**ARIANA AFGHAN AIRLINE**

**Administration and Service Directorate**

**Ariana Procurement unit**



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| **Document Name** | **Electronic procurement-Standard Bidding Documents (SBD)** |
| **Description of services** | Procurement of [SERVICE PROVIDER OR CONSULTANCY COMPANY FOR](https://www.flyariana.com/login/inv/Item.asp?RecID=16717) TECHNICAL ASSETS APPRISAL REVALUATION OF ARIANA AFGHAN AIRLINES |
| **SBD Number** | **002-701** |
| **SBD Announcement Date** | **08-Aug-2020** |
| **Pre Bid Meeting date and Time** | **Date: 12-Aug-2020 / Time 13-30 AM** |
| **Bid submitting date and time** | **From 13 up to 18 August 2020 , 08:30 AM Kabul Time** |
| **SBD Closing Date** | **18-Aug-2020** |
| **SBD Closing Time** | **08:30 AM Kabul Time** |
| **Project Title:** | **Appraisal/ revaluation Services Provider for Aircraft, Engine , Aircraft Parts, and Ground support Equipment’s** |
| **Implementing Agency:** | **Ariana Afghan Airlines Finance Directorate** |
| **Contract Type:** | **Framework** |

1. **Background of AAA**
   1. Ariana Afghan Airline has been issued disclaimer of opinion of their financial statements for the year ended 1395 (December 20, 2016) by Deloitte Yousuf Adil, Chartered Accountants.
   2. Ariana Afghan Airline (AAA) is a State-Owned-Company operating in accordance with Afghan laws, Afghanistan Civil Aviation regulations, ICAO Standards and Recommended Practices, and IATA Standards, Manuals and Guidelines.
   3. Ariana Afghan Airlines Co. Ltd is the oldest airline of Afghanistan and serves as the country's national carrier, established on 27th January, 1955. The company operates from Hamid Karzai International Airport (HKIA)-Kabul, from where it operates domestically and provides international linkages to countries like China, India, Russia, Saudi Arabia, the United Arab Emirates and Turkey.
   4. The company used to be one of the popular carriers in the region as well as in the world and was a reliable partner with Pan American Company, which held 49% of shares in Ariana Afghan Airline with flights to most of the countries in the world, including the USA. However, due to the past decades of war, Ariana Afghan Airline has been badly affected and has not been able to operate as a successful company.
   5. The company is governed by a Board of Management, Board of Directors, Board of Shareholders, and Board of Supervisors. The major shareholders of the company are the Ministry of Finance, Ministry of Economy, Afghan National Bank BMA) and PASHTANY Bank.
   6. To resolve issues, AAA needs a Service provider OR Consultancy Company to perform as-is analysis of accounting records and verify the value of all classes of assets. The Service provider OR Consultancy Company will be responsible to assign value for all technical assets and submit the same to Ariana Afghan Airlines in a legal format (signed and stamped) for verifications and compilation into the financials. Therefore, it is required to have contract with a certified Service provider OR Consultancy Company who should have an independent assets valuation firm membership, to assign new values to all technical assets of AAA. The professional revaluation Service provider OR Consultancy Company will see all the technical assets against the organization record and based on the current market condition, the firm will assign true and fair market value to the assets and the value should be verified by the audit firm which is already hired.
2. **Objectives of the Assignment:**
   1. The overall objective of the engagement is to assess and valuate serviceable and unserviceable, Engines and Aircraft inventory as well as airworthy and non-airworthy Aircraft and GSE for AAA.
   2. The overall objective of the engagement is to assess and revaluate all technical assets in the possession of AAA. This revaluation assignment will include all technical assets such as Aircraft parts inventory, GSE ground Support equipment, engines, and aircraft and other technical assets.
   3. The audit firm for “floor to listing” will prepare a new balance sheet based on the value which will be provided, verified and submitted by the appraisal Service provider OR Consultancy Company to the audit firm. The audit firm will be responsible to accommodate the value provided by the revaluation firm, into the balance sheet according to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), and prevalent laws of Islamic Republic of Afghanistan.
   4. The revaluation/ Appraisal must be conducted according to International Financial Reporting Standards (IFRS). The valuation is required to be supported by appropriate documentation, setting out the underlying methodologies, processes and evidences used to produce the valuation. This needs to make reference back to the underlying accounting standards and demonstrate full compliance with all aspects of the prescribed requirements.
   5. The revaluation must be conducted according to RICS / ASA / TEGoVA / USPAP / ISTAT, and must be conducted by an Certified Senior Appraiser.
   6. The service provider is required to submit their quotation after pre bid meeting date only.
   7. The service provider is required to send request for conference call (Pre bid meeting) to the [techsupply@flyariana.com](mailto:techsupply@flyariana.com) 24 hours before pre bid meeting date.
3. **Scope of the services:**

