



REPUBLIC OF LEBANON
MINISTRY OF
TELECOMMUNICATIONS

Directorate General of Post
Director General

**Ministry of Telecommunications - Directorate General of Post
Beirut - Lebanon**

**TENDER DOCUMENTS
FOR THE OPERATION OF THE POSTAL SECTOR IN LEBANON**

April 2022

SECTION 1

INSTRUCTIONS TO TENDERERS

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GENERAL TERMS .A

1 SCOPE OF TENDER

1.1 Background

1.1.1 Pursuant to Legislative Decree No. 126 of 12/06/1959, in particular Article 1 thereof, and Legislative Decree No. 14969 of 12/30/6363, and in accordance with the decision of the Council of Ministers, the **Ministry of Telecommunications** – the Directorate General of Post (hereafter referred to as "the **Regulator**") invites Tenders from Tenderers for the operation of the **Postal Sector** in Lebanon, as defined in the Tender Documents and in accordance with the applicable laws and regulations, and referred to as "the **Services**".

1.1.2 The Tenderers shall propose the financing of the Services through international and/or local financiers on the basis of **Build-Operate-Transfer (BOT)**. During the period of operation, the Successful Tenderer shall be exclusively responsible for the proper functioning and the maintenance of the Services including all its installations until the completion of the period of operation. In his Tender, the Tenderer has: to confirm the continuation of the existing services during the Initial Phase. At the end of the Contract Period (hereafter referred to as "the **Term**"), the Postal Sector shall be transferred back to the Ministry of Telecommunications in an excellent state of operation, in accordance with the Service Requirements to be agreed upon with the Successful Tenderer. All Tenderers shall base the financial proposal on a term of nine (9) years.

1.1.3 The Successful Tenderer shall coordinate with Government Agencies to obtain all information needed, including, but not limited to:

- (a) Obtaining (licences, consent, required authorities' approvals and permits); and;
- (b) Knowledge of existing facilities.

1.1.4 All definitions mentioned in the Conditions of Contract shall apply to the Tender Documents referred to in Sub-Section B hereof.

1.2 Objectives

In its consideration in awarding the Services, the Regulator aims to attain the following strategic benefits from this Tender Procedure and the eventual award of the Contract:

- (a) The development and operation of the Postal Sector in Lebanon;

- (b) The postal services and ancillary services and products are to be operated profitably and in a way which ensures that users and the Regulator are satisfied with the level and quality of the services provided;
- (c) The development of the postal services and ancillary services products is to be carried out in such a manner so as to remain fully operational upon the end of the Term;
- (d) The development of the services and products shall conform to local and international regulatory standards, including the Postal Guidelines in Lebanon;
- (e) To ensure that no revenue or capital support for the operation of the Postal Sector will be required from the Regulator, but rather to maximise proceeds to Regulator, generate work in the industry;
- (f) To maximise the benefits to the Lebanese economy through increased investment, employment prospect and business opportunities and render the postal industry more competitive, as well as to attract new services and products in accordance with locally and internationally adopted practices;
- (g) To ensure, in the interest of competitiveness and sustainability, that the facilities are operated on the basis of private sector management principles and efficient work practices;
- (h) To complement the Services with the strategic commitment, vision and capability of experienced international players in order to tap new opportunities for on-going business growth;
- (i) To ensure that the future operation of the Postal Sector is supported by sustainable manpower levels, skill base and work practices;
- (j) To provide postal services and ancillary products that act as a solid infrastructure and effective platform for existing and new businesses.

1.3 Scope of Services

1.3.1 The Operator shall provide the following services and products:

- 1) Postal services and ancillary products (value chain):
 - a. Mail Handling Services (MHS);
 - b. Express Mail Services (EMS);
 - c. Philatelic services, normal releases and commemorative stamps;
- 2) Non-postal services and products for governmental agencies, including government transactions (tax collection, licence fees, permits, official documents...), third party transaction (utilities...) as stated in Annex [3.1].

1.3.2 The Operator shall study the feasibility, and accordingly develop and provide, the following postal and non-postal services and products:

- 1) Non-postal services for non-governmental agencies;
- 2) E-commerce services (development of e-commerce services and markets);
- 3) Marketing services;
- 4) Financial services (electronic money transfer);
- 5) Domestic courier services.
- 6) Banking and Insurance Services
- 7) Other Services proposed by the Operator

In addition, the Operator is highly encouraged to develop new value-added services and products to complement traditional postal products and enhance the future revenue base. Value-added services and products may be in the saving banks and insurance sectors. The Operator is also encouraged to integrate the Internet of Things and automation.

1.4 Timeframe

Description	Date
Launch of Tender	[As sated in the Invitation to Tender]
Information Session	[As sated in the Invitation to Tender]
Request of Clarifications	[As sated in the Invitation to Tender]
Closing Date	[As sated in the Invitation to Tender]
Agreement Start Date	[As sated in the Invitation to Tender]

2 TENDERER'S ELIGIBILITY

2.1 Tenderers who have committed in any jurisdiction criminal offences which are related to their professional conduct, and which are ascertainable by any method, are not permitted to take part in the Tender Procedure, and consequently shall be disqualified. As regards to *sociétés anonymes*, this disqualification criterion also applies to the chairman of the board of directors and the managing director or CEO, based on the articles of association or equivalent document of the legal entity. For other types of legal entities, the above disqualification criterion applies to the company's legal representative(s). Offences related to professional conduct include, but are not limited to, embezzlement, extortion, forgery, perjury, fraudulent bankruptcy, participation in a criminal organization, bribery, fraud and money laundering, as defined and in accordance with the applicable Lebanese Laws and Regulations.

2.2 In addition, Tenderers are disqualified if they are:

- (a) In bankruptcy, or proceedings have been instigated against them for: liquidation, compulsory receivership or in any other relevant situation resulting from a similar process specified in national, legal and regulatory provisions;
- (b) Not in fulfilment of their obligations, as regards to payment of social security contributions, payment of taxes and duties, in accordance with the Lebanese Laws;
- (c) Guilty of making false representations or have neglected to submit required information, in accordance with the Lebanese Laws.

The Tenderer (or in the case of a Joint Venture, each member of the Joint Venture) must submit evidence of compliance with the eligibility requirements set forth in this Clause 2, at the time of the submission of the binding offers. The above eligibility requirements shall be met by each member of the Joint Venture.

3 QUALIFICATION OF THE TENDERER

The Regulator wishes to solicit Tenders from Tenderers who have experience in the provision of national postal services and products, and the operation of a national postal sector. The Tenders will be evaluated based on the Tenderer's financial and technical capabilities.

