

RECORD NOTE OF PRE-BID MEETING: RFP for Procurement of Consulting Services for Validation of Financial Model for Karachi Industrial Park (KIP) Federal Special Economic Zone

1. The pre-bid meeting was held on **24 September 2026** to brief prospective bidders on the background and objectives of the Karachi Industrial Park (KIP), the scope of the consulting assignment, and to provide interested firms an opportunity to seek clarifications regarding the RFP, Terms of Reference (TORs), evaluation criteria, deliverables and other aspects of the assignment.
2. The participants were welcomed by representatives of P3A and SIFC. Following introductions, the participants (list attached at **Annex-A**) were briefed on the project, its proposed implementation approach and the purpose of the consulting assignment.
3. The participants were briefed that the Federal Government is pursuing development of KIP as a strategic Federal Special Economic Zone over ~6,400 acres of Pakistan Steel Mills (PSM) land in Karachi, with the overarching objective of facilitating rapid industrialization and attracting export-oriented industrial investment.
4. It was highlighted that the fundamental objective is productive industrial use of the land rather than its monetization as a real-estate asset. The project is therefore intended to facilitate establishment of industries within the Zone while ensuring that the overall arrangement is financially sustainable and supports rapid industrialization and operationalization of KIP.

In this context, participants were briefed on two broad approaches through which industrialization of the Zone may be undertaken:

- a. **Direct/ Investor-led Industrialization:** Under this approach, land may be allocated directly to qualifying industrial enterprises/investors for establishment of their industrial facilities. The industrial enterprise would undertake the investment required for its own facility and pay the applicable development/lease charges while receiving long-term usage rights over the allocated land rather than ownership of the land. Allocation under this approach may also be undertaken through an appropriate competitive mechanism. Key considerations attached to this model might be the size and configuration of individual industrial parcels, provision of common infrastructure and services, and the need to retain the benefits of coordinated zone development and economies of scale.
- b. **Co-Developer-led Development:** Under this approach, suitably qualified co-developers may be selected through a transparent and competitive process and allocated larger parcels of land for development, infrastructure provision

and subsequent colonization by eligible zone enterprises. The commercial structure would need to enable the co-developer to recover its development and operating costs and earn an appropriate return, while keeping the cost of locating within KIP commercially attractive for industrial enterprises.

5. It was highlighted that, while the overarching objective under either approach remains rapid industrialization of KIP, the Direct / Investor-led Industrialization model is presently the preferred approach. The financial and commercial implications of the proposed arrangements would, however, need to be appropriately assessed through the financial model.
6. Participants were further informed that Government deliberations have considered development/lease charges of USD 10,000 per acre per annum for enterprises achieving at least 50% exports and USD 1,000 per acre per annum for enterprises demonstrating 70% exports. The consulting assignment is intended, inter alia, to independently validate the financial feasibility of these parameters and recommend appropriate adjustments, where required.
7. It was explained that the assignment is a focused and time-sensitive independent validation exercise. The consultant is expected to review and validate the existing financial model and its key assumptions, revise/reconstruct the model where required. The consultant will also be required to recommend a practical and transparent framework identifying the key considerations for allocation of land to co-developers. P3A and SIFC/Federal SEZA teams will extend all necessary support to the consultant, including timely provision of available data, information and relevant project material, to facilitate completion of the assignment within the stipulated timeframe.
8. Following the project briefing, the participants raised various queries regarding the RFP and TORs. The queries and clarifications provided are recorded below:

a. Query No. 1: Is the stipulated timeline sufficient for completion of the assignment? Is there any flexibility for extension of the timeline?

Response: The assignment is highly time-sensitive and is intended to provide rapid advisory support to the Government. Accordingly, bidders should prepare their proposals and work plans on the basis of the timeline stipulated in the RFP. SIFC/ Federal SEZA has already undertaken substantial analysis and developed relevant project information and workings, which will be made available to the selected consultant to facilitate timely completion of the assignment. The RFP requires completion of the assignment within four weeks from commencement, comprising two weeks for submission of the draft report/model, one further week for incorporation of comments and

submission of the final report/model, and one week for formal acceptance/approval.

- b. Query No. 2:** Under Technical Evaluation Criterion No. 1, what is meant by “comparable industrial infrastructure projects”?

