

DISCLAIMER

This Expression of Interest (EOI) Document is provided to the recipient solely for use in provision of LASER land leveling units and submitting applications for pre-qualification for selected farmers/ service providers on cost sharing basis, as further detailed in this EOI document. This EOI Document is being issued by **Director General Agriculture (Water Management) Punjab, Lahore for the Project Titled “National Program for Improvement of Watercourses in Pakistan- The Punjab component (NPIW) phase-II”** (hereinafter referred as the “Pre-Qualification Agency” where relevant the term includes its employees, personnel, affiliated entities, consultants, advisors, agents and contractors etc.) solely for the use of the Applicant(s) interested in the Assignments enumerated hereunder.

This EOI is not an agreement and is neither an offer nor invitation by the Pre-Qualification Agency to the prospective Applicant(s) or any other person. The purpose of this EOI is to provide interested parties with information that may be useful to them in the formulation of their application for qualification pursuant to this EOI (the “Application”). This EOI includes statements, which reflect various assumptions and assessments arrived at by the Pre-Qualification Agency in relation to the Project. Such assumptions, assessments and statements do not purport to contain all the information that each Applicant(s) may require. This EOI may not be appropriate for all persons, and it is not possible for the Pre-Qualification Agency, its employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this EOI.

The assumptions, assessments, statements and information contained in this EOI may not be complete, accurate, adequate or correct. Each Applicant should therefore, conduct its own investigations and analysis and should check the accuracy, adequacy, correctness, reliability and completeness of the assumptions, assessments, statements and information contained in this EOI and obtain independent advice from appropriate sources.

Information provided in this EOI to the Applicant(s) is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. The Pre-Qualification Agency accepts no responsibility of the accuracy or otherwise for any interpretation or opinion on law expressed herein.

The evaluation criteria have been laid down for the purpose of short-listing of the Applicant(s). The Pre-Qualification Agency or its affiliated entities including its consultants, advisors, employees, personnel, agents, make no representation or warranty and shall have no liability to any person, including any Applicant, under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this this EOI or otherwise, including the accuracy,

adequacy, correctness, completeness or reliability of the EOI or in any other Document made available to a person in connection with the tendering process for the Assignment(s) or for any other written or oral communication transmitted to the recipient in the course of the recipient's evaluation and any assessment, assumption, statement or information contained therein or deemed to form part of this EOI or arising in any way with shortlisting of Applicant(s) for participation in the Bidding Process.

The EOI submitted by any Applicant shall be upon the full understanding and agreement of any and all terms of this EOI Document and such submission shall be deemed as an acceptance to all the terms and conditions stated in this EOI Document. Any EOI submitted by any Applicant shall be construed based on the understanding that the Applicant has done a complete and careful examination of this EOI Document and has independently verified all the information received from the Pre-Qualification Agency.

This EOI Document shall neither constitute a solicitation to invest, or otherwise participate, in the Assignment, nor shall it constitute a guarantee or commitment of any manner on the part of The Pre-Qualification Agency that the Assignment will be awarded. The Pre-Qualification Agency reserves its right, in its full discretion, to modify the EOI Document and/or the Assignment at any stage during the procurement process to the fullest extent permitted by law, and shall not be liable to reimburse or compensate the bidder for any costs, taxes, expenses or damages incurred by the Applicant in such an event. Similarly, The Pre-Qualification Agency reserves the right, in its full discretion, to cancel the EOI Document and/or Assignment at any stage of the procurement process and shall not be liable to reimburse or compensate the Applicant for any costs, taxes, expenses or damages incurred by the Applicant(s) in such an event.

Introduction

Increasing water shortages have compelled the all concerned for developing strategies for efficient utilization of available water resources. Enhancement of water productivity at farm level is the most appropriate solution to redress water scarcity. LASER land leveling is the best option for improving water productivity through minimizing water application losses.

