



Government of Pakistan
Finance Division

Request for Proposals

**Engagement of Independent Verification Agency (IVA) For Government of Pakistan's
"Accelerating State Owned Enterprises Transformation Program"**

Ministry of Finance (Finance Division), Government of Pakistan, in the context of the implementation of the Accelerating State-Owned Enterprises (SOE) Transformation Program, a Results-Based Lending operation supported by the Asian Development Bank, intends to engage the services of a qualified Independent Verification Agency (IVA) for the program period (mid 2026 - mid 2031). Interested firms / organizations / institutions may participate in the bidding process in either of the following ways:

- As an individual firm / organization / institution; or
- As a consortium, consisting of more than one firm / organization / institution, of which, one acting as lead.

The IVA will be responsible for the independent verification of Disbursement-Linked Indicator (DLI) achievement, assessment of Program Action Plan (PAP) implementation, validation of non-DLI results framework indicators, and confirmation of baseline data across six DLIs covering 39 commercial state-owned enterprises (SOEs) and the National Highway Authority (NHA).

Interested firms / organizations / institutions are required to register themselves at E-PADS Public Procurement Regulatory Authority (PPRA) to submit the bid/proposal. The Request for Proposal (RfP) along with terms of reference for bidding can be obtained electronically either through the website of Finance Division (www.finance.gov.pk) or from PPRA's website (www.PPRA.gov.pk).

The bids / proposals, complete in all respect, should reach electronically on E-PADS (<http://eprocure.gov.pk>) by **2nd July 2026 and before 4:00 pm PST and will be opened on the same day at 4:30 PM PST through E-PADS**. By hand submission of bids / proposals is not allowed. In case, the opening of bids falls on local/national holiday, the date of bid closing/opening shall be the next working day on the same time.

The successful bidder(s) shall be selected in accordance with the quality and cost-based selection and the procedures set forth in the RFP, with technical proposal and financial proposal carrying 80% and 20% weightage, respectively.

For obtaining any further information or clarifications, please contact the undersigned, no later than five working days prior to the submission deadline:

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REQUEST FOR PROPOSALS

Government of Pakistan
Corporate Finance Wing
Finance Division

Engagement of Independent Verification Agency (IVA) For “Accelerating State Owned Enterprises Transformation Program”

A. INTRODUCTION

1. The Government of Pakistan, with support from the Asian Development Bank (ADB), is implementing the Accelerating State-Owned Enterprises (SOE) Transformation Program under a results-based lending (RBL) modality.
2. For this purpose, the Finance Division seeks to engage the services of qualified firm / organization / institution (collectively defined as bidder(s) in this document) to act as an Independent Verification Agency for the purpose of carrying out the independent verification of Disbursement-Linked Indicator (DLI) achievement, assessment of Program Action Plan (PAP) implementation, validation of non-DLI results framework indicators, and confirmation of baseline data across six DLIs covering approximately 39 commercial state-owned enterprises (SOEs) and the National Highway Authority (NHA).
3. This assignment is open to the following national firms / organizations / institutions that have experience in conducting verification, monitoring and evaluation, governance assessment, due diligence or related services:
 - Audit firms.
 - Management consulting firms or organizations.
 - Development consulting firms or organizations.
 - Research institutions, think tanks, or policy institutes.
4. The interested bidders (as defined above) can participate in the bidding process as follows:
 - As an individual firm / organization / institution; or
 - As a consortium, consisting of more than one firm / organization / institution, of which, one acting as lead.
5. Each firm / organization / institution may participate in only one bid, whether as an individual bidder or as a consortium member. Where multiple bids are submitted, only the bid submitted through the consortium will be considered.
6. In the case of a consortium, the roles, responsibilities, and scope of work of each member firm / organization / institution must be clearly defined in the technical proposal. The lead firm / organization / institution shall act as the primary point of contact for all communications and coordination related to the bidding process.

B. BACKGROUND

1. The Program targets 40 commercial SOEs including the National Highway Authority (NHA). These reforms are anchored in the SOEs (Governance and Operations) Act, 2023 (SOE Act) and the SOEs Ownership and Management Policy, 2023 (SOE Policy), and will be implemented from December 2025 to December 2030.
2. The Program delivers results through three outputs: (i) compliance with the SOE Act and SOE Policy improved (for example, corporate governance, compliance with International Financial Reporting Standards (IFRS), and Public Service Obligation (PSO) framework); (ii) institutional capacities of the Central Monitoring Unit (CMU) and SOEs strengthened (gender- and climate-responsive SOE database and training to improve awareness and understanding of the SOE Act and SOE Policy); and (iii) service performance and financial sustainability of NHA improved (for example, debt restructuring, e-procurement, climate resilience and revenue management).
3. ADB's US \$400 million is linked to the verified achievement of six Disbursement-Linked Indicators (DLIs). The IVA will be financed by the program's TA that is partially delegated to MOF. ADB's Anticorruption Policy and RBL-specific integrity guidelines shall apply.

C. INSTRUCTIONS TO POTENTIAL BIDDERS

1. An individual bidder or a consortium of bidders (submitting a bid as a consortium) shall be engaged through an open competitive bidding process in accordance with the following procedure and selection method:
 - Procedure: Single stage - two envelope.
 - Method of selection: Quality and Cost-Based Selection.
2. Each individual bidder or a consortium of bidders shall submit the following two proposals on EPADs with each page signed and stamped:
 - Technical proposal.
 - Financial proposal.
3. The total length of the technical proposal must not be more than 20 pages and the total length of financial proposal must not be more than 5 pages. **Each bidder shall furnish bid security equivalent to PKR 1 million, in the form of a pay order in favor of Central Monitoring Unit, Finance Division, Kohsar Complex, Govt of Pakistan. The pay order should be physically submitted to Dr Qaiser Rafique Unit Head CMU by the end date and time at the address mentioned at point F.**
4. The successful bidder will submit performance guarantee amounting to PKR 1 million within 15 days of the offer of the contract.
5. The bids / proposals, complete in all respect, should reach electronically on E-PADS (<http://eprocure.gov.pk>.) by **2st July 2026 and before 4:00 pm PST.**

