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Thursday, 5th January 2017.

Subject: Clarifications to the interested parties regarding the Call of Tender for the award of Services of Independent Engineer.

Interested Parties are kindly requested to refer to the below answers provided by PPA regarding the questions received until Tuesday, 3rd of January 2017, in relation to the "CALL OF TENDER FOR THE AWARD OF SERVICES OF INDEPENDENT ENGINEER IN ACCORDANCE WITH THE PROVISIONS OF THE CONCESSION AGREEMENT BETWEEN THE HELLENIC REPUBLIC (HR) AND PIRAEUS PORT AUTHORITY SA (PPA S.A), REGARDING THE USE AND EXPLOITATION OF CERTAIN AREAS AND ASSETS WITHIN THE PORT OF PIRAEUS". Capitalized terms not defined herein shall be used as defined in the Call.

The said replies constitute an integral part of the Call.

1. **Question:** Please clarify if any of additional Solemn Declarations should be submitted (i.e. Solemn Declaration for the cooperation of partner, and/or acceptance for the appointment of the procedure agent (in Greek "αντίκλητος»)) in a format as per Law 1599/1986 and if it is mandatory to be certified of the original signature of the signatory.

Answer: No additional Solemn Declarations are required, given that the Candidates will bear the full responsibility for the true, accurate and the valid information and documentation provided, as well as for the statements and declarations included in their Offers. In relation to the definition of a "Binding Declaration" please refer to page 4 of the Call.

Please note that the definition of the word "partner" is not foreseen in this Call of Tender. In case you are referring to the members of the Project Team, we would like

to repeat that according to para. 6.3.2. (viii) they will have to countersign their CV with the Candidate's Authorized Representative.

2. **Question:** Please clarify if there is any possibility on behalf of your side in order to be arranged a site visit before the deadline of the submission of the relevant tender for the proper preparation of our Technical Proposal.

Answer: PPA is willing to arrange a site visit with those Interested Parties that will submit a relevant written request, which must be communicated to PPA (in compliance with para. 2.2.3 of the Call) at least three working days before the preferable date of the site visit (which in any case will not be later than the 13th January 2016)

3. **Question:** We are kindly asked you to send us on behalf of your side as a Contracting Authority a Template of a Contracting Agreement in order to be aware of the relevant terms and conditions.

Answer: The main terms and conditions of the IE's Agreement are described in the Call of Tender which together with the IE's Offer, annexed, shall constitute the final and binding for the counterparties agreement, which shall also be countersigned by the HR as it is foreseen by the 2016 HRCA.

4. **Question:** Please clarify if the lending experience of the Candidate's Affiliate can correspond, in total, up to 100% of the services requested herein and not up to 30%, as it is mentioned in paragraph 2.3.2 of the said Tender for the Subcontracting.

Answer: We confirm that the lending experience of the Candidate's Affiliate can correspond up to 100%. The 30% limit refers to subcontracting solely. Nevertheless, given that according to para. 2.3.4 of the Call an Affiliate must satisfy the criteria of paras 5.1. and 5.2, lending experience cannot derive from multiple Affiliates.

5. **Question:** Please clarify if there is any protocol number of the said Call of Tender according to the mentioned article 6.2.2. "The number and the title of the Call for Tender".

Answer: The number of the tender is defined as PPA's CEO Decision nr.1260 dated 23-12-2016.

6. **Question:** Please clarify that in case in the Candidate's Project Team participates as a partner a physical person, which are the mandatory admin docs that should be submitted in the relevant Call of Tender (i.e. a Binding Declaration as per Law 1599/1986, Tax Certification and Social Security Certification etc.)

Answer: As stated in the Call of Tender there is no term regarding "partner". In addition, all documentation needed to be submitted is clearly stated within paragraphs 6.3.2 ii, 6.3.2 iii & 6.3.2 iv.

7. **Question:** Clause 2.3.1 – Please clarify if consortiums / Joint Ventures of more than 2 firms are eligible to participate to the tender. If yes, how the Specialized Knowledge & Evidence of Expertise criteria of clause 5.2 shall be covered by all consortium / JV members? In total or one of the members could cover the requirements?

Answer: Consortiums or Joint Ventures are eligible to participate in the Tender provided that all its members are fully satisfying the criteria described in the Call as if they were single Candidates in the process. Therefore, all requirements must be fully covered by all members of the Candidate and all tender documentation must be signed by the representatives of all members or by a mutually appointed person, pursuant a relevant decision of their competent bodies.

