



STATE LIFE INSURANCE CORPORATION OF PAKISTAN

TENDER DOCUMENT

Implementation of **IFRS-17** through “**Managed Service Agreement**” for STATE LIFE INSURANCE CORPORATION OF PAKISTAN’S -UAE Operation

Implementation of IFRS-17 through “Managed Service -Agreement”.

1) Overview:

State Life Insurance Corporation of Pakistan (SLIC) intends to get the IFRS-17 implementation at the Gulf Zone through “Managed Service” agreement.

State Life Insurance Corporation of Pakistan, a public sector Insurance Corporation invites sealed Bids in accordance with Public Procurement Regulatory Authority (PPRA) rule (36) (b) single stage two envelope system.

SLIC has its branch office / zonal office at UAE Gulf; the numbers of in-forced policies in UAE are about 6,500. Gulf zone deals in conventional individual life business only.

2) Documents to be provided to Bidders by SLIC:

An input data/ raw data as per demand of service provider/ bidder will be provided by SLIC. Bidder needs to enclose the required format as Annexure “2” along with its technical bid.

3) SCOPE OF WORK:

- a) Carry out financial reporting in line with IFRS-17 requirements for the UAE business of SLIC.
- b) The service provider will prepare the IFRS-17 Financial Statements for the financial reporting years 2023 to 2025 which will include quarterly and annual reporting along with parallel financial statement for the preceding periods.

The Scope of work, including but not limited to the preparation of:

- (i) Grouping of contracts.
- (ii) Generation of Cash flows (For Bids with Option A at para 6). The Bidders with Option B , Cashflow will be provided by SLIC
- (iii) Discounting.
- (iv) Calculation of Risk Adjustment.
- (v) Calculate Contractual Service Margin (CSM)
- (vi) Transition from IFRS-4 to IFRS-17.
- (vii) Reinsurance contracts held
- (viii) Liability for Incurred claims (LIC)

- (ix) Liability for Remaining coverage (LRC)
 - (x) Balance sheet/ Statement of Financial Position.
 - (xi) Profit & loss Account/ Statement of Financial Performance.
 - (xii) Comprehensive income statement.
 - (xiii) Change in equity statement.
 - (xiv) Cash flow statement.
 - (xv) Notes to the Accounts.
 - (xvi) Any other report required by Central Bank UAE (CBUAE), management or Auditors for the proper disclosure of IFRS-17.
- c) SLIC has already prepared most of the Accounting & Actuarial policies for above mentioned requirements, these policies may be used to produce the results. In case any modification is required it may be done by the service provider in consultation with SLIC. The financial statements must be in line with the formats provided by International Accounting Standard Board (IASB)/CBUAE and must be in final presentable form for submission to the Central Bank UAE. Any changes made by IASB and CBUAE during the contract period will need to be covered.
- d) Complete results, database, roll forward calculations, formulas etc. will need to be transferred to SLIC in the format (preferably excel) which can be used for migration into another IFRS-17 engine. Also, any calculation or results required by the external auditor will need to be shared.
- e) The service provider will need to submit proposals as follows:
- Either Option A: With Cashflows
 - Or Option B: Without Cashflows
 - Or both Option A and Option B
- Each bidder will be required to submit the data formats under selected options along with the proposals. SLIC will provide the data as per data format required by Bidder with agreed modification (if any)
- Data Formats in this regard needs to be enclosed as Annexure – 3 (e)
- f) The service provider will be required to train SLIC IFRS-17 team for preparation of IFRS-17 financial statements.

4) Eligibility criteria:

Bidders / Service providers, fulfilling the following criteria are eligible to participate in bidding process.

- (a) Firm must be registered in the country in which it is operating. Please enclose proof as Annex - 4(a.)
- (b) Firm has provided / providing similar type of services to at least one insurance company (Please enclose the proof as Annex - 4(b).)
- (c) Firm should not be Black listed. (An under taking in this regard needs to be enclosed as Annex - 4(c).)
- (d) Firm must be registered with tax authorities of the relevant country. (Proof be enclosed as Annex - 4(d).)

