

CIVIL AVIATION AUTHORITY OF NEPAL

**CORPORATE DIRECTORATE,
BABARMAHAL, KATHMANDU**

BID DOCUMENT

FOR

**OPERATION AND MANAGEMENT OF AIR CARGO COMPLEX
AT
TRIBHUVAN INTERNATIONAL AIRPORT**

Bid Notice No:- ICB-01/Corporate/2071/72

VOLUME -1/2 - TECHNICAL PROPOSAL

Project Name

**Operation And Management Of Air Cargo Complex At TIA
Kathmandu, Nepal**

2015

Document price: (For technical And financial proposal)

NRs. 10,000.00 + VAT @ 13%

BID SUBMITTED BY

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ABBREVIATIONS

ACC	Air Cargo Complex
AAGR	Average Annual Growth Rate
ASYCUDA	Automated System of Customs Data
BD	Bidding Document
BDS	Bid Data Sheet
BEP	Break Even Point
CAAN	Civil Aviation Authority of Nepal
CIF	Cost Insurance and Freight
DCS	Delivery and Completion Schedule
DOC	Department of Customs
DOM	Development, Operation & Management
EQC	Evaluation and Qualification Criteria
FOB	Freight on Board
FIRR	Financial Internal Rate of Return
FNCCI	Federation of Nepalese Chamber of Commerce and Industry
F. Y.	Fiscal Year
GCC	General Conditions of Contract
GoN	Government of Nepal
ICC	International Chamber of Commerce
IFB	Invitation for Bids
ITB	Instruction to Bidders
LOA	Letter of Acceptance
MOCTCA	Ministry of Culture, Tourism and Civil Aviation
MOU	Memorandum of Understanding
MT	Metric Ton
NEFFA	Nepal Freight Forwarders' Association
NPR	Nepalese Rupee
NRB	Nepal Rastra Bank
NTWMCL	Nepal Transit and Warehouse Managemnt Co.Ltd.
OM	Operation and Management
SBD	Standard Bidding Document
SBQ	Schedule of Bidder Qualifications
SCC	Special Conditions of Contract
SEP	Schedule of Equipment Procurement
TIA	Tribhuvan International Airport
TIACAO	Tribhuvan International Airport Civil Aviation Office
TOR	Terms of Reference
USD	United States Dollar
VAT	Value Added Tax

CIVIL AVIATION AUTHORITY OF NEPAL
Head Office, Babarmahal, Kathmandu, Nepal

INVITATION FOR BID

TECHNICAL AND FINANCIAL PROPOSAL FOR OPERATION & MANAGEMENT OF ACC AT TIA

Bid Notice No:- ICB-01/Corporate/2071/72

Date of publication:- 27 January 2015 (2071 Magh 13)

1. Corporate Directorate, Civil Aviation Authority of Nepal (CAAN) invites a competitive bid from successful short-listed bidder's with respect to CAAN EoI Notice No. CD 02/070/71 for purchasing and participating on bid proposal.
2. Air Cargo Complex (ACC) has been constructed at Tribhuvan International Airport (TIA) in Kathmandu. Civil Aviation Authority of Nepal intends to operate and manage (OM) the ACC with private sector participation under lease agreement.
3. Bidders may obtain further information on the Bidding Document and submit at the following:

Corporate Directorate
Civil Aviation Authority of Nepal (CAAN)
Head Office, Babarmahal, Kathmandu, Nepal
Phone No. :- 977-1-4262416, 4262923
Email :- misprpd@caanepal.org.np
Fax :- 977-1-4262516
4. A complete set of Bid Document may be purchased either from above office or from Air Cargo Section at TIA, Gauchar, Kathmandu by only interested successful short-listed bidders on submission of a written application along with the copy of short listed, company/firm registration certificate, VAT registration certificate, income tax clearance certificate and applicable registration certificates (All the copy/ certificate shall be notarized by notary Office) upon voucher of a non-refundable amount of NPR 10,000.00 (Rupees ten thousands only) Plus 13% VAT or equivalent deposited in Revenue Account Number 00100000931F of CAAN at NMB Bank, Babarmahal, Kathmandu, Nepal or a Demand Draft in favour of Corporate Directorate, Civil Aviation authority of Nepal, Head Office, Babarmahal, Kathmandu, Nepal. The Document shall be released only after the submission of the original bank deposit slip.
5. Only authorized agent / representative of the successful short-listed bidders shall be eligible for the purchase of the Bid Documents. The authorized agent / representative has to submit the authorization letter for the purchase of the Bid Documents.
6. Bid Documents shall be purchased within 45 days from the date of the publication of this invitation notice.
7. Bid documents shall be submitted in two separate envelopes (marked as Technical Proposal and Financial Proposal); both of them must be again put in one envelope and sealed again. The bidder shall wax seal the original and each copy of the bid in an envelope, duly marking the envelopes as "ORIGINAL" and "COPY". The proposals shall be delivered by hand or by registered mail or express courier to reach the above – mentioned address not later than 12:00 hours of the 46th day of the publication of this notice. Bids must be clearly marked in different envelopes as Technical Proposal and Financial Proposal of "Bid for the Operation and Management (OM) of ACC at TIA, Kathmandu". Technical proposal of all the bids shall be opened in the presence of the bidders or bidder's representatives who choose to attend at 14 :00 hours on the same day at the above office. If the last submission date happens to be a public holiday, bids shall be submitted and opened the following working day on or before the time as mentioned above. The bids will be opened even in the absence of the bidders or their authorized representative (s).

8. The bid must be accompanied by a separate Bid Bond in the form of a bank guarantee of the Nepalese Bank (Foreign Bank Guarantee must be counter guaranteed by a Nepalese Bank) or Bank Voucher of cash deposited at Nepal Rastra Bank, Kathmandu on CAAN Account No. 1206110-001-003-524 NPR for an amount equal to or greater than 5% of the proposed royalty amount in a format defined by the CAAN for minimum of 6 month (180 days) validity period. **The bidders shall submit the original Bank Guarantee only along with Financial proposal issued by any class A commercial bank in Nepal.** Bid (Financial Proposal) without adequate bid Bond shall be rejected and not considered for evaluation.
 9. Corporate Directorate, CAAN, shall inform all the bidders selected in the technical evaluation about the date and time for opening of the Financial Proposal. The Financial Proposal only of the selected bidders shall be opened in presence of the responsive bidders or bidders' representative and even in the absence of the bidder or their authorized representative if they fail to be present.
 10. The Bidder shall bear all costs associated with the preparation and submission of its bid and "Corporate Directorate, CAAN ", will in no case be responsible or liable for these costs, regardless of the conduct or outcome of the bidding process.
 11. Any bid received by Corporate Directorate of CAAN after the deadline for submission of bids shall be rejected (declared with "Received Late") and returned unopened to the bidder.
 12. Bidders are strongly recommended to visit site before submission of bid.
 13. Corporate Directorate, CAAN may in its sole discretion, accept or reject the Bidder's tender, annul the Bidding process and commence a new process, at any time prior to award of the contract without incurring any liability to affected bidder or bidders or any obligation to inform the affected bidder or bidders.
 14. Pre-bid meeting shall be held at the office of Corporate Directorate, CAAN, Kathmandu on Thirty (30th) day from the date of publication of this invitation notice. If the day falls on a public holiday, it will be held on the next office day, participation is not mandatory.
 15. This notice is also available on www.caanepal.org.np and <http://gepson.gov.np>.
 16. Any additional matters not covered by this shall be in accordance with the prevailing CAAN Airport Service Charge Regulation, 2067.
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SECTION I

INSTRUCTION TO BIDDERS

A GENERAL

1.1 Scope of Bid

TIA is the main gateway of Nepal as it is the only international airport of the country. It serves as a major import and export interface for international trade. A sizeable volume of Nepalese foreign trade is being carried out through this airport. With a view to fulfill the demand of effective and efficient air cargo handling services, the Air Cargo Complex (ACC) has been constructed at TIA. The ACC has about 7,700 square meters of storage area and 2,145 square meters of office area with automatic water sprinkling system for fire safety protection, truck docking facilities, cargo built-up apron, parking spaces etc. An internal access road of about 1.56 kilometer length and 10 meter wide connects ACC with international apron.

Government of Nepal, on June 7, 2007 has decided for the handover of custodian rights of Air Cargo Complex Bonded Warehouse by Department of Customs to CAAN. Accordingly, a Memorandum of Understanding was signed between CAAN and Department of Customs on June 19, 2007 to this effect.

CAAN is willing to have a highly efficient and capable air cargo bonded warehouse handling expert agency (National or International) to operate and manage this ACC. Hence, this Bid Notice.

[Note: Currently a local company, that is, NTWMCL, is given authority and responsibility for the day to day operation of this ACC on ad-hoc basis. Their service will be terminated when the new company takes over the OM of ACC as per this Bid Notice.]

Tribhuvan International Airport Civil Aviation Office (TIACAO) under Civil Aviation Authority of Nepal (CAAN), intends to operate and manage Air Cargo Complex (ACC) at TIA with private sector participation under a lease agreement for a period of ten (10) years from the day of signing of the Agreement and handing over of the custodian rights of the bonded warehouse and possession of the ACC as a whole free from control, operation and management of other agency or person if any for the stated purposes. Particulars of the project including the data/information on Operation & Management (OM) and a brief Financial Analysis to facilitate the bidders to bid for the OM of Air Cargo Complex (ACC) at TIA in Kathmandu may be obtained from the address mentioned in Section 1.23(a) on request. Corporate Directorate invites a competitive bid from interested companies; Joint venture companies or consortium firm(s) meeting the eligible criteria stated in Clause 4 below.

1.2 Source of Funds

Bidder shall clearly state the source of fund required for the estimated expenses for the first three months of the total operation of ACC.

1.3 Fraud and

1.3.1 CAAN entities as well as bidders and their sub-contractors shall adhere to the highest standard of ethics during the procurement

Corruption

of services and execution of such contracts.

1.3.2 The Bidder shall not carry out or cause to carry out the following acts with an intention to influence the implementation of the procurement process or the procurement agreement :

- (a) give or propose improper inducement directly or indirectly,
- (b) distortion or misrepresentation of facts,
- (c) engaging in corrupt or fraudulent practice or involving in such act,
- (d) interference in participation of other competing bidders,
- (e) coercion or threatening directly or indirectly to cause harm to the person or the property of any person to be involved in the procurement proceedings,
- (f) collusive practice among bidders before or after submission of bids for distribution of works among bidders or fixing artificial/uncompetitive bid price with an intention to deprive the CAAN, TIACAO the benefit of open competitive bid price,
- (g) contacting the CAAN, TIACAO with an intention to influence the CAAN, TIACAO with regards to the bids or interference of any kind in examination and evaluation of the bids during the period from the time of opening of the bids until the notification of award of contract.

