



HELLENIC REPUBLIC ASSET
DEVELOPMENT FUND

**INVITATION FOR EXPRESSION OF INTEREST
TO ACT AS TECHNICAL/COMMERCIAL ADVISER TO HRADF FOR THE PRIVATISATION
OF THE 10 NON-LISTED PORT AUTHORITIES (ALEXANDROUPOLIS, KAVALA, VOLOS,
PATRAS, IGOUMENITSA, CORFU, HERAKLION, LAVRION, ELEFSINA AND RAFINA,
EACH A “PORT” AND TOGETHER THE “10 PORTS”)**

Athens, March 19th 2018

1. Introduction

1.1. 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), by virtue 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”,
- V. the Joint Ministerial Decision No 222/5.11.2012 issued by the Inter-ministerial Committee for Asset Restructuring & Privatisation (ICARP) (Government Gazette B’/2996/12.11.2012), transferring 100% of the share capital of the 10 Ports to the Fund,
- 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 HRADF (hereinafter referred to as the “Procurement Regulation”) as recently amended and codified by the Decision No 2/16128/0025 of the Minister of Finance (Government Gazette B’/476/2014), namely articles 2.1, 2.4, and 2.6,

the Privatisation Programme of the Hellenic Republic, as it currently stands, foresees, *inter alia*, the exploitation and development of the 10 Ports by means of concession agreements (“**Project**”).

1.2. Within the above framework, HRADF is seeking to employ a leading maritime consultant to act as its technical/commercial adviser (the “**Adviser**”) in order to offer its services and the necessary technical assistance for the appropriate preparation and execution of the contemplated Project. The Adviser should have a full understanding of the technical, engineering, traffic, operational, commercial and financial dynamics and drivers of ports in Europe and particularly in Greece.

2. Scope of Work

The Adviser shall be required to provide its technical services throughout the Project, which is divided in two distinctive phases for each of the 10 Ports; (a) the Preparatory Period and (b) the Execution Phase., The Adviser shall be requested to provide its technical services per each Port distinctive phase (either Preparatory or Execution) following a previous written request by HRADF (“**Port Transaction**”).

The Adviser will be also provided with all previous technical reports produced by the HRADF previous advisers for the 10 Ports.

2.1 During the **Preparatory Period**, the assignment will include the provision of services comprising mainly of the following on a per Port basis:

2.1.1 Review of the Greek and regional macroeconomic environment with regard to the Port and its infrastructure (the “**Port Infrastructure**”) (macro).

2.1.2 Review of any available data relating to the Port and the Port Infrastructure (micro).

2.1.3 Provision of a Market Review Report in relation to the Port, including, but not limited to the following:

- Review of its market;
- Key industry trends as well as demand drivers / stage of the industry in the respective markets;
- Detailed profile of organic market growth potential;
- Historical and projected development of market shares;
- Competitive landscape;

- Competitor mapping (positioning of competitors, strategic direction, etc.);
 - Key success factors (with regard to customers).
- 2.1.4 Review, assessment and elaboration on the current status of the Port and the Port Infrastructure (Port and Port Infrastructure Report) from commercial and operational point of view. In this respect, the Adviser shall be required, *inter alia*, to:
- Review, document and elaborate on all Port Infrastructure, including indicatively location, catchment area and hinterland (for volume off take/ movement), age of assets, facility characteristics, equipment (capacity gantry cranes, outreach, gauge, speed, etc), physical description, hours of operations, staffing, etc;
 - Review and elaborate as regards the positioning of the Port, its strategy, situation, customers, management organization, etc;
 - Review and assess the operational efficiency of the Port;
 - Provide a SWOT analysis.
- 2.1.5 Together with the management team of the Port and the other advisers of HRADF, the Adviser shall develop the appropriate business plan, as well as the financial forecast and model for the concession. This task includes, but is not limited to the following:
- Review of the port tariffs by customer type;
 - Review and elaboration on the historical and projected volume developments of the Port (including relevant breakdowns by type);
 - Review and elaboration on the historical cargo and passenger traffic and the business plan assumptions of the Port (including relevant breakdowns by type);
 - Review and elaboration on the historical development of types and volumes of ships and the business plan assumptions of the Port;
 - Elaboration of a detailed long-term forecast of the Port's traffic, with breakdown of traffic (e.g. by cargo, passenger, ships, etc.);
 - Review and elaboration of company contracts with shipping lines and other customers;
 - Review and elaboration of operating costs by cargo segment;
 - Review and assessment of historical and planned capital expenditure programmes.
- 2.1.6 Prepare and submit a Technical Due Diligence Report including relevant updates as may be reasonably requested from the HRAF, upon which potential investors may rely.