5) Technical Criteria:

- (i) **The Bidders** fulfilling the eligibility criteria will be given a sample data by SLIC comprising of 100 policies along with other details of income and expenses. The Bidder needs to Process the same and send the results in accordance with para-3 (scope of work) within 15 calendar days. This segment contains 60 marks and will be evaluated on the basis of components given at para-3(b). Minimum qualifying marks are 45 in this segment.

ii)	Bidders financial profile/balance sheet footings	Maximum 10 marks
	US \$ 75 thousands and above	10 Marks
	US \$ 50 thousands to US \$74.9 thousands	06 Marks
	US \$ 25 thousands to US \$49.9 thousands	02 Marks
	Below US \$ 25 thousands	00 Marks

Proof in this regard needs to be enclosed as Annexure - 5 (ii)

iii)	Bidder engagement with any IFRS-17 Projects including GAP Assessment, FIA or implementation projects (Bidder engagements include direct as well as with consortium)	Maximum 15 marks
	5 & above Companies	15 Marks
	4 Companies	10 Marks
	3 Companies	06 Marks
	2 Companies	04 Marks
	1 Company	02 Marks

Proof in this regard needs to be enclosed as Annexure – 5 (iii)

iv)	Number of Actuaries and Number of Certified Accountant's	Maximum 15 marks
	5 & Above	15 Marks
	4	10 Marks
	3	06 Marks
	2	04 Marks
	1	02 Marks

Proof in this regard needs to be enclosed as Annexure – 5 (iv)

06) Financial Bid for three (03) years:

S. No.	Head of Account	(Option A: with Cashflows) (in US \$)	(Option B: Without Cashflows) (in US \$)
1	Service Charges		
2	Out of Pocket Expenses (if any)		
3	Sales Tax/VAT (if any)		
4	Total fees for 03years (1+2+3) (in figure)		
5	Total fees for 03years (in words)		

All Bids must be quoted in US dollars only.

07) Instructions & Information for Bidders:

i) How to apply:

Technical Bid with enclosure will be sealed in one envelope and envelope be marked as “Technical Bid”.

Financial Bid will be sealed in separate envelope and marked as “Final proposal”. Bidders has liberty to choose to fill financial Bid as per below mentioned alternatives:

- Option A (With Cashflows) or
- Option B (Without Cashflows) or
- Both Option A and Option B

SLIC will evaluate the proposals in equitable manner.

Both envelopes will be put in one large envelope and addressed to:

“Mr. Abdul Manan Shaikh”(Zonal Chief-Gulf)
 State Life Insurance Corporation of Pakistan (Gulf Zone),
 503- Gulf Air Building,
 Salah uddin Road, PO Box # 11278 Deira Dubai U.A.E
 Phone: 00971-4-2729061 & 0097-54-4412842
 Number: 00971-529951220

ii) **Weightage of Technical and Financial Bids:**

The Bids will be evaluated on weighted average system assigning 60% weight to technical bid and 40% weight to financial Bid. Please see illustration at Annexure -A.

iii) **Pre Bid meeting:**

On 11th Oct 2022 at 11:00 AM (UAE time) at the address mentioned at 7 (i).

iv) **Last date of submission of tender:**

On 17th October 2022 at 10:30 AM (UAE time) to be submitted at address given at para7 (i).

Opening of Technical Bid:

On 17th October 2022 at 11:00 AM (UAE time) in the presence of all available representatives at address given at para7 (i).

v) **Opening of Financial Bid:**

Communicated to qualified bidders through e-mail.

vi) **Successful Bidder/Most advantageous Bid:**

SLIC will decide whether to choose the services “*With Cashflows or Without Cashflows*”, the financial bid will be chosen for all the bidders on equitable manner. The bidder scoring maximum marks will be declared as most advantageous bidder. Please see illustration at Annexure –A.

vii) **Signing of contract:**

Within 15 days after opening of Financial Bid.