1.3.3 The CAAN may **blacklist** a Bidder for a period of one (1) to three (3) years for its conduct depending on the seriousness of the unlawful or unethical act committed by the bidder.

1.4 Eligible Bidders

1.4.1 The eligibility requirements for the bidders are as follows:

- a) This "Invitation of Bids" is open to all from Nepal and from abroad,
- b) The bidder shall have a working experience of similar nature in air cargo handling of aviation bonded warehouse for airport operation for at least five(5) consecutive years within 2002 AD to 2014 AD,
- c) The Bidder, in case of a foreign company, must be registered as a Foreign Company or Foreign Investment Company under Nepalese law.
- d) The bidder shall have the experience of handling air cargo of at least 20,000 metric tons per annum in average for at least three years within 2007 AD to 2014 AD.
- e) The Bidder shall have an annual financial turnover of at least USD 5,000,000.00 (Five Million) or its equivalent amount for the five (5) consecutive years within 2002 AD to 2014 AD. Interested Bidder/s shall submit the proof of minimum financial turnover as stated above.
- f) Financial credibility (Line of Credit) of US

\$ 500,000.00 or its equivalent amount of the bidder issued by a 'A' class bank of home country or domiciled country is mandatory.

- g) Short listed bidder's or Only authorized agent / representative of the short-listed bidders successfully enlisted in Expression of Interest shall be eligible (As per EoI Notice No. CD 02/071/72) for purchasing and participating on Bid Proposal.
- h) All the above copy/document/certificates shall be notarized by Notary Office.
- i) Original Bid Documents (Technical and Financial proposal), Bid form,/Bid release amount form duly filled, signed with date by the Authorized Parson.
- j) The bidder must be accompanied by a separate Bid Bond as per Technical Proposal Clause No. 1.21.

1.4.2 A Bidder may be a natural person, private entity, government-owned entity (subject to ITB 1.4.4) or any combination of them with a formal intent to enter into an agreement or under an existing agreement in the form of a Joint Venture (JV).

1.4.3 In the case of a JV:

- (a) all parties to the JV shall be jointly and severally liable; and
- (b) a JV shall nominate a Representative who shall have the authority to conduct all businesses for and on behalf of any and all the parties of the JV during the bidding process and, in the event the JV is awarded the Contract, during contract execution.

Government-owned enterprises in Nepal shall be eligible only if they can establish that they (i) are legally and financially autonomous, (ii) operate under the principles of commercial law, and (iii) are not dependent agencies of the Purchaser / Bidder.

Bid submitted by a Joint Venture of two or more partners shall comply with the following requirements:

- a) the bid, and in case of a successful bid, the Form of Agreement, shall be signed so as to be legally binding on all partners;
- b) one of the partners shall be authorized to be in charge and this authorization shall be evidenced by submitting a power of attorney signed by legally authorized signatories of all the partners;
- c) the partner in charge shall be authorized to incur liabilities and receive instructions for and on behalf of any and all partners of the joint venture and the entire execution of the Contract including payment shall be done exclusively with the partner in charge;

- d) all partners of the joint venture shall be jointly and severally liable for the execution of the contract in accordance with the Contract terms, and a relevant statement to this effect shall be included in the authorization mentioned under (b) above as well as in the Form of Bid and the Form of Agreement (in case of a successful bid); and
- e) a copy of the agreement entered into by the joint venture partners shall be submitted with the bid.

1.4.4 Qualification of the Bidders

To be eligible for award of contract, bidder shall provide evidence of their eligibility satisfactory to the CAAN under ITB 1.4 above and of their capability and adequacy of resources to carry out the Contract effectively. To this end, all bids submitted shall include following information:

- a) copies of original documents defining the legal status, place of registration and principal place of business of the company or firm or partnership or if a joint venture, each party to constitute the bidder;
- b) details of experience and past performance of the bidder in handling air cargo and demonstrate financial and technical capability to undertake the contract;
- c) reports on the financial standing of the bidder (or each party to a joint venture) such as profit and loss statement, balance sheets and auditor's report for the three years within 2008 AD to 2014 AD, an estimated financial projection for the next two years (2015 and 2016);
- d) financial credibility of the bidder issued by a bank of home country or domiciled country;
- e) information regarding any current litigation in which the bidder is involved; and
- f) submit a written "power of attorney" authorizing the signatory of the bidder.

1.4.5 One Bid Per Bidder

Each bidder shall submit only one Bid. A bidder who submits or participates in more than one Bid shall be disqualified.

1.4.6 Bidding Cost

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

1.5 Electronic Bidding

Alternatively, Electronic Bidding is not applicable in this Bid.

1.6 Site Visit

The bidder is recommended to examine the site details and obtain for himself on his own responsibility all information that may be necessary for preparing the bid and enter into a Contract. The costs of visiting the site shall be at bidder's own expense. The bidder shall study documents and reports, relevant policies, rules and regulation on air cargo handling and demonstrate a thorough understanding of the site conditions, existing air cargo handling, processing and operation costs and financial returns. Despite the fact, site visit is not mandatory.

B. CONTENTS OF BIDDING DOCUMENT

1.7 Contents of the Bidding Documents

1.7.1 The set of bidding documents issued for the purpose of bidding includes three types of information requirement for Bid preparation, such as:- together with any Addenda thereto issued in accordance with clause ITB 1.9 and any minutes of pre-bid meetings issued in accordance with ITB 1.8:

Part 1 – Bidding Procedures

- (a) General information required for preparation of Technical and Financial Proposals:-
 - (i) Invitation for Bids
 - (ii) Instruction to bidders
 - (iii) Evaluation and Qualification Criteria
 - (iv) Conditions of Contract Agreement
 - (v) Specification of work and services
 - (vi) Bidding Forms
 - (vii) Drawings on request
 - (viii) Charge Rates to be applied as per CAAN Airport Service Charge Regulation, 2067 for Export and Import Cargo in Rs./ kg and Room rental rates. [Appendix 'A'.]
[Note: A different rate (much lower) is being applied currently by NTWMCL.]
“Estimated Investment on Fixed Assets in ACC (Appendix “B”).
- (b) Technical Proposal
 - (i) Addendum
 - (ii) Schedules of various Technical Information
 - (iii) Approach and Methodology
 - (iv) Work Schedule
 - (v) Proposed Charge Rates for ten(10) years (Bid Data) or
 - a) Proposed rates per kg. by type of Export and Import Cargo, by time and major

- commodities and weights as shown in Appendix 'A'
- b) Projected increase in proposed rate for every three years in %
- c) Potential variation in the proposed rates in %.

(vi) Business Plan and other related details.

(c) Financial Proposal

- (i) Bid Form
- (ii) Condition of Contract Agreement
- (iii) Bid / Lease Amount for ten(10) years
- (iv) Letter of Acceptance
- (v) Memorandum of Understanding
- (vi) Sample Form of Agreement
- (vii) Form of Performance Bond
- (vii) Bid Bond (Bank Guarantee)

PART 2 Supply Requirements

Schedule of Addition of New Equipment as per Appendix 'B'.

PART 3 Conditions of Contract and Contract Forms (See Financial Proposal)

- (i) General Conditions of Contract (GCC),
- (ii) Special Conditions of Contract (SCC), if any,
- (iii) Contract Forms

1.7.2 The Invitation for Bids issued by the CAAN is not part of the Bidding Document.

1.7.3 The CAAN is not responsible for the completeness of the Bidding Document and its addenda, if they were not obtained directly from the CAAN.

1.7.4 The Bidder is expected to examine all instructions, forms, terms, and specifications in the Bidding Document. Failure to furnish all information or documentation required by the Bidding Document may result in the rejection of the Bid.

1.8 Clarification of Bidding Document/ Pre-Bid

1.8.1 Clarification of the Bidding Document

A prospective bidder requiring any clarification of the bidding documents shall contact the CAAN in writing or by fax (hereinafter, the term “fax” is deemed to include electronic

Meeting

transmission, such as, facsimile, email, etc) at the CAAN's address indicated in the Invitation for Bid. The CAAN will respond in writing to any request for clarification, which it receives earlier than 15 days prior to the deadline for submission of bids. Written copies of the CAAN's response (including a description of the enquiry but without identifying any source) will be forwarded to all perspective bidders who have purchased the bidding document as per the procedure under ITB 1.9 and 1.24.

1.8.2 Pre-Bid Meeting

The bidder or its official representative is invited to attend Bidder's pre-bid meeting, which will take place in the address as mentioned in the Invitation for Bid before two weeks from the date of last submission.

The purpose of the meeting will be to clarify issues and to answer questions on any matter that may be raised on that stage. The bidder is requested to submit any question/s in writing or by fax, to reach the CAAN not later than one week before final submission of bid.

Minutes of the meeting, including the copies of the questions raised and the responses given will be transmitted without delay to all purchasers of the bid documents. Any modification of the bid document, if necessary as a result of the bidder's conference, shall be made by the CAAN exclusively through the issuance of an Addendum pursuant to ITB 1.9 and not through the minutes of the bidder conference.

1.9 Amendment of Bidding Document

1.9.1 Up to the 7 days prior to the deadline for submission of bids, the CAAN may for any reason, whether at its own initiative or in response to a clarification by prospective bidder, modify the bidding documents by issuance of an addendum.

1.9.2 Any addendum thus issued shall be part of the bidding document and shall be communicated in writing by fax to all who purchased the bidding documents. Prospective bidders shall acknowledge the receipt of each addendum by fax to the CAAN.

1.9.3 To provide prospective bidders reasonable time in which to take any addendum into account in preparing the bids, the CAAN may, at his discretion, extend the deadline for submission of bids pursuant to ITB 1.24.2.

C. PREPARATION OF BIDS

1.10 Cost of Bidding

The Bidder shall bear all costs associated with the preparation and submission of its Bid, and the Purchaser shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

1.11 Language of

The Bid, as well as all correspondence and documents relating to the Bid exchanged by the Bidder and the CAAN, shall be written in the

Bid

english language. Supporting documents and printed literature that are part of the Bid may be in another language provided they are accompanied by an official translation of the relevant passages in the english language, in which case, for purposes of interpretation of the Bid, such translation shall govern.

**1.12 Documents
Comprising
the Bid****1.12.1 The bid submitted by the bidder shall comprise the following:**

- (i) Original Technical and Financial Proposal of Bids must be submitted with signed and stamp/sealed of the both parties-purchaser's and supplier's and Appendices thereto. A copy of whole documents should be provided with a 'DUPLICATE' or 'COPY' in another sealed envelope.
- (ii) Bid Bond, in accordance with ITB 1.21
- (iii) Bid Data (comprising of service charge mechanism, projected revenue and cash flow streams for ten(10) years period),
- (iv) Bid rates / lease amount,
- (v) Schedule for annual lease amount payment to the CAAN,
- (vi) Information on eligibility, similar type work experiences,
- (vii) Financial capability and any other materials required,
- (viii) Written confirmation authorizing the signatory of the Bid to commit the Bidder, in accordance with ITB 1.22,
- (ix) Documentary evidence
 - (i) establishing the Bidder's eligibility to bid,
 - (ii) documentary evidence in accordance with ITB 19 establishing the Bidder's qualifications to perform the contract if its Bid is accepted; and
- (x) any other document.