It is, accordingly, planned to accelerate the adoption of this technology through strengthening of LASER land leveling services in the private sector. Precision land leveling is being promoted in the Punjab since inception of OFWM program. Use of LASER technology for the purpose is the major development, which was introduced in the province during 1985. The LASER controlled land leveling system consists of a LASER transmitter, a signal receiver, an electrical control panel, and a solenoid hydraulic system operating valve. The LASER transmitter transmits a LASER beam, which is intercepted by the signal receiver mounted on a leveling blade attached to the tractor.

The control panel mounted on the tractor interprets the signal from the receiver and opens or closes the hydraulic control valve that raises or lowers the leveling blade. The

technology has proved to be highly beneficial because it minimizes the cost of operation, ensures better degree of accuracy in much lesser time, saves irrigation water, ascertains uniform seed germination, increases fertilizer use efficiency, and resultantly enhances crop yields. LASER land leveling is the most effective and popular technology amongst farming community because of its highly quick returns/benefits. The LASER land leveling technology is now being used adequately by the farmers in all districts of the Punjab. An impact assessment study was carried out by Planning & Evaluation Cell of Agriculture Department during 2008 for evaluation of LASER land leveling technology, which revealed following impacts at the farm level.

- i) Saving in irrigation time from 25.1 to 32.1 percent
- ii) Increase in irrigated area by 34.5 to 42.0 percent
- iii) Improvement in crop yields from 10.7 to 12.9 percent
- iv) Reduction in farm culturable waste land by 2.10 percent

The impact assessment carried out by the Monitoring and Evaluation Consultants under the PIPIP for LASER land levelers has shown following results.

- a. Saving in irrigation time: 20-30 percent
- b. Improvement in crop yield from 9-11 percent
- c. Enhancement in fertilizer use efficiency: 11 percent
- d. Saving in farm labour: 18 percent
- e. Facilitation in better crop stand, uniform moisture availability and enhanced fertilizer use efficiency
- f. ERR 29.6% g. C/B Ratio 1:1.5.

Strengthening of LASER Land Leveling Services and Technology Need Gap:

The OFWM was providing subsidized rental services for LASER land leveling and nearly 168,000 acres were leveled with LASER technology in the Punjab till launching of "Strengthening of LASER Land Leveling Services in the Punjab" project during 2005-06. The same was achieved with a fleet of about 125 working LASER units owned by the District Governments. Their maximum capacity was about 35,000 acres in a year. The same was enhanced to about 750,000 acres per year with implementation of above said project completed during 2008. It was, however, considered that the LASER land leveling services were still extremely inadequate to fulfill the demand of farmers and large area of the province is still unlevelled having traditional farm layouts, which are main source of continuous irrigation water wastage. Accordingly, 3,000 LASER units have been provided to farmers/ service providers under on-going PIPIP to strengthen the rental services in the private sector. Moreover, the Punjab government launched ADP funded project titled "Provision of Laser Land levelers to Farmers/ Service Providers on Subsidized Cost" having total cost of Rs. 1,350 million and provided 6,000 LASER land levelers to the

farmers/service providers during three years (2015-16 to 2017-18) which has further strengthened LASER land levelling services in the private sector.

The irrigated land of the Punjab is about 27 million acres (11 million hectares). It is indicated that one LASER unit can LASER level nearly 300 acres annually due to short window of time available for land leveling between Rabi and Kharif crops. Moreover, LASER land leveling operation is required to be repeated after 3-5 years to get continued benefits of the technology. Accordingly, it has been worked out that LASER leveling of entire cultivated area in four years will require about 22,500 LASER units. There are about 25,000 villages in the Punjab and it is considered that availability of one LASER unit in each village may fulfill the LASER land leveling demands.

The government has so far provided 11,500 LASER units to farmers/ service providers on subsidized costs under development schemes. As such, there is still a gap of about 11,000 units in the province.

