

## EVALUATION REPORT

(As Per Rule 35 of PPRA Rules, 2004)

1. Name of Procuring Agency: **Privatisation Commission**
2. Method of Procurement: **Quality & Cost Based Selection Method**
3. Title of Procurement: **Hiring of Financial Advisor for Divestment of Pakistan International Airlines Corporation Limited (PIACL)**
4. Tender Inquiry No.: -----
5. PPRA Ref. No. (TSE): **Federal Cabinet Decision dated 11<sup>th</sup> October 2023 on Case No. 165/30/2023, approving invoking of Regulation 14(1) of PC's Hiring of Financial Advisers) Regulation 2018.**
6. Date & Time of Bid Closing: **November 06, 2023 at 1500 hrs. Pakistan Standard Time**
7. Date & Time of Bid Opening: **Technical (November 06, 2023 at 1600 hrs. Pakistan Standard Time)  
Financial (November 09, 2023 at 1700 hrs. Pakistan Standard Time)**
8. No. of Bids Received: **Eight (08); Four (04) Bids not opened due to non-payment of non-refundable processing fee**
9. Criteria for Bid Evaluation: **As per Evaluation Criteria Given in Request for Proposal- Annex A**
10. Details of Bid(s) Evaluation: **Bids evaluation was conducted in terms of 'Privatisation Commission (Hiring of Financial Advisers) Regulations, 2018'**

Name of Bidder	Marks	Ranking	Rule/Regulation/SBD*/ Policy/ Basis for Rejection / Acceptance as per Rule 35 of PP Rules, 2004.
	Technical and Financial		
Ernst & Young (Lead), Bauer Aviation Advisory, Haidermota & Co., Freshfield Bruckhaus Deringer, Nutshell, Knight Frank	100.00	1	Accepted being top ranked IP on evaluation of combined technical and financial proposals
Alvarez & Marsal (Lead), Rothschild & Co., White & Case LLP	80.47	2	2 <sup>nd</sup> ranked IP on evaluation of combined technical and financial proposals
Seabury International Corp. Finance LLC (Lead), Norton Rose Fulbright, Seabury Airline Strategy Group, Ahmed & Qazi	68.93	3	3 <sup>rd</sup> ranked IP on evaluation of combined technical and financial proposals
Houlihan Lokey (Lead), Cleary Gottlieb, Oliver Wyman, Blue Skies, Akhund Forbes	<b>Financial Bid Rejected Being Non-Compliant</b>		

Successful Bidder: **Earnest & Young (Lead), Bauer Aviation Advisory, Haidermota & Co., Freshfield Bruckhaus Deringer, Nutshell, Knight Frank**

11. Any other additional / supporting information, the procuring agency may like to share.

Signature:

  
**MALIK BABUR SAAVED**  
Director General  
Ministry of Privatisation  
(Privatisation Commission)  
Islamabad

Official Stamp:

.....  
Islamabad

*\*Standard Bidding Documents (SBD).*

## Instructions to IP

### DATA SHEET

Paragraph Reference													
1.8	Proposals must remain valid for 90 days after the last submission date.												
2.1	<p><b>Clarifications may be requested not later than seven (07) working days prior to the last date of submission of proposals.</b></p> <p>The contact information for requesting clarifications is on the following official email or in writing to: Email: <a href="mailto:dgamec@privatisation.gov.pk">dgamec@privatisation.gov.pk</a></p> <p>Director General (I&amp;T/P&amp;U) Privatisation Commission 4<sup>th</sup> Floor, Kohsar Block, New Pak Secretariat, Constitution Avenue, Islamabad, Pakistan.</p>												
3.1	Proposals shall be submitted in the <u>English language</u> .												
4.3	IP must submit the original (hard/soft with password protection) and password protected soft copies of the proposals.												
4.5	<p><b>The Proposal submission address is:</b></p> <p>Privatisation Commission 4<sup>th</sup> Floor, Kohsar Block, New Pak Secretariat, Constitution Avenue, Islamabad, Pakistan. Telephone: <a href="tel:+92519204593">+92 (51) 9204593</a> Email: <a href="mailto:dgamec@privatisation.gov.pk">dgamec@privatisation.gov.pk</a></p> <p>Proposals must be submitted not later than <b>05<sup>th</sup> November 2023 till 1500 hours</b> Pakistan Standard Time (PKT).</p>												
4.6	The Client will open the technical proposals on the last date of submission at 1600 hours PKT.												
5.2	<p>Criteria, sub-criteria, and point system for the evaluation of the full technical proposals: -</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: center;">No.</th> <th style="text-align: center;">Evaluation criteria</th> <th style="text-align: center;">Weightage</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> </tr> <tr> <td style="text-align: center;">(a)</td> <td><b>Experience of the IP related to the assignment: -</b></td> <td style="text-align: center;">30</td> </tr> <tr> <td></td> <td>I. Global Ranking of IP in any of the globally recognised</td> <td></td> </tr> </tbody> </table>	No.	Evaluation criteria	Weightage	1	2	3	(a)	<b>Experience of the IP related to the assignment: -</b>	30		I. Global Ranking of IP in any of the globally recognised	
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	<p>league tables during the last 05 years (<i>with complete report highlighting the rank of the IP</i>) (10 marks)</p> <p><u>Marking scheme for I:</u></p> <ul style="list-style-type: none"> <li>• Ranked amongst Top 10 – 10 marks</li> <li>• Ranked amongst 11 - 15 – 5 marks</li> <li>• Ranked amongst 16 - 25 – 3 marks</li> <li>• Others – 0 marks</li> </ul> <p>II. Aviation deals in corporate restructuring, including debt-restructuring / M&amp;A transactions successfully executed / achieved during last 10 years (<i>only mention successfully completed mandates</i>) (10 marks)</p> <p><u>Marking scheme for II:</u></p> <ul style="list-style-type: none"> <li>• 5 or more similar mandates completed – 10 marks</li> <li>• 2-4 similar mandates completed – 8 marks</li> <li>• 1-2 similar mandates – 5 marks</li> <li>• NIL similar mandates completed – 0 marks</li> </ul> <p>III. Valuator Firm - part of IP consortium, having successfully executed / achieved similar (Aviation &amp; Non-aviation assets) valuations during last 10 years (<i>only mention successfully completed mandates</i>) (10 marks)</p> <p><u>Marking scheme for III:</u></p> <ul style="list-style-type: none"> <li>• 3 or more similar mandates completed – 10 marks</li> <li>• 1-2 similar mandates completed – 05 marks</li> <li>• NIL similar mandates completed – 0 marks</li> </ul>	
(b)	<p><b>Competence of Team (Key Professionals)</b></p> <p><b>FA Designated Team (15 marks)</b></p> <p>IV. Nominated Project Director (07 marks)</p> <p><u>Marking scheme for Project Director:</u></p> <ul style="list-style-type: none"> <li>• 3 or more similar mandates completed – 07 marks</li> <li>• 1-2 similar mandates completed – 4 marks</li> <li>• NIL similar mandates completed – 0 marks</li> </ul> <p>V. FA Designated Team Profile (08 marks)</p> <p><u>Marking scheme for above:</u></p> <ul style="list-style-type: none"> <li>• 3 or more similar mandates completed – 08 marks</li> <li>• 1-2 similar mandates completed – 4 marks</li> <li>• NIL similar mandates completed – 0 marks</li> </ul>	30%