(a) Technical Proposal:

Technical Proposal shall include the methodology and approach for successful implementation of the project on OM basis. The bidder shall demonstrate its capability in terms of financial strength, organization development, human resources, past work experiences in similar type of air cargo handling bonded warehouse jobs and commitments to prepare various systems, procedures, manuals and others that are necessary for the productive and efficient operation of ACC. The bidder shall submit all the following information and fill up the blank forms (as stated).

- (i) Various Technical Information
- (ii) Approach and Methodology for OM of ACC
- (iii) Business Plan (excluding Financial Analysis)
- (iv) Proposed Charge Rates for ten (10) years (Bid Data) of:

- d) Proposed rates per kg. by type of Export and Import Cargo, by time and major commodities and weights
- e) Projected increase in proposed rate per annum or every two or three years in %
- f) Potential variation in the proposed rates in %
- (v) Work Schedule
- (vi) Organization Structure for OM of ACC

(b) Financial Proposal

Financial Proposal shall be based upon the Business Plan to be prepared by the bidder, which shall be included in the Technical Proposal as stated earlier. The Business Plan shall also incorporate certain Financial Analysis for operation of ACC on OM basis. The bidder shall clearly indicate the proposed annual lease amount to be paid to the CAAN, proposed air cargo handling bonded warehouse charges to customers and other relevant information. The bidder has to submit following information and fill up the blank forms (as stated):

- (a) Bid Form
- (b) Condition of Contract Agreement
- (c) Business plan (with certain needful Financial Analysis)
- (d) Bid / Lease Amount
- (e) Letter of Acceptance
- (f) Memorandum of Understanding
- (g) Sample Form of Agreement
- (h) Form of Performance Bond
- (i) Bid Bond (Bank Guarantee)

Government-owned enterprises in Nepal shall be eligible only if they can establish that they (i) are legally and financially autonomous, (ii) operate under the principles of commercial law, and (iii) are not dependent agencies of the Purchaser.

1.12.2 The bidder has to prepare Business Plan for development, operation and management of ACC at its own cost and the CAAN, TIACAO shall not be liable to reimburse the cost. Basic information such as Fixed Assets of the CAAN, TIACAO, existing equipment to be handed over by the CAAN, TIACAO, additional equipment to be procured by the Firm and other information are summarized in the attached Appendix B.

1.12.3 The bidder shall include all the data as mentioned above and submit Bid, which shall be summarized as Technical and Financial Proposal for OM of ACC. Selection of the bidder shall be based upon the evaluation of the Technical and Financial Proposals as submitted by the bidder.

1.13 Bid

Price schedule is not applicable in this Bid.

**Submission
Sheet and
Price
Schedules**

- | | |
|--|---|
| 1.14 Alternative Bids | Alternative bids shall not be considered in this bid. |
| 1.15 Bid Prices, Discounts, Charges Rates and Annual Lease Amount | <p>1.15.1 Bid prices and discounts are not applicable in this bid.</p> <p>1.15.2 The bidder shall, in consideration to the existing charges, submit further breakdown of the proposed commodity-wise charge rates per kg to the customers for handling of various export and import commodity types in tabular format, if they so wish.</p> <p>1.15.3 The bidder shall fill the annual lease amount payment with the schedule for ten (10) years lease period in the tabular format as attached in Financial Proposal. The bidder shall fill the Form of Bid and indicate the total lease amount payable to the CAAN, TIACAO within ten (10) years lease period in conformity with the total amount shown in the table attached in Financial Proposal.</p> <p>The selected bidder shall pay all duties, taxes and other government as well as non-governmental levies.</p> |
| 1.16 Currency of Charge Rates and Payment | The unit charge rates per kg. for different commodities, for export and import cargo and the lease amount shall be quoted entirely in Nepalese Rupees. Performance Bond shall be deposited in Nepalese Rupees or submitted in the form of a bank guarantee by Class A Commercial Bank of Nepal. |
| 1.17 Documents Establishing the Eligibility of the Bidder | <p>1.17.1 To establish their eligibility in accordance with ITB 4, Bidders shall:</p> <p>(a) complete the eligibility declarations in the Bid Submission Sheet, and</p> <p>(b) if the Bidder is an existing or intended JV in accordance with ITB 1.4.1 , submit a copy of the JV Agreement, or a letter of intent to enter into such an Agreement. The respective document shall be signed by all legally authorized signatories of all the parties to the existing or intended JV, as appropriate.</p> |
| 1.18 Documents Establishing the Conformity of the Goods and Related | Not Applicable |

**Services to the
Bidding
Document**

**1.19 Documents
Establishing
the
Qualifications
of the Bidder**

1.19.1 The documentary evidence of the Bidder's qualifications to perform the contract, if its bid is accepted, shall establish to the CAAN's satisfaction that the Bidder meets each of the qualification criterion specified in **Section III, Evaluation and Qualification Criteria.**

**1.20 Period of
Validity of
Bids**

Bid shall remain valid and open for a period of 120 calendar days commencing at the submission deadline or any extension thereof pursuant to national law after the date of bid opening. In exceptional circumstances, prior to expiry of the original bid validity period, the CAAN may request the bidder for a specific extension in the period of validity. The request and the responses thereto shall be made in writing or by fax. A bidder may refuse the request without forfeiting its bid security. A bidder will not be permitted to modify its bid, but will be required to extend the validity of its bid bond correspondingly. The provision of Clause 1.21 regarding discharge and forfeiture of bid bond shall continue to apply during the extended period of bid validity.

1.21 Bid Bond

1.21.1 The bid must be accompanied by a separate Bid Bond in the form of a bank guarantee of the Nepalese Bank (Foreign Bank Guarantee must be counter guaranteed by a Nepalese Bank) or Bank Voucher of cash deposited at Nepal Rastra Bank, Kathmandu on CAAN Account No. 1206110-001-003-524 NPR for an amount equal to or greater than 5% of the proposed royalty amount in a format defined by the CAAN for minimum of 6 month (180 days) validity period. The bidders shall submit the original Bank Guarantee only along with Financial proposal issued by any class A commercial bank in Nepal. Bid (Financial Proposal) without adequate bid Bond shall be rejected and not considered for evaluation.

Note :- The bidders shall submit the original Bank Guarantee only along with Financial proposal.

1.21.2 Bid not accompanied by a Bid Bond shall be rejected as being non-responsive and not considered for evaluation. The Bid Bond of a joint venture or consortium must be in the name of at least the lead party or all of the parties in the joint venture or consortium submitting the proposal.

1.21.3 The bidder's Bid Bond shall be in the form of an unconditional bank guarantee; the format of the bank guarantee shall be in accordance with the form of Security contained in Section 3 Form No. 2 of this document.

1.21.4 The bidder shall ensure that the Bid Bond shall be valid for a period of 30 days beyond the original validity period, as

defined in Clause 1.20 and 30 days beyond any extension subsequently requested by the CAAN in accordance with clause 1.

1.21.5 The CAAN shall return the Bid Bond of the unsuccessful bidder within three (3) days upon the successful bidder furnishing of the signed Contract Agreement and Performance Bond.

1.21.6 The Bid bond of the Successful Bidder will be returned when the Bidder has signed the Form of Contract and has provided the required performance bond as set out in the Contract document.

The Security may, in the sole discretion of the CAAN, be forfeited,

- a) if the Bidder withdraws its proposal during the period of bid validity;
- g) in the case of successful bidder, if the successful bidder fails within specified time limit:
 - i) to sign the contract in accordance with ITB 1.38, or
 - ii) to furnish the required Performance Bond in accordance with ITB 1.39.

1.21.7 Bidder must submit the financial credibility (Line of Credit) of US \$ 500000.00 issued by a A class bank of home country or domiciled country is mandatory original copy must submit along with technical proposal.

1.22 Format and Signing of Bid

1.22.1 The bidder shall prepare one original and one copies of the Bid documents comprising the bid as described in ITB 1.12 with the volume containing the Form of Bid and clearly marked “ORIGINAL” and “COPY” as appropriate. In the event of discrepancy between them, the original shall prevail.

1.22.2 The original and all copies of the bid format shall be typed or written in indelible ink (in the case of copies, Photostats are also acceptable) and shall be signed by a person or persons duly authorized to sign on behalf of the bidder. Proof of authorization shall be furnished in the form of a written Power of Attorney, which shall accompany the bid. The person or persons signing the bid shall initial all pages of the bid and pages where entries or amendments have been made.

1.22.3 The complete bid shall contain no alterations, omissions or additions, except those to comply with instructions issued by the CAAN or as necessary to correct errors made by the bidder in which case the person or persons signing the bid shall initial such corrections.

1.22.4 Each bidder shall submit only one bid. No bidder shall

participate in the bid of another for the same contract in any relation whatsoever.

D. SUBMISSION AND OPENING OF BID

1.23 Sealing and Marking of Bids

The interested bidder to submit a proposal should procure a document related to proposal with a signature of concern officer and stamp of CAAN and fill up the mentioned details as described in that documents with a signature of concern Authorized person and stamp. The bids shall be submitted in two separate envelopes (marked as Technical Proposal and Financial Proposal); both of them must be again put in one envelope and sealed again. The bidder shall seal the original and each copy of the bid in an envelope, duly marking the envelopes as "ORIGINAL" and "COPY".

The envelopes shall

(a) be addressed to the CAAN at the following address:

**Corporate Directorate,
Civil Aviation authority of Nepal, Head Office Babarmahal,
Kathmandu, Nepal and**

(b) bear the following identification:

i) Bid for Operation and Management of Air Cargo Complex
at Tribhuvan International Airport in Kathmandu

ii) DO NOT OPEN
BEFORE _____

iii) Name and address of the
Bidder: _____

The inner envelope shall also indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared "late", etc.

If the envelopes are not sealed and marked as above, the CAAN will assume no responsibility for the misplacement or premature opening of bid.

1.24 Deadline for Submission of Bids

(a) The CAAN must receive the Bids no later than 12:00 hours of the 46th day of the first publication of this notice at the address set out in ITB 1.23.

(b) The CAAN may, in its sole discretion, extend the deadline for submission of bids by issuing an addendum in accordance with ITB1. 9, in which case all rights and obligations of the CAAN and the bidders previously subject to the original deadline will thereafter be subject to the deadline as extended.