- i) Canal Irrigated Area Requiring Leveling (MA) 27
- ii) Annual Leveling Capacity per LASER Unit (Acres) 300
- iii) Required Units (No.) 22,500
- iv) Available (No.) 11,500
- v) Gap (No.) 11,000

It is indicated that the target for provision of LASER land levelers to the farmers/ service providers under the original PIPIP was achieved during four years of project implementation as technology is highly popular amongst farming community in the Punjab because of its quick returns. Moreover, 6,000 LASER units have been provided under ADP scheme but there is still huge requirement to fulfill the LASER land leveling services in the province. Keeping in view huge demand of the technology and massive economic returns, it has been planned to provide additional 9,500 LASER land levelers to the farmers/ service providers under the ADP/PSDP funded project titled "National Program for Improvement of Watercourses (NPIW) in Pakistan (Phase-II)-The Punjab Component". The component will strengthen LASER land leveling services in the province through provision of LASER units to farmers/service providers on subsidized rates.

Eligibility Criteria for Selection of Service Providers/Farmers

An applicant will be eligible for the grant of financial assistance provided that the person i) Possess/ owns a tractor capable of operating LASER unit; ii) is owner/tenant/lease and self-cultivator of land not more than 12.5 acres and is preferably agricultural machinery service provider or an agricultural graduate possessing requisite land ownership; iii) has not availed the facility under any other such scheme; iv) will agree to rent out the equipment for LASER land leveling in the area; v) undertakes to carry out/provide rental services for LASER land leveling of 300 acres per unit annually during project period; and vi) will be liable to pay full amount of financial assistance received for the purpose as arrears of land revenue in case of violation of any of the conditions of the scheme.

Farmer/ Service providers

- i. Farmer/ service providers apply for the LASER unit with complete documents mentioned in the application in the office of Deputy Director Agriculture (WM) within final date. Farmers/ service providers willing to get the LASER unit under the scheme, fulfilling the requisite evaluation criteria will have to apply on prescribed application from complete in all respects.
- ii. The application scrutiny committee will scrutinize the application as per selection criteria
- iii. The rejected applicants can submit their appeals to the chairman district committee within three days
- iv. Committee will finalize the applications and submit to the chairman district committee for further process.
- v. The district chairman District Allotment Committee will announce the date of open balloting in the presence of all applicants
- vi. The balloting will decide the selection of successful farmers
- vii. The selected candidates will be issued allotment letters and they must book the LASER level unit from a prequalified SSC within prescribed time.
- viii. Farmer/ Service provider will pay his/ her price share at the time of booking the LASER unit.
- ix. The farmer/ service provider will select the LASER level unit model & SSC from the allotment letter and submit to the office concerned.
- x. SSC will ensure the delivery of selected model within the time/ agreement by the Government.
- xi. Consultants will ensure the delivered LASER unit as per approved Standards & Specifications of the department from prequalified SSCs.

Role of Supply & Service Companies

Locally manufactured LASER land leveling units as well as imported systems are readily available in Pakistan. The farmers/service providers will, therefore, have the option to purchase the LASER equipment of their own choice. The Agriculture Department has already approved standards and specifications of LASER equipment for supply of LASER units to the farmers/ service providers under the PIPIP which may be adopted as such or same may be revised at any time by the competent forum.

The department will prequalify Supply and Service Companies (SSCs) afresh for provision of LASER units under the ADP/PSDP funded project titled "National Program for Improvement of Watercourses (NPIW) in Pakistan (Phase II)-The Punjab Component".

These suppliers/manufactures will be short-listed alongwith their units and ceiling prices by the Prequalification Committee in order to safeguard quality of the equipment.

The prequalified SSCs would be eligible for provision of LASER units under different projects of On- Farm Water management. The recipient will have the option of purchasing the equipment of his/her own choice from amongst prequalified firms. The PQC may amend/modify eligibility criteria for prequalification of SSCs, if required, at any stage of project implementation.

