

Hamid Karzai International Airport (HKIA) Air Cargo Terminal



CALL FOR EXPRESSION OF INTEREST (EOI)
AIR CARGO TERMINAL PROJECT AT HKIA

Kabul Afghanistan
December 2018

1. Context

To achieve sustainable economic growth, one of the top priorities of the Government of the Islamic Republic of Afghanistan (GIROA) is to make the country into a regional trade and transit hub. Recognizing the significant contribution of this sector in terms of creating employment opportunities and reducing poverty, GIROA intends to initiate several major projects to facilitate the country in becoming one of the most open trade economies in the region.

Being a landlocked country, Afghanistan depends heavily on surface transport (road, rail and sea) for importing and exporting products to and from international markets. The officially recorded import of goods in 2015-16 was US\$ 7,723 million. Exports, which are considered the backbone of national economic growth, have performed poorly. Afghanistan exports for the years 2015-16 was a mere 6.9% whilst imports heavily dominated Afghan trade and accounted for 93.1% in the same years. Thus, the trade balance has been in deficit throughout the period 2007-08 to 2015-16 from US\$ -2,475 million in 2007-08 to US\$ -7,152 million in 2015-16.

Afghanistan relies largely on neighbours inland and sea ports to import and export products. While passing through neighbouring countries' borders, Afghan shipments occasionally experience difficulties such as unexpected delays due to security concerns, unfavourable political developments and changes in custom laws that result in extra charges being borne by Afghan traders.

The GIROA is actively seeking to build air transport capacity as a reliable channel for ensuring the safe and rapid transit of goods to market and enable Afghan traders and foreign investors to carry on import and export activities. In this context, it is proposed that the first dedicated Air Cargo Terminal (ACT) be set up at HKIA.

2. Impact and Outcomes

2.1 Impact

Enhanced trade and diversified international markets for Afghan traders to air ship products in a more efficient and timely manner. Makes perishable exports more responsive to changing market demands.

2.2 Outcomes

1. Physical infrastructure constructed at HKIA for facilitating air shipment of import/export
2. Mainstream and link Afghan exporting system into new international markets
3. Necessary institutional and management capacity built to operate ACT
4. Wider import/export marketing promotion and awareness campaigns launched in support of ACT
5. Regular cargo channels developed for primary markets including Dubai, New Delhi, Istanbul, Hamburg and elsewhere in the region.

3. Innovation: How is it Distinct from Previous Projects

The Air Cargo Terminal plans to provide more comprehensive services to cargo service providers than are currently provided. These include:

1. Technical assistance; information and support on export-related topics, including: regulatory compliance, traders' contact information, financing options, logistics, customs, packaging, and pricing.
2. Capacity building (training, seminars, courses and other education-related).
3. Consulting and support on export promotion.
4. Marketing (trade fairs, shows).
5. Partnerships and alliances for exports (collaboration with other government organizations, donors, private sector associations, foreign counterparts and similar).

4. Opportunities for Potential Investors

4.1 Infrastructure and Management

The Air Cargo Terminal is a potential Public-Private-Partnership (PPP) for interested investors to engage in a potentially high return venture by building and implementing new infrastructure with long-term management contract on a Build Operate Transfer (BOT) model in this proposed structure, PPPs can be mutually beneficial, high return on investment (ROI) opportunities to cater to the unfulfilled air transportation market needs of Afghanistan.

4.2 Selected Proposed Services to be Located in the Cargo Terminal

Air Cargo Facilities Facilities
Freight loading and unloading
Freight consolidation, weighing, packing and forwarding
Short and long-term storage
Cold storage (frozen and / or chilled)
Fumigation, cleaning
Special handling facilities for HAZMATS, medical supplies, etc.