(c)The bidder shall deliver all proposals by hand or by courier. Bidder shall not submit proposal by fax means. Each bidder shall be solely responsible for the timely delivery of its Proposal to the address set out in ITB 1.23 irrespective of any delivery or local difficulties.

(d) If the last submission date happens to be a public holiday, the proposal shall be submitted the following working day on or before the time as stated above.

1.25 Late Bids

Any bid received by the CAAN after the deadline for submission of bids as prescribed in ITB 1.24 shall be rejected and returned unopened to the bidder by informing through fax to come and collect within seven (7) days from CAAN .

1.26 Withdrawal and Modification of Bids

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

The bidder's modification or notice of withdrawal shall be prepared, sealed, marked and delivered in accordance with provision of ITB 1.23 for the submission of bids, with the inner envelopes additionally marked "MODIFICATION" AND "WITHDRAWAL" as appropriate.

Subject to the ITB 1.30, no bid may be modified subsequent to the deadline for submission of bids.

If a bidder withdraws its proposal during the bid validity period, between deadline for submission of bid and the expiration of bid validity, the withdrawal may result in the forfeiture of the bid bond in accordance with ITB 1.20.

1.27 Bid Opening

The CAAN will open the Technical proposal of all the bids, including submission made pursuant to ITB 1.26 in the presence of bidder's representatives who choose to attend at 14:00 hours on the 46th day of the first publication of this notice at the above-mentioned office. If the last submission date happens to be a public holiday, bids shall be submitted and opened the following working day on or before the time as mentioned above. The bidder's representative, who attends the opening of the Technical Proposal Envelops, shall sign a register to record their evidencing of attendance.

Envelopes marked “WITHDRAWAL” shall be identified. Bid with an acceptable notice of withdrawal pursuant to ITB 1.26 shall not be opened and be returned to the bidder.

The CAAN will examine bids to determine whether they are complete, whether the requisite bid securities have been furnished, whether the documents have been properly signed, and whether the bids are generally in order.

At bid opening, the CAAN will announce the bidder's name, written notification of bid modification and withdrawals, if any, the presence of the requisite bid security and such other details as the CAAN may consider appropriate.

Bids that are not opened and read out at Bid opening shall not be considered further for evaluation, irrespective of the circumstances. The CAAN shall prepare, for his own records, minutes of the bid opening, including the information disclosed to those present in accordance with sub ITB 1.27.

E. EVALUATION AND COMPARISON OF BIDS

1.28 Confidentiality After the public opening of bids, information relating to the examination, clarification, evaluation and comparison of bids and recommendations for the award of a contract shall not be disclosed to bidders or any other person not concerned with such process until the award to the successful bidder has been announced. Any effort by a bidder to influence the CAAN 's process of examination, clarification, evaluation and comparison of bids and in decisions concerning award of contract, may result in the rejection of the bidder's bid.

Bidders acknowledge that the IFB Recruitment Process is a Public process and the Authorities shall make all reasonable efforts to keep the Proposals confidential. If, notwithstanding these efforts, information relating to the contents of Proposals becomes public, the Authorities shall not be liable.

1.29 Deviations, Reservations and Omissions These words may be used to explain the events in general.

1.30 Clarification of Bids To assist in the examination, evaluation and comparison of bids, the CAAN may, at its discretion ask any bidder for clarification of its bid. The request for clarification and response shall be in writing or by fax, but no change in the price or substance of the bid shall be sought, offered or permitted except as required to confirm the correction of arithmetic errors discovered by the CAAN during the evaluation of the bids.

1.31 Determination **1.31.1** Prior to detailed evaluation of bids, the CAAN shall determine

**of
Responsiveness
and Evaluation**

whether each bid:

- (i) Has been properly signed,
- (ii) Is accompanied by the required securities,
- (iii) Is fully responsive to the requirements of the bidding document and
- (iv) Provides any clarification and / or substantiation that the CAAN may require. All the pages of the bid shall have to be marked with initial signature.

A substantially responsive bid shall be the one, which conforms to all the terms, conditions and specifications of the bidding documents as specified in **Clause 1.4** of Instructions to Bidder.

If a bid is not substantially responsive, it shall be rejected by the CAAN and may not subsequently be made responsive by correction or withdrawal of the non-confirming deviation or reservation.

1.31.2 Evaluation and Comparison of Bids

The CAAN will evaluate and compare only bids determined to be substantially responsive to the requirements of the bidding documents as stated in ITB 1.31.1. The selection of bid as per the criteria discussed below shall be based upon the Two-Envelope System with individual assessment of the Technical and Financial Proposals as submitted by the bidder. Total each of 100 points shall be allocated for evaluation of the technical and financial proposal. Prior to evaluation of bids, the CAAN shall constitute an evaluation committee for evaluation of the Technical and Financial Proposal of the bid.

a) Technical Proposal Evaluation

Technical Proposal of all the bidders shall be evaluated first. Bidders securing at least 60% of total marks in the technical evaluation shall only be selected for financial evaluation. If the bidders cannot score 60% of total marks allocated for the technical proposal, then the bidder(s) scoring with 50% or more shall also be considered for financial evaluation. In case no bidders qualify, then re-bidding shall take place. The distribution of weightage for different work activities in Technical Evaluation is summarized in the following Table 1:

Table 1: Distribution of Points for Technical Proposal Evaluation

S. N	Particulars	Total weightage (points)
1	Financial capacity of the bidder	

2	Technical capacity and experience of bidder	
3	Work efficiency and experience of proposer	
4	Implementation procedure and work schedule of contract settlement	
5	Financial resources and related plans to contract settlement	
6	The other optional methods indicated to make contract settlement more probable and useful.	
	Sum Total	100

b) Financial Proposal Evaluation

The CAAN shall inform all the selected bidders in the technical evaluation the date and time for opening of the Financial Proposal in the above-mentioned office of the CAAN. Financial Proposal of the selected bidder(s) in the technical evaluation shall be opened in presence of the selected bidder(s) or bidders' representative at the above office. The Financial Proposal of the selected bidders shall be opened even in the absence of the bidder or their authorized representative even if they do not attend. Unopened financial proposal of other bidders shall be returned to the respective bidders. Financial evaluation of the selected bidder(s) shall be based upon the highest Net Present Value of the lease amount for ten (10) years period at 10% (ten percent) discount rate. The bidder scoring the highest point in financial evaluation shall be selected and recommended for further action.

The Business Plan for OM of ACC (Financial Analysis) should be submitted along with the proposed lease amount.

1.32 Contact with the Authorities or Evaluation Committee

No bidder shall contact the CAAN, their advisor, employees, consultants or agents or the Evaluation committee on any matter relating to the Bidder's Proposals from the time of opening the proposals to the time the Contract is awarded. If the bidder wishes to bring additional information to the notice of the CAAN it shall do so in writing.

Any effort by a bidder to influence the CAAN, their advisor, employees, consultants or agents or the Evaluation Committee in the Evaluation Committee's Proposals Evaluation, Proposal comparison or contract award decision may, in the discretion of the Evaluation

Committee, result in rejection of the Bidder's proposals.

- 1.33 CAAN's Rights to Accept or Reject the Bid** CAAN reserves the right to accept or reject any Bid, and to annul the bidding process and reject all Bids at any time prior to Contract award, without thereby incurring any liability to the Bidders.

F. AWARD OF CONTRACT

- 1.34 Successful Bidder** The bidder that has submitted the Proposals with the highest total value (net present value of lease amount for 10 years) shall be the successful bidder if the proposal is substantially responsive to the Bidding requirements.

- 1.35 Award** Based on the evaluation of bids as per the ITB 1.31, the Evaluation Committee shall make recommendation to the authorized body of the **CAAN to award the Contract to the bid offering the highest amount of Net Present Value of lease amount for ten (10) years.** The authorized body of the CAAN may enquire or ask for explanation and / or justification of selection, if necessary. The authorized body of the CAAN shall make the final decision on selection of the bid for contract award.

- 1.36 Notification of Intention to Award** Prior to expiration of the period of bid validity prescribed by the CAAN, the CAAN shall notify the successful bidder by fax or confirm by writing via registered letter that its bid has been accepted. This letter (hereinafter and in the Conditions of Contract called the "Letter of Acceptance") shall name the annual lease amount, which the bidder will pay the CAAN for leasing of the ACC.

The Firm shall acknowledge the receipt of LOA (Letter of Acceptance) and confirm its commitment to lease the ACC within fifteen (15) days and sign the contract within thirty five (35) days from the date of acknowledgement at the office of the CAAN. Sample forms of LOA and Contract are attached with the Bidding Document.

The notification of award shall constitute the formation of the Contract.

Upon furnishing by the successful bidder of a performance security in accordance with the provision of ITB 1.39, the CAAN will promptly notify the unsuccessful bidders that their bids have been unsuccessful.

- 1.37 Company Formation** Within thirty five (35) days after the date of acknowledgement of receipt of the Letter of Acceptance, the Bidding Firm consisting of Foreign Firm is required to register as a foreign company or joint venture company in accordance with the Nepalese Law.

- 1.38 Signing of Agreement** Upon completion of registration of the foreign Company or Foreign Investment Company as per Nepalese Law, the Firm shall sign the Form of Contract Agreement with the CAAN as provided in the bidding document, including all the agreements between the parties within 35 days from the date of receipt / issue of LOA.
- 1.39 Performance Bond** Within Fifteen (15) days of receipt of the notification of award from the CAAN, successful bidder shall furnish to the CAAN Performance bond as per the format of CAAN, issue from the commercial bank or financial institution, validation of whole contract period having the 10 percent amount shall be deposition in the CAAN. The Performance Bond must be guaranteed by Class A commercial Bank of Nepal.
- 1.40 Failure to sign the Contract or Provide the Performance Security** If the successful bidder fails to comply with the requirements of ITB 1.38 and ITB 1.39 of this document, this failure shall constitute a breach of contract, and shall constitute sufficient grounds for annulment of the award, forfeiture of Security submitted as per ITB 1.21 and such other remedies as the CAAN may think appropriate, in its sole discretion. The CAAN may also award the contract to another bidder or call for new proposals.
- 1.41 Construction and Equipment Detail** Cost of the building Construction, existing equipment details and investment required from lessee for new equipment are presented in Appendix "B" to Appendix "G".

SECTION 2

SPECIFICATION OF WORKS AND SERVICES

2.1 Introduction

The construction of ACC, as one of the six packages of TIA Improvement Project initiated on March 13, 1998 has been substantially completed by May 2001. There was a provision of 365 days as the defects liability period to rectify the defects, if any. This period is now over without ACC coming into operation. Basic warehouse equipment such as racking, forklifts and others are provided as part of the project. Cold storage facility was added in 2007. But it is not operational yet. Quarantine Unit has been established inside ACC Warehouse. It is not operational yet.

