

Supply Chain Management Department  
SCM Deptt (Store) Building Near PIA Head Office Karachi Airport  
Tel: +92-21-99044423 /Email ID: khijzpk@piac.aero

Tender Ref # **GM/Fuel/002/2020**

Dated: Jan, 20, 2020

## Invitation for Tender and Instructions to the Bidder(s)

M/S \_\_\_\_\_

SUB: **Procurement/ Supply of Aviation JET A1 Fuel DEF-STAN 91-91 (Foreign Stations)**

Dear Valued Vendor(s),

Pakistan International Airlines Head Office Karachi Airport is pleased to invite sealed bid(s) from well reputed Oil Manufacturers, Authorized Dealers, Contractors, General Supplier(s) for the procurement/Supply of :-

**Jet A-1 Fuel Conforming DEF-STAN 91-91** (latest issue) "Single Stage One Envelope (Financial Proposal basis)

### **AVIATION JET A1 FUEL SUPPLY TENDER TERMS OF REFERENCE (TORS)**

#### **1. PRODUCT.**

Aviation Jet A-1 fuel conforming specifications given below.

#### **2. PRODUCT SPECIFICATION.**

Aviation Jet A-1 fuel conforming requirements of DEF-STAN 91-91, AFQRJOS, ASTM D-1655 latest issues, and IATA Guidance Material for Jet A-1.

#### **3. PRODUCT QUALITY AND PERFORMANCE CONFIRMITY.**

Bidder shall furnish product quality conformity documentary evidence (quality approvals) along with bid offer.

Consumption/Requirement of Jet A-1 Fuel Conforming DEF-STAN 91-91 of PIA's existing Foreign Stations are as under with delivery schedule:

#### **4. DELIVERY SCHEDULE.**

STATION WISE ESTIMATED VOLUME				
S.No	LOC	Quantity M.USG	Fuel Supply Contract Period	
			From	To
1	Manchester (EGCC/MAN)	12.441	01/01/2020	30/06/2021
2	Beijing (ZBAA/PEK)	3.064	01/01/2020	30/06/2021
3	Paris (LFPG/CDG)	3.019	01/01/2020	30/06/2021
4	Copenhagen (EKCH/CPH)	1.251	01/01/2020	30/06/2021
5	Jeddah (OEJN/JED)	22.833	01/01/2020	30/06/2021
6	Medina (OEMA/MED)	4.818	01/01/2020	30/06/2021
7	Riyadh (OERK/RUH)	4.067	01/01/2020	30/06/2021
8	Tokyo (RJAA/NRT)	1.484	01/01/2020	30/06/2021
9	Taif (OETF/TIF)	2.160	01/01/2020	30/06/2021

Tender volumes shown above are purely estimates and are subject to change with the flight schedule changes and operational requirement. The operational requirement may change  $\pm 15\%$ .

#### **5. PRICE ESCALATION / DE-ESCALATION MECHANISM**

Please indicate Platt's oil gram market index to which your price will be linked, for the purpose of escalation / de-escalation mechanism. This will be indicated clearly in a sample invoice marked clearly as "Demo Invoice for Tender".

#### **6. TAXES / FEES AND 3<sup>RD</sup> PARTY CHARGES**

Duties, Fees, Taxes, Levis, or Third party charges with complete details in USC/USG shall be quoted in the offer separately from differential (Index Price). Demo or Sample invoice in USC/USG may also be included in the offer indicating clearly all applicable charges as shall be invoiced during contract period marked clearly as "Demo Invoice for Tender".

## **7. FIXED DIFFERENTIAL (MARGIN)**

Fixed differential shall be quoted without any duty, tax, fee, or third party charge for the entire contract period and will remain fixed through the currency of contract which will be part of the contract price for a respective location. It shall be quoted in USC/USG and shall not be linked directly or indirectly to any other currency whatsoever & will be indicated clearly in a sample invoice marked clearly as "Demo Invoice for tender".

## **8. CONVERSION FACTOR / EXCHANGE RATE**

Product Unit of Measure (UOM) conversion factors from: (a) LTR to USG, (b) MT to USG shall be clearly mentioned at the time of submission of bids. Source of exchange rate, currency exchange mechanism details for taxes / fees in currency other than USD shall be clearly mentioned and notifications of same shall be shared with PIA as per invoicing frequency.

## **9. PAYMENT / CREDIT TERMS**

Please indicate credit period and invoicing frequency clearly in your offer. Unless otherwise indicated credit period shall always be counted from date of invoice.