	<p><b>Sub- Contractor(s) of FA (15 marks)</b></p> <p>VI. Legal team with experience of working on debt restructuring / de-merger/legal segregation, scheme of arrangement, etc. (10 Marks) <u>Marking scheme for above:</u></p> <ul style="list-style-type: none"> <li>• 3 or more similar mandates completed – 10 marks</li> <li>• 1-2 similar mandates completed – 4 marks</li> <li>• NIL similar mandates completed – 0 marks</li> </ul> <p>VII. Ranking &amp; Profile of other Sub-Contractor(s) identified by IP (05 marks) <u>Marking scheme for above:</u></p> <ul style="list-style-type: none"> <li>• 3 or more similar mandates completed – 05 marks</li> <li>• 1-2 similar mandates completed – 3 marks</li> <li>• NIL similar mandates completed – 0 marks</li> </ul>	
(c)	<p><b>Technical Approach and Methodology &amp; Work Plan (25 marks)</b></p> <p>a) Understanding of the sector and contextualization of envisaged Transaction (08 Marks)</p> <p>b) Comparative analysis of the Transaction Structuring options and recommendation to successfully complete the Transaction; and (07 Marks)</p> <p>c) Identification of prospective investor(s) and effectiveness of IP's conceived marketing strategy. (10 Marks)</p> <p><i>NOTE: Marks will be distributed on clarity of methodology, relevance and nexus to TORs; realistic and implementable work plan; balance and skill mix of overall team composition; proper input of experts in the work plan as per FORM TECH-3.</i></p>	25%
(d)	<p><b>Effectiveness of presentation (15 Marks)</b></p> <p>a. Elaboration as to how IP will undertake the Transaction besides showcasing reasonability of implementation schedule of activities/tasks of the Transaction, their content and duration, phasing and interrelations, milestones (including interim approvals by the Client), and tentative delivery dates of the reports/key milestones.</p> <p>b. Due consideration will be made in assessing the understanding of the mandate by the IP, besides, acquaintance with legal &amp; regulatory regime/framework, identification of key issues, including market dynamics,</p>	15%

	<p><i>identification of potential investors and effectiveness of conceived marketing strategy.</i></p> <p><i>c. IPs to deliver a detailed presentation on strengths, experience of delivering on similar assignments, methodology &amp; work plan, timelines &amp; milestone, risk &amp; mitigation, etc., to PC Evaluation Committee on mutually agreed date. Such a presentation can be held online, if need.</i></p> <p><b>Total Points for the three criteria: 100%</b>  <b>The minimum technical score required to pass is: 70 Points</b></p>
<p><b>5.2</b></p>	<p><b>Scoring of technical and financial proposals:</b>  The technical proposal shall be assigned a score (Str) which shall be scaled up to constitute a final technical score (St) in the following manner:-</p> $St = Str \times 100 / St_{max}$ <p>where <math>St_{max}</math> = Score of the highest ranked IP on technical criteria.</p> <p>The financial score (Sf) shall be calculated in the following manner, namely:-</p> $Sf = 100 \times (F_{min} / F_f)$ <p>where <math>F_{min}</math> = Lowest total fee bid  and <math>F_f</math> = Total fee bid by the IP under consideration.</p> <p>The combined technical and financial proposal (Sc) shall be calculated in the following manner, namely: -</p> $Sc = 0.80 \times St + 0.20 \times Sf$
<p><b>7.2</b></p>	<p><b>Expected date for the commencement of the Services:</b>  Within <b>05</b> days after signing of FASA.</p>