3.1 Evidence of Qualification

The Tenderer shall provide evidence of his capability and adequacy of resources to carry out the Contract. To this effect, the Tender shall include and satisfy the following information:

- (a) Structure and Organisation / Company Constitution (in possession of a valid registration);
- (b) Economic and Financial Standing for the last 5 years certified by a reputable international auditor (profitability and solvency of current operating business): The Tenderer shall be assessed according to its general financial standing and competence; and the assurances provided by the statutory auditor on historical financial data. While evaluating the financial standing, key indicators such as annual turnover, breakdown of revenues, ratio of the current (and total) assets to current (and total) liabilities, solvency...etc. shall be considered;
- (c) Postal Service Coverage and Capabilities (business information / Records and experience data, obtained to determine that a potential supplier is capable to:

- (i) Develop and/or operate a postal business, understand local needs, markets, regulations, laws, procedures to maintain an operational postal business;
- (ii) Ensure supply continuity, meet volume requirements;
- (iii) Ability to obtain, as needed, adequate resources to perform the work;
- (iv) Ability to meet the required delivery schedule;
- (v) Have a good quality control program;
- (vi) Have the necessary organization, experience, accounting and operational controls, technical skills, and production and property controls;
- (vii) Have a sound record on integrity and business ethics;
- (viii) Have a record of validated customers, financial institutions, and government agencies;
- (ix) Qualified and eligible to receive an award under applicable laws and regulations, and preserving the current employees and their rights as of the date of the Contract and benefiting from their experience.

The following factors shall reflect the Tenderer's past performance in terms of postal coverage and capabilities:

Postal Coverage Indicator No. 1 *(Item 2.1 of the Evaluation Criteria)*

$$PC01 = \frac{PO}{P}$$

PC01 *Postal Coverage Indicator No. 1*

PO *Number of fixed and mobile full-service Postal Offices and/or agencies and/or outlets operated by the Operator and/or franchised*

P *Population of the country and/or state and/or city where the Tenderer operates the postal business*

Postal Coverage Indicator No. 2 *(Item 2.2 of the Evaluation Criteria)*

$$PC02 = \frac{POLB}{P}$$

PC02 *Postal Coverage Indicator No. 2*

POLB *Number of PO boxes and Letter Boxes*

P *Population of the country and/or state and/or city where the Tenderer operates the postal business*

Postal Capability Indicator No. 1 *(Item 2.3 of the Evaluation Criteria)*

$$PCA1 = \frac{VMP}{P}$$

PCA1 *Postal Coverage Indicator No. 2*

VMP *Volume of Mail Processed per year*

P *Population of the country and/or state and/or city where the Tenderer operates the postal business*

Postal Capability Indicator No. 2 *(Item 2.4 of the Evaluation Criteria)*

$$PCA2 = \frac{VMP}{E}$$

PCA2 *Postal Capability Indicator No. 2*

VMP *Volume of Mail Processed per year*

E *Number of full-time and/or part-time and/or on-call employees of the Tenderer for the provision of the postal business and related services*

Postal Capability Indicator No. 3 *(Item 2.5 of the Evaluation Criteria)*

Quality of service (D+1) or the percentage of mail delivered the next working day after posting.

- (d) Litigation history and arbitration records (not exposed to financial complications because of pending litigation or arbitration, and not involved in significant history of disputes)
- (e) Clearance (compliance)
- (f) The Tenderer shall confirm that in case of Award, the Operator shall not exchange services between Lebanon and the boycotted enemy state.

The Tenderer (or in the case of a Joint Venture, each member of the Joint Venture) must submit evidence of compliance with the qualification criteria set forth in Sub-clause 3.1, at the time of the submission of the binding offers. The above qualification criteria shall be met by each member of the Joint Venture, except for criterion (c) "Postal Service Coverage and Capabilities" which shall be met only by the lead member of the Joint Venture. The "Lead Member" shall be:

- (a) the Postal Operator; and
- (b) the member with the highest share in the Joint Venture.

3.2 Technical Competence

When evaluating the Tenderer's technical proposal, the following shall be covered in the Tenderer's Proposal and shall be considered in the scoring of the technical evaluation:

- (a) Network operations:
 - (i) Operations management and business process improvement plans;
 - (ii) Customized tools, processes and procedures to develop and optimize distribution networks based on geography and road network data collection, in order to reduce order cycle times, overall cost and improve customer service, including environment friendly electrical transportation cars;
 - (iii) Regulatory compliance plan that includes operational policies such as, health and safety, environmental, quality assurance, project management, and performance improvement procedures.
- (b) Mail processing, collection and delivery operations:
 - (i) Mail processing, collection and delivery plan;
 - (ii) Target processing speed or sorting rate (pieces per hour) defined as the total throughput volume over the total processing hours;
 - (iii) Target plant efficiency performance defined as the total throughput volume over the total paid hours;
 - (iv) Target percentage of mail delivered on time;
 - (v) Target percentage of mail delivered at first attempt.
- (c) Market development, sales and customer service development:
 - (i) Market and sales development plan, that includes target markets, products and services, marketing policy and plan, client/customer base, and any planned diversification;
 - (ii) Customer service plan that considers customer advocacy, proactive information sharing, problem resolution and feedback procedures, price discounts and customer support (call centers and after sales services);
 - (iii) Target transit time;
 - (iv) Track and trace service or delivery confirmation and other related services;
 - (v) Frequency of customer complaints.

- (d) Human resource acquisition and development:
 - (i) Human capital plan that provides forecasts for the Contract Period in terms of employment levels, skills required, labour sourcing policy, payroll costs, provisions of employee selection programs, compensation and benefit programs, training and development opportunities consistent with operational and skill requirements. Differentiation shall be made between core, subcontract and temporary labour. The plan is to propose a scheme for the existing staff of the Regulator and the existing operator;
- (e) Corporate management development:
 - (i) Tools, systems and business procedures needed to transfer the existing business and establish the new postal business, financial systems (such as general ledger, accounts payable, accounts receivable, asset sub-ledgers), shareholder relations and government relations processes;
 - (ii) Administrative and operating structure of the new postal business.
- (f) Services development:
 - (i) Services development and implementation plan, including proposed new services, group of products and price and cost structure;
 - (ii) Assessment of the current marketplace conditions and local postal service business needs and competitive needs.
- (g) Retail franchise, point of sale and e-commerce:
 - (i) Development of processes and database needed to implement a program of enhanced retail services through private sector partners (local business participation) in addition to corporate-owned outlets;
 - (ii) Customization, transition and implementation of an automated system to support and manage retail sales across post offices, franchise counters and online shops;
 - (iii) Enhancement of customer accessibility to services;
 - (iv) Use of the Tenderer's philatelic centres' existing infrastructure and existing networks of international distributors and agents currently, to successfully market Lebanese philatelic products.
- (h) ICT infrastructure, system platform and software development:
 - (i) Development of computer hardware platforms, operating system platforms, enterprise and software applications;

- (ii) Networking and telecommunications platforms;
- (iii) Data management and storage;
- (iv) System integration;
- (v) Transactions that does not require attendance;
- (vi) Track and trace system to track all mail products at an item level, at different points of time during sorting, warehousing, and package delivery; to predict and aid delivery.

3.3 Business Plan Attractiveness and Credibility

3.3.1 The Tenderer must provide a proposal that supports:

- (a) Reliability and adequacy of the Tenderer's financing capital structure proposal including the feasibility of the financial forecast and the level of commitment from proposed financiers;
- (b) The nature and extent of the proposed investment and expenditure to be undertaken;
- (c) The credibility and robustness of the Business Plan and financial projections, including the independent assurances provided thereto.

3.4 Grounds for Disqualification

Any attempt on the part of Tenderer or any of their directors and other officers, employees, representatives, contractors or agents to exercise undue influence on any of the following persons (as an example without limitation) with respect to the selection process may lead to disqualification:

- (a) Any official or employee in any Lebanese Ministry and/or Public Authority;
- (b) Any member of, expert or other advisor assisting the Owner;
- (c) Any official involved in the Contract; and
- (d) Any person who may be involved in the competitive process.

