

ENHANCING VALUE ADDITION IN READYMADE GARMENTS IN PAKISTAN
TERMS OF REFERENCES (TORS) FOR CONSULTANT

Duration: 25th January, 2023 to 25th June, 2023

1. GENERAL

This document contains the Terms of Reference (TOR) for the **Consultant**, to be engaged by WWF-Pakistan (hereinafter called the **Employer**), for conducting a study on ‘Enhancing Value addition in readymade garments in Pakistan’ (hereinafter called the **Study**).

2. BACKGROUND

The textile industry of Pakistan is one of the top contributors to the country’s exports. Within the textile value chain, the garment sector’s value addition is the highest, contributing significantly to the country’s exports. Greatest value addition is made at the stage of garment manufacturing in the textile supply chain and the country’s share has grown from 21 percent in 2001 to 42 percent in 2016 of textile exports. Still, when compared to its regional competitors such as Bangladesh and Vietnam, the exports of the readymade garments (RMG) remain quite low. Moreover, much of the finished textile produced in the country is exported rather than being converted to a high value RMG, thereby earning low revenue overall.

3. OBJECTIVES AND SCOPE

The study will look at RMG sector of the textile value chain of Pakistan as a whole and ways to enhance value addition in them. There are three objectives of the study. The first objective of the study is to establish the baseline, identify and outline the impediments, limitations and restrictions pertaining to producing and exporting RMG keeping in view the existing textile setup of the country and the ongoing COVID-19 pandemic. This is intended to provide hotspots for immediate action.

The 2nd objective is to identify the possibility of export substitution, explore and lay out existing opportunities and capabilities of producing readymade garments in Pakistan for international markets with available raw material base and infrastructure. This will formulate lead to the formulation of short- and medium-term goals.

The 3rd objective is framing the recommendations for broadening and upgrading the raw material base and infrastructure (machinery and technology) necessary to overcome the limitations in existing Pakistan Textile setups to produce RMG for increased exports, particularly focusing on upscaling and ensuring sustainability.

4. SPECIFIC TASKS

The study will include:

- A methodology according to which the study will be conducted, including the limitations and how to overcome these.
- Existing capacity of Pakistan's textile sector to produce RMG from local yarn, focusing on how much of RMG is currently being produced, what percentage is being converted from raw to finish and being exported which could otherwise be converted to RMG and earn greater revenue thereby exploring the possibilities and shortcomings of utilizing local raw material.
- Review of global market for RMG, Pakistan's performance in producing and exporting RMG and how the sector has gained importance in contributing to the country's export over the years with a particular focus on whether the exports are skewed towards low-value added items or high-value added items.
- Analysis of the country's export markets for RMG and the potential for exploring untapped markets.
- Growth rate of RMG sector in the country and comparison with the regional and international competitors.
- In depth analysis of the competitiveness or lack thereof of the country's RMG in the international market
- The role of RMG sector in driving innovation and competitiveness as well as improving compliance with national and international labour and environmental standards and conventions.
- Analysis of the role of internal supply chain management for reducing lead time and environmental footprint for local/international textile and apparel brands and retailers.
- Utilizing GSP+ Status to maximize the benefits and enhance value addition in the RMG production and export
- Technology level and infrastructure of the country for RMG production, its comparison with the regional/international competitors and how this impacts production cost, product quality and competitiveness.
- Financial landscape of the country which is conducive/non-conducive to enhancing value addition and exports of RMG
- Key limitations for not realizing the true potential of the RMG international market
- Exploration of opportunities for increasing value-added RMG production and export in Pakistan with existing limitations
- Regional and international best practices and success stories which can be replicated in Pakistan, including a critical review of the strategy adopted by Bangladesh and Vietnam for promoting RMG exports.

- In depth short term, medium term and long-term measures and recommendations bifurcated for public, private, academic and technical sectors for overcoming the impediments in producing high-valued RMG for the global markets

5. DELIVERABLES

- Comprehensive report with executive summary
- 2-pager brief of the study
- Plagiarism report of the study with the similarity index not exceeding by 15 percent.
- Presentation on the findings of the report
- 01 dissemination session with the project stakeholders based on findings of the report

6. EXPERTISE AND COMPETENCIES REQUIRED

- Consultant/Team of Consultants from a national/international firm must have a Masters in textile engineering/textile supply chain/environmental engineering or related fields with a minimum experience of 10 years.
- Demonstrated experience of working on similar assignments in past will be preferred.
- Adhere to WWF's values, which are: Courage, Integrity, Respect and Collaboration

7. TIME FRAME

- 05 months
- 25th January, 2023 to 25th June, 2023

8. Guideline for submission of proposal/expression of interest:

Interested consultants should submit the following documentation to Muzzammil Ahmed (mahmed@wwf.org.pk) and Maham Zahara (mzahara@wwf.org.pk)

- Brief introduction of consultant (attach detailed CV with references)
- Understanding of the context
- Methodology
- Design Portfolio
- Work plan
- The consultant will submit the cost of assignment in lump sum including all applicable taxes of the Government of Pakistan.

9. Selection Criteria:

Applicant's proposal shall be evaluated based on Quality and Cost Based Selection (QCBS) method. Under QCBS both technical and financial proposals shall be evaluated as per following criteria against a maximum score of 100 points.

- a. Technical Proposal 70%
- b. Financial Proposal 30%

The following criteria shall be used as a basis for evaluation of technical proposals:

- Qualifications (maximum 30 points)
- Experience relevant to the assignment (maximum 30 points)
- Adequacy of the proposed methodology and work plan (maximum 20 points)
- Skills & Competencies for the assignment (maximum 10 points)
- Prior experience with WWF-Pakistan (maximum 10 points)

Note: Late/ incomplete submissions will not be accepted. Only three (03) top ranked firms will be included in the comparative process.