A very expensive and large sized and highly efficient X-ray (Scanner) machine was successfully installed in 2008 in the arrival section. But it is not brought into operation yet. Additional warehouse equipment including, needful vehicles for transportation of cargo goods to and from the international apron, if any, shall be procured by the OM contractor by prior agreement with CAAN.

Some additional equipment may be required for carting services between aircraft tarmac and Cargo terminal. Details are presented in Appendix-E.

Currently, exercise of "Custodian Rights" and operation and management of the bonded warehouse in ACC is being done by NTWMCL under an MOU between CAAN, TIACAO and NTWMCL which will expire in 14th Jan. 2015, if not renewed.

2.2 Works Schedule

The Contract Implementation period will commence immediately after the Contract is signed between CAAN and the selected bidder. The required works under OM of ACC has been categorized as follows:

- (a) Needful Development Tasks of the ACC.
- (b) Operation and Management of ACC.
- (c) Hand-over of ACC to the CAAN, TIACAO at the end of the Contract period.

2.3 Development Tasks of ACC

This task will basically deal simultaneously along with the operation of ACC and with the understanding of envisioned OM concept, internalization of the concept and beginning of its implementation thereafter. The task shall include the design and development as well as installation/ implementation of system, processes, procedures, manuals, mechanism, and others for effective, efficient and sustainable development, operation and management of ACC as envisioned, and handover of ACC after the termination of the contract. Major works are outlined in the following paragraphs.

2.3.1 Formation of Monitoring Committee

All the activities relating to the OM of ACC shall be carried out in an institutionalized form. A Monitoring Committee shall be formed to ensure the productive operation of ACC and to monitor the OM of ACC as per the agreement and give suggestion/recommendations

along with their implementation schedule. The Committee shall consist of the following as assigned by CAAN:

- | | | |
|-----|---|--------------------|
| (a) | General Manager, TIACAO | - Chairman |
| (b) | Chief Customs Administrator of TIA,
Customs Office | - Member |
| (c) | Chief, TIA Nepal Police Office | - Member |
| (d) | Representative, CAAN Head Office | - Member |
| (e) | Chief Executive of the Firm/ Operator
of ACC | - Member |
| (f) | President, Nepal Freight Forwarders
Association | - Member |
| (g) | President, Nepal Couriers Association | - Member |
| (h) | Chief, Air Cargo
Division, TIACAO | - Member Secretary |

The Committee shall develop and implement needful "Directives" after getting approval from CAAN Head Office in order to fulfill its responsibilities.

The Committee may form Sub-committee(s) as and when required. The members of the Sub-committee shall be as decided by the Committee and may be other than its members as per the need.

The Committee shall sit at least once in three (3) months.

2.3.2 Review and modification of warehouse infrastructure of ACC

The Firm shall review all the materials, documents and studies relating to ACC prepared so far and may discuss and get clarification and further information with the CAAN and TIACAO and Consultants involved in their preparation of this bid document, if necessary. The firm shall carefully review the warehouse floor and office plans prepared by the CAAN and TIACAO and compare with their proposed flow pattern for effective and efficient operation and management of the cargo handling. If any modification is necessary, the firm shall prepare the revised warehouse floor plans and submit, through TIACAO Air Cargo Section, to the CAAN, TIACAO for its approval. This revised plan shall be limited to the arrangements of equipment and office spaces within the building. Demolition or expansion of the building or installing hoarding boards, etc blocking the aesthetic view of the building shall not be entertained.

2.3.3 Identification of additional warehouse equipment, services and facilities, and their procurement

A listing of warehouse equipment, cold storage, etc. currently available at the ACC shall be available for review. The Firm

shall list and identify additional equipment necessary for

providing air cargo handling services productively. If additional equipment is required, the Firm shall identify with specification and prepare the listing along with costs and submit to the CAAN for approval. Prior to purchase of any additional equipment, the approval of the CAAN shall be necessary. Efforts shall be made for the computerization and automation of the whole functions at ACC so far as possible.

2.3.4 Designing and Development of Organizational Manual

The firm shall design and develop an organizational manual. The manual shall incorporate the organization structure indicating policy, executive and operative level bodies/units; job structure; job specification; management positions, job description, etc. The firm shall identify key management positions, which need to be filled up from the individuals from outside the country for operation and management of ACC.

2.3.5 Development of Operation Manual, etc.

The firm shall develop Standard Operating Procedures (SOP) for productive operation and management of ACC. The firm shall seek consent from CAAN before making them effective. These shall include Financial Rule, Employees' Service Rule, and operational manuals for functional areas of management, equipment, quality assurance and others. In order to enhance the productivity, the firm may sub-contract some of its operations, but prior consent from the CAAN shall be necessary for such activities.

Operational manual and /or benchmarks for such operation shall be developed by the firm for assuring the quality services from the Service provider/s. Some of the services identified for possible out- sourcing are:

- Loading and unloading of cargo
- Packing and re – packing services
- Vehicle parking services
- Landscaping / gardening works
- House Keeping services, etc.

As there are specific operational manuals, which are "must" for undertaking the jobs of proposed nature, the firm shall develop them and get consent from the CAAN, TIACAO prior to their implementation. Such manuals should be presented separately under each sub-section.

2.3.6 Development of Security Manual

As ACC lies in the strategic area of TIA, security of ACC and areas accessible to it is of concern to the CAAN, TIACAO.

Therefore, security of ACC as well as safe and secured movement of the stored cargo shall be the concern of the Firm during the OM of ACC. The security of ACC shall be the responsibility of the Firm and it shall in no case interfere with the overall security of the TIA. The Firm, in consultation with the CAAN shall

engage security personnel and prepare a security manual as per ICAO guidelines. The manual shall incorporate the security of ACC by the Airport Security personnel and those personnel employed by the Firm. It shall also take care of monitoring of the activities within the ACC building and along the access road from ACC to international apron during transportation of the in-coming and out-going cargo. Provision for the closed circuit television (CCTV) system or any other latest appropriate system for monitoring the activities within the ACC building and along the access road by providing cameras at various locations shall be installed by the firm. Details of any security system or arrangement shall be submitted to the CAAN for approval prior to implementation.

2.3.7 Development of Maintenance Manual

Since the buildings, machines and equipment, vehicles, communication and office equipment, landscape and other physical assets need to be properly and timely maintained for longevity of their productive life; the Firm shall prepare maintenance manual for such services. The Firm shall carry out the maintenance work as per the manual and maintenance schedule, which shall have to be approved by the CAAN.

2.3.8 Formulation of a Mechanism for Fixing Fees and Charges

Fees and charges for services might be affected by various factors and might need to be changed from time to time. So, a model for fixation of fees and charges may be developed on the basis of NRB inflation rates, etc. and suggested to the CAAN for necessary approval. Time bound mechanism and model for fixation for different product groups and volume shall have to be developed by the Firm. Fees and charges may be reviewed every three years for needful and logical change(s), if any.

2.3.9 Development of MIS System

The Firm shall design and develop Management Information System (MIS) for providing timely and regular information on development, operation and management of ACC to the CAAN. The objectives of the MIS system shall be to monitor day to day management and operation and assisting in undertaking corrective measures thereafter for attaining the envisioned objectives of OM of ACC. The firm shall take

approval of the TIACAO before implementing the system.

2.3.10 Development of System, Manuals and Performance Indicators

The CAAN shall play the role of a facilitator and a monitoring agency. The overall responsibility for operation and management will be with the Firm selected for OM of ACC. But the CAAN will have authority to give directives/corrective measures with implementation schedule to the firm as agreed upon earlier. Development of system, mechanism, manuals and indicators for regular and timely monitoring OM activities of ACC shall be carried out by the Firm. Based on the feedbacks from the reporting mechanism, the CAAN can issue directives to the Firm for modification/ improvement/ rectification of the systems and procedures.

2.3.11 Development of Safety Management Manual

There shall be no compromise on safety in the OM of ACC and therefore, the Firm shall develop a Safety Manual incorporating safety of goods, customers, employees and others, and of all the equipment used in ACC. Controlling health hazards and providing necessary protections to the customers and others are to be given due consideration by the Firm. Protective gears (flourscent / high visibility jacket, etc) should be worn by Firm staff while inside the warehouse. Side lights and/or flashing lights shall be "on" while equipment are mobile.

2.3.12 Human Resources Development (HRD) Plan

The Firm shall prepare Human Resource Development Plan to the satisfaction of the CAAN. The firm shall use expatriate staff where it is absolutely necessary and gradually replace them through transfer of know-how, knowledge and skills to the local counterpart staff. The Firm shall give due regard to employees welfare plan and employ local staff at appropriate positions in the development of human resources in a planned manner.

2.3.13 Environmental Impact Study & Environmental Protection Plan

The Firm shall conduct an Environment Impact Assessment (EIA), study and develop environmental protection plan incorporating waste disposal and management (soil / Toxic and harmful chemical and other liquid disposal), refuse disposal, noise control, disaster management / ornamental plants and trees, emergency lighting and fire protection, and program of

activities to carry out all the necessary remedial works. The Firm shall seek approval from CAAN prior to implementing them.

2.3.14 Development of Procedure for Hand-over of ACC

The Firm shall hand-over ACC to the CAAN after the termination of the Contract. The Firm shall detail out process, procedure and other necessary activities for handing-over of ACC to the CAAN after ten (10) years from the time of signing of the Contract.

2.3.15 Investment

The awarded Firm shall also invest in procuring assets for the development of the system required for the operation of ACC as per business and operation plan. TIACAO under CAAN may takeover such assets by paying 60% of the residual value of the assets, deducting depreciation, procured by the winning Firm at the end of the lease period. In such case the depreciation will be calculated on the basis of the principle accepted by Nepal Government, Department of Tax under the provision of Income Tax related law.

The Firm is obligated to finance the amount required for the operation and management of ACC from its own resources and shall also pay all costs related to the operation and management of the ACC including expenses or charges due in respect of water, electricity, telephone and / or other charges due.

2.4 Operation and Management of ACC

This task shall be achieved by implementing the plans, systems, process, procedures, manuals, and other materials designed and developed with the approval of the CAAN. It shall mainly concentrate on operations and management (O&M) of the activities, which are as follows:

- (i) Overall operations and management of incoming and outgoing cargo from ACC Warehouse to International Cargo Apron and vice versa, if need be,
- (ii) Operation and management of the cargo built-up area, parking area, cargo apron area,
- (iii) Operation and management of the cargo warehouse including systematic racking, palleting, processing and transfer,
- (iv) Collection of fees and charges,
- (v) Operation and management of the access road from the ring road,
- (vi) Operations and management of the security system inside the ACC,
- (vii) Maintenance of the ACC building and other civil works, machinery, equipment, drainage system, etc,
- (viii) Maintenance of landscaping

- (ix) Assisting in surprise check of the operation and management of ACC by the CAAN Monitoring Committee,
- (x) Distinctly segregating departing cargo from arrival cargo inside the bonded warehouse.
- (xi) Loading and unloading of cargo at the docking-side of the ACC building, etc.