In addition, any conflict of interest or prohibition according to the General Procurement Law may lead to disqualification.

3.5 Evaluation Criteria

No.	Criteria	Points for Each Category	Threshold for Each Category
1	Eligibility (Sound Record on Integrity and Business Ethics) and meeting the requirements in Clause 2 “Tenderer’s Eligibility”.	Pass/Fail	Meet all requirements
2	Valid Registration	Pass/Fail	Meet all requirements
3	Economic and Financial Standing (1.3)	Pass/Fail	n/a
3.1	Profitability of current business		
3.2	Solvency		
4	Postal Service Coverage and Capabilities	100	50 *
4.1	Number of postal offices and points of contact managed per capita (average over the last 10 years)	Max 20	n/a
	As per the following equation with examples below: Points = $21 - (\text{citizens}/10,000)$		
	10,000 citizens per postal office, agency and point of contact or less	20	
	20,000 citizens per postal office, agency and point of contact	19	
	30,000 citizens per postal office, agency and point of contact	18	
	110,000 citizens per postal office, agency and point of contact	10	
	Other cases will be computed as per the formula	...	
	More than 210,000 citizens per postal office, agency and point of contact	0	
4.2	Number of PO boxes installed and managed per capita (average over the last 10 years)	Max 20	n/a
	As per the following equation with examples below: Points = $21 - (\text{individuals}/100)$		
	100 capita per PO boxes or less	20	
	200 capita per PO boxes	19	
	300 capita per PO boxes	18	
	1,100 capita per PO boxes	10	
	Other cases will be computed as per the formula	...	
	More than 2100 capita per PO boxes	0	
4.3	Mail volume per year per capita (average over the last 10 years)	Max 20	n/a
	As per the following equation with examples below: $\text{Points} = \frac{\text{Units}}{5} \times 20$		
	5 items per year per capita or more	20	
	4 items per year per capita	16	
	3 items per year per capita	12	
	Other cases will be computed as per the formula	...	
4.4	Mail volume per year per post company employee (average over the last 10 years)	Max 20	n/a
	As per the following equation with examples below: $\text{Points} = \frac{\text{Items}}{1,000}$		
	20,000 items (or more) per year per post company employee or more	20	

No.	Criteria	Points for Each Category	Threshold for Each Category
	10,000 items per year per post company employee	10	
	5,000 items per year per post company employee	5	
	Other cases will be computed as per the formula	...	
4.5	Quality of service (Next day delivery or D+1 averaged over the last 10 years)	20	n/a
	As per the following equation with examples below: Points = (delivery*0.04)-16		
	90% or more	20	
	80%	16	
	60%	8	
	Other cases will be computed as per the formula	...	
5	Litigation History	Pass/Fail	n/a
6	Quietus Compliance	Pass/Fail	n/a
7	Technical Competence and Viability of Operational Plan	100	50
7.1	Network operations development	15	7.5
7.2	Mail processing, collection and delivery operations	15	7.5
7.3	Market development, sales and customer services development	15	7.5
7.4	Human resource acquisition and development	5	n/a
7.5	Corporate management development	10	n/a
7.6	Services development	15	7.5
7.7	Retail franchise, point of sale and e-commerce	10	n/a
7.8	ICT infrastructure, system platform and software development	15	7.5
8	Attractiveness and Credibility of Business Plan	100	50

* In the case of a Joint Venture, the aforementioned criterion (4) "Postal Service Coverage and Capabilities" shall be met only by the lead member of the Joint Venture.

The Tenderer's overall score shall be computed as follows:

Postal Service Coverage and Capabilities	Score × 35%
Technical Competence and Viability of Operational Plan	Score × 35%
Business Plan Attractiveness and Credibility of Business Plan	Score × 30%
<hr/>	
	Overall Score (over 100)

Qualified Tenderer shall meet the following:

- (a) Comply with the eligibility requirements, criterion (1), and other post-qualification requirements, criteria (2), (3), (5) and (6), in case of Joint Venture, each member of the Joint Venture shall comply individually with the abovementioned requirements;
- (b) An Overall Score of 70 (over 100) or above on criteria (4), (7) and (8) provided that, in case of joint venture, the lead member has met the mandatory minimum threshold of 50 for criterion (4) "Postal Service Coverage and Capabilities"; and;

The successful tenderer shall be a qualified tenderer with the Highest proposed percent revenue sharing (P) as enclosed in the Financial Offer.

By submitting a Tender, each Tenderer certifies that he understands, agrees to, and satisfies all criteria specified in the solicitation documents. The Regulator may request, and the Tenderer shall provide, supporting information and documentation. Failure to supply supporting information and documentation as required or requested will result in disqualification of the Tenderer.

4 ONE TENDER PER TENDERER

Each Tenderer shall submit only one Tender, either by himself or as a partner in a Joint Venture. A Tenderer who submits or participates in more than one Tender will be disqualified.

5 COST OF TENDERING

The Tenderer shall bear all costs and expenses associated with his participation in this Tendering Process, and the Regulator will in no case be responsible or liable for those costs, including all costs and expenses relating to the Tenderer's participation in:

- (a) The preparation, presentation and submission of its Proposal;
- (b) The Tenderer's attendance at any meeting in relation to the Tendering Process, including any presentation, site visit and or interview;
- (c) The conduct of any due diligence on its part, including any information gathering activity;
- (d) The preparation of the Tenderer's own questions; and
- (e) Any discussion and/or finalization, if any, in respect of the Form of Agreement.

6 VISIT OF POSTAL FACILITIES

- 6.1 The Tenderer is advised to visit and examine the Facilities and their surroundings and carry out all the necessary surveys and condition reports, technical studies, and obtain for himself on his own responsibility and at his own risk all information that may be necessary for preparing the Tender and providing the Services. The costs of the visits shall be at the Tenderer's own expense.

Tenderers are expected to carry out their own financial, technical, legal enquiries, assessments, investigations, market demand and feasibility studies, and to enquire and investigate on other issues relating to the postal service within and outside of Lebanon including agreements, equipment, facilities, operations and related matters.

Tenderers are thus responsible for obtaining their own independent advice on all aspects (not only statutory, legal or regulatory) of the information provided in the Tender Documents or any accompanying documents, or of any information or documents provided, or in any responses to Tenderers enquiries of whatever nature. The Regulator shall not be liable to any person or entity as a result of the use of or reliance on any information contained in the Tender Documents or any accompanying documents or in any responses to Tenderers enquiries of whatever nature, including but not limited to clarification questions or otherwise provided at any time during any stage of the Tendering Process or on account of any information or documents being incorrect, misstated, misleading or omitted therein or thereat.

- 6.2 While the information contained in the Tender Documents has been prepared in good faith, no representation, warranty or undertaking, express or implied, is or will be made in relation to the accuracy, adequacy or completeness of the Tender Documents. No responsibility or liability is, or will be accepted by the Regulator or any other entity, advisers and/or consultants in respect of any error, misstatement in or omission from the Tender Documents.

