

Request for quotation (RFQ) – goods or services

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| RFQ Title: | RFQ-SL21-006 Seafood Processing Industry Research (Sri Lanka) |
| RFQ Issue Date: | 22 April 2021 |
| Terms of Reference / Specifications: | The Goods and/or Services to be delivered are detailed in the attached Schedule |
| Project | Market Development Facility Phase II |
| The Company | Palladium Group SL (Private) Limited |
| Registration of Interest | Register your interest to submit an offer by sending your name, organisation and contact details to the Contact Person by email on or before <u>Tuesday, 27 Apr 2021, 5:00pm Colombo Time</u> . Indicate “RFQ-SL21-006 Seafood Processing Industry Research” in the subject line. |
| Last date for Queries | Send queries to the Contact Person by email on or before <u>Tuesday, 27 Apr 2021, 5:00pm Colombo Time</u> . Indicate “RFQ-SL21-006 Seafood Processing Industry Research” in the subject line. |
| Closing Date and Time | Wednesday 5 May 2021, 5 PM Sri Colombo Time |
| Contact Person | Muhammad Bilal |
| Details for Submission | Please email completed Response Form to: Muhammad.Bilal-mdf@thepalladiumgroup.com Indicate “RFQ-SL21-006 Seafood Processing Industry Research” in the subject line. |

Thank you for your interest in the above procurement. As managing contractor for the Project, the Company invites you to submit a quote for the Goods or Services listed below. Your quote will be valid for the Validity Period.

Please forward your quote in accordance with the Details for Submission above by the Closing Date and Time.

I look forward to your response. If you have any queries, please do not hesitate to contact the Contact Person by e-mail: Muhammad.Bilal-mdf@thepalladiumgroup.com

Yours sincerely,

Muhammad Bilal
Senior Market Development Adviser, MDF Sri Lanka

Terms and conditions

1. Quote Conditions

By submitting a quote, potential suppliers are bound by these terms and conditions. Potential suppliers must submit offers with all details provided in English and with prices quoted in a single currency.

2. Quote Lodgement

The Company may grant extensions to the Closing Time at its discretion. The Company will not consider any quotes received after the Closing Time specified in the RFQ unless the Company determines to do so otherwise at its sole discretion.

3. Evaluation

The Company may review all quotes to confirm compliance with this RFQ and to determine the best quote in the circumstances.

4. Alterations

The Company may decline to consider a quote in which there are alterations, erasures, illegibility, ambiguity or incomplete details.

5. The Company's Rights

The Company may, at its discretion, discontinue the RFQ; decline to accept any quote; terminate, extend or vary its selection process; decline to issue any contract; seek information or negotiate with any potential supplier that has not been invited to submit a Quote; satisfy its requirement separately from the RFQ process; terminate negotiations at any time and commence negotiations with any other potential supplier; evaluate quotes as the Company sees appropriate (including with reference to information provided by the prospective supplier or from a third party); and negotiate with any one or more potential suppliers.

6. Amendments and Queries

The Company may amend, or clarify any aspect of the RFQ prior to the RFQ Closing Time by issuing an amendment to the RFQ in the same manner as the original RFQ was distributed. Such amendments or clarifications will, as far as is practicable be issued simultaneously to all parties.

Any queries regarding this RFQ should be directed to the Contact Person identified on the cover page of this RFQ.

7. Clarification

The Company may, at any time prior to execution of a contract, seek clarification or additional information from, and enter into discussions and negotiations with, any or all potential suppliers in relation to their quotes. In doing so, the Company will not allow any potential supplier to substantially tailor or amend their quote.

8. Confidentiality

In their quote, potential suppliers must identify any aspects of their quote that they consider should be kept confidential, with reasons. Potential suppliers should note that the Company will only agree to treat information as confidential in cases that it considers appropriate. In the absence of such an agreement, potential suppliers acknowledge that the Company has the right to disclose the information contained in their quote.

The potential supplier acknowledges that in the course of this RFQ, it may become acquainted with or have access to the Company's Confidential Information (including the existence and terms of this RFQ and the TOR). It agrees to maintain the confidence of the Confidential Information and to prevent its unauthorised disclosure to any other person. If the potential supplier is required to disclose Confidential Information due to a relevant law or legal proceedings, it will provide reasonable notice of such disclosure to the Company. The parties agree that this obligation applies during the RFQ and after the completion of the process.

9. Alternatives

Potential suppliers may submit quotes for alternative methods of addressing the Company's requirement described in the RFQ where the option to do so was stated in the RFQ or agreed in writing with the Company prior to the RFQ Closing Time. Potential suppliers are responsible for providing a sufficient level of detail about the alternative solution to enable its evaluation.