5. Proposed Location and Layout

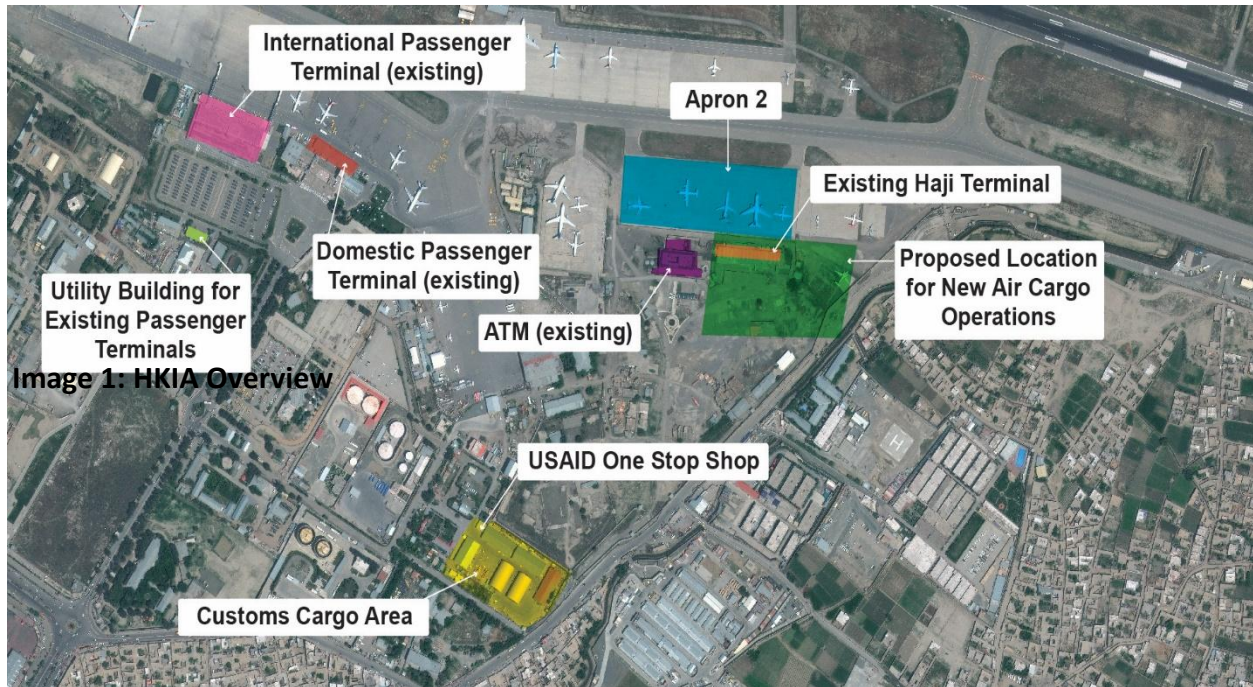


Image 1: Air Cargo Terminal area

6. Entity Leading the Project

Afghanistan Civil Aviation Authority

Address: Ansari Watt, Kabul, Afghanistan

Email: amanzeb.ansari@gmail.com

Web: <http://aca.gov.af/>

Invitation for Expression of Interest (EOI)

EOI for Affiliated Partner to Develop and Manage Air Cargo Terminal at Hamid Karzai International Airport (HKIA)

Background

Afghanistan is a land-locked country that relies heavily on the strength of its aviation system to sustain its economy. Imports/exports and the facilitation of foreign infrastructure investment are essential elements that require a strong and expanding aviation sector to succeed. In keeping with that objective, Afghanistan is seeking foreign investment and trade that utilizes both current and future aviation capacity to jump start the Afghan economy and develop diverse new markets.

To facilitate the growth of the aviation sector, the Hamid Karzai International Airport (HKIA) is being developed further. Several projects to facilitate air passenger traffic and cargo traffic are planned which will be implemented with affiliation of private sector partners. These will be opportunities for foreign and domestic investors to contribute to the Afghan economy and benefit from the promising long-term opportunities.

Call for Expression Interest (EOI)

The objective of this EOI is to build Air Cargo terminal at HKIA that can be developed in a economically and environmentally sustainable manner in Afghanistan. The Overall goal of this EOI is for that before commencing the tender process know th interest of the private sector for investing in air cargo terminal. Further this document provides the general information for the submission of EOI. Interested parties are hereby invited both domestic and foreign multinational companies and businesses meeting the requirements set out below with demonstrated financial capability to submit written Expression of Interest (EOI) for:

Air Cargo Terminal at Hamid Karzai International Airport in Kabul

The feasibility study of Air Cargo Terminal is completed and ready for approval. Once we get the approval, then the tender process will initiate according to the PPP law and the first step will be Pre-qualification where we can shortlist the qualified bidders for the next stage.

