also have experience to enhance the productivity of indigenous breeds through genetic improvement.

Note: Pre-Feasibility study (PC-1) is based on 1 Million semen doses (straws) per annum whereas revised estimates and expert calculations had optimized this figure to minimum 2 Million semen doses (straws) per annum based on minimum 200 donor bulls per annum, Sahiwal 50%, Cholistani 30%, Nili Ravi Bull 20% with the same financial exposure as envisaged in the PC-1 and bidders are advised to submit their technical and financial bids with this basic production bench mark of 2 Million semen doses (straws) per annum from year 4 to year 25 of concession period.

A.5. Common Assumptions

The Pre-Feasibility Study (PC-1) SUMMARIZES THE PROJECT'S OBJECTIVES AND PROVIDES quantitative information on key components of the project. The PLDDB requires all Bidders to predicate their technical proposals on the following:

- (a) The PLDDB is providing PC-1 Report **Appendix 1**. This report consists of capital costing, operation & maintenance costing. The report also covers revenue, financial, economic and sensitivity analysis.
- (b) Subsequent to the award of concession, the Concessionaire will be required to submit to PLDDB for review and approval of Detailed Design (for new shed or any alternations or additions proposed by the bidder), including the construction drawings; and
- (c) Bidders must adhere to the Project location, as well as the site boundary limitations.

While preparing their Full Feasibility Study, the PLDDB shall permit each Bidder to develop their revenues, costs and benefits analyses, Internal Rates of Return (IRR); and an assessment of the issues and risks related to the Project. Semen forecast will be based on minimum production benchmark of 2 million semen doses as mandatory from year 4 of the concession.

A.6. The Concession

The Punjab Livestock & Dairy Development Board (PLDDB), on behalf of the Government of Punjab, envisages granting a Concession to design, finance, construct, commission, manage, operate and maintain GICK.

Other key features of the Concession Agreement will be as follows:

- The Concession will be for a fixed period of **Maximum-25 years**;
- THE CONCESSION COMPANY'S MINIMUM EQUITY INVESTMENT IS **30% (thirty percent)**
- GICK present setup is based on 37 Acres Land which will be made available by the PLDDB to the Concessionaire.
- At the end of the Concession period the facility is to be returned to the PLDDB in a properly maintained and operational condition, at no cost to PLDDB.

Full requirements, terms and conditions of the Concession will be agreed during negotiation with the selected Bidder. The form and content of the negotiated concession are expected to conform closely to the **Draft Concession Agreement included here as Appendix 2**. Bidders will be expected to address and confirm all of the aspects of the draft Concession Agreement in their submissions.

A.7. Disclaimer

All information, assumptions and projections contained in the Bidding Documents are indicative only and are provided solely to assist in a preliminary assessment of the Project. Nothing in the Bidding Documents or elsewhere shall create any contractual relationship between the PLDDB and any Bidder, nor shall it commit the PLDDB to any policy described in the Bidding Documents or elsewhere and neither the PLDDB nor any of its consultants or advisers will have any liability or responsibility if the information, assumptions and projections contained herein or otherwise in respect of the Project prove to be incorrect. It is the responsibility of the Bidder to verify the information, assumptions and projections contained in the Bidding Documents or otherwise.

A.8. Bribery & Collusion

The PLDDB shall be entitled to terminate the Concession and recover from the successful Bidder the amount of any loss resulting from such termination if the successful Bidder shall have offered or given to any person any gift or consideration of any kind as an inducement or reward for doing, or forbearing to do, any action in relation to obtaining, or in the execution of the Concession or any other contract with the PLDDB, or for showing favour to any person in relation to the Concession or any other contract with the PLDDB, or if any of the like acts shall have been done by any person employed by the successful Bidder or acting on its behalf (whether with or without the knowledge of the successful Bidder), or if the successful Bidder shall have come to any agreement with another Bidder or number of Bidders whereby an agreed quotation or estimate shall be offered as a Bid to the PLDDB by one or more Bidders.

B. PROPOSAL SUBMISSION PROCEDURES

B.1. Introduction

This RFP invites prequalified Bidders to submit technical and financial proposals to compete for the Project on a limited recourse basis under a ROT arrangement. To be considered for this award, Bidders are required to submit responsive Technical and Financial proposals for the Project on a limited recourse basis under a "Rehabilitate-Operate-Transfer" (ROT) arrangement.

B.2. General

B.2.1 Cost of Bidding

The Bidder shall be responsible for all fees, costs and expenses incurred in preparing and negotiating any proposal submitted by it, and the PLDDB shall under no circumstances become liable to reimburse any Bidder for any such fees, costs or expenses regardless of the conduct or outcome of the bidding process.

B.2.2 Site Visit

The Bidder is advised to visit and examine the site to evaluate the existing infrastructure works already completed and its surroundings and to obtain for itself on its own responsibility, all information that may be necessary for preparing the Bid and entering into A CONCESSION AGREEMENT. THE COSTS INCURRED AT THE SITE SHALL BE AT THE BIDDER'S own expense.

B.2.3 Amendment of Bidding Documents

At any time prior to the Bid Submission Date, the PLDDB may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, modify the Bidding Documents by amendment.

The amendment will be notified in writing or by e-mail, telex, cable or facsimile to all prospective Bidders who have purchased the Bidding Documents, and will be binding upon them.

In order to afford prospective Bidders reasonable time in which to take the amendment into account in preparing their Bids, the PLDDB may, at its discretion, extend the deadline for the submission of Bids.

B.3. Preparation of Bid

B.3.1 Proposal Validity Period

The PLDDB will recommend an award to the Bidder submitting the most acceptable proposal for the Project. When the PLDDB's recommendation has been approved, the PLDDB will negotiate and grant to the successful Bidder an exclusive concession rights for **maximum of twenty five** years concession, and will provide land (in total 37 Acres)

and existing infrastructure, free of charge, for the same **maximum of twenty five** years period, to the selected, successful Bidder, as the Concessionaire, to finance, construct, develop, manage, operate and maintain the Project.

Accordingly, the PLDDB requires each Bidder's proposal to be valid for a period of *One hundred and Eighty (180)* calendar days from the submission date.

B.3.2 Three Envelope System of Tendering

This Request for Proposal is based on Three Envelope System Tendering involving Pre-qualification document, Technical Proposal and Financial Proposal.

The PLDDB will separately evaluate all Pre-qualification, Technical and Financial proposals; therefore Bidders are required to submit their Pre-qualification, Technical and Financial proposals in three separately sealed "envelopes." The PLDDB requires the first envelope, marked **PRE-QUALIFICATION DOCUMENT** to contain the original and three set of copies (soft & hard) of the Bidder's Pre-qualification document.

The PLDDB requires the second envelope marked, **TECHNICAL PROPOSAL**, to contain the original and three set of copies (soft & hard) of the Bidder's technical proposal.

The PLDDB requires the third envelope, marked **FINANCIAL PROPOSAL**, to contain the original and three set of copies (soft & hard) of the Bidder's financial proposal. Bidders are cautioned to ensure that their Pre-qualification, Technical and Financial proposals are contained in separately sealed envelopes clearly marked as indicated above. The PLDDB requires Bidders to submit the separately sealed envelopes in one bound package. In the event of any discrepancy between the original and copies, the original shall govern.

The original and copies of the Bid shall be typed or written in indelible ink and shall be signed and stamped (company) by a person or persons duly authorised to bind the Bidder to the offer. Proof of authorisation shall be furnished in the form of a written Power-of-Attorney, which shall accompany the Bid. All pages of the bid, except for unamended printed material, shall be initialled by the person or persons signing the Bid.

The complete Bid shall be without alterations, interlineations or erasures, except as necessary to correct errors made by the Bidder, in which case such corrections shall be initialled by the person or persons signing the Bid.

B.3.3 Language

All proposals shall be presented in the English language.

B.3.4 Conformity with the bidding documents

The Bidder must submit a Conforming (Bona Fide) Bid that conforms in all respects with the requirements of the Bidding Documents. In addition, the Bidder may submit one Alternative Conforming (Bona Fide) Bids and/or one or more Non-Conforming Bids, if it so wishes.

B.3.4.1 Conforming Bids

A Conforming Bid is a bid that conforms in full, both in engineering and operational terms with the PLDDB'S CONFORMING SCHEME, AND IN FINANCIAL, ORGANISATIONAL OBLIGATION terms with the draft Concession Agreement, except for minor departures that do not materially affect the design, construction method or operational characteristics of the Project or the financial, organisational or obligation regime under which the Concession will be conducted. All such minor departures, if they exist, must be clearly identified and fully described in the Bid, and in particular the financial, programming and any other practical implications of a departure must be explained. If the Bid contains no deviations from the Conforming Scheme a positive statement to this effect must be made.

The PLDDB reserves the right to determine whether a Bid is a Conforming (Bona Fide) Bid. The PLDDB'S DECISION WILL BE FINAL AND NOT SUBJECT TO APPEAL. The PLDDB will not be required to give reasons for its decision.

If more than one Conforming (Bona Fide) Bid (e.g. involving different financial and commercial terms) is to be submitted, each must be clearly numbered according to the BIDDER'S PREFERENCE.

B.3.4.2 Non-Conforming Bids

Alternative designs and alternative proposals in relation to financial, organisational and obligational aspects, which differ in whole or part from the requirements of the Bidding Documents, may be considered by the PLDDB, at its own discretion. Such Bids will only be considered if they are accompanied by a Conforming (Bona Fide) Bid.

If a Non-Conforming Bid is submitted, it must be clearly identified as such and, in cases where more than one Non-Conforming Bid is to be submitted, each must be clearly NUMBERED ACCORDING TO THE BIDDER'S PERFORMANCE.

For the PLDDB to examine a Non-Conforming Bid the Bidder must demonstrate with full supporting evidence that the proposal is well researched and is technically feasible, that the proposed Work Programme is well researched and that there are engineering, financial, programming and/or operational advantages over the proposals set out in the Bidding Documents.

B.4. Proposal due Date

Bidders are required to transmit Pre-qualification, Technical and Financial proposals, in three separately sealed envelopes in one bound package to be received by the PLDDB on or before _____ by 1100 hours at the following address and bids will be opened on the same date at 11.30AM:

**PROJECT EXECUTIVE
PUNJAB LIVESTOCK & DAIRY DEVELOPMENT BOARD (PLDDB)
29 E-II, Model Town Lahore, Pakistan**

B.5 Processing of Proposals before Evaluation

(a) The PLDDB intends to facilitate and sustain an environment of competitiveness, transparency and fairness in the procurement process by, among other means, fairly and impartially processing and evaluating Bidders' technical and financial proposals in accordance with the procedures and pre-established evaluation criterion specified in this RFP.

(b) The PLDDB shall receive and keep secure all proposals submitted before the date and time specified for Proposal Closing. Any and all proposals received by the PLDDB after the above stipulated date and time for Proposal Closing will be returned unopened to the submitting Bidder.

(c) The PLDDB shall maintain, secure and unopened, all timely submitted proposals until the date and time announced for Proposal Opening, at which time technical proposals will be publicly opened.

(d) The Bidders representatives who are present shall sign a register evidencing their attendance. The PLDDB will examine the Bids to determine whether they are complete, whether the requisite Bid Securities have been furnished, whether the documents have been properly signed, and whether the Bids are generally in order.

(e) THE BIDDER'S NAME, BID WITHDRAWALS (IF ANY), ~~THE PRE-REQUISITE BID~~ Security and such other details as the PLDDB at its discretion, may consider appropriate will be announced at the Bid Opening. The PLDDB shall prepare minutes of Bid Opening for its own record. The public portion of the Proposal Opening is then closed.

(f) The PLDDB shall separately, and privately, evaluate each Bidder's Pre-qualification, Technical and Financial proposals in accordance with the evaluation criteria detailed in this RFP and pre-qualification document.

(g) From the date and time of Proposal Opening until the time the Concession Agreement is awarded, any Bidder wishing to contact the PLDDB on any matter related to this tender must do so in writing at the PLDDB's address noted above. Any effort by any Bidder to influence the PLDDB in its evaluation of technical and/or financial proposals may be a violation of Pakistani law and may result in the rejection of the Bidder's proposal.

B.6 Pre-Bid Conference

Bidders are invited, and strongly encouraged, to attend a pre-bid conference organized, and to be conducted, by the PLDDB:

Date: -----
Time: 11:00 hours
Location: -----

Prior to the Pre-Bid Conference, Bidders are invited to submit written questions concerning the Project requirements, this RFP bid document or other related matters pertinent to the Project. All such questions should be submitted to Project Executive PLDDB, within fifteen (15) days of the issuance of this RFP. The PLDDB will conduct the

pre-bid conference, record all questions, both written and verbal, posed by Bidders, record all answers provided thereto, and provide a written Pre-Bid Conference Memorandum or, if required, RFP amendment to each Bidder. The PLDDB will not, during the Pre-Bid Conference, modify in any material respect any provision or term of this RFP unless such modification is made as a written addendum thereto prepared by the PLDDB and disseminated to all Bidders.

B.7 Confidentiality

After the Bid Opening, information relating to the examination, clarification, evaluation and comparison of Bids and recommendations concerning the award of a Concession shall not be disclosed to Bidders, or other persons not officially concerned with such process, until the award of the Concession is announced.

Any effort by a Bidder to influence the PLDDB in the process of examination, clarification, comparison and evaluation of Bids, or decisions concerning award of a Concession, may RESULT IN THE REJECTION OF THAT BIDDER'S BID(S).

B.8 Conflict of Interest

The Applicant (including all members of a joint venture) shall not be one of the following:

- (a) A firm or an organization which has been engaged by the PLDDB to provide consulting services for the preparation related to procurement for or implementation of this project.
- (b) Any association/affiliates (inclusive of parent firm) of a firm or an organization mentioned in subparagraph (a) above; or
- (c) A firm or an organization who lends, or temporarily seconds its personnel to firms or organizations which are engaged in consulting services for the preparation related to procurement for or implementation of the project, if the personnel would be involved in any capacity of the same project.

B.9 Negotiations

Subsequent to the detailed evaluation of the Bids, the PLDDB shall carry out with the successful Bidder detailed negotiations with a view to agreeing acceptable terms for entering into a concession agreement.

As a part of this negotiation process the PLDDB may, if it deems it appropriate, require the short listed Bidder to submit one or more revised Bids in accordance with revised requirements put forward by the PLDDB. Failure to submit such a revised Bid or Bids will affect the evaluation of the original Bid.

Upon selection by the PLDDB the successful Bidder will be required, within a period of 30 (thirty) days, to enter into a Concession Agreement with the PLDDB [and Construction Phase Bond to the value of 5% \(five percent\) of the estimated project value is required to be submitted upon financial close](#). The successful Bidder will be required to achieve the

financial close within a period of 120 days from the Effective Date of Concession Agreement.

Failure to fulfill any of the above requirements within the specified time will, unless otherwise agreed by the both PARTIES, RESULT IN THE FORFEITURE OF THE BIDDER'S BI

In the event of the successful Bidder forfeiting its Bid Security the PLDDB may, at its discretion, either invite another Bidder to negotiate or terminate the Bidding Process.

C. MINIMUM TECHNICAL INFORMATION REQUIRED

The minimum technical information the PLDDDB requires Bidders to submit in their Technical proposal to be considered responsive to the technical requirements is:

C.1. Executive Summary

A cover letter identifying the firm(s), joint venture or consortium, the relationship of the parties, joint venture agreement or intent of joint venture agreement, the lead partner AND ASSOCIATED FIRMS AND AN EXECUTIVE SUMMARY OF THE TECHNICAL PROPOSAL case of joint venture, detailed role of each JV partner should be clearly elaborated and JV partners should be joint and severally responsible for all the acts of the joint venture consortium.

C.2 Statement of Bid Conformity

The bidder shall submit a Statement of Bid Conformity, stating whether or not the Bid conforms with all requirements of the Bidding Documents. The requirements of bid conformity are set out in Clause B.3.4.1. This statement shall include a list of all non-material departures from the Bidding Documents together with any areas of significant non-conformity.

Bidders should note when preparing their submissions that all deviations from the Bidding Documents should be listed. Such deviations may include, but not limited to:

- i) any changes to the layout, from or scope of the Confirming Scheme;
- ii) any changes to the land requirement plan; and
- iii) any proposed changes to the Model Concession Agreement at **Appendix 2**.

C.3 ROT Managerial, Technical and Construction Qualifications

A NARRATIVE AND GRAPHIC PRESENTATION (NO ON) OF THE BIDDER'S CURRENT managerial, technical, construction and other non-financial, related qualifications to undertake and successfully design, construct, operate and maintain the Project under a ROT arrangement. It should further elaborate in detail the relevant experience of the bidder, internationally as well as in local conditions. The narrative must explain the BIDDER'S ROT institutional arrangements planned; including its proposed project organization during construction, operation and maintenance phases. The narrative must also contain the curriculum vitae (CV) of key personnel for the project such as the Project Manager, Construction Manager, Operations and Maintenance Manger, Laboratory Incharge/technicians detailing the relevant experience and qualifications. The CV OF THE BIDDER'S CHIEF EXECUTIVE OFFICER MUST BE SUBMITTED IN PRO section, the Bidder may provide comments to the draft Concession Agreement;

C.4 Final Design Drawings

Bidders to Confirm to comply with the Basic Design Layout provided at Appendix-4. Final Design Drawings shall be developed by the Bidder based upon the Pre-Feasibility Study (PC-1) and Basic Design Layout in **Appendix 1 & 4** of this RFP.

C.5 Methodology

A narrative and graphic presentation (no page limitation) OF THE BIDDER'S METHODOLOGY TO execute the works. The bidder shall clearly explain its construction completion methodology, time period, state of the art practices, tentative plans, type of structures and erection technology, the Laboratory machinery and labor needs of the project, procurement of bulls, quality control methodology and procedures for producing quality semen, requirement for associated working and accommodation areas, anticipated construction problems and measures to overcome these etc. The methodology shall be clearly elaborated in layout plans and should be fully in compliance with the Breeding Act 2014.

C.6 Operations and Maintenance

During the operational phase of the Project, the PLDDB shall measure the CONCESSIONAIRE'S COMPLIANCE WITH OPERATIONS AND MAINTENANCE STANDARDS INCLUDED IN AN Operations and Maintenance Manual. For the Technical proposal, Bidders must include a narrative of the contents of an Operations and Maintenance Manual the Bidder will prepare, subject to PLDDB approval, for the Project, as well as a narrative and graphic PRESENTATION OF THE BIDDER'S proposed organization and approach to implement the Operations and Maintenance requirements for the Project (no page limitation). The CVs of key operations and maintenance personnel must be provided in Section C.3, above;

C.7 Project Implementation Timetable

Required is a narrative and MSPROJECT or PRIMAVARIA Level III OF THE BIDDER'S proposed Implementation Timetable (no page limitation), including a narrative of how the Bidder, as the Concessionaire, would work with the PLDDB to coordinate in Project execution. Bidders are cautioned that material negative deviations from the PLDDB estimated timetable of 12 months Project Construction Completion and start of commercial operations may be cause for a determination of non-responsiveness;

C.8 Innovation

Bidders may, propose innovations (no page limitation) to help ensure highest international standards for the Project. Bidders proposing innovative approaches, concepts or other features for semen production, genetic improvement, animal health and welfare acceptable to the PLDDB shall receive score as detailed herein. In addition, bidders are encouraged to propose transfer of knowledge mechanism such as training for human resource development in the fields of Public-Private Partnerships and other state of the art high quality semen production, storage, evaluation and distribution. This may include international training as well as on-the-job training component.

C.9 Bid Bond

Bidders are required to submit a Bid Bond as specified in Section E.5, below.

C.10 Statement of Proposed Technical Changes to the Conforming Scheme

In the event that the bidder shall conclude, as a result of its methodology, or otherwise, that it wishes to modify the proposals contained in the Conforming Scheme, either

materially or otherwise, the Bidder shall provide supporting methodology, drawings and calculations to justify the proposed deviations from the conforming Scheme.

Such deviations shall be designed and evaluated, by the Bidder, in sufficient detail as to indicate, as a minimum:

- any changes or positioning of ancillary facilities;
- any changes in the land requirements for the proposal;
- any changes in the choice of the methodology; and
- any consequential changes in the terms of the design life, operational characteristics, quality control, production of semen and maintenance needs of the facility.

The results of these studies shall be included, by the Bidder, in a Statement of Proposed Technical Changes to the Confirming Scheme.

In the event that the Bidder should decide to adopt the Conforming Scheme, without amendment, a statement to this effect should be given.

C.11 Statement of Land Requirement

PLDDB is providing 37 Acres of Land for the Project together with incomplete Infrastructure.

The Bidder shall provide statement of additional land requirements (if any). However, all cost relating to additional land requirements, its availability, leasing or purchase, availability and shifting of utilities, resettlement issues etc. shall be borne by the bidder. PLDDB shall however provide all possible assistance in this regard except financial. Bidders to note that any additional land procured or leased as part of GICK project shall also be transferred to PLDDB at the end of the 25 years concession period together with all installed and setup facilities on the additional land.

D. MINIMUM FINANCIAL INFORMATION REQUIRED

D.1 Minimum Financial Information

The minimum financial information the PLDDB requires each Bidder to submit in its financial proposal to be considered responsive:

(a) Estimated total cost of the Project in a Work Breakdown Structure (WBS); A breakdown of capital/construction costs on a quarterly basis, divided into the following categories (to the extent applicable), is to be provided by the Bidder for each section of the Project:

- Gate and Boundary
- Earthworks (if any)
- Existing Buildings Infrastructure Completion
- Construction of Additional Shed to house additional 50 Bulls.
- Construction of Quarantine Area
- Facilities required for operations
- Lab Equipment Details
- Bulls Procurement (First Year)
- Parking Areas
- Internal Roads/Pavements
- Security/Surveillance Systems
- Landscaping
- Sewerage, Water Supply & Electrification.

(b) Financing Structure:

(i) total amount of loans; including type, sources, term, grace period, interest and any other relevant factors to finance the Project, as well as its operation and maintenance.

(ii) Total amount of Bidder's equity to be committed to finance the Project (The PLDDB requires each Bidder to commit to equity financing a minimum of thirty percent (30%) of the Project cost. Bidders proposing less than the minimum will be declared non-responsive, and shall be recorded immediately in the record of the tendering proceedings), and

(iii) Cash flow projections during concession period.

(c) Financial Model; Revenue Analysis/Projection, Expenditure Analysis/ Projection, Debt Servicing Analysis, Cash Flows, Return on Investment Analysis.

(d) Project Balance Sheet/ Project Income Statement/ Profit & Loss Statement.

(e) Semen Production. Bidders to use the following Annual Semen Straws Production Benchmarks in their financial feasibility

- | | | |
|--------------|---------------|------------------------------|
| (i) | Year 1 | – Construction Period |
| (ii) | Year 2 | – 700,000 Straws |
| (iii) | Year 3 | – 1,500,000 Straws |

- (iv) **Year 4 to 25 – 2,000,000 Straws**
- (f) Financial Data Forms as provided in **Appendix 6.**

D.2 Currencies

Bidders are required to express all financial calculations in Pakistan Rupees.

E. EVALUATION PROCESS, CRITERION AND PROCEDURES

E.1 The Overall Evaluation Process

The PLDDB will use the evaluation criteria detailed in this section of the RFP to determine the highest evaluated proposal. The evaluation process will consist of a four-step approach; i.e., responsiveness, conformity, technical evaluation and financial evaluation.

At the date, time and location previously announced, the PLDDB shall open proposal packages received from Bidders. The PLDDB shall first determine whether or not BIDDERS' Pre-qualification, Technical and Financial proposals are contained in separately sealed envelopes. The PLDDB shall announce, to those persons present at the Proposal Opening (and, on any request by a Bidder who submitted a proposal but is not present or represented at the Proposal Opening), the name and address of each Bidder whose package is opened. Such announcement shall be recorded immediately in the record of the tendering proceedings.

In order to objectively evaluate Pre-qualification and Technical proposals without being influenced by financial data, Bidders failing to separate Pre-qualification, Technical and Financial proposals shall be deemed non-responsive and so recorded immediately in the record of the tendering proceedings.

After verification of the three seal envelopes, in the first step, the Pre-qualification documents of each bidder shall be opened and evaluated as per Pre-qualification defined criteria. After the completion of the Pre-qualification steps, PLDDB shall proceed to open the Technical Bids of the pre-qualified bidders only in front of pre-qualified bidders.

The PLDDB shall then determine whether or not Bidders have included Bid Bonds in their Technical proposals. The PLDDB shall announce, to those persons present at the Proposal Opening (and, on any request by a Bidder who submitted a proposal but is not present or represented at the Proposal Opening), the name and address of each Bidder whose Technical proposal is opened. Such announcement shall be recorded immediately in the record of the tendering proceedings. Bidders failing to provide the required Bid Bond shall be deemed non-responsive and so recorded immediately in the record of the tendering proceedings.

The PLDDB shall not evaluate either Technical or Financial proposals from any Bidder determined to be non-responsive, as reflected in the record of the tendering proceedings.

The public portion of the Proposal Opening is then closed.

The PLDDB shall separately, and privately, evaluate responsive proposals in accordance with the evaluation criteria detailed in this Section E of the RFP.

The PLDDB shall first evaluate Technical proposal. The PLDDB shall not evaluate the Financial proposal submitted by that Bidder whose technical bids were declared non responsive. However, PLDDB shall to proceed to open and evaluate the Financial proposal submitted by that qualified technical bidders.

E.2 Technical Proposal Evaluation Criteria

The PLDDB has developed a list of 07 evaluation factors that will be used to evaluate each Technical proposal responsiveness. Assessments were made to determine which factors were regarded as being of critical importance to the selection of the Bidder. The following identifies each evaluation factor.

The following is a list of the technical component evaluation. [A valid registration of SECP as a Private or Limited company is an obligatory requirement for each candidate/JV. In case of foreign JV partner, the local partner should hold valid registration with SECP as a Private or Limited Company with minimum 40% shareholding in the Project:](#)

S #	Mandatory Technical Evaluation Criteria
1	Final Layout Plan of the Completed works showing roads, pavements, boundary etc. The Layout shall be compliant to the Basic Design submitted with the bid documents at Appendix-4.
2	Completion Commitment in 12 months together with Level 3 Project Schedule in Primavera or MS Projects.
3	Annual Production (Minimum) Confirmation as given in D-1 (e) of this RFP.
4	Semen Donor Bulls Confirmation (Min 200 Bulls) by year 4. Sahiwal 50%, Cholistani 30%, Nili Ravi Bull 20%
5	MOU with Reputed Foreign Entity for Transfer of Technology with minimum 10 yrs Expertise in breed improvement for Cattle & Buffalo.
6	Confirmation for implementation of Genomic Selection for indigenous breed by year 4 of Concession signing.
7	Confirmation for offering fixed %age of min 2 Million straw production to PLDDB from Year 4 to 25 of Concession.

E.3 Financial Proposal Evaluation Criteria

It will be based on a single criteria:

“Bidder offering (Free of Charge) the highest fixed %age of 2 Million straws/annum production to PLDDB”.

However, the single evaluation criteria of only those bidders will be consider responsive who had submitted the information as required under **D.1** above and following information in their financial proposals. The following identifies each major factor which a bidder must provide for a valid financial proposal.

Sr. No.	Evaluation Factor
I	Estimated Project Cost and its Work Breakdown Structure (WBS). Bidders to include as part of its project cost GICK current liabilities to the extent of Rs. 25 Million and shall also be responsible to settle this liability before start of commercial operation.
Ii	Financing Structure & Financial Data Forms
iii	Clarity and Robustness of Financial Model
vi	Construction Time/Concession Period
V	Project Balance Sheet/ Income Statement/ Profit & Loss Statement
vi	Project sensitivity analysis
vii	Key performance parameter/ratios/payback/IRR/Benefit cost analysis
ix	Banker certificate of bidders ability to finance the project.

E.4 Final Evaluation Results

The final results of the evaluation process will be determined on the basis of the highest straws/annum being offered to PLDDB free of cost.

- (a) Clarification of proposals: The process of bids comparison and evaluation often brings to light ambiguities in the proposal which should be clarified by the Bidder:
 - (i) The PLDDB may ask Bidders for clarifications of their proposals in order to assist in the examination, evaluation and comparison of proposals. No change in a matter of substance in the proposal, including changes in price and changes aimed at making an unresponsive tender responsive, shall be sought, offered or permitted.
 - (ii) When clarification of proposals is required, the PLDDB shall maintain a written "Minutes of Clarification" report. Adequate notice should be given to the Bidder prior to conducting the meeting. The location and setting of the meeting should be conducive to professionally discussing all issues leading to a resolution of the matter to be clarified.
- (b) It may be necessary for the PLDDB to reject all proposals:
 - (i) PLDDB may reject all proposals at any time prior to the award. The PLDDB shall upon request communicate to any Bidder that submitted a proposal, the grounds for its rejection of all bids, but is not required to justify those grounds.
 - (ii) The PLDDB shall incur no liability, solely by virtue of its invoking this provision and rejecting all submitted proposals.
 - (iii) Notice of the rejection of all proposals shall be given to all Bidders that submitted proposals.
- (c) It may be necessary for the PLDDB to reject a responsive proposal from a responsible Bidder. The PLDDB shall reject a proposal if the Bidder that submitted it offers, gives or agrees to give, directly or indirectly, to any current officer or employee of the PLDDB or other governmental authority a gratuity in

any form, an offer of employment or any other thing of service or value, as an inducement with respect to an act or decision of, or procedure followed by, the PLDDB in connection with the proposal evaluation. Such rejection of the proposal and the reasons therefore shall be recorded in the record of the proceedings and communicated to the Bidder.

E.5 Bid Bond

To be responsive to the PLDDB'S REQUIREMENTS AND TO BE CONSIDERED FOR AN AWARD, Bidder provides as a part of its Technical Proposal a Bid Bond in the amount of **Rs Ten Million**. The Bid Bond shall be denominated in Pakistani Rupees, and shall be in the form of a certified check, a bank draft, an irrevocable letter of credit or a guarantee from a scheduled bank located in the Islamic Republic of Pakistan or a country abroad acceptable to the PLDDB. The Bid bond shall be valid for a period of at least 270 **days** from the date of issuance. The PLDDB shall return Bid Bonds of all Bidders after the successful Bidder has signed the Concession Agreement or in the event the PLDDB has rejected all proposals. The Bid Bond may be forfeited if the Bidder withdraws its proposals during the period of bid validity or, if it is the successful Bidder, fails to provide the required construction phase bond as indicated in the draft concession agreement. The format of the Bid Bond shall be in accordance with the sample Bid Bond included as **Appendix 4**. No other format shall be accepted.

E.6 First Right of Refusal to a (private) Third Party.

GICK was an abandoned public sector project with approx 70% grey structure completion since last many years. A third party (private) expressed interest in investing and transforming Genetic Improvement Center Khizarabad into a state of the art semen PRODUCTION FACILITY UNDER REHABILITATE, OPERATED IN ROT MODE. IN THIS context, the private party has submitted a non-binding and unsolicited proposal highlighting core capabilities and strengths, project background, commercial offer, project feasibility analysis, and potential economic and financial benefits expected to accrue from the Project.

In accordance with the provisions of Government of Punjab PPP Act and on the basis of the interest shown by the private party, PLDDB initiated project execution approvals under PPP ROT modality and got the same approved from Government of Punjab PPP Steering Committee.

As per the provision of PPP Act, PLDDB has given the private party (who made the unsolicited proposal) first right to match the best financial bid (in case the private party bid is not the winning bid) and if the private party fails to match the highest bid, then PLDDB will direct the best bidder to reimburse to the private party an amount of Rs. 3 Million (costs) incurred in project preparation as compensation to the private party being the project proposal initiator. Bidders to incorporate this cost of Rs. 3 Million in their financial model as a pre-requisite.

E.7 Award and Notice to Proceed

Subject to E-6 above, the PLDDB shall recommend the Bidder submitting the highest evaluated proposal as the Concessionaire.

- (a)** Whether or not it successfully passed prequalification proceedings, the PLDDB may require the successful Bidder to certify that its prequalification data have not significantly changed since the Prospective Bidder's original submission. When reasonable circumstances require, the PLDDB may require the successful Bidder that has been prequalified and executed the aforesaid certification to demonstrate again its qualifications in accordance with the same criteria used to prequalify such Bidder. The criteria and procedures to be used for such further demonstration shall be the same as those used in the prequalification proceedings.
- (b)** If the Bidder submitting the successful proposal is requested to demonstrate again its qualifications in accordance with this provision but fails to do so, the PLDDB shall reject that proposal and shall select a successful proposal from among the remaining proposals, subject to the right of the PLDDB to reject all remaining proposals.
- (c)** The PLDDB shall promptly notify all Bidders of the Bidder submitting the highest-evaluated acceptable proposal. As stipulated in this RFP, the PLDDB shall then request the successful Bidder to negotiate and execute a Concession Agreement. Accordingly, the successful Bidder is required to negotiate and execute the agreements within a reasonable period of time after the notice is dispatched by the PLDDB.
- (d)** If the successful Bidder and PLDDB fail to agree or execute the Concession and Lease Agreements, the PLDDB shall recommend, from among the remaining proposals that are in force, award to the next highest evaluated Bidder, subject to the right of the PLDDB to reject all remaining proposals.
- (e)** The PLDDB shall submit to the Member PPP P&D, for review and concurrence, a Selection Memorandum detailing the proposal evaluation process and negotiated Concession and Lease Agreements with the successful Bidder.
- (f)** After receiving the approval, the PLDDB shall countersign the Agreements and thereafter issue to the successful Bidder a notice to proceed with the project.

APPENDIX – 1

PRE-FEASIBILITY

(PC-1)

Genetic Improvement Centre

REVISED PC -1

Original Cost RS 600 Million
Revised Cost RS 450 Million



Economy's Lifeline

Project Proposal

Ruminant Livestock & Dairy Development Board

1. Name of the Project:

Construction of Milk Cattle SDCs

2. Location of the Project:

Provide names of Districts and Program

The project will be executed in the province of Punjab. Some Provinces that will be covered in this project are:-

3. Justification/Responsibility for:

Construction of Milk Cattle SDCs is the prime responsibility of Ruminant Livestock Development and Dairy Development.

a. Sponsoring:

Construction of Milk Cattle Development Board, Punjab and Dairy

b. Receipt:

The Board will also will be responsible for the Livestock & Dairy Development Board, Punjab and Dairy Development Board, Punjab.

c. Operation and Maintenance:

The maintenance of the Ruminant Livestock Development Board (RLDB) will be managed by Punjab Dairy Development Board (PDD) and the Board will also be responsible for the operation and maintenance of the project. The Board will be responsible for the operation and maintenance of the project. The Board will be responsible for the operation and maintenance of the project. The Board will be responsible for the operation and maintenance of the project.

THESE CONDITIONS SHALL APPLY TO ALL PROJECTS UNDER THE TERMS OF THE AGREEMENT
AND SHALL BE APPLIED TO ALL PROJECTS.

4. In case of more than one agency, each shall be jointly and severally

liable for the performance of the obligations. Financial administration and
accounting of the project shall be conducted in the manner and form of
bill of the project.

A. 3. Fee Provision:

- 1) If the project is included in the medium term (Five-Year Plan) specify actual
allocation.

The project is not included in the medium term (Five-Year Plan) Development
Program (1971-1975). However, project activities are included in
the work program in the plan.

- 2) If not included in the agency plan, what will cause its inclusion and how it
not proposed to be accommodated.

Development of Project in the medium term (Five-Year Plan) is the project in
the medium term (Five-Year Plan) and project activities are included in the
plan and project activities are included in the medium term (Five-Year Plan) in
order to achieve the objectives of the project. The project is included in the
plan of the Commission, October 1964, and the project is included in the
plan of the Commission in the medium term (Five-Year Plan) in order to
achieve the objectives of the project. The project is included in the plan of
the Commission in the medium term (Five-Year Plan) in order to achieve the
objectives of the project. The project is included in the plan of the Commission
in the medium term (Five-Year Plan) in order to achieve the objectives of the
project. The project is included in the plan of the Commission in the medium
term (Five-Year Plan) in order to achieve the objectives of the project. The
project is included in the plan of the Commission in the medium term (Five-Year
Plan) in order to achieve the objectives of the project.

3. **Provision in the year 2010-11: PSDP/ADP***

Provision was made in the 2010 financial policy (2010-11) for increasing the amount for the energy related activities by long term process for which there limits the socio-ecological activities in that time.

5. **MIDI Objectives**

The objective of PSDP are basically to enhance economic sector which is called as Micro, Small and Medium Enterprises.

- a) Enhance production of energy through and also enhance through expansion of new technologies, scientific methods of farming and industrial management practices. (The present bill supports this objective.)
- b) Support energy projects of domestic and other countries. (The present bill supports this objective.)
- c) Enhance import substitution of high value items.
- d) Enhance availability of capital for domestic business, especially the smaller firms.
- e) Support financial, marketing, administrative, managerial activities for Micro, Small and Medium Enterprises and other related activities. (The present bill supports this objective.)

4. **Objectives of the Program**

The main objective of the present program is to increase the small business production under the present programme of Micro, Small and Medium Enterprises with the objectives of the business which outlined in MIDI as small business, domestic market, production, export, import, etc. of Micro, Small and Medium Enterprises in Micro, Small and Medium Enterprises and other related activities. For other purposes, to enhance the production, distribution, in financial stability in Micro, Small and Medium Enterprises. The specific objectives of the program are outlined as follows:

- a) Enhance the production activities of small and medium business (Micro, Small and Medium Enterprises) and other related activities in Micro, Small and Medium Enterprises and other related activities. This is the main objective.

- In the absence of data, estimates of direct versus indirect costs in the day period and non-periodic costs will follow the normal distribution of a given variable and will be the primary and secondary of each and shall be used to provide the best estimate of the total.
- Primary survey of costs from multiple sites and factors will be available in an appropriate manner to estimate local costs and costs.
- Total costs for each month will be provided in the appropriate period and shall be used to estimate the total for the period. The total for each month will be provided in the appropriate manner to estimate the total for the period.
- Direct funding of activities in each period and period.
- Funding in each period will be used to estimate the total for the period.
- Assessment and estimation of total costs in each period.
- Funding will be provided in the appropriate manner to estimate the total for the period.

2. Description and Justification of the Project

Finally, the project will include a summary of the data and justify the value of the project.

a. Project Justification

The project will be used to estimate the total for the period.

public. Furthermore, the report also contains a series of recommendations for the Government, including a call for a new framework for the food system.

The report also contains a series of recommendations for the Government, including a call for a new framework for the food system. The report also contains a series of recommendations for the Government, including a call for a new framework for the food system.

10. Food for Health

The report also contains a series of recommendations for the Government, including a call for a new framework for the food system. The report also contains a series of recommendations for the Government, including a call for a new framework for the food system.