10. Reference Material

If the RFQ references any other materials including, but not limited to, reports, plans, drawings, samples or other reference material, the potential supplier is responsible for obtaining the referenced material and considering it in framing their quote. And provide it to the Company upon request.

11. Price Basis

Prices quoted must be provided as a fixed maximum price and show the tax exclusive price, the tax component and the tax inclusive price.

The contract price, which must include any and all taxes, supplier charges and costs, will be the maximum price payable by the Company for the Goods and/or Services.

12. Financial information

If requested by the Company, potential suppliers must be able to demonstrate their financial stability and ability to remain viable as a provider of the Goods and/or Services over the term of any agreement.

If requested by the Company, the potential supplier must promptly provide the Company with such information or documentation as the Company reasonably requires in order to evaluate the potential supplier's financial stability.

13. Referees

The Company reserves the right to contact the potential supplier's referees, or any other person, directly and without notifying the potential supplier.

14. Conflict of interest

Potential suppliers must notify the Company immediately if any actual, potential or perceived conflict of interest arises (a perceived conflict of interest is one in which a reasonable person would think that the person's judgement and/or actions are likely to be compromised, whether due to a financial or personal interest (including those of family members) in the procurement or the Company).

15. Inconsistencies

If there is inconsistency between any of the parts of the RFQ the following order of precedence shall apply:

- (a) these Terms and Conditions;
- (b) the first page of this RFQ; and
- (c) the Schedule

so that the provision in the higher ranked document will prevail to the extent of the inconsistency.

16. Collusion and Unlawful Inducements

Potential suppliers and their officers, employees, agents and advisors must not engage in any collusive, anti-competitive conduct or any other similar conduct with any other potential supplier or person or quote any unlawful inducements in relation to their quote or the RFQ process.

Potential suppliers must disclose where quotes have been compiled with the assistance of current or former the Company employees (within the previous 9 months and who was substantially involved in the design, preparation, appraisal, review, and or daily management of this activity) and should note that this may exclude their quote from consideration.

Potential suppliers warrant that they have not provided or offered any payment, gift, item, hospitality or any other benefit to the Company, its employees, consultants, agents, subcontractors (or any other person involved in the decision-making process relating to this RFQ) which could give rise to a perception of bribery or corruption in relation to the RFQ or any other dealings between the parties.

17. Jurisdiction

This Agreement shall be subject to the laws of the Jurisdiction.

The Supplier and the Company will use their best efforts to settle amicably any dispute, controversy, or claim arising out of, or relating to this Agreement or the breach, termination, or invalidity thereof.

If no agreeable settlement can be found, any dispute, controversy, or claim arising out of or relating to this Agreement or the breach, termination, or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules in effect on the date of this Agreement. The appointing authority shall be the Secretary-General of the Permanent Court of Arbitration. The Parties will be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute.

The place of arbitration shall be the headquarters location of Company at the time the claim is filed and the language of the arbitration will be English. The relevant laws shall be the laws of the Jurisdiction.

Schedule - Scope of Services

1. Background

The Market Development Facility (MDF) is an Australian Government funded multi-country initiative which promotes sustainable economic development, through higher incomes for women and men, in our partner countries. MDF connects individuals, businesses, governments, and NGOs with each other, and with markets at home and abroad. This enhances investment and coordination and allows partnerships to flourish, strengthening inclusive economic growth.

MDF is funded by the Australian Department of Foreign Affairs (DFAT). It is implemented by Palladium in partnership with Swisscontact.

In Sri Lanka, MDF's focus is on promoting resilient tourism and supporting authentic Sri Lankan products which promote the country.

2. Objective of the assignment

One of the sectors that MDF is working in Sri Lanka is fisheries with the aim to increase the productivity and income levels of fishermen and to create more employment opportunities for urban poor in the sea processing industry. MDF aims to understand the domestic processing industry and whether it holds any competitive advantages that can make Sri Lanka a processing hub for processing domestically sourced fish and more importantly imported fish that can be processed in Sri Lanka and exported to foreign markets like China, Singapore and Europe.

Through a detailed research MDF also wants to understand if fish can be imported from Australia and processed locally for exporting to countries like China, Singapore, and Europe.