2.5 Hand-Over of ACC to the TIACAO

This task shall deal with the handover process to return back of ACC to the CAAN starting at least six months before the actual handover date. Major work activities identified for this phase are as follows:

- (i) Preparation of the list of fixed assets in the ACC,
- (ii) On the job training to staff deputed by the CAAN at strategic level jobs at ACC from six months before the handing over date,
- (iii) All the facilities and / or equipment shall be in working conditions,
- (iv) Final inspection of all facilities and equipment before the handover is carried out by the CAAN,
- (v) Final Acceptance of facilities and systems of ACC by the CAAN,
- (vi) Handover of additional equipment purchased by the Firm, if any, to the CAAN,
- (vii) Preparation and submission of the Project Completion Report.

2.6 Implementation Schedule

The implementation schedule for OM of ACC shall be for ten (10) years. The Firm shall state the time frame required for each of the three categories of activities mentioned below:

- (i) A time frame for additional development activities is six months at the most,
- (ii) A time frame for Operation and Management activities will be ten (10) years.
- (iii) The process of hand-over shall start six month before the end of the contract period (10 years) and last for a maximum period of six months.
- (iv) The operation of ACC should start not later than thirty (30) days from the date of signing of the Contract.

2.7 Submission of Reports

The Firm shall submit five (5) hard copies and a soft copy of each of the following reports for the three categories of works in English language to the CAAN.

2.7.1 Development Tasks and Reporting

- i) First interim report within one and half months from the date of the start of the project,
- ii) Organizational profile along with organizational structure within three months from the date of signing of the contract,

- iii) Modification/Improvement Plan of the ACC containing elements of modifications within the first three months, if any,
- iv) Organizational Manual within the first three months, if any,
- v) Operational Manuals within the first three months,
- vi) Security Manual within the first three months,
- vii) Maintenance Manual within the first three months,
- viii) Report on Management Information System within the first three months,
- ix) Monitoring Manual incorporating Performance indicators as agreed within the first four months,
- x) Human Resources Development (HRD) Plan within the first four months,
- xi) Environmental Impact Study and Environmental Protection Plan within the first four months,
- xii) Report on Process & Procedures for Hand-over before six months from the date of end of the Contract,
- xiii) Completion Report of Development tasks within six months from the date of start of the Contract.

2.7.2 Operation and Management

- i) Approval of Organizational Plans, Operational Plans, and other documents submitted earlier for approval.
- ii) Rectification/modification/improvement on the reports, if any
- iii) Fees and Charges Manual in the form of a brochure and circular within first two months
- iv) Monthly Activity Reports – every month
- v) Statistical data on cargo-every month. Format to be approved by CAAN.

2.7.3 Handover of ACC

- (i) Inventory of original Assets,
- (ii) Inventory of additional Assets and their book-value, and
- (iii) Completion Report of Handover Task

2.8 Policy and Regulatory Issues Provisions in the following legal instruments are attracted directly or indirectly (in spirit) in regard to the OM of ACC at TIA in one way or another where deemed relevant:

- 1. Aviation Policy, 2063 (2006)
- 2. Civil Aviation Act 2015 BS
- 3. Civil Aviation Authority of Nepal Act, 2053 (1996)
- 4. Nepal Industrial Enterprises Act, 2049 (1992)
- 5. Foreign Investment and Technology Transfer Act
- 6. Labour Act
- 7. Taxes and Duty Regime of Nepal Government

8. Civil Aviation Security (Management) Rules, 2046 BS
 9. CAAN, Airport Service Charge Regulation, 2067
 10. Public Procurement Regulation, 2064
 11. Private Sector Participation in Development and Operation of Infrastructure Development Regulation, 2064
 12. Arbitration Act of 1998
 13. Directives from Public Procurement Monitoring Office, Government of Nepal
 14. Directives and Advisory Circulars from CAAN/TIACAO,
-

SECTION 3: AFFIDAVIT

Form No. 1

AFFIDAVIT

We, the undersigned and the authorized Representative, do hereby certify that all the statements and answers made herein are true and correct.

At the same time, the undersigned hereby authorizes any person, firm, warehouse companies and other offices to furnish CAAN, TIACAO on its request all pertinent information for verification of the statement and answers made herein and / or our firm's as well as our competence and general reputation. The undersigned also authorizes any representative nominated by CAAN, TIACAO to verify physically the information supplied by the firm without prior notice.

The undersigned agrees to furnish any additional information that may be requested by CAAN, TIACAO without unreasonable delay.

The undersigned understand that any discrepancy in the statements and answers to questions simultaneously disqualifies the Firm / Joint Venture.

Signature of the authorized Representative_____

Name in BLOCK letters_____

Designation_____

Name of the Firm_____

Date _____

Stamps / Seal of the Firm / Joint Venture

Form No. 2

Particulars of Financial Assistance, (if any)

.....
.....
.....

SECTION 4

CARGO DATA, FORECAST AND BIDDERS'S REQUIREMENT

4.1 Data

The existing fixed assets investment in Air Cargo Complex is estimated at Rs.1,084.67 million and additional investment required for fixed assets is estimated at Rs.160 million as detailed in Appendix B.

4.1.1 Cargo Data from TIACAO

(a) Cargo Data only goods

Year	Export Cargo (MT)	Import Cargo (MT)
2008	7,568	6,317
2009	7,922	7,426
2010	6,922	7,100
2011	6,249	7,236
2012	7,799	6430
2013	10,056	7442

(b) On Aircraft and Passenger Movement (Intl)

Both Aircraft and Passenger movement (international) show a very healthy trend of growth since last 5 years. Altogether 25 International Airlines currently operate scheduled flights at TIA.

4.1.2 Warehouse rates, Cargo and Income Data as per NTWMCL are as follows:

(a) Rates being applied currently by NTWMCL

[Note: Rs 1.00 =100 Pice]

(1) Export

(1.1) General Goods (Per Consignment)

(a)	Upto 50 Kg	-	Rs. 70.00
(b)	From 51 Kg upto 500 Kg	-	Rs. 140.00
(c)	From 500 Kg upto 1000 Kg	-	Rs. 220.00
(d)	Over 1000 Kg	-	Rs. 280.00

(1.2) Demurrage Charge

(a)	First seven (7) days	- Free
(b)	From eight (8) days to thirty (30) days	- 40 Pice Per day / kg
(c)	From thirty one (31) days to sixty (60) days	- 80 Pice Per day/ kg

(d) Over sixty (60) days - Rs. 1.20 Per day / kg

(1.3) **Valuable goods** -Rs. 280 Per Consignment

(2) Import

(2.1) **General Goods**

(2.1.1) **Warehouse Charge per day per Kg**

- (a) Warehouse charge upto seven (7) days - 3 Pice
 (b) Handling Charge (governmental and personal effects)-
 Rs. 43.00 per packet or 80 pice per Kg whichever is higher.

(2.1.2) **Demurrage Charge**

- (a) Upto first seven (7) days -Free
 (b) From eight (8) days to thirty (30) days -40 Pice day / kg
 (c) From thirty one (31) days to sixty (60) days -80 Pice day / kg
 (d) Over sixty (60) days -Rs. 1.20 day / kg

(2.2) **Courier Charge**

Tentative Estimate of Income from air cargo complex See Appendix-H.

Document Parcel and Dip. Mail Rs. 10 per pkts.

Others Rs. 43 per pkts or 80 Paisa per kgs whichever is higher.

2.2.1 Rates being applied for Cargo Handling is much lower than those quoted in CAAN, Airport Service Charge Regulation, 2067. See Appendix-A.]

4.1.3 **As per Nepal Rastra Bank Data**

(a) **Foreign Trade**

Data on "Foreign Trade" of Nepal, as per Nepal Rastra Bank, for the last seven (7) years are as follows:

(Rs in million)

Particulars	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11
Total Exports	58,705.7	60,234.1	59,383.1	59,266.5	67,697.5	60,824.0	64,560.4
To India	38,916.9	40,714.7	41,728.8	38,555.7	41,005.9	39,993.7	43,346.0
To Other Countries	19,788.8	19,519.4	17,654.3	20,710.8	26,691.6	20,830.3	21,214.4
Total Imports	149,473.6	173,780.3	194,694.6	221,937.7	284,469.6	374,335.2	394,901.2
From India	88,675.5	107,143.1	115,872.3	142,376.5	162,437.6	217,114.3	261,631.2
From Other Countries	60,798.1	66,637.2	78,822.3	79,561.2	122,032.0	157,220.9	133,270.0

Note :- Fiscal years 2011/12 and 2012/13 data on "Foreign Trade" of Nepal, as per Nepal Rastra Bank, if necessary, will be received from Nepal Rastra Bank.

(b) **Some other generic Facts of Nepal**

- Merchandise exports of the government increased by 14.1 per cent to Rs. 48.56 billion during the first eight month of the fiscal year 2068/69.

- Exports to India went up by 14.5 per cent during the eight months compared to an increase of 10.1 percent in the corresponding period the previous year.
- Exports to other countries also went up by 13.5 percent. Last year they had fallen by 1.7 percent in the corresponding period.
- Export of woolen carpets, readymade garments, pashmina, Nepalese paper and paper products and tanned skin, among others, increased to other countries.
- During the eight months of the FY 2068/69, merchandise imports increased by 16.6 percent to Rs. 295.24 billion. Such imports had increased by 1.2 percent to Rs. 253.13 billion in the corresponding period last year.
- Imports from India increased by 12.0 percent during the review period compared to a growth of 24.7 percent in the corresponding period last year. Likewise, imports from other countries increased by 26.3 percent compared to a decline by 27.2 percent in the corresponding period last year.
- Carpet export increased by 44.5% to Rs 3,36,58,00,000.00 in the first six months of FY 2068/69 corresponding to same period of the previous period.
- Total import of Nepal is approximately six times higher than the total export. First six months of FY 268/69 saw the import of Rs. 2,54,950 million worth goods while the export was only Rs 42,590 million worth goods.

Note :- Fiscal years 2011/12 and 2012/13 data on "Some other generic Facts of Nepal " as per Nepal Rastra Bank, if necessary, will be received from Nepal Rastra Bank.

4.2 Forecast

By virtue of the data in clause 4.1 above,

- (i) It is hypothetically expected that export cargo will annually increase and import cargo also will annually increase by 5.0%. The total volume/quantity of cargo is expected to reach to the tune of 37,000 MT by 2023AD.
- (ii) When the rates as presented in Appendix A is applied, the gross income is expected to increase by many folds. Bidders are to note this point seriously.

