

INVITATION TO BID FOR VALUATION OF AIRCRAFT

Pakistan International Airline invites "Sealed Bids" on 'Single Stage Two Envelope' basis from reputable valuation firms for valuation of six A320 aircraft hulls (without engines).

The complete set of Bidding Documents containing the detailed instructions and terms & conditions for the tender (that form an integral part hereof and are hereby incorporated by reference) can be downloaded from PIA website <https://www.piac.com.pk/corporate/sales-procurement/tenders> or Public Procurement Regulatory Authority website (www.ppra.org.pk) or can be obtained from the office of :

**Chief Corporate Development Officer
PIA Head Office, Karachi Airport,
Karachi, Pakistan.**

Phone: + 92 21 9904 4861

Email: fleet@piac.aero

Closing Date:

Bids meeting the requirements as mentioned in the Bidding Document must reach PIA latest by **26th October 2021 at 1500 Hrs.** (Pakistan Standards Time). The bids received by the closing time shall be opened on the same day at **1600 Hrs.** in the presence of bidders who may like to attend the same.



www.piac.aero
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UAN: 00-92-21-111-786-786



Bidding Document for Valuation of Aircraft/Hulls

(Ref: CDD/Valuation/2021)

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Preamble

The document is divided into following sections:

Section A: provides details on how valuation companies should submit their bids.

Section B: provides details about General Terms of Agreement.

Section C: provides details regarding Technical Evaluation Criteria.

Section D: provides details regarding format on which PIA expects to receive the Financial Proposal.

Section E: provides details about Evaluation Methodology.

Annex I: is referred to as Integrity Pact and it would be mandatory part of the agreement that will be signed between PIA and the successful bidder.

Section A – Instructions to Bidders

1. Scope of Bid

The scope of work will include the valuation of maintenance-adjusted market value of six A320 aircraft hulls (without engines).

Timeline for completion of this assignment by the shortlisted valuation firm would be (2 weeks) after receiving all the information from PIA.

2. Cost of Preparation of Proposal

The bidder shall bear all costs associated with the preparation and submission of its proposal and PIA will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

3. Bidding Process

The bidders are expected to examine the bidding document prior to submission of their bids.

4. Clarification on Bidding Documents

A prospective bidder requiring any clarification(s) in respect of the bid shall notify PIA in writing. PIA will respond to any request for clarification which it receives at least three (3) days prior to the deadline for the submission of bid.

5. Amendment to Bidding Document

At any time prior to the deadline for submission of bid, PIA may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the tender document by issuing addendum(s).

6. Extension in Submission Dates

At any time prior to the deadline for submission of bid, PIA may at its discretion, for reason, whether at its own initiative or to provide prospective bidders additional time to respond, extend the deadline for submission of bids.

7. Completeness of the Bid

The bidder must provide complete technical as well as financial information as required by PIA in this document.

8. Tender Proceedings

“Single Stage Two Envelope” bidding process shall apply as detailed below:

- Each bid shall comprise of one single envelope containing, separately, Technical Proposal and Financial Proposal.
- PIA shall open & evaluate the Technical and Financial proposals in the manner prescribed in the bidding document.
- During the evaluation process, no amendments in the bid shall be permitted; however, PIA may seek clarification from the bidder, if required.

9. Technical Proposal

Technical Proposal must contain all required details for carrying out the evaluation as per Technical Evaluation Criteria specified in Section C.

10. Financial Proposal

Financial Proposal must provide the quoted fee for valuation of aircraft as specified in Section D.

11. Submission of Bids

Bidders will have to submit their offer in sealed envelopes either in person or through courier. Each offer should be clearly marked as “Bid for valuation of Aircraft”. In case the bidder is facing time/logistic constraints they can send their bid electronically and can email the same on fleet@piac.aero in either PDF or MS Word format. The electronic document in either format should be password protected and the bidder will have to send the password for Technical Proposal on the same email address between the closing time of bid submission and before the bid opening time. Password for Financial Proposal will be requested separately from the bidders which qualify the Technical Evaluation.