MEMBERSHIP OF THE COMMITTEE. THE ABOVE MEMBERS ARE NOT DESIGNATED FOR THE MEMBERSHIP OF THE BOARD OF DIRECTORS.

ii. Project Description

The project will be carried out by the following wings:

- i. Headquarters Wing
- ii. Production Wing
- iii. Field Wing

1. Headquarters Wing

The Project Executive along with Project Officer Finance & Project Officer Information will form the Headquarters Wing. This wing will be responsible for overall administration and financial matters of the project. Regularly submitting the accounts of the project for any and providing any information regarding progress of the project.

ii. Production Wing

This wing will be headed by Project Officer Production. The responsibilities of this wing will be to:

- i. MANUFACTURE OF THE PROJECT PRODUCT
 - ii. CHARGE, MAINTAIN, REPAIR, OVERHAUL AND UPGRADE THE PROJECT EQUIPMENT
- ES&P Division (Project) is under the control of ES&P, B

iii. Field Wing

This wing will be headed by Project Officer Field. This wing will be responsible for:

- i. Fielded with ES&P Dept for the placement of ESDs.

2. Identify, collect and classify the data from LQTY Dept. in SDC.
3. Identify all the targeted field posts for assessing the requirement of women for these posts.
4. Detailed of these posts.
5. Monitor the performance of project cells in the field for quality, time, cost, etc.
6. Prepare recommendations to be made on the work plan.

[Detailed comments to be made in Annex A-1&2]

C. Mechanism of Implementation

FIELD posts will continue with progress made with them supported by the existing mechanisms.

D. Essence of the Project

The project will be executed by ASSOCIATION OF SDC through the Project Executive and the LQTY chairs of various SDCs, who will take up the Project Activities (Project/PSDC) to be implemented within the given time frame.

E. Assessment of Staff

LQTY Department will identify the field posts to be filled by women which can be increased in case they are not filled through the present mechanism of posts.

Need	No
Supervisors	01
Managers	01
Administrators	01
Total	03

1) **Approval of Names:**

Names will be approved by either of the following ways:

- a. Directly to the AIAA that will be trained by the PLACED through the AIA project.
- b. Will be the project manager.
- c. Approved by the local community.

12) **Critical Information:**

- a. The amount of resources for procurement in the contract scope, the AI contractors of the project scope will be included to provide small local or international rate.
- b. The quality and quantity scope for the local community support in improving the AI scope of intelligence from the community business plan, that cannot be achieved by the AI scope of the community business plan.
- c. Acquire AI scope of the community business plan with the local community the AI scope of the community business plan.
- d. The contract and scope of the community business plan will be included with the AI scope of the community business plan will be included in the AI scope of the community business plan.
- e. The AI scope of the community business plan will be included with the AI scope of the community business plan.
- f. Contract and scope of the community business plan will be included with the AI scope of the community business plan.

13) **Revision of Funds:**

Funds contract and scope of the community business plan will be included with the AI scope of the community business plan.

14) Provide details of AI scope of the community business plan, including and other physical facilities required for the project.

3	Land Acquisition	25.49	21.09
4	Other Equipment	4.11	4.36
5	Furniture		1.00
6	Vehicle	18.88	20.71
7	Motor	30.71	30.71
7a	Batteries	1.30	1.40
	Total Capital Expenditure	806.73	868.47
8	Construction Cost	100.74	55.12
9	Annual Fuel & Oil	10.11	70.65
10	Annual Maintenance	0	3.78
11	Labour (Monthly)	24.7	11.49
12	Utilities	7.15	6.12
13	Working Capital Vehicle	1.77	6.82
14	Working Capital Training	11.25	5.72
17	Transportation (Oil, Gas, Diesel)	14.2	10.03
18	TMDA	1.29	1.92
19	Repair & Maintenance	1.11	2.81
20	Insurance	1.23	0.7
21	Other Services	7.24	6.88
22	Management	0	4.14
23	Working Day	11.11	6.75
24	Contingency (10%)	41.44	28.28
	Total Operational Expenditure	163.87	141.27
25	Contingency (10%)		21.75
	Grand Total (Capital + OPEX)	970.60	1010.00

ii. Agency (2015) cost estimate.

iii. Agency cost estimate monthly at physical activities.

Year-wise estimation of physical activities and financial phasing of the project

Year	Activity	CRUSEH (Rs. / month)	CRIC (Rs. / month)
2015/16	<ul style="list-style-type: none"> • Construction of CHC at Khandimal • Working Capital Vehicle • Working Capital Training 	25445	12388
2016/17	<ul style="list-style-type: none"> • Construction of CHC at Khandimal 	10000	1076

	<ul style="list-style-type: none"> > Recruitment of essential staff > Feasibility and Advertisement > Monitoring and evaluation of the project 		
1st quarter	<ul style="list-style-type: none"> > Purchase of equipment, machinery & consumables of bulk > Recruitment of staff > Social mobilization activity > Preparation of lesson plans > Strengthening of political parties' production skills > Training of technical staff & farmer including support to extension and loan > Field survey, monitoring and evaluation of the project 	14.19	16.6
2nd quarter	<ul style="list-style-type: none"> > Social mobilization activity > Preparation of lesson plans > Training of technical staff & farmer including support to extension and loan > Field survey, monitoring and evaluation of the project 	14.19	16.6
3rd quarter	<ul style="list-style-type: none"> > Social mobilization activity > Preparation of lesson plans > Training of technical staff & farmer > Field survey, monitoring and evaluation of the project 	14.19	16.6
	Total	600.00	650.00

4.6 Annual Operating Cost After Completion of the Project

TCOs will depend upon the nature of animal production and breeding. If the activity is carried on commercially, a full facility to produce or to care for the animal would be needed for the life of the animal. The full amount of the cost of the activities are allocated to the animal's work. For the project, maintenance and operation cost are being covered through grants. Maintenance of water supply system will be government's responsibility.

4.7 Demand and Supply Analysis (The Industrial and Agricultural Production Perspective)

The estimated cost of the project is \$100 million. The project is expected to be completed by the end of 2025. The project is expected to be completed by the end of 2025. The project is expected to be completed by the end of 2025.

ii. Description of Product/Services:

The proposed project is aimed at providing a range of services to the community. The project is expected to be completed by the end of 2025. The project is expected to be completed by the end of 2025.

iii. Demand/Supply for the Last Five Years:

It is expected that the demand for the product will increase over the next five years. The project is expected to be completed by the end of 2025. The project is expected to be completed by the end of 2025.

iv. Imports/Exports for the Last Five Years along with Unit Price (if Applicable):

Not applicable.

v. Predicted Demand/Supply for 10 Years:

Not applicable.

vi. Proposed Year/Wise Production of the Product:

Duration	Year 1	Year 2	Year 3	Year 4	Year 5
No. of Spices (in Million)	Nil	Nil	Nil	0.20	1.0

vii. Contracted/Proposed Arrangements for Marketing:

The project will be supplied through JICA with a 2000 AID
through the JICA project. The project will be implemented through the
project.

19. Financial Plan:

Source of Financing

The project will be financed by the Government of Japan, the Ministry of Health and
Welfare.

20. Benefits of the Project and Analysis

a. Financial

The implementation of the project will greatly reduce the
gap between demand and supply. As a result, more patients will be treated
and the health care system will be more efficient. The project will
also reduce the cost of health care and improve the quality of care.

b. Economic

The project will improve the health care system. It will increase the
health production and improve the economic status of the population. Thus
it will be a significant source of income for the population. The project
will also improve the health care system.

c. Social

The project will improve the health care system. It will increase the
health production and improve the economic status of the population. Thus
it will be a significant source of income for the population. The project
will also improve the health care system.

d. Environmental

The project will improve the health care system. It will increase the
health production and improve the economic status of the population. Thus
it will be a significant source of income for the population. The project
will also improve the health care system.

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Financial Feasibility Analysis (with assumptions)

a. Financial Analysis

- Quantifiable output of the project
- Quantifiable Verifiable Monitoring Targets

b. Milestones

- Water production facility in Khuzand will be operational
- 4.5 million litres of water will be produced by the end of 4th year
- 125,000 litres and 120,000 cubic metres of water quality will be improved and will be in different category of water

c. Final for 4th and 10th years:

- Water production facility in Khuzand will be operational
- Over 4.5 million litres of water will be available annually, approximately 120 million litres of water from different sources will be produced. 7 million litres of water will be available by the end of 4th year and 120 million litres of water will be available by the end of 10th year
- 120,000 cubic metres of water quality will be improved and will be in different category of water
- 125,000 litres and 120,000 cubic metres of water quality will be improved and will be in different category of water

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Economic Analysis

- Highly profitable water supply project is economically viable (2004) (100% success) it will create and sustain income in generating revenue to the state of approximately 700 million US dollars per project year

b. Net present value (NPV) and benefit cost ratio (BCR)

Under capital expenditure of 10 million US dollars and annual operating expenditure of 1 million US dollars, the NPV of the project is approximately 10.75 million US dollars and the BCR is approximately 1.5.

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4. Internal Economic Rate of Return (IERR)

Not applicable

4. Foreign Exchange Rate of the Project (Debt's Ratio to Export Substitutes and Export Oriented Products)

Not applicable

23. Employment Analysis

a. Employment Generation (Direct and Indirect)

- i. Project will provide opportunity to generate employment
- ii. Most opportunity of employment will be generated in sectors and processes of the enterprise will be those of high skill, productivity and efficiency

24. Sensitivity Analysis

a. Impact of Delay on Project Cost and Viability:

- i. Delay or breaching of the project will increase the investment cost because of costly inflation and increased cost of various items in use used to complete the project.
- ii. There is possibility of increase and decrease of investment cost will directly affect the viability of implementation of the project.
- iii. Delay and breaching of cost of funds and the discontinuation of various activities, which ultimately will increase the investment cost of the project.

Implementation Schedule

a. Judicial starting and Completion Date of the Project

Initiating and research activities of this project will be completed in the first and half year since commencement of the project. All other activities of this project will be completed in 1 year after the start of this project.

b. Interdisciplinary Implementation Schedule in Gantt Chart correlated with the Phasing of Physical Activities

Interdisciplinary implementation schedule in Gantt chart correlated with the phasing of physical activities					
Activities	Year-I	Year-II	Year-III	Year-IV	Year-V
<u>Physical Activities</u>					
Identification of sites	I	V	I		
Selection of students of the school				V	
Acquisition of Lab. Equipment				V	
Recruitment and training				V	V
Training capacity building				V	V
<u>Capacity Building</u>					
Initial training				V	V
Continuation of training activities					I

Management Structure and Manpower Requirement:

a. Administrative Arrangements for Implementation of Project

The project is proposed to be managed by PLEDH. The project is implemented by various sub-committees formed with the Curriculum and Policy Development Department, NWEI and other stakeholders.

ii. The Manpower Requirements by Skills/Profession during Execution and Operation of the Project.

Manpower requirement is available in the country and is listed in the Annex 'C'

47. Annexure Management

Appointments	GIC
Project Executive	1
De. Project Executive	2
Project Officer ✓	10
Finance Assistant ✓	7
T/W & Admin Assistant	3
Marketing Assistant	1
Senior Technician	3
Technician	4
Lab Attendants	4
Supervisor	3
Assistant Supervisor	2
Senior Clerk	1
Junior Clerk	2
Computer Operator	10
Supervisor	2
Security Officer	2
Roll Assistant	10
Security Guard	4
Cashier	1
Store Keeper	4
Peon	4
Mail Guard	2

NIT Drivers	3
Tractor Driver	2
Welder	1
Cook	1
Total	7

PREPARED BY:

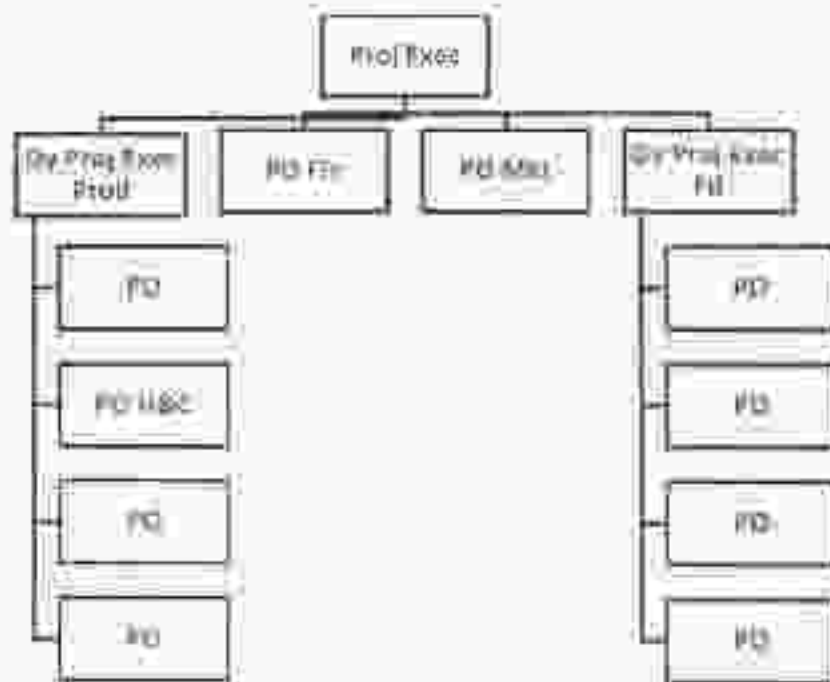
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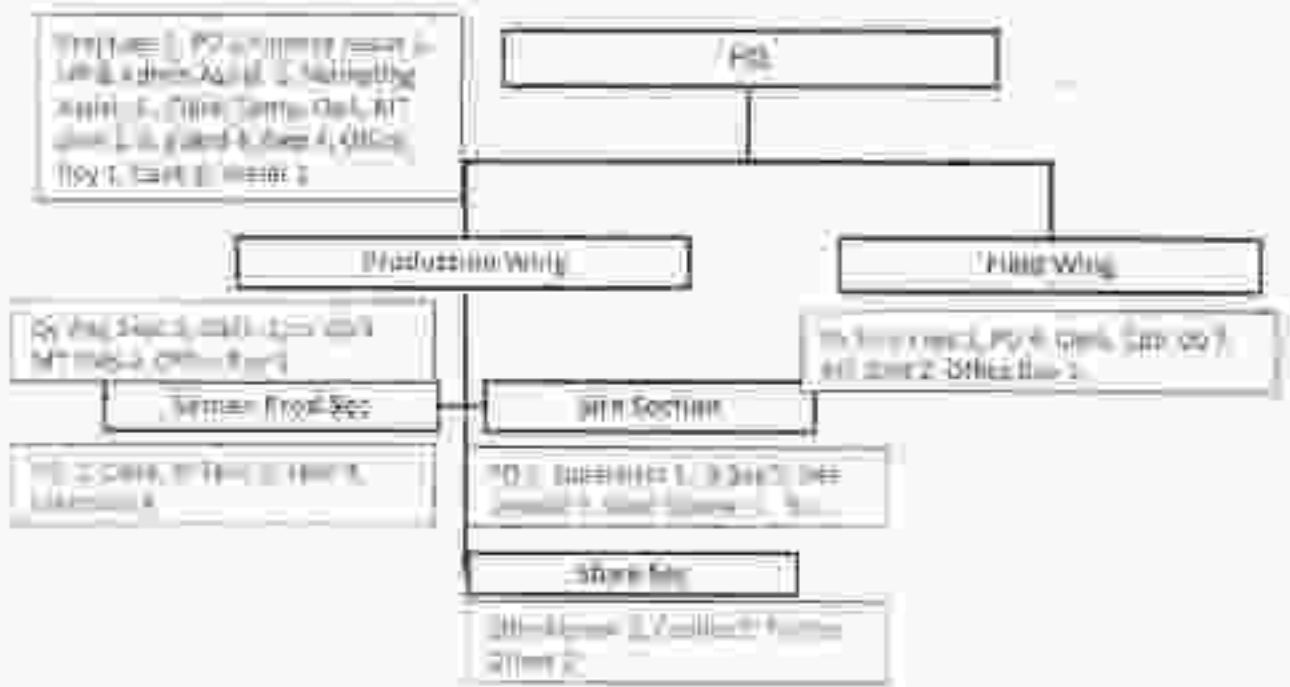
CERTIFICATE

Certificate 1004/2022 Project Document has been approved by the Project Committee of G.I.F.

DATE: 11/12/22



Ops
↓
Gen. Support
↓
Maintenance Support



Wing-Wise Distribution of Members

Wing	Category	Count	Total
Headquarter Wing	Principal Executive	1	18
	Senior Principal Executive	1	
	Principal Executive	1	
	Senior Executive	1	
	Executive	1	
	Officer	1	
	Senior Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
Production Wing	Senior Principal Executive	1	30
	Principal Executive	1	
	Senior Executive	1	
	Executive	1	
	Senior Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
	Officer	1	
Field Wing	Senior Principal Executive	1	10
	Principal Executive	1	
	Senior Executive	1	
	Executive	1	
	Officer	1	

Appointments	FTE
Project Lead	1
DE Project Exec	0
Project Officer	10
Project Assistant	4
IT/IT & Admin/Assistant	1
Administrative Assistant	1
IT Assistant	1
Technician	4
Sub Assistant	1
Supervisor	1
Assistant Supervisor	2
Staff	1
Language Operator	10
Site Support	1
Site Officer	2
Full Assistant	10
Security Guard	4
Canteen	1
Kitchen/Canteen	1
Security	4
Site Guard	1
AT Officer	1
Taxi/Driver	1
Sign	1
Welfare	1
TOTAL	51

Annex-C-i

Appropriation	No	Monthly pay	Total Monthly Pay	1 st Yr	2 nd Yr	3 rd Yr	4 th Yr	5 th Yr	TOTAL
...	1	0.175	0.175	0.00	0.00	0.17	0.17	0.31	0.54
...	1	0.44	0.44	0.00	0.00	0.44	0.44	0.88	0.44
...	10	0.075	0.75	0.00	0.00	0.75	0.75	1.50	2.50
...	1	0.100	0.100	0.00	0.00	0.10	0.10	0.20	0.20
...	1	0.075	0.075	0.00	0.00	0.00	0.30	0.30	0.60
...	1	0.025	0.025	0.00	0.00	0.00	0.50	0.50	1.00
...	1	0.00	0.00	0.00	0.00	0.00	1.54	0.24	0.50
...	4	0.011	0.044	0.00	0.00	0.00	0.72	0.70	1.89
...	5	0.042	0.210	0.00	0.00	0.00	0.88	0.81	1.21
...	1	0.00	0.00	0.00	0.00	0.00	0.24	0.24	0.50
...	2	0.025	0.050	0.00	0.00	0.00	0.10	0.45	0.76
...	1	0.00	0.00	0.00	0.00	0.00	0.34	0.16	0.50
...	4	0.075	0.300	0.00	0.00	0.00	0.50	0.00	0.50
...	10	0.032	0.32	0.00	0.00	0.00	1.80	1.00	3.80
...	1	0.00	0.00	0.00	0.00	0.00	0.21	0.21	0.50
...	1	0.025	0.025	0.00	0.00	0.00	0.10	0.25	0.35
...	4	0.013	0.052	0.00	0.00	0.00	0.26	0.52	0.60
...	10	0.008	0.080	0.00	0.00	0.00	1.06	1.00	2.02
...	4	0.000	0.000	0.00	0.00	0.00	0.30	0.40	0.80
...	3	0.008	0.024	0.00	0.00	0.00	0.48	0.00	1.01
...	4	0.000	0.000	0.00	0.00	0.00	0.28	0.00	1.01
...	4	0.004	0.016	0.00	0.00	0.00	0.40	0.40	0.81
...	1	0.008	0.008	0.00	0.00	0.00	0.20	0.20	0.60

Direct	2	11.00	11.00	11.00	5.00	0.00	0.00	0.00	1.26
Indirect	2	0.00	0.00	0.00	5.00	0.00	0.00	0.00	0.50
Sub	11	2,000	2,000	1,000	5.00	0.00	0.10	0.11	0.20
Item	11	2,000	2,000	1,000	5.00	0.00	0.10	0.11	0.20
TOTAL	34			2.0	0.99	2.13	24.04	26.77	55.11

Note: All above figures are worked out assuming full strength for a complete year (365 days)

and wherever the number of days is indicated, the estimated / assumed pool shall represent same.

Genetic Improvement Centre (GIC)



- 1. Milk
- 2. Number of Bulls
- 3. Expected Sirem Value
- 4. Degree of Bull

- Bull
- 100 Bulls
- 1 million per year
- Annual investment in terms of bulls
- 100 Bulls
- 100 Bulls
- 100 Bulls
- 100 Bulls

2. Benefits of GIC

- 1. GIC will help to improve the quality of the milk and the health of the cows.
- 2. GIC will help to improve the quality of the milk and the health of the cows.
- 3. GIC will help to improve the quality of the milk and the health of the cows.

Genetic Improvement Centre (GIC)**Capital Expenditures (Rs-Million)**

Item	Year-I	Year-II	Year-III	Year-IV	Year-V	Total
Civil Works	158.18	10.17	50.00	102.85	0	321.20
Plant Equipment	0	0	0	72.00	0	72.00
Major Repairs	0	0	0	0	0	0
Materials	0	0	0	18.72	0	18.72
Electricity	0	0	0	0	0	0
Land	0	0	0	30.50	0	30.50
Water	1.00	0	0	0.00	0	1.00
Total	159.18	10.17	50.00	212.34	0	409.49

Operative Costs (Rs-Million)

Item	Year-I	Year-II	Year-III	Year-IV	Year-V	Total
Electricity Cost	0.00	0.00	2.11	24.51	16.72	56.42
Animal Feed & Misc.	0	0	0	6.24	15.81	22.05
Animal Medicine & Vacc.	0	0	0	1.80	1.60	3.40
Chemicals and sundries	0	0	0	0.58	0.00	0.58
Labour	0	0	0	2.00	0.00	2.00
Animal Care & Welfare	0	0	2.51	2.00	3.27	8.78
Animal Health Training	1.72	0	0	0	0	1.72
Transportation	0	0	0	0.75	0.28	1.03
Depreciation (Machinery)	0	0	0.10	0.10	1.00	1.20
Water & Sewerage	0	0	0.00	1.01	1.11	2.11
Contingencies	0	0	0.01	0.10	0.01	0.12
Other Services	0	0	0	0.20	0.00	0.20
Telephone Cost	0	0.20	0.30	0.00	0.37	0.77
Animal Health	0.00	0.00	0	0.15	0	0.15
Contingencies (Machinery)	1.72	0	0	0	0	1.72
Total	1.72	2.59	2.82	34.52	29.45	69.28

Summary of Budget (Million Rupees)

- Genetic Improvement Centre (GIC)

Units/Items	Year-1	Year-2	Year-3	Year-4	Year-5	Total
Capital Cost	161.86	14.47	20.00	110.00	-	406.33
Operating Cost	4.00	2.94	8.43	34.51	75.45	165.33
Contingency of PUNJAB STATE GOVT.	0	0	0	0	10.00	10.00
Total	165.86	17.41	28.43	144.51	85.45	650.00

Genetic Improvement Centre (GIC)
Cost Works

Particulars	2016	2017 (Actual)
CITRUS & LEO STOCK	2	25200
Animal Health		
Full Time	1	2700
Part-time	3	6300
RESEARCH STAFF		
Full Time	4	8400
Part-time	14	2800
Off-site hours		1100
Animal		700
Off-site		400
Off-site	25	5000
Off-site	25	5000

Min. Cost Works
 (Costs which are not included in the above table, but which are included in the total cost of the project, such as: staff, travel, etc.)

Actual Contract Awarded	Amount (Million)
Phase 1 (Necessity & Risk) Work	2.00
Phase 2 (Detailed Design, Off-site Work, etc.)	20.00
Total Contract Awarded	22.00
Contract Awarded - 2016	15.35
Contract Awarded - 2017 (Actual)	6.65
Total Cost	28.65
Costs included	22.00
Min. Cost Works	6.65

Genetic Improvement Centre (GIC)
Equipment for Semen Collection Centre Lab

S.No	Description	Qty	Unit Price (Rs)	Total Price (Rs. Million)
Semen Collection				
1	Prostate Gage for bulls, w/ rails, hydraulically height adjustable with manual safety. Recommended for use on all mature breeding bulls. Should work both ways (pulling and pushing) for easy fitting. Hydraulic shutoff during pressure for biological specimen preservation.	1 pc	1000000	1.00
2	Artificial vagina bulb. 35 cm diameter, smooth inner tube with mesh reinforcement. Equipped with 2000 cc capacity, venting bag.	10 pcs	20000	2.00
3	Artificial vagina bulb. 25 cm diameter, smooth inner tube with mesh reinforcement. Equipped with 1000 cc capacity, venting bag.	10 pcs	20000	2.00
4	Inner tube for Prostate Gage, rough latex, black 78 x 650 mm approx. rolled tube on both sides.	20 pcs	5500	1.10
5	Coarse Bore Expansion Tap, approx 4" dia. long.	100 pcs	2000	0.20
6	Semen Collecting Vial, graduated, 10 cc capacity with stop.	2000 pcs	100	200.00
7	Electronic precision balance, weighing range approx 2 kg, readability 0.1 gm, weighing pan 100 x 100 mm, stainless steel 0.5 kg, stainless steel 0.5 kg, stainless steel 0.5 kg, stainless steel 0.5 kg, stainless steel 0.5 kg.	1 pc	100000	0.10
8	Electronic precision balance, weighing range 1000 gm up to 200 gm, 0.1 gm readability.	1 pc	100000	0.10
9	Container for bulk milk/water, 100 l.	1 pc	25000	0.25
10	Millipore Water purification with Type II quality water and production 4L/hr with 120 lit tank.	1 pc	1000000	1.00
11	Thermox, 250 gm (1000 gm for deep freezing of bull semen and preservation).	100 pcs	7500	0.75

11	Electric Generator 10 KVA.	1 nos	210000	0.20
12	Automatic Dispenser with 20000 Litre to Dispense in cassettes	1 nos	250000	0.25
13	Water Softner/Reverse Osmosis System	1 nos	150000	1.50
14	Micro Cavette set 10 X10 mm	10000 nos.	200	0.20
15	Centrifuge 4200 Rpm	1 nos	150000	0.75
16	Carry Overly continuous flow analyser with auto scope with auto stop, addition of all accessories - additional system consisting of integrated bench top auto injector unit with additional washing pump and 2.1 (S,20 V) BR00110	1 nos	280000	6.80
17	Water Bath with circulation JH, stainless steel, with 10 Litre, 20 litres, 50 litre or 100 litre capacity. (1x Water Bath 10 Litre, 1x 20 Litre, 1x 50 Litre, 1x 100 Litre) (S, 20 V) BR00110	2 nos	80000	0.80
18	Stainless autoclave with heater and air bath, thermometer with mercury, 400 litre, 1000 litre, 2000 litre or 3000 litre capacity (S, 20 V) BR00110	1 nos	180000	0.90
19	Cold room/Freezer cabinets, large work space with stainless steel shelving, 400 litre, 1000 litre, 2000 litre or 3000 litre capacity (S, 20 V) BR00110	1 nos	250000	2.50
20	Integrated system for sample storage, sorting and packing complete with all accessories for collection of 20 300µl Bials and for producing 1 million doses of 100µl doses.	1 nos	110000	1.10
21	Washing cabinet for animal cages (Mammals) with 2000 Litre capacity and 1000 Litre capacity (S, 20 V) BR00110	1 nos	100000	1.00
22	Freezer 1 Nos (S, 20 V) BR00110	1 nos	100000	1.00

	Serial and parallel interfaces for data transfer, Digital display in billions of sperm cells/ml			
28	Software for Semen Processing/Laboratory Management complete with accessories	11 pieces	110000 20	110.00
29	Low Pressure Steam Sterilizer, stainless steel, with roller bars and heater pack for 18' Artificial Vagina with receiver, autoclave and timer	1 piece	100000	1.00
30	Micropipette stand	1 piece	5000	0.02
31	Timer/Counter, Cassean 48 00	1 piece	100000	0.10
32	Verdip-420 Tit-	1	100000	0.10
Total:				73.00

Genetic Improvement Centre (GIC)

Detail of Vehicles

Vehicles	No	Unit Price Rs (Thousand)	Estimated Cost Rs (Million)
Trailer tractor	1	4.00	4.00
Driver's Cabin Tractor	4	3.00	12.00
Tractor (1000 cc)	3	1.1	3.3
Tractor	1	1.7	1.7
Tractor	2	2.17	4.34
Tractor (1000 cc)	1	1.41	1.41
Total	13		27.82

Assumptions:

Trailer Vehicle: This vehicle will be in the project initially. It will be used for the purpose of scattered in the field and will be used for the purpose of scattered in the field and will be used for the purpose of scattered in the field.

Driver's Cabin Tractor: In the project, it will be used for the purpose of scattered in the field and will be used for the purpose of scattered in the field.

A. In the field, it will be used.

B. Selection of both tractor and trailer will be made.

C. Coordination will be made with the project manager on the field.

Tractor and Trailer: It will be used for the purpose of scattered in the field.

Distribution of Vehicles

A. One tractor and trailer at Project Location.

B. Two tractor and trailer at Project Location.

C. One tractor and trailer at Project Location.

Verfahren: A wird von B auf A übertragen, wird A-Arbeitung durch den Deckel ganz links auf dem Bild veranschaulicht.

AC	1	Las (Abwicklungsprozess, Teilprozess vom System vom Prozess) <u>Finishing</u> <u>von</u> <u>Abwicklungs</u>	4
	2	Las (Abwicklungsprozess, Teilprozess vom System vom Prozess) <u>Finishing</u> <u>von</u> <u>Abwicklungs</u>	4
	3	Las (Abwicklungsprozess, Teilprozess vom System vom Prozess) <u>Finishing</u> <u>von</u> <u>Abwicklungs</u>	4
	4	Las (Abwicklungsprozess, Teilprozess vom System vom Prozess) <u>Finishing</u> <u>von</u> <u>Abwicklungs</u>	4
	5	Las (Abwicklungsprozess, Teilprozess vom System vom Prozess) <u>Finishing</u> <u>von</u> <u>Abwicklungs</u>	4
	6	Las (Abwicklungsprozess, Teilprozess vom System vom Prozess) <u>Finishing</u> <u>von</u> <u>Abwicklungs</u>	4
	7	Las (Abwicklungsprozess, Teilprozess vom System vom Prozess) <u>Finishing</u> <u>von</u> <u>Abwicklungs</u>	4
	8	Las (Abwicklungsprozess, Teilprozess vom System vom Prozess) <u>Finishing</u> <u>von</u> <u>Abwicklungs</u>	4

4

4

54

Genetic Improvement Centre (GIC)

Doon of Bally

11. List of hills proposed to be used.

<u>Hill</u>	<u>No.</u>
<u>Ballinacall</u>	<u>10</u>
<u>Ballinacall</u>	<u>10</u>
<u>Cherrybank</u>	<u>11</u>
<u>Ford</u>	<u>100</u>

12. The name of hill to be used by LAO Genetics Dept. of Truro.

Genetic Improvement Centre (GIC)

Detail of Consumables

Sl. No.	Particulars
1	Fibre paper sheets
2	AutoMed. 200 cc Bottle
3	Liquid Nitrogen Freezing gloves
4	Sewer (penicillin) jelly
5	Screen collection jars & disposable / 1. Medium & 2 jars for 100 ml 100cc
6	Counting standard / Histology counter with alpha plates & tips for sample evaluation
7	NaCl solution, 0.9% for boiling phantomer
8	Micropipette 0.5 ml ml & 10 - 100 ul in duplicate 20000
9	Probe tip for 0.5 - 5ml & 10 - 100 ul of 10 - 100 micrometre diameter pipette
10	Styrofoam 100cc 75 x 26 mm
11	Cover glass 45 x 60 mm
12	SIGMA 90 100 gm bottle
13	FUSION 100 gm bottle
14	Fryer oil
15	Medium Sieve 0.5cc sieve
16	Selling powder 20 gm
17	Lab Decrement
18	Plastic test tube rack for 30 tubes
19	Van Doso
20	Oxoid 1000/1000 Coban
21	Phantom for 10 - 100 ul calibration & 100 - 1000 ul filling for 100 micrometre pipette

22	Operation space, length 120 cm, green, heavy duty
23	Large heavy slide for Scaman analyzer
24	Glass bottles, 250 ml graduated (Pyrex), sterilizable with screw caps
25	Aluminum Pan
26	pH-meter, battery operated, with dual range control and automatic calibration
27	611 Paper 1014
28	Filling nozzle with 4 needles for 0.5cc straw for use with Integrated System for serum filling, sealing and printing
29	Sealing nozzle with 4 needles for 0.5cc straw for use with Integrated System for serum filling, sealing and printing
30	Writer: Rubber heads for filling and printing needles
31	Filling suction tubing, 1m, 3/16 in
32	Collection dish for serum serum analysis
33	Serum, coagulant, funnel support, disposable Non-sterile (100-1000) volume
34	Twocent 10 stainless steel, length 25 cm
35	Twocent with angled tip, length 30 cm
36	Clamping forceps for phlebotomy length 30 cm
37	Needle, diameter 0.5 mm, white
38	Thromboplastin sock white for 0.5cc straw, 100 mm long
39	Funnel and/or needles and for phlebotomy use
40	Serum straw 100
41	Glass syringe Pyrex 100, 1000 ml
42	Control Bank Pyrex 100, 1000, 2000 ml
43	Glass beaker Pyrex 100 ml
44	Micromer sock, 30 cm long

APPENDIX – 2

DRAFT CONCESSION AGREEMENT

RELATING TO

THE PROJECT FOR REHABILITATION,

LEASE AND OPERATION OF

GENETIC IMPROVEMENT CENTRE,

KHIZARABAD (DISTRICT SARGODHA)

ON

A REHABILITATE, OPERATE AND TRANSFER (ROT) BASIS

And

Schedules

DRAFT CONCESSION AGREEMENT

RELATING TO

**THE PROJECT FOR REHABILITATION, LEASE AND OPERATION OF
GENETIC IMPROVEMENT CENTRE, KHIZARABAD (DISTRICT
SARGODHA) ON A REHABILITATE, OPERATE
AND TRANSFER (ROT) BASIS**

BETWEEN

[[•]]¹

AND

[•]

MADE AT [•], PAKISTAN ON ____ 2017

COUNSEL FOR THE AGENCY:

M. Aurangzeb Khan,
Consultant

COUNSEL FOR THE CONCESSIONAIRE:

Cornelius, Lane and Mufti,
Advocates & Solicitors

DRAFT CONCESSION AGREEMENT

THIS DRAFT CONCESSION AGREEMENT (“Agreement”) is entered into at Lahore on this

[insert Day] Day of [insert Month], 2017 by and between:

1. [●] (the “**Agency**”, which expression shall mean and include, where the context so permits, its successors-in-interest and permitted assigns) **OF THE FIRST PART**;

AND

2. [●], a company limited by shares duly incorporated, registered and existing under the Laws of Pakistan, with its registered office at [●] (“**Concessionaire**”, which expression shall mean and include, where the context so permits, its successors-in-interest and permitted assigns) **OF THE OTHER PART**.

The Agency and the Concessionaire are also hereinafter referred to individually as a “**Party**” and collectively as the “**Parties**”.

RECITALS

WHEREAS:

- A. The Agency is desirous of entering into an arrangement with a private party for the Rehabilitation, Development, Modernization, Utilisation, Operation and Maintenance of the Centre.
- B. The Agency in line with its policy and regulatory framework concerning private sector participation:
 - (a) considered ways to finance, design, develop, construct, insure, operate, manage, maintain and transfer the Project;
 - (b) determined that the Project was suitable for private sector participation;
 - (c) determined that a private entity should be competitively selected to finance, design, develop, construct, insure, operate, manage, maintain and transfer the Project on a Rehabilitate, Operate and Transfer basis;
 - (d) prepared the selection criterion and bidding documents to competitively procure the services of a concessionaire to undertake the Project; and
 - (e) prepared a request for proposal for dissemination;
- C. The Agency obtained the approval for the Project from the PPP Cell of the GOPb and caused the publication in Pakistani newspapers of a request for proposal, inviting interested parties to submit proposals for pre-qualification;
- D. Upon receipt of pre-qualification proposals, the Agency prepared and issued a request for proposals to potential investors (“**RFP**”) to undertake the Project vide a PPP in accordance with the Punjab Public Private Partnership Act, 2014 (“**PPP Act**”) on a Rehabilitate, Operate and Transfer (“**ROT**”) basis.
- E. In response to the RFP, the Concessionaire submitted its technical and financial proposal (“**Proposal**”), attached in **Schedule - F**, to undertake the Project on a ROT basis on [●];
- F. The Concessionaire was selected through a competitive bidding process in accordance with the PPP Act and the Punjab Private Partnership Rules, 2014 (“**PPP Rules**”), and the Agency issued a letter of award to the Concessionaire dated [●] (“**LOA**”);

- G. The Agency and the Concessionaire thereafter proceeded to negotiate and finalize the concession agreement;
- H. The Agency has agreed to grant the Concession to the Concessionaire in accordance with and subject to this Agreement.
- I. The Agency and the Concessionaire have now agreed to implement the Project subject to and in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, for and in consideration of the foregoing premises, the Agency grants unto the Concessionaire and the Concessionaire hereby accepts from the Agency the sole and exclusive right to lease the Existing Project Assets and finance, design, develop, construct, insure, manage, lease, operate, maintain and transfer the Project in accordance with the terms and conditions herein contained.

1. DEFINITIONS AND INTERPRETATION

In this Agreement, the words and phrases in capitalized letters shall, unless repugnant to the context, have the meaning given below:

1.1 Definitions

1.1.1 "Abandonment"

Refers to the following: (a) during the Construction Phase, the failure of the Concessionaire to carry out the Works for at least ninety (90) consecutive Days without justifiable cause; and (b) during the Operations Phase, the failure of the Concessionaire to operate, manage or maintain the Project, in the reasonable opinion of the Agency, for at least sixty (60) consecutive Days without justifiable cause; provided, however, that subject to the terms of this Agreement, Force Majeure Events or causes directly attributable to the Agency, the Government, or any department, sub-division or agent thereof, shall be deemed justifiable causes. The words "Abandon", "Abandoned" and other grammatical variations of the word "Abandonment" shall be construed accordingly.

1.1.2 "Acceptable Contractor"

A Contractor who has not been blacklisted by the Government or the Agency,

1.1.3 "Affected Party"

The Party claiming to be affected by a Force Majeure Event.

1.1.4 "Annual Lease Consideration"

Shall have the meaning ascribed thereto in **Schedule- E**.

1.1.5 "Agency's Bank Account"

The designated bank account of the Agency, as notified to the Concessionaire from time to time, into which payments of the Annual Lease Consideration will be made by the Concessionaire.

1.1.6 "Agency Event of Default"

Occurrence of any event enumerated in Article 20.1(b).

1.1.7 **“Agency Representative”**

The Person appointed in writing by the Agency pursuant to Article 5.1 to act on its behalf under this Agreement.

1.1.8 **“Agreement”**

This concession agreement, including, the Schedules to this concession agreement, and any amendment hereto executed by the authorized signatories of the Parties after the Effective Date.

1.1.9 **“Ancillary Facilities”**

Any facilities and installations, including, the training institute that may be established by the Concessionaire for the Concessionaire’s employees and technical personnel, and any other facilities which the Concessionaire may erect, install, develop or make available at the Concession Area pursuant to the terms of this Agreement.

1.1.10 **“Ancillary Rights”**

The rights of passage over, and of access to and egress from, the Concession Area easements, licenses and all other permissions necessary to grant full access to and egress from, the Concession Area and such other rights pertaining to the building, repair and maintenance of the Centre, rights of access to maintain and repair structures and all such other ancillary rights as may reasonably be required for undertaking the Project or any part thereof.

