

THE BANK OF KHYBER

Expression of Interest (EOI)

IMPLEMENTATION OF IFRS-9

Last Date for Submission: 27-9-2018

Opening Date: 27-9-2018

Description of Work

A. Introduction

The Bank of Khyber (BOK) intends to hire consultancy services for IFRS – 9 impact study project in line with SBP's BPRD letter 7837 dated April 10, 2018 and invites well reputed firms, with required competence and proven track record on similar work/projects.

Detailed Scope of work is attached at Annexure – B of the document.

Bidders are required to submit their sealed proposals (EOI) in line with Khyber Pakhtunkhwa Procurement Rules 2014 to the office of the **Head Procurement Division, The Bank of Khyber** on or before 27-9-2018 at 3.30 pm. which shall be opened the same date at 4.00 pm at The Bank of Khyber, Head Office.

Proposals should be in the prescribed format along-with all the relevant documents as per the **Terms & Conditions** and **Bidder Eligibility Criteria**.

Terms and Conditions

- a) Bidder is required to submit its Company Profile along-with Proposal that must comply with the following **Bidder Eligibility Criteria** (Annexure – A).
- b) Proposals submitted Late / after due date and time or Incomplete will not be considered.
- c) Only Shortlisted Firms will be invited to submit their Technical and Financial proposals.
- d) The competent authority reserves the right to accept or reject any proposal as per KPPRA rules.
- e) All sections in the bid should be adequately flagged and numbered.
- f) Bidder is required to assign a dedicated onsite Project Manager to manage the project and report to the stakeholders as per requirement.
- g) In case of consortium, the bidder must submit:
 - The details of the consortium with roles and responsibilities of each partner.
 - The original stamped consortium agreement shall be attached along-with the Bid Document.
 - The same should be endorsed by an authorized representative of the prime bidder. The Prime bidder will be the single point of contact with the Bank for the project undertaking.
 - No change in the constitution of the consortium (prime bidder / members of consortium / stakes of any member etc.) will be allowed without explicit approval of the Client.
- h) Bids not complying with all the given clauses in this tender document are liable to be rejected.

Annexure – A

Bidder Eligibility Criteria

Bidder is required to submit its Proposal in accordance with the **Mandatory** requirements mentioned in the Bidder Eligibility Criteria. Failing to which the proposal will not be considered.

#	Mandatory Requirements	Attached (Yes / No) Reference (Page / Annexure)
1	Name of the Bidding Firm. Name of authorized contact person along-with his designation, contact number, email address and postal address.	
2	Proposed Methodology, Processes Describe the proposed methodology, processes and specific considerations for the assessment, design and implementation of IT Governance	
3	The bidder should provide its FBR registration certificate (NTN) along-with Registration of Incorporation under the laws of Pakistan. Bidder must provide details of last Five Years projects/services delivered in Financial Institutions.	
4	The bidder should provide Undertaking on stamp paper that it is not being blacklisted by any of the Provincial / Federal Government or organizations of the State / Federal Government in Pakistan. And must provide List of arbitration/legal suits/unsettled disputes with the financial sector clients (if any) in last five years.	
5	The bidder must submit Annual Audited Report for the last 03 Financial years. Annual Audit Report including Balance Sheet, Income Statement and Profit & Loss accounts along with auditors' notes for the last three audited years should be submitted.	
6	The bidder must have legal presence in Pakistan. The firm must submit List of Offices across Pakistan.	
7	The bidder/prime bidder (in case of consortium) shall provide a list of completed projects similar in nature along-with references and contact numbers for any Financial Institution / Banking Sector.	
8	Bidder shall provide Clientage List of the Company along with relevant references.	
9	The bidder should have enough Technical Strength at its end to complete the project within stipulated time. List of Staff (HR) of the Company along-with their Profiles to be submitted.	
10	Firm should be an active tax payer under the laws of Pakistan and must provide Sales Tax certificate, GST, etc. along-with KPRA (Khyber Pakhtunkhwa Revenue Authority) Registration certificate.	

Annexure – B

Technical Requirements / Scope of Work

S.No.	SCOPE COMPONENTS	KEY ACTIVITES
1	IFRS 9 qualitative gap assessment	<ul style="list-style-type: none">- Detailed gap analysis (data quality and availability, model, governance, processes and systems).- Development of Implementation Road map based on the gaps identified above.
2	<p>A. Methodology development and setting IFRS 9 key assumptions and Risk Parameters such as Probability of Default, loss Given Default and Exposure at Default.</p> <p>B. Quantitative financial impact assessment as at 31 December 2017.</p> <p>C. Compilation of key challenges and development of their resolution plan.</p>	<ul style="list-style-type: none">- Development of detailed technical paper setting out the IFRS 9 application methodology, assumptions and sources of information.- Development of Risk Parameters such as PDs, LGDs, EAD etc. for ECL determination.- Application for financial model as per consultant's recommendation for computation of IFRS 9 expected credit Losses as of 31 December 2017 and subsequent years as and when required.- Assistance to management in determining the classification and measurement basis for the various types of financial assets including debt and equity investment portfolios.- Compilation of Key Challenges in implementing IFRS 9 and Development of Plan to resolve them.
3	Determination of impact on regulatory capital.	<ul style="list-style-type: none">- Development of various possible scenarios to analyze the impacts of IFRS 9 on capital required to be maintained as per regulatory requirements.
4	Assistance in Preparation of Performa financial statements including IFRS 9 accounting policies.	<ul style="list-style-type: none">- Advising the management on the preparation of IFRS 9 Performa financial statements as per the requirements of SBP directives.- Advice and assistance in development of IFRS 9 compliant accounting policies and financial statement disclosures.
5	Trainings	<ul style="list-style-type: none">- Customized trainings on IFRS 9 technical interpretation areas and method used to develop Risk Parameters such as PDs, LGDs, and EADs etc.
6	Others	<ul style="list-style-type: none">- Any other items applicable as per IFRS and SBP direction in this respect- Development and handing over of the final product.

***Head Procurement, Head office,
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