## **10. CURRENCY OF PAYMENT**

USD or the applicable local currency at PIA's option; should PIA decide to opt the local currency payment or switch back the original payment currency, advance notice will be given to seller.

## **11. BIDDER ELIGIBILITY**

Bidder aviation Jet A1 fuel supply clientage experience to scheduled international commercial passenger airlines registered with International Air Transportation Association (IATA) at any international civilian airport. Complete detail must be enclosed with tender. PIA reserves right to reject the bid of a supplier whose refuelling service has not been satisfactory.

**12. TENDER DOCUMENT AMENDMENT:** PIA prior to bid submission deadline may amend bidding documents, and/or extend deadlines in the tender documents by issuing, and publishing/uploading addendum/corrigendum on PPRA, PIA website links in the tender.

**13. BID PRICE OFFERS AND DISCOUNTS:** Bid offer will be in one round only. PIA reserves the right to negotiate with the lowest evaluated, competitive bidder(s), they may offer any discount at any or all bidding locations in their offer as per industry practice.

**14. EVALUATION PROCESS INTEGRITY AND CONFIDENTIALITY:** Information relating to bids evaluation, comparative examination, management reviews post-qualification and recommendation of contract award, shall not be disclosed to bidders or any other persons not officially concerned with such process before management approval and publication of the Contract Award. At any stage of evaluation process bidder shall provide clarification as required.

## **15. BIDS EVALUATION CRITERIA**

The contract shall be awarded to the lowest cost bidder on each station taking into account the impact of following

- Platt's market quoted.
- Fixed differential (Margin)
- Fees & taxes; and
- Opportunity cost / saving of funds in case of advance payment or credit period respectively shall be calculated by the formula:

**(Avg. No. of days (Credit or Advance) X PIA annual cost of capital/funds X Into-plane Price).**

365

**16. PRICE SCHEDULE:** Tender Schedule A page No. Filling this schedule by bidder is mandatory.

## **17. AWARD OF CONTRACT:**

Contract shall be awarded to lowest bidder on the approval of tender evaluation by PIA Fuel Purchase Committee (FPC).

## **18. TERMS OF OFFER**

After final award of contract no change in terms and conditions mentioned in original offer shall be accepted. In case of any contravention PIA reserves the right to accept or reject any bid offer or annulled the tender at any stage prior to contract award. This right shall be without prejudice to any remedy available under the terms of offer.

## **19. UNSCHEDULED AND VVIP FLIGHTS**

PIA acts as agent on behalf of government of Pakistan for VVIP fuelling. Further PIA also operates charter flights and sometimes flights are diverted due to operational reasons. If for any circumstance mentioned as above uplift is needed at the above mentioned locations said uplift shall also be deemed to be covered in your location offer & contract. Bidder may also offer Carnet Card based refueling terms and conditions, price discounts.

**20. TENDER / AGREEMENT T & CS:** Terms of tender and agreement shall be in compliance with IATA Aviation Fuel Supply Model Agreement latest Version.

## **21 CONTRACT PERIOD**

Contract will be entered into for the period of two years (Eighteen 18) calendar months

commencing from January, 2020 and expiring on June 30, 2021 (both days inclusive).

**Tender Schedule-A (Aviation JET A1 Fuel DEF-STAN 91-91)**

**Tender Reference# GM.**

**Fuel/002/2020**

PRICE SCHEDULE-A (Filling this schedule-A by bidder is mandatory).

<b>Bidders are required to submit their Financial Proposals as per following Format</b>							
<b>Foreign Stations</b>			<b>Platt's Index Price</b>	<b>Margin (0.000)</b>	<b>All Taxes/</b>	<b>Fees/Third Party (if any)</b>	<b>Into-Plane Price</b>
<b>S.N</b>	<b>Station Name/Code#</b>	<b>Qty</b>	<b>USD/USG</b>	<b>USD/USG</b>	<b>USD/USG</b>	<b>USD/USG</b>	<b>USD/USG</b>
1	Manchester (EGCC/MAN)	12.441					
2	Beijing (ZBAA/PEK)	3.064					
3	Paris (LFPG/CDG)	3.019					
4	Copenhagen (EKCH/CPH)	1.251					
5	Jeddah (OEJN/JED)	22.833					
6	Medina (OEMA/MED)	4.818					
7	Riyadh (OERK/RUH)	4.067					
8	Tokyo (RJAA/NRT)	1.484					
9	Taif (OETF/TIF)	2.160					