6. **The technical proposals shall be opened on 2st July 2026, at 4:30 pm PST at committee room, 6th floor, Q-Block, Pak-Secretariat, Islamabad** in the presence of the bidders or their representatives who may choose to be present.
7. A Bid Evaluation Committee (BEC) constituted by Finance Division will carry out the evaluation of bids/proposals in accordance with the criteria defined in the section H of this document. 80 percent of the total evaluation marks will be allocated to the technical proposal and 20 percent to the financial proposal.
8. The BEC shall first evaluate the technical proposals submitted by the bidders. A minimum score of 60% shall be required to qualify in the technical evaluation. The results of the technical evaluation, including the detailed scoring, will be published on the E-PADS website. Following the announcement of the technical evaluation results, a period of seven (7) days shall be observed before opening the financial proposals. Only the financial proposals of individual bidders or a consortium of bidders that have technically qualified shall be opened, while the financial proposals of non-qualified bidders shall remain unopened. Thereafter, the PEC shall evaluate the financial proposals of the technically qualified bidders. The final ranking shall be determined through a combined assessment, assigning a weightage of 80% to the technical proposal score and 20% to the financial proposal score.
9. The final results will be published on E-PADs. The individual bidder or a consortium of bidders securing overall maximum marks shall be selected. In a case where the top ranked individual bidder or a consortium of bidders withdraws its proposal, option will be given to the second individual bidder or a consortium of bidders in the order of ranking. This process shall be continued until individual bidder or a consortium of bidders is selected.
10. A Grievance Redressal Committee (GRC) constituted by Finance Division will address complaints and grievances (if any) raised by bidder in accordance with the timelines specified under rules 48 of PPRA rules during the procurement process. The details of the GRC shall be available on the PPRA's E-PADs.
11. An engagement letter will be signed between the Finance Division and the IVA (the selected individual bidder or a consortium of bidders) which will list down all terms of reference **(as defined in Annex-A)**.
12. Failure to adhere to any of the above guidelines will lead to disqualification of the bidders from the selection process.
13. Failure to adhere to the Terms of Reference during the program period shall result in disqualification of the IVA, and no financial liability shall be incurred by the Finance Division/Asian Development Bank towards the IVA.
14. The selected individual bidder or a consortium of bidders, which will act as IVA, shall be engaged for the whole program period i.e., mid 2026 – mid 2031.
15. Finance Division reserves the right to cancel the procurement proceedings at any stage without assigning any reason.

16. If, during the engagement period, the performance of the Independent Verification Agency (IVA) is found to be unsatisfactory or inconsistent with the Terms of Reference (ToR), the Finance Division and Asian Development Bank shall jointly review the matter and will have the right to terminate the contract.

D. LANGUAGE OF PROPOSALS

The proposals shall be submitted in English language.

E. VALIDITY OF BIDS

The bids shall remain valid for six months after the last submission date.

F. FOR CLARIFICATIONS

Clarifications may be requested from the office below no later than five working days prior to the submission deadline. No query shall be entertained thereafter.

Dr. Qaiser Rafique

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G. SUBMISSION DATE AND TIME

The prospective firms / organizations / institutions are required to submit their technical and financial proposals online through E-PADS at <http://eprocure.gov.pk> **by 2st July 2026 and before 4:00 pm PST**

H. EVALUATION CRITERIA

Following will be the evaluation criteria for the ‘technical proposals’ and ‘financial proposals’:

(H1) TECHNICAL PROPOSALS

Technical proposal must be structured and submitted in the following chronological order:

1. **Section 1:** Documents to be provided by all bidders:

- Certificate of Incorporation / Registration (SECP, ICAP or relevant authority), where applicable. Moreover, Membership numbers of professional accountants should be mentioned along with parent body name.
- National Tax Number (NTN) Certificate.

- A duly notarized affidavit to the effect that the bidder has not been blacklisted by any Government/Semi Govt/Autonomous Organization and there is no litigation lying pending adjudication in any Court of Law.
 - A duly notarized conflict of interest declaration stating that the bidder has no actual, potential, or perceived conflict of interest in relation to this assignment, and that neither the bidder nor any of its personnel has any relationship or engagement that could improperly influence the performance of the assignment.
 - Authorization letter for the signatory (Power of Attorney / Board Resolution).
 - A conflict-of-interest undertaking, explicitly stating that: “Throughout the duration of the assignment and for a period of six (6) months after its completion, the firm/company/institute and all designated team members shall not undertake or accept any advisory, consultancy, audit, or similar assignments from any of the 39 target SOEs or the NHA.”
2. **Section 2:** Detailed aspects of the technical proposal, aligned with the evaluation criteria outlined in Table 1 below.

Following are the evaluation criteria of technical proposals:

Table 1: Technical Proposal Evaluation		
Evaluation Criterion	Considerations	Weight Score
Relevant Profile and Experience of Firm/Company/Consortium	<ul style="list-style-type: none"> • Company profile / organizational overview. (max 10 marks) • Experience in SOE reform, public financial management, public sector (10 marks) • Experience of programs financed by multilateral development partners or IFIs. (10 marks) • Track record in similar verifications, especially RBL/PforR programs. (10 marks) • Experience of policy reports, publications etc. undertaken for IFIs and government agencies. (10 marks) 	50 marks
Approach and Methodology	<ul style="list-style-type: none"> • Work plan with clear milestones aligned with verification protocols as defined in the Program Implementation Document. (5 marks) 	10 marks

	<ul style="list-style-type: none"> • Strategies for handling challenges (data collection from 40 entities, verifying qualitative targets, coordination with stakeholders etc.). (5 marks) 	
Key Personnel Qualifications and experience	<ul style="list-style-type: none"> • Team Leader /Senior Verification Expert (10 marks) • Financial Management Specialist/Financial Auditor (7 marks) • SOE Governance Specialist (5 marks) • Data System/IT Specialist (5 marks) • Gender and Climate Specialist (5 marks) • NHA Infrastructure/Finance Specialist (8 marks) 	40 marks

Table 2: Minimum Personnel Requirements

Position	Minimum Qualifications and Experience
Team Leader / Senior Verification Expert	CPA/CA or equivalent, or advanced degree in M&E/public administration. 15+ years in financial auditing or program evaluation. Led large-scale verification or audit assignments for development programs. Primary point of contact; responsible for overall coordination, methodology, quality, and PAP assessment integration.
Financial Management Specialist / Financial Auditor	CPA/CA Qualified accountant/auditor or equivalent. 8+ years auditing and evaluation of financial statements and assessing IFRS compliance. Experience with SOE or corporate reporting. Focus: DLI 1 (OCRR) and DLI 2 (financial statements and IFRS).
SOE Governance Specialist	Master's degree in Public Policy or Business Administration with proven experience (minimum 10 years) in corporate governance Knowledge of Pakistan's SOE Act and Policy preferred. Focus: DLI 3 (board appointments, independence per Section 11 of SOE Act) and DLI 4 (PSO framework per Section 7(3) and Schedule II). Also supports PAP Areas 2 and 3.
Data Systems / IT Specialist	Master's degree in Computer Science or a related field in Information Technology or Systems. 5–8 years of experience in database systems assessment, IT audit, or

	digital systems verification. Demonstrated ability to test database functionality against defined technical specifications. Primary focus: DLI 5 — testing the CMU database against all four minimum criteria (OCRR/Output 1 reporting capability, gender-responsiveness, climate-responsiveness, and technical specifications). Also supports PAP Area 1 (M&E systems) and PAP Area 4 (financial management systems).
Gender and Climate Specialist	Master's degree in Gender Studies, Climate Change, Environmental Sciences, Social Sciences, Development Studies, Public Policy, International Development, or a related field. Background in gender mainstreaming, social inclusion, and/or climate/environmental assessment. 5–8 years of experience. Familiarity with gender-disaggregated data systems and climate reporting standards (IFRS S2 preferred). Primary focus: DLI 3 gender sub-target (female director verification), non-DLI gender indicators (NHA women's representation), PAP Area 2 (Gender & Social Inclusion — NHA gender audit, candidate rosters, CMU gender-disaggregated templates), PAP Area 6 (Climate — capacity building, training curricula, climate finance evidence), and the climate-responsive criteria of DLI 5.
NHA Infrastructure/Finance Specialist	Master's degree in Civil Engineering, Transportation Engineering, Infrastructure Management, Infrastructure economics, or a related field. 8–10 years of experience with infrastructure SOE management, or transport sector finance. Knowledge of Pakistan's PSDP funding mechanisms preferred. Primary focus all DLIs and Non-DLIs related to NHA.