1.1.11 **“Consideration”**

Shall have the meaning ascribed thereto in Article 2.5.

1.1.12 **“Approved”**

Approved and its grammatical variations refers to the prior written agreement of the Agency or the Government or their authorized representatives to a proposed action by a requesting entity, such as the Concessionaire.

1.1.13 **“Attendant Liabilities”**

All uncontested amounts recorded and from time to time outstanding in the books of the Concessionaire as owing to the Lenders pursuant to the Financing Agreements, but excluding all default interest, breakage premiums as well as all fees, costs and expenses whatsoever in connection with any hedging arrangements entered into by the Concessionaire.

1.1.14 **“Approvals”**

The approvals and consents, if any, to be provided to, or arranged by the Agency for, the Concessionaire pursuant to the Laws of Pakistan or the terms of this Agreement that are required to be obtained and maintained for the purpose of implementing the Project in accordance with the terms of this Agreement. A non-exhaustive list of the Approvals is set out in **Schedule–H** [Approvals and Consents].

1.1.15 **“Authority”**

The Livestock Breeding Services Authority, Punjab

1.1.16 “**Authority’s Standards**”

The standards, requirements, guidelines and regulations prepared by the Authority from time to time, as applicable to the Project, including the Standards and Procedure for Breeding Animals, 2015.

1.1.17 “**Bid Documents**”

Bid Documents (a copy whereof is attached hereto as **Schedule – M** and made an integral part hereof) refers to the technical and financial proposal with regard to the Project.

1.1.18 “**Bid Offer**”

Bid Offer refers to the Concessionaire’s proposal to lease the Existing Project Assets and finance, design, develop, construct, insure, manage, operate and maintain the Project Assets during the Concession Period and transfer the Project Assets to the Agency at the expiry of the Concession Period or termination of this Agreement, whichever is earlier.

1.1.19 “**Bid Security**”

The bid security of Rupees ____ million (Rs. _____) furnished by _____ to the Agency in accordance with the RFP, which shall be kept valid till the Construction Performance Bond is furnished by the Concessionaire in accordance with the terms of this Agreement.

1.1.20 “**Biological Assets**”

Means the biological assets specified in **Schedule - K** hereto.

1.1.21 “**Business Day**”

A Day on which banks are legally permitted to be open in Pakistan for the transaction of business and remittances but not including Saturday or Sunday.

1.1.22 “**Certificate of Completion**”

The certificate to be issued by the Agency in the form attached as **Schedule- N**, certifying:

- (a) the completion of all inspections required by the Agency for the equipment and civil works in accordance with the Construction Performance Standards and the acceptance thereof by the Agency; and
- (b) the successful Performance Testing of the Project in accordance with the Construction Performance Standards.

1.1.23 “**Certificate of Substantial Completion**”

The certificate issued or to be issued by the Agency certifying that the Works are substantially completed save and except for the items specified in the Incomplete Works List.

1.1.24 “**Certificate of Transfer**”

Bears the meaning attributed to it in Article 21.5(d).

1.1.25 “Change of Control”

A significant change in the shareholding interest of _____ in the Concessionaire, (a) resulting in the Concessionaire ceasing to be a subsidiary company of _____, and (b) which is expected to adversely affect the performance of the Concessionaire in undertaking its obligations under this Agreement.

A change of control in the shareholding of the Concessionaire, pursuant to which (a) the Concessionaire ceases to be part of [●] group of companies, and (b) which is expected to adversely affect the performance of the Concessionaire in undertaking its obligations under this Agreement.

1.1.26 “Commissioned”

Commissioned and its grammatical variations, means the commissioning of the Operations Phase of the Project in accordance with the procedures set out in **Schedule-Q** and such other procedures and tests as are required to ensure compliance with the Authority’s Standards.

1.1.27 “Concessionaire”

[●]

1.1.28 “Concessionaire Event of Default”

The occurrence of any event enumerated in Article 20.1 (a).

1.1.29 “Concessionaire Representative”

The representative of the Concessionaire, appointed from time to time by the Concessionaire pursuant to Article 5.3.

1.1.30 “Construction Contractor(s)”

Any Contractor(s) and any successors appointed by the Concessionaire from time to time pursuant to this Agreement as construction contractor(s).

1.1.31 “Construction Performance Bond”

The bond to be submitted by the Concessionaire pursuant to Article 9.9.

1.1.32 “Construction Performance Standards”

The level of performance or output, applicable during the Construction Phase, for the implementation of the Works, which shall be prepared by the Concessionaire in accordance with the Authority’s Standards.

1.1.33 “Construction, Procurement and Erection Contracts”

The agreements, to be entered into between the Concessionaire and the Construction Contractor(s) for the design, supply, engineering, construction and erection of the Works and equipment and completion, Performance Testing and Commissioning of the Project.

1.1.34 “Continuing Contracts”

The contracts/agreements executed by the Concessionaire with business, trade, employees and labor the terms whereof extend beyond the Concession End Date.

1.1.35 “**Centre**”

Genetic Improvement Centre, Khizarabad (District Sargodha) as described in more detail in **Schedule - C** [*Concession Area*].

1.1.36 “**COD**”

The date of commencement of operations of the Centre, which shall be the Day immediately following the Project Completion Date.

1.1.37 “**Concession**”

The concession granted to the Concessionaire by the Agency under Article 2.1 of this Agreement.

1.1.38 “**Concession Area**”

The land on which the Project shall be undertaken by the Concessionaire, as more particularly described in **Schedule - C** and any other land subsequently made part of the Concession Area.

1.1.39 “**Concession End Date**”

The date of expiry of the Concession Period which shall be the twenty-fifth (25th) anniversary of the Effective Date, or any extension thereof pursuant to the terms of this Agreement.

1.1.40 “**Concession Period**”

The period specified in Article 4.1.

1.1.41 “**Concessionaire’s Intellectual Property Rights**”

All intellectual property rights belonging to or licensed or sub-licensed to the Concessionaire including but not limited to current and future legal and equitable interests in registered or unregistered trademarks, trade names, service marks, patents, designs, utility marks, copyrights, inventions, creative processes, confidential information, technological information and processes, software, know-how or other intellectual property rights including those pertaining to genetic improvement and semen production under the Project or arising in connection with or relating in any way to the performance of any of the Concessionaire’s obligations under this Agreement, and applications for any of the foregoing, in any country, arising under statutory or common law or by contract and whether or not perfected, now existing or hereafter filed, issued or acquired.

1.1.42 “**Confidential Information**”

The terms of this Agreement and all information of a Party including information relating to technology, processes, products, specifications, know-how, expertise, inventions or designs used or developed by such Party, trade secrets and information of a commercially sensitive nature, marketing information and such information that is specified by such Party as confidential or that by its nature a reasonable Person would consider confidential. Confidential Information does not include information that (a) at the time of the first disclosure to or observation by another Party, was already in the lawful possession of such other Party, (b) is in or comes into the public domain otherwise than by disclosure in breach of this Agreement, or (c) becomes available to

such other Party from any other source; provided, that it was not acquired directly or indirectly from a Party in violation of an obligation of confidentiality pursuant to this Agreement.

1.1.43 “**Consents**”

All authorizations, consents, clearances, exemptions, registrations, permits and approvals from or with the Public Sector Entities, including the Authority, under or pursuant to the Laws of Pakistan or the terms of this Agreement, other than the Approvals, that are required to be obtained and maintained for the purpose of implementing the Project in accordance with the terms of this Agreement. A non-exhaustive list of the Consents is set out in **Schedule - H** [*Approvals and Consents*].

1.1.44 “**Construction Phase**”

The period required for undertaking the Works commencing on the Works Commencement Date and ending on the Project Completion Date, having a duration of twelve(12) Months or such extended duration as may be determined pursuant to the terms of this Agreement.

1.1.45 “**Contractor**”

The construction contractor(s), the O & M contractor(s) and any other contractor(s) with whom the Concessionaire has, or may enter into, any agreement/contract for purposes of undertaking any or all of (a) the Works, (b) its operations and maintenance obligations pursuant to the terms of this Agreement, or (c) its other obligations pursuant to the terms of this Agreement.

1.1.46 “**Court**”

Any Court of competent jurisdiction where the Agreement is executed.

1.1.47 “**Day**”

A day according to the Gregorian calendar.

1.1.48 “**Debt Due**”

If the Concessionaire avails any Debt from the Lenders for the Project, the aggregate of the following sums expressed in Rupees outstanding and payable to the Lenders up to the date immediately preceding the Termination Date pursuant to the Financing Agreements:

- (a) the principal amount of the Debt provided and disbursed by the Lenders under the Financing Agreements for financing the Project;
- (b) the interest or mark-up (or any other term connoting the return paid to the Lenders on Debt) accruing on the aforesaid principal; and
- (c) breakage costs, breakage premium, penal interest or charges payable under the Financing Agreements to the Lenders;

1.1.49 “**Designs**”

The Existing Designs and the New Designs (if any).

1.1.50 “**Existing Designs**”

Shall have the meaning ascribed thereto in Article [●].

1.1.51 “**Deviation**”

A substantial deviation sought by a Party from the Designs, construction drawings and specifications, which, in the reasonable opinion of the Quality Assurance Inspector, results into a substantial increase in the bill of quantities.

1.1.52 “**Delay Duration**”

The period of delay caused by any of the following events:

- a) failure by the Agency to fulfil any of its obligations under this Agreement; or
- b) a Force Majeure Event.

1.1.53 “**Dispute**”

Shall have the meaning ascribed to it in Article 22.1(a).

1.1.54 “**Effective Date**”

The date of signing of this Agreement by the Agency and the Concessionaire i.e., the [insert Day] of [insert Month], 2017.

1.1.55 “**Encumbrance**”

Any mortgage, charge, pledge, lien, hypothecation, assignment, privilege, security interest or priority of any kind having the effect of security or other similar obligation and which shall include encroachment and any other physical hindrances, right of entry, use of way, easement, restrictive covenants, licenses and/or leases or any form of physical encumbrances whatsoever, whether licences and/or leases have been granted or not, or any interest, claim or arrangement impinging on unrestricted use of the Existing Project Assets or the Project Assets or any part thereof, or an agreement to grant, create, allow or register any of the foregoing, whether registered or unregistered, and whether statutory, legal or equitable.

1.1.56 “**Equity**”

The equity component of the Total Project Costs, represented in Rupees.

1.1.57 “**Equity Compensation**”

The amount which, when taken together with all amounts already paid in respect of Equity (by way of dividends and other distributions) and taking into account the actual timing of all such payments, provides the Shareholders with the Target IRR.

1.1.58 “**Event of Default**”

Either a Concessionaire Event of Default or an Agency Event of Default, or both, as the context may admit or require.

1.1.59 **“Existing Project Assets”**

The Concession Area, the existing Centre, amenities, fixtures, furniture, equipment, assets, buildings, existing Utilities and other facilities, already existing at the Concession Area on the Effective Date as specified in detail in **Schedule -I** hereto.

1.1.60 **“Estimated Project Cost”**

The total cost of the Project as set forth in the Financial Model and specified in **Schedule– G**.

1.1.61 **“Financial Close”**

The date on which financial close shall occur and the Concessionaire shall make available, by itself or through lending from the Lenders, all the finances required for the Project, which shall be no later than six (6) Months (with an additional two (2) Months’ grace period subject to prior Approval of the Agency) from the Effective Date.

1.1.62 **“Financial Model”**

The financial model appended hereto as **Schedule- O**.

1.1.63 **“Financing Agreements”**

Collectively, the agreements entered or to be entered into by the Concessionaire, if any, with the Lenders for the purpose of providing Debt to implement the Project, including any and all agreements providing for security for such financing.

1.1.64 **“Force Majeure Event”**

Any of the events listed in Article 19.1 (b) (including the impact or consequences thereof), which is beyond the control of an Affected Party which prevents the Affected Party from performing or discharging its obligations under this Agreement and which the Affected Party has been unable to overcome or prevent despite the exercise of due care and diligence.

1.1.65 **“Force Majeure Period”**

The period commencing from the date of occurrence of a Force Majeure Event and ending on the date on which the Affected Party, acting in accordance with Good Industry Practice, resumes or should have resumed such of its obligations the performance of which was excused in terms of Article 19.4.

1.1.66 **“GOPb” or “Government”**

The Government of Punjab.

1.1.67 **“Good Industry Practice”**

Applying in relation to the manner in which Works are performed, the Project is operated and managed, and matters incidental thereto, the standards, practices, methods and procedures conforming to the Authority’s Standards and the Laws of Pakistan, and exercising that degree of skill, care, diligence, prudence and foresight that would reasonably and ordinarily be expected from a skilled and experienced person engaged in a similar type of project in similar circumstances.

1.1.68 **“Incremental and Consequential Costs”**

The additional costs and expenses, properly documented and reasonably incurred by the Concessionaire, and certified by the Project Auditor, during the Construction Phase (including without limitation additional overhead costs, interest, penalty charges, mark-up and other financing costs, construction costs and lost Revenues) over and above the Total Project Costs, occasioned by, among other things, a delay in the carrying out of Works by reasons not attributable to the Concessionaire.

1.1.69 **“Indebtedness” or “Loan” or “Debt”**

Any financial arrangement relating to the Project between the Concessionaire and the Lenders pursuant to the Financing Agreements.

1.1.70 **“Indemnifying Party”**

Shall have the meaning ascribed to it in Article 17.2(c).

1.1.71 **“Indenture of Lease”**

The Indenture of Lease to be entered into between the Agency and the Concessionaire and/or any third party (if required), in the form attached in **Schedule -J**, pursuant to Article 2.8.

1.1.72 **“Initial Obligations”**

The conditions specified in Article 2.3(a).

1.1.73 **“IRR”**

Internal rate of return.

1.1.74 **“Incomplete Works List”**

The punch list prepared or to be prepared by the Quality Assurance Inspector of works or things forming part of the Works which are not completed or are outstanding on the relevant date as provided in Article 9.10 (a)(ii).

1.1.75 **“Independent Engineer”**

An entity or person appointed by the Agency at its sole cost and expense to inspect the Project Assets (at the time of transfer of the Project from the Concessionaire to the Agency) in accordance with the provisions of this Agreement.

1.1.76 **“Project Auditor”**

The independent firm of chartered accountants appointed pursuant to Article 5.6 of this Agreement.

1.1.77 **“Land Rights”**

The rights in, under and over the land comprising the Concession Area.

1.1.78 **“Loss”**

Any loss, damage, liability, payment and obligation (excluding any indirect or consequential loss, damage, liability, payment or obligation), and all other related expenses.

1.1.79 “**Laws of Pakistan**”

All federal, provincial and local laws of Pakistan and all orders, rules, regulations, bye-laws, ordinances, statutory notifications or orders, executive orders, decrees, policies, judicial decisions, notifications or other similar lawful directives made pursuant thereto issued by any executive, administrative, legislative or judicial authority or any one or more of them as may be amended from time to time.

1.1.80 “**Lease**”

The leasehold rights over the Concession Area, along with all structures and buildings constructed thereon, including those comprised in the Existing Project Assets to be granted by the Agency (and/or such other third party as may be required to perfectly transfer the leasehold rights over the Concession Area to the Concessionaire in terms hereof) in favour of the Concessionaire in terms of the Concession in accordance with Article 2.8.

1.1.81 “**Lenders**”

All Persons, banks, financial institutions and other finance-providers, if any, providing, raising or making available, directly or indirectly, finance or refinance (and, for the avoidance of doubt, finance and refinance shall not include amounts subscribed for ordinary share capital by the Shareholders) for the Project through the Financing Agreements, and shall include their respective successors-in-title and assigns, and the term “Lenders” also includes a consortium of Lenders, if any.

1.1.82 “**Livestock Breeding Act**”

The Punjab Livestock Breeding Act, 2014.

1.1.83 “**LOA**”

Shall have the meaning ascribed to it in **Recital F**.

1.1.84 “**Material Adverse Effect**”

The material adverse effect on (a) the ability of a Party to exercise any of its rights, or perform/discharge any of its duties/obligations under and in accordance with the terms of this Agreement, or (b) the legality, validity, binding nature or enforceability of this Agreement against the Parties or any of them.

1.1.85 “**Modernization**”

The modernization and rehabilitation activities to be undertaken by the Concessionaire by the COD, as set out in **Schedule - D** [*Modernization Activities*]. The words “Modernize”, “Modernized” and other grammatical variations of the word “Modernization” shall be construed accordingly.

1.1.86 “**Month**”

A period starting on one Day in a calendar month and ending on the numerically corresponding Day in the next calendar month, save that where any such period would otherwise end on a Day which is a public holiday in Pakistan, it shall end on the next Day, unless that Day falls in the calendar month succeeding that in which it would otherwise have ended, in which case it shall end on the preceding Day; provided, however, that if a period starts on the last Day in the month in which that period ends, that period shall end on the last Day in that later month, and references to “Months” shall be construed accordingly.

1.1.87 “**Quarterly Consideration**”

Shall have the meaning ascribed thereto in **Schedule - E**.

1.1.88 “**New Designs**”

Shall have the meaning attributed thereto in Article 9.3(a).

1.1.89 “**Other Agreements**”

Collectively, refers to the licence agreements or other contractual arrangements which the Concessionaire may enter into with third parties for the design, construction, management, operation and/or maintenance of the Ancillary Facilities or otherwise howsoever relating to the Project, including, agreements which the Concessionaire may enter into with any third party(ies), including but not limited to its associated or parent companies and/or any other companies belonging to the same group of companies as the Concessionaire, with respect to sales to be made or services to be rendered therein.

1.1.90 “**O&M**”

The operations and maintenance of the Project.

1.1.91 “**O&M Contract(s)**”

The contract(s), if any, between the Concessionaire and the O&M Manager(s), if appointed, for the operation, management and maintenance of the Project.

1.1.92 “**O&M Manager(s)**”

The Contractor(s), that may be appointed by the Concessionaire at its sole discretion, responsible for managing the Operations Phase of the Project.

1.1.93 “**Operations Bond**”

Bears the meaning attributed to it in **Article 10.7**.

1.1.94 “**Operations Phase**”

The period commencing on the COD and ending on the Concession End Date or earlier termination of the Agreement.

1.1.95 “**Operations and Maintenance Systems and Procedures**”

The Operations and Maintenance Systems and Procedures listed in a manual to be prepared by the Concessionaire in accordance with applicable law and prevailing regulations and standards, including the Livestock Breeding Act and the Authority’s Standards and any modifications thereto from time to time.

1.1.96 “**PPP**”

Public-Private Partnership.

1.1.97 “**Pakistan**”

The Islamic Republic of Pakistan.

1.1.98 “**Parties**”

The parties to this Agreement collectively.

1.1.99 **“Party”**

Any of the parties to this Agreement individually.

1.1.100 **“Person”**

Any individual, partnership, firm, company, corporation, joint venture, trust, association, organization or other entity (whether or not having a separate legal personality).

1.1.101 **“PPP Cell of GOPb”**

The Cell established under the PPP Act.

1.1.102 **“PPP Steering Committee”**

The committee established under the PPP Act.

1.1.103 **“PPP Act”**

Punjab Public Private Partnership Act, 2014.

1.1.104 **“PPP Rules”**

Punjab Public Private Partnership Rules, 2014.

1.1.105 **“Project”**

The development, designing, engineering, financing, refurbishment, Rehabilitation, Modernization, construction, commissioning, O&M and, on the Transfer Date, transfer, of the Project Assets, under a ROT arrangement, and during the Concession Period, the collecting, receiving and earning of the Revenues generated in accordance with this Agreement, from the Centre, as more particularly described in **Schedule - A** [*Description of the Project and Scope of Work*].

1.1.106 **“Project Assets”**

The Existing Project Assets and all physical assets created by the Works in connection with the Project including (a) the Rehabilitated Centre, (b) civil works established by the Concessionaire as part of the Works; (c) emergency services systems, electrical works for lighting on the Rehabilitated Centre, telephone and other communication systems and equipment, (d) the assets established, created, installed or deployed as a result of the Modernization and Rehabilitation, including semen processing equipment, and (e) the Ancillary Facilities. For the avoidance of doubt, it is clarified that the Concessionaire’s Intellectual Property Rights shall not form part of the Project Assets.

1.1.107 **“Project Completion Date”**

The date on which the Certificate of Substantial Completion or the Certificate of Completion, as the case may be, is issued.

1.1.108 **“Proposal”**

Shall have the meaning ascribed to it in **Recital E**.

1.1.109 **“Public Sector Entity”**

Any federal, provincial, district or local government, ministry, department, commission, board, body, bureau, agency, authority, instrumentality, Court or other statutory, regulatory, judicial or administrative body, including the Authority, having jurisdiction over the Concessionaire, the Existing Project Assets, the Concession Area, the Works, the Project Assets, the Ancillary Facilities, the Centre or any portion thereof, or the performance of all or any of the services or obligations of the Concessionaire under or pursuant to this Agreement.

1.1.110“**Rehabilitation**”

The refurbishment/completion of the existing Centre, as more particularly described in **Schedule A** [*Description of the Project and Scope of Work*]. The words “Rehabilitate”, “Rehabilitated” and other grammatical variations of the word “Rehabilitation” shall be construed accordingly.

1.1.111“**Representative**”

Either the Agency Representative or the Concessionaire Representative, or both, as the context may admit or require.

1.1.112“**Revenues**”

All income derived by the Concessionaire from the Project during the Concession Period, as reflected in the audited financial statements of the Concessionaire.

1.1.113“**RFP**”

Shall have the meaning ascribed to it in **Recital D**.

1.1.114“**ROT**”

Shall have the meaning ascribed to it in **Recital D**.

1.1.115“**Rupees**” and “**PKR**”

The lawful currency of Pakistan.

1.1.116“**PEPA**”

Pakistan Environmental Protection Agency.

1.1.117“**Performance Standards**”

The performance standards shall include a performance criteria, developed by the Concessionaire, to gauge the Concessionaire (or that of its Contractors) performance, non-compliance with during the Construction and Operation phase which shall result in financial penalties for the Concessionaire in the manner to be specified in the Performance Standard manual, which performance criteria and financial penalties mechanism shall be subject to the Approval of the Agency and attached as **Schedule – R** hereto.

1.1.118“**Performance Testing**”

The various tests to be conducted jointly by the Concessionaire, the Agency, the Agency Project Management Unit or the Agency Representative and the Quality Assurance Inspector to determine whether or not the Project is being designed, constructed, operated and managed in accordance with the Performance Standards.

1.1.119“**Project Account(s)**”

The account(s) maintained by the Concessionaire in terms of Article 16.4.

1.1.120“**Project Completion Notice**”

Bears the meaning attributed to it in Article 9.10 (a) of the Agreement.

1.1.121“**Project Cost**”

The actual capital cost incurred by the Concessionaire on the Project, as certified by the Project Auditor, and if the same exceeds the Estimated Project Cost and/or does not form part of the Financial Model submitted prior to Financial Close, the amount of the increased by the amount Approved in writing by the Agency pursuant to the terms of this Agreement.

1.1.122“**Project Manager**”

A reputed firm, company, a body corporate or a team of Concessionaire’s in-house professionals, appointed by the Concessionaire for purposes of supervision and monitoring of the Works and the Project.

1.1.123“**Quality Assurance Inspector**”

A reputed firm, company or a body corporate appointed in accordance with Article 5.4.

1.1.124“**Request for Additional Expenditure**”

Bears the meaning attributed to it in Article 9.3 of this Agreement.

1.1.125“**Rupees**” and “**Rs**”

The lawful currency of Pakistan.

1.1.126“**Schedules**”

Schedule - A to Schedule- U to this Agreement.

1.1.127“**Shareholder/Other Loans**”

The aggregate of the following sums expressed in Rupees outstanding and payable to the Shareholders and/or associated companies (as defined in the Companies Ordinance, 1984) of the Concessionaire up to the date immediately preceding the Termination Date in respect of loans, if any, provided by the Shareholders and/or associated companies of the Concessionaire, or any of them, to the Concessionaire:

- (a) the principal amount of any such loans provided for financing the Project; and
- (b) the interest or mark-up accruing on the aforesaid principal.

1.1.128“**Shareholders**”

The holders of the Equity.

1.1.129“**Security Package**”

Means the following documents:

- (a) this Agreement;

- (b) Design, construction, supervision, operation and maintenance and other contracts procured for the Project;
- (c) the Financing Agreements;
- (d) the policies of insurance specified in Articles 11.2 and 11.3;

1.1.130“Shareholders’ Agreement”

The agreement(s) between the Shareholders and/or the Concessionaire in respect of the Equity, which shall include certain restrictions on the transfer of ordinary share capital by the Shareholders in accordance with the terms of this Agreement.

1.1.131“Supervision Manual”

The manual to be prepared by the Quality Assurance Inspector in consultation with the Concessionaire and Approved by the Agency listing the inspection and monitoring schedule for supervision of Works in accordance with Article 5.5 (b)(iii).

1.1.132“Straws”

The typical packaging for frozen bovine semen.

1.1.133“Term”

The period starting from the Effective Date and expiring at the end of the Concession Period.

1.1.134“Target IRR”

The post-tax internal rate of return which a Shareholder is forecast in the Financial Model to achieve on its investment in Equity over the life of the Project.

1.1.135“Termination”

Early termination of this Agreement pursuant to a Termination Notice or otherwise in accordance with the terms of this Agreement, which shall not, unless the context otherwise requires, include the expiry of this Agreement due to efflux of time in the normal course. The words “Terminate”, “Terminated” and other grammatical variations of the word “Termination” shall be construed accordingly.

1.1.136“Termination Date”

The date specified in a Termination Notice as the date on which Termination occurs.

1.1.137“Termination Notice”

A notice of Termination given by a Party to the other Party in accordance with the terms of this Agreement.

1.1.138“Termination Payment”

The amount payable by the Agency to the Concessionaire upon the occurrence of a termination event, as more particularly set out in Article 20.2 and **Schedule - L**.

1.1.139“Total Project Costs”

The total cost of the Project is the actual capital cost incurred by the Concessionaire on the Project, as certified by the Joint Auditor, and if the same exceed the Estimated Project Cost and/or does not form part of the Financial Model submitted prior to Financial close, the amount of the Estimated Project Cost increased by the amount

Approved in writing by the Agency pursuant to the terms of this Agreement. The total cost will be aggregate of:

- (a) Debt (if any) obtained from the Lenders including principal sum, interest (including interest payable, capitalized interest and accumulated interest), and other costs, fees and charges payable arising from the Debt;
- (b) all amounts of Equity and Shareholders'/Other Loans;
- (c) all costs and expenses incurred by the Concessionaire in raising financing/funding for the Project including costs and fees for various bonds, insurances, fees to financial consultants, fees and expenses payable to the Lenders (including participation fee, arrangement fee, lead bank fee, agency fee, underwriting fee, guarantee fee etc.), documentation fees and expenses (including legal fees and disbursements), stamp duty payable on the Financing Agreements, the Indenture of Lease and this Agreement, and costs and fees towards incorporation of the Concessionaire; and
- (d) To the extent not covered in (a), (b), or (c) above, all duly verifiable costs and expenses incurred by the Concessionaire in connection with the Project including procurement costs of the Project payable to third parties, technical consultants' costs, incorporation costs, taxes, duties or charges to the extent that the same are not adjustable, or other costs incurred by the Concessionaire to undertake the Project;

1.1.140 “**Transfer Bond**”

Shall have the meaning ascribed thereto in Article 21.4.

1.1.141 “**Transfer Date**”

The date when the Existing Project Assets and the Project Assets shall be transferred to The Agency.

1.1.142 “**Timetable**”

The milestones set forth in **Schedule- B**.

1.1.143 “**Utilities**”

Shall have the meaning ascribed thereto in Article 3.2(a)(viii).

1.1.144 “**Vacant Possession**”

In relation to any part of the Concession Area and the Existing Project Assets, means the right to and delivery of exclusive possession thereof.

1.1.145 “**Works**”

All works at the Concession Area undertaken or required to be undertaken by the Concessionaire during the Construction Phase pursuant to the terms of this Agreement, as more particularly described in **Schedule - A** [*Description of the Project and Scope of Work*].

1.1.146“Works Commencement Date”

The date for the commencement of the Works on the Concession Area falling no later than [●]([●]) Days from the Financial Close.

1.1.147“Year”

A year according to the Gregorian calendar.

1.2 Interpretation

In this Agreement, unless the context otherwise requires:

- (a) any reference to a statutory provision shall include such provision as is from time to time modified, re-enacted or consolidated so far as such modification, re-enactment or consolidation applies or is capable of applying to any transactions entered into hereunder, unless otherwise specified;
- (b) references to the Laws of Pakistan shall include the laws, acts, ordinances, rules, regulations, notifications, guidelines or bye-laws which have the force of law in Pakistan;
- (c) the words importing singular shall include plural and vice versa, and words denoting Persons shall include partnerships, firms, companies, corporations, joint ventures, trusts, associations, organizations or other entities (whether or not having a separate legal personality);
- (d) the headings are for convenience of reference only and shall not be used in, and shall not affect, the construction or interpretation of this Agreement;
- (e) any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- (f) references to “construction”, where the context so permits, include investigation, design, engineering, procurement, delivery, transportation, installation, processing, fabrication, commissioning and other activities incidental to construction;
- (g) any reference to any period of time shall mean a reference to that according to Pakistan Standard Time;
- (h) any reference to “Day” shall mean a reference to a calendar day in Pakistan (and reference to “Days” shall be construed accordingly);
- (i) unless otherwise stated, any reference to any period commencing “from” a specified Day or date and “till” or “until” a specified Day or date, shall include both such Days or dates;
- (j) whenever there shall appear any reference to a time within which an act should be done or agreement reached or consent given, such reference shall be deemed to be read as including the expression, “or any other period agreed between the Parties from time to time”;
- (k) if any provision in Article 1 [*Definitions and Interpretation*] is a substantive provision conferring rights or imposing obligations on any Party, effect shall be given to it as if it were a substantive provision in the body of this Agreement;

- (l) the rule of construction, if any, that a contract should be interpreted against the party responsible for the drafting and preparation thereof, shall not apply;
- (m) the Schedules to this Agreement form an integral part of this Agreement and shall be in full force and effect as though they were expressly set out in the body of this Agreement;
- (n) reference to Recitals, Articles, sub-Articles, and Schedules in this Agreement shall, except where the context otherwise requires, be deemed to be references to Recitals, Articles, sub-Articles and Schedules of or to this Agreement;
- (o) any reference at any time to any agreement, deed, instrument, licence or document of any description shall be construed as reference to that agreement, deed, instrument, licence or document as amended, varied, supplemented, modified or suspended at the time of such reference, unless otherwise specified;
- (p) any agreement, consent, approval, authorization, notice, communication, information or report required under or pursuant to this Agreement from or by any Party shall be valid and effectual only if it is in writing under the hands of duly authorized representative of such Party, as the case may be, in this behalf and not otherwise;
and
- (q) in carrying out its obligations and duties under this Agreement, each Party shall be obliged to act in good faith.

1.3 **Ambiguities and Discrepancies**

- (a) This Agreement, and the Indenture of Lease are to be taken as mutually explanatory and, unless otherwise expressly provided elsewhere in this Agreement, the priority of this Agreement and the other documents forming part hereof or referred to herein shall, in the event of any conflict between them, be in the following order:
 - (i) this Agreement;
 - (ii) the Indenture of Lease;
 - (iii) Schedules to this Agreement;
 - (iv) the Proposal.
- (b) Subject to the provisions of Article 1.3(a), in the event of any ambiguity and/or discrepancies with regard to this Agreement, the following shall apply:
 - (i) between two or more Articles of this Agreement, the provisions of a specific Article relevant to the issue under consideration shall prevail over those in other Articles;
 - (ii) between the Articles of this Agreement and the Schedules, the Articles shall prevail unless the issue in question/matter is specifically provided for in the Schedule and only referred to in the Articles, as the case may be;
 - (iii) between any two Schedules, the Schedule relevant to the issue shall prevail;
and
 - (iv) between any value written in numerals and that in words, the latter shall prevail.

2. CONCESSION

2.1 Grant of Concession

- (a) The Agency hereby grants to the Concessionaire for the Concession Period:
- (i) the Lease, in terms of Article 2.8;
 - (ii) the exclusive right and authority to undertake the Project;
 - (iii) the exclusive right and authority to design, construct, manage, own, operate and maintain the Ancillary Facilities, and
 - (iv) the right to exclusively derive and retain Revenues from the operations of the Project Assets, the Centre, the Ancillary Facilities and/or any other facilities provided by the Concessionaire as part of the Project, and to continue to exclusively derive and retain such Revenues until the Concession End Date (or the Termination Date, if this Agreement is Terminated).
- (b) The Concessionaire shall exercise and enjoy all rights, powers, benefits, privileges, authorizations and entitlements as set forth in this Agreement.
- (c) For the avoidance of doubt, the Concession shall include, and entitle the Concessionaire to, all rights and privileges that are necessary or desirable, expressly or impliedly, to undertake the Project and give effect to this Agreement.
- (d) This Agreement shall come into full force and effect on the Effective Date and shall continue in full force and effect unless or until it is terminated pursuant to the provisions of this Agreement or until the Concession End Date, whichever is earlier.

2.2 Acceptance of the Grant of Concession

- (a) The Concessionaire hereby confirms that it has inspected and examined the Concession Area and has fully satisfied itself before signing this Agreement as to the nature, location, physical conditions and suitability thereof, the general and local conditions as applicable to the Works, including but not limited to the existing communication network, climate conditions, rainfall, water, electrical power, utilities (including, those utilities which are to be relocated in connection with the implementation and operation of the Project) and the topographic, geotechnical and seismic features of the Concession Area.
- (b) Subject to the terms of this Agreement, the Concessionaire hereby accepts the grant of the Concession and agrees to:
- (i) perform and fulfil all its obligations hereunder;
 - (ii) bear such costs and risks incurred in the fulfilment of the Concessionaire's obligations hereunder, as specified in this Agreement; and
 - (iii) pay the Annual Lease Consideration and provide the Quaterly Consideration to the Agency in terms of this Agreement.

2.3 Initial Obligations

- (a) The initial obligations of the Parties under this Agreement are as follows (collectively referred to as the “**Initial Obligations**”):
- (i)
 - (ii) The Agency and the Concessionaire shall, cooperate with each other to procure that all the Consents required by the Lenders (if any), and for the Concessionaire to commence the Works, have been procured and are maintained with full effect, within [●] ([●]) Days of the Effective Date;
 - (iii) The Agency shall procure that all material obstructing the commencement of the Works has been or shall be removed, relocated, diverted and reinstated, within [●] ([●]) Days of the Effective Date, if required by the Concessionaire, to the extent such removal, relocation or reinstatement is not being carried out by the Concessionaire in accordance with the terms of this Agreement.
 - (iv) the Agency shall deliver to the Concessionaire the Vacant Possession of the Existing Project Assets, free from any Encumbrance, together with the Ancillary Rights, on the Effective Date; and
 - (v) The Agency shall ensure resolution, settlement and satisfactory conclusion of all controversies, disputes, claims, suits, objections or restraints whatsoever by the public or any Person, if any, over or in relation to the Existing Project Assets and/or in relation to the implementation of the Project by the Concessionaire or otherwise to such extent that the same do not impinge on the ability of the Concessionaire, without materially increasing its costs, to undertake the Works pursuant to the terms of this Agreement or interfere with the construction programme for such Works, within [●] ([●]) Months of the Effective Date.
- (b) Each Party shall fulfil its respective Initial Obligations within the relevant time period specified in Article 2.3(a) above; provided, that each Party may, upon the written request of the other Party, extend the time period for fulfilment of one or more unfulfilled Initial Obligations for such further time period as may be mutually agreed upon by the Parties in writing.
- (c) Each Party may, upon the written request of the other Party, waive one or more Initial Obligations required to be fulfilled by the other Party, to the extent permitted by the Laws of Pakistan. For the avoidance of doubt, waiver by either Party of any Initial Obligation required to be fulfilled by the other Party shall by no means be construed as discharging the other Party from the obligation of fulfilling such Initial Obligation, unless otherwise agreed by the waiving Party in writing. The responsibility of the other Party to fulfil such Initial Obligation shall subsist but may be deferred by the waiving Party to a later date in the circumstances as the waiving Party shall deem fit; provided, that such deferment may be granted by the waiving Party subject to the fulfilment by the other Party of any additional reasonable conditions which the waiving Party may deem fit to impose.
- (d) All costs and expenses in connection with any Initial Obligation expressed to be fulfilled and/or complied on part of the Agency or the Concessionaire shall be borne and paid by the respective Party accordingly.

- (e) Subject to the terms of this Agreement, in the event the Agency is unable to fulfil an Initial Obligation within the time period stipulated in this Agreement, the Construction Phase shall stand extended by the Delay Duration.

2.4 Covenants

- (a) If any Public Sector Entity of competent jurisdiction issues a preliminary or permanent injunction or temporary restraining order or other order before the Works Commencement Date which would prohibit or materially restrict or hinder the Concessionaire's performance of its obligations hereunder, the Party or Parties, against whom such preliminary or permanent injunction or temporary restraining order or other order is issued shall use all reasonable efforts to have such injunction, decree or order dissolved or otherwise eliminated as promptly as possible and, in any event, prior to the Works Commencement Date. Any and all costs in accordance with this sub-Article (a) shall be borne by the Party in respect of which such injunction, restraining order or other order has been entered; provided, that if an injunction, restraining order or other order has been entered into against a Party because of the act or omission of the other Party, the other Party shall bear all of the aforesaid costs. In the event such injunction, restraining order or other order has been entered against both the Parties, the Parties shall bear the aforesaid costs equally.
- (b) From the date hereof, the Agency shall not enter into any material additional agreements in respect of any matter covered by the scope of the Project and shall not incur any indebtedness or Encumbrances in respect of the Existing Project Assets.
- (c) From the date hereof, the Parties shall cooperate with each other to ensure the orderly transition of control, custody, operation and management of the Existing Project Assets.

2.5 Concession Consideration

In consideration of grant of the Concession to the Concessionaire, the Concessionaire shall provide to the Agency the consideration specified in **Schedule - E** hereto (the "**Consideration**") which shall comprise of the Annual Lease Consideration and the Quarterly Consideration.

2.6 Dates and Duration

- (a) This Agreement shall take effect on the Effective Date and shall continue with full force and effect until the Concession End Date (or the Termination Date, if terminated earlier).
- (b) Notwithstanding Article 2.6(a), the remaining obligations of the Concessionaire under this Agreement shall only come into full force and effect after the Initial Obligations have been fulfilled and/or waived.
- (c) The Concession Period shall commence on the Effective Date and end on the Concession End Date (or the Termination Date, if terminated earlier). The Construction Phase shall commence on the Works Commencement Date and conclude on the Project Completion Date and the Operations Phase shall commence on the COD and conclude on the Concession End Date (or the Termination Date, in case of Termination).
- (d) The Agency shall hand over Vacant Possession of the Existing Project Assets to the Concessionaire on the Effective Date.