B. TENDER DOCUMENTS

7 CONTENT OF TENDER DOCUMENTS

- 7.1 The set of Tender Documents comprises the documents listed below and shall be read in conjunction with any addenda issued in accordance with Clause 9:

Section 1 Instructions to Tenderers

Section 2 Tender Form and Schedules*

Section 3 Conditions of Contract

Section 4 Terms of Reference

**To be filled in by the Tenderer*

- 7.2 The Tenderer shall return all Tender Documents mentioned in Sub-Clause 7.1 duly completed when required, signed and sealed.

8 CLARIFICATION OF TENDER DOCUMENTS

Tenderers requiring any clarification of the Tender Documents may notify the Regulator in writing or by email at the Regulator's address indicated in the Invitation to Tender within ten (10) days prior to the deadline for submission. The Regulator will respond to any received request for clarification at least six (6) days prior to the deadline for submission of Tenders, copies of the Regulator's response will be forwarded to all purchasers of the Tender Documents, including a description of the enquiry but without identifying its source.

The provisions of Article 21 of the Public Procurement Law (Requests for Clarification) shall apply.

9 AMENDMENT OF TENDER DOCUMENTS

- 9.1 At any time prior to the deadline for submission of Tenders, the Regulator may, for any reason, whether at his own initiative or in response to a clarification requested by any Tenderer, modify the Tender Documents by issuing addenda.
- 9.2 Any addendum thus issued shall be part of the Tender Documents and shall be communicated in writing to all purchasers of the Tender Documents. Tenderers shall acknowledge receipt of each addendum by email to the Regulator.
- 9.3 To give Tenderers reasonable time in which to take an addendum into account in preparing their Tenders, the Competent Authority shall extend as necessary the deadline for submission of Tenders, in accordance with Sub-Clause 20.2. The extended deadline for submission is also published on the central electronic platform of the Public Procurement Authority.

C. PREPARATION OF TENDERS

10 LANGUAGE OF TENDER

All documents relating to the Tender shall be in both Arabic and English languages. Supporting documents and printed literature furnished by the Tenderer may be in any foreign language other than English provided they are accompanied by an accurate translation of the relevant passages in English, in which case, for purposes of interpretation of the Tender, the translation shall prevail.

11 DOCUMENTS COMPRISING THE TENDER

11.1 Content of Tenders

The Tender shall comprise the following:

- (a) Post-qualification Document (eligibility and performance records)
 - (i) Company constitution and ownership, in conformance with attached Post-qualification Form [1.1];
 - (ii) Financial statements, in conformance with attached Post-qualification Form [1.2];
 - (iii) Business information / records and experience, in conformance with attached Post-qualification Form [1.3];
 - (iv) Litigation history, in conformance with attached Post-qualification Form [1.4];
 - (v) Quietus, in conformance with attached Post-qualification Form [1.5].
 - (vi) An undertaking letter in the attached format, signed and stamped by the tenderer with stamps worth 50,000 LL. The undertaking letter serves as a confirmation from the tenderer of his commitment to his price and the validity of the tender for the specified period.
 - (vii) A trade licence mentioning the name of the person authorized to sign on behalf of the tenderer, including the signature of the authorized signatory of the tender.
 - (viii) Power of attorney, certified by the notary public, if the tender is signed by a person other than the person who is authorised to sign on behalf of the tenderer.
 - (ix) The partnership agreement certified by the notary public, if required.
 - (x) A tenderer's registration certificate with the Directorate of Value Added Tax if applicable, or a certificate of non-registration if not

applicable, in which case the tenderer is bound by his price even if he becomes registered during the term of the contract.

- (xi) The tenderer's registration certificate with the Ministry of Finance - Directorate of Revenues.
- (xii) A clearance from the National Social Security Fund confirmation confirming eligibility to participate in public tenders, valid on the date of the award, stating that the tenderer has paid all his contributions. The tenderer shall be registered with the fund, and documents including "unregistered institutions" shall be rejected.
- (xiii) A comprehensive statement issued by the commercial register showing: founders, members, shareholders, authorized signatories, manager, capital, tenderer's activity, commercial incidences.
- (xiv) A statement issued by the competent court (the commercial register) proving that the tenderer is not in a state of bankruptcy or liquidation.
- (xv) Tender Security.
- (xvi) A copy of the receipt handed by (the Directorate General of Post) certifying that the tenderer has paid the tender documents fees.

**The above documents (whether original or certified copies) must be issued within six-month preceding the date of award.*

(b) Technical Offer

- (i) Operational Plan, in conformance with attached Tender Schedule [2.1];
- (ii) Business Plan, in conformance with attached Tender Schedule [2.2].

(c) Financial Offer

- (i) Form of Tender for a Contract Period of nine (9) years.
- (ii) Government Revenue Sharing Scheme, conforms to attached Annex [3.1].

11.2 Special Provisions for Joint Ventures

If a Tenderer is a Joint Venture of two or more firms, the Tender must be a single one with the object of securing a single contract. All members of the joint venture shall be jointly and severally liable for their compliance with the terms of the Tender Procedure. Non-compliance by any member of the Joint Venture may lead to forfeiture of the Joint Venture's Tender Security. A member shall not be in more than one Joint Venture.

Tenders submitted by a joint venture of two or more firms as partners shall comply with the following requirements:

- (a) The Tender shall include all the information listed in Sub-Clause 11.1 (a) for each joint venture partner;
- (b) The Tender shall be signed so as to be legally binding on all partners;
- (c) One of the partners shall be nominated as being in charge and this authorisation shall be evidenced by submitting a power of attorney signed by legally authorised signatories of all the partners; and
- (d) The Tender shall include pro-forma of the Joint Venture agreement which will state, inter alia, that all partners shall be liable jointly and severally for the execution of the Contract and that the partner in charge shall be authorised to incur liabilities and receive instructions for and on behalf of any and all partners, and the entire execution of the Contract including payments shall be done exclusively with the partner in charge.

12 FINANCIAL OFFER

- 12.1 The Tender shall be for the whole Services and Products as described in Sub-Clause 1.3. The Financial Offer consists of the completed Tender Form(s) including the Government Revenue Sharing Scheme.

13 CURRENCIES OF TENDER AND PAYMENT

The values to be quoted by the Tenderer shall be in United States Dollar.

14 TENDER VALIDITY

- 14.1 Tenders shall remain valid for one hundred and **eighty (180) days** after the deadline for Tender submission specified in Clause 20.
- 14.2 In exceptional circumstances, the Competent Authority may request that the Tenderers extend the period of validity for a specified additional period. A Tenderer may refuse the request without forfeiting his Tender security. A Tenderer agreeing to the request will not be required or permitted to modify his Tender, but will be required to extend the validity of his Tender Security for the period of the extension, or to submit a new tender security covering the extended period.

15 TENDER SECURITY

- 15.1 The Tenderer shall furnish, as part of his Tender, a Tender Security (in the form of a bank guarantee) to the amount of LBP 200,000,000 (Two Hundred Million Lebanese Pound).
- 15.2 A Tender Security shall be either paid in cash to the treasury or to the contracting authority (the procuring entity), or shall be in the form of an irrevocable bank guarantee issued by a bank acceptable to the Central Bank, payable on demand, and submitted in the name of (the project) in favour of the contracting authority (procuring entity).. Bank guarantees issued as surety for the Tender shall be valid for twenty-eight **(28) days** beyond the validity of the Tender.
- 15.3 Any Tender not accompanied by an acceptable Tender security shall be rejected by the Competent Authority.
- 15.4 The Tender Security of unsuccessful Tenderers will be returned after the completion of the evaluation of tenders.
- 15.5 The Tender Security of the successful Tenderer will be discharged when the Tenderer has signed the Contract and furnished the required Performance Security.
- 15.6 The Tender Security will be forfeited:
- (a) If the Tenderer withdraws his Tender during the period of Tender validity;
 - (b) If the Tenderer refuses to correct the bid in accordance with Clause 25; or
 - (c) In the case of a Successful Tenderer, if he fails within the specified time limit to:
 - (i) Sign the Contract; or
 - (ii) Furnish the required Performance Security.