The prerequisites for the purpose are given here under

- The manufacturing, SSC should have a complete manufacturing unit
- The manufacturing, SSC should have team of experts to manufacture local items as per Standards & Specifications of agriculture department.
- The manufacturing, SSC should have some measuring tools to the important parameters of manufactured items.
- SSC will deliver the booked LASER unit on time.
- SSC will not make wrong commitment with the farmer during booking.
- SSC should deliver the LASER land leveling unit within the upper ceiling price fixed by Agricultural department.
- SSC should follow the directions of PQC as PQC can amend any criteria at any time.
- SSC cannot challenge any testing criteria of PQC (Group notified to test).
- All local and imported LASER leveling tools should meet the Standards & Specifications of the department.

The firms prequalified with the imported LASER models (Transmitter with Control box & Receiver) should submit their import documents with complete detail of imported device (Invoice, Packing list, GD-I, certificate of origin, airway bill, etc.). The department can inquire about these documents from principal manufacturer or by any means.

Scrapper Manufacturing Unit.

Prequalified SSCs should have a scrapper manufacturing unit. This unit should include all assembly line for manufacturing the scrapper.

Cost Sharing

It is planned to provide one-time financial assistance of Rs. 250,000 per unit to the farmers/ service providers while the beneficiary farmer would contribute the entire remaining cost of the equipment. It is pointed out that eligible beneficiary is required to own a tractor capable of operating LASER unit and submit valid document/proof for the purpose.

Mode of Payment

The amount of the subsidy will be paid to the manufacturer, after the delivery of machine/ implement to the beneficiary and satisfactory reports from both quality and district

inspection committees. The farmer will pay his share to the prequalified SSC at the time of booking and subsidy amount will be released by the Govt. of the Punjab to the SSC. Farmer is bound to purchase LASER land leveler as per approved Standards & Specifications of Agriculture department without any additional attachment or modification on demand of farmer without altering original specifications the additional cost born by the farmer.

The SSC will submit original bill in triplicate along with allotment letter, booking letter, quality inspection report, delivery inspection report for release of subsidy amount to the concerned Deputy Director (WM) who will forward the same to the Director General Agriculture (WM), Punjab, Lahore after verifying the bill under intimation to the concerned Deputy Director and Director.

Implementation Procedure for Provision of LASER units

It is indicated that well understood and accepted approach, introduced under previously completed schemes and replicated under the PPIP/ADP scheme will be continued with little modification for provision of LASER units to the farmers/ service providers under NPIW (Phase-II). The implementation modalities to be followed for the NPIW (Phase-II) are described hereunder:

- i) The annual quota for each district, preferably based on balance requirement of LASER land levelers, will be approved by the Project Steering Committee (PSC) and the same will be conveyed to the districts by the DGA (WM);
- ii) Massive awareness and publicity campaign will be launched through print/ electronic media at the provincial level as well as in the districts;
- iii) Agriculture Department will advertise for invitation of applications from the farmers interested to work as service providers for LASER land levelling rental services;
- iv) All districts will be informed about the time bound action plan for provision of LASER land levelers to the farmers/service providers;
- v) The applications will be received/ collected in the office of DDA (OFWM) that will be scrutinized vis-à-vis approved criteria by the designated committee;
- vi) The ineligible applicants will be informed about rejection of their applications who may submit appeal against the ineligibility within specified period and concerned authority will decide the eligibility/ ineligibility after hearing appeals within stipulated timeframe;
- vii) The DDA (OFWM) will convey the complete list of eligible applicants to the DGA (WM) for confirmation of quota as the activity will be demand driven. In case of a smaller number of eligible applicants than allocated quota, the extra LASER units will be allocated to other districts where demand is higher than the available quota for the district;
- viii) The allotment of LASER units to the eligible applicants will be made by the District Allotment Committee (DAC) through balloting;