- (e) Immediately after grant of access to the Concessionaire of the Concession Area, the Concessionaire may conduct technical and financial studies, other feasibility studies on the Project, and other preliminary studies in connection therewith as required by the Concessionaire. In this regard, the Agency shall coordinate with the Concessionaire and use its best endeavours to facilitate the procurement of all necessary information, data, drawings and records whatsoever from the Public Sector Entities, if required by the Concessionaire for the Works, on a date no later than the Works Commencement Date.
- (f) The Concessionaire shall commence the Works on the Works Commencement Date and complete the same on or before the Project Completion Date.
- (g) On the Transfer Date, the Concessionaire shall transfer the ownership rights to the Project Assets and hand over Vacant Possession of the Project Assets to the Agency, shall stop collecting the Revenues, and shall cease to operate and maintain the Project Assets.

2.7 Approvals and Consents for Project Implementation

Subject to the terms of this Agreement, the Agency shall expeditiously grant all the Approvals and facilitate procurement of all the Consents, to enable the Concessionaire to undertake the Project in a timely manner.

2.8 Lease

- a) Subject to the approval of Punjab Revenue Department, the Agency hereby agrees to lease the Concession Area, together with all buildings and structures constructed thereon, including those comprised in the Existing Project Assets, to the Concessionaire for the Project, and the Concessionaire hereby agrees to take on lease, the Concession Area for the Project, and subject to the terms and conditions contained herein and in the Indenture of Lease to be executed in terms hereof.
- b) Pending the execution and registration of the Indenture of Lease, the Agency shall hand over Vacant Possession of the Concession Area to the Concessionaire on the Effective Date and hereby permits the Concessionaire to thereafter erect buildings and/or structures and/or executing the Works in accordance with the requirements of the Project. The Agency shall, during the Concession Period, provide free right of access to the Concession Area to the Concessionaire and its representatives, employees, consultants and Contractors through all available rights of way.
- c) The Concessionaire shall be permitted to exclusively use any existing infrastructure and utilities, which are already available at the Concession Area or to which the Concessionaire builds suitable connections, at its own cost. The Concessionaire shall also be permitted to connect its infrastructure so built to the nearest available access points within the ownership or control of the Agency.
- d) The Parties hereby agree that within [●] ([●]) Days of the Effective Date, or such other period as the Parties may mutually agree, the Agency (as lessor) and the Concessionaire (as lessee) shall enter into the Indenture of Lease for lease of the Concession Area on the terms and conditions set forth herein and the Parties shall cause completion of all such formalities as are incidental to the execution and registration of the Indenture of Lease.

- e) The Concessionaire shall be responsible for all payments to be made in connection with the registration of the Indenture of Lease in accordance with the Laws of Pakistan, including stamp duty and registration fee.
- f) Notwithstanding anything contained herein, or the scheme and arrangements devised by or for the Agency in connection with the grant of leases of its property, it is agreed between the Parties, that the Lease shall incorporate the following terms and conditions and, accordingly, the Agency shall ensure that appropriate actions, steps and measures are taken to give effect to the same as the paramount terms and conditions of the Lease:
- i. The Lease shall be for the entire Concession Period (and any renewals thereto);
 - ii. The consideration for the Lease shall be the “Annual Lease Consideration”;
 - iii. Where the Concessionaire has assigned, mortgaged or sub-let its rights over the Concession Area or its rights under this Agreement and/or the Indenture of Lease in favour of the Lenders, the rights of the Agency under this Agreement and the Indenture of Lease upon any material breach thereof by the Concessionaire, shall be subject to the rights and title of the Lenders under the assignment, mortgage or sub-lease, as the case may be;
 - iv. The Concessionaire, for the duration of the Concession Period, shall exclusively be the owner of the buildings, structures and constructions raised by it on the Concession Area and all facilities established by it and shall be entitled to mortgage all such buildings, structures and constructions and its leasehold rights over the Concession Area and for clarification it is explained that under no circumstances the Concessionaire shall be allowed to mortgage the Existing project assets or the Concession area ;
 - v. Employment of workers for the purposes of the Centre shall exclusively be undertaken by the Concessionaire without any restriction being imposed by the Agency or any other authority;
 - vi. All the interests and rights of the Concessionaire under the Lease and this Agreement shall be assignable and transferable in favour of the Lenders or their respective nominees, and charges and mortgages over the said interests and rights of the Concessionaire may also be created in favour of the Lenders or their nominees. For any assignment and transfer and / or creation of charges or mortgage any applicable fees or charges shall be payable by the Concessionaire. All such assignments, transfers, charges and mortgages shall be subject to the approval by the Agency and shall be duly registered; and
 - vii. The Concessionaire shall, during the Concession Period, have the unfettered right and entitlement to use the Concession Area, the Existing Project Assets and rights attached with the same and the infrastructure related thereto for its exclusive use, including for construction, management, maintenance and operation of the Project and all ancillary and incidental facilities and the provision of accommodation for its employees etc., all in according with the terms and conditions of the Lease and this Agreement;
- g) The Agency acknowledges that the Concession Area subject to the approval of Punjab Revenue Department is being leased for the Project and nothing in the Lease shall restrict, affect or prejudice the Concessionaire's right to carry out the Project in compliance with all applicable laws, Consents and Approvals.

- h) Notwithstanding anything to the contrary contained in this Agreement or the Indenture of Lease, to the extent of any inconsistency, the provisions of this Agreement pertaining to the Lease shall prevail over the provisions in the Indenture of Lease.

2.9 Title to Concession Area, the Works, Project Assets and Ancillary Facilities

- (a) Subject to the terms of this Agreement, other than the leasehold rights granted to the Concessionaire pursuant to the Lease, the Concessionaire has, and shall have, no proprietary interest or title to or ownership interest on the land constituting the Concession Area.
- (b) The Concessionaire shall retain all rights and claims on the Works and the Project Assets (excluding the Existing Project Assets), and shall remain the legal and beneficial owner of the Works and the Project Assets (excluding the Existing Project Assets) from the date as and when the ownership rights accrue thereto till the Transfer Date and shall also have the right to remove, shift or relocate the Project Assets within Concession Area, and shall retain all Revenues derived from the Project.
- (c) Upon the establishment of the Ancillary Facilities, or any of them, the ownership rights thereof shall be vested in the Concessionaire and the Concessionaire shall retain ownership rights, including the right to remove, shift or relocate such facilities within Concession Area, thereto till the Concession End Date (or the Termination Date, upon Termination) to the extent that the Ancillary Facilities are of such nature that are capable of being so owned.
- (d) On the Transfer Date, the Concessionaire shall transfer its ownership rights to the Project Assets to the Agency in accordance with the terms of this Agreement.

3. PROJECTSCOPE AND OBLIGATIONS, COVENANTS, REPRESENTATIONS AND WARRANTIES OF THE PARTIES

3.1 Obligations, Covenants, Representations and Warranties of the Concessionaire

- (a) The Concessionaire covenants that it shall:
- (i) undertake the Project in accordance with the terms of this Agreement;
- (ii) provide to the Agency the Consideration pursuant to the terms of this Agreement;
- (iii) Finance, design, construct, insure, operate, manage, maintain and transfer the Project in accordance with the terms of this Agreement;
- (iv) Design, construct, operate, manage and maintain the Project, either itself or through Acceptable Contractors, in accordance with the terms of this Agreement, the Timetable, the Performance Standards and the Designs;
- (v) Perform Performance Testing, pre-commissioning and Commissioning the Project and all Project Assets contained therein, and inspect the Works to ensure that the same comply with the Construction Performance Standards;
- (vi) Maintaining, at all times during the Concession Period, a minimum Equity to debt ratio of 30:70 in relation to the Project Cost;

- (vii) Co-operating with law-enforcing agencies of the Government and any provincial government with a view to maintaining law and order, including, without limitation, prohibiting the use of firearms and contraband substances on or at the Project and facilitate the search for, detention and arrest of criminals or suspected criminals using the Project;
- (viii) Procure all Consents in a timely manner;
- (ix) Ensure that no access to the Concession Area is afforded to any person or entity whatsoever, other than such access that is authorized by the Agency pursuant to this Agreement;
- (x) Procure and maintain in full force and effect, as necessary, appropriate proprietary rights, licenses, agreements and permissions for materials, methods, processes and systems used in or incorporated into the Project;
- (xi) Make its own arrangements for construction materials and observe and fulfil environmental and other requirements under the applicable Laws of Pakistan and Consents;
- (xii) Appoint, supervise, monitor and control, as necessary, the activities of Acceptable Contractors under their respective contracts;
- (xiii) Assume complete responsibility for quality, soundness, durability, safety and compliance with the Construction Performance Standards notwithstanding the appointment of Acceptable Contractors to undertake the Works;
- (xiv) Upon being provided prior written notice of at least seven (7) Days, afford access to the Concession Area during ordinary office hours to the authorized personnel of the Agency (including the Agency Representative), the Quality Assurance Inspector, the Project Auditor to carry out their obligations under this Agreement and any Public Sector Entity having jurisdiction over the Works, including those concerned with safety, security or environmental protection, to inspect the Works during the Construction Phase and to investigate any matter within their authority and provide to such persons assistance reasonably required to carry their respective duties and functions;
- (xv) Upon being provided prior written notice of at least three (3) Days, provide access during ordinary office hours to international delegations visiting the Agency and the authorized representatives of the Agency accompanying such delegations;
- (xvi) Enable the Quality Assurance Inspector to inspect the Works to ensure that the Works comply with the Construction Performance Standards;
- (xvii) Enable the Project Auditor to inspect the Project pursuant to the terms of this Agreement for the purposes of fulfilling its obligations under Article 5.6;
- (xviii) Complete the Performance Testing and Commissioning of the Works in accordance with the procedures set out in the Construction Performance Standards and **Schedule-S** respectively, in the presence of the Quality Assurance Inspector;

- (xix) Conduct periodic maintenance of the Existing Project Assets and the Project Assets to the satisfaction of the Agency after every 5 years.
- (xx) Provide the necessary assistance and information to the Project Auditor as required by the Project Auditor to undertake its duties pursuant to Article 5.6;
- (xxi) Use reasonable endeavours to maintain harmony and good industrial relations amongst the personnel employed in connection with the performance of its obligations under this Agreement;
- (xxii) Not permit, without the prior Approval of the Agency, any change in shareholding interest in the Concessionaire which shall result in a Change of Control and executing a Shareholders' Agreement to ensure compliance with this requirement;
- (xxiii) Furnish to the Agency in a timely manner all information and documents which are to be provided pursuant to the provisions of this Agreement; and complying with all provisions of this Agreement and all Approved documents issued pursuant to the provisions of this Agreement.
- (xxii) obtain all registrations required by the Laws of Pakistan to enable it to undertake its obligations under this Agreement in conformity with the Laws of Pakistan and be in compliance thereof at all times during the Concession Period;
- (xxiii) Staff and operate the Project with such professional managerial, technical, construction, operations and maintenance personnel as required by applicable laws, including the Livestock Breeding Act and the Authority's Standards and any modifications thereto from time to time, and as stated in the Bid Documents, Bid Offer and as required pursuant to this Agreement.
- (xxiv) equip the Project with such facilities and equipment as required by applicable laws, including the Livestock Breeding Act and the Authority's Standards and any modifications thereto from time to time and stated in this Agreement, Bid Documents and Bid Offer and upgrade the said facilities and equipment as may be deemed fit by the Concessionaire from time to time;
- (xxv) Maintain the total strength of the Biological Assets as per commitment made in the Bid Documents and as specified in **Schedule - K** hereto.
- (xxv) be responsible for O&M during the Operations Phase as per Operations and Maintenance Systems and Procedures;
- (xxvi) provide all reasonable assistance to the Agency, Agency Representative, the Quality Assurance Inspector and the Project Auditor as may be reasonably required, in the performance of their duties and services under this Agreement;
- (xxvii) maintain its corporate existence and its rights to carry on its business; and
- (xviii) transfer to the Agency, on the Transfer Date, its ownership rights to the Project Assets, free and clear of any Encumbrance, and without any further act or deed, unless otherwise required by the Laws of Pakistan.

- (b) The Concessionaire shall not be considered to be in breach of its covenants under this Agreement nor shall it incur or suffer any liability if and to the extent performance of any of its obligations under this Agreement is affected by or on account of any of the following:
- (i) occurrence of a Force Majeure Event;
 - (ii) occurrence of an Agency Event of Default; or
 - (iii) compliance with the instructions of the Agency, Agency Representative or the directions of any Public Sector Entity, including the Authority.
- (c) The Concessionaire represents and warrants that:
- (i) the Concessionaire is a [●] company limited by shares and is validly incorporated and existing under the Laws of Pakistan and has full power to carry on its business and to own its property and assets;
 - (ii) the Concessionaire shall be duly authorized to undertake the Project and all activities related thereto, subject to the terms of this Agreement;
 - (iii) the memorandum and articles of association of the Concessionaire incorporate terms which authorize, and all necessary corporate actions have been or shall be taken to authorize, the Concessionaire to own its assets, carry on its business and operations as it is now conducting and deliver and perform the transactions contemplated in this Agreement, and to perform its obligations under this Agreement;
 - (iv) The Concessionaire shall provide to the Agency the Construction Performance Bond in accordance with the terms of this Agreement;
 - (v) subject to all the Initial Obligations being met and/or waived (if applicable) this Agreement shall constitute the legal, valid and binding obligations of the Concessionaire enforceable in accordance with its terms;
 - (vi) the Concessionaire has the financial standing and resources to fund the Equity and to raise the Debt (if required) necessary for undertaking and implementing the Project in accordance with this Agreement;
 - (vii) the execution, delivery and performance of its obligations under this Agreement by the Concessionaire, subject to the Initial Obligations being met and/or waived (if applicable), does not constitute a violation of any statute, judgment, order, decree, regulation or rule of any Court, Public Sector Entity or arbitrator of competent jurisdiction applicable or relating to it, its assets or its business;
 - (viii) no steps have been taken by the Concessionaire nor have any legal proceedings been started or threatened for the dissolution or winding-up of the Concessionaire or for the appointment of a receiver, liquidator, judicial manager or similar officer in respect of all or any part of the business or assets of the Concessionaire, the outcome of which may constitute a Concessionaire Event of Default, and it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any Court or any legally binding order of any Public Sector Entity which may result in a Concessionaire Event of Default;

- (ix) no bribe or unlawful payment or illegal gratification has been or shall be paid in cash or kind by or on behalf of the Concessionaire to any Person to procure the Concession; and
- (x) the Concessionaire has not nor shall it participate in fraud or provide any financial information with the intent of misleading the Agency.

3.2. **Obligations, Covenants, Representations and Warranties of the Agency**

- (a) The Agency covenants that it shall:
 - (i) not, and shall procure that no other Public Sector Entity shall (a) in any way restrict or limit the rights granted to the Concessionaire herein or obstruct the Concessionaire from undertaking the Project or any part thereof; and (b) do any act which would cause, or be likely to cause, damage to any part of the Project Assets or be otherwise inconsistent with the terms of this Agreement;
 - (ii) exercise its powers in a manner that is consistent with this Agreement;
 - (iii) ensure the timely grant of all the Approvals and facilitate procurement of all the Consents;
 - (iv) ensure exclusive and peaceful use by the Concessionaire of the Project Assets in accordance with the terms of this Agreement without any let or hindrance from the Agency or any Public Sector Entity or any other Person whether or not claiming through or under them;
 - (v) upon the Concessionaire's request, use its good offices to support the Concessionaire's performance of its obligations to undertake the Project;
 - (vi) Subject to the approval of Punjab Revenue Department, grant the Lease to the Concessionaire and assist the Concessionaire in registering the Indenture of Lease with the relevant sub-registrar;
 - (vii) provide all such reasonable assistance as the Concessionaire may reasonably request to support in obtaining permissions and licenses which are required by the Concessionaire from time to time for the purposes of the Project;
 - (viii) upon written request from the Concessionaire, assist and facilitate, to the fullest extent possible, the Concessionaire in obtaining access to all necessary utilities, including, water, electricity and telecommunication facilities etc. (the "**Utilities**") at rates and on terms no less favourable to the Concessionaire than those generally available to commercial customers receiving substantially equivalent facilities;
 - (ix) observe and comply with all its obligations set forth in this Agreement in a timely manner;
 - (x) procure the timely grant to the Concessionaire of all Approvals within its legal authority and facilitate the Concessionaire in the procurement of all Consents;
 - (xi) secure or obtain the Existing Project Assets, and transfer Vacant Possession thereof to the Concessionaire on the Effective Date;

- (xii) ensure that the Existing Project Assets are made available to the Concessionaire, free from any Encumbrance, without the payment by the Concessionaire to the Agency of any additional costs, expenses and charges; and
 - (xiii) assist the Concessionaire in applying for and/or procuring all incentives and exemptions granted by any Public Sector Entity for the Project (including any tax holidays and exemptions from withholding tax).
- (b) The Agency represents and warrants that:
- (i) It is duly established pursuant to the _____ Act, is existing and, so far as is material to the Concessionaire, has complied fully with all other applicable Laws of Pakistan;
 - (ii) it has taken all necessary actions to authorize the execution, delivery and performance of this Agreement, and to perform its obligations herein contained;
 - (iii) this Agreement constitutes legal, valid and binding obligations of the Agency enforceable in accordance with its terms;
 - (iv) the execution, delivery and performance of its obligations under this Agreement by the Agency does not infringe any Law of Pakistan, statute, judgment, order, decree, regulation or rule of any Court, Public Sector Entity or arbitrator of competent jurisdiction applicable or relating to it or its assets;
 - (v) it has all necessary authority and powers to execute this Agreement and in respect of all other matters which are the subject of this Agreement and has the right to transfer and has transferred such of those powers to the Concessionaire as may be required, to uphold the terms of this Agreement;
 - (vi) it has the unqualified right to grant the Concession and subject to the approval of Punjab Revenue Department, the Lease to the Concessionaire, free from all Encumbrances, in terms of this Agreement, and there is no other private party or Public Sector Entity who has claimed any right, interest or any Encumbrance over the Concession Area, and in case any such claims arise during the Concession Period, it shall, at its own cost and expense, resolve such claims and ensure that the Concessionaire's peaceful and exclusive use and enjoyment of the Concession Area, the Existing Project Assets, and during the Operations Phase, the Project Assets, and right to conduct the Project is not hindered or obstructed in any manner;
 - (vii) no suits or investigations or other legal proceedings are pending or threatened in respect of any of the Existing Project Assets, or the Project, at law or in equity, before any Court or before any other judicial, quasi-judicial or other authority, or any arbitrator, the outcome of which may constitute an Agency Event of Default, and it has no knowledge of any violation or default with respect to any order, writ, injunction or any decree of any Court or any legally binding order of any Public Sector Entity or arbitration which may result in an Agency Event of Default, including, the withdrawal or revocation of its powers;

- (viii) The Agency is subject to the Laws of Pakistan with respect to this Agreement and the Agency hereby expressly and irrevocably waives any right of sovereign immunity which the Agency may now have or may acquire in the future to the extent permitted by the Laws of Pakistan;
- (ix) the Existing Project Assets, including the Concession Area shall be free of any Encumbrance whatsoever and any financial, legal or other restraint or obligation;
- (x) the Project is under the exclusive jurisdiction of the Agency to the extent provided by the Laws of Pakistan;
- (xi) no event has occurred which constitutes, or which with the giving of notice and/or the lapse of time and/or relevant determination would constitute an Agency Event of Default under this Agreement or any agreement or instrument by which the Agency or any of its assets are bound or affected;
- (xii) the Existing Project Assets, including the Concession Area together with the Ancillary Rights, have been acquired through the due process of law, belong to and are vested in the Agency and , subject to the approval of Punjab Revenue Department, the Agency has full powers to hold, lease out, dispose of and deal with the same consistent, inter alia, with the terms of this Agreement;
- (xiii) Subject to the approval of Punjab Revenue Department, it has the right to lease out the Concession Area in terms hereof and has legal authority to authorise the Concessionaire to conduct the Project on the same;
- (xiv) all requisite statutory, regulatory and other consents, approvals and authorizations for the Project required to be procured by the Agency pursuant to the terms of this Agreement have been obtained and are maintained with full effect;
- (xv) the Concessionaire shall, during the Concession Period, exclusively enjoy the Vacant Possession of the Project Assets, including the Concession Area, the Existing Project Assets and the Ancillary Rights, and in the event the Concessionaire is obstructed by any Person claiming any right, title or interest in or over any of the Existing Project Assets or the Ancillary Rights or any part thereof or in the event of any enforcement action including any attachment, distraint, appointment of receiver or manager or liquidator being initiated by any Person claiming to have any interest in or charge on any of the Existing Project Assets, or the Ancillary Rights or any part thereof, the Agency shall, if called upon by the Concessionaire, defend such claims and proceedings and also keep the Concessionaire fully indemnified and harmless against any consequential loss or damages which the Concessionaire or any Contractor may suffer, on account of any such right, title, interest or charge;
- (xvi) no representation or warranty by the Agency contained herein or in any other document furnished by the Agency to the Concessionaire contains or shall contain any untrue statement of material fact or omits or shall omit a material fact necessary to make such representation or warranty not misleading. Notwithstanding any independent verification, study, review, search or observation having been carried out or made by the Concessionaire to any such statements, data or information contained in the Agency's representation and warranties as aforesaid, the Agency shall

not by virtue of the aforesaid be discharged from any of its representations or warranties made hereunder, in whole or in part.

3.3 Survival

The representations and warranties set out in Article 3.1 and Article 3.2 are continuing and on evergreen basis and shall continue to be effective during the Concession Period.

3.4 Rights of the Concessionaire

In addition to the rights granted to the Concessionaire herein, the Concessionaire shall also have, *inter alia*, the following rights and shall be entitled to take the following actions (where applicable), in respect of the Project:

- (a) Subject to the approval of Punjab Revenue Department, the Lease in respect of the Concession Area;
- (b) subject to the Laws of Pakistan, call for tenders and award contracts for the Project, with or without tender;
- (c) subcontract its rights and obligations under this Agreement;
- (d) arrange for site preparation activities and the preparation of any design and engineering plans required for the Project, approve or reject equipment, facilities and other materials required for the Works;
- (e) appoint and remove consultants and professional advisers;
- (f) purchase materials, equipment and facilities;
- (g) appoint, organize and direct staff to implement, manage and supervise the Project;
- (h) enter into contracts for the supply of goods, works and services; and
- (i) do and perform such other acts and things as are necessary or desirable for the completion of the Project in the opinion of the Concessionaire.

For the avoidance of doubt it is clarified that the above is a non-exhaustive list of the rights of the Concessionaire under the Concession.

3.5 Compliance with the Performance Standards

Throughout the Concession Period, the Concessionaire shall strictly comply with and adhere to the Performance Standards. During the Construction Phase, the Concessionaire shall execute all Works in full compliance with the Designs and the Construction Performance Standards, and, during the Operations Phase, the Concessionaire shall perform all operation, management and maintenance services in accordance with the Operations and Maintenance Systems and Procedures.

3.6 Training

- (a) Starting from the 5th Anniversary of the Effective Date, the Concessionaire shall hold biannual training events for [*number of employees for each session*] employees of the Agency, who shall be nominated by the Agency to undertake such training. The training events shall be focused on acquainting the nominated Agency employees with the operations of the Centre. The training provided in such sessions shall be theoretical training in the form of lectures and workshops on operations and

management of the Centre. The Concessionaire may, at its sole discretion, conduct such training at the Centre and/or any other location, and may, also at its sole discretion, take the trainees for site visits to the Centre for practical demonstrations.

- (b) One year prior to the Concession End Date, the Agency shall nominate [●] number of its employees, who shall be provided complete and comprehensive training by the Concessionaire with regards to the operations and management of the Centre. Such employees shall be provided onsite practical training in respect of the operations of the Centre and trained in a manner which shall fully prepare them to operate and manage the Centre once the Project is transferred to the Agency in accordance with the terms of this Agreement.

4. CONCESSION PERIOD AND EXCLUSIVITY

4.1 Concession Period

Unless terminated as of the Termination Date in accordance with the provisions of this Agreement, the Concession Period shall end on the Twenty Fifth (25th) anniversary Year of the Effective Date.

4.2 Key Target Dates

The key target dates for the Project are set out in **Schedule - B** hereto.

4.3 Exclusivity

- (a) During the Concession Period, the Agency undertakes that the Concessionaire shall have the exclusive right to undertake the Project. The Agency further undertakes that it shall not, during the Concession Period allow the establishment of, or establish, either itself or through any other party, bovine genetic improvement centres and/or bovine sperm production units within the limits of Livestock Experiment Station Khizarabad.
- (b) Except as otherwise expressly provided herein, nothing in this Agreement shall be construed or interpreted as limiting, restricting, diminishing or prejudicing in any way (i) the rights of the Concessionaire to claim any benefit provided under the Laws of Pakistan whether in effect now or in the future, or (ii) the exercise by the Concessionaire of any right that may be restricted hereunder if and to the extent that it is or becomes otherwise permitted under the Laws of Pakistan for the Concessionaire to exercise such right.
- (c) The Concessionaire may inform the Agency from time to time of any difficulties encountered in the activities it is to perform under this Agreement. If any such difficulties create a significant possibility that the Concessionaire shall be prevented or materially impaired in meeting its obligations hereunder, then upon the request of the Concessionaire, the Agency shall take or cause to be taken all necessary actions as are reasonable, appropriate and permissible under the Laws of Pakistan to remove or mitigate such difficulties to the satisfaction of the Concessionaire. However, Agency will not be held responsible for any delay and losses to Concessionaire on the basis of such action taken by the Agency.

5. MANAGEMENT AND SUPERVISION

5.1 Agency Representative

The Agency shall, within thirty (30) Days of the Effective Date, appoint, at its own cost and expense, the Agency Representative, and shall duly notify the same to the Concessionaire in writing. The functions of the Agency Representative shall include the following:

- (a) Ensuring that the Concessionaire complies with the terms of this Agreement;
- (b) Protecting the interests of the Agency by reviewing the reports of the Quality Assurance Inspector and the Project Auditor to assess whether the Works are carried out, and the operation and maintenance of the Project is conducted, in accordance with applicable law and prevailing regulations and standards, including the Livestock Breeding Act and the Authority's Standards and any modifications thereto from time to time;
- (c) In co-ordination with Quality Assurance Inspector, monitoring the progress of the Works, Commissioning of the Project and inspection of the Concession Area for such purpose in co-ordination with Project Auditor, inspecting the Concessionaire's books and accounts and seeking and receiving all other information and documents from the Concessionaire pursuant to the provisions of this Agreement;and
- (d) Exercising and enforcing the rights of the Agency pursuant to the terms of this Agreement;
- (e) coordinating and facilitating, on the request of the Concessionaire, services to be provided by the Public Sector Entities, including in respect of the Utilities, emergency services and other necessary assistance during the Concession Period;
- (f) ensuring that all the Approvals are provided within the prescribed time period, and procurement of all the Consents is facilitated, so that the same are procured within the prescribed time period;
- (g) facilitating the Concessionaire in its compliance with the terms of this Agreement;
- (h) seeking and receiving all information and documents from the Concessionaire pursuant to the terms of this Agreement;
- (i) clarifying and resolving with the Concessionaire Representative, any difficulties and disputes arising pursuant to this Agreement and any complaints by or against third parties; and
- (j) taking any and all steps and actions in discharge of the Agency's obligations under this Agreement to facilitate the smooth implementation of the Project.

5.2 Concessionaire Representative

The Concessionaire shall, within thirty (30) Days of the Effective Date, appoint, at its own cost and expense, an authorized representative, being a natural person or a firm/company/body corporate, to be the Concessionaire Representative to liaise with the Agency Representative on all matters pursuant to this Agreement to ensure the efficient and safe execution, operation and maintenance of the Project on a day-to-day basis and to exercise all of the Concessionaire's rights under this Agreement..

5.3 Project Manager

The Concessionaire shall appoint, at its own cost and expense, a project management company or appoint a team of its own in-house professionals as Project Manager to manage the construction of the Works and manage the Operation Phase of the Project. The duties of the Project Manager shall, include, *inter alia*, performance of the following functions:

- (a) Advising the Concessionaire on all aspects of design, including design criteria, New Designs, terms of the Construction, Procurement and Erection Contracts and contract procedures;
- (b) Monitoring the Works carried out by the Construction Contractors to ensure that these conform to relevant specifications, Construction Performance Standards and the Designs;
- (c) Ensuring that the Project is carried out within the relevant cost projections and in conformity with the requirements of the Security Package;
- (d) Ensuring that the Concessionaire complies with the Performance Standards during the Term of the Concession; and
- (e) monitoring the performance of all operation and management consultants, operators and contractors (if any) engaged for purposes of the Project.

The acts of the Project Manager pursuant to this Agreement shall constitute acts of the Concessionaire, and the Concessionaire shall retain all liabilities and obligations in connection with the operation and maintenance of the Project.

5.4 O&M Manager

- (a) The Concessionaire may decide to conduct the O&M through its own team of in-house experts or appoint at its own cost and expense an O&M Manager that shall comprise of a team of highly reputed professionals to manage the Operations Phase of the Project.
- (b) The O&M Manager shall design a cost effective management procedure to ensure that the Project is operated and maintained effectively, in strict accordance with the requirements of the technical aspects of the Project and the Laws of Pakistan and shall monitor the performance of all operation and management consultants, operators and contractors, if any, engaged for purposes of the Project.
- (c) The acts of the O&M Manager shall constitute acts of the Concessionaire, and the Concessionaire shall assume all liabilities and obligations in connection with the operation and maintenance of the Project.
- (d) In case the Concessionaire decides to conduct the O&M through its own team of experts, all the obligations of the O&M Manager under this Agreement shall be applicable to such team and all references to O&M Manager contained herein shall be construed as referring to such in-house team of the Concessionaire.

5.5 Quality Assurance Inspector

- (a) The Agency and the Concessionaire shall within fourteen (14) Days from the Effective Date mutually agree to a list of firms who are eligible and willing to act as Quality Assurance Inspector of the Project. The list shall comprise of independent professional firms of repute with substantial experience in projects similar to the Project. The Concessionaire shall within fifteen (15) Days of finalization of the aforementioned list, select a firm to be the Quality Assurance Inspector, and shall finalize the fees and other terms of appointment of the Quality Assurance Inspector. The Parties agree to act in accordance with the advice, recommendations and determinations of the Quality Assurance Inspector, in so far as the same are in accordance with the terms of its appointment and this Agreement, and any disagreement over the advice, recommendations and determinations of the Quality Assurance Inspector shall be resolved in accordance with the dispute resolution mechanism pursuant to Article 22.
- (b) The functions of the Quality Assurance Inspector shall be as follows:

- (i) Review of the Construction Performance Standards and the New Designs to ensure that the same are in accordance with the Livestock Breeding Act and the Authority's Standards and onward submission of copies of the New Designs to the Agency upon receipt from the Concessionaire;
 - (ii) Periodic inspection of the Works and expedition thereof, as well as the final inspection of the Works preparatory to the issuance of the Certificate of Completion and/or the Certificate of Substantial Completion;
 - (iii) Preparation of the Supervision Manual for the supervision of Works in view of the Designs, Construction Performance Standards and the Timetable;
 - (iv) Verification and checking of quality and quantity of Works accomplished by the Construction Contractor in accordance with the Supervision Manual;
 - (v) Making recommendations for corrective measures to be undertaken on defects of the Works;
 - (vi) Verification and recommendation for approval of statement of Works accomplished;
 - (vii) Verifying that the Project is being constructed in compliance with the Construction Performance Standards;
 - (viii) Verifying that the Project is being constructed in accordance with the Estimated Project Cost; provided, that in the event that the Concessionaire wishes to incur expenditure on the Project in excess of the Estimated Project Cost, or if the Quality Assurance Inspector determines that the capital cost of the Project is likely to exceed the Estimated Project Cost, prior approval of the Agency shall be sought for such excess expenditure in accordance with the Article 9.5 of this Agreement;
 - (ix) Determination of the amount of Incremental and Consequential Costs to be borne by the relevant Party hereto, in the appropriate cases specified herein;
 - (x) Reviewing the Operations and Maintenance Systems and Procedures to ensure that the same are in accordance with the requirements of the Livestock Breeding Act and the Authority's Standards;
 - (xi) Determining the cost of Deviation; and
 - (xii) Such other functions as stipulated in this Agreement or in the relevant consultancy contract between the Quality Assurance Inspector and the Concessionaire.
- (c) The remuneration, cost and expenses of the Quality Assurance Inspector shall be borne by the Parties equally.
- (d) Subject to mutual consent of the Parties, the Concessionaire shall replace the Quality Assurance Inspector for the time being in any of the following circumstances:

- (i) If the Agency or the Concessionaire has reason to believe that the Quality Assurance Inspector has not discharged its duties in a fair, appropriate and diligent manner;
 - (ii) If the Concessionaire decides, or the Agency requests the Concessionaire by specifying reasonable grounds, not to renew the term of the Quality Assurance Inspector;
 - (iii) If, in accordance with the terms of its appointment, the Quality Assurance Inspector resigns or notifies its intention not to continue as the Quality Assurance Inspector; or
 - (iv) Any other circumstance which in the opinion of the Parties warrants the replacement of the Quality Assurance Inspector.
- (e) The duration of the appointment of the Quality Assurance Inspector (or the replacement Quality Assurance Inspector, as the case may be) shall be until the expiry of the Construction Phase.

5.6 Project Auditor

- (a) The Agency shall appoint a reputed firm of chartered accountants having a satisfactory Quality Control Review rating from the Institute of Chartered Accountants of Pakistan within four (04) weeks from the Effective Date as Project Auditor..
- (b) The term of the appointment of a chartered accountant firm as the Project Auditor shall be for a period of three (03) Years and such chartered accountant firm may serve as the Project Auditor for a maximum of two (02) consecutive terms.
- (c) The remuneration, cost and expenses of the Project Auditor shall be paid by the Agency.
- (d) The functions of the Project Auditor shall include:
 - (i) Certify that the Financial Close has been achieved by the Concessionaire.
 - (ii) To issue completion certificate by verifying the investment made by the Concessionaire as per bid documents.
 - (iii) Calculating and verifying the Quarterly Consideration;
 - (iv) To Verify the production reports provided by the Concessionaire on a monthly basis and verifying the Concessionaire's calculation of Quarterly Consideration;
 - (v) Complete performance audit of Straws production on annual basis during the term of the Operations Phase and reporting to Agency the Straws production achieved by the Concessionaire in comparison to the projections submitted with the bid documents.
 - (vi) To verify on the basis of certification issued by Authority that the Straws produced are as per quality standards provided in the Livestock Breeding Act. Undertaking audit of the Project Accounts at financial close and the Concessionaire's books and accounts (such audit being limited to the Concessionaire's accounting records prepared in respect of the Project) at the end of the Construction Phase, to verify the Equity and Debt as per the terms of this Agreement and to assist the Agency in issuing the Certificate of Completion by verifying the completion of investments made by the Concessionaire as per the bid documents

- (vii) Reviewing annual audit report of the Concessionaire's books and accounts during the Operation Phase in coordination with Concessionaire's external Auditor.
 - (viii) In case the straw production in any month falls below the margin specified by the Concessionaire in the Performance Standards, undertaking performance audit during the Operations Phase to ensure compliance of the Concessionaire (or a Contractor thereof) with the Operations and Maintenance Systems and Procedures;
 - (ix) Undertaking audit of periodic maintenance carried out by the Concessionaire after lapse of every five years during the Operation Phase.
 - (x) Providing the Agency with copies of all audit reports within seven (07) Days of the completion of such audit; and
 - (xi) All other duties and functions as specified in this Agreement.
- (e) The Concessionaire shall replace the Project Auditor for the time being in any of the following circumstances:
- (i) If the Agency or the Concessionaire has reason to believe that the Project Auditor has not discharged its duties in a fair, appropriate and diligent manner;
 - (ii) If the Concessionaire decides, or the Agency requests the Concessionaire, not to renew the term of the Project Auditor;
 - (iv) If, in accordance with the terms of its appointment, the Project Auditor resigns or notifies its intention not to continue as the Project Auditor; or
 - (iv) Any other circumstance which in the opinion of the Parties warrants the replacement of the Project Auditor.
- (f) The Concessionaire shall ensure that the Concessionaire's statutory auditor provides all necessary assistance and information required and requested by the Project Auditor to undertake its duties pursuant to this Agreement.

6. EXISTING PROJECT ASSETS, CONCESSION AREA AND ANCILLARY RIGHTS

6.1 Conveyance of the Vacant Possession of the Existing Project Assets, the Concession Area and Grant of the Ancillary Rights

- (a) The Agency shall expeditiously and in no event later than [●] Days from the Concessionaire's request, at the Concessionaire's cost and expense (including the payment of any related registration fees and stamp duties), enter into, grant, issue or convey any easements or licences required by the Concessionaire to enable the Concessionaire to undertake the Works at the Existing Project Assets and to effectively enable the Concessionaire to retain ownership rights to the Works and the Project Assets during the Concession Period.
- (b) Upon the Vacant Possession of the Existing Project Assets being handed over and the Ancillary Rights being granted, the Concessionaire shall have the irrevocable and exclusive right to enter upon, occupy and use the Existing Project Assets as shall be required for the carrying out of the relevant part of the Works and the irrevocable right to exploit the Ancillary Rights and undertake the Works on the Existing Project Assets, the Concession Area as may be necessary or appropriate to implement the Project in accordance with the terms of this Agreement.
- (c) If the Vacant Possession of any part of the Existing Project Assets has not been made available and the Ancillary Rights have not been granted in terms of this Agreement, to the Concessionaire, by the Effective Date, the Concessionaire may (without thereby adversely affecting its rights under this Agreement) enter into those parts of the Existing Project Assets as have been made available, and exploit such of the Ancillary Rights, as have been granted, and may at its sole discretion commence the relevant part of the Works; provided however, that exercise of any rights conferred by this Article shall not operate nor be construed as a waiver of any obligation on the part of the Agency nor as a waiver of any right that the Concessionaire may have or acquire under this Agreement.
- (d) If the Agency is unable to comply with its obligation to deliver the Vacant Possession of the Existing Project Assets and grant the Ancillary Rights, within the time period specified in this Agreement, the Agency shall as soon as reasonably practicable notify the Concessionaire in writing. On receipt of such notification, the Concessionaire may (but shall not be obliged to) agree with the Agency an extension of time to fulfil its obligations; provided, that the Agency agrees to the revised programme of activities, the revised Works Commencement Date, and the revised duration of the Construction Phase as required by the Concessionaire.

6.2 Rights to Use the Existing Project Assets

- (a) The Agency shall ensure that all necessary access to and from the Existing Project Assets and the Concession Area is made available to the Concessionaire, its employees, agents, representatives, any other authorized Persons, the Contractors and subcontractors, and the Concessionaire and any such employees, agents, representatives, authorized Persons, Contractors and subcontractors shall have the right to occupy and use the Existing Project Assets and, the Concession Area as required for the carrying out of the relevant part of the Works during the Construction Phase.
- (b) The Concessionaire shall use the Existing Project Assets, the Concession Area, and the Ancillary Rights for any purpose as it deems necessary in its sole discretion which is incidental or necessary to the implementation of the Project.

6.3 Additional Land

If the Concessionaire desires to procure or lease additional land alongside or adjacent to the Concession Area to further develop the Project and create additional facilities, it shall do so at its own cost and risk. Such additional land shall be leased or procured and developed on such terms and conditions as are mutually agreed upon between the Parties, and shall become a part of the Concession Area for all purposes of this Agreement, and shall be handed back and/or transferred to the Agency in accordance with the provisions hereof upon the expiry or termination of this Agreement, whichever is earlier.