Note: If a bidder proposes to depute more than one personnel against any of the above positions, their CVs shall be collectively evaluated against the marks assigned for the relevant position.

(H2) FINANCIAL PROPOSALS

1. Financial proposals shall be submitted on the following format:

Table 3: Financial Proposal	
Total Contract Value (lump-sum)	US Dollar _____

Note: The Total Contract Value refers to the overall remuneration payable to the IVA for all services to be rendered as defined in TORs (Annex-A) throughout the entire program period.

2. The maximum estimated contract value for the entire program period is US \$300,000 (inclusive of all costs). Individual bidder or a consortium of bidders may submit their financial proposal with a 'Total Contract Value' not exceeding US \$300,000 (inclusive of all costs).
3. The disbursement of the 'Total Contract Value' to the IVA will be structured as output-based with payments linked to accepted deliverables. Indicative payment milestones are as follows¹:

Table 4: Disbursement of 'Total Contract Value'		
Milestone	Trigger	% of contract value
Mobilization advance	Contract signature	10%
Inception report	Accepted by ADB	5%
2026 annual verification report (incorporating prior results verification)	Accepted by ADB	12%
2027 Annual Verification Report	Accepted by ADB	12%
2028 Annual Verification Report	Accepted by ADB	12%
Mid-term Review brief	Accepted by ADB	5%
2029 Annual Verification Report	Accepted by ADB	12%
2030 Annual verification report	Accepted by ADB	12%
Completion verification report	Accepted by ADB	15%
Retention release	6 months post-completion	5%

4. All payments shall be triggered by ADB's written acceptance of the relevant deliverable.
5. All payments shall be made directly to the IVA by the ADB, subject to ADB's prior written acceptance of the relevant deliverable as specified in table 4. ADB shall process payment within 30 calendar days of written acceptance. The IVA shall submit invoices to the ADB. In the event of any payment dispute, ADB's determination of deliverable acceptance shall be final. The Finance Division shall have no payment obligations and shall remain fully absolved of any liability in relation to such payments.
6. It is to highlight that the Total Contract Value will include all applicable taxes. All out of the pocket expenses incurred by the IVA in connection with its provision of service including

¹ Annual Verification Reports encompass all verification activities completed during the relevant cycle, including verification of non-DLI indicators as specified in Section 2(iv) of Annex-A and risk-based spot checks conducted in accordance with Section 2(viii) of Annex-A.

travel and lodging expenses, fees, taxes, translation and any other expense (if applicable) shall be borne by the IVA itself.

TERMS OF REFERENCE OF INDEPENDENT VERIFICATION AGENCY

Following are the contents of the Terms of Reference:

- 1. Objectives of the assignment.**
- 2. Scope of work and detailed tasks.**
 - i. Verification Planning and Inception
 - ii. Annual Verification of DLIs
 - iii. Verification of Program Action Plan (PAP) Actions
 - iv. Verification of Non-DLI Indicators
 - v. Data Collection, Field Verification, and Stakeholder Engagement
 - vi. Reporting
 - vii. Mid-Term Review (MTR) Contribution
 - viii. Spot Checks and Data Validation
- 3. Deliverables and Timeline**
- 4. Reporting, Coordination, and Contract Arrangements**
 - i. Reporting and Coordination
 - ii. Communication
 - iii. Duration
 - iv. Logistics
- 5. Independence, Ethics, and Conflict of Interest Provisions**
- 6. Adherence to Program's Verification Protocols**
- 7. Dispute resolution**

1. Objectives of the Assignment

- i. **Verify DLI Achievement:** Independently confirm whether each DLI target (including any prior results and each annual milestone from 2026 to 2030) has been met, partially met, or not met, in accordance with the Verification Protocols. The IVA's verification reports shall serve as the main basis for ADB's disbursement of funds.
- ii. **Verify Program Action Plan (PAP) Implementation:** Assess the progress and completion of all actions in the PAP, containing critical technical, fiduciary, institutional, gender, climate, and safeguards measures, that underpin the sustainability of Program reforms.
- iii. **Validate Baseline Data and Non-DLI Indicators:** Where required, validate baseline data and results indicators not linked to disbursement (for example, climate resilience and safety of NHA road networks, women's representation in NHA) that are monitored as part of the Results Framework but not tied to loan disbursement.
- iv. **Conduct Risk-Based Random Spot Checks:** Apply targeted, risk-based random spot checks to validate the accuracy and reliability of reported data, particularly in light of the evolving maturity of CMU's centralized SOE reporting and the ongoing work to establish and operationalize its electronic database. Spot checks shall be conducted in a manner consistent with the IVA's independent verification role and international best practices.

All verification work shall be carried out with impartiality and objectivity. Reports and findings must meet the verification standards set out in these Terms of Reference and the Verification Protocols. The IVA may be required to collaborate with additional technical experts engaged separately by ADB, including national monitoring and evaluation specialists with experience in supporting attestation report preparation under previous ADB Results-Based Lending programs in Pakistan. Such collaboration is intended to strengthen the overall verification process and does not affect the IVA's independence or its sole accountability for verification findings. The end of calendar year shall serve as the cut-off for the assessment of DLI, non-DLI, or PAP for the respective calendar year.

2. Scope of Work and Detailed Tasks

2(i) Verification Planning and Inception

(a) Document Review. Upon contract commencement, conduct a thorough desk review of all relevant Program documents². The IVA shall become fully conversant with DLI definitions, annual targets, means of verification, disbursement formulas, PAP actions and timelines, and non-DLI indicators.

² These will include, among others, ADB's Report and Recommendation to the President under this RBL, Program Implementation Documents, DLI Matrix and Verification Protocols, Results Framework, Loan Agreement (including covenants), and Technical Assistance Report.

(b) Inception Report. Within 2-3 weeks of contract start, prepare and submit an Inception Report detailing:

- Verification methodology for each DLI, referencing the specific procedures in the Verification Protocols (including the "*Verification Agency and Procedure*" column of Annex 1, Table 2)³.
- Approach for PAP verification, including data sources and criteria for judging action completion.
- Work plan with a schedule of verification missions aligned to the Program's results calendar, including immediate verification of any prior results claimed for disbursement before the 2026 annual cycle.
- Templates or checklists for data collection and a quality assurance plan.

The Inception Report shall be submitted to ADB for approval, after consultation with the Finance Division. ADB's written acceptance of the Inception Report constitutes approval to commence substantive verification work. The IVA shall incorporate feedback before substantive verification work begins.