- ix) The allotment letters will be issued to the successful applicants by the DDA (OFWM) with the advice to book LASER units with pre-qualified firm within 30 days of allotment by submitting original draft of his/her entire/full share, drawn in favor of prequalified firm of his/her choice to concerned DDA (OFWM);
- x) The DDA (OFWM) will forward the same alongwith his recommendation to the DGA (WM) for issuance of work order to concerned firm;
- xi) Director General Agriculture (Water Management) will issue advice to the concerned firm for supply of booked LASER unit within 90 days of the issuance of this advice (or period specified in the supply order) under intimation to the concerned DDA (OFWM);
- xii) The supplier firm will ensure delivery of booked unit within stipulated period and defaulting firms will be dealt as per government Rules;
- xiii) In case of failure of a firm to deliver the unit within specified time, the farmer will have the choice to book the LASER unit with one of the other pre-qualified supplier firms through concerned DDA (OFWM) and DGA (WM);
- xiv) A committee comprising of representative of concerned DDA (OFWM), representative of concerned Director Agriculture (OFWM), recipient farmer/service provider, and Field Engineer of consultants will inspect the equipment jointly, handover to the farmers/service providers, and record the make, model, serial number and other features of all components of LASER unit;
- xv) The DDA (OFWM) will handed over original bank draft of farmer's share to the concerned supplier firm under proper acknowledgement.
- xvi) The technical inspection report, duly signed by the inspection committee and receipt of draft release to the firm, will be sent by DDA (OFWM) to DGA (WM) alongwith his recommendation for releasing the government share; and
- xvii) DGA (WM) will make payment of project assistant to the concerned firm through cross cheque. Training of Farmers/ LASER Operators and Technical Support OFWM staff available at tehsil level will provide technical assistance and backup support for carrying out LASER land leveling in the field. Water Management Training Institute (WMTI), Lahore will arrange training for capacity building of the service providers/farmers or their Tractor / LASER Operators in following activities.
 - i. Survey and designing for LASER land levelling
 - ii. Planning and development of farm layouts considering soil type, farmer's tillage equipment, crops to be grown, source/quality of irrigation supplies etc.
 - iii. Operation of LASER units
 - iv. Maintenance and trouble-shooting of equipment
 - v. Training courses will be conducted for LASER Operators in "LASER Land Leveling" to train one operator for each LASER unit.

Eligibility Criteria for Prequalification

The firm(s)/ joint venture(s) having the following strength/ background would be eligible for prequalification under the scheme for the project period which will be renewed every year based on specified performance criteria.

- (i) Must have /be willing to establish an office in Pakistan;
- (ii) Must be manufacturer or sole distributor or authorized dealer of specific make of LASER equipment meeting approved technical specifications of the Punjab Agriculture Department and must agree to supply compatible complete unit including scraper (Attach valid sole distributor certificate and complete specifications of LASER equipment and its scraper along-with brochure). The Firm(s) may enter into joint venture (JV) with manufacturer/sole distributor to strengthen its capability to provide the requisite services for the purpose. The firm(s) may offer more than one model of LASER equipment of same make/brand. The firm (manufacturer/sole distributor), if it enters into JV with other firm(s), cannot be applicant separately as well as may not be partner firm in any other JV for prequalification as SSC. The JVs are allowed to utilize the standing of partner firms independently or jointly in terms of technical expertise, relevant experience and financial capacity to fulfill the requisite eligibility criteria for prequalification. The relevant experience of business in Pakistan would only be considered;
- (iii) Must be registered with the Income Tax/ Sales Tax Departments in case of local firms (Attach copy of valid NTN Certificate and GST Certificate);
- (iv) Must be in business for last three years;
- (v) Must have experience of providing at least 30 LASER units in public/ private sector during last three years (Attach year-wise list of purchasers/ beneficiaries with name, complete address, phone/fax, and date of delivery). Any additional document may be furnished to support relevant experience of firm(s)/Joint Venture);
- (vi) Must have available stock of complete LASER equipment (without scraper) to provide 20 LASER units to farmers/ service providers;
- (vii) Must have adequate technical staff including a minimum of three Technicians (each having 2 years relevant experience) for proper after-sale service (Provide list of staff and their C.Vs indicating qualifications & relevant experience. Also attach academic and experience testimonials of each Technician. The firm will also furnish undertaking to recruit additional staff as per project requirements, if necessary);
- (viii) Must have minimum average annual turnover of Rs. 5 million, which in case of JV could be of the partner firms independently or jointly for the period of the last three years (Attach verified Income Tax Returns);
- (ix) Must provide affidavit confirming that: (a) applicant firm(s)/joint venture(s) have never been blacklisted by any government department (If ever black listed, then provide the case history and current status of the firm regarding this decision). (b) all the information

provided by the applicant firm/joint venture is correct; (c) the firm agrees to supply compatible complete unit including scraper; (d) the firm is willing to recruit the additional staff as per project requirements, if required; and