6.4 Compensation for Agency's Defaults

- a) If delay is caused to the Works as a result of any delay by the Agency in obtaining the Land Rights or handing over possession of the Existing Project Assets to the Concessionaire or due to any act or omission of the Agency during the Construction Phase, the Agency shall provide the Concessionaire with such remedy or relief as shall adequately compensate the Concessionaire for the consequences of such delay. Such remedies may include, but shall not be limited to, an extension of the Concession Period or extension of the Construction Phase or extension of the period of commencement or completion of any part of the Works or any other form of compensation or relief to enable the Concessionaire to meet any loss, cost or expense incurred or suffered by the Concessionaire as a consequence of such delay including the Incremental and Consequential Costs and all additional costs and expenses incurred due to delayed delivery of the Existing Project Assets, interference with peaceful possession thereof or the delayed commencement of the Works, to the extent such delay is not a result of any action by the Concessionaire, and the additional costs and expenses caused by a change in law.
- b) If during the Operations Phase the Agency breaches any of its obligations under this Agreement and the Concessionaire's performance of its obligations or exercise of its rights hereunder are hindered or obstructed as a result of such breach, or the Concessionaire suffers any loss or damage due to any act or omission of the Agency, the Agency shall compensate the Concessionaire for all such losses, damages, costs or expenses incurred as a result of such breach, act or omission.
- c) In case the Concessionaire incurs any such delays, losses, damages, costs or expenses as provided in 6.4(a) and 6.4(b) above, the Concessionaire shall send a written notice to the Project Auditor, specifying the particulars of the breach and the compensation amount or time extension claimed, which shall be verified by the Project Auditor and intimated to both Parties within a maximum fifteen (15) Days of receipt of the Concessionaire's notice. Any time extension verified by the Project Auditor shall be effective from the date of the Project Auditor's aforementioned notice, and the Agency shall pay any monetary compensation due to the Concessionaire as duly verified by the Project Auditor within sixty (60) Days of receipt of the Project Auditor's notice. In case the Agency fails to pay any compensation due to the Concessionaire within the aforementioned time period, the Agency shall be liable pay a late payment surcharge equal to [●]% of the amount due per each Day of delay to the Concessionaire.
- d) In case of any dispute pertaining to the calculation of compensation by the Project Auditor, the matter shall be resolved in accordance with Article 22.

6.5 Costs and Expenses

Subject to the terms of this Agreement, the Agency shall bear and pay all costs, expenses and charges incurred or levied in making available and leasing out to the Concessionaire,

the Existing Project Assets, the Concession Area and grant the Ancillary Rights, to the Concessionaire, including, any compensation required to be paid to any Person claiming any right, title or interest over the Existing Project Assets, the Concession Area or the Ancillary Rights and shall fully indemnify the Concessionaire and hold the Concessionaire harmless in such respect. Provided however that stamp duties and registration fees in respect of the Lease shall be paid by the Concessionaire.

6.6 Destruction of or Damage to Improvements

No destruction of or damage to any building, improvement, or equipment by fire, windstorm or any other casualty, unless constituting a Force Majeure Event as provided in Article 19.1 (a), shall entitle the Concessionaire to surrender possession of the Project or to terminate or violate any of the provisions of this Agreement.

6.7 Reservations

- (a) The Government and/or the Agency expressly reserve mineral rights in respect of the Concession Area provided, that the exercise by the Government and/or the Agency, and/or any other party acting on their behalf, of these reserved rights shall be without expense to the Concessionaire, shall not hamper Concessionaire's use of the Project, and/or shall not cause delay to the Concessionaire in the exercise of its rights or the performance of its obligations hereunder. The Government and/or the Agency shall bear the expense of any replacement, or repair of the Concessionaire's property arising out of the Government's and/or the Agency's exercise of these reserved rights and shall fully indemnify and hold the Concessionaire harmless from all losses and damage incurred by the Concessionaire as a result of the Government and/or the Agency's exercise of such rights.
- (b) The Government and/or the Agency further reserve their rights to all items and materials of archeological interest that may be found in the Concession Area. If in the process of pursuing the Works, the Concessionaire should discover any item or material of archeological interest, the Concessionaire shall forthwith serve written notice of such fact to the Agency, and the Agency shall make the necessary arrangement for the retrieval and disposition thereof; provided, however, that if the Works are delayed by reason thereof, the Concessionaire shall not be in default, the Construction Performance Bond shall not be callable, and the Timetable shall be extended to the extent of the delay, and the Agency shall bear the Incremental and Consequential Costs; provided further, that if the delay lasts for one hundred eighty (180) Days or more from the stoppage of the Works, the Concessionaire may terminate this Agreement. The Government and/or the Agency shall bear the expense of any replacement, or repair of the Concessionaire's property arising out of the Government's and/or the Agency's and/or any other party's, who is acting on their behalf, exercise of these reserved rights and shall fully indemnify and hold the Concessionaire harmless from all losses and damage incurred by the Concessionaire as a result of the Government and/or the Agency's exercise of such rights.

6.8 Affirmation

The Agency undertakes not to give possession or any rights over the Existing Project Assets, or the Concession Area to any other Person and no Person shall have the right to enter or establish an access to the Existing Project Assets except with the prior consent of the Concessionaire, or otherwise impede or hinder the Concessionaire in the performance of its obligations under this Agreement.

7. STEP-IN RIGHTS

7.1 Assignment and Step-in Rights

- (a) No assignment or transfer by a Party of this Agreement or such Party's rights or obligations hereunder shall be effective without the prior written consent of the other Party, except as provided in this Agreement.
- (b) Notwithstanding the provisions of Article 7.1, if the Concessionaire avails any Debt from the Lenders, the Concessionaire may assign pursuant to the Financing Agreements to, or create a security interest in favor of, the Lenders in the Concessionaire's rights and interests under or pursuant to *inter alia* (a) this Agreement, (b) any agreement or document included within or contemplated by this Agreement, (c) the Project Assets (excluding the Existing Project Assets), (d) the present and future movable, immovable, and intellectual property of the Concessionaire, (e) the present and future Revenues or any of the rights or assets or actionable claims of or debts owed to, the Concessionaire, (f) the Lease, and (g) any other present or future interest, right, property or asset of the Concessionaire of any kind and wherever situated, provided, that the assignment shall not impair the obligations of the Concessionaire under this Agreement, or prevent it directly or indirectly from complying with said obligations. Any such assignment shall be duly recorded with the appropriate registrar of deeds/government agency.
- (c) In the event the Concessionaire should default in the payment of an Attendant Liability, and the default has resulted in the acceleration of the payment due date of the Attendant Liability prior to its stated date of maturity, the Lenders and the Concessionaire shall immediately jointly inform the Agency in writing of such default. Should the default and acceleration exist uncontested for one hundred eighty (180) Days from submission of the joint written notice, the Lenders may, if qualified, be substituted as concessionaire and operator of the Project in accordance with the terms and conditions hereof, or designate a qualified operator acceptable to the Agency to operate the Project, likewise under the terms and conditions of this Agreement. Should the default and acceleration exist uncontested for one hundred eighty (180) Days from submission of the joint written notice and the Lenders either have not been substituted as concessionaire and operator of the Project in accordance with the terms and conditions hereof, or designated a qualified operator acceptable to the Agency to operate the Project, the Agency may, by serving the Lenders and Concessionaire with written notice, take over the Project and assume the Attendant Liabilities.
- (d) Should the Lenders be substituted as concessionaire, they shall form and organize a concession company qualified, in the Agency's opinion, to take over the operation of the Project in accordance with the terms of this Agreement. If the concession company should elect to designate an operator for the Project, the concession company shall in good faith identify and designate a qualified operator acceptable to the Agency within one hundred eighty (180) Days from the date the Lenders are substituted as concessionaire. If the concession company, acting in good faith and with due diligence, is unable to designate a qualified operator within the aforesaid period, then the Agency may at the end of the one hundred eighty (180) Days period take over the Project and assume the Attendant Liabilities.
- (e) Pursuant to Section 7.1 (c), a qualified operator is one that, to the satisfaction of the Agency, possesses the same, or substantially the same, capability as the Concessionaire to operate the Project.

- (f) In order to prevent a disruption of services, the Concessionaire shall continue to operate, and derive and retain Revenues from the Project pursuant to the terms and conditions of this Agreement, until such time as the Agency shall have taken over the Project or the Lenders, as the case may be, shall have taken over the operations of the Project.
- (g) Notwithstanding anything contained herein, the Lenders shall only be put in possession of the Project, if they have entered into an agreement with the Agency, thereby undertaking to perform the remaining part of this Agreement either directly or through its nominees, in accordance with the terms and conditions contained herein and in the same manner as if the same was to be performed by the Concessionaire.

8. TREATMENT OF ONGOING CONTRACTS

8.1 Assignment of Agreements

- (a) With regard to construction contracts, maintenance contracts, supply agreements, service agreements, employment agreements and concessions previously entered into by the Agency relating to any matter covered by this Agreement, the Agency, if required to do so by written notice from the Concessionaire, shall assign or cause the assignment of such agreements to the Concessionaire.
- (b) Any of the aforesaid agreements, which are not assigned to the Concessionaire, shall be terminated or be deemed to be so terminated without the Concessionaire being liable for any termination costs or the consequences of any litigation ensuing as a result of such termination. The Agency shall be solely responsible for any such costs and consequences.

8.2 Transfer of Liabilities and Obligations

The taking over of the Existing Project Assets and/or any other facility covered by this Agreement shall not render the Concessionaire liable for any claims, liabilities and obligations of the Agency or any other party arising out of or in connection with contracts of whatever nature or description existing before such taking over except where expressly agreed to by the Concessionaire, and the Agency shall be solely responsible for any such claims, liabilities and obligations..

9. DESIGN AND CONSTRUCTION

9.1 Commencement of the Works

- (a) Within [●] Days of the Financial Close, the Concessionaire shall notify the Agency of the Works Commencement Date, which shall be no later than [●] ([●]) Days of the Financial Close. The Concessionaire shall only be required to commence the Works after satisfaction of the Initial Obligations and in respect of any portion of the Works that require New Designs, shall commence work on such portions only after approval or deemed approval of the New Designs.

9.2 Construction Works

- (a) The Concessionaire may undertake the Works itself or by appointing one or more Contractors possessing the requisite technical, financial and managerial expertise and capability, as it deems necessary; provided, however, that the Concessionaire shall remain solely responsible for the Works. The costs, fees and expenses payable to such Contractors shall be in accordance with the terms and conditions contained in the construction contract(s) or other form of contract(s) entered into by the Concessionaire and such Contractors.
- (b) The Concessionaire shall execute the Works in a proper and workmanlike manner.
- (c) The Agency shall use its good offices to facilitate the requests of the Concessionaire in connection with the execution of the Works.
- (d) Subject to the terms of this Agreement, the Concessionaire shall complete the Works in a timely manner and in accordance with the implementation schedule set out in **Schedule - B** [*Project Implementation Schedule*].

9.3 Drawings and Designs

- (a) The Concessionaire shall ensure that the Works are carried out in accordance with the existing plans and designs of the Centre, which have been prepared by the Agency, and are attached as Schedule U hereto (the “**Existing Designs**”). With respect to any new facilities and/or any Works for which designs and plans have not been prepared by the Agency or for which new designs and plans are desirable in the Concessionaire’s opinion, if any, the Concessionaire shall obtain the approval of the Agency for such new designs and plans (the “**New Designs**”), as well as the Construction Performance Standards, by following the procedure in the Articles below.
- (b) The Concessionaire shall submit five [05] copies of the Construction Performance Standards and the New Designs to the Quality Assurance Inspector, together with drawings, supporting documents and calculations, within four (04) weeks from the Effective Date. The Quality Assurance Inspector shall submit four [04] copies of the Construction Performance Standards and the New Designs to the Agency within two (02) Days of their receipt, together with drawings, supporting documents and calculations, and review the Construction Performance Standards and New Designs to assess whether the same are compliant with the Authority’s Standards and submit detailed comments to the Agency within one (01) week of receipt of the Construction Performance Standards and the New Designs from the Concessionaire.
- (c) The Agency shall submit its comments with regard to the Construction Performance Standards and the New Designs within two (2) weeks of submission thereof by the Concessionaire. If the Agency identifies any deficiencies or shortcomings in the Construction Performance Standards and/or the New

Designs, the Concessionaire shall address the same within two (02) weeks from receipt of the Agency's comments. Unless the Concessionaire receives written objections thereto from the Agency within two (2) weeks after the date of submission, the Construction Performance Standards and the New Designs shall be deemed Approved.

- (d) If the Agency informs the Concessionaire in writing of its objections to or partial rejection of the proposed New Designs, construction drawings and specifications within the period provided in Section 9.3(c), the Concessionaire shall revise the same to address the objections and submit the revised New Designs, construction drawings and specifications with reasonable dispatch, but in no event later than four (04) weeks from receipt of the objections.
- (e) The Agency shall inform the Concessionaire in writing of its Approval of, rejection, partial Approval or partial rejection of the revised New Designs, construction drawings and specifications proposed by Concessionaire within two (02) weeks from receipt of the revised submittals. Unless the Concessionaire receives written objections thereto from the Agency within two (2) weeks after the date of submission, the revised New Designs shall be deemed Approved.
- (f) Upon the issuance by the Agency of its written Approval of the final New Designs, construction drawings and specifications pursuant to Article9.3(e), the same shall be the sole basis of the execution of such portion of the Works for which they have been prepared.
- (g) Approval of the New Designs shall be for purposes of conforming to the requirements of the Authority and the Authority's Standards as also specified by the Agency in the Bid Documents and shall not be construed as a warranty by the Agency of the structural safety, soundness, durability, sufficiency, correctness or reliability of the Project.
- (h) The Concessionaire shall be solely responsible for the adequacy of the New Designs, and shall not be relieved or absolved in any manner whatsoever of any of its obligations hereunder notwithstanding any review, comment or observation made by the Agency or the absence of the same from the Agency in approving the New Designs.
- (i) The Concessionaire shall be responsible for delays in submitting the New Designs and/or caused by the inadequacy thereof, and shall not be entitled to seek any relief in that regard from the Agency.
- (j) The Concessionaire shall ensure that the New Designs conforms to applicable law and prevailing regulations and standards, including the Livestock Breeding Act and the Authority's Standards and any modifications thereto from time to time.
- (k) The New Designs shall be prepared at the Concessionaire's expense by appropriately qualified design engineers.
- (l) The Concessionaire shall immediately commence Works in respect of any New Designs that have been accepted in full or deemed accepted in accordance with Article9.1(e), as well as partially accepted in writing by the Agency.

9.4 Deviation from Approved New Designs

- (a) A Party that seeks a Deviation from the Approved New Designs or the Designs, construction drawings and specifications shall bear the additional costs of such Deviation. The Agency shall inform the Concessionaire in writing of its Approval, rejection, partial Approval or partial rejection of the Deviation proposed by the Concessionaire within two (02) weeks from receipt of the request of the Concessionaire for Approval of its proposed deviations. Should the evaluation of the proposed Deviation require more than two (02) weeks due to the volume of documents involved or the complexity of the Deviation, the Agency shall request for additional time to act on the request, which in no case shall be more than an additional two (02) weeks. Should the Concessionaire not receive said additional time request, written acceptance, rejection, partial acceptance or partial rejection within the said period, the Agency shall be deemed to have

consented to the same and the Concessionaire may proceed with the execution of said Deviation. The Quality Assurance Inspector shall determine the cost of additional works required to be undertaken pursuant to such Deviation.

- (b) The Concessionaire shall immediately commence the Works on the Deviation, which have been accepted or deemed accepted in accordance with Article 9.2 (a) or partially accepted in writing by the Agency.
- (c) Should the Agency inform the Concessionaire in writing of its rejection or partial rejection of the proposed Deviation within the said period, the Concessionaire may proceed with the original plans prior to the proposed Deviation; provided, that in the event of such refusal by the Agency the Concessionaire shall not be responsible for any adverse effect which may result from implementing the inherent defect(s) in the original plans that the Concessionaire sought to remedy through the Deviation. In the alternative, the Concessionaire may elect to revise the proposed Deviation in order to address the objection and re-submit the same to the Agency for Approval. In the latter case, the process and period for Approval specified in Article 9.4 (a) shall apply.
- (d) Deviations from the Approved drawings and/or architectural and/or engineering plans and specifications may be proposed by the Agency by submission to the Concessionaire of the revised drawings and/or plans reflecting the deviation; provided, that if a failure to comply with the Construction Performance Standards should be attributable to Deviations proposed by the Agency, the Concessionaire shall not be responsible therefore and the Agency shall bear the costs and expenses which may be incurred in taking the necessary remedial measures.

9.5 Cost of Construction of the Project

- (a) The agreed capital cost to be incurred on the Project is the Estimated Project Cost. However, if the Concessionaire wishes to incur expenditure on the Project in excess of the Estimated Project Cost, or if the Quality Assurance Inspector determines that the capital cost of the Project is likely to exceed the Estimated Project Cost and so notifies the Concessionaire, the Concessionaire shall promptly seek the Agency's approval prior to undertaking such excess expenditure (“**Request for Additional Expenditure**”).
- (b) The Concessionaire shall, along with the Request for Additional Expenditure, provide to the Agency and the Quality Assurance Inspector, such information as is necessary and reasonable together with preliminary documentation in support of the following:
 - (i) the impact, if any, which the Request for Additional Expenditure is likely to have on the Timetable if the works are required to be carried out before the COD;
 - (ii) the cost to the Concessionaire of complying with the Request for Additional Expenditure (including, without limitation, material and labour cost information furnished in accordance with the current schedule of rates applicable to the works assigned by the Agency to its contractors, including the premium on such rates); and
 - (iii) the options suggested for implementing the proposed Request for Additional Expenditure and the effect, if any, each such option shall have on the costs and time for the implementation thereof including a detailed breakdown by work classifications.
- (c) The Quality Assurance Inspector shall provide its comments to the Agency with regard to the Request for Additional Expenditure and accompanying documentation within one (01) week from receipt thereof. If the Agency decides,

after receiving the Quality Assurance Inspector's comments, to allow the Concessionaire to proceed with the Request for Additional Expenditure, the Agency shall issue a written Approval within three (03) weeks of receipt of the Quality Assurance Inspector's comments and thereupon the Concessionaire shall proceed with performance of the works envisaged pursuant to the Request for Additional Expenditure. Any amount in excess of the Estimated Project Cost Approved by the Agency in pursuant to this Agreement shall become part of the Project Cost. In case the Agency does not provide its Approval for or does not reject the Request for Additional Expenditure within the aforementioned time periods, the Request for Additional Expenditure shall be deemed to be accepted and Approved by the Agency.

- (d) Within three (03) days from the Agency's approval of the request for Additional Expenditure, the Concessionaire shall furnish to the Agency a supplemental bond to the Construction Performance Bond. Such supplemental bond shall be in the same form as the Construction Performance Bond. The value of such supplemental bond shall be computed in the following manner:

VSB : five (5%) of the Project Cost – five percent (5%) of the Estimated Project Cost

For purposes of this Article, VSB shall be the value of the supplemental bond.

9.6 Construction Contractors and Preference to Local Contractors/Suppliers

The Concessionaire shall undertake the Works itself or by appointing one or more Construction Contractors possessing requisite technical, financial and managerial expertise and capability, as it deems necessary; provided, that the Concessionaire shall remain solely responsible for the Works. The Concessionaire shall appoint, at its own cost and expense, only Acceptable Contractors to undertake the Works. The Concessionaire shall ensure that provisions are made in the relevant construction contract(s) with such Construction Contractor(s) for (i) the rectification of defects in the relevant portion(s) of the Works during the agreed defects liability period, and (ii) the payment of liquidated damages for delays in the completion of the relevant portion(s) of the Works. The Concessionaire shall, in the award of a contract to a Construction Contractor or other contracts for the Project, give preference to Pakistani contractors, consultants and suppliers of materials and services, whose qualifications or capabilities are in the judgment of the Concessionaire, comparable with foreign contractors or suppliers and/or whose products and services are comparable in quality, delivery time, costs, reliability and other/terms to those offered by foreign counterparts, and meet or exceed the Construction Performance Standards and the Performance Standards.

9.7 Supervision, Monitoring and Inspection of Construction

- (a) The Agency shall monitor all of the Concessionaire's plans and programs for the development, construction, operation, management and maintenance of the Works prior to the implementation of the same to ensure conformity with accepted best engineering practices and compliance with the Construction Performance Standards, the Designs and the Approved New Designs.
- (b) The Agency shall designate the Agency Representative to facilitate communications with the Concessionaire and act for and on behalf of the Agency, and the Concessionaire shall designate a Concessionaire Representative to facilitate communications with the Agency and to act for an on behalf of the Concessionaire.
- (c) The Concessionaire shall, inform the Agency and the Quality Assurance Inspector in writing of any major inspections as set forth in the Timetable at least seven (07) Days prior to the intended inspection date. Taking into consideration

- the Timetable, the Agency shall exert best efforts not to postpone the said inspections. However, should the Agency desire a postponement, the Agency shall inform the Concessionaire at least five (05) Days prior to the stated inspection date. The Concessionaire and the Agency shall agree on the re-scheduled inspection date, which shall be held at the earliest time possible. Substantial delay caused by such postponement shall result in an adjustment to the Timetable and shall not be construed as a breach by the Concessionaire of any of its obligations in this Agreement.
- (d) If the Quality Assurance Inspector finds the Works subject of inspection to be acceptable, it shall certify such fact to the Agency and the Concessionaire. The Agency shall issue a written certificate of Approval and serve the same to the Concessionaire within ten (10) Days from receipt of the written report of the Quality Assurance Inspector. If the Quality Assurance Inspector finds the Works wholly or partly unacceptable, it shall likewise certify such fact to the Agency and the Concessionaire. The Agency shall within the same period issue a written certificate of total or partial disapproval of the Works inspected, citing the findings of the Quality Assurance Inspector. Should the Concessionaire not receive written acceptance, rejection, partial acceptance or partial rejection of the Works inspected within the period set forth, the Agency shall, notwithstanding the report of the Quality Assurance Inspector, be deemed to have accepted the Works subject of inspection and the Concessionaire may proceed with further Works.
- (e) If based on the findings of the Quality Assurance Inspector, the Agency informs the Concessionaire in writing of its rejection or partial rejection of the portion of the Works subject of the inspection within the period provided in Article 9.5 (d), the Concessionaire shall have the Works re-done to conform with the recommendations. The Concessionaire shall bear all the costs to correct any defects. The Works re-done shall again be subject to inspection by the Quality Assurance Inspector in accordance with the procedure in Articles 9.5 (c) and 9.5 (d).
- (f) The acceptance by the Agency of particular Works shall not absolve the Concessionaire from its duties and obligations under this Agreement and, in particular, from complying with the Designs and the Approved New Designs, if any, and the Construction Performance Standards.
- (g) The Concessionaire shall maintain at the Concession Area an efficient and capable organization with an adequate capacity and number of construction, operating and maintenance equipment and facilities to satisfactorily develop, construct, operate and maintain the Project in a safe, efficient, environmentally sound and professional manner in accordance with the Authority's Standards.
- (h) Upon completion of the construction of the Works, the Concessionaire shall clear away and remove all construction plant, surplus materials, rubbish and temporary work of every description and shall leave the Concession Area clean and in a condition satisfactory to the Agency; provided, that the Concessionaire shall be permitted to maintain and have access to offices and maintenance yards for the purposes of the Concession on sites at the Concession Area to be agreed with the Agency and the Agency shall be entitled to have access to such offices and yards.
- (i) The Concessionaire shall complete construction of the Project Assets in conformity with the Timetable set forth in **Schedule - B**. Subject to the terms of this Agreement, if the Concessionaire fails to achieve completion of the Project, within a period of 90 (ninety) Days from the date set forth in **Schedule - B**, then the Agency may at its discretion allow the Concessionaire a further grace period of 3 (three) months to complete the Project and after expiry of the additional 3 months grace period, if Concessionaire still fails to achieve completion of the Project, it shall pay to the Agency, late delivery charges for such default and not as a penalty at the rate of point zero percent (0.05%) of the Project Cost per day; provided, that the late delivery charges shall be limited to a maximum of five percent (5%) of the Project Cost. The Agency may either recover such late

delivery charges from the Construction Performance Bond or demand payment thereof from the Concessionaire. The Concessionaire shall deposit such late delivery charges in the Agency Bank Account, unless otherwise specified by the Agency, within seven(07) Days of receiving such demand from the Agency and any delay in making such payment shall attract interest at the rate of the Karachi Interbank Offered Rate (KIBOR) plus two per cent (2%).

9.8 Safety

The Concessionaire shall undertake the construction works in such a manner as to ensure proper levels of safety for those engaged on the works as per best international practice.

9.9 Construction Performance Bond

- (a) The Concessionaire shall, within two (02) weeks from the Financial Close, submit to the Agency a Construction Performance Bond with a face amount equal to five percent (5%) of the Estimated Project Cost. The Construction Performance Bond shall answer for, and guarantee the completion of the Works in accordance with the Construction Performance Standards and the Timetable, and the payment of compensation which the Concessionaire may be required to make pursuant to the relevant provisions of this Agreement. The Construction Performance Bond shall be valid for a period of at least Eighteen Months (18) calendar Months from the date of issuance.
- (b) The Construction Performance Bond shall be in the form of cash, bank draft confirmed by a scheduled bank acceptable to the Agency or an unconditional, irrevocable and without recourse Bank Guarantee from a scheduled bank operating in Pakistan, in the form and substance as set out in **Schedule - S**.
- (c) In case of termination of this Agreement by reason of the failure of the Concessionaire to complete the Works in accordance with the Construction Performance Standards and the Timetable for causes primarily attributable to the Concessionaire, and provided that its violation or non-performance was not due to a Force Majeure Event or due to causes attributable to the Government and/or the Agency, the Agency shall call on the Construction Performance Bond.
- (d) The Parties agree that delays caused by Force Majeure Events or any circumstance attributable to the Government, the Agency, a Public Sector Entity or any other governmental agency or instrumentality having jurisdiction, which causes a delay in the Works, including, but not limited to, review of documents, inspections of Works, and the like, which cannot be compensated for by a catch-up program to be mutually agreed by the Agency and the Concessionaire, shall justify adjustments in the Timetable, which adjustments shall be reduced into writing. In the event the Concessionaire should incur a delay by reason other than those specified above, the Agency shall give the Concessionaire a reasonable grace period in order to catch up with the Timetable; provided, that the Concessionaire shall be entitled to only one grace period for meeting each milestone without incurring liability for delay; provided, further, that, all Works shall, subject to any extension(s) granted to the Concessionaire by the Agency, be completed not later than fifteen (15) Months from the Works Commencement Date.
- (e) In the case of Abandonment by the Concessionaire prior to the COD, the Construction Performance Bond shall be callable on demand in its entirety by the Agency.
- (f) The Construction Performance Bond shall be irrevocably released by the Agency upon the actual or constructive receipt by the Concessionaire of the Certificate of Completion as provided herein.

9.10 Certificate of Substantial Completion and Certificate of Completion

- (a) Upon the completion of all of the Works, the Concessionaire shall so notify the Quality Assurance Inspector (“Project Completion Notice”). Within three (3) Days of receipt of the Project Completion Notice, the Quality Assurance Inspector shall expeditiously undertake an inspection of the Works together with the Agency Representative, and within seven (7) Days of the inspection, recommend to the Agency to issue within seven (7) Days:
 - (i) the Certificate of Completion, if the Agency is satisfied that the Works have been completed; or
 - (ii) the Certificate of Substantial Completion together with the Incomplete Works List, if the Quality Assurance Inspector or the Agency determines that although the Works have been substantially completed, certain works or items forming part of the Works are not complete.
- (b) All Incomplete Works List items shall be completed by the Concessionaire within such time as may be determined by the Quality Assurance Inspector. Upon satisfactory completion by the Concessionaire of the Incomplete Works List items, the Quality Assurance Inspector shall promptly, and in any event within two (02) weeks of the completion thereof, recommend to the Agency to issue the Certificate of Completion.
- (c) If within two (02) weeks after receiving the recommendation of the Quality Assurance Inspector the Agency fails to issue the Certificate of Completion or Certificate of Substantial Completion, then notwithstanding that certain works or items forming part of the Works are not complete, all of the Works shall be deemed to be completed, and the Construction Performance Bond shall be deemed to have been cancelled and shall be released forthwith after the end of such time period.
- (d) Any dispute in relation to the issuance of a Certificate of Substantial Completion or Certificate of Completion shall be referred for amicable settlement in accordance with Article 22.1.
- (e) The issuance by the Agency of the Certificate of Completion shall not release the Concessionaire from the performance of its obligations under this Agreement.

10. OPERATIONS, MANAGEMENT AND MAINTENANCE

10.1 Operations and Maintenance of the Project

The Concessionaire shall strictly observe and adhere to the Operations and Maintenance Systems and Procedures (which shall be developed pursuant to the applicable laws, regulations and standards, including the Authority's Standards) throughout the Operations Phase.

10.2 Staffing

- (a) The Concessionaire shall be deemed to have commenced commercial operations of the Project on the date of issuance of the Certificate of Completion.
- (b) The Concessionaire shall provide all management and operating personnel and labour in accordance with Good Industry Practice, the Authority's Standards and the relevant laws, regulations and standards that may be applicable to the Project from time to time to ensure maintenance and operation of the Project in accordance with the Security Package and the Laws of Pakistan.
- (d) At its own cost and expense, and at its own discretion, the Concessionaire may appoint the O&M Manager(s) for the operation and maintenance of the Project in accordance with the terms and conditions set out in the O&M Contract(s); provided, that such appointment shall not relieve the Concessionaire of any liability whatsoever resulting from a breach of any term or condition of this Agreement.

10.3 Operations and Maintenance

(a) General

- (i) The Concessionaire shall operate, manage and maintain the Project throughout the Operations Phase in accordance with the Operations and Maintenance Systems and Procedures, which shall be prepared in accordance with the Authority's Standards and shall be submitted by the Concessionaire to the Agency for reference at least two (2) Months prior to the COD. The Concessionaire shall also maintain all equipment installations, apparatus, machinery, safety signage and devices and ancillary facilities at the Project as per manufacturer's requirements and the Authority's Standards, at all times during the Operations Phase.
- (ii) The Concessionaire shall operate and manage the Project three sixty five (365) Days a Year throughout the Operations Phase. The operation and management shall be in accordance with the Operations and Maintenance Systems and Procedures and the standard of the operations and management shall be no less than Good Industry Practice.
- (iii) The Concessionaire shall carry out the maintenance, refurbishment, renewal and acquisition of the equipment and safety installations in accordance with the requirements of the Operations and Maintenance Systems and Procedures.
- (iv) The Concessionaire shall at all times comply with the safety and performance requirements set out in the Operations and Maintenance Systems and Procedures.
- (v) If during the Project Auditor's inspections of the Project pursuant to Article 5.6, the Project Auditor finds that there is material non-compliance (as per the criteria specified in the Performance Standards) by the Concessionaire with the Operations and Maintenance Systems and Procedures, the Project Auditor will inform the Concessionaire in writing of such non-compliance and specify a reasonable period (which shall be of at least thirty (30) Days) for the Concessionaire to rectify such non-compliance. In case the Concessionaire fails to rectify the non-compliance within the aforesaid time

period, a financial penalty for non-performance or defective performance by the Concessionaire may be suggested by the Project Auditor in accordance with the criteria specified in the Performance Standards. Provided however, that any financial penalties imposed by the Project Auditor shall be aggregated and paid by the Concessionaire on an annual basis as per the terms specified in the Performance Standards and shall be subject to a maximum cap of one (01) percent of the gross Revenues in the relevant Year. The Joint Auditor shall be responsible for ascertainment of compliance with the performance metrics and shall submit a quarterly report to the Agency regarding the performance of the Concessionaire or its Contractors, as the case may be, against the said performance metrics and recommend financial penalties in accordance with the specified criteria.

(c) **Catalogues Concerning Spare Parts for Machinery and Equipment**

The Concessionaire shall prepare information catalogues or lists concerning necessary spare parts for the machinery and equipment employed in the Project in accordance with Good Industry Practices.

(d) **Inventory**

The Concessionaire shall at all times keep an inventory of spare parts and other consumables for the machinery and equipment employed at the Project in accordance with Good Industry Practices.

(e) **Alarm System**

Fire and emergency alarm systems within the Project Assets shall be implemented and coordinated by the Concessionaire.

(f) **Management Structure**

The Concessionaire shall design a cost effective management structure to ensure that the Project will operate in a harmonious manner through the Project Manager(s) and in accordance with the O&M Contract, if any.

(g) **Labour**

Employment of workers/labour/personnel for the Concessionaire shall exclusively be undertaken by the Concessionaire subject to such restrictions as may be imposed under the Laws of Pakistan. Any person below the age of 15 years age should not be employed in the project in any work whatsoever. The Concessionaire shall ensure compliance of the following law/policy including any amendments thereto:

- a) The Punjab Restriction on Employment of Children Act, 2016.
- b) The Punjab Labour Policy, 2015

(h) **Cleanliness**

The Concessionaire shall, during the Operations Phase, guarantee cleanliness and safe and reliable operation of the entire Project in accordance with the Operations and Maintenance Systems and Procedures.

10.4 Scope of Maintenance and Repairs

- (a) The Concessionaire shall, at all times during the Term of this Agreement, keep the Concession Area usable and in proper working condition and in compliance

with maintenance requirements established by the Construction Performance Standards and Operation and Maintenance Systems and Procedures.

- (b) The Concessionaire shall maintain and repair, at its expense and account, all elements of the Project, which shall include, but not be limited to, the Project Assets and structural and non-structural elements constructed by the Concessionaire.
- (c) The Concessionaire shall at its own cost, maintain and/or repair the Project, and keep an adequate inventory of supplies and spare parts until the Transfer Date and shall use its best endeavors to ensure that during such period, the Project is in good condition and operating under the Performance Standards parameters.

10.5 Operations of Project

Upon the completion of the Construction Phase, the Concessionaire shall operate the Project in accordance with this Agreement and the relevant Performance Standards to prevent and/or minimize loss or damage to the Project, and for such other purposes as may be reasonably expected from any owner or manager of property of similar kind.

10.6 Information Provisions

- (a) The Government, the Agency, and the Concessionaire shall cooperate with one another in the provision of information reasonably required in the operation of the Project and the performance by Public Sector Entities of their respective obligations and duties.
- (b) The Concessionaire shall provide to the Agency, upon the Agency's written request, information required for the Agency to monitor the Concessionaire's compliance with this Agreement. The said information consists of construction progress reports, biannual statistical data of its operational activities and the maintenance and development of the facilities, and details of equipment at the Concession Area. The Agency and the Concessionaire shall within a reasonable time from the execution of this Agreement, agree in writing on the format and contents of such information requests.

10.7 Operations Bond

- (a) At the end of the Construction Phase and within fifteen (15) Days prior to release of the Construction Performance Bond, the Concessionaire shall provide the Agency with an unconditional, irrevocable and without recourse Operations Bond in the form of a Bank Guarantee from a scheduled bank which shall always be in the form and substance as set out in **Schedule - T**. Such Operations Bond shall be submitted on an annual basis and kept valid throughout the Operations Phase, in an amount equivalent to [●] during the years of Operations Phase, and in an amount equal to the Total Estimated Rupee value (calculated on the basis of the prevalent market rate of Straws at the relevant time) of the aggregate Quarterly Consideration for the relevant financial Year from the ___ anniversary of the COD onwards, to secure all the Concessionaire's obligations, liabilities, warranties, indemnities, representations, guarantees and responsibilities under this Agreement in relation to the operations and maintenance of the Project and all other works and services to be provided by the Concessionaire under this Agreement during the Operations Phase.
- (b) The Operations Bond shall remain in full force and effect from the date of its issuance until the expiry of a period of twelve (12) Months from the date of its issue. Prior to expiry of an Operations Bond as aforesaid, it shall be replaced by another such Operations Bond in an amount, computed as aforesaid, for the next financial Year. The Operations Bond shall continue to be replaced at one (1) Year

intervals as aforesaid until the Concession End Date or the termination of this Agreement, whichever is earlier.

10.8 Administrative and Operational Functions

The Concessionaire shall have the right to promulgate rules and regulations but the same should be consistent with applicable Laws of Pakistan, to ensure the safety, convenience and comfort of the to prevent and/or minimize loss or damage to the Project, and for such other purposes as any owner or manager of property of similar kind may be reasonably expected to promulgate. Copies of the said rules and regulation shall be furnished to the Agency and all concerned agencies of the Government at least ten (10) Days prior to their affectivity, but in no case later than ten (10) Days after their promulgation.

10.9 Utilities

The Concessionaire shall be responsible for the payment of all Utilities used within the Project.

10.10 Pollution

The Concessionaire shall design, install, erect, construct, implement, operate, manage and maintain the Project to minimize adverse environmental impact and pollution in accordance with the PEPA standards and Laws of Pakistan.

11. INSURANCE

11.1 General

- (a) The Concessionaire shall, at its own expense, procure and maintain at all times during the term of this Agreement, insurance coverage for the Project in accordance with Good Industry Practice. The Concessionaire shall include the Agency in each of the policies as a co-insured party.
- (b) The Concessionaire shall be liable for any cost deficiency should any insurance proceeds be insufficient to cover the necessary repair and/or restoration works, or the cost of replacement, as the case may be; provided, however, that any excess of the said insurance proceeds, if any, shall inure to the exclusive benefit of the Concessionaire.
- (c) The Concessionaire shall promptly pay insurance premium, keep the insurance policies in force and valid throughout the Concession Period and furnish copies of all duly executed insurance policies to the Agency within fifteen (15) Days from its receipt of the same. If at any time the Concessionaire fails to obtain or maintain in full force and effect any and all of the insurance required under this Agreement, the Agency may at its option obtain and maintain such insurance and all sums incurred by the Agency thereof shall be reimbursed by the Concessionaire to the Agency within seven (07) Days from the receipt of claim in respect thereof made by the Agency.

11.2 Insurance of the Works during the Construction Phase

During the Construction Phase, the Concessionaire shall at its own cost and expense effect and maintain insurance from insurance companies with a minimum rating of AA until the COD on, *inter alia*, the following basis:

- (a) A contractor's all risks policy for the full value of the Works to include cover for all goods, equipment, materials, plants and other items necessary for the Works including when they are in transit to the Concession Area;
- (b) Comprehensive third party liability including injury or death to personnel or representatives of the Concessionaire for each incident (the number of incidents to be unlimited);
- (c) Cover for any damage to the Works, in part or whole, caused by the Concessionaire's vehicles, tools, equipment or personnel;
- (d) Any other cover that may be necessary for the Works including against such Force Majeure Events that are insurable in accordance with the norms of the industry.

11.3 Insurance during the Operations Phase

After the COD and throughout the Operations Phase, the Concessionaire shall at its own cost and expense effect and maintain insurance from insurance companies with a minimum rating of AA on, *inter alia*, the following basis:

- (a) For the Project Assets including livestock, against loss, break-downs, damage, death or destruction from such risk in accordance with Good Industry Practice. Such policy shall also cover any property of the Agency in or at the Concession Area;
- (b) Comprehensive third party liability including injury or death to personnel or representatives of the Concessionaire, and the public, for each incident (the number of the incidents to be unlimited);
and

- (c) Any other cover that may be necessary including against such Force Majeure Events that are insurable in accordance with Good Industry Practice.