16 ALTERNATIVE PROPOSALS

- 16.1 Tenderers shall mandatorily submit offers which fully comply with the requirements of the Tender Documents. Alternative proposals are not allowed.

17 PRE-TENDER MEETING

- 17.1 The provisions of Article 21 of the Public Procurement Law (Requests for Clarification) shall apply.

18 FORMAT AND SIGNING OF TENDER

- 18.1 The Tenderer shall prepare (1) one original and 2 (two) copies of the documents comprising the Tender as described in Clause 11 and clearly marked "**ORIGINAL**" and "**COPY**" as appropriate. In the event of discrepancy between them, the original shall prevail.
- 18.2 The original and all copies of the Tender shall be typed or written with indelible ink and shall be signed by a person or persons duly authorised to sign on behalf of the Tenderer. All pages of the Tender where entries or amendments have been made shall be initialled by the person or persons signing the Tender.
- 18.3 The Tender shall contain no alterations or additions, except those to comply with instructions issued by the Regulator, or as necessary to correct errors made by the Tenderer, in which case such corrections shall be initialled by the person or persons signing the Tender.

D. SUBMISSION OF TENDERS

19 SEALING AND MARKING OF TENDERS

19.1 The Tenderer is required to submit his Tender in three (3) separate envelopes containing the post-qualification application, the technical offer and the financial offer clearly marked "**Post-qualification Document**", "**Technical Offer**" and "**Financial Offer**".

- (a) The Post-qualification Document shall include the completed application forms as listed in Clause 11.1 (a).
- (b) The Technical Offer shall include the completed Tender Schedules as listed in Clause 11.1 (b).
- (c) 2. The Financial Offer shall include Tender Form(s) and Government Revenue Sharing Scheme as listed in Clause 11.1 (c) and 12.

19.2 The outer envelope shall be addressed to the Competent Authority to the address specified in the Invitation to Tender.

The three envelopes shall be packaged in one sealed outer envelope that the tenderer obtains from the administration in the place of submission of tenders, upon submission of tenders, and addressed with the name and address of the procuring entity. Only the subject of the tender shall be mentioned on the back of the outer envelope, "Proposal for the Operations of the Postal Sector in Lebanon", and the tender reference number "-----", and the following words: "DO NOT OPEN BEFORE ----" and the date specified for tender opening, in numbers as follows: day / month / year / hour, without any distinguishing phrase or distinctive sign such as the name of the tenderer or his attribute or address, to avoid disqualification, and the writing on the three covers shall be typed on white stickers and collated on the envelopes at the time of submission to the procuring entity.

Tenders may be sent through the public postal service or through private mail service providers, anonymously, or submitted by hand directly to (the procuring entity at the place of tender submission), on the date specified for submitting tenders as stipulated in the invitation to tender, which is published on the central electronic platform of the Public Procurement Authority.

19.3 In addition to the identification required above, the inner envelopes shall indicate the name and address of the Tenderer to enable the Tender to be returned unopened in case it is declared late, pursuant to Clause 21.

19.4 The procuring entity shall provide the tenderer with a receipt including a serial number as well as the hour, day, month and year date of receipt of the tender.

19.5 The procuring entity shall maintain the security, integrity and confidentiality of the tender, and ensure that its content is not viewed until after the tender opening.

19.6 Any tender received by the procuring entity after the deadline for submission of tenders shall not be opened, but shall be returned sealed to the tenderer who submitted it.

20 DEADLINE FOR SUBMISSION OF TENDERS

- 20.1 Tenders must be received by the Competent Authority (Directorate General of Post) at the address specified in Sub-Clause 19.2, within the period specified in the Invitation to Tender.
- 20.2 The Competent Authority may extend the deadline for submission of Tenders by issuing an amendment in accordance with the Clause 9, in which case all rights and obligations of the Competent Authority and the Tenderers previously subject to the original deadline will then be subject to the new deadline.

21 LATE TENDERS

Any Tender received by the Competent Authority after the deadline prescribed in Clause 20 will be returned unopened to the Tenderer.

22 MODIFICATION AND WITHDRAWAL OF TENDERS

- 22.1 The Tenderer may amend or withdraw his Tender at any time before the closing date for submission of tenders without forfeiture of his tender security. The amendment or the request to withdraw the tender shall be effective on the date of receipt of the contracting authority of such amendment or withdrawal request provided that such amendment or withdrawal is received prior to the tender closing date.

E. TENDER OPENING AND EVALUATION

23 TENDER OPENING

- 23.1 The Tender Committee will open the Tenders, in the presence of the Tenderers' representatives who choose to attend at the time and in the place specified in the Invitation to Tender.
- 23.2 The Tenderers' names, the presence or absence of Tender security, and such other details as the Tender Committee may consider appropriate, will be announced by the Tender Committee at the opening.
- 23.3 The Tender Committee shall prepare minutes of the Tender opening, including the information disclosed to those present in accordance with the Instructions to Tenderers.
- 23.4 The Tender Committee shall particularly verify that the Tender is responsive to all Terms of these Tender Documents.

24 PROCESS TO BE CONFIDENTIAL

Information relating to the examination, clarification, evaluation, and comparison of Tenders and recommendations for the award of a contract shall not be disclosed to Tenderers or any other persons not officially concerned with such process until the award to the successful Tenderer has been announced, except where disclosure is needed to comply with the Law. Any effort by a Tenderer to influence the Competent Authority's processing of Tenders or award decisions would result in the rejection of his Tender.

25 CLARIFICATION OF TENDERS

- 25.1 To assist in the examination, evaluation, and comparison of Tenders, the Competent Authority may, at his discretion, ask any Tenderer for clarification of his Tender. The request for clarification and the response shall be in writing, but no change in the substance of the Tender shall be sought, offered, or permitted. In the event that the information or documents submitted in the tender are incomplete or erroneous, or a specific document is missing, the procuring entity may issue, in writing, to the respective tenderer, a request for clarifications, or request to submit or complete the relevant information or documents within a specified timeframe, provided that all correspondences are in writing, respect the principles of transparency and equal treatment between tenderer and take into account the provisions of Paragraph 3 of Paragraph 2 of Article 21 of the Public Procurement Law.
- 25.2 Any effort by the Tenderer to influence the Competent Authority in the Tender evaluation, Tender comparison, or Contract award decisions would result in the rejection of the Tenderer's Tender.

26 EXAMINATION OF TENDERS AND DETERMINATION OF RESPONSIVENESS

26.1 Prior to the detailed evaluation of Tenders, the Competent Authority will determine whether each Tender:

- (a) Has submitted the requested documents in the Tender Conditions and Procedures;
- (b) Has been properly sealed and signed by authorized representative(s);
- (c) meets the eligibility criteria of Clause 2;
- (d) meets the qualification requirements of Clause 3.1;
- (e) Is accompanied by the required securities;
- (f) Is substantially responsive to the requirements of the Tender Documents;
- (g) Provides any clarification and/or substantiation that the Regulator may require.