The scope of the service is divided into 2 phase and are as the following

1. **valuation steps:**

**A-1- Desktop Appraisal/revaluation**

**A-2-** In this stage all required supporting documents will be provided for service provider/ consultancy company for the desktop support based on standard terms and conditions

1. **Physical or visual Inspection:**

B-1- A physical inspection of the aircraft, engines and inventory is to be conducted by an inspector or team of inspectors on-site in Afghanistan, **so** the Service provider OR Consultancy Company is required to physically come to Afghanistan and conduct a proper applicable and internationally accepted revaluation /Appraisal to check the source document and revaluate and assign new fair and true market value to all technical assets of the airline and a detailed report is to be provided to the AAA BoM & Independent external auditors.

1. **Areas for the revaluation**
   1. The main but not limited to areas for the revaluation to be conducted by the Service provider OR Consultancy Company are:
2. Revaluate all the technical assets and equipment’s in custody of AAA and assign new true and fair market value to them, based on internationally accepted rules and regulations,
3. Revaluate and verify all aircraft engines and assign the accurate true and fair market value to them as well as identify engines with zero market value,
4. Revaluate and verify all ground technical equipment and parts,
5. Revaluate aircrafts and its parts (landing gears, APU, airframe...etc.) and assign accurate and true market value to them,
6. Revaluate any other technical assets at the disposal of AAA.
7. Some of technical (limited) assets are in the Kandahar and Herat airports, the valuers will just travel to the mentioned airports and physically verify those equipment’s. **If required.**
8. Detail of Technical FAR attached as annex Number 1 of the SBD :
9. **Duration of the ASSIGNMENT:** 
   1. Ariana Afghan Airlines is expecting to complete the technical assets revaluation assignment within two and half months after signing of the contract . It should be mentioned that the whole assignment should be completed by parts (Aircrafts, Engines, Ground Equipment’s…ect).
10. **DEFINITIONS:**
    1. “Aircraft” shall mean the Aircraft of the type with engines landing gears APU and ready to fly
    2. “Engine” shall mean the Spare engine of the Aircraft in serviceable, as is , as removed ,SV or OH on QEC or bare condition.
    3. “Extra cost” shall mean the net amount of (Hotel accommodation, Transportation Ticket) with its supporting documents which shall be paid by Ariana to the Service provider.
    4. “Service Prices” means the amount which shall be paid by Ariana to the Service provider against performing of the Services which requested by Ariana and performed by the service provider.
    5. “US” shall mean United States of America.

# Deliverables and Reporting:

# Report on Revaluation methods and procedures undertaken during the assignment

# Revaluation Draft Report,

# Revaluation Final Report,

# Updated technical assets Register according to IFRS,

# The report should be stamped, signed and approved by a legal certified firm.

# Required eligibility and selection criteria of the Service provider OR Consultancy Company:

# The Bidder should meet the following eligibility criteria to be considered for technical evaluation and thereafter for opening of their financial bids:

# Signatory partners must have an Appraisal certification through one of the organizations or associations under RICS / ASA / TEGoVA / USPAP / ISTAT, in the field of commercial aviation appraisal/revaluation.

# The Appraiser / revaluation firm should be registered legally and have specific certifications from one of the organizations or associations (RICS / ASA / TEGoVA / USPAP / ISTAT) in the field of revaluation.

# The Appraiser / revaluation firm should be registered legally and have specific valid certificate of formation/License.

# The Appraiser / revaluation firm should share the internationally acceptable working method and procedures for completing and undertaking the assignment in a presentation.

# The interested party should have a minimum of 3 years of experience in Aircraft, Aircraft Parts inventory and GSE appraisal / revaluation and clearly presented in requested presentation

# The Appraiser / revaluation firm shall provide evidence of having proven experience for at least 2 contracts having executed during last 10 years duly indicating the duration, value and years of performance, which should showcase the expertise/ strength of the appraiser for undertaking such assignments and clearly presented in requested presentation.