12. PUBLIC UTILITIES AND THIRD PARTY ACCESS

12.1 Utilities Required for the Works

The Agency shall, to the fullest extent, facilitate the Concessionaire in procuring the supply of the Utilities and ancillary services to the Concession Area and all costs and expenses incurred in respect thereof shall be borne by the Concessionaire.

13. FINANCE

13.1 Concessionaire to Obtain Finance

The Concessionaire shall be responsible, at its own cost, for obtaining all the finances, Debt, Equity and/or any other component of the Total Project Costs, necessary to undertake the Project in accordance with the terms of this Agreement and the Agency shall assist in all Approvals and fully assist the Concessionaire in procuring all Consents, and shall provide and execute all documents, provide all information, and take all other actions and steps, as may be required by the Concessionaire and/or the Lenders in this regard.

13.2 Financial Close

- (a) The Concessionaire shall achieve Financial Close within four (04) Months from the Effective Date. If the Concessionaire fails to achieve Financial Close within the said period, Agency may at its sole discretion allow the Concessionaire a further period to achieve Financial Closes subject to payment of penalty which the agency will be at sole discretion to decide.
- (b) If due to the Concessionaire's inability, the Financial Close cannot be achieved by the Concessionaire within the period of specified in Article 14.2(a) or such other extended period pursuant to the provisions of this Agreement:
 - (i) The Agency shall have a right to terminate the Agreement due to Concessionaire's Default;
 - (ii) Within one (01) Month of such termination of this Agreement the Concessionaire shall return to the Agency the possession of the Concession Area and the Works;
 - (iii) Neither Party shall have any recourse to the other except as specified in (iv) below;
 - (iv) Bid Security of the Concessionaire shall be forfeited.

13.3 Financial Records and Statements

The Concessionaire shall carry out its business and affairs with due diligence and efficiency and in accordance with sound financial and commercial standards and practices and shall keep full and particular accounts of its business and affairs and cause the same to be properly posted up to date for its own internal records.

13.4 Annual Lease Consideration

Annual Lease Consideration shall be disbursed to the Agency on an annual basis as per the agreed Annual Lease Consideration as detailed in **Schedule - E(a)**.

13.5 Taxes and Duties

All present and future federal, provincial, municipal or other lawful income and other taxes, duties, levies, fees, cesses, octroi or other impositions applicable to the Concessionaire, the Project, the Concessionaire employees, and the Concessionaire's other assets shall be paid by the Concessionaire in accordance with the requirement of the Laws of Pakistan. The Agency shall not assume any liability whatsoever in respect of the foregoing on behalf of the Concessionaire.

14 CHARGES AND ADJUSTMENTS

14.1 Revenues

Subject to the provisions of this Agreement, the Concessionaire (directly or through Acceptable Contractors) shall be authorized to sell and fix a price for each unit of Straw it will produce or sell any other Biological Assets in accordance with this Agreement and to retain all Revenues derived there from and/or derive any other Revenues from the Project in furtherance of its rights and obligations under this Agreement

14.2.1 Records

The Concessionaire shall maintain detailed and accurate records of all such activities as required to be maintained pursuant to the provisions of this Agreement, which shall be provided to the Agency Representative or the Project Auditor in accordance with the provisions of this Agreement.

15 ANCILLARY FACILITIES

15.1 Ancillary Facilities

The Concessionaire may, at any time prior to the expiration of the Concession Period, establish, operate and maintain Ancillary Facilities at the Concession Area and/or the Agency's Adjacent Areas.

15.2 Ownership of Ancillary Facilities

For the avoidance of doubt, upon the establishment of the Ancillary Facilities, or any of them, the ownership rights thereof shall be vested in the Concessionaire and the Concessionaire shall retain ownership rights, including the right to remove, shift or relocate such facilities, thereto until the Concession End Date (or the Termination Date upon Termination) to the extent that the Ancillary Facilities are of such nature that are capable of being so owned.

15.3 Other Agreements

The Concessionaire may enter into such Other Agreements and licensing, franchise or other contractual arrangement as the Concessionaire shall deem appropriate for the design, construction, management, operation and maintenance of the Ancillary Facilities. The term of all Other Agreements shall be coterminous with the Concession Period except where the Other Agreements are for periods of shorter duration or are extended with the mutual written consent of the Parties.

15.4 Receipts

Subject to the terms of any such contractual arrangements, the Concessionaire shall retain all Revenues received from the operations, if any, of the Ancillary Facilities.

16 REVENUES, O&M ARRANGEMENT AND ACCOUNTS

16.1 Commencement of Commercial Operations

- (a) The Concessionaire shall commence operations at the Centre on the COD, and continue such operations until the Concession End Date (or the Termination Date, if earlier).
- (b) The Concessionaire shall provide the necessary operation, maintenance and management personnel to ensure operation and maintenance of the Project in accordance with the terms of this Agreement, the Authority's Standards, and the Laws of Pakistan.
- (c) The Concessionaire may undertake the operation and maintenance of the Project Assets either itself or through an O&M Manager appointed in accordance with the terms and conditions set out in the O&M contract.
- (d) The Concessionaire may, at its sole discretion, design and develop a technical training program for its personnel comprising classroom course training and on-site training with the intent that after such training, the trained personnel shall have the requisite skills to undertake their respective functions and responsibilities when the Centre is operational.

16.2 Labour

Employment of workers/labour/personnel for the Concessionaire shall be undertaken by the Concessionaire subject to such restrictions as may be imposed under the Laws of Pakistan.

16.3 No Breach

- (a) The Concessionaire shall not be considered to be in breach of its obligations under this Article 16 if any part of the Centre is not operational on account of any of the following for the duration thereof:
 - (i) a Force Majeure Event;
 - (ii) an Agency Event of Default;
 - (iii) measures taken to ensure the safe use of the Centre; or compliance with a request from the Agency or the directions of any Governmental Agency or due to an action of a Public Sector Entity, the effect of which is to close all or any part of the Centre;

16.4 Project Account

- (a) On commencement of the Project there shall be maintained by the Concessionaire one or more Project Account(s). Till Financial Close, all contributions towards the equity of the Concessionaire and the disbursement of loans by the Lenders under the Financing Agreements shall be credited to this/these Project Account(s). All expenditures made with respect to the due performance of its obligation by the Concessionaire under this Agreement shall be through such Project Account(s). The Concessionaire shall operate the Project Account(s).
- (b) The Project Account(s) shall be established with direct debit instructions to the bank(s) with which the Project Account(s) is/are being maintained, to directly

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BASIS

debit the Project Account(s) and make annual payments of the Annual Lease Consideration to the credit of the Agency's Bank Account, in accordance with the terms of this Agreement. The quantum of such annual payment of the Agency Lease Money has been defined in **Schedule "E"**.

17 INDEMNITIES

17.2 Waiver of Indemnity

Except as expressly specified in this Agreement, neither Party shall be liable to the other Party in contract, tort, warranty, strict liability or any other legal theory for any indirect, consequential, incidental, punitive, special or exemplary damages, or loss of profits. Neither Party shall have any liability to the other Party except pursuant to, or for breach of, this Agreement; provided, however, that this provision is not intended to constitute a waiver of any rights of one Party against the other with regard to matters unrelated to this Agreement or to any activity not contemplated by this Agreement.

17.2 Indemnity

- (a) **Indemnity by the Concessionaire:** The Concessionaire shall expeditiously defend and indemnify the Agency and its officers and employees against and hold the Agency and its officers and employees harmless, at all times after the Effective Date, from any and all losses incurred, suffered, sustained, or required to be paid, directly or indirectly, by, or sought to be imposed upon, the Agency and its officers or employees for personal injury or death to natural Persons or damage to property arising out of the negligent or intentional act or omission of the Concessionaire in connection with this Agreement.
- (b) **Indemnity by the Agency:** The Agency shall expeditiously defend and indemnify the Concessionaire and its directors, officers and employees against, and hold the Concessionaire and its directors, officers and employees harmless at all times after the date of this Agreement, from any and all losses incurred, suffered, sustained, or required to be paid, directly or indirectly, by, or sought to be imposed upon, the Concessionaire and its respective directors, officers and employee for personal injury or death to natural Persons or damage to property arising out of the negligent or international act or omission of the Agency in connection with this Agreement.
- (c) **Third Party Claim:** In the event that either Party receives a claim from a third party in respect of which it is entitled to the benefit of any indemnity under this Article 17.2 (“**Indemnified Party**”) it shall notify the other Party (“**Indemnifying Party**”) within fourteen (14) Days of receipt of the claim and shall not settle or pay the claim without the prior approval of Indemnifying Party; provided, however, that such approval shall not be unreasonably withheld, conditioned or delayed. In the event that the Indemnifying Party wishes to contest or dispute the claim, it may conduct the proceedings in the name of the Indemnified Party, subject to the Indemnified Party being secured against any costs involved to its reasonable satisfaction.

17.3 Special Indemnification

- (a) The Concessionaire shall indemnify the Agency against any and all claims and liabilities resulting from any act or omission by the Concessionaire in connection with the construction, operation and transfer of the Project before the transfer (other than claims, liabilities or charges resulting from the Agency’s acts or omissions) and defend all suits and legal proceedings by third parties in respect thereof.
- (b) The Agency shall indemnify the Concessionaire from any and all claims and liabilities resulting from any act or omission by the Agency in connection with the operation and transfer of the Project, during the Concession Period or on or after the transfer (other than claims, liabilities or charges resulting from the

Concessionaire's acts or omissions) and defend all suits and legal proceedings by third parties in respect thereof.

17.4 Notice of Loss

Each Party shall promptly notify the other Party of any Loss or proceeding in respect of which it is or may be entitled to indemnification under Article 17.2. Such notice shall be given as soon as reasonably practicable after the relevant Party becomes aware of the Loss or proceeding.

18 PROHIBITION AGAINST ASSIGNMENTS

18.1 Prohibition against Assignment/Transfer of the Project and Project Assets

Except as otherwise provided in this Agreement and in particular except for the purposes of creating security in favor of the Lenders, the Concessionaire shall not, either directly or indirectly assign, hypothecate, encumber or transfer the Project, the Project Assets, or any interest therein other than to its associated companies (as defined in the Companies Ordinance, 1984) and/or any other companies belonging to the same group of companies as the Concessionaire with the Agency's approval.

18.2 Subcontracting

The Concessionaire is permitted to enter into contracts, in accordance with the terms of this Agreement for the carrying out of the Works and operations of the Project, with such third parties that qualify as Acceptable Contractors and are not blacklisted by the Agency as of the date of execution of such contracts. A copy of all Contracts (or any of them) shall be made available to the Agency upon request.

19 FORCE MAJEURE

19.1 General

- (a) For purposes of this Agreement, a Force Majeure Event shall mean the occurrence in Pakistan of any event which is beyond the reasonable control of the Affected Party, and the occurrence whereof could not have been reasonably foreseen on the Effective Date and which makes performance and discharge of the obligations of the Affected Party under this Agreement impossible or impractical.
- (b) Force Majeure Events shall include, but not be limited to:
- (i) major earthquake, unusual flood, inundation, landslide;
 - (ii) storm, tempest, hurricane, cyclone, lightning, thunder or other extreme atmospheric disturbances;
 - (iii) fire caused by reasons not attributable to the Concessionaire or the Agency or any of the representatives of the Concessionaire or the Agency; or
 - (iv) disruption in the procurement of raw materials for the Works.
 - (v) change in law;
 - (vi) any event pursuant to which the Concessionaire is impeded or obstructed from or is otherwise unable to exercise its rights and/or discharge its obligations pursuant to the terms of this Agreement;
 - (vii) an action of the GOPb, the Agency or a Public Sector Entity having a Material Adverse Effect; or
 - (viii) an action of the GOPb, the Agency or a Public Sector Entity of expropriation, nationalization or compulsory acquisition or take-over of the Project Assets or any part thereof or of the Concessionaire's rights under this Agreement;
 - (ix) ionizing radiation, serious epidemics, contamination by radioactivity from nuclear fuel, any nuclear waste or radioactive toxic explosion;
 - (x) strikes, boycotts, labour disruptions or any other industrial disturbance not arising on account of the acts or omissions of the Concessionaire;
 - (xi) war, hostilities (whether war be declared or not), acts of terrorism, rebellion, riots or ethnic violence, civil commotion, unrest, disruption civil war or armed conflicts or state of emergency;
 - (xii) invasion, act of foreign enemy, conflict with weapons or military actions; or
 - (xiii) any other events beyond the control of the Parties.

19.2 Mitigation Measures

The Agency and the Concessionaire acknowledge their mutual interest to direct, to the extent possible, their decisions as a consequence of a Force Majeure Event towards the completion of the Works and the continued operation of the Project for the full duration of the Concession Period in accordance with the terms of this Agreement, and shall to this end take damage mitigation measures.

19.3 Obligation to Notify

- (a) As soon as practicable and in any case within one (01) Month of the date of occurrence of a Force Majeure Event or the date of knowledge thereof, the Affected Party shall notify the other Party of the Force Majeure Event setting out, *inter alia*, the following reasonable detail:
- (i) the nature and extent of the Force Majeure Event;
 - (ii) the estimated Force Majeure Period;
 - (iii) the nature of and the extent to which, performance of any of its obligations under this Agreement is affected by the Force Majeure Event;
 - (iv) the measures which the Affected Party has taken or proposes to take to alleviate/mitigate the impact of the Force Majeure Event and to resume performance of such of its obligations affected thereby; and
 - (v) other relevant information concerning the Force Majeure Event, and/or the rights and obligations of the Parties under this Agreement.
- (b) As soon as practicable and in any case within seven (07) Days of notification by the Affected Party in accordance with the preceding Article (a), the Parties shall, meet, hold discussions in good faith and where necessary conduct physical inspection/survey of the Project in order to:
- (i) assess the impact of the underlying Force Majeure Event;
 - (ii) determine the likely duration of the Force Majeure Period;
 - (iii) formulate damage mitigation measures and steps to be undertaken by the Parties for resumption of obligations the performance of which shall have been affected by the underlying Force Majeure Event.
- (c) The Affected Party shall during the Force Majeure Period provide to the other Party with regular (not less than weekly) reports concerning the matters set out in the preceding Article (b) as also any information, details or document, which the other Party may reasonably require.

19.4 Performance of Obligations

If the Affected Party is rendered wholly or partially unable to perform any of its obligations under this Agreement because of a Force Majeure Event, it shall be excused from performance of such obligation to the extent it is unable to perform the same on account of such Force Majeure Event; provided, however, that:

- (a) the excuse from performance shall be of no greater scope and of no longer duration than is necessitated by the Force Majeure Event;
- (b) the Affected Party shall make all reasonable efforts to mitigate or limit damage, if any, caused or likely to be caused to the Project Assets as a result of the Force Majeure Event and to restore the Project Assets, and its relative obligations under this Agreement;
- (c) the Affected Party shall take all remedial measures, including, duly prosecuting and exhausting all such remedies available to the Affected Party under the Laws of Pakistan;
- (d) when the Affected Party is able to resume performance of its obligations under this Agreement, it shall give to the other Party written notice to that effect and shall promptly resume performance of its obligations hereunder;
- (e) the Affected Party shall continue to perform such obligations which are not affected by the Force Majeure Event and which are capable of being performed in accordance with this Agreement.

19.5 Termination occasioned by Force Majeure

- (a) If a Force Majeure Event continues or is in the reasonable judgment of the Parties likely to continue beyond a period of six (6) Months, the Parties may mutually decide to Terminate this Agreement or continue this Agreement on mutually agreed revised terms. If the Parties are unable to reach an agreement in this regard, either Party shall, after expiry of the said period of six (6) Months, be entitled to Terminate this Agreement.
- (c) If either Party, having become entitled to Terminate this Agreement pursuant to Article 19.4(a), so decides to Terminate this Agreement, it shall issue a Termination Notice setting out:
 - (i) in sufficient detail the underlying Force Majeure Event;
 - (ii) the Termination Date which shall be a date occurring not earlier than sixty (60) Days from the date of the Termination Notice;
 - (iii) the estimated Termination Payment, including, details of computation thereof; and
 - (iv) any other relevant information.

20 TERMINATION AND DAMAGES

20.1 Grounds for Termination of Agreement

This Agreement may be terminated on the following grounds (each of which shall constitute a Concessionaire Event of Default and/or Agency Event of Default (as applicable)):

- (a) By the Agency, if:
 - (i) The Concessionaire fails to achieve Financial Close within the time period specified in Article 13.2;
 - (ii) the Concessionaire fails to commence the Works for a period exceeding ninety (90) Days from the Works Commencement Date;
 - (iii) After the commencement of Works, the Concessionaire has abandoned the Works for a continuous period of ninety (90) Days;
 - (iv) Subject to any extension granted in terms of this Agreement or any Approval to the contrary given by the Agency, the Concessionaire fails to finish the Works in accordance with the Designs, Timetable or Construction Performance Standards;
 - (v) The Concessionaire fails to pay the Agency Lease Money in accordance with the provisions of this Agreement;
 - (vi) The Concessionaire breaches a provision of this Agreement, which is not cured upon the lapse of the applicable grace period;
 - (vii) The Concessionaire is subjected to a Change of Control;
 - (viii) The Concessionaire fails to comply with the Performance Standards;
 - (ix) The Concessionaire engages in any other activity or business other than that permitted under this Agreement;
 - (x) Any representations made or warranties given by the Concessionaire under this Agreement are found to be false or misleading;
 - (xi) A resolution has been passed or a petition for winding up of the Concessionaire has been admitted and a liquidator or provisional liquidator has been appointed or the Concessionaire has been ordered to be wound up by a court of competent jurisdiction (except for the purpose of amalgamation or reconstruction with the prior consent of the Agency as a consequence of which the property, assets and undertaking of the Concessionaire are transferred to the amalgamated or reconstructed entity and that the amalgamated or reconstructed entity has unconditionally assumed the obligations of the Concessionaire under this Agreement and other agreements entered into pursuant hereto);
 - (xii) A default has occurred under any of the Financing Agreements which default has or will materially or adversely affect the performance by the Concessionaire of its obligations under this Agreement;
 - (xiii) The Concessionaire has Abandoned the Project Assets;
 - (xiv) The Concessionaire has repudiated this Agreement or has otherwise expressed an intention not to be bound by this Agreement;
 - (xv) The Concessionaire creates any encumbrance, charge or lien upon the Concession Area or the Project Assets in favor of any person save and except as expressly permitted pursuant to the provisions of this Agreement; or
 - (xvi) The Concessionaire has suffered an attachment levied on any of its assets which has or will materially or adversely affect the performance by the Concessionaire of its obligations under this Agreement and such attachment has continued for a period exceeding ninety (90) Days.
- (b) By the Concessionaire, if:

- (i) The Agency is in breach of any of its obligations, including the Initial Obligations, under this Agreement, and the Agency has failed to cure such breach within thirty (30) Days of receipt of notice thereof issued by the Concessionaire;
 - (ii) Any representations made or warranties given by the Agency under this Agreement have been found to be false or misleading or any of the Agency's undertakings and covenants contained herein are not undertaken by the Agency;
 - (iii) The Agency takes any action, administrative, political or legislative in nature that is in derogation of the terms of this Agreement and has the consequence of suspending or terminating or changing the terms of this Agreement to the detriment of the Concessionaire;
 - (iv) The Agency obstructs the Concessionaire from undertaking any of its obligations or exercising any of its rights pursuant to this Agreement;
 - (v) The Agency hinders the design, construction, management or operation of the Project by the Concessionaire in any manner, which is contrary to terms of this Agreement;
 - (vi) the Agency fails to execute the Indenture of Lease;
 - (vii) the Agency fails to make available or cause to be made available to the Concessionaire the Vacant Possession of the Existing Project Assets, and the Concession Area, free from any Encumbrances, together with the Ancillary Rights within the time period stipulated in this Agreement;
 - (viii) the Agency, by itself or through any third party, interrupts, interferes, suspends or takes over the right of the Concessionaire to operate the Existing Project Assets and/or the Project Assets; and
 - (ix) The Agency has repudiated or has otherwise expressed an intention not to be bound by this Agreement.
- (c) For purposes of Article 20.1, the non-defaulting Party shall serve written notice to the defaulting Party specifying the ground for termination, and giving the defaulting Party a period of thirty (30) Days within which to initiate corrective or remedial measures, and a reasonable amount of time not less than sixty (60) Days to complete said corrective or remedial measures to the satisfaction of the non-defaulting Party, or such further period as the Parties may mutually agree on. If no satisfactory corrective or remedial measures are initiated by the defaulting Party after the lapse of thirty (30) Days, then the non-defaulting Party shall serve upon the defaulting Party the Termination Notice indicating the Termination Date which shall in no case be earlier than two (02) Months from and after receipt by the defaulting Party of the Termination Notice; provided, that Termination shall remain subject to the dispute resolution mechanism enshrined in Section 22 of this Agreement.
- (d) The provisions of Article 20.1 (a) notwithstanding, and for the purpose of preventing a disruption of the operations in the Project, the Agency may initiate and take immediate remedial measures in the event the Concessionaire should be in imminent danger of defaulting on an obligation secured by a lien (permissible under this Agreement) on the Project Assets. Accordingly, if the Concessionaire is of the reasonable opinion that it shall be unable to meet a payment obligation secured by a lien on the Project Assets, the Concessionaire shall give prompt written notice to the Agency.

20.2 Termination Payments

The Termination Payments will be made as per the mechanism specified in **Schedule – L**.

20.3 Payments for Termination

- (a) In order to make payments to the Concessionaire in terms of Article 20.2 in respect of early termination of this Agreement, the Project Auditor, the Agency Representative and the Concessionaire Representative shall jointly carry out detailed verification of the various heads of proposed payment and undertake audit of the proceeds, expenses and other financial transactions and of the records of the Concessionaire with a view to ascertain and verify the amounts of the proposed Termination Payment, as per the criteria specified in **Schedule - L**.
- (b) The detailed verification/audit under Article 20.3 (a) above shall be conducted and completed within a maximum period of thirty (30) Days from the date of termination of this Agreement, where after the Project Auditor, the Agency Representative and the Concessionaire Representative shall jointly certify the Termination Payment to be made to the Concessionaire.
- (c) In case the Project Auditor, the Agency Representative and the Concessionaire Representative appointed for the purpose cannot jointly agree to the Termination Payment to be made to the Concessionaire, the matter shall be referred for dispute resolution in terms of Section 22.
- (d) The amount jointly certified under Article 20.3 (b) as payable to the Concessionaire, in terms of this Section, shall be paid to the Concessionaire within thirty (30) Days of such certification.
- (e) The Agency shall be entitled to deduct from the Termination Payment any amount due and recoverable by the Agency from the Concessionaire as on the Termination Date.

20.4 Obligations of the Concessionaire

- (a) In the case of termination of this Agreement prior to the completion of the Construction Phase, the Concessionaire shall ensure that all construction works in the Concession Area come to an end and shall also ensure the removal from the Concession Area all its workmen, employees, servants, agents and contractors and vacate the Concession Area completely within fifteen (15) Days of the Termination Date.
- (b) In case of termination of this Agreement when the Concessionaire is operating and maintaining the Project, the Concessionaire shall cease to operate and maintain the Project within a period not exceeding thirty (30) Days from the Termination Date, and shall also ensure the removal from the Concession Area of all its workmen, employees, servants, agents and contractors and shall vacate the Concession Area completely within the said period of thirty (30) Days from the Termination Date.
- (c) Within thirty (30) Days from the Termination Date, the Concessionaire shall transfer to the Agency (and shall execute such documents as may reasonably be necessary to effect such transfer) free from any Lien or encumbrance created by the Concessionaire, for and in consideration of the sum of one Pakistani Rupee (Rs. 1.00), all its rights, title to and interest in the Project. The Concessionaire shall also deliver to the Agency on such date such operating manuals, plant operation, design drawings and other information as may reasonably be required by the Agency to enable it to take over the operations of the Project.

- (d) On the Termination Date, except as expressly agreed to by the Agency all construction contracts, O&M Contract, maintenance contracts and other contracts relating to the Project entered into by the Concessionaire and then subsisting shall be determined at the discretion of the Agency (the Agency may wish to allow continuance of such contracts) and the Agency shall not be liable for any termination costs arising thereby and shall be indemnified and held harmless by the Concessionaire in respect of the same except to the extent determined in any subsequent proceedings under Section 21.

20.5 Rights and Liabilities upon Expiration or Earlier Termination

- (a) The Agency hereby agrees and accepts that:

- i. it shall not, at any time, including during the Concession Period, have any rights or interests in the Concessionaire's Intellectual Property Rights and/or any rights to use or allow any other party to use the same in any manner whatsoever without the Concessionaire's prior written consent, which may be withheld by the Concessionaire in its absolute discretion. Upon expiry or earlier Termination of this Agreement, the Agency shall ensure that the Concessionaire's Intellectual Property Rights are not utilised in the operations and management of the Centre and/or for any other purpose and shall ensure that its employees, agents, contractors, lessees and licensees and/or any other parties acting for or on behalf of the Agency, do not use or allow use of any of the Concessionaire's Intellectual Property Rights in any manner whatsoever;
- ii. it shall inform the Concessionaire immediately of any possible infringement of the Concessionaire's Intellectual Property Rights by any party that has come to its knowledge at any time whatsoever, including after expiry or earlier Termination of this Agreement, and shall provide its full assistance to the Concessionaire and take all necessary steps as may be required by the Concessionaire in protecting the Concessionaire's Intellectual Property Rights; and
- iii. in case of a breach of its obligations under Articles 20.5(b)(i) and (ii), it shall fully indemnify and hold the Concessionaire harmless from and against all losses, damages, costs and expenses (including reasonable attorney's fees), indirect, consequential, and special losses etc. that the Concessionaire may incur as a result thereof.

- (b) The expiry or the earlier Termination of this Agreement pursuant to any terms of this Agreement:

- i) shall be without prejudice to accrued rights of either Party including its right to claim and recover such other money damages and other rights and remedies, which it may have in law or equity or pursuant to the terms of this Agreement. The rights and obligations of each Party under this Agreement, including, those relating to the Termination Payment and all other amounts payable by either Party to the other Party, shall survive the Termination but only to the extent that such survival is necessary for giving effect to such rights and obligations, or for the recovery of any such sums owed; and
- ii) shall not affect the liability of any Party for any of its acts or omissions during the Concession Period and each such Party shall thereafter continue to be so liable and shall keep each affected Party indemnified and held harmless in respect of any claims arising there from.

21 TRANSFER OF THE PROJECT

21.1 Transfer

On the Concession End Date, the Concessionaire shall transfer to the Agency (and shall execute such documents as may reasonably be necessary to effect such transfer) free from any Encumbrance created by the Concessionaire, for and in consideration of the sum of one Pakistani Rupee (Rs. 1.00), all its rights, title to and interest in the Project. The Concessionaire shall also deliver to the Agency on such date such operating manuals, plant operation, design drawings and other information as may reasonably be required by the Agency to enable it to take over the operations of the Project.

21.2 Transfer of Assets

- (a) All Project Assets, other than the Concessionaire's Intellectual Property Rights shall be transferred to the Agency.
- (b) All immovable or movable assets of the Agency or any rights therein, shall revert back to the Agency.
- (c) The Concessionaire shall continue to be responsible under any agreements that it may have entered into with its employees and Lenders and all obligations arising there under.

21.3 Mechanics of Transfer

Eight (8) Months prior to the Transfer Date, the Agency and the Concessionaire shall agree on the mechanics of transfer and security arrangements for the Project; provided, that the Concessionaire shall continue to exercise the same care regarding the Project until actual transfer thereof to the Agency on the Transfer Date.

21.4 Transfer Bond

The Concessionaire shall, not later than Ninety (90) Days prior to the Transfer Date, deliver to the Agency a bond, in the form and substance as set out in **Schedule- U**, with a face amount equal to Five percent (5%) of the Project Cost which shall be valid for three months after the Transfer Date (the "**Transfer Bond**").

21.5 Transfer Procedure

- (a) The Concessionaire shall hand over the Project to the Agency in a properly maintained and operational condition and thereafter shall cease to have any liability for maintenance of the same.
- (b) The Concessionaire shall, not later than two hundred and seventy (270) Days prior to the Concession End Date, provide to the Agency an inventory of all its equipment, materials and fixtures at the Project and shall not remove such equipment, materials or fixtures therefrom without the prior approval of the Agency but subject thereto, may remove therefrom such equipment and materials and fixtures as the Agency may then specify.
- (c) The Agency shall, not later than ninety (90) Days prior to the Concession End Date, appoint an Independent Engineer at its sole cost and expense to inspect the physical assets of the Concessionaire including all civil works, installations, equipment and facilities. The said Independent Engineer together with the Agency Representative and the Concessionaire Representative shall make a joint inspection of the Project and all its assets.
- (d) The Independent Engineer together with the Agency Representative and the Concessionaire Representative shall issue a joint Certificate of Transfer which is in compliance with the joint inspection conducted under Article 21.5 (c) confirming that the condition of the Project is acceptable, in accordance with the criteria specified in Article 21.5 (e) below or identifying the shortcomings and obligations of

the Concessionaire which shall be rectified by the Concessionaire at its own cost and expense.

- (e) The Certificate of Transfer under section 21.5 (d) above shall be issued only if the Independent Engineer is satisfied that all elements of the Project Assets and structures are of an adequate condition such that, in his professional opinion:
 - (i) no major structural changes to the Project Assets shall be required on the Transfer Date or immediately thereafter
 - (ii) no major replacement or rehabilitation of equipment installed as part of the Project shall be required on the Transfer Date or immediately thereafter;
 - (iii) no heavy repairs to structures shall be required on the Transfer Date or immediately thereafter; and
 - (iv) stocks of Biological Assets have been maintained as per **Schedule- K** on the Transfer Date.
- (f) The Concessionaire shall ensure that all the Project Assets as on the Concession End Date are free of all Encumbrances, and the Project Assets shall be transferred free of all Encumbrances.
- (g) The Concessionaire shall obtain prior Approval of the Agency (such Approval not to be unreasonably withheld) for all Continuing Contracts before entering into such contracts/agreements, and shall be responsible for clearing all liabilities and payments concerning the Continuing Contracts that have become due and payable on or before the Concession End Date. If the Concessionaire does not receive written objections from the Agency within two (02) weeks after the date of submission of a request for Approval, such Continuing Contracts shall be deemed Approved.
- (h) The Concessionaire shall on the Concession End Date cease to operate and maintain the Project and shall remove from the Project all its workmen, employees, servant, agents and contractors and vacate the Project completely within fifteen (15) Days after the Concession End Date.
- (i) Upon the expiry of the Concession Period and without prejudice to any claims which either Party may have against the other Party prior to the Concession End Date, all assets and rights and entitlements that have been contracted to the Concessionaire under this Agreement shall revert back to the Agency.
- (j) The Concessionaire shall have no right or lien on the Project Assets or the Project after the Concession End Date notwithstanding its claims, if any, against the Agency.
- (k) Notwithstanding anything to the contrary in this Agreement, the transfer to the Agency of the Project Assets, and any subsequent re-award of the Concession or Project to a third party, whenever occurring, shall only take place subject to any and all rights that the Lenders may then have under the Financing Agreements and the Security Package in respect of the Project.

22 RESOLUTION OF DISPUTES

22.1 Amicable Resolution

- (a) Any dispute, difference or controversy of whatever nature between the Parties, howsoever arising under, out of or in relation to this Agreement and/or the Indenture of Lease, including, any question regarding its existence or validity, or Termination and so notified in writing by either Party to the other (“**Dispute**”), shall in the first instance be attempted to be resolved amicably in accordance with the procedure set forth in Article 22.1(b) below.
- (b) Any Party may require such Dispute to be referred to the Chairman of the Agency and the Chief Executive Officer of the Concessionaire then in office, for amicable settlement. Upon such reference, the two shall meet at their earliest mutual convenience and in any event within fifteen (15) Days of such reference to discuss and attempt to amicably resolve the Dispute.
- (c) If the Dispute is not amicably settled within fifteen (15) Days of such meeting between the two or if the two have not met during the time specified in Article 22.1(b), either Party may refer the Dispute to resolution via mediation pursuant to Article 19.2.

22.2 Mediation

- (e) Subject to Article 22.1, any Dispute which is not resolved amicably, shall be referred to an independent and impartial person selected by the PPP Steering Committee to act as mediator (“**Mediator**”) for mediation. Upon such appointment, the Mediator shall meet with the Parties and shall attempt to amicably resolve the Dispute within fifteen (15) days of the reference.

22.3 Arbitration

- (a) Subject to the terms of Article 22.2, any Dispute which is not resolved by mediation, shall be finally settled by binding arbitration. The language of the arbitration shall be in English. Arbitration as aforesaid shall be a condition precedent to any other action under law.
- (b) The arbitration shall be conducted by three (3) arbitrators. The Concessionaire and the Agency shall appoint one arbitrator each within three (3) weeks of reference of the Dispute to arbitration, whilst the third arbitrator shall be appointed by the two appointed arbitrators within a period of a further three (3) weeks. In the event either the Concessionaire or the Agency fails to appoint an arbitrator within the prescribed period, the appointed arbitrator shall appoint two (2) other arbitrators for this purpose, after consultation with the Party failing to appoint an arbitrator, and the appointment thereof shall be binding on both the Parties.
- (c) The arbitration shall be conducted in English language in accordance with the Arbitration Act, 1940, as amended or substituted from time to time and the venue for arbitration shall be Islamabad, Pakistan.
- (d) The decision of the arbitrators shall be final and binding. Unless otherwise provided herein and except as awarded by the arbitrators, each Party shall be responsible for its own costs incurred by it in connection with an arbitral proceeding hereunder.

- (e) Pending the submission of and/or decision on a Dispute and until the arbitral award is published; the Parties shall continue to perform their respective obligations under this Agreement without prejudice to a final adjustment in accordance with such award.

23 PROVISION OF DOCUMENTS

23.1 Documents

The Concessionaire shall submit to the Agency for its information all such documents related to the Concessionaire or the Project as required under the provisions of this Agreement, and for the Approval of the Agency the following documents in five (05) copies on or before the dates specified:

- (a) All designs and specifications of civil Works, services relocation, and equipment before construction/procurement in accordance with the Timetable;
- (b) At least fifteen (15) Days before Financial Close, (i) the Financing Agreements, and (ii) the names and addresses of the Shareholders of the Concessionaire;
- (c) At least fifteen (15) Days before Financial Close, copies of (i) the Construction, Procurement and Erection Contracts as executed for the Project, plus all amendments executed on or before Financial Close, including all schedules thereto, and (ii) a complete set of signed final plans and specifications for the construction and equipping of the Project, and (iii) the Financial Model;
- (d) At least two (2) months prior to the COD, the manual of Operations and Maintenance Systems and Procedures for the Project;
- (e) On or before the commencement of the civil Works, a copy of the contractor's all risks insurance policy pursuant to Article 11.2 (a);
- (f) Beginning within thirty (30) Days of the Effective Date and ending on the construction completion date, Monthly progress reports in the format mutually agreed between the Concessionaire and the Agency;
- (g) On or before the first availability date, the insurance policies pursuant to Articles 11.2 and 11.3.

24 MISCELLANEOUS

24.1 Non-Relief from Accrued Liability

The termination of this Agreement shall not relieve either Party of any liability that may have already accrued hereunder.

24.2 Consultation on Modifications to this Agreement

If the Concessionaire advises the Agency that any amendments, modifications or revisions to this Agreement are necessary or desirable to satisfy requirements of the Lenders and the Agency and the Concessionaire shall promptly consult as to any mutually acceptable action necessary or desirable under the circumstances and negotiate in good faith with a view toward amending, modifying and revising this Agreement in a mutually satisfactory manner.

24.3 Bribery and Collusion

The Agency shall be entitled to terminate the Concession and recover from the Concessionaire the amount of any loss resulting from such termination if the Concessionaire shall have offered or given to any person any gift or consideration of any kind as an inducement or reward for doing, or forbearing to do, any action in relation to obtaining, or in the execution of the Concession.

24.4 Gender Equality

The Concessionaire to ensure that gender related concerns are taken into account both during the construction phase of the project as well as during the concession period. The Concessionaire shall ensure compliance of the following law/policy including any amendments thereto:

- a) The Punjab Protection of Women against Violence Act, 2016
- b) The Punjab Labour Policy, 2015

24.5 Extension of Concession Period Deadlines

If any delays are caused due to default or any acts or omissions of the Agency or any Public Sector Entity, or due to any failure of or any relevant authority then the Concession period deadline for achieving completion shall be extended accordingly; provided, that the amount of delay shall be determined by the Agency Representative and the Chairman/CEO of the Agency. However, in case the amount of delay so determined is unacceptable to the Concessionaire, the dispute shall be determined as provided for in Section 22.

24.6 Effectivity

This Agreement shall become effective upon the Effective Date.

24.6 Variations in Writing

This Agreement may be varied or amended only by the mutual consent of the Parties. All such variations and amendments shall be binding only if they are in writing and are signed by duly authorized representatives of the Parties.

24.7 Waivers

- (i) No waiver by either Party of any default by the other in the performance of any of the provisions of this Agreement:
- a. shall operate or be construed as a waiver of any other or further default whether of a like or different character; or
 - b. shall be effective unless in writing and duly executed by an authorized representative of such Party.
 - c. The failure by either Party to insist on any occasion upon the performance of the terms, conditions and provisions of this Agreement or time or other indulgence granted by one Party to the other shall not thereby act as a waiver of such breach or acceptance of any variation.

24.8 Compliance with Government Rules and Regulations

Except as expressly provided in this Agreement, the Parties shall, during the Concession Period, strictly comply with the Laws of Pakistan and policies, guidelines, rules and regulations promulgated there under, and the same shall be read into and made an integral part of this Agreement.

24.9 Mutual Interest

In entering into this Agreement, the Parties recognize that it is impracticable to make provision for every contingency that may arise in the course of performance hereof. Accordingly, the Parties hereby declare it to be their intention that this Agreement shall operate between them with fairness and without detriment to the interest of either of them. If in the course of performance of this Agreement, a particular circumstance or event occurs which is not otherwise covered by this Agreement, then the Parties shall use their best endeavours to agree upon such action as may be necessary and equitable to address the same.

24.10 Severability

If for any reason whatsoever, any term of this Agreement is or becomes invalid, illegal or unenforceable or is declared by any Court or any other instrumentality to be invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining terms shall not be affected in any manner, and the Parties shall negotiate in good faith with a view to agreeing upon one or more terms which may be substituted for such invalid, unenforceable or illegal provisions, as nearly as is practicable to the original term ; provided, however, that the failure to agree upon any such terms shall not be subject to dispute resolution under this Agreement or otherwise.

24.11 Special Warranty

The Concessionaire hereby warrants that it has not given or promised any consideration to any official of the Agency or any other Public Sector Entity in order to obtain award of the Project and execution of this Agreement, and that the execution of this Agreement shall not result, directly or indirectly, in violation of the anti-corruption Laws of Pakistan.

24.12 Environment

The Concessionaire shall keep the Concession Area in a safe condition and in compliance with the environmental requirements and mitigation measures required by the Laws of Pakistan.