2(ii) Annual Verification of DLIs⁴

The IVA shall verify the achievement of the six DLIs summarized in Table 1 below for each annual cycle from 2026 to 2030, and for any prior results claimed for disbursement. For each DLI, the implementing agency prepares an attestation report confirming target achievement with supporting documentation; the IVA independently verifies this during verification missions. Within one month of receiving the validated attestation report and IVA report, ADB will confirm DLI achievement. Disbursements are permitted for early or late achievement, provided results occur during the Program's duration (December 2025 – December 2030).

Table 1: Details of DLIs with program allocation	
DLI	Result Area
DLI 1	SOE Financial Performance — OCRR

³See footnote 1.

⁴ The complete DLIs definitions, annual targets, conditions for disbursement, and partial disbursement formulas are set out in full in: (i) Annex 1, Table 2 of the Report and Recommendation of the President (RRP, PAK 58211-001, November 2025); and (ii) Annex 4 of the Program Implementation Document (PID), which forms part of the Program's design documentation. Both documents are publicly available on ADB's project page for PAK 58211-001 at www.adb.org/projects/58211-001/main. In the event of any inconsistency between the summary descriptions in Section 3.2 of these Terms of Reference and the Verification Protocols as set out in those documents, the Verification Protocols shall prevail.

DLI 2	Financial Transparency — Audited Statements & IFRS
DLI 3	Corporate Governance — Boards & Gender Diversity
DLI 4	Public Service Obligations — PSO Framework (9 SOEs)
DLI 5	Institutional Capacity — CMU Database & Reporting
DLI 6	NHA Financial Sustainability — Debt Restructuring

Source: (see footnotes 2 and 4)

Summarized description of DLIs

DLI 1 — SOE Financial Performance (Operating Cost Recovery Ratio). The OCRR across 39 SOEs must increase by at least 0.429 percentage points from a 2024 baseline of 112.9%, reaching at least 113.329% by 2030. Annual incremental targets: +0.039 pp to 112.939% (2026), +0.089 pp to 112.989% (2027), +0.141 pp to 113.041% (2028), +0.284 pp to 113.184% (2029), +0.429 pp to 113.329% (2030). The IVA shall:

- Verify baseline and annual OCRR data compiled by the CMU from SOE financial reports.
- Recalculate the OCRR using the prescribed aggregate formula: $OCRR = (Revenues\ from\ Operations + Subsidies) / (Cost\ of\ Sales/Services + Operating\ Expenses)$, applied to aggregates of each component across 39 SOEs (not averages of individual ratios).
- Cross-check CMU data against audited financial statements to validate data quality. Where material divergences are found between CMU reported data and audited statements, the IVA shall quantify the divergence, assess its impact on OCRR calculations, and report findings prominently to both the Finance Division and ADB.
- For partial achievement, apply: $Partial\ disbursement = planned\ disbursement \times (actual - previous\ target) / (current\ target - previous\ target)$, treating percentage points as numbers (e.g., 5 pp treated as 5).
- Document adjustments if SOEs are privatized: achievements counted only up to the date of last verification review; targets recalibrated by Finance Division and ADB agreement.
- Note that baseline and final targets may be modified at the 2028 Mid-Term Review.

DLI 2 — Financial Transparency (Audited Statements & IFRS Compliance). Two sub-targets: (i) audited financial statements of 39 target SOEs publicly available on SOE websites, and (ii) 33 SOEs with IFRS-compliant audited statements as published by the

IASB. Baseline (2024): 15 entities publish statements; 8 are IFRS-compliant. Annual milestones: 18/8 (2026), 24/18 (2027), 38/26 (2028), 39/30 (2029), 39/33 (2030). The IVA shall:

- Verify the number of SOEs that published audited financial statements online within 6 months of fiscal year end.
- Examine audit reports to confirm IFRS compliance, reviewing auditors' opinions and confirming removal of national exemptions (including IFRS-9) approved by SECP or SBP.
- Collect Annual External Auditor's reports for each SOE showing compliance status.
- Each sub-target is weighted at 50% of the annual disbursement allocation.
- The final target for sub-target (ii) for 2030 will be decided at the 2028 MTR.

DLI 3 — Corporate Governance (Board Appointments & Gender Diversity). All 39 SOE Boards constituted per SOE Act/Policy, and each board has at least one female director. Baseline (2025): 21 entities compliant, 29 with female directors. Annual milestones: 22/30 (2026), 24/32 (2027), 26/35 (2028), 30/37 (2029), 39/39 (2030). The IVA shall:

- Review official notifications of board appointments from line ministries, facilitated by Finance Division/CMU.
- Verify that over 50% of Directors are independent (non-ex-officio, not disqualified under Section 11 of the SOE Act). For NHA, the National Highway Council (NHC) is the relevant governing body.
- Confirm at least one female director (independent or ex-officio) on each board using appointment documents and current rosters.
- Two sub-targets weighted at 50% each of the annual disbursement allocation.

DLI 4 — Public Service Obligations (PSO Framework for 9 SOEs). The 9 commercial SOEs receiving government funding for non-commercial mandates implement the approved PSO framework under the SOE Act/Policy. Baseline (2024): 0 entities. Milestones: 3 (2026), 6 (2027), 9 (2028). The 9 designated SOEs are: (1) Faisalabad ESCO, (2) Hyderabad ESCO, (3) Quetta ESCO, (4) Peshawar ESCO, (5) Lahore ESCO, (6) Islamabad ESCO, (7) Gujranwala EPCO, (8) Multan EPCO, (9) Sukkur EPCO. NHA PSOs are covered under DLI 6. The IVA shall:

- Verify that a PSO Agreement per Section 7(3) and Schedule II of the SOE Act has been signed between each SOE and the Federal Government, specifying effective date.

- Confirm implementation evidence: delivery of services, payment by the Federal Government, and annual disclosure by the SOE of the PSO Agreement terms and government funding received.
- Access data primarily from the Finance Division and line ministries.
- Note adjustments if the government opts to discharge social duties through channels other than these SOEs.

DLI 5 — Institutional Capacity (CMU Database & SOE Reporting System). CMU establishes a fully functional, gender- and climate-responsive electronic database and web portal for SOE data per SOE Act, Section 31(1), with online reporting by all 39 SOEs institutionalized. Baseline (2024): largely manual systems. The IVA shall:

- Verify procurement, development, and deployment of the SOE database. CMU must demonstrate the system's functions to the IVA.
- Test the database against the following four criteria: (a) ability to report on OCRR and all Output 1 indicators; (b) gender-responsive — data disaggregated by gender (workforce breakdown by level and work status, board composition by gender, existence of gender/diversity policy); (c) climate-responsive — captures quantified GHG emissions and IFRS S2 reporting status; (d) technical specifications met (search/query, web portal with tiered access, SOE addition/removal capability, report generation, online submission system).
- Review training records and participant lists for CMU staff, SOE focal points, and NHA focal points.
- In later years, verify routine SOE use of online submission and that the CMU annual report is produced from the database. If the IVA finds during any verification cycle that the CMU database has not achieved the minimum criteria specified in this paragraph, the IVA shall notify ADB in writing within 10 working days of completing its assessment, without waiting for the Annual Verification Report, given the cascading implications for data validation.
- Sub-target weighting: for 2026 and 2030, three sub-targets at 33.33% each; for 2027, four sub-targets at 25% each. No partial disbursement is permitted for DLI 5.