viii) **Payment of Fees:**

Payment timeline	2023	2024	2025
Start of Work	5% of total sum quoted at Para 6	Nil	Nil
30 days after submission of 1 st Quarter Financial Statements IFRS-17	5% of total sum quoted at Para 6	5% of total sum quoted at Para 6	5% of total sum quoted at Para 6
30 days after submission of 2 nd Quarter Financial Statements IFRS-17	5% of total sum quoted at Para 6	5% of total sum quoted at Para 6	5% of total sum quoted at Para 6
30 days after submission of 3 rd Quarter Financial Statements IFRS-17	5% of total sum quoted at Para 6	5% of total sum quoted at Para 6	5% of total sum quoted at Para 6
60 days after submission of Annual Financial Statement IFRS-17	10% of total sum quoted at Para 6	15% of total sum quoted at Para 6	25% of total sum quoted at Para 6

ix) **Contract period:**

Contract period will be for three (3) financial reporting years.

x) **Financial Reporting Periods**

The financial reporting periods will be from 1st January 2023 to 31st December 2025. The service provider will be required to furnish financial statement/reports for the following periods:

- Q1-2023
- Q2-2023
- Q3-2023
- Q4/Annual 2023

- Q1-2024
- Q2-2024
- Q3-2024
- Q4/Annual 2024

- Q1-2025
- Q2-2025
- Q3-2025
- Q4/Annual 2025

xi) **Minimum Qualifying marks in Technical Bid:**

Criteria	Min Qualifying Marks	Max Marks
Para 5(i)	45	60
From Para 5 (ii) to 5 (iv)	24	40
Total	69	100

Please see illustration attached at Annexure – A

xii) **Profile of Bidder**

Bidder needs to give profile of its firm with the technical proposal. Profile must contain.

- Name of firm
- Country of operation.
- Name of Partner/ Owner/ Director/ CEO
- E-mail address
- Second e-mail address
- Postal address

The information needs to be disclosed as Annexure (xii)

08) Terms & Conditions:

- a) All quotations shall remain valid for a minimum period of 60 days from the opening date of quotations.
- b) Services will be provided with immediate effect upon issuance of work order and will be completed within 15 days.
- c) No TA/DA would be admissible
- d) No advance payment will be made. Except as mentioned at 7 (viii).
- e) The “most advantageous quotation “would be accepted”.
- f) Payment will be released 30/60 days after the submission/acceptance of final Report.
- g) All taxes will be deducted/withheld as per rules and regulations of Government of UAE (If any).
- h) All services rendered under this order will be the sole property of State Life Insurance Corporation of Pakistan.
- i) Competent Authority reserves the right to reject all quotations at any time before award of work order.
- j) The decision of State Life will be binding on all concerned and will not be challengeable at any forum.
- k) Firm needs to sign Non-Disclosure Agreement with SLIC. The specimen of Non-Disclosure Agreement is enclosed as Annexure- B.
- l) Specimen Form of Contract to signed between SLIC and Successful bidder is enclosed as Annexure-C.
- m) Any fine/penalty imposed by the Regulator (Central Bank UAE) on account of delayed submission of financial statement & reports or any objection raised will be passed on to the service provider/successful bidder.
- n) **Termination of agreement** can be made by any party by serving 90 days’ notice with fulfillment of the obligations up to the last date of contract.

(Annexure-A)**Illustration (of weighted average 60:40 ratio)**

Let five consultancy firms participate in the bidding process. After evaluation of their technical bid, financial bids of three bidders opened while financial bid of two bidder is returned scoring less than required marks in technical evaluation. For Financial Bid, the amount will be used by the Option chosen by SLIC. The data of all bidders is tabulated as under:

S.No.	Name of Bidder	Marks obtained in Technical Bid			Total Financial Bid (US \$)
		5 (i)	5(ii) to 5(iv)	Total	
1	A	50	28	78	140
		55	30	85	
2	B	40	35	75	Not opened due to para-5(i)
3	C	52	22	74	Not opened due to para-5(ii)to 5(iv)
4	D	51	25	76	90

Sr. No.	Name of Bidder	Technical evaluation after assigning 60% weight	Financial evaluation after assigning 40% weight	Total Marks (Tech. + fin)
1	A	$78/85*60=55$	$90/140*40=26$	81
2	B	$85/85*60=60$	$90/115*40=31$	91
3	E	$76/85*60=54$	$90/90*40=40$	94

In this way Bidder “E” will be evaluated as most advantageous Bidder with marks 94.