26.2 A substantially responsive Tender is one which conforms to all the terms, conditions, and specifications of the Tender Documents, without material deviation or reservation. A material deviation or reservation is one:

- (a) Which affects in any substantial way the scope or the quality of the services;
- (b) Which limits in any substantial way, inconsistent with the Tender Documents, the Regulator's rights or the Tenderer's obligations under the Contract;
- (c) Whose rectification would affect unfairly the competitive position of other Tenderers presenting substantially responsive Tenders.

26.3 If a Tender is not substantially responsive, it will be rejected by the Competent Authority; and may not subsequently be made responsive by correction or withdrawal of the non-conforming deviation or reservation.

26.4 In analysing and comparing Tenderers' plans, the Competent Authority may resort to other techniques as it deems fit. The Competent Authority also reserves the right to consider the relative trade-offs between different evaluation criteria at its discretion.

27 CURRENCY FOR TENDER EVALUATION

Tenders shall be evaluated as quoted in United States Dollar.

28 EVALUATION AND COMPARISON OF TENDERS

28.1 The Competent Authority will evaluate and compare only the Tenders determined to be substantially responsive in accordance with Clause 26.

28.2 In evaluating the Tenders, the Competent Authority will determine for each Tender the evaluated Tender value by adjusting the Financial Offer as follows:

- (a) Making an appropriate adjustment for any other acceptable variations, deviations.

28.3 The Competent Authority reserves the right to accept or reject any variation, deviation, or alternative offer.

28.4 The Competent Authority will evaluate all sufficiently responsive proposals to ascertain the most favourable proposal.

28.5 Appraisal of Tenders will be based as follows:

- (a) The Tenderer's ability to demonstrate how it will meet the Contract objectives and requirements as set out in the Tender Documents, and in particular the credibility, quality and operational feasibility of the Proposal;
- (b) The experience/track record, reputation of the Tenderer in similar or related ventures and the overall ability and commitment of its management team in running this operation to achieve required targets;
- (c) Viability of the operational plan detailing all operations that have to be carried out by the Tenderer, indicating the objectives, activities to be delivered, quality standards, outcomes, staffing and resource requirements, implementation timetables, and a process for monitoring progress;
- (d) The certainty, clarity and un-conditionality of the Proposal. This will involve an assessment of the extent to which the Tenderer has a firm intent to commit to the Contract in a timely manner and commit the necessary resources to make the undertaking a success.

In reaching the above assessment, fitness and properness will be considered, including each participant of a Joint Venture, if applicable, as a result of a due diligence and proper scrutiny exercise. The Regulator reserves the right to perform any due diligence which it may deem necessary including, without limitation, into the veracity and accuracy of the responses to any questionnaire or documentation provided. This exercise will be extended to cover the ultimate beneficial owners, all shareholders, directors and other officers and key employees of the Tenderer who will, in any way, be involved in the Contract. The quality and presentation of the Proposal will also be considered, together with the commercial acumen demonstrated by the Tenderer.

F. AWARD OF CONTRACT

29 AWARD CRITERIA

The Regulator will award the Contract to the qualified Tenderer whose Tender has been determined to be substantially responsive to the Tender Documents and met the eligibility requirements and who has offered the most favourable Tender for the Regulator (highest percentage %P).

30 COMPETENT AUTHORITY'S RIGHT TO ACCEPT ANY TENDER AND TO REJECT ANY OR ALL TENDERS

The Competent Authority reserves the right to accept or reject any or all Tenders.

31 NOTIFICATION OF SELECTION

31.1 Prior to expiration of the original period of Tender validity prescribed by the Competent Authority, the Competent Authority will notify the successful Tenderer (Tenderers) by letter or email that his (their) Tender has been selected for further discussion or contract negotiation.

31.2 Upon the signing of a Contract between the Regulator and the successful Tenderer and submission of a performance security by the Tenderer, the Regulator will promptly notify the other Tenderers that their Tenders have been unsuccessful.

32 COMPANY STRUCTURE

The Successful Tenderer will be required to establish and register a company (hereafter referred to as "the Company") in Lebanon, which must adhere to the national laws and regulations and with whom the Agreement will be entered into with the Regulator.

This company should have a capital structure that reflects in large part the investment being proposed by the same.

33 PERFORMANCE SECURITY

33.1 Within twenty-eight (28) days of the signing of the Contract, the Successful Tenderer shall furnish to the Regulator a performance security in the form of a bank guarantee, as stipulated in the Conditions of Contract. A performance security shall be either paid in cash to the treasury or to the contracting authority (the procuring entity), or shall be in the form of an irrevocable bank guarantee issued by a bank acceptable to the Central Bank, payable on demand, and submitted in the name of (the project) in favour of the contracting authority (procuring entity).

33.2 Failure of the Successful Tenderer to comply with the requirements of this Clause shall constitute sufficient grounds for cancellation of the award and forfeiture of the Tender security.

33.3 The Performance Security shall be issued under terms which provide that it shall be irrevocable and unconditional and shall become payable to the Owner on its first demand. It shall not be incumbent on the issuing bank to verify whether such demand is justified.

33.4 The Regulator shall not make a claim under the Performance Security except for amounts to which the Regulator is entitled under the Contract in the event of:

- (a) Failure by the Company to extend the validity of the Performance Security, in which event the Regulator may claim the full or, in case of an earlier reduction, the reduced amount of the Performance Security;
- (b) Failure by the Company to pay the Regulator an amount due, as defined in this document, within **fifty six (56) days** after this agreement or determination;
- (c) Failure by the Company to remedy a default within **forty two (42) days** after receiving the Regulator's Notice requiring the default to be remedied; or
- (d) Should the Company be in default of any of its obligations to be undertaken by it under or in pursuance of the Contract Agreement, or in circumstances which entitle the Regulator to terminate under Clause 26 of the Conditions of Contract.

34 BANKING SECRECY

As stipulated in article (5) of the banking secrecy law dated 3/9/1956 and as stipulated in the resolution of the Council of Ministries no.4 dated 28/4/2020, the Tenderer must undertake to lift banking secrecy over his bank accounts for the benefit of the Regulator as part of the first envelope. The undertaking letter should include the following: "I undertake to lift banking secrecy from the bank account in which any amount of public money has been deposited or transferred to it for the benefit of the Regulator in any contract of any kind, dealing with public funds."

SECTION 2
TENDER FORM AND SCHEDULES

VOLUME 1
POST-QUALIFICATION DOCUMENT

COVER SHEET

The information to be filled in by the Tenderer in the following pages will be used for purposes of post-qualification as provided for in Clause 3 of the Instructions to Tenderers. This information will not be incorporated in the Contract.

Name and address of the tenderer:

Name of the employer:

Title and location of the project:

Name of the responsible employee:

Notes to Applicants

(1) Please answer all questions

(2) Supplementary pages may be photocopied and inserted if required

(3) Please number each page in the space provided at the top of each page

(4) Please retain a copy of your complete submission

(5) If the applicant is a joint venture of two or more companies, he shall state below the responsibilities of the members of the joint venture and the relationship between them taking into consideration that: (a) each member of the joint venture shall complete the forms separately but under one single application for the JV to prequalify, except for Post-qualification Form [1.3] which shall be filled only by the lead member of the joint venture; and (b) all Partners shall be jointly and severally liable for the execution of the Contract, in accordance with the Contract terms. A copy of the Joint Venture deed, evidencing the Power of Attorney of the mandatory should be attached.