DLI 6 — NHA Financial Sustainability (Debt Restructuring & PSO Compliance). Three sub-targets: (i) all non-commercial CDL debt restructured; (ii) CDL debt stock reduced by 100%; (iii) all non-commercial ongoing projects funded per Section 7(4), Schedule II of SOE Act, and ECC decision of 20 January 2021. Baseline (2024): US \$4.8 billion in debt principal, US \$1.2 billion in accrued interest, approximately US \$6.9 billion throw-forward for ongoing

projects⁵. NHA's total debt stock: approximately US \$7.7 billion principal plus US \$4.2 billion accrued interest as of end 2024. Milestones: restructuring plan approved (2026), 25% reduction (2027), 50% (2028), 75% (2029), 100% (2030). The IVA shall:

- Review NHA's CDL Debt Stock Restructuring Plan 2026–2030 and verify government approval. Prior to reviewing the Restructuring Plan for approval verification, the IVA shall confirm that a comprehensive CDL debt mapping baseline was completed and used as the foundation for the Plan. If the debt mapping is incomplete or its methodology is unclear, the IVA shall flag this as a qualification to its DLI 6 (2026) verification finding.
- Annually verify debt reduction against NHA's financial statements and debt records, confirming cumulative reduction meets or exceeds each target.
- Verify that all ongoing non-commercial projects are funded per PSO framework: review budget documents confirming PSDP funding per Section 7(4), Schedule II of the SOE Act, and ECC decision of 20 January 2021.
- Cross-check using all relevant documents including NHA audited financial statements. NHA prepares its own attestation report; the IVA verifies results during missions.

General Verification Procedures Across All DLIs. The Finance Division/CMU for DLI 1-5, and the NHA for DLI 6, monitors progress towards DLI targets. When a target is deemed met, the relevant implementing agency prepares an attestation report with supporting documentation. The IVA verifies results during missions, reviews records, and conducts checks. The IVA's report is then attached to the attestation report. Within one month of receiving the validated report, ADB will confirm achievement. Verification mission timeframes shall be agreed among the IVA, the Finance Division (and/or NHA), and ADB. Disbursements are allowed for early or late achievement of DLIs, provided results occur during the Program's duration (2025–2030).

2(iii) Verification of Program Action Plan (PAP) Actions⁶

The PAP was developed during Program preparation to address institutional, fiduciary, and capacity gaps essential for sustaining reforms. Each PAP action point is directly related to the results indicators and to fiduciary and management concerns identified by due diligence. The IVA shall assess, verify and report on the implementation status of PAP

⁵ All debt figures are expressed in USD for consistency with the Program's legal documents. The reference exchange rate here is PKR 280 per USD as of 30 June 2024. PKR equivalents can be derived accordingly.

⁶ The table 2 represents a summary of the Program Action Plan. The complete Program Action Plan, including all actions, responsible agencies, and implementation timelines, is set out in Annex 4 of the Program Implementation Document (PAK 58211-001), publicly available on ADB's website at [<https://www.adb.org/sites/default/files/project-documents/58211/58211-001-pam-en.pdf>]. The IVA shall treat the PAP as reproduced in full in these Terms of Reference for the purposes of its verification mandate.

actions across seven areas. The IVA shall also maintain the complete record of their assessment and verification in order to substantiate their reporting. The record shall be inventoried and handed over to the ADB with copy to the Finance Division before the release of final payment to the IVA.

PAP Area	Key Actions (Summary)	IVA Verification Approach
1. Technical / M&E	Develop and implement M&E frameworks; organize verification mission frequency; conduct quarterly progress reviews; establish training database modules; at MTR, assess whether the training indicator should be elevated to DLI status.	Review M&E framework documents; verify quarterly review records (minutes, progress reports); confirm training module database; at MTR, confirm whether elevation was assessed.
2. Gender & Social Inclusion	NHA gender audit of workplace infrastructure and HR policies; establish rosters of qualified women candidates for board appointments; annual gender recruitment and internship targets; gender-sensitive workplace training; leadership development programs for women; geotagging of female-only facilities in NHA's LMIS; standardized gender-disaggregated HR reporting templates for CMU.	Verify completion of NHA gender audit; confirm candidate rosters; review evidence of training; check CMU gender-disaggregated templates; inspect NHA LMIS for facility geotagging.
3. Fiduciary – Procurement	Development of procurement policy and manual: IVA shall verify and assess that the ADB and NHA have undertaken a detailed evaluation of NHA's procurement systems, policies and procedures and the gaps and weaknesses that undermine the integrity and quality of NHAs procurement practices has been identified. The recommendations from this evaluation have been submitted for consideration of NHA Council, and an	IVA shall verify: (i) Procurement Policy/Manual Developed as per SOE Act and procurement assessment report submitted to NHA Council; (ii) Biannual procurement reports are submitted to FD; and

	<p>appropriate action has been initiated by NHA Council.</p> <p>Procurement Performance Monitoring Report:</p> <p>IVA shall confirm that the biannual procurement performance monitoring report have been prepared and submitted to FD, and shall also confirm that the biannual reports contain at least (i) the required level of performance and compliance with the appropriate rules (PPRA Rules) and SOPs of the government; (ii) no High-Value Contracts (as defined by ADB) has been procured and (iii) no contracts awarded to entities debarred by ADB. IVA shall prepare the report template and submit to FD who shall share it with ADB for ADB’s approval.</p> <p>IVA shall verify that in order to ensure legal and procedural compliance of the applicable procurement rules; procurement audit has been conducted by Auditor General of Pakistan along with the financial audit on annual basis and a comprehensive audit report containing procurement audit has been provided by the Auditor General of Pakistan to NHA and/or FD.</p>	<p>(iii) Procurement audit reports received; review competitive bidding evidence (published tenders, bid records).</p>
<p>4. Fiduciary – Governance & Financial Management</p>	<p>Embed program managers in Finance Division & NHA and ensure timely financial statements and audited program financial statements.</p>	<p>Verify appointment of program managers; review timeliness of financial statement submissions;</p>
<p>5. Program Expenditure & Financing</p>	<p>Ensure adequate budget allocation and timely release of counterpart funds in identified budget codes.</p>	<p>Review budget allocation documents and fund release records for timeliness and sufficiency.</p>

6. Climate	Strengthen climate-responsive institutional capacities of CMU and identified SOEs; integrate climate risk modules in training; increase access to climate finance (carbon finance, green bonds, debt-for-climate swaps); at MTR, assess whether additional SOEs should be included.	Verify climate capacity-building activities; review training curricula for climate modules; at MTR confirm assessment; review climate finance evidence.
7. Safeguards	Implement and monitor recommendations of the Program Safeguards Systems Assessment (PSSA); prepare inputs for quarterly progress reviews; screen proposed activities to exclude those with significant adverse impacts from RBL funding.	Review PSSA implementation records; verify screening processes; confirm quarterly safeguard inputs prepared.