Annexure-B**SPECIMEN OF NON-DISCLOSURE AGREEMENT**

This Non-Disclosure Agreement (“Agreement”) is entered into by and between _____ (Firm) (hereinafter called the “_____” which expression shall include the successor, legal representatives and permitted assigns) and State Life Insurance Corporation of Pakistan (hereinafter called the “SLIC” which expression shall include the successor, legal representatives and permitted assigns), effective as of the date of latest execution below (“Effective Date”).

WHEREAS, as part of scope/execution of awarded work (Evaluation of Draft Investment Policies-2021), the SLIC (disclosing party) shall provide draft investment policies and other proprietary information to Firm (Recipient); and

WHEREAS, the parties mutually desire to set forth the terms and conditions of their agreement for maintaining the confidentiality of such information and certain related matters;

NOW, THEREFORE, in consideration of the foregoing and the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. “Confidential Information” as used in this Agreement shall include all information provided by Disclosing Party to Recipient, except as noted herein, whether in oral, written, electronic, graphic, or other format, including without limitation: (a) Disclosing Party’s financial and accounting information; (b) information regarding Disclosing Party’s, or such party’s corporate affiliates’, financial condition or performance, business operations, plans, strategies or techniques, know how, products or services ; (c) any information that is marked “confidential,” “proprietary,” or with like words, or that is summarized in writing as being confidential prior to or promptly after disclosure to the other party. Additionally, the parties agree that “Confidential Information” shall also include (a) the existence of this Agreement; (b) the fact that the Confidential Information exists or has been, or may be, made available to Recipient; (c) the identity of the parties involved in the Transaction, including without limitation the parties hereto, and the fact that either party hereto is considering or evaluating the Transaction; (d) the fact that discussions or negotiations are taking or have taken place concerning the Transaction, including those discussions or negotiations pertaining to this Agreement; and (e) any term, condition or other facts relating to the Transaction or such discussions or negotiations, including without limitation the status thereof.

2. Confidential Information shall not include information which: (a) is or becomes generally available to the public other than as a result of disclosure by Recipient in violation of this Agreement; (b) was available



to or already known by Recipient on a non-confidential basis prior to its disclosure by Disclosing Party; (c) is developed by Recipient independently of any information acquired from Disclosing Party; or (d) becomes available to Recipient on a non-confidential basis from a source other than Disclosing Party, provided that Recipient does not know that such source is bound by confidentiality obligations to Disclosing Party.

3. Each party agrees to exercise reasonable care to protect and prevent unauthorized disclosure of the other party's Confidential Information. Recipient may disclose Disclosing Party's Confidential Information to any of its affiliates, officers, directors, employees, agents or representatives (collectively "Agents") who have a need to know such information in connection with the Transaction, provided that Recipient advises each such Agent of the requirements to maintain the confidential nature of the Confidential Information. Except as expressly authorized in writing by Disclosing Party, Recipient of such Confidential Information will not, and will not permit any of its Agents to, directly or indirectly, (a) report, publish, distribute, disclose, or otherwise disseminate the Confidential Information, or any portion thereof, to any third party or (b) use the other party's Confidential Information, or any portion thereof, for its own benefit or for the benefit of any of its Agents or any third party for any purpose (except as necessary for purposes of participating in or supporting the Transaction). Recipient acknowledges and agrees that it will be responsible for any breach of this Agreement by any of its Agents and agrees, at Recipient's sole expense, to take reasonable measures to restrain Recipient's Agents from prohibited or unauthorized disclosure or use of the Confidential Information.

4. Nothing in this Agreement shall prevent disclosures pursuant to a court order, subpoena, or other requirement of any governmental or regulatory authority, provided that Recipient promptly notifies Disclosing Party in writing (to the extent legally permissible) of any such order or requirement and cooperates, at Disclosing Party's expense, in an effort to obtain a protective order from the issuing court or governmental or regulatory authority limiting disclosure and use of the information. If Disclosing Party does not timely obtain such protective order or if Disclosing Party consents to the Confidential Information being released, then Recipient may provide only the Confidential Information that is legally required to be disclosed.

5. Nothing in this Agreement precludes Recipient from disclosing any Confidential Information relating to Disclosing Party or the Transaction to the extent that the disclosure is made in any suit, action or proceeding (whether in law or in equity or pursuant to arbitration) involving the Transaction for the purpose of defending itself, reducing its liability or protecting or exercising any of its claims, rights, remedies or interests under or in connection with the Transaction.