2.2 During the **Execution Phase**, the assignment will include, *inter alia*, the following services on a per Port basis:

2.2.1 In conjunction with other advisers of HRADF, the Adviser shall assist and contribute in the preparation and execution of the Port Transaction process, from its initial preparation to the consummation of the Port Transaction, which may include, but is not limited to, the following:

- assistance in the preparation of the marketing materials/ transaction documents based on the Technical Due Diligence Report;
- evaluation and compilation of data room information, site visits and other data gathering;
- assistance during the due diligence process, during which the Adviser shall be readily available for Q&A sessions with potential investors and provide answers to the written questions of potential investors in relation to the Technical Due Diligence Report or to other technical / commercial matters;
- evaluation from a technical point of view of any proposal made by the interested parties/pre-qualified investors to HRADF in cooperation with the other advisers of HRADF, following which the Adviser may be required to submit written recommendations where appropriate;
- participation in presentations to the interested parties/pre-qualified investors;
- co-ordination with HRADF and the negotiating team, assistance in planning the negotiation strategy, participation in the relevant negotiations, assessment, from a technical point of view, of the proposed financial terms and conditions of the Port Transaction tender documentation, drafting all the technical specifications, parts and terms of the Port Transaction documentation (including but not limited to the draft Concession Agreement) and assistance in drafting the relevant parts of such documentation to the other advisers employed by the HRADF;
- support for the incorporation of necessary amendments into the existing Concession Agreement between the Hellenic Republic and the Port Authority, in order to reflect any changes to the concession assets;
- assistance, in cooperation with HRADF's other advisers, in the formulation of recommendations as to the activities and development of the Port Authority following the Port Transaction, as well as with additional related matters that may arise, as a result of the existing Port Authority and the concessionaires (to be selected through the Port Transaction) undertaking activities in parallel, within the same Port;
- assistance and advice provided to HRADF and its other advisers in relation to the Port Transaction closing and the fulfillment of any conditions thereof;
- assistance in collecting any Government approvals and/or other approvals from the relevant European Institutions, as necessary to implement the Port Transaction, together with the other advisers of HRADF;
- other technical / commercial advisory services as may be required from time to time;

- any required recommendation to the Board of Directors and/or the Council of Experts of HRADF (in English and Greek), justifying the proposed course of action in the different steps of the implementation of the Port Transaction up to its Closing.

3. Duration and Fees

- 3.1.** The Duration of the engagement shall be twenty four (24) calendar months **or** until the closing of the Project (whichever event occurs first). By the end of the initial contract period an extension of the duration of the engagement may be agreed upon if it is deemed necessary for the closure of the Project, under the terms provided for in the Procurement Regulation of HRADF.
- 3.2.** HRADF reserves hereby the right to extend or amend the engagement with the Adviser in order to include complementary services which may be required and cannot be identified today, but they shall prove either to be inseparable from the original engagement without causing a major issue or because they are absolutely necessary for the completion of the Project, in accordance with the provisions of the Procurement Regulation of HRADF.
- 3.3.** The maximum available budget for the assignment for the Preparatory Period per port is Euro 30.000 (excluding VAT) and for the Execution Phase per Port is Euro 70.000 (excluding VAT).
- 3.4.** The Adviser should be aware of the approved expenses policy applicable as regards the reimbursement of the Advisers expenses by HRADF.

4. Necessary Qualifications

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

- 4.1. Track Record & Experience:** Proof of relevant experience in the provision of expert technical advisory services in privatisations, concessions of infrastructure assets and of port infrastructure in particular. Experience in the Greek market will be highly appreciated. The dossier of the Expression of Interest should include obligatorily a catalogue of all relevant projects in which the Interested Party has participated in the last 10 years (**DOSSIER A'**).
- 4.2. Project Team:** Proposed team composition (and its proposed structure) including the relevant experience of the leader and senior members of the team in the areas noted under 4.1. Expressions of Interest should include CVs and a list of all relevant projects proving experience of all the members of the proposed project team. 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 B'**).
- 4.3. Methodological Approach:** Interested parties should submit in their proposal a brief description of the proposed approach to the assignment, identification of critical issues,

methodologies to be applied as well as its deliverables including an indicative timetable (**DOSSIER C'**).