24.13 Confidentiality

- (a) Each Party undertakes that it shall not:
- (i) use Confidential Information of the other Party;
 - (ii) disclose such Confidential Information to any Person;
 - (iii) allow or make it possible for any Person to observe Confidential Information; or
 - (iv) disclose the terms of this Agreement to any Person who is not a Party hereto;

except for the purpose for which the Confidential Information was given to the Disclosing Party, (ii) with the prior approval of the Party whose Confidential Information it is, or (iii) as permitted by this Article 20.8.

- (b) A Party (each such Party, a “**Disclosing Party**”) may disclose Confidential Information of another Party:
- (i) to employees, officers and agents of the Disclosing Party whose duties in relation to the Disclosing Party require the disclosure;
 - (ii) to the Lenders (and the professional advisers thereof) in connection with any Loan or other financial accommodation sought to be arranged by the Disclosing Party;
 - (iii) to professional advisers (including legal advisers) and consultants of the Disclosing Party whose duties in relation to the Disclosing Party require the disclosure; and
 - (iv) if and to the extent required by the Laws of Pakistan, but only after the Disclosing Party has consulted with the other Party and has taken all practical legal steps to prevent the need to make the disclosure.

24.14 Language

All communication between the Parties shall be conducted in the English language and all notices, if in any other language, shall be accompanied by a duly certified translation in English. In the event of a conflict between the English text and the text in any other language, the English text shall prevail.

24.15 Conflict

In case of a conflict between any provision of this Agreement and any provision of any document or instrument relating to the Project, the provision hereof shall prevail.

24.16 Further Assurances

The Parties shall at all times and from time to time do all such further acts and execute all such further deeds, documents and instruments as may be necessary or desirable in order to give full effect to and carry out the terms of this Agreement.

24.17 Survival

Termination of this Agreement (a) shall not relieve the Concessionaire or the Agency of any obligation already incurred hereunder which expressly or by implication survives Termination hereof, and (b) except as otherwise provided in any term of this Agreement expressly limiting the liability of either Party, shall not relieve either Party of any obligation or liability for loss or damage to the other Party arising out of or caused by any act or omission of such Party prior to the effectiveness of such Termination or arising out of such Termination.

24.18 Assignment and Charges

- (a) Unless otherwise expressly provided in this Agreement, neither of the Parties shall assign this Agreement or the rights and benefits hereto nor shall any of the Parties novate the obligations herein save and except with the prior consent of the other Party in writing.
- (b) Notwithstanding Article 25.13(a), the Concessionaire may assign to the Lenders any, partial or all its rights, title and interests whatsoever in, through and/or under this Agreement (to the exclusion of any liabilities therein) or otherwise assign or create an Encumbrance over its interest in the Project for the purpose of financing the Project, including, in respect of the Equity; provided, however, that the assignment or Encumbrance or its endorsement does not impair the obligations of the Concessionaire under this Agreement, or prevent it directly or indirectly from complying with the said obligations or obstruct the appropriate use of the Centre during the Concession Period.
- (c) In furtherance of Article 25.13(b), the Agency shall undertake to sign and/or endorse any direct agreement as required by the Concessionaire and/or the Lenders in connection therewith.

24.19 Governing Law and Jurisdiction

This Agreement shall be governed by the Laws of Pakistan. The Courts at Lahore Pakistan shall have jurisdiction over all matters arising out of or relating to this Agreement and the Parties submit to the exclusive jurisdiction of such Courts.

24.20 No Partnership

Nothing contained in this Agreement shall be construed or interpreted as constituting a partnership between the Parties. No Party shall have any authority to bind the other Party in any manner whatsoever, unless otherwise specified in this Agreement.

24.21 Entire Agreement

This Agreement, the Schedules hereto and the other documents and agreements referred to herein, contain the entire agreement of the Parties with respect to the subject matter hereof. This Agreement supersedes all earlier agreements/representations or understandings of the Parties (whether written or oral, including, any previous correspondence between the Parties) with respect to their subject matter.

24.22 Schedules to the Agreement

This Agreement and the Schedules hereto together constitute a complete and exclusive understanding of the terms of the arrangement between the Parties on the subject matter hereof and no amendment or modification of any of the Schedules hereto shall be valid and effective unless agreed to and evidenced in writing by the Parties.

24.23 Counterparts

This Agreement may be executed in two counterparts, each of which when executed and delivered shall constitute an original of this Agreement but shall together constitute one and the same Agreement.

24.24 Notices

Unless otherwise stated, all notices, requests, demands, claims and other communications hereunder, including, a notice of waiver of any term, breach of any term of this Agreement and Termination of this Agreement, shall be in writing and shall be delivered by hand, by facsimile providing a transmission receipt or delivered by a nationally recognized overnight delivery service, and addressed as described below. Notices sent by hand shall be deemed effective upon receipt or refusal of delivery. Notices sent by facsimile shall be deemed effective upon receipt or, if sent after 5:30 PM or on other than a Business Day, on the next Business Day after transmission. Notices sent by a nationally recognized overnight delivery service shall be deemed effective on the next Business Day after deposit with such service prior to the deadline for delivery on such Business Day.

(a) if to the Agency

[•]

(b) if to the Concessionaire

[•]

It is agreed that, if any Party is represented by legal counsel, such legal counsel, if authorized to deliver written notice directly to the other Party on behalf of his or her client, may deliver such notice and the same shall be deemed proper notice hereunder if delivered in the manner hereinabove specified. Any Party may, at any time by giving three (3) Days' written notice to the other Party, designate any other address in substitution of the foregoing address to which such notice shall be given and other Persons to whom copies of all notices hereunder shall be sent. No Party shall have any right to refuse to take delivery of a notice or to refuse signing the receipt thereof.

24.25 Costs and Expenses

Other than as otherwise stated in this Agreement, all the respective costs and expenses of the Concessionaire and the Agency incidental to the preparation and completion of this Agreement shall be borne and paid by the Concessionaire and the Agency equally, respectively.

IN WITNESS WHEREOF the Parties have executed this Agreement on the Effective Date.

[•]

**EXECUTED
For and on behalf of**

[•]

By:

Designation:

Signature

Name

Address

CNIC

In the presence of witness:

DRAFT CONCESSION AGREEMENT FOR REHABILITATION AND OPERATION OF GENETIC IMPROVEMENT CENTRE, KHIZARABAD (DISTRICT SARGODHA) SEMEN PRODUCTION UNIT ON A REHABILITATE, OPERATE AND TRANSFER (ROT) BASIS

)
)
)
) Signature
)
)
)

In the presence of witness:

Signature
Name
Address
CNIC

CONCESSIONAIRE

EXECUTED)
For and on behalf of)
[●])
) Signature
By:)
Designation:)
)

In the presence of witness:

Signature.....
Name
Address
CNIC

In the presence of witness:

Signature
Name
Address
CNIC

SCHEDULES

CONCESSION AGREEMENT

RELATING TO

THE PROJECT FOR REHABILITATION AND OPERATION OF GENETIC IMPROVEMENT CENTRE, KHIZARABAD ON A REHABILITATE, OPERATE AND TRANSFER (ROT) BASIS

BETWEEN

[•]

AND

[•]

LIST OF SCHEDULES

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SCHEDULE-R	PERFORMANCE STANDARD
SCHEDULE-S	CONSTRUCTION PERFORMANCE BOND
SCHEDULE-T	OPERATIONS BOND
SCHEDULE-U	TRANSFER BOND

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SCHEDULE “A”

(DESCRIPTION OF PROJECT AND SCOPE OF WORK)

ARTIFICIAL INSEMINATION was started at College of Animal Husbandry, Lahore in 1954. Use of frozen semen in AI started in late sixties. Since then AI has spread to all other provinces and currently approximately 10-15% cows and buffaloes are serviced through AI.

- Government of Punjab (“GOPB”) STARTED 10 AI CENTERS AT CHANGA MANGA, Shiekhupura, Sialkot, Bhakhar, Nathuwal, Chakwal, Rawalpindi, Mianwali, Sargodha and Jhang using fresh semen.
- IN 2014, BEFORE THE IMPLEMENTATION OF “BREEDING ACT 2014”, 27 private SPF and an army SPF were operating in Punjab.
- 23 private SPFs were closed after implementation of Breeding Act 2014 that were producing 3m straws. Only 4 private SPF are currently operational with maximum capacity of 1m straw Production
- During 2015 GoPb closed 2 SPF in Public Sector and produced only 2.7m straws thereafter.
- There are nine SPFs in the country that includes Qadirabad, Al-Hawan, Real Sires, Trogen, Sires, Halla Sires, Center for Excellence for Bovine Genetics, K&R, K&Z and Indus Snabal.
- Among these SPFs, Qadirabad unit is government controlled whereas rest of them are private units.
- 7,000 Qualified AI Technicians are currently working in Punjab while 2,000 are registered with L&DD Dept. Their estimated demand is 11m. Estimated AI Technicians in Sindh and KPK are approximately 3,000.
-

With low expenditure on livestock sector coupled with no or very little access to the technology, Pakistan is in dire need of investment in this sector. Quality bovine semen from reliable indigenous breeds selected through genomic studies can play a vital role to meet the persistently increasing demand of milk and meat. Following are some of the key factors pointing towards the need for setting up of SPUs in Punjab:

- Punjab hold 55% of bovine livestock population, which primarily consist of Sahiwal, Cholistani Cows and Nili Ravi Buffalo.
- Significant demand-supply gap prevails in market for quality semen of indigenous breed from reliable source with traceability.
- Market potential for Artificial Insemination (AI) and other reproductive biotechnologies is the key driver for entry in to the segment.
- GOVERNMENT OF PUNJAB’S (GOPB) STRONG DESIRE AND PROMISE TO IMPROVE THE BREED and economic well-being of farmers.
- Growing population, massive urbanization, and an increase in per capita income and export opportunities indicate a promising future of artificial insemination in the country.
- Post implementation of Punjab Livestock Breeding Act 2014, sustainability threats to SPUs being operated by small breeders.
- Closure of 23 private SPUs in 2014 causing a dip in straws production by 2 million per annum.

- At present, local semen production is unable to fulfill the local demand and therefore the farmers either use conventional techniques or opt the imported semen for artificial insemination resulting in the production of weaker local hybrid BREEDS. SUCH HYBRID BREEDS ARE NOT SUITABLE FOR CLIMATIC CONDITIONS and may lead to spreading of various diseases as well. So it is highly recommended to promote the use of high quality local semen to safeguard our very own low maintenance and high efficiency local breeds like Sahiwali, Nili and Cholistani.

Above factors demanded for organized and serious efforts from government in order to attract new investors to step in this sector and protect indigenous breed.

Realizing the need for purpose built and state of the art SPUs in Punjab, almost 5 years back, GoPb conceived four facilities and GICK was one of those. GICK was initially envisaged to be completed within 5 years, however, due to funding constraints, the Project was abandoned as a partially constructed facility since 2013. At the moment, Qadirabad SPU located in Sahiwal is the only functional public sector facility in Punjab.

Private party is willing to invest for the refurbishment of existing infrastructure as well as create new state of the art laboratory setup thus transforming the GICK into a high quality indigenous breed semen production facility serving livestock farmers under Rehabilitate, Operate and Transfer arrangement (“**ROT**” arrangement)

- Long term concession agreement with PLDDB for an initial period of 25 years and extendable for another term;
- PLDDB to award concession to private party covering long term lease for rehabilitating, operating and maintaining the infrastructure and commercial sale of indigenous and exotic breed semen/straw;
- Private party/SPV to take over the possession of site and complete civil works and purchase, install and commission laboratories and semen processing equipment;
- Ownership of land and existing building to remain with GoPb/PLDDB with land lease grant to Private party/SPV, with exclusive possession vesting in private party/SPV throughout the concession arrangement. Furthermore, ownership of all other assets will remain with private party throughout the concession term;
- Civil infrastructure, laboratory equipment and biological assets to be transferred to Agency at no cost at the end of Concession Period unless it is extended.

SCHEDULE “B”
(PROJECT IMPLEMENTATION SCHEDULE)

S #	Activity	Time Frame
1	Appointment of QAI	
2	Appointment of Concessionaire/Agency Representative	
3	Appointment of Project Auditor	
4	Construction Performance Standards	
5	Submission of Design	
6	Submission of Construction Performance Standards	
7	Financial Close	
8	Submission of Construction Performance Bond	
9	Establishment of Lab complying with Punjab Livestock Breeding Act 2014	
10	Procurement of Adult Bulls for Testing	
11	Total Construction Completion	
12	Final Selection and procurement of Bulls for Production	
13	Initiation of Production with 50 Animals	

SCHEDULE "C"
(CONCESSION AREA)

The Concession Area consist of the following Demarcated site

Length	=	1400 Feet (Along Sakaisar Road)
Width	=	1150 Feet (Along Nalki Road)
Total Area	=	1400 x 1150
	=	36.96 Acres
Murabba No	=	25 (Full excluding Nalki Road)
Murabba No	=	13 (6 acres 3 kanal 10 Marlas Approx.) along northern border of Murabba No. 25

SCHEDULE “D”
(MODERNIZATION ACTIVITIES)

S No.	Modernization Steps
1	Completion of GICK infra structure as per designee
2	Establishment of state of the art laboratory for Bovine Semen Evaluation and Packing, complying with Punjab Livestock Breeding Act 2014.
3	Bull selection through Progeny Testing Program of GoPb
4	Genomic studies to further improve the genetic pool
5	Collaboration with internationally reputed partner Cogent Breeding UK, pioneer in semen sexing technology
6	Transfer of technical know how from Cogent Breeding UK on Semen Processing and Storage
7	Training of local AI Technicians on artificial insemination process to improve the productivity
8	Bi-annual training of PLDDDB staff on Semen Processing as per DCA

SCHEDULE “E” (CONSIDERATION)

(a) Annual Lease Consideration

Starting from the first anniversary of the Effective Date of the Indenture of Lease, the Concessionaire shall pay to the Agency Rs. 2 Million (Two Million Rupees only) (the “**Annual Lease Consideration**”) at each anniversary, and in any event no later than thirty (30) Days of each anniversary, of the Effective Date during the Concession Period. The Annual Lease Consideration shall be increased by [10%] percent on each anniversary of the Effective Date; provided that the first such increase shall occur on the second anniversary of the Effective Date.

(b) Monthly Consideration

Starting from the 3rd Anniversary of the COD, at the start of each quarter of the year during the remainder of the Operations Phase, and in any case within the first two (2) weeks of each quarter or such other date as may be mutually agreed by the Parties, the Concessionaire shall provide the Agency ___percentage of Straws as determined in the financial bid which will be calculated at a minimum production of 2 Million Straws/annum starting from 3rd year of COD or actual production during the preceding quarter whichever is higher (“**Quarterly Consideration**”). Provided however, that the first Quarterly Consideration shall be due at the start of the second Quarter of the year after the 3rd Anniversary of the COD. Additionally, each Straw provided to the Agency as Monthly Consideration by the Concessionaire shall, in addition to the Concessionaire’s name, also have the Agency’s name printed on it.

SCHEDULE "F"
(PROPOSAL)

PROPOSAL OF THE MOST RESPONSIVE BIDDER

TO BE SLECTED AS

CONCESSIONARE SHALL BE ATTACHED

SCHEDULE “G”
(ESTIMATED PROJECT COST)

Description	Amount in PKR
Infrastructure Cost	
Equipment and Vehicles	
Biological Assets	
Preliminary Operating Assets	
Brand Development	
Total Cost	

Note: This cost does not include the value of land, buildings and other infrastructure provided by Agency to the Concessionaire.

SCHEDULE “H” (APPROVALS AND CONSENTS)

Approvals

1. Approval from Punjab Livestock & Dairy Development Department to allow Agency to enter into lease and Concession Agreement with the Concessionaire for 25 Years.

2. Approval from Punjab Public Private Partnership Steering Committee allowing Agency to enter in to a long term concession agreement

Consents

3. GoPb through L&DD and the Agency, to fully facilitate and support Concessionaire in areas including but not limited to the following:
 - a. Providing elite bulls from its own farms and buffalo and cow breeders
 - b. Providing calves from elite bulls from its Progeny Testing Program for GICK
 - c. Providing progeny data to Concessioner (to identify and declare proven bulls)
 - d. Providing access to Concessioner to farmers' database and any other related R&D materials
 - e. Getting approval and consents from public sector entities and regulatory bodies
 - f. Assist for approval from Punjab Breeding Authority for GICK as approved site for Bovine Semen Production
 - g. All other consent which may be necessary for achievement of Financial Close and commencement of the works

SCHEDULE "I"
(EXISTING PROJECT ASSETS)

Sr	Descriptions	Amount Rs.
1	Pre-Operating Expenses	9,808,099
2	Laboratory Buildings	29,708,924
3	Animal Sheds	43,601,580
4	Office & Store Buildings	6,668,536
5	Roads & Sewerage	31,912,332
	Total - Buildings	111,891,372
	Grand Total	121,699,471

Note: As per AGENCY Books of Accounts for the year ended Jun 30, 2016:

**SCHEDULE “J”
(FORM OF INDENTURE OF LEASE)**

THIS INDENTURE OF LEASE (this “Indenture”) is made at Lahore on this [●] day of [●] 2017 by and between:

[●] (hereinafter referred to as the “Lessor”, which expression shall where the context so permits, be deemed to include its executors, administrators, legal representatives and permitted assigns) of the First Part

AND

[●], a company incorporated under the laws of Pakistan, having its registered office at [●], acting through its duly authorized representative, Mr. [●] (hereinafter referred to as the “Lessee”, which expression shall, where the context so permits, be deemed to include its executors, successors-in-interest, administrators, legal representatives and permitted assigns) of the Second Part

(the Lessor and the Lessee are hereinafter collectively referred to as the “Parties” and individually each as a “Party”)

WHEREAS

- (A) The Lessor has represented to the Lessee that it has the lawful right, power and authority to, leaseland measuring [●] situated at [●], together with all buildings and structures constructed thereon, as described more particularly in the Schedule to this Indenture (the “**Demised Premises**”).
- (B) The Lessor and the Lessee entered into concession agreement dated [●] (the “**Concession Agreement**”) pursuant to which the Lessor agreed to lease the Demised Premises to the Lessee for, *inter alia*, rehabilitation, development and operation of a genetic improvement centre and bovine semen production unit (the “**Project**”). The Lessor was granted vacant physical possession of the Demised Premises pursuant to the Concession Agreement.
- (C) In reliance of the representations made by the Lessor, including the Lessor’s representations in respect of the buildings and structures on the Demised Premises, the Lessee has agreed to take on lease and the Lessor has agreed to lease the Demised Premises, along with the use and enjoyment of all easement rights to the Demised Premises on the terms and conditions stated hereunder (the “**Lease**”).

NOW, THEREFORE, this Indenture witnesses as follows: -

Term

1. The Lessor hereby demises unto the Lessee the Demised Premises for the Project for a term of [●] ([●]) years, commencing from [●] (the “**Term**”). The Demised Premises and all accesses and easement rights to the Demised Premises shall be in

the sole and exclusive use of the Lessee. Possession of the Demised Premises is already with the Lessee.

Rent

2. Starting from the first anniversary of the Effective Date (as defined in the Concession Agreement), the Lessee shall pay to the Lessor Rs. [●]/- (Rupees [●] only) (the "Rent") at each anniversary, and in any event no later than thirty (30) Days of each anniversary, of the Effective Date (as defined in the Concession Agreement) during the Term. The Rent shall be increased by [●] percent ([●]%) on each anniversary of the Effective Date under the Concession Agreement; provided that the first such increase shall occur on the second anniversary of the Effective Date under the Concession Agreement.

Utilities and Taxes / Rates / Charges etc.

3. The Lessee shall be entitled to telephone, electricity, gas and water and other utility connections on the Demised Premises. The Lessor shall facilitate the Lessee by ensuring that these utilities are not interrupted during the Term.
4. Throughout the Term, the Lessee will be liable for the due and timely payment of all utility bills (including telephone, electricity and water bills) pertaining to the Demised Premises.
5. The Lessor represents and warrants to the Lessee that all taxes (including but not limited to property tax), levies, charges, fines, penalties etc. pertaining to the Demised Premises or any part thereof, have been duly paid/satisfied and that no amounts whatsoever are outstanding in this regard. The Lessee shall be liable to pay any and all taxes/dues, including but not limited to property tax in any manner related/pertaining to the Demised Premises.
6. The Lessee shall also be responsible for payment of all taxes, cesses, levies and charges on the Demised Premises to any governmental, provincial or municipal authority etc.

Approvals/Permissions

7. The Lessor represents and warrants to the Lessee that all permissions and approvals necessary for the Demised Premises to be used for the purposes of the Project are in place as detailed in Schedule-H (Approvals and Consent) of the Concession Agreement. The Lessor further warrants that it has paid all charges, fees and other expenses required for such permissions/approvals. In case the Lessor fails to provide (for the duration of the Term) such permissions/approvals from any competent authority, or if such permissions/approvals are restricted or withdrawn during the currency of the Lease, the Lessor undertakes to have the said permissions/approvals renewed at its own cost and expense.

Possession

8. The Lessee is already in vacant physical possession of the Demised Premises, which is hereby acknowledged by the Parties.
9. During the pendency of the Lease, the Lessee shall have the absolute right to uninterrupted possession, use and enjoyment of the Demised Premises, without interference in any manner whatsoever by the Lessor or any other parties.
10. On expiry of the Term, the Lessee will deliver vacant possession of the Demised Premises to the Lessor and title to the buildings and structures constructed thereon by the Lessee will pass to the Lessor without payment.

Use of Premises

11. The Lessee shall, during the Term, have the unfettered right and entitlement to use the Demised Premises and all rights attached with the same and the infrastructure related thereto for its exclusive use, including for construction, management, maintenance and operation of the Project and all ancillary and incidental facilities and the provision of accommodation for its employees etc. in accordance with the terms and conditions of the Lease and the Concession Agreement (the "Purpose").
12. The Lessor represents and warrants that it has full authority to lease the Demised Premises to the Lessee in the manner stated herein and for the Purpose.
13. The Lessee, for the duration of the Term, shall exclusively be the owner of the buildings, structures and constructions raised by it on the Demised Premises and all facilities established by it thereon and shall be entitled to mortgage all such buildings, structures, constructions, facilities and its leasehold rights over the Demised Premises. However, all mortgages shall be subject to approval of the Lessor which shall not be unreasonably withheld. Further to avoid any confusion it is further clarified that the Lessee will have no ownership right over Existing Project Assets (as detailed in Schedule – I of the Concession Agreement), any approved modifications in the Existing Project Assets and the Concession Area and therefore the same will not be available to the Lessee for mortgage. All the interests and rights of the Lessee under this Lease shall be assignable and transferable in favor of:
 - a) the Lenders (as defined in the Concession Agreement) or their respective nominees, and charges and mortgages over the said interests and rights of the Lessee may also be created in favour of the Lenders or their nominees. For any assignment and transfer and/or creation of charges or mortgages any applicable fees or charges

shall be payable by the Lessee. All such assignments, transfers, charges and mortgages shall be duly recognized by the Lessor and shall be duly registered; and

- b) the Lessee's associated companies (as defined in the Companies Ordinance, 1984) and/or any other companies belonging to the same group of companies as the Lessee with the Lessor's approval, provided that the Project and the Lessee's rights under the Concession Agreement are assigned and/or transferred to the aforementioned companies in terms of the Concession Agreement.
14. For the purposes of Clauses 14 and 15 above (as applicable), it is clarified for the avoidance of doubt that the Lessee shall only be allowed to mortgage (i) the buildings, structures, constructions, facilities etc. constructed by it on the Demised Premises, and (ii) its leasehold rights and interests over the Demised Premises. However, all mortgages will be subject to the Approval of the Lessor which shall not be unreasonably withheld..
15. The Lessor hereby agrees that in case the Lessee assigns, mortgages or sub-lets its rights over the Demised Premises and the Lease in favour of the Lenders in terms of Clause 15(a) above, the rights of the Lessor under the Concession Agreement and this Indenture upon any material breach thereof by the Lessee, shall be subject to the rights and title of the Lenders under the assignment, mortgage or sub-lease, as the case may be.

Prohibition Against Assignments

16. Except as otherwise provided in this Indenture of Lease and in particular except for the purposes of creating security in favour of the Lenders, the Lessee shall not, either directly or indirectly assign, hypothecate, encumber or transfer the Project, the Project Assets, or any interest therein other than to its associated companies (as defined in the Companies Ordinance, 1984) and/or any other companies belonging to the same group of companies as the Lessee with the Lessor's approval

Construction on Demised Premises

17. The Lessor hereby allows the Lessee to, without limitation, carry out all building and construction work on the Demised Premises for the Purpose as it may consider necessary or appropriate. In this regard, the Lessee shall ensure that all construction is carried out in accordance with the existing plans and designs prepared by the Lessor. With respect to any new facilities and/or any construction for which designs and plans have not been prepared by the Lessor or for which new designs and plans are desirable in the Lessee's opinion, if any, the Lessee shall obtain the approval of the Lessor for such new designs and However, for all improvements in Existing Project Assets (as detailed in Schedule-I of the Concession Agreement) and for any new construction, design for the same has to be approved by the Lessor.

18. The Lessor hereby agrees to assist and cooperate with the Lessee in any manner as may be required by the Lessee from time to time for any restructuring/construction work on the Demised Premises, including but not limited to submission of restructuring/construction plans to the competent authorities, signing of any documents if required and providing its full assistance to the Lessee in obtaining any necessary or incidental permissions from the competent authorities.

General

19. The Lessor covenants with the Lessee that the Lessee shall be entitled and authorized at all times to display its corporate name and trading style, and also of its associates and sponsors, through name plates, sign boards and logos on the exterior, interior, entrance areas, walls and any other places on the Demised Premises, and to install communication facilities of any kind within the Demised Premises and to undertake all operational activities in connection therewith.
20. The Lessor hereby declares, covenants, represents and warrants to the Lessee that:
- a) it has the lawful right, power and authority to lease the Demised Premises and, to the Lessor's knowledge, no person has objected or challenged such right and authority of the Lessor;
 - b) the use of the Demised Premises for the Purpose is permitted under any applicable laws or regulations to which the Demised Premises or the Lessor are subject;
 - c) the Demised Premises are free and clear of all claims, mortgages and charges whatsoever;
 - d) there is no suit or litigation or legal proceedings or injunction / stay order of any nature whatsoever before any judicial forum or otherwise relating to the Demised Premises;
 - e) the execution, delivery and performance of this Indenture will not contravene any existing law, regulation or authorization to which the Lessor is subject, or result in any breach of or default under any agreement or other instrument to which it is a party or is subject to;
 - f) it shall not mortgage, sell or otherwise dispose off, or enter into an agreement to sell in respect of, the Demised Premises to or with any other person and/or shall not create and/or transfer any interest over the Demised Premises in favour of any other person during the Term;
 - g) the Lessee shall be entitled at all times hereafter to peacefully and quietly enjoy the Demised Premises without any hindrance, interruption, claim or demand, whatsoever, from or by the Lessor or any other person or persons claiming, whether in law or in equity, through or under the Lessor. If any defect of title arises or is discovered in the Lessor's right, title or interest in the Demised Premises, the Lessor shall fully indemnify and hold harmless the Lessee against any and all claims,

losses, damages and expenses whatsoever incurred or sustained by the Lessee as a result thereof.

21. The Lessor acknowledges that the Lessee has agreed to enter into this Indenture and has given its concurrence to the terms hereof in reliance upon the aforesaid warranties, representations and covenants of the Lessor.
22. This Indenture (with its Schedule) and the Concession Agreement (with its Schedules) contain the entire understanding between the Parties with respect to the subject matter hereof, and supersede all previous agreements and understandings between the Parties. The terms of the Concession Agreement pertaining to the Lease shall, in so far as they are not reflected in this Indenture, be deemed to form part of and be read along with this Indenture. Notwithstanding anything to the contrary contained in this Indenture or the Concession Agreement, to the extent of any inconsistency, the provisions of the Concession Agreement shall prevail over the provisions in this Indenture.
23. The Lessor agrees with the Lessee that employment of workers for the purposes of the Project shall exclusively be undertaken by the Lessee without any restriction being imposed by the Lessor or any other authority.
24. The Lessor agrees with the Lessee that it will not be entitled to, nor shall it, during the currency of this Lease charge or claim any rent or additional rent or fee in excess of the Rent specified in Clause 8 above.
25. The Lessor and the Lessee agree that this Lease shall be automatically terminated upon termination and/or expiry of the Concession Agreement.
26. This Indenture shall be governed by the substantive and procedural laws of Pakistan.
27. Any dispute arising out of this Lease shall not be taken to court and shall be settled in accordance with the dispute resolution mechanism specified in the Concession Agreement.
28. Any notice to be given by the Lessor to the Lessee or by the Lessee to the Lessor shall be deemed sufficiently served by sending it by registered post in a prepaid letter or by hand addressed to them at the addresses given in this Lease or to such different address as either Party may designate in writing to the other Party.
29. This Indenture may not be modified except by an instrument in writing signed by the duly authorized representatives of the Parties.
30. If any clause or portion of this Indenture is determined to be unenforceable or invalid, for any reason whatsoever, that unenforceability or invalidity shall not

affect the enforceability or validity of the remaining portions of the Indenture. Furthermore, such unenforceable or invalid clauses or portions of the Indenture shall be severed from the remainder of the Indenture.

31. The Parties hereby agree to perform their obligations under this Indenture in good faith.
32. The provisions of the Transfer of Property Act, 1882 pertaining to leases of immovable property shall be deemed to be incorporated herein.

IN WITNESS WHEREOF the parties hereto have set their respective hands on the day and year first above mentioned.

For and on behalf of the Lessor

For and behalf of the Lessee

Witnesses:

1. _____
Name:

2. _____
Name:

SCHEDULE

Description of Demised Premises

The Lease Area consist of the following Demarcated site

Length = 1400 Feet (Along Sakaisar Road)

Width = 1150 Feet (Along Nalki Road)

Total Area = 1400 x 1150

= 36.96 Acres

Murabba No = 25 (Full excluding Nalki Road)

Murabba No = 13 (6 acres 3 kanal 10 Marlas Approx.) along northern border of Murabba No. 25

SCHEDULE “K” (BIOLOGICAL ASSET)

Details of biological assets

	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26
Original herd size									
Animals available for mounting									

	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
Original herd size									
Animals available for mounting									

	FY36	FY37	FY38	FY39	FY40	FY41	FY42
Original herd size							
Animals available for mounting							

Biological assets pricing assumptions

PKR	Animal mix	Purchase price per bull	Disposal value per bull		
			At the end of genomic study	At the end of training period	of Mature bull
Sahiwali	50%				
Nili Ravi	30%				
Cholistani	20%				

SCHEDULE “L”

(Termination Payments)

For the termination payments, the Force majeure events have been categorized as follows:

- a. Non-Political Event shall mean one or more of the following acts or events which makes it impossible or impractical for the Concessionaire to perform any of its obligations for a continuous period of not less than two (02) weeks from the date of its occurrence:
 - (i) Major earthquake, unusual flood, inundation, landslide;
 - (ii) Storm, tempest, hurricane, cyclone, lightning, thunder or other extreme atmospheric disturbances; or
 - (iii) Fire caused by reasons not attributable to the Concessionaire or the Agency or any of the employees of the Concessionaire or the Agency.

- b. A Political Event shall mean any event, including the following, which makes it illegal for the Concessionaire to perform its obligations:
 - (i) Subsequent Legislation;
 - (ii) Action of the Government or the Agency which has or will materially or adversely affect the performance by the Concessionaire of its obligations under this Agreement; or
 - (iii) Except as provided in this Agreement, action of the Government or the Agency of expropriation, nationalization or compulsory acquisition or takeover of the Project Assets or any part thereof or of the Concessionaire’s rights under this Agreement.

- c. Indirect Political Event shall mean any of the following which makes it impossible for the Concessionaire to perform any of its obligations for a continuous period of not less than two (2) weeks from the date of its occurrence:
 - (i) Ionizing radiation, serious epidemics, contamination by radio activity from nuclear fuel, any nuclear waste, or radioactive toxic explosion;
 - (ii) Strikes, boycotts, labour disruptions or any other industrial disturbances not arising on account of the acts or omissions of the Concessionaire or Agency;
 - (iii) War, hostilities (whether war be declared or not), acts of terrorism, rebellion, riots or ethnic violence, civil commotion, unrest, disruption or civil war; or
 - (iv) Invasion, act of foreign enemy, weapon conflict or military actions.

(a) Interpretation: For purposes of this Section, the following definitions shall have the meaning ascribed below:

ADC: actual development cost incurred by the Concessionaire from the Effective date prior to the commencement of Works;

AJC: actual cost and expense incurred by the Concessionaire till the Termination Date relating to the costs and expenses of the Quality Assurance Inspector and/or the Joint Auditor;

AFC: actual cost and expenses incurred by the Concessionaire in raising finance and performance bonds, fees and expenses paid to the Lenders, but excluding all default interest, breakage premiums as well as all fees, costs and expenses whatsoever in connection with any hedging arrangements entered into by the Concessionaire;

ACC: construction cost incurred by the Concessionaire till the Termination Date, comprising the value of completed Works and materials at the Concession Area and the insurance premiums paid in respect of the Construction Phase; provided, that for purposes of determining Termination Payments to be made by the Agency under this Agreement, the construction cost of the Project shall at all times be reckoned as an amount not exceeding the Estimated Project Cost and the liability of the Agency to make such Termination Payments shall be determined as if such capital cost was restricted to the Estimated Project Cost;

TP: the Termination Payment payable by the Agency to the Concessionaire on the Termination Date;

(b) Prior to the Financial Close: In the event the termination occurs prior to Financial Close, the Termination Payment shall be determined as follows:

(i) Force Majeure Event occasioned by a Non-Political Event:

TP: Zero. However, the Concessionaire shall be entitled to claim the insurance proceeds pursuant to this Agreement to recover its lost investment.

(ii) Force Majeure Event occasioned by a Political Event:

TP: $ADC + AJC + AFC + ACC$

(iii) Force Majeure Event occasioned by an Indirect Political Event:

TP: $ADC + AJC + AFC + ACC$

(iv) Concessionaire Event of Default:

TP: Zero. However, the Agency shall be entitled to forfeit the Bid Security.

(v) Agency Event of Default:

TP: $ADC + AJC + AFC + ACC$

- (c) Prior to the Completion of Works: In the event the termination occurs after Financial Close and prior to the issuance of the Certificate of Completion, the Termination Payment shall be determined as follows:
- (i) Force Majeure Event occasioned by a Non-Political Event:
TP: Zero. However, the Concessionaire shall be entitled to claim the insurance proceeds pursuant to this Agreement to recover its lost investment.
 - (ii) Force Majeure Event occasioned by a Political Event:
TP: $ADC + AJC + AFC + ACC$
 - (iii) Force Majeure Event occasioned by an Indirect Political Event:
TP: $0.75 (ADC + AJC) + AFC + ACC$
 - (iv) Concessionaire Event of Default:
TP: $ACC \times .80$
 - (v) Agency Event of Default:
TP: $ADC + AJC + AFC + (ACC \times 1.1)$
- (d) During the Operations Phase: In the event the termination occurs during the Operations Phase, the Termination Payment shall be determined as follows:
- (i) Force Majeure Event occasioned by a Non-Political Event:

TP: If the termination is due to a Non-Political Event, compensation payable to the Concessionaire shall be 100% of the Project Cost in the first Year of the Operations Phase receding at the rate of (4.17%) per Year throughout the Operations Phase and concluding at zero percent (0%) in the final Year of the Operations Phase, less any amount due to the Agency by the Concessionaire under the Agreement less all insurance claims received or admitted; provided, that no compensation shall be payable to the Concessionaire if the Concessionaire fails to maintain insurance cover as contemplated under Section 11 of the Agreement.
 - (ii) Force Majeure Event occasioned by a Political Event:

TP: If the termination is due to a Political Event, compensation payable to the Concessionaire shall be the same as that stipulated for termination due to an Agency Event of Default under paragraph (v) below; provided, that no compensation shall be payable to the Concessionaire if the Concessionaire fails to maintain insurance cover as contemplated under Section 11 of the Agreement.
 - (iii) Force Majeure Event occasioned by an Indirect Political Event:

TP: If the termination is due to an Indirect Political Event, compensation payable to the Concessionaire shall be the higher of the 100% (hundred percent) of the Project Cost in the first Year of the Operations Phase receding at the rate of (4.17%) per Year throughout the Operations Phase and concluding at zero percent (0%) in the final Year of the Operations Phase, or

the Debt Due less any amount due to the Agency by the Concessionaire under the Agreement less all insurance claims received or admitted; provided, that no compensation shall be payable to the Concessionaire if the Concessionaire fails to maintain insurance cover as contemplated under Section 11 of this Agreement.

(iv) Concessionaire Event of Default:

TP: The compensation payable by the Agency to the Concessionaire shall be eighty percent (80%) of the Project Cost in the first Year of the Operations Phase receding at the rate of (3.33%) per Year throughout the Operations Phase and concluding at zero percent (0%) in the final Year of the Operations Phase, less any amount due to the Agency by the Concessionaire under the Agreement less all insurance claims received or admitted; provided, that no compensation shall be payable to the Concessionaire if the Concessionaire fails to maintain insurance cover as contemplated under Section 11 of the Agreement.

(v) Agency Event of Default:

TP: The compensation payable by the Agency shall be equal to the aggregate of:

- (a) Debt Due; and
- (b) 100% (one hundred percent) Equity.

Interpretation: For purposes of this Section, the following definitions shall have the meaning ascribed below:

“Debt Due” means at any date, all amounts due and payable by the Concessionaire that are outstanding under the Financing Agreements at that date, but excluding all default interest, breakage premiums as well as all fees, costs and expenses whatsoever in connection with any hedging arrangements entered into by the Concessionaire.

“Project Cost” shall bear the same meaning as ascribed to it in the Agreement; provided, that for purposes of calculating the Termination Payments due to the Concessionaire pursuant to this Annexure, the Project Cost shall be deemed to recede every Year at the rate specified in this Annexure throughout the Operations Phase and conclude at zero percent (0%) in the final Year of the Operations Phase.

For purposes of this Annexure, capital terms used, but not defined, herein shall bear the same meaning as ascribed thereto in the Agreement.

- (e) Insurance Proceeds: In the event the Concessionaire receives any insurance proceeds (and to the extent the same is not already applied to rectify or to make good any of the Project Assets in accordance with this Agreement), the Concessionaire shall forthwith refund such sum to the Agency.

SCHEDULE “M”

(BID DOCUMENTS)

**TO BE INCLUDED LATER AFTER
COMPLETION OF
PRE-QUALIFICATION PROCESS**

SCHEDULE “N” (CERTIFICATE OF COMPLETION)

This certificate of completion (“Certificate of Completion”) is issued this [] day of [] in the year 20[] by the Punjab Livestock and Dairy Development Board (“AGENCY”), a statutory body corporate established pursuant to _____, with its headquarters at _____ Lahore , Pakistan.