# *The Service provider/consultancy Company* has to provide avoidance of financial capacity through bank statement to prove it. Bank statement is required

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| **Certification** | **Source** | | | | |
| **RICS** | **ASA** | **TEGoVA** | **USPAP** | **ISTAT** |
| **BIDDER CONFIRMATION BY MARKING** |  |  |  |  |  |
| **It is mandatory to attached copy of the required certificate to the SBD** | | | | | |
|  |  |  |  |  |  |
| **Registration** | **Source** | | | | |
| **RICS** | **ASA** | **TEGoVA** | **USPAP** | **ISTAT** |
| **BIDDER CONFIRMATION BY MARKING** |  |  |  |  |  |
| **It is mandatory to attached copy of the required certificate to the SBD** | | | | | |
|  |  |  |  |  |  |
| **Certificate of formation/License.** | **Source** | | | | |
| **USA** | **Europe** | **Asia** | **Country Name** | |
| **BIDDER CONFIRMATION BY MARKING** |  |  |  |  | |
| **It is mandatory to attached copy of the required certificate of formation/License to the SBD** | | | | | |
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| **acceptable working method** | **Kind of standard working method** | | | | |
| Bidder Answer |  |  |  |  |  |
| **The bidder is required to mention the Name of acceptable working method and provide presentation with bidding documents** | | | | | |

1. **Impotent Notice:**
   1. Taxes: As per Afghanistan tax law, 7% withholding tax will be deducted from the contracted amount.
   2. Before submitting of the offer for more detail and further clarification and break up contact to the following emails address and keep quotation-box@flyariana.com address on all communications :

To: [inventory\_finance@flyariana.com](mailto:inventory_finance@flyariana.com)

CC: [dof@flyariana.com](mailto:dof@flyariana.com), [generaaccountant@flyariana.com](mailto:generaaccountant@flyariana.com), [balance\_finance@flyariana.com](mailto:balance_finance@flyariana.com)

1. **Price schedule:**
   1. **The** Service provider OR Consultancy Company **is required to base on Standard practices fulfil the following Price table which marked by yellow color.**
   2. **Requested Service and Price schedule / Table.**

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| **Services (Not including airline ticket / accommodation and transportation expenses, which are to be added)** | **Currency** | **Quantity** | | **Fixed Service Cost is in USD and should be mentioned by the service provider in the following** |
| Appraisal/revaluation of B737-400, QTY 2 UNIT Aircraft | USD-Per Aircraft | **2 unit** | |  |
| Appraisal/revaluation of B737-500, QTY 1 UNIT Aircraft | USD-Per Aircraft | 1 unit | |  |
| Appraisal/revaluation of A310 QTY 1 UNIT Aircraft | USD-Per Aircraft | 1 unit | |  |
| Appraisal / revaluation of ( Surplus, SV,OH, New , As removed, unserviceable) Condition Parts per part Number | USD- Per Part Number | Minimum | Maximum | **Price Per Part Number** |
| 8384  Part Number | 25000  Part Number |  |
| Appraisal / revaluation of Aircraft Tools and Equipment’s | USD- Per Part Number  Refer to Sheet Number 4 | Minimum | Maximum | **Price Per Part Number** |
| 80  Part Number | 300  Part Number |  |
| Appraisal of Spare Aircraft Engines  ( Surplus, SV,OH, New , As removed, unserviceable) | USD-Per Engine | Refer to Sheet Number one | |  |
| Appraisal of Ground support Equipment’s (GSE) | USD-Per GES | Refer to Sheet Number Tow | |  |
| Fixed man hours of inspectors for onsite visual inspection per day (One working day is equal to 8 hours)  The fixed man hours cost is without, Ticket / Accommodation and transportation. | USD- Per day per person | 1 Person / Inspector | |  |
| Total Number of inspector | |  |
| Planed Days for visual inspection onsite for work accomplishment | |  |
| Notice  1 Person is selected for calculation purpose only and the real number of the inspectors to be come to Afghanistan are subject to the work plan and Tasks to be performed So the bidder is required to base on plan select the required Number of Inspectors to be come to Afghanistan. The fixed man hours cost should be without, Ticket / Accommodation and transportation. | | | |