6. The parties agree that impermissible disclosure or use of Confidential Information or other breach or violation of any of the provisions of this Agreement may cause irreparable harm to Disclosing Party and that remedies at law may be inadequate to protect against breach of this Agreement. The parties hereby



agree in advance that Disclosing Party shall have the right, in addition to all other available remedies, to seek injunctive relief without proof of actual damages in order to prevent such acts, attempts and violations. Nothing herein shall prevent either party from competing in good faith for the business of any customer or customers, provided it does not use for such purpose any Confidential Information of the other party obtained in connection with the Transaction.

7. Each party understands and agrees that its access to and use of Confidential Information of the other party is at the sole control and discretion of such other party and that this Agreement does not establish any rights to continued access to or use of the Confidential Information furnished by the other party. Upon request of Disclosing Party, Recipient shall return or destroy all Confidential Information of Disclosing Party which is in its possession or subject to its control, except for archival and backup copies that are not readily available for use and business records required by law to be retained, which Recipient will continue to treat as confidential pursuant to the terms of this Agreement. Additionally, upon request, such destruction of information shall be certified in writing to Disclosing Party by an authorized official of Recipient.

8. This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective legal representatives, successors and permitted assigns. This Agreement may not be assigned by either party without the prior written consent of the other.

9. It is understood and agreed that any failure or delay in exercising any right granted in this Agreement shall not operate as a waiver of the right, nor shall any single or partial exercise of any right preclude any other or further exercise of the right, or the exercise of any other right granted in this Agreement.

10. If any provision of this Agreement shall be finally determined to be invalid or unenforceable by any court of competent jurisdiction, such provision shall be deemed to be severed from this Agreement, but every other provision of this Agreement shall remain in full force and effect. With respect to any such provision so determined to be invalid or unenforceable, any court with jurisdiction over the parties and subject matter hereof shall have all necessary authority to rewrite such provision in order to provide for the enforceability thereof to the maximum extent permissible under law, and the parties hereto agree to abide by such court's determination.

11. The confidentiality obligations set out in this Agreement shall survive the termination of the business relationship between the parties and the termination of this Agreement.



IN WITNESS WHEREOF, the parties hereto, by their duly authorized representatives, have caused this Agreement to be executed, effective as of the Effective Date set forth above.

Firm

Signatures: _____
Name: _____
Title: _____
Date: _____

SLIC

Signatures: _____
Name: _____
Title: _____
Date: _____



Annexure-C

SPECIMEN FORM OF CONTRACT

This CONTRACT is made on the ____ day of ____ (month) of ____ (year), between, State Life Insurance Corporation of Pakistan on the one hand, (hereinafter called the "SLIC" which expression shall include the successors, legal representatives and permitted assigns) and, on the other hand,

(hereinafter called the "Firm" which expression shall include the successors, legal representatives and permitted assigns).

WHEREAS

(a) The SLIC has requested the firm to conduct independent evaluation of Investment Policies as defined in the Scope of Work as per quotation document attached to this Contract (hereinafter called the "Services"); and

(b) The Firm, having represented to the SLIC that they have the required professional skills, and personnel and technical resources, have agreed to provide the Services on the terms and conditions set forth in this Contract;

NOW THEREFORE the Parties hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:

- a. The General Conditions as set forth / elaborated in the Quotation Document;
- b. Non-Disclosure Agreement

2. The mutual rights and obligations of the SLIC and the firm shall be as set forth in the Contract, in particular:

- a. The firm shall carry out the Services in accordance with the provisions of the Quotation Document;
- b. The Firm shall initiate work after signing the instant agreement and complete the Services within one month.
- c. The SLIC shall make payments to the Firm in accordance with the provisions of the Quotation Document to the tune of Rs. -----

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names in two identical counterparts, each of which shall be deemed as the original, as of the day, month and year first above written.



For and on behalf of
State Life Insurance Corporation

Witness: (SLIC)

Signatures _____ Signatures _____

Name _____ Name _____

Title _____ Title _____

(Seal)

For and on behalf of firm

Witness: (FIRM)

Signatures _____ Signatures _____

Name _____ Name _____

Title _____ Title _____

(Seal)