3. Scope of services

MDF Sri Lanka is looking to engage a service provider to plan and implement a research study on the Sri Lanka seafood industry. The study will investigate the below key questions:

- How big is the sea food processing industry (volume processed, revenue, number of entities, profit margins) in Sri Lanka?
- What is the current trajectory of the industry in terms of trends for volume processed, revenue, number of entities and profits? What is the reason for this trend?
- What is the structure of industry in terms of size of the various players (small, medium and large and % of total industry revenue share owned by each segment)
- How many people are employed by the industry, their working conditions and gender ratio?
- What is the current level of capacity utilization of the industry? If capacity utilization rate is low why they are not importing raw material from abroad and re-exporting?
- What are the key products processed for export market by the industry currently, volume and value for these products, where these products are sourced from? This should include locally sourced fish and imported fish varieties for processing and re-export
- What are the top export destination and volume and value share of these destination and what is the past trend and outlook for export to these destinations? What destinations can be envisaged should the basket of products be expanded for both locally sourced and imported varieties. What is the competitive advantage that Sri Lanka sea food processing industry enjoys?
- How many industries are currently importing sea food for re-processing and exporting? What are the products that are imported and from where? What is the current end market for these products?
- What are the regulations that dictate import of raw material (fish, prawn, crab etc.) what products can be imported?

- What sort of certifications are required for exporting re-processed sea food, does Sri Lankan sea food exporters have those certifications?
- What is the political environment and sensitivity around importing of raw material (fisheries, crabs, and prawns)?
- What are the key factors that determine the efficiency, productivity, and profitability of the industry? currently and what can be envisaged should the unutilized capacity be taken up as well?
- What are the bottlenecks that are hampering the growth of this industry?
- What sort of Government support is provided to the industry? What are different regulations that regulate the industry and challenges around that?
- What are the regulations at destination countries that impacts the industry?

Key Activities

The service provider will:

- Conduct in depth secondary research to obtain data and industry reports for finding answers to the above questions.
- Develop a short presentation summarizing the key findings based on secondary research and present the findings to MDF
- Develop a research plan for primary research with industry players to obtain information on key research areas
- Conduct primary interviews with industry players to obtain information on key research areas
- Conduct analysis using findings from primary and secondary research
- Develop and share the outline for report with MDF.
- Develop and Present the final report to MDF and incorporate the feedback in the final report
- Present the final findings to a broader industry via workshop which will be arranged by MDF, but analysis will be presented by the service provider.

Deliverables

Deliverable 1: Presentation capturing the secondary research and broader market trends

Service provider will be responsible for conducting the secondary research and developing and presenting the findings to MDF about key findings.

Deliverable 2: Research Plan

Service provider will be responsible for developing and sharing the detailed research plan with MDF. Research plan will include information about how they will conduct the primary research, number of industry players and Government officials they will interview and questionnaires that will be used.

Deliverable 3: Outline of the final report

Service provider will conduct primary research and using data from primary and secondary research will prepare a draft report providing answers to the key questions detailed in scope of service.

Deliverable 4: Final report presentation

Service provider will submit the draft report to MDF in word format and will also develop and present the key findings to MDF in PowerPoint format in a session

Deliverable 5: Submission of final report

Based on the feedback obtained in the presentation, service provided will incorporate the changes in the report and will submit the final report to MDF in word format

Deliverable 6: Presentation of the findings to wider audience

Service provider will conduct the workshop where they will present the findings to Government and relevant industry players. Design of the workshop will be finalized in consultation with MDF.

4. Evaluation Criteria

Technical Criteria

Palladium will assess each submission based on the ability to meet the requirement as specified in this Request for Quotation (RFQ) and overall value for money. The technical suitability of proposals will be assessed using the following criteria:

- A. Demonstrated experience conducting sectoral researches and analysis combining secondary and primary research (40%).
- B. Proposed approach to delivering the assignment, including knowledge of local context and network to conduct interviews with the relevant industry players and executives (35%).
- C. Demonstrated understanding of the subject matter and expertise in data sourcing, analysis, reporting and dissemination (25%).

The Technical Score will account for 75% of the overall score.

Financial Criteria

After assessing submissions against the technical criteria, MDF will compare the financial proposals of technically suitable offers.

The Financial Score will account for 25% of the overall score.

5. Submission of Quotes

Service providers must complete the Response Form attached to this RFQ to submit quotes.

If your quote is successful, you will be required to enter into the Company's standard contract for the types of goods or services being provided. In the provision of the Goods and Services, you will be required to comply with the Company's policies, including (without limitation) its Business Partner Code of Conduct and any relevant Project Manual. Potential suppliers must also comply with the Company's Business Partner Code of Conduct in the submission of any quotes pursuant to this RFQ.

If you are bidding as part of a joint venture, partnership or similar, please make this clear in your submission. Likewise, if you propose to subcontract any part of the goods or services provision, then disclose this fact within your submission. The Company may require additional information from you and approval for subcontracting will not be automatic as subcontractors will be subject to Palladium's Due Diligence process.