8. **Question:** Since the Call of Tender refers to the Concession Contract, is it possible to provide it as tender doc or at least the sections referred to the IE role?

Answer: The role of IE is clearly stated within the 2016 HRCA that was ratified by law 4404/2016 (Government Gazette A' 126/8.7.2016), combined with the detailed description within the 23-12-2016 Call of Tender.

9. **Question:** It is an international business practice in IE projects to provide a draft IE agreement. Could you please provide? If not available, could the candidate provide alternatively a standard IE agreement or this would be considered as conditional offer as per clause 7.3?

Answer: Please see our answer in the above question No 3. In any case we clarify that any type of suggested IE's Agreement will not be accepted and conditional offers shall be rejected.

10. **Question:** Clause 5.4.2 – It is not an international practice to reject excessively high or alarmingly low financial firms without justification. Could you please reconsider?

Answer: On the contrary, it is common practice for the awarding authorities to reject excessively high or alarmingly low financial offers. Nevertheless, PPA (for reasons of transparency) has in advance provided, by relevant reference to the Call of Tender, the frame of identifying an offer as such, which is clearly described in para. 5.4.2.

11. **Question:** Clause 2.4, Table 2.4.2 – Please clarify why the Passenger Port Expansion “Reference Cost” is different than the “PPA participation”. We pointed out that it is the only different budget item in the table 2.4.2. Is the Greek State / EU supposed to finance the difference in the mentioned budget costs for the Passenger Port Expansion project?

Answer: Yes, the Passenger Port Expansion Project shall be co-financed by the EU Funds.

12. **Question:** Clause 4.1.1 – Could you please provide the detailed scope of the two mentioned consultants: “Project Manager & Designer” and “Specifications Consultant and Supervisor”. It is critical in order to provide the appropriate organization structure of the IE and identify the stakeholder management & interfacing points between all involved parties and is effecting the financial proposal of the IE.

Answer: The scope of the present tender is only about the IE. This must not be confused with other potential tenders which will be published i.e. regarding the “Project Manager & Designer” and the “Specifications Consultant and Supervisor”. The scope of work for the appointment of the above two consultants will be described in detail in the documents of the relevant tenders that PPA intends to launch in the coming week/s.

13. **Question:** Clause 4.2 – It seems there is no IE’s liability against the Hellenic Republic. Please verify. If not, could you please define which is the IE’s liability cap limit against the Hellenic Republic?

Answer: The Hellenic Republic remains the sole and undisputable owner of the infrastructure laying in the Concession Area, under the provisions of the 2016 HRCA.

The interrelation and liabilities between the HRCA, PPA and its sub-contractors and sub-concessioners is regulated by the 2016 HRCA, which supersedes any other contract and which is published in Government Gazette A 126/8.7.2016 as part of ratifying law 4404/2016.

14. **Question:** Clauses 2.3.2, 5.1.3 – We understand that subcontracting to non-affiliate to the Candidate firms is not allowed under the penalty of exclusion. The same applies also on lending capacity. Please confirm. On the other hand, for the coverage of the Specialized Knowledge & Evidence of Expertise criteria of clause 5.2 the Candidate might benefit from the use of natural persons members of his project team that cover the abovementioned criteria.

It is not an international practise to exclude company's specific experience capacity and to accept natural persons experience for this type of magnitude and complexity projects. Could you please reconsider?

Answer: It is correct that the subcontracting to non-affiliate to the Candidate firms is not allowed under the penalty of exclusion and that the same applies also on lending capacity.

The condition that a Candidate may benefit from the services and support of a team of professionals that meet the specific technical criteria is expressly anticipated in Annex 27.3 of the 2016 HRCA. This specific condition cannot be amended since it is PPA's clear intention to actually receive the requested services by the Candidate and the Project Team that will be evaluated under the process of this specific Tender.

15. **Question:** Clause 6.3.2.viii – The numbering "para 5.4.1" seems to be wrong since it is referred to tender bank guarantee provisions. It looks like "para 5.1.3" is the correct one. Please clarify.

Answer: It is clarified that under clause 6.3.2.viii "para 5.1.3" is the correct one.

16. **Question:** Clause 6.3.2.viii – Could the Candidate use in the proposed project team staff that are not employees / partners / associates of his company and are free lancers from the Greek or international market? Our understating is that use of aforementioned staff is allowed. Please clarify.

Answer: Please see our above reply to question No 14.