Project Description

The following are suggested primary features of this project:

1. The proposed Cargo Terminal will be sited on government-owned land located within the Kabul HKIA airport security perimeter.
2. The cargo terminal facilities will be constructed prior to handing over management to the Partner organization. The Partner organization will be expected to maintain all facilities at its own expense.
3. The Cargo Terminal will be a Build-Operate-Transfer contract (BOT) between the partner and GIRA.

4. The Partner organization will be expected to provide all the services required at a fully functional cargo terminal as will be specified in the later issued RFP. Some of these will include:
 - a. Management of storage facilities including building, reefer containers, ramps and equipment
 - b. Cargo processing to include pallet buildup, Customs clearance and loading/offloading to and from aircraft.
 - c. Screening, inspection, storage and examination services of all goods.
 - d. Full maintenance of all transport equipment and vehicles within the cargo terminal.

GIRoA is open to considering proposed partnership models and innovative solutions catering to the evolving needs of Afghanistan's emerging economy. Interested parties are encouraged to provide "out of the box" suggestions. Sharing of ideas that will facilitate services beyond the above listed basic features are encouraged.

General Requirements

The Applicants whom are interested and have financial capability for Air Cargo Terminal at HKIA should Submit their company profile and letter of interest.

Additional Information

1. Interested Applicants are encouraged to visit the HKIA to conduct a site observation, discussion with the relevant parties and request more information for the EOI, however all relevant expenses in carrying out such a process shall be borne by the interested Applicants.
2. All documents must be submitted in English Language.
3. Applicants may also be asked to clarify information provided or provide more details.
4. Information given by the Applicant will be treated in strict confidence.

Below table is a tentative time for Air Cargo Terminal at HKIA

S/N	Steps	Time	Remarks
1	EOI (Issue and Submission)	4 Weeks	
2	Approval of Feasibility Study	2 Week	
3	Draft Bid Documents	4 Weeks	
4	Approval of Draft Bid Documents	1 Week	
5	Call for Pre-qualification	1 Week	
6	Submission of Pre-qualification document	6 Weeks	
7	Evaluation and Shortlisting	4 Weeks	
8	Call for Request for Proposal	1 Week	
9	Submission of Request for Proposal	8 Weeks	
10	Evaluation of Request for Proposal	4 Weeks	
11	Approval of Prefer Bidder	1 Week	
12	Contract Negotiation	4 Weeks	

13	Approval of Award of the Contract	3 Weeks	
14	Signing	1 Week	

EOI Submission Instructions

Interested parties are requested to submit Expressions of Interest (EOI) as per following instructions:

1. The deadline for submission of final EOI is before 1500 hrs. (Kabul Time) on January 31th, 2019
2. Expression of Interest shall be submitted either electronically or in hard copy as below:
 - a. Soft copy of EOI and scanned copies of all accompanying documents sent via email to amanzeb.ansari@gmail.com copy ot talha.hidayat@mof.gov.af and jawid.yosufzai@mof.gov.af with the title:
“Expression of Interest (EOI) for the development of Air Cargo Terminal at HKIA”
 - b. Printed copy of EOI together with all accompanying documents in a plain sealed envelope clearly marked as:
“Expression of Interest (EOI) for the development of Air Cargo Terminal at HKIA”
 - c. Hand delivered (including courier services) to the following address:
 Amanzeb Ansari
 Chief of Staff
 Afghanistan Civil Aviation Authority
 Kabul international Airport
 Ansari Wat, Kabul, Afghanistan
3. All queries should be sent via email to amanzeb.ansari@gmail.com copy ot talha.hidayat@mof.gov.af and jawid.yosufzai@mof.gov.af before 1500 hrs. (Kabul time) on January 20th, 2019