(6) Project financial data is to be given in US\$ unless otherwise requested

(7) Please list below any page additional attached to each standard page:

Standard Page Attachment –

Attachment –

Attachment –

POSTQUALIFICATION FORM [1.1]
STRUCTURE AND ORGANISATION

{In case of joint venture, a separate sheet should be completed for each partner of the joint venture}

Copies of original documents defining the constitution or legal status, place of registration, and principal place of business; written power of attorney of the signatory of the Tender to commit the Tenderer.

GENERAL INFORMATION

Name of company:

Address:

Telephone/Fax numbers:

Email address:

Registered office address:

Description of company (for example, General
Operator/Service Provider):

Number of years of experience as a general
operator/service provider

In own country:

Internationally:

COMPANY CONSTITUTION AND OWNERSHIP

Registration

Place and date of company registration
(attached copy):

Type of work / activities licensed:

Type of company (e.g. limited liability,
subsidiary of parent company ...):

COMPANY STRUCTURE

Ownership and management

Principal shareholders / partners:

Secretary:

Treasurer:

TENDER DOCUMENTS
FOR THE OPERATION OF THE POSTAL SECTOR IN LEBANON

Please indicate here or attach an organisation chart showing the company structure including the positions of directors and key personnel, if relevant.

The applicant shall provide an organizational chart
showing the company structure, parent and subsidiary companies and the relationship between them.

COMPANY FINANCIAL CONSTITUTION

The applicant shall attach to this application a
statement of the company's financial constitution, including its paid up capital, the main shareholders names and the share held by each.

Power of Attorney of Signatory of Tender:
[To be attached]

POSTQUALIFICATION FORM [1.2]
FINANCIAL STATEMENTS

{In case of joint venture, a separate sheet should be completed for each partner of the joint venture}

Please attach copies of the company's five (5) years' audited accounts (profit/loss, assets/liabilities), indicated in the USD currency. If audited financial information is presented in a currency other than USD, key financial indicators should be indicated in USD. The currency conversion should be based on the closing rate of exchange of the Statement of Financial Position date. A separate audit certificate confirming these conversions is required;

Latest letter issued by the auditor communicating to those charged with governance any issues noted during the course of the statutory audit. If such letter has not been provided by the auditor, a confirmation to this effect is required;

Declaration that no adverse material change to the financial standing has occurred from the date of the last audited accounts until the actual date of submission of the Proposal.

If an affiliated company, participates in the Tender Procedure on its own or as a member of a Joint Venture, it may rely on the financial capacity of other companies of the same group as specified below: (a) If the Tenderer is a parent company it may rely on the financial capacity of its subsidiaries; (b) If the Tenderer is a subsidiary, it may rely on the financial capacity of its parent company only if it proves that it will have at its disposal the resources necessary, by submitting a relevant Parent Company Guarantee confirming its commitment to financially support the subsidiary.

POSTQUALIFICATION FORM [1.2]
FINANCIAL STATEMENTS [CONT'D]

{The following table shall be filled-in, signed and stamped by the certified auditor for the Tenderer}

Company's Legal Name:

Date:

	Year 1	Year 2	Year 3	Year 4	Year 5
Information from Balance Sheet					
Total Assets					
Total Liabilities					
Net Worth					
Accounts Receivables					
Current Assets					
Current Liabilities					
Working Capital					
Information from Income Statement					
Total Revenue					
Profits Before Taxes					
Profits After Taxes					
Turnover					
Financial Indices					
Current Ratio					
Profit Margin					
Return on Assets					
Debt Ratio					
Revolving liquidity of Tenderer:					

.....
(Signature)

.....
(Name and seal or authorized stamp of
accounting firm)

POSTQUALIFICATION FORM [1.3]
KEY RECORD DATA / OPERATOR PERFORMANCE
POSTAL SERVICE KEY PERFORMANCE INDICATORS

{In case of joint venture, a separate sheet should be completed for each partner of the joint venture}

The applicant shall state below, the key record data pertaining to the business he has operated. The information to be provided is stated below. The company profile should be attached.

Project Name:

Date and Period of Operation:

Indicators	Units	Year 1	Year 2	Year 3	Year 4	Year 5
Population	Number					
Fixed and mobile full-service postal offices, agencies and outlets	Number					
Street mailboxes	Number					
PO boxes	Number					
Mail volume	Number					
Career employees	Number					
Performance achievement against standard (D+1) (Percent)	Number					

POSTQUALIFICATION FORM [1.4]
LITIGATION HISTORY

{In case of joint venture, a separate sheet should be completed for each partner of the joint venture}

Company's history of litigation or arbitration from contracts executed in the last six years or currently under execution. Please indicate for each case year, name of employer, cause of litigation, matter of dispute, disputed amount and whether the award was for or against company.

Year	Name of Employer	Cause of Litigation	Matter of Dispute	Disputed Amount	For or Against

POSTQUALIFICATION FORM [1.5]
CLEARANCE

{In case of joint venture, a separate sheet should be completed for each partner of the joint venture}

The applicant shall attach to his application a Clearance from the Ministry of Finance, clearing it of any taxes or other payments due to the state.

Clearance: Declaration of any liabilities still due to the Republic of Lebanon, including departments and public entities by means of direct/indirect taxation, licensees, fees, penalties and other monies that still accrue to Republic of Lebanon and a plan detailing how the Tenderer intends to settle such dues. If the Tenderer does not have any pending monies due to the Republic of Lebanon, a statement confirming this fact is required.

VOLUME 2
TECHNICAL PROPOSAL

TENDER SCHEDULE [2.1]
OPERATIONAL PLAN

The tenderer shall include here plans and procedures for the execution of the contract including the physical means and implementation processes and a preliminary bar-chart or table showing the estimated times and periods for each phase of the contract.

TENDER SCHEDULE [2.2]
BUSINESS PLAN

Tenderer's proposed Business Plan to include, inter alia:

- (a) Executive summary providing a clear and concise summary of the key features of the Proposal, including technical, financial, commercial, organizational, planning, social impact, and legal features;
- (b) Strategy that defines a vision for the Contract Period and development plan for the business, key alliances and interaction with other business units owned or managed by the Tenderer;
- (c) Capital investment plan that includes the nature and extent of the proposed investment and development expenditure to be undertaken for the Term. Plan to include all investments anticipated during the Term, in the following: technology and development of the services (mail handling, express mail, philately, new services, and working capital), machines and equipment, buildings rehabilitation and infrastructure, capitalized corporate start-up services, transportation fleet;
- (d) Financing requirements and arrangements for the initial capital investment during the Contract Period. Details are to be provided regarding the proposed sources of finance for the Contract consideration, investment outlay and business funding requirements. Furthermore, the financial Proposal must be accompanied by a support letter from each Tenderer's bank that indicates the banker's ability and willingness to provide the debt financing portion of the total funding requirements contemplated in the respective Proposal;
- (e) Projected revenues from all services, based on the proposed P%, sorted by categories, including without limitation the mail handling, express mail, philately, non-postal services and all new services; and mail handling tariffs and postal rates;
- (f) Projected operating costs, including salaries, buildings occupancy compensation, maintenance, insurance, utilities, marketing and advertising, fleet and transportation costs;
- (g) Financial projections and feasibility indicators, supporting the Tenderer business plan including Statement of Comprehensive Income, Statement of Financial Position, Capital Expenditure Budgets and Cash Flow Statements covering the Contract Period. The financial model provided in an electronic format must be structured to allow for ease of use by the Owner and in particular it must allow the Owner to manipulate the model as, to be capable of running its own sensitivity analysis.

