



HELLENIC REPUBLIC ASSET
DEVELOPMENT FUND

Marina of Chios

INVITATION FOR EXPRESSIONS OF INTEREST TO ACT AS INDEPENDENT VALUER TO THE HELLENIC REPUBLIC ASSET DEVELOPMENT FUND

Athens, 25th May 2018

1. INTRODUCTION

Pursuant to:

- i. the provisions of the single article of Law 3985/2011 “Medium Term Fiscal Strategy 2012-2015” (Government Gazette A’/151/2011), which approved the Medium Term Fiscal Strategy 2012-2015 and the “Privatisation Programme 2011-2015” (Chapter B’, Part II “Privatisations”),
- ii. the provisions of Law 3986/2011 on “Emergency Implementation Measures for the Medium Term Fiscal Strategy Framework 2012-2015” (Government Gazette A’/151/2011), on the basis of which the Hellenic Republic Asset Development Fund SA (“**HRADF**” or “**Fund**”) was established with the sole object of developing assets of the Hellenic Republic, which are included in the Privatisation Programme,
- iii. the provisions of Law 4046/2012 (Government Gazette A’/28/2012) “Approval of the Draft Agreements for Financial Assistance Facility between the EFSF, the Hellenic Republic and the Bank of Greece, of the Memorandum of Understanding between the Hellenic Republic, the European Commission and the Bank of Greece and other provisions for the reduction of the public debt and the salvage of the national economy” which updated the Privatisation Programme included in Annex IV,
- iv. the provisions of paragraph 4.4 (Structural Policies for the enhancement of competitiveness and development - Privatisation) of Law 4336/2015 (Government Gazette A’/94/2015) “Ratification of the draft agreement for the Financial Support from the European Stability Mechanism and provisions for the implementation of the Financing Agreement”,



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- v. the provisions of Decision No. 218/13.08.2012 of the ICARP (Government Gazette 2322/B'/13.08.2013), as amended by its decision No. 237/05.07.2013 (Government Gazette 1668/B'/05.07.2013), according to which the Hellenic Republic transferred to HRADF the right to grant concessions to third parties of the right to use, operate, manage and exploit the movable and/or fixed assets within the upland area and/or the sea area of 23 regional ports and marinas, including the Marina of Chios,
- vi. the provisions of the updated Asset Development Plan of the HRADF, as decided by the Board of Directors of the HRADF on December 20th 2017 and endorsed by means of a relevant decision by the Government's Council for Economic Affairs and Policy on January 15th 2018,
- vii. the provisions of the Procurement Regulation of the HRADF (hereinafter referred to as the **"Procurement Regulation"**) as amended and codified by Decision No 2/16128/0025 of the Minister of Finance (Government Gazette B'/476/2014), namely articles 2.1, 2.3, 2.5, and 2.6, the Privatisation Programme of the Hellenic Republic, as it currently stands, foresees, inter, alia, the exploitation of the marina of Chios (the **"Transaction"**) by means of granting concession to a third party of the right to use, operate, manage and exploit the movable and/or fixed assets within the upland area and/or the sea area of the marina of Chios (the **"Right"**).

On 16.11.2016 HRADF has launched a public international tender for the concession of the Right. The relevant Invitation for submission of an Expression of Interest is available at the website of HRADF: www.hradf.com. HRADF is currently running the second and final phase leading to the submission of Binding Offers scheduled for July.

2. SCOPE OF WORK

According to Article 6.2 of Law 3986/2011, as currently in force, an independent valuation of an asset must be concluded and made available to the Board of Directors of HRADF, prior to its privatisation.

In this context, HRADF considers hereby the appointment of a specialised firm (**"Independent Valuer"**) to perform an independent valuation of the value of the Right.

The Independent Valuer is expected to submit, directly to HRADF, a report with its independent valuation of the Marina of Chios (the **"Valuation Report"**). The Independent Valuer is required to provide all necessary analysis and substantiation of the Valuation Reports to the Board of



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Directors and the Council of Experts of HRADF. The Valuation Report and all relevant supporting documentation should, indicatively, include:

- A description of the Marina of Chios from a financial and business perspective;
- A comprehensive demand/supply analysis of the envisaged uses available for development (both in the upland and the sea area) according to the draft Presidential Degree.
- Presentation of the Development Plan selected that best utilizes the permitted uses in order to profitably address the above demand.
- Analysis of the valuation methodologies applied, including relevant inputs and calculations;
- An estimated market value of the concession of the Right over the Asset under each different scenario. On the Discounted Cash-Flow (DCF) methodology the Valuation should clearly state the assumed Discount Rate used to calculate the Net Present Value (NPV).

The scope of valuation services can be amended and/or extended according to Paragraph 2.5.D of the Procurement Regulation.

3. DURATION & BUDGET

3.1. Duration of the Engagement: The maximum duration of the engagement should be up to five (5) weeks. If needed and according to the Procurement Regulation, an extension of the duration may be necessary.

3.2. Maximum Budget: The maximum available budget for each assignment is **twenty-five thousand euros (€25,000)** plus VAT. The available budget includes any and all required expenses to complete the assignment.