While PAP actions are not directly tied to disbursements, they are covenanted obligations critical for reform sustainability. For each action, the IVA shall determine its status i.e., Completed, On Track, Delayed, or Not Started, with supporting evidence. PAP delays that could jeopardize DLI achievement or long-term sustainability shall be prominently flagged.

2(iv) Verification of Non-DLI Indicators

The IVA shall also verify indicators not linked to disbursement as specified in the Results Framework and Program Implementation Document⁷. For indicators relating to NHA's road networks — including climate resilience, road safety improvements, and women's representation in NHA — the IVA shall coordinate directly with NHA as the primary data source and counterpart. These include Program-monitored outcomes such as improvements in climate resilience and safety of NHA's road networks, and increased women's representation in NHA. The IVA shall review data from CMU and NHA, confirm the accuracy of reported values, and include findings in the Annual Verification Report.

2(v) Data Collection, Field Verification, and Stakeholder Engagement

For each verification cycle, the IVA shall:

- **Coordinate with Implementing Agencies:** Liaise with Finance Division/CMU (for DLIs 1–5) and NHA (for DLI 6) to obtain attestation reports and supporting documentation. All data requests shall be made in writing, with the Finance Division/CMU facilitating access to SOE reports, line ministry records, and other sources. If a data request is not fulfilled within 15 working days without adequate justification, the IVA shall notify all

⁷[Accelerating State-Owned Enterprises Transformation Program: Program Implementation Document](#)

relevant parties (ADB, Finance Division/CMU for DLIs 1–5, and NHA for DLI 6) in writing so that action can be taken to ensure access.

- **Document Review:** Examine all documents for authenticity, completeness, and accuracy. Recalculate metrics where required (e.g., aggregated OCRR for DLI 1). For PAP actions, review training records, policy documents, audit reports, screening checklists, budget allocation letters, and related evidence.
- **Field Verification:** Undertake on-site verification visits including analyzing the CMU database system, visiting a sample of SOEs or NHA offices, and meeting responsible officials. For DLI 5, physically test database functionality or review demonstration reports to verify each of the four minimum criteria.
- **Stakeholder Interviews:** Interview CMU staff, SOE finance directors, NHA managers, board members, and program managers to gather qualitative evidence and cross-check written records.
- **Verification Review Meetings:** Convene verification meetings with the Finance Division/CMU, NHA, and ADB to present preliminary findings, resolve questions on evidence, and address any divergences before finalizing reports.

2(vi) Reporting

For each verification cycle, the IVA shall prepare a Draft Verification Report covering:

- **Executive summary** with a table of each DLI's achievement status (percentage achieved, amount eligible for disbursement) and a summary of PAP and non-DLI indicator progress.
- **Detailed findings per DLI:** target, evidence examined, verification methods, and conclusion (Achieved / Partially Achieved / Not Achieved), with partial achievement calculations documented.
- **PAP Progress Section:** for each of the seven areas, a status assessment with evidence and any emerging risks to sustainability.
- **Non-DLI Indicators Section:** verified values of monitored indicators not linked to disbursement.
- **Issues and recommendations:** data gaps, delays, and suggestions for future cycles.
- Appendices with supporting documentation, calculation worksheets, and a statement of the IVA's independence.

The Draft Report shall be shared with the Finance Division/CMU, NHA, and ADB for review. The IVA shall present findings in a joint verification review meeting. Where disagreements arise (e.g., the implementing agency contests the IVA's finding), the IVA shall provide evidence-based justification referencing the Verification Protocols; the final report shall note any unresolved disagreements for ADB's consideration. The Final Verification Report shall incorporate valid feedback, be endorsed by the IVA's authorized representative, and

be submitted for disbursement processing. ADB's acceptance of the Final Verification Report shall be the operative standard for disbursement purposes.

2(vii) Mid-Term Review (MTR) Contribution

By mid-2028, the IVA shall prepare a consolidated summary of verification findings to support the Program's Mid-Term Review, including cumulative DLI achievement status, PAP implementation assessment, and recommendations. In addition to this, during the MTR⁸:

- Baseline and final targets for DLI 1 may be reviewed and modified, if necessary;
- The final number of target entities for DLI 2 sub-target (ii) for 2030 will be decided given the ongoing work by the government on the issues of circular debt and IFRS compliance; and
- Consider making the training indicator (#12 in the Result Framework)⁹ a DLI.

The IVA's Team Leader shall participate in the MTR mission. The IVA shall present its consolidated findings and recommendations to the MTR team and be available for at least 5 working days during the MTR period.

The IVA Team Leader's participation in the MTR mission will be confined to presenting consolidated verification findings and evidence-based assessments. This task will not entail advisory, supervisory, or implementation responsibilities to ensure that the IVA's independence is not compromised.

2(viii) Spot Checks and Data Validation

To enhance the credibility and robustness of the verification process, the IVA shall apply risk-based spot checks as part of its standard methodology. This approach is particularly important given the institutional context of the CMU, which was established under the SOE Act, 2023. As a newly formed unit, the CMU is still operationalizing its mandate and developing its central electronic database for monitoring the financial and non-financial performance of SOEs. During this transitional period, data systems are evolving, and many SOEs are reporting to a centralized platform for the first time. Spot checks provide an essential layer of assurance in this early stage of system maturity. The IVA's spot checks shall include, at a minimum:

- Annual sampling and re-verification of underlying documentation (e.g., financial statements, PSO agreements);

⁸ The points are defined in the Program Implementation Document.

⁹ The Result Framework #12 states that: By 2030, capacity strengthening for SOE reforms achieved, with knowledge increased among the following: (i) 1,000 civil servants (at least 30% women), (ii) 200 staff from 39 target SOEs and NHA (at least 10% women). (iii) Board of Directors from 39 SOEs and NHA.

- Field visits to SOEs or NHA offices to observe systems or review records;
- Interviews with relevant personnel to triangulate reported information.

All spot checks shall be transparently documented in the verification reports, including the rationale, scope, methodology, and any implications for data reliability. The IVA shall not provide implementation advice or engage in management functions. Findings from spot checks shall be reported to the Finance Division and ADB for consideration and follow-up, in line with the IVA’s role as an independent verifier.

3. Deliverables and Timeline

Deliverable	Timing	Description
Inception Report	Within 2–3 weeks of contract start	Verification methodology for all DLIs, PAP areas, and non-DLI indicators; work plan; team composition; checklists. Subject to ADB approval after consultation with the Finance Division.
Prior Results Verification Report	Q3/Q4 2026	Verification of any results achieved before loan effectiveness claimed for the US \$20 million prior results disbursement. May be incorporated into the 2026 Annual Report if timing permits.
Annual Verification Reports (Draft + Final)	After each annual cycle (tentatively Q3/Q4 each year), 2026–2030	DLI verification, PAP status assessment, non-DLI indicators, evidence summaries, partial achievement calculations, and recommendations.
Mid-Term Review Brief	Mid-2028	Consolidated DLI/PAP/indicator status and recommendations for MTR discussions.
Completion Verification Report	Early 2031	Synthesis of entire Program verification: all DLI achievements, cumulative PAP status, non-DLI indicators, lessons learned, and sustainability observations.