(x) Must attach pay order/ bank draft amounting to Rs. 10,000/- in the name of Director General Agriculture (Water Management) Punjab, Lahore as nonrefundable processing fee for prequalification.

INSTRUCTIONS TO APPLICANTS

FRAUD & CORRUPTION

- i. The Pre-Qualification Agency requires that the Applicant observes the highest standard of ethics in relation to submission of EOI for short-listing and further documents required for short-listing and thereafter.
- ii. The Pre-Qualification Agency will reject a proposal for short-listing if it determines that the Applicant has directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or obstructive practices in competing for the contract in question and will declare the applicant ineligible, either indefinitely or for a stated period of time.
- iii. Any misinformation, forged / fake documents / statements etc. will lead to disqualification at short listing stage in addition to any other action as per law.

ELIGIBILITY

Undertaking on Judicial Paper that the firm is not insolvent, not blacklisted and not involved in litigation or arbitration with any of Provincial or Federal Government Department of Pakistan, any Agency of United nations, World Bank and Asian Development Bank. In case the firm was involved in any litigation or arbitration process, proof of dispute resolution along with history for last three years in accordance of is required.

An Applicant or any of its Members, declared Insolvent/blacklisted / debarred by any public-sector organization or department in Pakistan shall be ineligible for short-listing.

LANGUAGE

Language of this EOI and subsequent all processes and correspondences shall be English.

EOI ADVERTISEMENT

The EOI advertisement shall form an integral part of the EOI Document.

CLARIFICATIONS IN RELATION TO EOI DOCUMENTS

- i. An Applicant requiring any clarification in relation to the EOI Document shall contact The Pre-Qualification Agency in writing at the address indicated in this EOI Document.
- ii. The Pre-Qualification 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/Due Date for submission of the EOI.

AMENDMENTS IN EOI DOCUMENTS

- i. At any time prior to the deadline for submission of EOI, The Pre-Qualification Agency may amend the EOI Document by issuing an addendum.
- ii. Any addendum issued shall be part of EOI Document.
- iii. To give Applicants reasonable time to take an addendum into account in preparing their applications, The Pre-Qualification Agency may, at its discretion, extend the deadline for the submission of applications.
- iv. No objection shall be entertained regarding the terms & conditions of this EOI Document after deadline for submission of EOI.

CHANGE IN INFORMATION PROVIDED TO PRE-QUALIFICATION AGENCY

The Applicant shall immediately report to The Pre-Qualification Agency in writing any change in the information provided in its EOI. The determination of whether the change is material shall be in Pre-Qualification Agency's sole and exclusive discretion and any material change could also lead to disqualification of such Applicant. Any failure to report change by the Applicant shall constitute grounds for disqualification.

COST OF APPLICATION

- i. The Applicant shall bear all costs associated with the preparation and submission of EOI. The Pre-Qualification Agency will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the short-listing process.
- ii. The Pre-Qualification Agency will not be responsible for any costs or expenses incurred by the Applicant in connection with the preparation or delivery of proposals or visits to any office or site.

- iii. The Pre-Qualification Agency shall be under no obligation to return any EOI or supporting materials submitted by the Applicant.

DOCUMENTS ESTABLISHING THE ELIGIBILITY OF APPLICANT

To establish its eligibility, the Applicants shall complete all eligibility requirements as set out in this document supported by verifiable documentary evidence. Applications without complete supporting documentary evidence, as required under this EOI, shall be considered non-responsive and shall be rejected.

Standards & Specifications of LASER land leveler

The approved standards & specifications of LASER land leveling unit are attached herewith