Pursuant to the provisions of the concession agreement (“Agreement”) between the AGENCY and [] (“Concessionaire”), dated [], with regard to the development, designing, engineering, financing, refurbishment, Rehabilitation, Modernization, construction, commissioning, Operation & Maintenance and, on the Transfer Date, transfer, of the Project Assets, under a ROT arrangement , the AGENCY hereby certifies the following :

1. that all inspections and performance tests have been conducted on the Project in accordance with the Concession Agreement

2. that the Concessionaire has successfully completed all the Works pursuant to the Agreement, in conformity with the Construction Performance Standards and the Approved Detailed Design delineated in the Agreement, and the Project Assets are capable of being opened for commercial operations.

This Certificate of Completion releases the Concessionaire’s Construction Performance Bond, but shall not release the Concessionaire from the performance of any of its other obligations under the Agreement. Further, the issuance of this Certificate of Completion shall not absolve the Concessionaire from its duty to ensure the quality, soundness, durability and safety of the Works and compliance with the Operations and Maintenance Systems and Procedures.

**SCHEDULE “O”
(FINANCIAL MODEL)**

**FINANCIAL MODEL OF THE FINALLY SELECTED BIDDER
AS CONCESSIONAIRE TO BE INCORPORATED IN THIS
SCHEDULE.**

SCHEDULE "P"
(OUTLINE DESIGN)

**SCHEDULE “Q”
(PERFORMANCE TESTING & COMMISSIONING)**

**TO BE PROVIDED BY THE BIDDERS
WITH THEIR
TECHCNICAL PROPOSAL**

SCHEDULE "R"
(PERFORMANCE STANDARDS)

TO BE PROVIDED BY THE BIDDERS
WITH THEIR
TECHCNICAL PROPOSAL

Schedule “S”

Form of Construction Performance Bond

To: [The PLDDB]

WHEREAS:

- (A) By an agreement in writing dated [insert date] (“Agreement”) and made between _____ (“Agency”) and [insert Concessionaire’s name] (“Concessionaire”), the Concessionaire has agreed to, inter alia, undertake [insert Project description], under a rehabilitate, lease, operate and transfer basis (“Project”), upon and subject to the terms and conditions of the Agreement.
- (B) The terms of the Agreement oblige the Concessionaire to provide a construction performance guarantee to the Agency as security for the due performance of the construction phase of the Project.

In consideration of your accepting of our obligations herein contained for the discharge of the Concessionaire’s obligation to provide such guarantee, we, [full name and address of Bank] hereby, irrevocably and unconditionally, guarantee the payment of PKR [] (“Guaranteed Sum”), being an amount equivalent to five per cent (5%) of the Estimated Project Cost (as defined in the Agreement), and accordingly covenant with you and agree as follows:

GUARANTEE

1. Upon receipt of a written demand made by you upon us from time to time or at any time stating the Concessionaire has failed to perform its obligations under the Agreement, and without the need for you to take legal action against or to obtain the consent of the Concessionaire, and notwithstanding any objection by the Concessionaire and without any further proof or conditions and without any right of set off or counterclaim, we shall forthwith pay to you the amount or amounts specified in such demand or demands, not exceeding in aggregate the Guaranteed Sum. Such payment or payments shall be made by transfer to an account in your name at such bank in such place as you shall direct.

NO DISCHARGE

2. Our obligations hereunder shall not be affected by any act, omission, matter or thing that might operate to release or otherwise exonerate us from our obligations hereunder, in whole or in part, including without limitation and whether or not known to us or you:
 - (a) at any time, the waiver to the Concessionaire or any other person;
 - (b) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Concessionaire or any other person;
 - (c) any legal limitation, disability or incapability relating to the Concessionaire or any other person;

- (d) any variation of or amendments to the Agreement or the works to be performed thereunder or any other documents or security so that references to the Agreement in this Guarantee shall include each such variation and amendments; and
- (e) any variation of or amendment to the Agreement of any obligations of the Concessionaire or any other person under the Agreement or any other document or security.

DURATION

- 3. This Guarantee shall remain valid and in full force and effect until you shall have notified us in writing that the Concessionaire has performed all its obligations and discharged all its liabilities under or relating to the Agreement, following which this Guarantee shall be returned to us for cancellation. This Guarantee shall expire on [].

PAYMENTS

- 4. Any payment made hereunder shall be made free and clear of, and without deduction of or on account of, any present or future taxes, duties, charges, fees, deductions or withholdings of any nature whatsoever and on whomsoever imposed.

GOVERNING LAW

- 5. This Guarantee is governed by the laws of Pakistan and we hereby agree to submit to the exclusive jurisdiction of the courts of Pakistan over any claim arising out of this Guarantee.

IN WITNESS WHEREOF this Guarantee has been executed on this [] day of [] 20[].

SIGNED for and on behalf of)

[* the Guarantor Bank])

by its Attorney, [* Name of Attorney])

WITNESSES:

[]

SCHEDULE T

Form of Operations Bond

To: [The PLDDB]

WHEREAS:

- (A) By an agreement in writing dated [insert date] (“Agreement”) and made between _____ (“Agency”) and [insert Concessionaire’s name] (“Concessionaire”), the Concessionaire has agreed to, inter alia, undertake [insert Project description], under a rehabilitate, lease, operate and transfer basis (“Project”), upon and subject to the terms and conditions of the Agreement.
- (B) The terms of the Agreement oblige the Concessionaire to provide an operation and management guarantee to the Agency as security for the due performance of the operations phase of the Project.

In consideration of your accepting of our obligations herein contained for the discharge of the Concessionaire’s obligation to provide such guarantee, we, [full name and address of Bank] hereby, irrevocably and unconditionally, guarantee the payment of PKR[] (“Guaranteed Sum”), in respect of which this guarantee is required, and accordingly covenant with you and agree as follows:

GUARANTEE

1. Upon receipt of a written demand made by you upon us from time to time or at any time stating the Concessionaire has failed to perform its obligations under the Agreement, and without the need for you to take legal action against or to obtain the consent of the Concessionaire, and notwithstanding any objection by the Concessionaire and without any further proof or condition and without any right of set off or counterclaim, we shall forthwith pay to you the amount or amounts specified in such demand or demands, not exceeding in aggregate the Guaranteed Sum. Such payment or payments shall be made by transfer to an account in your name at such bank in such place as you shall direct.

NO DISCHARGE

2. Our obligations hereunder shall not be affected by any act, omission, matter or thing that might operate to release or otherwise exonerate us from our obligations hereunder in whole or in part, including without limitation and whether or not known to us or you:
 - (a) at any time, the waiver to the Concessionaire or any other person;
 - (b) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Concessionaire or any other person;
 - (c) any legal limitation, disability or incapability relating to the Concessionaire or any other person;

- (d) any variation of or amendments to the Agreement or the works to be performed thereunder or any other documents or security so that references to the Agreement in this Guarantee shall include each such variation and amendments; and
- (e) any variation of or amendment to the Agreement of any obligations of the Concessionaire or any other person under the Agreement or any other document or security.

DURATION

- 3. This Guarantee shall be valid and remain in full force and effect till June 30, [] (“Expiry Date”). Upon written notice by you at least one (1) month prior to the Expiry Date of the guaranteed sum for the subsequent financial year, we shall substitute this Guarantee with another guarantee in similar form as this Guarantee for the subsequent financial year, and on similar fashion thereafter for the duration of the Agreement. Upon your receipt of the guarantee in substitution of this Guarantee, you shall arrange to return this Guarantee for cancellation. If this Guarantee is not renewed for a further period, we shall make payment of the Guaranteed Sum on the Expiry Date.

PAYMENTS

- 4. Any payment made hereunder shall be made free and clear of, and without deduction of or on account of, any present or future taxes, duties, charges, fees, deductions or withholdings of any nature whatsoever and on whomsoever imposed.

GOVERNING LAW

- 5. This Guarantee is governed by the laws of Pakistan and we hereby agree to submit to the exclusive jurisdiction of the courts of Pakistan over any claim arising out of this Guarantee.

IN WITNESS WHEREOF this Guarantee has been executed on this [] day of [] 20[].

SIGNED for and on behalf of)
 [* the Guarantor Bank])
 by its Attorney, [* Name of Attorney])

WITNESSES:

[]
 []

SCHEDULE U

Form of Transfer Bond

To: [The PLDDB]

WHEREAS:

- (A) By an agreement in writing dated [insert date] (“Agreement”) and made between _____ (“Agency”) and [insert Concessionaire’s name] (“Concessionaire”), the Concessionaire has agreed to, inter alia, undertake [insert Project description], under a rehabilitate, lease, operate and transfer basis (“Project”), upon and subject to the terms and conditions of the Agreement.
- (B) The terms of the Agreement oblige the Concessionaire to provide a transfer bond to the Agency as security to cure any shortcomings in the physical assets of the Concessionaire including all civil works, installations, equipment and facilities during the phase when the Project is being transferred from the Concessionaire to the Agency.

In consideration of your accepting of our obligations herein contained for the discharge of the Concessionaire’s obligation to provide such guarantee, we, [full name and address of Bankin Pakistan] hereby, irrevocably and unconditionally, guarantee the payment of PKR [] (“Guaranteed Sum”), being an amount equivalent to two per cent (5%) of the Project Cost (as defined in the Agreement), and accordingly covenant with you and agree as follows:

GUARANTEE

1. Upon receipt of a written demand made by you upon us from time to time or at any time stating the Concessionaire has failed to perform its obligations under the Agreement, and without the need for you to take legal action against or to obtain the consent of the Concessionaire, and notwithstanding any objection by the Concessionaire and without any further proof or conditions and without any right of set off or counterclaim, we shall forthwith pay to you the amount or amounts specified in such demand or demands, not exceeding in aggregate the Guaranteed Sum. Such payment or payments shall be made by transfer to an account in your name at such bank in such place as you shall direct.

NO DISCHARGE

2. Our obligations hereunder shall not be affected by any act, omission, matter or thing that might operate to release or otherwise exonerate us from our obligations hereunder, in whole or in part, including without limitation and whether or not known to us or you:
 - (a) at any time, the waiver to the Concessionaire or any other person;
 - (b) the taking, variation, compromise, renewal or release of or refusal or neglect to perfect or enforce any rights, remedies or securities against the Concessionaire or any other person;
 - (c) any legal limitation, disability or incapability relating to the Concessionaire or any other person;

- (d) any variation of or amendments to the Agreement or the works to be performed thereunder or any other documents or security so that references to the Agreement in this Guarantee shall include each such variation and amendments; and
- (e) any variation of or amendment to the Agreement of any obligations of the Concessionaire or any other person under the Agreement or any other document or security.

DURATION

- 3. This Guarantee shall remain valid and in full force and effect until you shall have notified us in writing that the Concessionaire has performed all its obligations and discharged all its liabilities under or relating to the Agreement, following which this Guarantee shall be returned to us for cancellation. This Guarantee shall expire on [].

PAYMENTS

- 4. Any payment made hereunder shall be made free and clear of, and without deduction of or on account of, any present or future taxes, duties, charges, fees, deductions or withholdings of any nature whatsoever and on whomsoever imposed.

GOVERNING LAW

- 5. This Guarantee is governed by the laws of Pakistan and we hereby agree to submit to the exclusive jurisdiction of the courts of Pakistan over any claim arising out of this Guarantee.

IN WITNESS WHEREOF this Guarantee has been executed on this [] day of [] 20[].

SIGNED for and on behalf of _____)

[* the Guarantor Bank] _____)
by its Attorney, [* Name of Attorney] _____)

WITNESSES:

[_____]

[_____]

APPENDIX – 3

BASIC DESIGN LAYOUT



Animal Shed
03

Animal Shed
04

Animal Shed
01

Animal Shed
02

GREEN

GREEN

APPENDIX – 4

THE PUNJAB LIVESTOCK BREEDING ACT

2014

THE PUNJAB LIVESTOCK BREEDING ACT 2014

(Act XIII of 2014)

C O N T E N T S

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1. Short title, extent and commencement.
2. Definitions.

CHAPTER II LIVESTOCK BREEDING SERVICES AUTHORITY

3. Livestock Breeding Services Authority.
4. Fund.
5. Budget and accounts.
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7. Functions of the Authority.

CHAPTER III STANDARDS AND PROCEDURES OF BREEDING

8. Standards for selection of breeding animals.
9. Standards for collection and production facilities.
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23. Prohibition on registering facilities and person not complying with criteria.
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THE PUNJAB LIVESTOCK BREEDING ACT 2014 (Act XIII of 2014)

[29 May 2014]

An Act to regulate the livestock breeding services in the Punjab.

Preamble.— Whereas it is expedient to provide for regulation of livestock breeding services, to improve genetic potential of breeds and protect indigenous breeds of livestock in the Punjab and to deal with ancillary matters;
It is enacted as follows:

CHAPTER I PRELIMINARY

1. Short title, extent and commencement.— (1) This Act may be cited as the Punjab Livestock Breeding Act 2014.

(2) It extends to whole of the Punjab.

(3) It shall come into force at once.

2. Definitions.— In this Act—

(A) "ARTIFICIAL INSEMINATION" MEANS THE TECHNIQUE USED FOR INSEMINATION INTO THE female reproductive tract by artificial means;

(B) "ARTIFICIAL INSEMINATION TECHNICIAN" MEANS A PERSON MERELY AS DEFINED in this Act and duly registered by the Registrar;

(C) "AUTHORITY" MEANS THE LIVESTOCK BREEDING SERVICES AUTHORITY ESTABLISHED under section 3;

(D) "BREEDER" MEANS THE OWNER OF THE FEMALE (DAM) MOTHER;

(E) "BREEDING MALE" MEANS A CANDIDATE, PROVEN OR NATURAL BREEDING MALE OF A SPECIES fulfilling the criteria spelt out under the Act;

(F) "BREEDING SERVICES" MEANS ONE OR MORE OF THE following services:—

(i) artificial insemination;

(ii) semen production;

- (iii) semen collection;
- (iv) genetic evaluation;
- (v) testing of semen or ova;
- (vi) embryo implantation;
- (vii) import of semen; and
- (viii) any other service that may be notified by the Government as a breeding service;
- (G) "CODE" MEANS THE CODE OF CRIMINAL PROCEDURE, 1898 (V OF 1898);
- (H) "COLLECTION AND PRODUCTION FACILITY" MEANS THE PREMISES WHERE/SEME Embryo are collected, processed or produced for artificial insemination, implantation or conservation;
- (I) "EMBRYO" MEANS A STRUCTURE DEVELOPED AS A RESULT OF FUSION OF MALE AND FEMALE OVA reproductive cells;
- (J) "FARM" MEANS A SITE OR PREMISES WHERE livestock is kept;
- (K) "GOVERNMENT" MEANS GOVERNMENT OF THE PUNJAB;
- (L) "HERD BOOK" MEANS A BOOK CONTAINING THE LIST AND PEDIGREES OF ONE OR MORE HERDS OF CHOICE breeds also called herd record, or herd register.
- (M) "LIVESTOCK" MEANS Cattle, buffalo, sheep, goat, camel, horse and other useful animals kept or raised on a farm, ranch or house;
- (N) "OVA" MEANS A FEMALE REPRODUCTIVE CELL PRODUCED BY THE OVARY;
- (O) "PRESCRIBED" MEANS PRESCRIBED BY THE RULES OR REGULATIONS;
- (P) "RECOGNIZED EXPERT" MEANS A Person who fulfills the requirements specified by the Registrar;
- (Q) "REGISTRAR" MEANS THE REGISTRAR OF LIVESTOCK BREEDING SERVICES PROVIDED UNDER SECTION 3;
- (R) "SEMEN" MEANS THE MALE SPERM AND FLUIDS PRODUCED IN THE TESTES AND OTHER GLANDS OF THE MALE's reproductive system;
- (S) "SPECIES" MEANS A GROUP OF RELATED ANIMALS BELONGING TO THE SAME BIOLOGICAL CLASSIFICATION which can freely interbreed to produce fertile progenies;
- (T) "VETERINARIAN" MEANS A VETERINARY GRADUATE REGISTERED WITH THE PUNJAB VETERINARY Medical Council; and
- (U) "ZOO TECHNICAL CERTIFICATE" MEANS A CERTIFICATE DETAILING THE ANCESTRY, BLOOD TYPE and performance or progeny test results.

CHAPTER II

LIVESTOCK BREEDING SERVICES AUTHORITY

3. Livestock Breeding Services Authority.— (1) The Government shall establish a Livestock Breeding Services Authority consisting of such number of personnel as the Government may notify.

(2) The Authority shall be a body corporate having perpetual succession and a common seal with power to acquire, hold and dispose of property and shall, by the aforesaid name, sue and be sued.

(3) The affairs of the Authority shall, under the general supervision of the Authority, be managed and administered by the Registrar.

(4) The Government shall appoint Registrar for a term not exceeding three years.

(5) A person shall not be appointed as the Registrar unless he holds a degree in veterinary science or animal production and at least ten years experience in the prescribed fields.

(6) The Registrar shall not, at any time, have business interests in any of the breeding services under the Act.

4. Fund.— (1) There shall be established a Fund to be known as the Livestock Breeding Services Authority Fund which shall be administered and controlled by the Authority.

(2) The Fund shall consist of—

- (a) budgetary releases from the Government;
- (b) grants made by the Government, the Federal Government or any other authority or agency;
- (c) fee and charges collected and profits earned by the Authority; and
- (d) income from any other source.

5. Budget and accounts.– (1) The Authority, before the commencement of a financial year, shall prepare a statement of the estimated receipts and expenditure of the Authority for the financial year in the prescribed manner and shall submit it to the Government for consideration and approval.

(2) The Authority shall maintain proper accounts and other records relating to its financial affairs including its income and expenditures and its assets and liabilities in such form and manner as may be prescribed.

(3) The Authority may open and maintain its accounts at such scheduled banks as it may determine.

6. Audit.– (1) The Auditor General of Pakistan shall annually audit the accounts of the Authority.

(2) The Government, in addition to the audit under subsection (1), may cause the annual accounts of the Authority audited, in the prescribed manner, by a Chartered Accountant or a firm of Chartered Accountants.

7. Functions of the Authority.– The Authority shall–

- (a) regulate provision of breeding services in accordance with the provisions of the Act;
- (b) raise awareness regarding standards and quality of breeding services; and
- (c) conserve and develop local genetic resources.

CHAPTER III

STANDARDS AND PROCEDURES OF BREEDING

8. Standards for selection of breeding animals.– The Authority shall, within twelve months of the commencement of the Act, issue standards and procedures for–

- (a) selection parameters for breeding animals at a collection and production facility;
- (b) parentage confirmation of breeding males before entry at a collection and production facility, farm or any breed improvement program; and
- (c) animal registration and performance recording for identification of elite dams and test mating under a performance recording and genetic evaluation program.

9. Standards for collection and production facilities.– The Authority shall, within twelve months of the commencement of the Act, issue–

- (a) standards to be maintained at a collection and production facility;
- (b) equipment requirements at a collection and production facility; and
- (c) processes and procedures to be employed for extraction, preservation, processing and transport of semen, ova and embryos.

10. Standards for use of semen, ova and embryos.– The Authority shall, within six months of the commencement of the Act, issue regulations for–

- (a) semen handling and artificial insemination at a farm;
- (b) natural mating of livestock at a farm;
- (c) exotic semen and usage of exotic semen; and
- (d) import of semen in accordance with the provisions of the Act.

11. Standards for artificial insemination technicians.– The Authority shall, within six months of the commencement of the Act, issue regulations specifying standards to be fulfilled by artificial insemination technicians including training, infrastructure and other requirements.

12. Contents of certificates.– The Authority shall, within six months of the commencement of the Act, specify the form and content of–

- (a) pedigree certificates for animals, semen and ova;
- (b) zoo technical certificates;
- (c) health certificates; and
- (d) such other certificates as may be notified by the Government to be issued by any person, body or authority.

13. Requirement of certificates.– The Registrar may, subject to the rules, specify certificates, which must accompany semen, ova, embryo, animal or any other thing under the Act.

14. Authority and Registrar to act in consultation with the committee.– (1) In the framing of standards and procedures under this Chapter, the Authority and the Registrar shall take into consideration international practices and advice of a technical committee to be appointed by the Government.

(2) The committee shall consist of the following persons:

- (a) a breeding expert having relevant qualifications and experience;
- (b) an academician having relevant qualifications and experience; and
- (c) a veterinarian having relevant qualifications and experience.

CHAPTER IV

RECORDING OF PEDIGREE AND PERFORMANCE

15. Breeders associations.– (1) The Registrar may approve a breeders association for purposes of breed development and promotion of livestock, if the association–

- (a) has headquarter located in the Punjab;
- (b) has a separate legal personality;
- (c) fulfills the requirements specified in the Act, rules or regulations;
- (d) is maintaining a herd book;
- (e) has rules of procedure; and
- (f) can carry out checks necessary for recording pedigrees.

(2) Where a breeders association has already been approved for one breed, the Registrar may not grant approval to another association, if he is satisfied that the granting of approval may endanger the preservation of the breed or jeopardize the zoo technical program of the breeders association already approved.

(3) A breeders association shall be open to membership to any person who owns animals of that breed.

(4) The Registrar shall not approve a breeders association unless the association has published procedures covering–

- (A) DEFINITION OF THE BREED'S CHARACTERISTICS, INCLUDING OF the breed;
- (b) identification and registration of animals in the prescribed manner and content of the data base required by the Registrar;
- (c) system for recording pedigrees;
- (d) definition of its breeding objectives, which in case of the establishment of a herd book for a new breed shall include detailed circumstances of establishment of the new breed;
- (e) systems for making use of livestock performance data; and
- (f) divisions of the herd book, if there are different conditions or procedures for entering animals or for classifying the animals entered in the book.

16. Monitoring of genetic merit.– An approved breeders association or private undertaking shall, in respect of herd books and registers which it maintains, calculate, or make arrangements to have calculated, the genetic merit of pure-breed and hybrid breeding animals entered or registered in those herd books or registers.

17. Maintenance of herd books.– (1) A breeders association shall prescribe standards for the breed with the prior approval of the Registrar.

(2) An entry in the herd book shall be made only if it relates to an offspring of an animal already registered in the herd book or when it is certified by a recognized expert to be an animal of that breed in accordance with parameters laid down by the Registrar.

(3) A breeders association shall provide a unique herd book number to each registered animal.

(4) A breeders association shall ensure that the records of every animal entered in the herd book are available for search to any buyer on payment of an approved fee.

(5) Where an animal is entered in a herd book and the animal or one of its parents is already entered in another existing herd book, reference shall be made to that information.

18. Prohibition on sale of unregistered animals.– (1) The Government may prohibit, at any time after five years of the opening of a herd book of an approved breeders association, by notification, the sale of pure bred animals of that breed for breeding unless registered in the herd book of that breed.

(2) Where a notification has been issued under subsection (1), no person shall sell or offer or advertise for sale a pure bred animal of a particular breed unless it is registered in a herd book of that breed.

19. Steps for conservation of near threatened indigenous breeds.– The Authority shall take suitable steps for–

(a) recording or promoting recording of pedigree and performance recording of livestock;

(b) promotional activities for conservation of livestock; and

(c) survival of near threatened indigenous breeds including–

(i) sponsoring establishment of breeders associations for indigenous breeds; and

(ii) monitoring genetic variability of indigenous breeds.

CHAPTER V

REGISTRATION AND LICENSING

20. Registration of breeding males.– A person shall not run a collection and production facility unless he obtains, in the prescribed manner, registration of the breeding males from the Registrar.

21. Registration of businesses.– Every person involved in the provision of breeding services shall, in the prescribed manner, obtain registration from the Registrar.

22. Registration fee or renewal fee.– (1) The Government shall, by notification, fix the amount of fee for registration, issuance of licenses and certificates or renewal thereof under the Act.

(2) The Registrar shall charge and the applicant shall pay the fee fixed by the Government.

23. Prohibition on registering facilities and person not complying with criteria.– The Registrar shall not grant registration to any person, facility or establishment, who or which does not fulfill the criteria established under the Act or does not provide information which may be required for determining capacity or compliance under the Act.

24. Power to issue licenses and certificates.– (1) Where a collection and production facility or other establishment involved in provision of breeding services is registered under this Act, the Registrar may grant a license to the facility or establishment for operating for such period of time as may be prescribed and on such other conditions as may be specified in the license.

(2) Where a person, providing natural breeding services, has obtained registration, the Registrar shall grant him a certificate of competency for such period as may be prescribed.

25. Cancellation or suspension of license.– (1) Where any person is found to have contravened any of the provision of the Act, rules or regulations, the Registrar may suspend or cancel the license.

(2) The Registrar shall provide a license holder an opportunity of being heard before passing an order under subsection (1).

26. Appellate Board.– (1) The Government shall constitute an Appellate Board for the disposal of appeals against the decisions of the Registrar.

(2) Any person aggrieved by a decision of the Registrar regarding refusal of grant of a license or certificate or cancellation of a license or certificate issued under the Act may, within thirty days of the communication of the decision, prefer an appeal to the Appellate Board.

(3) The Appellate Board shall consist of the Secretary, Government of the Punjab, Livestock Department and a technical member appointed by the Government in the prescribed manner.

(4) The Appellate Board shall dispose of an appeal within thirty days in accordance with the prescribed procedure.

27. Publication of names of licensed businesses and facilities.– The Authority shall publish an annual list of licensed collection and production facilities and such other breeding services as may be specified and shall place the names of the said facilities and services on the official website of the Authority.

CHAPTER VI ENFORCEMENT

28. Appointment of analysts or experts.– (1) The Government may appoint or recognize suitably qualified institutions or persons as analysts or experts for purposes of carrying out analysis or tests under the Act.

(2) Analysts or experts shall have such qualifications and experiences as may be prescribed.

29. Third party services.– (1) Notwithstanding anything contained in section 28, the Government may recognize a company for provision of analysis and testing services and inspection of establishments for purposes of ensuring compliance under the Act, if the company has–

- (a) a system of record keeping;
- (b) a system of third party evaluation;
- (c) procedures for quality test;
- (d) facilities for obtaining and preserving samples;
- (e) approved laboratory facilities for conduct of analysis and testing; and
- (f) requisite number of analysts or experts in its employment who fulfill the requirements of subsection (2) of section 28.

(2) Where a company is recognized for purposes of subsection (1), the Registrar may procure services of such a company for purposes of ensuring compliance with the provisions of the Act.

30. Appointment of Inspector.– (1) The Government may, by notification, appoint Inspectors for purposes of enforcing the penal provisions of the Act.

(2) The Inspectors shall have such qualifications and experience as may be prescribed but a person shall not be appointed or designated as an Inspector who has any financial interest in any matter regulated under the Act.

(3) Without prejudice to the authority of the Registrar, the Government may place the control and administration of Inspectors with a local government to such extent as it may deem appropriate.

31. Powers and duties of Inspectors.– (1) An Inspector may, within local limits for which he is appointed, and in any other area on the directions of the Authority or the Government, enter, inspect and take samples for determining compliance with any provision of the Act, rules or regulations.

(2) In the conduct of inspections, entry and taking of samples, an Inspector shall act in accordance with any procedure as may be prescribed.

(3) An Inspector may take into possession or seal substandard semen or any other product or equipment subject to regulation under the Act.

CHAPTER VII PENALTIES AND PROCEDURES

32. Penalties.— (1) If any person contravenes any order made under the Act or violates a requirement of the Act or any standard or procedure issued under the Act, he shall be punished with imprisonment for a term which may extend to one year or with fine up to five hundred thousand rupees or both.

(2) If any person sells any substandard product or service which is regulated under the Act, the Tribunal may, on conviction, destroy such semen or product and may order recovery of any charges that may be incurred on such destruction.

33. Prohibition on conduct of business without obtaining registration.— No person shall conduct a business for which a license or registration is required under the Act without having valid registration or license issued in accordance with the provision of the Act.

34. Attempts and abetments.— Any person who attempts to contravene or abets the contravention of any order made under this Act shall be deemed to have contravened that order.

35. Offences by company.— If the person contravening an order made under the Act is a company, every director, manager, secretary or other officer or agent thereof shall, unless he proves that the contravention took place without his knowledge or that he exercised all due diligence to prevent such contravention, shall be deemed to be guilty of such contravention.

36. False statements.— If a person is required by an order made under the Act to make any statement or furnish any information and he makes a statement or furnishes information which is false in any material particular and which he knows or has reasonable cause to believe to be false, or does not believe to be true, or makes any such statement as aforesaid in any book, account, record, declaration, return or other document which he is required by any such order to maintain or furnish, he shall be punished with imprisonment for a term which may extend to one year or with fine which may extend to one hundred thousand rupees or both.

37. Trial by Tribunal.— An offence punishable under the Act shall be exclusively triable by a Tribunal constituted under the Act.

38. Constitution of Tribunals.— (1) The Government may, by notification, constitute, for the whole or any part of the Province, one or more Tribunals consisting of not less than one technical and one judicial member.

(2) A PERSON SHALL NOT BE APPOINTED AS A JUDICIAL MEMBER UNLESS HE HAS TEN YEARS' EXPERIENCE as an Advocate of the High Court or he is or has been an Additional Sessions Judge.

(3) The Government shall appoint a judicial member in consultation with the Lahore High Court.

(4) A TECHNICAL MEMBER SHALL HAVE NOT LESS THAN TEN YEARS' EXPERIENCE AS A MEMBER and a degree in animal breeding or animal production.

(5) The Government shall appoint a judicial member to be the presiding officer of the Tribunal.

(6) The Tribunal shall sit at such places and on such days as the Government may, by notification, specify.

(7) The Government shall issue case management regulations for disposal of business by the Tribunal, which amongst other things shall specify maximum time to be taken for disposal of cases.

39. Powers of Tribunals.— A Tribunal may pass any sentence and exercise all or any of the powers, which a Magistrate of the First Class, empowered under section 30 of the Code, may pass or exercise under the Code.

40. Appeal.— A person who is sentenced by the Tribunal, may, within thirty days of the sentence, prefer an appeal to the Lahore High Court.

41. Procedure.— (1) An offence under the Act shall be cognizable and bailable.

(2) The procedure for trial of offences under the Act shall generally be the same as is laid down in the Code for trials on the basis of a police report.

(3) Nothing in this section shall preclude the Tribunal from following procedure laid down in the Code for summary trial or trial of summons cases by Magistrates.

42. Bar of jurisdiction.— No order made in exercise of any power conferred by or under the Act shall be called in question in any Court except in the manner provided for under the Act.

43. Burden of proof in certain cases.— Where any person is prosecuted for contravening any order made under the Act or for contravening the Act, the burden of proof that he acted in accordance with the Act shall be on that person unless such a burden be inconvenient for the person to discharge.

CHAPTER VIII MISCELLANEOUS

44. Power to make rules.— (1) The Government may, by notification in the official Gazette, make rules for carrying out the purpose of the Act.

(2) In particular and without prejudice to the generality of the foregoing provision, such rules may provide for—

(a) the manner of keeping of accounts;

(b) qualification and procedure to be followed for appointment or recruitment of advisers, consultants, experts, technical staff, inspectors and analysts;

(c) terms and conditions of employment or service of employees;

(d) date on which and the form in which the annual budget statement of the Authority shall be submitted to the Government each year;

(e) procedure for appropriation and re-appropriation of moneys at the disposal of the Authority;

(f) form and manner in which the accounts of receipts and expenditure of the moneys shall be kept;

(g) such other matters relating to the administration of the Authority as the Government may think fit;

(h) manner in which non-statutory or special audit of the Authority shall be conducted and reports submitted to the Government; and

(i) procedure to be used in the conduct of business by committees constituted under the Act.

45. Power to frame regulations.– Subject to the Act and the rules, the Authority may, by notification in the official Gazette, frame regulations as may be necessary for ensuring standards and quality in the provision of breeding services.

46. Annual report.– (1) The Authority shall submit an annual report of its activities to the Government at the end of a financial year.

(2) The Government shall lay the annual report of the Authority in the Provincial Assembly of the Punjab.

47. Disclosures.– Every provider of breeding services shall disclose to the buyer the origin, quality and content of the product or service through a label or notice.

48. Protection of action taken under the Act.– (1) No suit, prosecution or other legal proceeding shall lie against any person for anything done or intended to be done in good faith in pursuance of any provision of the Act or order made under the Act.

(2) No suit or other legal proceeding shall lie against the Government for any damage caused or likely to be caused by anything done or intended to be done in good faith in pursuance of any order made under the Act.

49. Delegation of powers.– (1) The Government may delegate any of the powers of the Registrar to any other officer of the Authority subject to such conditions as may be prescribed.

(2) The Authority may, in the prescribed manner, delegate any of its powers to the Registrar or any other officer.

50. Act to have overriding effect.– The provisions of the Act shall have effect notwithstanding anything contrary contained in any other law.

^[1]This Act was passed by the Punjab Assembly on 22 May 2014; assented to by the Governor of the Punjab

APPENDIX – 5

FORM OF BID SECURITY

APPENDIX-5

BID SECURITY

(IN THE FORM OF BANK GUARANTEE)

SECURITY EXECUTED ON

NAME OF SURETY WITH ADDRESS

PENAL SUM AS SECURITY :Rs. 10,000,000/- (RUPEES TEN MILLION ONLY)

BID REFERENCE NO.

KNOW ALL MEN BY THESE PRESENTS, that in pursuance of the terms of the Bid and at the request of the said Principal (Bidder) we, the Surety above-named, are held and firmly bond unto Punjab Livestock and Dairy Development Board, (hereinafter called "PLDDB") in the sum stated above for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators and successors, jointly and severally, firmly by these presents.

THE CONDITIONS OF THIS OBLIGATION IS SUCH, that whereas the Bidder has submitted the accompanying Bid dated _____ for the Construction of Genetic Improvement Centre Khizarabad (GICK) on Rehabilitate, Operate and Transfer basis ("ROT") at Sargodha, to the said PLDDB, and

WHEREAS, the PLDDB has required as a condition for considering said Bid that the Bidder furnished a Bid Security in the above said sum for a Schedule Bank in Pakistan to the PLDDB, conditioned as under:

- (1) that the Bid security shall remain in full force upto and including the date 28 days after the deadline for validity of bids as stated in the Bidding documents or _____ whichever is earlier or as it may be extended by the PLDDB, notice of which extension(s) to the Surety is hereby waived;**
- (2) that the Bid security of unsuccessful Bidders will be returned by the PLDDB after expiry of its validity or upon signing of the Contract Agreement, and**
- (3) that in the event of failure of the successful Bidder to execute the proposed Contract Agreement for such work and furnish the required Construction performance bond, the entire said sum be paid immediately to the PLDDB.**

NOW THEREFORE, if the successful Bidder shall, within the period specified therefore, on the prescribed form presented to him for signature enter into a formal Contract with PLDDB

in accordance with his Bid as accepted within thirty days (30) of his being requested to do so and furnish a Construction Performance bond with good and sufficient surety, as may be required, upon the form prescribed by PLDDB for the faithful performance and proper fulfillment of the said Contract or in the event of non-withdrawal of the said Bid within the time specified for its validity then this obligation shall be void and of no effect, but otherwise to remain in full force.

PROVIDED THAT the surety shall forthwith pay the PLDDB the said sum upon FIRST SIMPLE AND WRITTEN DEMAND of PLDDB (without cavil or argument) and without requiring the PLDDB to prove or to show grounds or reasons for such demand, notice of which shall be sent by the PLDDB by registered post duly addressed to the Surety at its address given above.

PROVIDED ALSO THAT the PLDDB shall be sole and final judge for deciding whether the Principal (Bidder) has duly performed his obligations to sign the Contract Agreement and to furnish the requisite Construction Performance Security within the time stated above, or has defaulted in fulfilling said requirements and the Surety shall pay IMMEDIATELY without objection the said sum upon ON FIRST SIMPLE DEMAND from the PLDDB forthwith and without any reference pursuant to the Principal (Bidder) or any other person.

IN WITNESS WHEREOFF, the above bounden Surety has executed the instrument under its seal on the date indicated above, the name and seal of the Surety being hereto affixed and these presents duly signed by its undersigned representative pursuant to authority of its governing body.

The Bond will remain in force with effect from _____ to _____.

APPENDIX – 6

FINANCIAL DATA FORMS

GENETIC IMPROVEMENT CENTRE KHIZARABAD
FINANCIAL BID FORM-I

S #	A MINIMUM ANNUAL PRODUCTION BENCHMARK OF STRAWS (IN NO'S)	B FIXED %AGE ALLOCATION TO PLDDB FROM YEAR 4 TO YEAR 25	C=A*B TOTAL ANNUAL STRAW PRODUCTION TO PLDDB (FREE OF COST IN NO'S)
1	2000,000	_____ %	

NOTE

- 1 MINIMUM ANNUAL PRODUCTION BENCH MARK IS FROM YEAR 2025
- 2 PLDDB RESERVE THE RIGHT TO REJECT THE BID IF THE ANNUAL STRAW ALLOCATION TO THEM BIDDER IS LESS THAN THE MINIMUM RESERVE NO FIXED.
- 3 ANNUAL ALLOCATED STRAWS SHALL BE PAYABLE TO PLDDB ON QUOTE
- 4 PLDDB SHAI BE ALLOCATI STRAW ON THE BASIS OF MINIMUM ANNUA BENCH MARI PRODUCTIO OR HIGHER PRODUCTION AS PER ACTUAL. HOWEVER, IN CASE THE ACTUAL PRODS LOWER THAN MINIMUM BENCH MARK, THAN ALLOCATION TO PLDDB WILL BE BASED ON MINIMUM BENCH OF 2 MILLION STRAWS.
- 5 ANNUAL STRAWS ALLOCATIONS TO PLDDB IS DETAILED IN SCHEDULE OF THE DRAFT CONCESSION AGREEN

SIGNED AND STAMPE

GENETIC IMPROVEMENT CENTRE KHIZARABAD
FINANCIAL BID FORM-II

S #	ANNUAL FIXED LEASE
1	PKR - 2 MILLION

NOTE

- 1 ANNUAL INCREASE 10%**
- 2 FIRST 10% INCREASE SHALL OCCUR ON THE SECOND ANNUAL EFFECTIVE DATE**
- 3 ANNUAL LEASE IS DETAILED IN SCHEDULE E (CONSIDERATION) DRAFT CONCESSION AGREEMENT**

SIGNED AND STAMPED

APPENDIX – 7

KEY PERFORMANCE INDICATORS

AND

PENALTIES

Key Performance Indicators and Penalties

KPI/Concession Terms	Time Period	Penalty
Annual Min Production of Quality Straws * : - Year 1 – 0 M – Construction Yr. - Year 2 – 0.7 M - Year 3 – 1.5 M - Year 4 to 25 – 2 M	Year 1 to End of Concession	5% of proposed Straw Revenues projected in the bidders Project Feasibility
Semen Donor Bulls from year 1 to 4 (Year 1 – 50, Year 2-100, Year 3 -150, Year 4–200)	Concession Signing to End of Concession	Year 1 to 3 - Rs. 2 M/ Annum Year 4 - Rs. 5 M/Annum
Project Construction Completion including additional shed for 50 bulls and quarantine area for new Bulls.	12 Months from Concession signing	Rs. 1 Million per day subject to max to 5% of the Project Cost.
Financial Close Completion	120 Days Max. from Concession signing	-
Formal Agreement with International Partner for technical collaboration	30 days from Concession signing	-
Lab Equipment Certification	12 Month from Concession signing	Rs. 2 Million Per Month
Implementation of Genomic Testing	From Yr 3 of COD	Rs. 5 Million per Annum

*Quality as per standards defined in the Livestock Breeding Act