Response: The term is intended to cover relevant experience beyond projects formally designated as SEZs, EZs, EPZs or STZs. It may include experience in industrial parks and other comparable industrial infrastructure developments where the consultant has undertaken relevant financial modelling, transaction structuring, PPP/private-sector participation, development or related advisory work. The intent is to recognize substantively relevant industrial infrastructure experience having a clear nexus with the nature and requirements of the KIP assignment.

- c. Query No. 3:** What should the consultant do if an assumption used by SIFC/Federal SEZA in the existing financial model is found to be invalid or inappropriate?

Response: The existing assumptions have been developed on the basis of analysis and deliberations undertaken to date. However, the consultant is expected to independently validate the assumptions, inputs and outputs of the financial model. Where an assumption requires modification, the consultant should provide the supporting rationale/evidence and revise the relevant assumption and financial model accordingly, consistent with the TORs which allow the model to be revised/reconstructed where required.

- d. Query No. 4:** What is expected under TOR No. 2 relating to the “*Land Allocation Framework*”? Is the consultant expected to devise a detailed legal framework?

Response: No. This is not intended to be a detailed legal or procurement-design exercise. Without undertaking a detailed examination of each aspect, the consultant is expected to identify and recommend the key principles, considerations and parameters that the implementing agency should keep in view while subsequently developing the detailed framework for allocation of land to co-developers. These should cover the areas identified in the TORs, including eligibility and bid-evaluation criteria, parcel allocation/sequencing, performance requirements, safeguards against speculative holding, and key application/information requirements.

- e. Query No. 5:** What will be the applicable lease term for the project?

Response: The existing financial model uses a 30-year period (2 years + 28 years) as its base assumption. However, the lease/concession tenure is flexible and the consultant may assess alternative periods, including 35, 40 or 50 years, where commercially and financially appropriate. The consultant may therefore test different tenure assumptions and recommend an appropriate tenure as part of its assessment of the overall commercial structure.

- f. **Query No.6:** Are the 500–1,000-acre co-developer parcels already identified and mapped, or would the identification/recommendation of suitable parcels form part of the scope of work?

Response: 500–1,000-acre land parcel may be considered as the default assumption; but based on its assessment and professional judgment, if the Consultant recommends a different parcel size or configuration to better meet project objectives, it would be duly considered.

- g. **Query No.7:** TOR 3(a) mentions “*revise/reconstruct the model, where required.*” Could you please clarify whether a full rebuild of the model is expected as part of the scope by default, or only where the validation/review identifies material deficiencies or issues with the existing model?

Response: Primary objective is to have a robust financial model upon completion of the assignment. The consultant will review and validate the existing model and determine the most appropriate approach. If the existing model can be corrected conveniently then perhaps re-building the model might not be required; but if the consultant considers that rebuilding the model from scratch would be more efficient and produce a more robust and reliable outcome, the rebuilding approach could be adopted by the consultant.

- h. **Query No.8:** At what stage is the existing model currently? Is there a data room, model documentation, underlying assumptions, or any existing study/report available for review?

Response: The existing financial models have been prepared by SIFC and subsequently by P3A. The available models, along with relevant supporting documents, assumptions, studies/reports and other available information, will be shared as soon as the consultant is engaged.

9. Participants were encouraged to carefully review the RFP, TORs and available project information and ensure that their proposed methodology and work plan enable completion of the assignment within the stipulated timeframe. It was reiterated that the assignment is intended to provide an independent validation of the

KIP financial and commercial model and recommendations that support rapid industrialization and operationalization of the Zone.

10. Participants were advised to formulate their financial proposals keeping in view the focused scope, accelerated timeline and rapid advisory nature of the engagement.
11. The meeting concluded with thanks to all participants.

Annex-A: List of Participants

Sr. No.	Name	Organization
1	Mr. Ali Mehdi	KPMG
2	Mr. Abass Bhojani	KPMG
3	Mr. Nauman Tariq	Infinity Advisory Services
4	Mr. Vaseem Mansoor	RSM
5	Mr. Asad	HLB Consulting
6	Mr. Muhammad Aniq	SM Sohail & Co.
7	Mr. Taha Moin	EY
8	Mr. Mohammad Rashid	Analytics
9	Mr. Ali Rahman	P3A
10	Mr. Syed Mazahir Shah	P3A
11	Mr. Muhammad Awais	P3A
12	Mr. Junaid	SIFC
13	Mr. Imran Khan	SIFC
14	Mr. Asadullah	SIFC
15	Maj. Rizwan	SIFC