Authorized Signatures (of the Bidder): \_\_\_\_\_

Official Seal of the Company \_\_\_\_\_

(To be furnish by vendor for item (A) only)

**Encl:**

1. Tender Schedule-"A"
2. Undertaking
3. Integrity Pact

**Notes:** Prescribed Tenders form may also be downloaded from [www.piac.com.pk](http://www.piac.com.pk) and [www.ppra.org.pk](http://www.ppra.org.pk)

## TENDER DOCUMENTS MUST BE FURNISHED AS PER FOLLOWING PATTERN

The Tenders documents of item are invited on single stage One envelope **Financial Proposal only** and contains following documents;-

(a) Duly filled PIA Tender Documents Schedule- A (Price, Brand name/origin/ shelf life of product (where applicable) /Manufacturer and expected date of delivery). Unit price /taxes (if any) /Extended Value both in figures and words should be mentioned and only one Rate/one available Brand is allowed to mention in the tender documents (overwrite/cuts/use of Ink removers is lead to rejection of bid) [Each page should be filled, signed & bearing company's seal].

(b) Rates/brand/Origin/Date of Manufacture of item/shelf life of product & expected date of delivery can also be mention in participating company own letter pad).

(c) If Technical Literature / Brochures of offered Product is/are available then please attached

(d) Testing Report (where required OR applicable) .

(e) Authority Letter (In case of Rep participating on behalf of company).

(f) For Pak based local vendors required to submit **Tender Fee PKR. 6,000/= (none refundable)** in shape of pay order cash receipt in favor of "Pakistan International Airlines".

(g) Pak based local vendor required to submit valid GST/NTN Certificates and fill Check List in tender docs

(h) After opening of Financial Proposals all the Technical literature/Approval/Certificates submitted by respective bidders will be forwarded to Central Evaluation Committee of PIA for Evaluation purpose if necessary.

Lowest bidder will be declared only subject to technically qualified by respective committee of PIA.

(i) Evaluation Report shall be uploaded on PIA / PPRA website and will inform to bidder.

Upon any disagreement with evaluation, participant(s) can submit their grievances to the Central Grievance Committee address of GM Procurement within period of 15 days.

(Note: after stipulated days no any grievance will be entertained).

(j) ACCEPTANCE / REJECTION OF TENDER: PIA does not pledge herself to imperatively accept the lowest bid, but reserves the rights to accept or reject any or all bids / quotations as per PPRA rules.

To divide business among more than one supplier or to accept the tenders at rates on lowest individual items; OR To extend the date of opening as per PPRA rules.

(k) For Pak Based Local vendors required to submit **02% of Earnest Money (Refundable)** of Gross value of quoted price in shape of Pay Order /PIA Cash receipt in favor of "Pakistan International Airline" must be attached at the time of submission of Financial Proposal on first opening date **(Non-submission of Earnest Money will lead to REJECTION of Tender.**

In case of high cost item or long terms contract successful bidder in the tender will be required to submit **05% Security Deposit** (Refundable) (for Pak based local vendors only) of total contract duly sign of contract along with Bank Guarantee before awarding of Purchase order (for local bidders only)

(l) Authorization from the Principal (if Authorized Agent / Distributor) on behalf of OEM participating [Attach Copy] [Original may be asked to show at time of tender opening] documents along with Bank

(m) Shipment Inco-Terms: as per given stations in schedule.

(n) Inspection of Fuel will be carry out at respective stations by QA of respective country.

(o) *Payment terms will be: Net 30 Days (NTD)*

(p) Bids through e-mail shall not be entertained.

Yours truly,

for **(Pakistan International Airlines)**

### **General Manager Fuel**

1<sup>st</sup> floor Flight Operation Dept Building  
Near PIA Head Office (Terminal No.1),  
Karachi Airport Karachi Pakistan 75200.  
Tel No. 0092 21 9904330/0092 21 99044933  
khjypk@piac.aero, dgmfuel@piac.aero

## Seal & Sign of Bidder

(To be furnish by vendor for item (b) only)

### **Encl:**

1. Tender Schedule-"A"
2. Mandatory Requirement / Terms & Conditions
3. Undertaking
4. Integrity Pact

**Notes:** Prescribed Tenders form may also be downloaded from

[www.piac.com.pk](http://www.piac.com.pk) and [www.ppra.org.pk](http://www.ppra.org.pk)

## **BID VALIDITY FOR ITEMS**

Offers should remain valid for 06 months from the closing date of the tender.