VOLUME 3
FINANCIAL PROPOSAL

FORM OF TENDER

Subject: Proposal for the Development and Operation of the Postal Sector in Lebanon

To: The Ministry of Telecommunications
Beirut – Lebanon

Gentlemen,

We offer to build/ rehabilitate, finance, manage, operate and transfer the Postal Service Network in Lebanon, all as described in the Request for Proposal in accordance with the Contract and other particulars identified in the Instructions to Tenderers for a Contract Period of nine (9) years after notification date and an annual payment payable to the Owner pursuant to the Contract and in accordance with the Government Revenue Sharing Scheme (Annex 3.1), expressed as a percentage of the operator's revenues.

This Tender and your written acceptance of it shall constitute a binding contract between us. We understand that you are not bound to accept the lowest or any tender you receive.

Yours faithfully,

Signed:

Company:

Address:

Date:

ANNEX [3.1]
GOVERNMENT REVENUE SHARING SCHEME

The tenderer in the proposal shall follow the period of the service agreement indicated and state the amount of annual payment as a percentage P, that he proposes to pay to the Owner under the Contract, provided P is not less than 10. The most competitive offer will be determined for the technically qualified tenderers based on the highest offered P.

(a) Regulator's revenues from postal services (as proportions of the Operator's Gross Profit):

Operation Period	Gross Profit up to 5 million \$	Gross Profit 5 to 10 million \$	Gross Profit 10 to 15 million \$	Gross Profit above 15 million \$
Years 1 to 2	P%	P%	P%	P%
Years 3 to 4	$1.1 \times P\%$	P%	P%	P%
Years 5 to 6	$1.3 \times P\%$	$1.1 \times P\%$	P%	P%
Year 7	$1.5 \times P\%$	$1.3 \times P\%$	$1.1 \times P\%$	P%
Year 8	$1.7 \times P\%$	$1.5 \times P\%$	$1.3 \times P\%$	$1.1 \times P\%$
Year 9	$2 \times P\%$	$1.7 \times P\%$	$1.5 \times P\%$	$1.3 \times P\%$

(b) Regulator's revenues from non-postal exclusive services particularly services relevant to public institutions and governmental agencies (as proportions of the Operator's Gross Profit):

Operation Period	Gross Profit up to 5 million \$	Gross Profit 5 to 10 million \$	Gross Profit 10 to 15 million \$	Gross Profit above 15 million \$
Years 1 to 2	P%	P%	P%	P%
Years 3 to 4	$1.1 \times P\%$	P%	P%	P%
Years 5 to 6	$1.2 \times P\%$	$1.1 \times P\%$	P%	P%
Year 7	$1.3 \times P\%$	$1.2 \times P\%$	$1.1 \times P\%$	P%
Year 8	$1.4 \times P\%$	$1.3 \times P\%$	$1.2 \times P\%$	$1.1 \times P\%$
Year 9	$1.5 \times P\%$	$1.4 \times P\%$	$1.3 \times P\%$	$1.2 \times P\%$

- (c) Regulator revenues from non-postal non-exclusive services (as proportions of the Operator's Gross Profit):

Operation Period	Gross Profit up to 5 million \$	Gross Profit 5 to 10 million \$	Gross Profit 10 to 15 million \$	Gross Profit above 15 million \$
Years 1 to 2	P%	P%	P%	P%
Years 3 to 4	P%	P%	P%	P%
Years 5 to 6	$1.05 \times P\%$	P%	P%	P%
Year 7	$1.1 \times P\%$	$1.05 \times P\%$	P%	P%
Year 8	$1.15 \times P\%$	$1.1 \times P\%$	$1.05 \times P\%$	P%
Year 9	$1.2 \times P\%$	$1.15 \times P\%$	$1.1 \times P\%$	$1.05 \times P\%$

Please provide one unique value for "P":

Notes

- The Government's revenue share in a particular year is the summation of all portions in all applicable brackets of Gross Profit (After dividing the Gross Profit amount into the corresponding brackets). Gross Profit means the earnings after subtracting the cost of goods sold (from the Operator's audited financial statements of a fiscal year). "P%" shall not be less than 10 %.*
- The Operator shall pay the Regulator an Annual Advanced Payment in an amount of US\$ 1,000,000 (One Million US Dollars), to be deducted from the Government's Share of the Operator's Gross Profit for the same year, though the Operator shall be exempted from paying the Advanced Payment for the first year only.*
- The above-mentioned services, i.e. postal, non-postal exclusive and non-postal non-exclusive, refer to the Services mentioned in the Conditions of Contract. The portion share under each will be calculated separately according to its applicable table.*
- All Postal services (including but not limited to the following services) are subject to the revenue sharing scheme included in table (a) of Annex 3.1:*
 - Registered Mail service*
 - Express Mail service*
 - International Express Mail service*
 - Domestic Mail service*
 - Large Volume Mail service*
 - Parcels services*
 - P.O. Box service*
 - Postal Transfers Service*
 - Mail Management*
 - Mail Room Management*
 - Inter Branch Logistics*
 - Third Party Logistics*
 - Direct Marketing*

5. *Within the Operator's exclusive right granted by the Regulator to provide those postal services and products, all non-postal services (including but not limited to the following services) are subject to the revenue sharing scheme included in tables (b) and (c) of Annex 3.1:*
- *Income Tax Return Declarations and Statements and Amendment of Income e Tax Return Declarations*
 - *Official Gazette Subscription Service*
 - *Cooperative of Civil Servants, Except for The Employees Who Enrolled in The Mutual Fund*
 - *Certification and Equivalence*
 - *Civil Status Records*
 - *General Security Services*
 - *Ministry of Labour Services*
 - *Hunting Permits*
 - *Traffic Formalities*
 - *Issuance of an international driving license from ATCL*
 - *"Mecanique" Annual fees of Private Vehicles, Motorcycles and Taxi with the E-Vignette*
 - *Registration Department Formalities*
 - *Invoices Payment to Ogero, Alfa and Touch and Mobile, Internet, Online Streaming & Music Recharge Services*
 - *Payment of Park Meter Tickets*
 - *Payment of Traffic Tickets Received by SMS or Call and - Hard Copy*
 - *Associations and Orders*
 - *Advertisement Services*
 - *Insurance Formalities*
 - *Translation of documents*
 - *Financial Services*
 - *Disbursement/Social Aid Payments*
 - *Online Services*
 - *Collection and Disbursement*
 - *Cash Payments collected through post offices*
 - *Home Collection Service*
 - *Marketing Services*
 - *Advertising Campaign via phone calls and SMS*

The Regulator and the Operator shall agree on the basis of which the non-postal service including but not limited to the services mentioned above shall be provided (exclusive or non-exclusive).