The IVA shall remain flexible to adjust timing. Verification may be required on an ad hoc basis whenever the Government declares a result met, including for early achievements. All schedules shall be agreed among the IVA, the Finance Division, NHA, and ADB.

4. Reporting, Coordination, and Contract Arrangements

4(i) Reporting and Coordination

The IVA shall report to the Finance Division. Finance Division will serve as the primary counterpart, with a designated Program Director as the IVA's principal liaison. All verification reports — draft and final — shall be submitted to both the Finance Division and ADB at the same time. ADB is a co-recipient of all IVA outputs for the purposes of disbursement processing. For avoidance of any doubt:

- For all DLIs and non-NHA related PAPs, the Finance Division shall serve as the primary counterpart.
- For all non-DLI and NHA-related PAPs, NHA shall serve as the primary counterpart.

Counterpart	Coordination Role
Finance Division	<ul style="list-style-type: none"> • Provides data from 39 SOEs; compiles attestation reports for DLIs 1–5; facilitates access to SOE reports, board appointment notifications, PSO agreements, and database system; provides PAP progress updates; arranges meetings with line ministries. • Submit attestation reports pertaining to DLI 6 in accordance with the applicable verification requirements. • Provide all supporting evidence, records, and documentation related to non-DLIs, excluding those specifically associated with NHA. • Perform any other responsibilities and furnish any additional information or documentation required under the Program documents and related implementation arrangements.
NHA	<ul style="list-style-type: none"> • Provide all evidence, supporting records, and documentation related to the verification of Non-DLIs. • Makes available NHA audited financial statements, debt restructuring plan, project funding records, and NHA-specific PAP progress. • Provide any additional information, documentation, or support required in accordance with the Program documents and related implementation arrangements.
ADB	<ul style="list-style-type: none"> • Reviews and confirms DLI achievement within one month of receiving validated IVA report; participates in verification review meetings; reviews PAP findings; ensures verification meets ADB RBL standards.

	<ul style="list-style-type: none"> • Any other aspect in-line with the program documents.
Line Ministries / SOEs	<ul style="list-style-type: none"> • Provide underlying data (financial statements, board appointment notifications) facilitated through CMU or via official IVA requests. • Provide any additional information, documentation, or support required in accordance with the Program documents and related implementation arrangements.

4(ii) Communication

A kick-off meeting will be held in Islamabad. Prior to each verification mission, the IVA shall share data requirements and mission plans. Post-mission, findings will be presented in a joint verification review meeting. All reports shall be submitted in English in electronic format (MS Word/PDF) and hard copy if required.

4(iii) Duration

The engagement spans approximately 5 years (mid 2026 – mid 2031). The contract will be structured as output-based with payments linked to accepted deliverables. The engagement will be subject to review at the midterm stage, including consideration of performance and implementation progress.

4(iv) Logistics

The IVA shall maintain a designated local representative or project coordinator based in Islamabad for the duration of the assignment. This individual shall serve as the primary point of contact for the Finance Division/CMU and NHA for day-to-day coordination, data requests, and scheduling. International firms or firms headquartered outside Islamabad shall demonstrate in their technical proposal how they will ensure adequate local presence and responsiveness throughout the engagement.

The IVA is responsible for its own office space, equipment, and logistical arrangements, including domestic travel (to be included in the financial proposal). The ADB, Finance Division/CMU and NHA may provide temporary workspace and meeting facilities. Security and insurance for personnel are the IVA's responsibility.

5. Independence, Ethics, and Conflict of Interest Provisions

Independence and impartiality are paramount. The following requirements apply:

(a) Organizational Independence. The IVA (including all team members and subcontracted entities) was, is and shall not have been involved in any design, implementation, or advisory support for the Accelerating SOE Transformation Program, nor have any direct financial or operational stakes in its outcomes. Any potential conflict

of interest or prior work with the Finance Division, CMU, NHA, or any of the 39 target SOEs (list of SOEs attached as **Annex-B**) shall be disclosed in the proposal and will be subject to review. If a conflict of interest is discovered or arises after contract award, the affected team member shall immediately notify the Finance Division and ADB who shall determine whether the conflict is material; if so, the affected individual shall be replaced by a qualified substitute of equal or greater qualifications. Failure to disclose a known COI shall be grounds for contract termination. Throughout the duration of the assignment and for a period of six (6) months after its completion, the IVA shall not undertake or accept any advisory, consultancy, audit, or similar assignments from any of the 39 target SOEs or the NHA.

(b) Personnel Independence. No individual shall have a personal, professional, or financial relationship with any implementing agency or target SOE that could impair objectivity in relation to the verification of the Program's DLIs and PAP actions. During the assignment, team members shall not accept advisory, consulting, or audit work from any entity being verified. Throughout the duration of the assignment and for a period of six (6) months after its completion, all designated team members of the IVA shall not undertake or accept any advisory, consultancy, audit, or similar assignments from any of the 39 target SOEs or the NHA

(c) Ethical Standards. The IVA's work shall adhere to ethical guidelines consistent with international audit and assurance standards (e.g., IFAC's Code of Ethics for Professional Accountants, ISAE 3000, or equivalent). The principles of integrity, objectivity, professional competence, confidentiality, and professional behavior shall be maintained throughout.

(d) No Advocacy Role. The IVA's mandate is strictly to verify and report findings. The IVA shall not provide consulting advice to the Government on how to meet targets, nor engage in any management functions of the Program.

(e) Confidentiality. All data and information collected shall be treated as confidential and used solely for verification purposes. The IVA shall not disclose the data, documents, or the findings to any external parties without the Finance Division or NHA's written permission, except to ADB as a co-recipient of verification reports.

(f) Declarations. All IVA team members shall sign conflict of interest and non-disclosure declarations at contract start. Any issue arising that could impair independence shall be immediately reported to the Finance Division/CMU with copy to the ADB.

(g) Anti-Fraud and Anti-Corruption. The IVA shall comply with ADB's Anticorruption Policy (1998, as amended) and the Guidelines to Prevent or Mitigate Fraud, Corruption, and

Other Prohibited Activities in Results-Based Lending for Programs¹⁰. If the IVA encounters evidence of fraud, corruption, or misrepresentation during verification, it shall immediately report to the Finance Division and ADB.

(h) Change of Team: If the IVA intends to replace or modify any member of the designated team during the program period, it must first notify the Finance Division and obtain its prior approval.

6. Adherence to Program's Verification Protocols

This TOR shall be read alongside the Program's Verification Protocols (Annex 1, Table 2 of ADB's Report and Recommendation of the President, which provide the full technical definitions, conditions for disbursement, and partial disbursement formulas for each DLI; the Program Action Plan (in the PID, Annex 4), which provides the complete listing of PAP actions with timelines and responsible agencies; and the Results Framework in the PID, which identifies indicators not linked to disbursement. All these documents are available on the ADB website¹¹. The IVA's activities — covering DLI verification, PAP progress assessment, non-DLI indicator validation, and baseline confirmation — are instrumental in ensuring the transparency, accountability, and credibility of the Accelerating SOE Transformation Program's results-based financing framework.