## **SUBMISSION OF BID ITEM**

1. Tender documents can be prepare / submit on Single Stage **One Envelope** Financial Proposal only. **Envelope** should be marked '**Confidential**' and '**Tender for procurement/supply of Jet-A1Fuel**'

2. Tender Submission Place/Opening venue/address:-

Bids should be dropped in the Tender Box marked as Commercial Purchases placed at the main entrance of **Supply Chain Management Department** Building, Pakistan International Airline Near PIA Head Office Karachi Airport Karachi (Terminal-1) "latest by **25-03-2020 (Wednesday)** until (10:30 )Hrs. Bids shall be opened on the same date/day/venue at (11:00 hours). Bids can also be dispatch through any registered Courier services from local/abroad, which must be mentioned PIA tender reference/description on envelope & reach before the closing date / time of Tender i.e. **25-03-2020 (Wednesday)** until (10:30 ) on following address:

To:

General Manager Procurement  
Supply Chain Management Department Building  
Pakistan International Airlines  
Karachi Airport Pakistan 75200 Near PIA HO/Terminal No-1,  
JIAP Karachi. Ph: 0091 21 99044423

Tenders received after stipulated date/ time shall not be entertain/considered for participation in the bidding of this item. The Corporation will not be responsible for any postal delays OR any other reasons which cause failure in submission of tender on due date.

The decision of General Manager Procurement in this respect shall be final and binding.

Yours Truly,

for **(Pakistan International Airlines)**

### **General Manager Fuel**

1<sup>st</sup> floor Flight Operation Dept Building  
Near PIA Head Office (Terminal No.1),  
Karachi Airport Karachi Pakistan 75200.  
Tel No. 0092 21 9904330/0092 21 99044933  
khjypk@piac.aero, dgmfuel@piac.aero,

(To be submitted on Company Letter Pad)

To: General Manager Procurement  
Supply Chain Management Department  
Pakistan International Airlines. Karachi

Subject: Undertaking to Execute Contract

Dear Sir,

We/I, the undersigned bidders do hereby confirm, agree and under take to do following in the event our / my tender for supply of \_\_\_\_\_ to PIA is approved and accepted:

That we / I will into and execute the formal contract, a copy of which has been supplied to us / me, receipt whereof is hereby acknowledge and which has been studied and under stood by me / us without any change, amendment, revision or addition thereto, within a period of seven days when required by PIA to do so. That all expense in connection with the preparation and execution of the contract including stamp duty will be borne by us / me. That we / I shall deposit with PIA the amount of security as specified in the contract which shall continue to e held by PIA until three months after expiry of the contract period. That in event of our / my failure to execute the formal contract within the period of seven days specified by PIA the Earnest money held by PIA shall forfeited and we / I shall not question the same.

Bidders Signature: -----

Full Name: -----

Designation: -----

Address: -----

Phone/Fax No: -----

Seal : -----

Date: -----/-----/2020

INTEGRITY PACT/DISCLOSURE CLAUSE

(To be submitted on Company's Letterhead)

Declaration of Fees, Commissions and Brokerage Etc. Payable by the Suppliers, Vendors, Distributors, Manufacturers, Contractor & Service Providers of Goods, Services & Works \_\_\_\_\_ the Seller / Supplier / Contractor hereby declares its intention not to obtain the procurement of any Contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative sub-division or agency thereof or any other entity owned or controlled by it (GOP) through any corrupt business practice. Without limiting the generality of the forgoing the Seller / Supplier / Contractor represents and warrants that it has fully declared the brokerage, commission, fees etc., paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including it affiliate, agent, associate, broker, consultant, director, promoter, shareholder sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback whether described as consultation fee or otherwise, with the object of obtaining or including the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from Government of Pakistan, except that which has been expressly declared pursuant hereto. The Seller / Supplier / Contractor certifies that it has made and will make full disclosure of all agreements and arrangements with all persons in respect of or related to the transaction with Government of Pakistan and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty. The Seller / Supplier / Contractor accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall without prejudice to any other right and remedies available to Government of Pakistan under any law, contract or other instrument, be void-able at the option of Government of Pakistan. Notwithstanding any rights and remedies exercised by Government of Pakistan in this regard, the Seller / Supplier / Contractor agrees to indemnify Government of Pakistan for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to Government of Pakistan in any amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by the Seller / Supplier / Contractor as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever from Government of Pakistan.

Signature of Bidder \_\_\_\_\_

Sign/Seal/Stamp \_\_\_\_\_

Date/Place \_\_\_\_\_

(End)