4.3 Bidder's Requirement

The bidder is expected to furnish the following data for evaluation:

1. Confirmation (Acceptance) to proposed Rate/kg by type of export and import cargo, by major commodities and weight as shown in attached Appendix - A.
2. Projected annual cargo quantity (import and export) for ten (10) year project period to be handled through ACC.
3. Projected increase in proposed rate per kg of cargo to be changed every three years with potential variation in the proposed rates in %.

SECTION 5
TECHNICAL INFORMATION FORMS

5.1 IDENTIFICATION

Name of the Firm:

Type of Organization

Postal Address

Telephone

Fax No.

E-mail

Others

Name and address of contact person:

Telephone (Mobile No.)

Date of Registration

Registration No.

Name and position of Principal Officers in hierarchal order

S.No.	Name, address and Tel. No.	Position	Qualification	Full time/ Part Time
1				
2				
3				
4				
5				

Note: A copy of valid Registration Certificate has to be attached herewith.

5.2 EXPERIENCE ON AIR CARGO HANDLING AND WAREHOUSING

Work experience of the firm on air cargo handling and warehousing for at least 5 years between 2002 to 2014 A.D.

S.No.	Project Description, location	Client	Specific jobs performed	Proposed date according to agreement		Turnover of cargo handled & processed	JV / single	Name of partner leading partner
				start	Completion			
1								
2								
3								
4								
5								

5.3 EXPERIENCE ON SIMILAR TYPE OF JOBS

Work experience of the firm on similar type of jobs for at least 3 years between 2007 to 2014 A.D.

S. No.	Project Description and client	Specific jobs performed and volume of work	Proposed date according to agreement		Estimated turnover of work	Actual date of operation		Actual turnover of work
			start	completion		start	completion	
1								
2								
3								
4								
5								
6								
7								

5.4 FINANCIAL STATUS OF THE BIDDER

Summary of assets and liabilities on basis of the audited statements of the three financial years within last five years.

S.No.	Particulars	Year 1	Year 2	Year 3
1	Total Fixed Assets			
2	Current Assets			
3	Total Long Term Loans			
4	Current Liabilities			
5	Net Worth (1-2-3-4)			
6	Working Capital (2-4)			

Name / address of Commercial Bank providing credit line

Total Amount of Credit line:

Note;

1. Attach copies of the audited financial statements of the last three financial years

5.5 OFFICE ORGANIZATION OF THE BIDDER

Please give the description of each key personnel currently working in the firm.

S. No.	Name	Position	Qualification	FT	PT	CTR	Remarks

Note:

1. FT = Full time, PT = Part time, CTR = Short Term Contract.
2. Please tick the appropriate column.
3. This list summarizes the total key staff within the organization of the bidder.

5.6 PROPOSED TEAM OF PERSONNEL FOR OM OF ACC AT TIA, KATHMANDU.

Please give the description of each key personnel proposed for OM of ACC at TIA in Kathmandu.

[illegible]

5.7 BIODATA (CV) OF KEY PROFESSIONAL

The bidder may produce their own format of CV, but it must clearly state the following:

1. Personal particulars: Name, Contact address, telephone no, profession and nationality.
2. Proposed designation in this project.
3. Academic Qualification with dates (year of obtaining of the degree)
4. Training, attended seminars /workshops (if any) with dates and duration.
5. Membership of professional organization, Research and Publications.
6. Work experience clearly stating the following:

Name of the job

Name of the TIACAO / Organization

Position in the job

Time involvement in each job

Type of works performed in the particular job

Time duration of involvement in each job (From mm/yy to mm/yy)

Note:

1. CV must be signed by concerned personnel with date and period of validity for the contract period.
2. CV must be signed in each page.

SECTION 6

APPROACH AND METHODOLOGY

The Bidder shall present approach and methodology of work. The methodology is expected to be specific and clear. The main objective of CAAN, TIACAO is to perform an assessment of the Bidder's capability in terms of technical and financial strength to undertake the project under OM of ACC at TIA in Kathmandu. The assessment shall include the evaluation of Bidder's approach and methodology with the clear understanding of the objectives of OM. Some guidelines that will be helpful for preparation of the methodology are summarized as follows:

- a. Review of relevant documents, reports, related drawings of ACC and assessment of site condition.
- b. Technical assessment of the warehouse equipment of ACC and additional equipment required.
- c. Approach for implementation of work activities under the proposed Phasing of Works during the lease period.
- d. Proposed new organization and manpower for OM of ACC.
- e. Preparation of Business Plan for OM of ACC.
- f. Commitment for preparation of various manuals on maintenance, required services and others.

Work schedule diagram for implementation of various work activities and manual report preparation for various activities are to be shown in the following prescribed format:

S. No.	Description of work activities	Duration	Years									
			1	2	3	4	5	6	7	8	9	10
1												
2												
3												
4												
5												
6												
7												
8												

SECTION 7

JOINT VENTURE AGREEMENT

(To be filled up only by Bidders in case of a joint venture)

1. Name of the bidder:
2. Head office address:
Telephone: Fax No.
E-mail:
3. Local / regional address (if any)
4. Names of the partners:
 - a)
 - b)
 - c)
 - d)
5. Name of the leading partner
6. Joint Venture agreement
7. Proposed distribution of responsibilities among the partners (in brief). If possible please indicate in percentages of the work load among partners.

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.....

.....

Signature
Name
Date
Seal of the firm

Signature
Name
Date
Seal of the firm

Signature
Name
Date
Seal of the firm

SECTION 8

DRAWINGS OF ACC

The list of Drawings of the ACC is summarized in the following Table:

Drawing	Title	Name of Drawings
6.1.C.101	PACKAGE NO. 6.1	
	AIR CARGO COMPLEX & STAGE II APRON EXPANSION	ROAD GEOMETRY & CONSTRUCTION PLAN NORTH
6.1.C.102	PACKAGE NO. 6.1 AIR CARGO COMPLEX & STAGE II APRON EXPANSION	SITE GEOMETRY & GRADING PLAN
6.2.A.201	PACKAGE NO. 6.2 CARGO BUILDING	FLOOR PLANS (2 Sheets)
6.2.R.101	PACKAGE NO. 6.2 CAROG BUILDING	CARGO BUILDING GENERAL ARRANGEMENT PHASE I STORAGE AND HANDLING EQUIPMENT

SECTION – 9

NATURE OF THE PROPERTY ACCESS AND RIGHT OF USE **BY THE CUSTOMS AND TIACAO**

- i. The Lessee will have full authority with respect to a) using the land of the ACC area, b) the use of equipment for operation of ACC and c) the use of building warehouse / terminal and utilities within the premises. However, the Customs office operated within the premises will have authority to exercise the following activities:
 - a) Reasonable office space within ACC building to carry out the daily functions of Customs on the terms and conditions as per CAAN Airport Service Charge Regulation, 2067
 - b) Unrestricted access to ACC warehouse and other areas for regular or occasional inspection of the condition of goods/consignments being exported /imported.
 - c) Access for checking of goods during loading/unloading of goods in container/delivery vehicle.
 - d) Issuance of entrance permits, if necessary to the various parties within the bonded area of Customs.
 - e) Other activities as authorized by Customs Act – 2065.
- ii. The Lessee will have authority to charge rent for other users in the premises such as Freight forwarders, Airlines, Banking office, Insurance, Customs agents, Post office etc. In addition, they are entitled to get free access to the premises of other facility users. The Lessee may charge rent for bonded warehouse, vehicle parking, loading/unloading of containers, use of material handling equipment for loading/unloading and storage, etc.
- iii. It is expected that there will be harmonious working agreement between Customs and Lessee. Any problem, that can not be solved amicably between Customs and Lessee, will be referred to CAAN, TIACAO for mediation.
- iv. CAAN, TIACAO will have the right of access to all facilities within ACC complex as and when necessary.

Section – 10

AGREEMENT BETWEEN TIACAO AND ACC OPERATOR

An Agreement, as early as possible shall be made between CAAN, TIACAO and ACC Operator for the management of various services and activities including but not limited to the following:

- (a) Security of ACC
- (b) Entry permit to ACC,
- (c) Control and Supervision of illegal activities if any,
- (d) Responsibility of Customs Office
- (e) Operator's (of ACC) liability
- (f) Dispute Settlement, etc.

Appendix “A”

A. Cargo Handling Service Charges at TIA

CAAN Airport Service Charge Regulation, 2067, has been issued, but "Cargo Terminal Service Charges at TIA" is not applied yet. When the winning Bidder (as per this tender notice) takes over ACC, rates to be applicable then as per CAAN Airport Service Charge Regulation, 2067 are presented hereunder in a tabulated form.

Table 7: Cargo Service and Room Rental Charges at ACC to be applicable:

S.N.	Nature of Cargo	Export	Import
1.	General Cargo	Rs 2.85 per kg or Rs 200.00 whichever is higher.	Rs 5.35 per kg or Rs 100.00 whichever is greater.
2.	Valuable Cargo	Rs 3.00 per kg or Rs 300.00 whichever is higher	Rs 8.00 pr kg or Rs 200.00 whichever is greater
3.	Perishable Cargo	Rs 3.00 per kg or Rs 300.00 whichever is higher	Rs. 8.00 per kg or Rs 200.00 whichever is greater
4.	Dangerous / Hazardous Cargo	Rs 6.00 per kg or Rs 600.00 whichever is higher	Rs. 16.00 per kg or Rs 400.00 whichever is higher
5.	Express Courier Bag/ Parcel / Cargo	Rs 5.00 per kg or Rs 100.00 whichever is higher	Rs 5.00 per kg or Rs 200.00 whichever is higher
6.	Live Animals	Double the rate applied for Valuable cargo for Export or Import as the case may be	
Note:	<div><div><div>1. Aforementioned cargo will be classified as per ICAO Air Cargo Tariff Rules.</div><div>2. Palletisation or De- Palletisation job will cost Rs 100.00 per MT</div><div>3. Extra Rs 50.00 will be charged per consignment it the cargo clearance service is to be performed on public holidays and/or beyond normal office hours.</div><div>4. No demurrage will be charged for the first 24 hours on export cargo. After the gratis period, demurrage at the rate of Rs 1.00 per kg from next day upto 30 days, Rs 1.50 per kg from 31st Day to sixtieth (60th) day and Rs 2.00 for the duration thereafter will be charged.</div><div>5. No demurrage will be charged for the first 5 days on Import Cargo. After the gratis period, demurrage at the rate of Rs 2.00 per kg from next day upto 30 days, Rs 2.50 per kg from 31st day up sixtieth day and Rs 4.00 per kg for the duration thereafter will be charged.</div></div><div>The free (gratis) time also would be counted under demurrage if the consignment is not moved out or taken delivery within free (gratis) time.</div><div><div>6. If actual weight is greater than the declared weight, the charge will be double the applicable normal rate.</div><div>7. There will be no service charge on human remains, whether out-bound or in-bound.</div><div>8. Building or room rental rate of ACC will be Rs 550.00 per sq. m. per month.</div></div></div>		

Note: Bidders are to check on the actual rates being currently applied on the aforementioned items.