- 4.4. **Fees:** The Dossier should include a detailed fee analysis and structure quoting and analysing separately the following: a) Fees for the Preparatory Period on a per Port Basis following HRADF's instruction for the provision of said services, b) Fees for the Execution Phase on a per Port basis following HRADF's instruction for the provision of said services and c) Expenses at a capped amount. (**DOSSIER D'**).
- 4.5. The Interested parties and the members of their proposed teams must declare in writing that they do not have a conflict of interest. Such a declaration confirming the absence of any conflict of interest shall be in effect throughout the term of the engagement of the Adviser with HRADF.
- 4.6. The Interested Parties must meet all the qualifications as described above under 4.1 through 4.5. Interested Parties who fail to submit Expressions of Interest fully compliant to the qualifications required under 4.1 through 4.5 of this Invitation shall be disqualified from the Tender.
- 4.7. The Adviser must observe and abide by the rules provided for in art. 7 of the 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 provisions of the Law 3986/2011 and the provision of Article 2.4 of the Procurement Regulation of the Fund, as currently in force.
- 5.2. The Interested Parties shall be assessed and in accordance with the table below. The tender will be awarded at the Interested Party with the highest score.
- 5.3. The Interested Parties will be evaluated on the basis of the following criteria and their respective weighting:

	Criterion	Weighting
A	Track Record & Experience - DOSSIER A' Proof of expertise in the specific assignments in the port sector	25%
B	Project Team - DOSSIER B'	25%
C	Methodological Approach - DOSSIER C' Presentation of the proposed approach to the assignment, critical issues and methodologies, including timeline	25%
D	Fees – Dossier D'	25%

5.4. The HRADF may request additional documents and/or clarifications and/or information from the Interested Parties in connection with any issue related to their Expression of Interest as deemed necessary.

5.5. The Expressions of Interest, consisting of DOSSIERS A', B, C' and D', the declaration 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 email at the e-mail address: info@hraf.gr (for the attention of Mr Yannis Zapantis), marked **"10 PORTS: INVITATION FOR EXPRESSION OF INTEREST FOR TECHNICAL/COMMERCIAL ADVISER"**.

5.6 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 para. 4.6 (regarding DOSSIER A', B', and C') will be invited via e-mail to send the password for DOSSIER D'. The Interested Parties who fail to comply with the above requirements will be notified accordingly. Following the assessment of DOSSIER D', the Interested Parties (invited to send the password for DOSSIER D') will be notified about the outcome of the process.

5.7 The Expressions of Interest are submitted no later than **April 30th, 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.

5.8 HRADF reserves the right to ask from the Interested Party with the highest score to improve its financial bid, prior to the final award of the assignment.

5.9 The award of the assignment is subject to the conclusion of a written contract.

6. Terms and Conditions

6.1. The Expressions of Interest to be submitted and this Invitation as well as the Adviser's engagement letter for the assignment are governed by and construed in accordance with the laws of the Hellenic Republic, taking also into consideration the prevailing market's conditions, the practice of HRADF and its internal policy, including terms and conditions customary in the circumstances.

6.2. The Interested Parties accept hereby the expenses policy of HRADF on the reimbursement of the expenses of its Advisers.

6.3. HRADF or any of its advisers, or agents, or employees, or officers are 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 the Fund and its officers, agents, employees and officers, or HCAP or the Advisers any right or claim for compensation, or indemnification, or other, for any reason or cause related to this Invitation and/or the Expression of Interest and/or the participation in the tender. No representation, warranty or undertaking, express or implied, is or will be made in relation to the accuracy, adequacy or completeness of this Invitation and the tender process in general.

- 6.4.** HRADF reserves the right, at the fullest extent possible and at its exclusive discretion, to cancel, suspend, amend or postpone this tender, without any prior notice or updating, 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.
- 6.5.** Any dispute arising under or out of or in connection with the present Invitation including the Expressions of Interest submitted as well as the Adviser's engagement letter for the assignment shall be subject to the exclusive jurisdiction of the courts of Athens, Greece.