12. Deadline for Submission of Bids

Proposals must be received by PIA at the following address no later than 1500 Hrs. (Pakistan Standard Time) on **26th October, 2021**:

Chief Corporate Development Officer

PIA Head Office, Jinnah International Airport Karachi, Pakistan

Phone: +92 21 9904 4189

Email: fleet@piac.aero

13. Late Submission

PIA shall not be responsible for delay in submission of bid for any reason whatsoever. Any bid received by PIA after the submission deadline, for any reason whatsoever, shall be rejected and returned to the bidder.

14. Modification and Withdrawal of Bids:

The bidder may modify or withdraw its bid after submission, provided that written notice of the modification or withdrawal is received by PIA prior to the deadline prescribed for bid submission.

15. Opening of Bids:

All Technical Proposals received by the closing time shall be opened on **26th October 2021 at 1600 Hrs. (Pakistan Standard Time)** in PIA Head Office, Karachi Airport, Karachi, Pakistan in the presence of employees of bidders who may like to attend the same.

Sealed Financial Proposal envelop will be shown to all attendees during bid opening, but will be retained without being opened.

16. Preliminary Examination of Bids:

PIA will examine the bids to determine whether they are complete and generally in order. Prior to the detailed evaluation of bids:

(a) PIA will examine the Bids to determine whether;

- i) The Bid is complete and does not deviate from the scope,
- ii) Any computational errors have been made,
- iii) The Bid is valid till required period,
- iv) The Bid does not deviate from basic technical requirements

(b) A bid is likely not to be considered if it is materially and substantially different from the Conditions/Specifications of the Bidding Documents.

17. Evaluation of Bids:

PIA will carry out technical evaluation of the offers as per criteria given in this document. After technical evaluation of the received proposals, technically qualified bidders will be informed about the date, time and venue for the Financial bids opening at least five days in advance. Financial Proposals of the technically not-acceptable bids shall be returned un-opened to the respective bidders.

The financial proposals shall be opened in PIA Head Office, Karachi Airport, Karachi, Pakistan in the presence of employees of bidders who may like to attend the same.

The most advantageous bidder shall be ascertained as per the methodology given in Section E

18. Qualification:

In addition to the above, PIACL shall ascertain to its satisfaction whether bidders, whose have submitted their bids are qualified to satisfactorily perform the contract. The determination will take into account:

- a) Bidder's financial, technical capabilities and past performance.
- b) Documentary evidence of the bidder's qualifications submitted by the bidder.
- c) Other information as PIA deems necessary and appropriate.

An affirmative determination will be a prerequisite for PIA to shortlist the bidder for further assessment. Whereas a negative determination may result in rejection of the bidder's bid.

19. Bid Validity:

The bid shall have to be valid for a period of 90 days from closing date of tender. The validity of the bid would be extended for further period of 90 days, if needed, with the consent of the bidder.

20. PIA's Right:

PIA reserves the right to reject all bids and to annul the bidding process at any time prior to award of Contract. PIA upon request from bidder, who submitted a bid, shall communicate the grounds for its rejection of all bids, but is not required to justify those grounds.

Section B – General Terms of Agreement

Following terms and conditions shall be an integral part of the Agreement to be signed between PIA and the successful bidder to whom the contract has been awarded.

1. Governing Law

Governing Law for the valuation Agreement shall be agreed mutually between PIACL and the valuation firm. However, it should not be in conflict with the laws of Pakistan.

2. Disputes

Any dispute between the parties shall be resolved under ICC ADR Rules, failing which the parties shall try to resolve these differences through ICC Arbitration which should not be in conflict with the laws of Pakistan.

3. Currency of Payment:

Throughout the term of contract, all the payments between the two parties shall be in USD Dollars.