APPENDIX “B”**ESTIMATED FIXED ASSETS INVESTMENT****SUMMARY OF FIXED ASSETS INVESTMENT OF AIR CARGO COMPLEX
AT TIA, KATHMANDU**

Rs. ‘000’

S. No.	Particulars	Under Project Package	Proposed Addition by the Operator	Total
1	Land & Land Development	400,000	0	400,000
2	Building & other Civil Works	507,044	0	507,044
3	Cold Storage area	9,000	0	9,000
3	Plant, Machinery & Equipment including racking platforms	44,178	30,760	74,938
4	Other Equipment	15,931	79,580	95,511
5	Furniture, Fixture & Office Equipment	2,148	30,160	32,308
6	Transport Vehicles	0	11,840	11,840
7	Total Tangible Investment	972,371	12,8160	1,100,531
8	Studies, Project Management & other expenses	624	2,000	2,624
9	Consultancy fee for design & supervision / Manuals	91,680	10,000	1,01,680
10	Total Intangible Investment	92,304	2,000	94,304
11	Scanner for Departing Cargo	20,000		20,000
	Total Investment	1,084,675	160,160	1,244,835

- Note: 1. A very big Scanner (X-ray Machine) is installed at the export section of the warehouse in 2008. It was handed over to Customs after successful commissioning. This machine is not operational almost since the beginning. Bidders' comment on the operation of this machine is welcome.
2. Lessee shall present a plan for the procurement of aforementioned fixed assets.

Appendix –'C'**Details of Land Development (for ACC)**

Rupees in Thousands

S.N o.	Particulars	Unit	Area	Rate per Ropani	Under Project Package	To be added	Total
1	Land	Ropani	157.20	2,544.53	400,000	-	400,000
Total					400,000	-	400,000

Details of Building and Civil Works

S.N	Particulars	Unit	Area	Rate	Under Project Package	To be added	Total
1	Main Storage area (export/import hall)	Sft	5,400.00			-	-
2	Customs Inspection area Zone 1 & 2		1,200.00			-	-
3	Office area- Ground floor		945.00			-	-
4	Mezzane floor		2,145.00			-	-
	Sub-Total		9,690.00	27.22	263,720.00	-	263,720.00
5	Other building				1,999.00	-	1,999.00
Sub Total					265,719.00	-	265,719.00
1	Approach Road	Km	1.56		172,890.00		172,890.00
2	Drainage works				34,986.00		34,986.00
3	Sanitation, water supply etc.				15,521.00		15,521.00
4	Electrical works				12,404.00		12,404.00
5	Landscaping				334.00		334.00
6	Boundry wall & Gate (Chainlink fencing)				5,190.00		5,190.00
Sub Total					241,325.00	-	241,325.00
Total					507,044.00	-	507,044.00

Appendix –D**Details of Plant, Machinery and Equipment****(in'000)**

S.No.	Particulars	Unit	Quantity	Rate	Under Project Package	To be added by Lessee	Total
1	Crane 15 tons	Nos	1			8000.00	8,000.00
2	Forklift 3 tons	Nos	4			10300.00	10,300.00
3	Forklift Trucks:				8,800.00	-	8,800.00
	Electronic Counter Balance Trucks	Nos	2			-	-
	Spare battery, charging and charging equip.	Sets	4			-	-
Sub Total					8,800.00	18,300.00	27,100.00
4	Racking:		4,742.00		4,742.00		4,742.00
	a) Export racking - three pallets high	bays	16				-
	b) Pallet tracking	positio ns	270				-
	c) Import Racking, 3 pallet high fir.	bays	14				-
	d) Pallet racking (import cargo)	positio ns	196				-
	Container dolleys		15			3,600.00	3,600.00
	Lazy bed rollers for pallets					8,000.00	8,000.00
	Loading platform		4			640.00	640.00
5	Weighing scale/ dolly dock, (floor moun ball table top rollers at NEL)	Nos.	2		4,198.00		4,198.00
6	Free standing platform scale (Import & export)	Nos.	3		2,469.00		2,469.00
7	Donkey Slave pallet truck incl. 1 Batter		1		3,448.50		3,448.50
8	Slave pallets 10ft. NEL		12		1,419.00		1,419.00
9	Trolleys 4 wheel		10			480.00	240.00
10	Hand trolley		20			640.00	320.00
11	Recommended spare parts				145.00		145.00
(12)	[Cold Storage Unit (complete with stand by Generator and other Ancillaries)- Added at a later date]	1 Unit					
(13)	[Scanner (X-Ray Machine)- Added at a later date]	2 Unit					
Sub Total					16,421.5	133,600	150,021.50
Total price					25,221.5	31,460	56,681.50
14	Transport fee for the overall equipment				3,437.00		3,437.00
15	Agent fee	%	4%		1,114.00		1,114.00
16	Contract Tax	%	1%		278.00		278.00
17	Import Tax	%	5%		1,392.00		1,392.00
18	Contractor's Profit	%	15%		4,177.00		4,177.00
Sub Total					10,401.00	-	10,398.00
Total Cost of Plant, Machinery and Equipment							

Appendix –E**Details of Other Equipment****(in'000)**

S.No.	Particulars	Unit	Quantity	Rate	Under Project Package	To be added	Total
1	Elevator	No.	1		1,739.00	-	1,739.00
2	Docks	Nos.	14		1,509.00	-	1,509.00
3	Smoke detector				1,159.00	-	1,159.00
4	Air Conditioners	Nos.	4			600.00	600.00.00
5	500 KVA Transformer	No.	1		275.00	-	275.00
6	Automatic diesel Generator 100 KW, 400 V cap				1,224.00	-	1,224.00
7	Submersible Water pump				25.00	-	25.00
Sub Total					5,931.00	600.00	6,531.00
8	Tractor					70,000.00	70,000.00
9	Trailer						
10	Cargo truck						
Sub Total					-	70,000.00	70,000.00
11	Weighing Scale	Nos.	10				
	(a) Heavy: Inspection area	Nos.	2		-	320.00	320.00
	(b) Light: Inspection area	Nos.	2		-	160.00	160.00
	(c) Weighing scale 3 ton	Nos.	2			1040.00	1040.00
12	Drinking water facility		4		-	200.00	200.00
13	Fire Extinguishers		25		-	500.00	500.00
14	Security detectors	sets	12		-	360.00	360.00
15	Stackers/ Tarpaulin		LS.		-	200.00	200.00
16	Cold storage equipment	sets	4		10,000.00	-	-
17	Signage and other expenses	Nos.	LS.		-	200.00	200.00
18	Refrigerated vans	Nos.	2		-	6,000.00	6,000.00
Sub Total					10,000	8,980.00	18,980.00
Total					15,931	79,580.00	95,511.00

Carting Services

For undertaking carting services (transporting cargo along approach road between cargo terminal to aircraft tarmac and vice versa), following transport vehicles are required when such services are to be provided. These transport vehicles are estimated to cost about Rs. 80 million:

- | | | |
|----|--|---------|
| a) | Covered lockable cargo trucks | 4 units |
| b) | Tractors to move pallets and containers | 4 units |
| c) | Trailer, standard | 1 units |
| d) | Refrigerated covered truck for perishables | 1 units |

The ACC Operator will have to invest also on furniture, fixtures, office equipment, vehicle and consulting studies to prepare various manuals / procedures to smoothly operate the ACC. Such investment is estimated to cost Rs. 20 million. Other actions not included are the terminal separation of area for Courier parcels, and Transshipment cargo inside the warehouse.

Appendix –F**Details of Furniture, Fixture and Office Equipment**

S.No.	Particulars	Unit	Quantity	Rate	Under Project Package	To be added	Total
1	Furniture and Fixture						
	Office Table/ Chairs for 4 rooms and halls				-	1800.00	1800.00
	Visitors chairs / sofa and table				-	200.00	200.00
	Office Racks / Cupboard				-	100.00	100.00
	Carpets ./ Curtain etc.				-	400.00	400.00
	Visitor's room furniture				-	200.00	200.00
	Slanting writing desks				-	50.00	50.00
Sub Total					-	2,750.00	2,750.00
2	Communication Equipment						
	EPABX system	No.	1		440.00	-	440.00
	Telephone system				1,008.00	-	1,008.00
	Cables etc.				700.00	200.00	900.00
Sub Total					2,148.00	200.00	2,348.00
3	Office equipment (Computers etc.)						
	Computer	Nos.	10			1000.00	1000.00
	Photocopy machine	Nos.	3			450.00	450.00
	Fax machine	Nos.	2			120.00	120.00
	Ledger printers	Nos.	2			100.00	100.00
	UPS	set	2			200.00	200.00
	Calculators	Nos.	20			40.00	40.00
	Padlocks	set	20			20.00	20.00
	Other accessories	L.s.				200.00	200.00
Sub Total					-	2,130.00	2,130.00
Total					2,148.00	5,080.00	7,228 .00

* Note: Vehicles to be procured as desired by Lessee

Appendix – G**Concluding Remark**

S.No	Particulars	Under Project Package	To be added	Total
1.	Pre – operation Expenses	92.305	2.000	94.305
	a) Project management expenses	92.305		93.905
2.	Total Fixed Assets Investment	1,045.675	145.24	1,190.915
	Source of Financing			
A.	Total Long Term Loan	647.910		647.910
B.	Promoter's Equity	397.765		470.385
	a) CAAN	397.765		397.765
	b) Lessee (Proposed)		160.24	145.24

Appendix-H.

		Year (2009)			Year (2010)			Year (2011)			Year (2012)			Year (2013)		
		weight in Kg.	rate in Nrs	income in Nrs.	weight in Kg.	rate in Nrs	income in Nrs.	weight in Kg.	rate in Nrs	income in Nrs.	weight in Kg.	rate in Nrs	income in Nrs.	weight in Kg.	rate in Nrs	income in Nrs.
Export: (Goods)		7922187	2.85	22578232.95	6922332	2.85	19728646.2	6249393	2.85	17810770.05	7799552	2.85	22228723.2	10056370	2.85	28660654.5
Import: (Goods)		7426850	5.35	39733647.5	7099925	5.35	37984598.8	7236904	5.35	38717436.4	6430862	5.35	34405111.7	7442400	5.35	39816840
Export: (Courier)		138662	5.00	693310	107933	5.00	539665	73846	5.00	369230	90615	5.00	453075	106800	5.00	534000
Import: (Courier)		262246	5.00	1311230	343220	5.00	1716100	126113	5.00	630565	147309	5.00	736545	175780	5.00	878900
Equipment Charge				64316420.45			59969010			57528001.45			57823454.9			69890394.5