4. QUALIFICATIONS & CRITERIA

The Interested Parties should be able to demonstrate their standing and professional experience in relation to the assignment. In particular, the Interested Parties should be able to demonstrate:



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- 4.1. Proof of experience in conducting valuations or similar assignments The Dossier should include obligatorily a catalogue of all the relevant projects in which the interested party has participated in the last ten (10) years (**Dossier A'**);
- 4.2. Presentation of the proposed approach to the assignment, key assumptions and considerations, and methodologies to be used for valuation purposes (**Dossier B'**);
- 4.3. Proposed team composition including relevant experience of the senior members of the team during the past five (5) years. Emphasis will be placed on the qualifications and experience of the project manager and team members assigned to the project. The suggested senior members of the project team may be replaced only with HRADF's prior consent, which shall not be unreasonably withheld or delayed (**Dossier C'**);
- 4.4. Proposed fees for the submission of the Valuation Report, as set out under Maximum Budget, including any and all expenses which should be at capped amount. (**Dossier D'**);
- 4.5. Interested parties and each member of their proposed teams must declare in writing that they do not have a conflict of interest in relation to the contemplated Transaction. Such a declaration confirming the absence of any conflict of interest shall be in effect throughout the term of the engagement of the Independent Valuer with HRADF.
- 4.6. Interested parties must meet all the qualifications as described above. Interested parties who fail to submit their proposal fully compliant to the required qualifications of this Invitation, shall be disqualified from the tender.
- 4.7. The Independent Valuer must observe and abide by the rules provided for in article 7 of Law 3049/2002 and in particular their professional code of conduct and the relevant confidentiality rules, even after the conclusion of their engagement.

5. SELECTION PROCESS

- 5.1. The assignment will be awarded in accordance with the provision of Law 3986/2011 and 2.3 of the Procurement Regulation.
- 5.2. HRADF will evaluate proposals according to the criteria set out in Section 4 and in accordance with the table below. The tender will be awarded to the interested party with the highest score.
- 5.3. The interested parties are evaluated on the basis of the following criteria and their respective weighting:



Criterion	Weighting
Proof of Experience – Dossier A'	30%
Proposed Approach and Valuation Methodologies to be used – Dossier B'	20%
Project Team – Dossier C'	30%
Budget – Dossier D'	20%

- 5.4. HRADF may require additional documents and/or clarifications, information, additions or adjustments from the interested parties in connection with any issue related to their proposal.
- 5.5. HRADF hereby reserves the right to require (if necessary), the provision of supplemental services for any update of the awarded services that may constitute a repetition of the similar services pursuant to article 3.5 of HRADF's Procurement Regulation.
- 5.6. Interested parties should submit their offer, consisting of Dossiers A', B', C' and D', the declarations confirming the absence of any conflict of interest and any other supporting documentation which proves the required experience and expertise of the interested parties as well as of the individual members of their proposed team, are permissibly submitted **only** electronically by e-mail to the e-mail address: info@hraf.gr (for the attention of Mr. Yiannis Zapantis), marked "**MARINA OF CHIOS: INVITATION FOR EXPRESSION OF INTEREST TO ACT AS INDEPENDENT VALUER**".
- 5.7. Dossier D' must be protected with a password; if not, the interested party shall be automatically disqualified. Following the assessment of Dossiers A', B', C' and provided that the declarations confirming the absence of any conflict of interest are included, **only** the interested parties which comply with the requirements under Section 4 (regarding Dossier A', B' and C') will be invited via e-mail to send the password for Dossiers D'. The interested parties who fail to comply with the above requirements will be notified accordingly. Following the assessment of Dossiers D', the interested parties (invited to send the password for Dossier D') will be notified about the outcome of the process.



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- 5.8.** Expression of Interest must be submitted **no later than 8th June 2018, 17:00, Athens time.** Expressions of Interest submitted after the aforementioned deadline shall be deemed inadmissible and thus immediately rejected. In the case of a late receipt, the Expression of Interest shall not be evaluated.
- 5.9.** The Fund reserves the right to ask from the interested party with the highest score to improve its financial offer, prior to the final award of the assignment.
- 5.10.** The award of the assignment is subject to the conclusion of a written contract.

6. TERMS AND CONDITIONS

- 6.1.** Proposals to be submitted and this Invitation, as well as the engagement letter of the Independent Valuer, are governed by and construed in accordance with the laws of the Hellenic Republic, taking also into consideration the prevailing market's levels, the practice of HRADF and its internal policy, including terms and conditions customary in the circumstances.
- 6.2.** The interested parties accept hereby the approved expenses policy of HRADF on the reimbursement of expenses to be incurred by them in case of award of the tender.
- 6.3.** HRADF or any of its advisors, or agents, or employees, or officers is not to be held responsible or liable in respect of any error or misstatement/misrepresentation in, or omission from, this Invitation. No person acquires against HRADF and its officers, agents, employees and officers, or the Hellenic Corporation of Assets and Participations (HCAP) or the advisors, any right or claim for compensation, or indemnification, or other, for any reason or cause related to this Invitation and/or the proposal and/or the participation in this tender. No representation, warranty or undertaking, expressed or implied, is, or will be made, in relation to the accuracy, adequacy or completeness of this Invitation and the present tender process in general.
- 6.4.** The Fund reserves the right to amend the engagement with the Independent Valuer in order to include complementary services that shall be deemed required and cannot be identified today but shall prove to be of real importance for the engagement and their separation from the engagement would cause a significant problem or delay for the Transaction, or services that shall be deemed absolutely necessary for the completion of the Transaction.



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- 6.5.** HRADF reserves the right, at the fullest extent possible and at its exclusive discretion, to cancel, suspend, amend or postpone this procedure, without any prior notice or update, as well as to terminate any negotiations or discussions at any stage of the process, without incurring any liability whatsoever as against any participant and/or any third party.
- 6.6.** Any dispute arising under, or out of, or in connection with the present Invitation, including the Expressions of Interest submitted and the engagement letter of the Independent Valuer for the Transaction, shall be subject to the exclusive jurisdiction of the Courts of Athens, Greece.