7. Dispute Resolution

Any dispute, controversy, or claim arising out of or relating to this Contract, including its interpretation, performance, breach, termination, or validity, shall, in the first instance, be resolved amicably through consultations and negotiations between the Parties i.e., IVA and Finance Division. If the dispute cannot be resolved through mutual consultations within thirty (30) days of either Party providing written notice of the dispute, ADB shall step in as a mediator to amicably resolve the dispute.

The IVA shall indemnify and hold harmless the Finance Division and ADB, their respective officers, employees, and representatives, from and against any claims, liabilities, losses, damages, costs, or expenses arising from the IVA's acts, omissions, negligence, misconduct, or breach of this Contract. The IVA agrees that any disputes arising under this Contract shall be resolved exclusively in accordance with the dispute resolution provisions contained herein.

If, during the engagement period, the performance of the Independent Verification Agency (IVA) is found to be unsatisfactory or inconsistent with the Terms of Reference

¹⁰See footnote 2

¹¹ These documents are publicly available on ADB's project page for PAK 58211-001: www.adb.org/projects/58211-001/main. For direct access to project documents, see: <https://www.adb.org/projects/documents/pak-58211-001-rrp>

(ToR), the Finance Division and ADB shall jointly review the matter and will have the right to terminate the contract.

Following is the list of abbreviation and full forms used in the document.

Table 5: List of abbreviation	
Abbreviation	Full Form
ADB	Asian Development Bank
CDL	Cash Development Loan
CMU	Central Monitoring Unit
DLI	Disbursement-Linked Indicator
ECC	Economic Coordination Committee of the Cabinet
EGM	Effective Gender Mainstreaming
ESCO/EPCO	Electric Supply Company / Electric Power Company
IASB	International Accounting Standards Board
IFRS	International Financial Reporting Standards
IVA	Independent Verification Agency
LMIS	Land and Asset Management Information System
MOF	Ministry of Finance
MTR	Mid-Term Review
NHA	National Highway Authority
NHC	National Highway Council
OCRR	Operating Cost Recovery Ratio
PAP	Program Action Plan
PID	Program Implementation Document
PSDP	Public Sector Development Programme
PSSA	Program Safeguards Systems Assessment
PSO	Public Service Obligation
QCBS	Quality- and Cost-Based Selection
RBL	Results-Based Lending
RRP	Report and Recommendation of the President
SBP	State Bank of Pakistan
SECP	Securities and Exchange Commission of Pakistan
SOE	State-Owned Enterprise
TA	Technical Assistance
TASF	Technical Assistance Special Fund

ANNEX-B

List of SOEs including NHA under ADB’s “Accelerating SOEs Transformation Program”¹²:

List of SOEs including NHA under the SOE program				
#	Name of SOE and abbreviation		Sector	Incorporation type
1	House Building Finance Company Limited	HBFC	Financial	Companies Act 2017
2	Exim Bank of Pakistan Limited	EBPL	Financial	Companies Act 2017
3	National Insurance Company Limited	NICL	Financial	Companies Act 2017
4	Saindak Metals Limited	SML	Manufacturing, Mining & Engineering	Companies Act 2017
5	Pakistan Mineral Development Corporation (Private) Limited	PMDC	Manufacturing, Mining & Engineering	Companies Act 2017
6	National Engineering Services Pakistan (Private) Limited	NESPAK	Manufacturing, Mining & Engineering	Companies Act 2017
7	Government Holdings (Private) Limited	GHPL	Oil & Gas	Companies Act 2017
8	Oil and Gas Development Company Limited	OGDCL	Oil & Gas	Companies Act 2017
9	Pakistan Petroleum Limited	PPL	Oil & Gas	Companies Act 2017
10	Pak Arab Refinery Company	PARCO	Oil & Gas	Companies Act 2017
11	Sui Southern Gas Company Limited	SSGC	Oil & Gas	Companies Act 2017
12	Pakistan State Oil Company Limited	PSO	Oil & Gas	Companies Act 2017
13	Sui Northern Gas Pipelines Limited	SNGPL	Oil & Gas	Companies Act 2017
14	Faisalabad Electric Supply Company Limited	FESCO	Power	Companies Act 2017
15	Hyderabad Electric Supply Company Limited	HESCO	Power	Companies Act 2017
16	Quetta Electric Supply Company Limited	QESCO	Power	Companies Act 2017
17	Peshawar Electric Supply Company Limited	PESCO	Power	Companies Act 2017
18	Lahore Electric Supply Company Limited	LESCO	Power	Companies Act 2017
19	Islamabad Electric Supply Company Limited	IESCO	Power	Companies Act 2017
20	Gujranwala Electric Power Company Limited	GEPCO	Power	Companies Act 2017
21	Multan Electric Power Company Limited	MEPCO	Power	Companies Act 2017

¹² The list of 39 target SOEs set out in this Annex B reflects the Program's current scope as at the date of this Request for Proposals. The Finance Division, in consultation with ADB, reserves the right to revise the list prior to contract signature to reflect any changes in the Program's implementing arrangements. Any such revision will be communicated to all bidders and will not materially affect the overall scope or contract value of the assignment.

22	Sukkur Electric Power Company Limited	SEPCO	Power	Companies Act 2017
23	GENCO-I: Jamshoro Power Company Limited	GENCO-I (JPCL)	Power	Companies Act 2017
24	GENCO-II: Central Power Generation Company Limited, Thermal Power Station, Guddo	GENCO- II (CPGCL)	Power	Companies Act 2017
25	GENCO-III: Northern Power Generation Company Limited, Thermal Power Station, Muzaffargarh	GENCO- III (NPGCL)	Power	Companies Act 2017
26	GENCO Holding Company Limited	GHCL	Power	Companies Act 2017
27	National Power Parks Management	NPPMCL	Power	Companies Act 2017
28	National Transmission and Dispatch Company	NTDC	Power	Companies Act 2017
29	Central Power Purchase Agency (Guarantee) Limited	CPPA (G)	Power	Companies Act 2017
30	Pakistan Expo Centers (Pvt) Ltd	PEC	Industrial Estate Development	Companies Act 2017
31	Trading Corporation of Pakistan (Private) Limited	TCP	Trading & Marketing	Companies Act 2017
32	National Fertilizer Corporation of Pakistan (Private) Limited	NFC	Trading & Marketing	Companies Act 2017
33	Pakistan Revenue Automation (Private) Limited	PRAL	Miscellaneous	Companies Act 2017
34	National Bank of Pakistan	NBP	Financial	Special Enactment
35	State Life Insurance Corporation	SLIC	Financial	Special Enactment
36	Port Qasim Authority	PQA	Infrastructure, Transport & ITC	Special Enactment
37	National Telecommunication Corporation	NTC	Infrastructure, Transport & ITC	Special Enactment
38	Water and Power Development Authority	WAPDA	Power	Special Enactment
39	Pakistan National Shipping Corporation	PNSC	Infrastructure, Transport & ITC	Special Enactment*
40	National Highway Authority	NHA	Infrastructure, Transport & ITC	Special Enactment*

**Entities where their statutes have been amended to bring them in line with the 2023 SOE Act.*