4. Invoice:

Valuation Firm shall send the invoice upon satisfactory completion of valuation exercise and submission of revaluation report to PIACL.

5. Payment Terms

PIACL shall pay the invoice amount within thirty working days of the satisfactory completion of revaluation exercise.

6. Taxes

The payment will be made by PIACL net of any taxes on such payments in Pakistan. All other taxes, duties, levies and imposts arising from or relating to such payments outside Pakistan shall be borne by the lessor.

7. Number of Aircraft

Initial agreement shall be for valuation of hulls (without engines) of six A320 aircraft. However, PIA may seek additional work during the validity of the agreement based on the financial offer submitted by the bidder.

Section C – Technical Evaluation Criteria

Total Marks. 100
Qualifying Marks. 50

1. Valuation Experience of the Firm:

Experience of aircraft valuation in years	<1	1-5	6-10	10>
Points	0	5	10	15

2. Experience with PIA:

Yearly valuations carried out for PIA	0	1-3	4-5	5>
Points	1	5	10	15

3. Number of Clients

Number of clients airlines in last 5 Years	<1	1-5	6-10	10>
Points	0	5	10	15

4. Aircraft Valuations

Aircraft valuations in last 5 Years	<10	10-20	21-30	30>
Points	0	5	10	15

5. A320 Valuations

A320 Aircraft valuations in last 5 Years	<5	5-10	11-15	15>
Points	0	5	10	15

6. Accredited Appraiser

Number of Appraisers Accredited by ASA or ISTAT	<3	3-6	7-10	10>
Points	0	10	20	25

The bidders to submit supporting documents in its **Technical Bid** to substantiate the above

Technical Evaluation:

- In order to ascertain the relative suitability of the offered services, PIACL shall evaluate the bids as per Technical Evaluation Criteria.
- During technical evaluation those firms obtaining a “zero” under any category shall be rejected.
- Subject to the condition above, only those valuation firms obtaining at least 50 marks in the technical criteria shall be further evaluated whereas the remaining bids shall be rejected as being technically not suitable.

Section D – Financial Proposal

Bidders must provide their fee as per below

Sr #	Task	Valuation Fee (in US\$)
01	Valuation for 6 A320 Hulls	In Figures: _____ In Words: _____ _____ _____
02	Valuation of any additional Aircraft	In Figures: _____ In Words: _____ _____ _____

Conditions

- The fee must be all inclusive cost for PIA except as otherwise expressly provided, the fee amounts entered in the Financial Proposal shall be the rates at which the valuation firm be paid.
- In case of any difference, the amount mentioned in words shall be considered as the final fee.
- Any alterations necessary due to errors, etc., shall be initialed by the bidder.
- The rates and prices entered by the bidder shall not be subject to adjustment during the performance of the Contract.
- The bidder shall be deemed to have obtained all information which may affect the bid price
- The offer must be firm and final, and valid for 120 days.

Section E – Methodology for Assessing Bids

- During technical evaluation those valuation firms obtaining a “zero” under any category shall not be considered further.
- Subject to the condition above, only those valuation firms obtaining at least 50 marks in the technical criteria shall be further evaluated whereas the remaining bids shall be rejected as being technically not suitable.
- All proposals shall be evaluated based on Technical and Financial criteria with 50% weightage for Technical evaluation and 50% weightage for Financial evaluation.

Overall Score (OS) will be awarded as per following formula;

$$\text{OS} = (\text{TES} \times 50\%) + (\text{FES} \times 50\%)$$

Whereas:

TES = Technical Evaluation Score

FES = Financial Evaluation Score = (Lowest Price Received/Offered Price x 100)

Firm with **highest** Overall Score will be ranked as ‘Most Advantageous Bidder’.

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 subdivision or agency thereof or any other entity owned or controlled by it (GOP) through any corrupt business practice. Without limiting the generality of the foregoing 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 its 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.