1. **Notification to the bidder:**
   1. **From all service providers requested to consider the following points in determining the price of the required services.**
2. **Taxation**: Whether your quotes are inclusive or exclusive of sales taxes; if not otherwise stated, we will assume your quotes are inclusive of sales taxes;
3. **Price:** All price quotations must be firm and state when they expire.
4. **Confidentiality:**Please send your quotation only to the [quotation-box@flyariana.com](mailto:quotation-box@flyariana.com).
5. **Obligation, Duties and Responsibilities of the entity:**
   1. *Ariana Afghan Airlines will provide all necessary information and related documents to the service provider/consultancy company if required.*
   2. *Ariana Afghan Airlines will also support the service provider/consultancy company in data entry process and will provide the requested data, if required.*
   3. *Ariana Afghan Airlines* will provide all the ledgers and transaction details for the appraiser*, if required*.
   4. *Ariana Afghan Airlines* will provide all source documents vouchers, invoices etc…*, if required.*
   5. Ariana Afghan Airline will also hire services of professional values for revaluation of its assets. The Appraiser will be required to account for the effect of revaluation in accordance with applicable framework.
6. **Method of Selection**
   1. The winner or selected *service provider/consultancy company* service provider is the company it is technically qualified with the lowest price for the providing of services to all items as total price of the project.
7. **Evaluation of Bids:**
   1. All bids shall be evaluated in accordance with the evaluation criteria and price schedule as well as other terms and conditions set forth in the prescribed bidding documents.
   2. For the purposes of comparison of bids quoted in different currencies, the price shall be converted into a single currency specified in the bidding documents. The rate of exchange shall be the selling rate, prevailing on the date of opening of bids specified in the bidding documents, as notified on that day.
   3. The evaluation will be done for item or lots to determine the “Lowest Evaluated Bid”, but total price of the bid is considered for selection process. The evaluation committee will decide based the total bid value.
   4. Prior to the detailed evaluation of Quotations, the Purchaser shall determine whether each Quotation:
8. meets the eligibility criteria;
9. has been properly signed;
10. Is substantially responsive to the requirements of the Request for Quotations Documents.
    1. A substantially responsive Quotation is one which conforms to all the terms, conditions, and specifications of the Standard bidding documents (SBD).
    2. To evaluate a Quotation, the Purchaser shall only use all the factors, methodologies and criteria defined hereinafter, no other criteria or methodology shall be permitted:
    3. price adjustment for correction of arithmetic errors;
    4. price adjustment due to discounts offered;
    5. Adjustments due to the application of other evaluation criteria as follows: factors related to the characteristics, performance, and terms and conditions of purchase of the services. the effect of the factors selected, if any, shall be expressed in monetary terms to facilitate comparison of Quotations;
    6. Adjustments due to the application of a margin of preference, if applicable.
    7. If a Quotation is not substantially responsive, it shall be rejected by the Purchaser, and may not subsequently be made responsive by correction or withdrawal of the nonconforming deviation or reservation.
    8. No negotiation shall be held with the lowest or any other Bidder.
    9. A bidder shall not be required, as a condition for award, to undertake responsibilities not stipulated in the SBD Documents, to have to change its price or otherwise modify its Quotation.

## Correction of Errors:

* 1. Quotations determined to be substantially responsive shall be checked by the Purchaser for any arithmetic errors. Errors shall be corrected by the Purchaser as follows:

1. where there is a discrepancy between the amounts in figures and in words, the amount in words shall govern; and
2. where there is a discrepancy between the unit rate and the line item total resulting from multiplying the unit rate by the quantity, the unit rate as quoted shall govern, unless in the opinion of the Purchaser there is an obviously gross misplacement of the decimal point in the unit rate, in which case the line item total as quoted shall govern, and the unit rate shall be corrected.
3. The amount stated in the Quotation shall be adjusted by the Purchaser in accordance with the above procedure for the correction of errors and, with the concurrence of the Bidder, shall be considered as binding upon the Bidder.
4. The bidder is required to review the SBD and TOR and after review , if the terms and conditions of SBD was acceptable for him ,So it is mandatory to fulfil the prices schedules ,Reference Article 4 , and should signed and stamped all pages of the SBD
5. Bidder information:

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| **Vendor Name** |  | **Postal Code** |  |
| **Primary Contact** |  | **Telephone** |  |
| **Copy of the certificate from one of the following organization or association RICS / ASA / TEGoVA / USPAP / ISTAT** |  | **Fax** |  |
| **AOG Phone** |  | **Payment Term** |  |
| **AOG Email** |  | **Payment Method** | **Wire transfer** |
| **Address** |  | **Line credit** | **Net 20 Days** |
| **City** |  | **Line Credit Amount** | **30000 It is mandatory option** |
| **Province** |  | **Website** |  |
| **Country** |  | **Vendor Catalog URL** |  |
| **Email Address** | |  | |

Signature: -----------------------------------------

Title: ----------------------------------------------

Name: ---------------------------------------------

Date: -----------------------------------------------

Company Stamp: --------------------------------