17. **Question:** Our company's affiliated companies undertake similar projects within the region of their jurisdiction. However, it is unlikely that 2 projects of similar size and scale to have been developed in the same region. Thus, please clarify and/or reconsider if affiliated companies nominated as subcontractors to the Candidate should also satisfy the participation criteria set in paragraph 5.2 or if one port/marine works sector project of similar size and scale per affiliated can be acceptable to PPA.

Answer: Pursuant to Greek Company Law, the definition of the Affiliates includes not only subsidiaries but also the mother companies. That means that any subsidiary is permitted to use the lending experience of its mother company or of any other "sister" company - subsidiary of the same mother company (as defined in the abovementioned law), provided that the lending company fulfils all criteria in accordance with para. 2.3.4.

Nevertheless, mother companies (strictly) as the ultimate beneficiaries of the experience acquired by its subsidiaries shall be considered as the direct holder of the technical experience, when they are Candidates themselves (only then and not when they are lending experience) for the projects executed by their subsidiaries.

IMPORTANT NOTE: We note that, since a multiple participation of a Group of Companies, through the submission (or participation) in different Offers from its various Affiliates is practically equal to a Candidate's participation in the Tender with more than one Offers, both events shall fall within the meaning of an unpermitted "irregular contact" under para. 2.2.5 (a) of the Call and PPA shall have the right (at its sole discretion) to disqualify this Candidates.

18. **Question:** To the best of our knowledge, there is no local entity that satisfies the participation criteria set in paragraphs 5.1.3 and 5.2.3 of the Call for Tender. Thus, subcontracting more than 30% of the Project in any Greek entity will not be feasible. Therefore, please clarify and/or reconsider if nominated Subcontractors to more than 30% of the Project, should also satisfy the participation criteria set in paragraphs 5.1.3 and 5.2 of the Call for Tender.

Answer: We clarify that subcontracting is permitted only under the provisions of para 2.3.2 which, among other, stipulates that subcontracting will not exceed (not under any circumstances) 30% of the total services requested under this Tender. This

means, that in any case the Candidate itself must provide the other 70% of the services of the IE that will offer to PPA. In any case, we shall not share the above view and this is why, as we have already clarified in our above answer 17, local entities may benefit from the experience of their mother companies or the participation of persons (where it is explicitly anticipated in the Call).

19. **Question:** In our view, the overall volume of infrastructure projects in Greece in the past decade, would not easily justify for a local affiliated company to satisfy the economic and financial standing criterion of more than €50mil average turnover in the last three audited financial years, as requested in paragraph 5.1.3 of the Call for Tender. Thus, cooperating with a local affiliated entity would not be feasible. Therefore, please clarify and/or reconsider if affiliated companies to the Candidate should also satisfy the economic and financial standing criterion set in paragraph 5.1.3 of the Call for Tender.

Answer: The following are clarified:

(i) According to IMPORTANT NOTE 5 under paragraph 6.3.2:

"The Sub-folder of Specialized Knowledge and Evidence of Expertise must also include the above documents (i) to (vi) for the Subcontractors and Affiliates lending experience to the Candidate as if they were Candidates themselves, with the difference that they are not allowed to benefit from the services and the support of a team that includes one or more professionals that meet the above criterion."

(ii) According to paragraph 5.1.3 "A Candidate will also be disqualified **if its annual turnover** (updated average of last 3 audited financial years), from engineering consultancy services is not equal to or more than fifty million (50,000,000) Euros."

(iii) Candidates must bear in mind that the role and importance of this specific IE must not be compared to the common concession projects that have been, until now, executed in Greece. This is due to the fact that the timely and adequate performance of the construction works and the issuance of the Mandatory Enchantments Statement by PPA's IE will signify the full and absolute satisfaction of PPA's contractual obligations vis-à-vis the HR and the event that will trigger (i) the commencement of CAPEX II and (ii) the release of the other 16% of PPA's shares to its main shareholder and the, equal to their price, amount to the Greek State. Hence, the necessity of a financially strong and stable IE for the execution of CAPEX I, who will have or will

benefit by an Affiliate's financial capacity and the necessary financial means to execute the Project, is indisputable.

20. **Question:** Since this Project is one of the very few, if not the only, port/marine projects of this size and scale to be developed in Greece, it is unlikely a Candidate's local affiliated company or local partner in Greece to satisfy the participation criteria set in paragraph 5.2.3 of the Call for Tender. Therefore, please clarify and/or reconsider if affiliated companies to the Candidate should also satisfy the participation criteria set in paragraph 5.2 of the Call for Tender.

Answer: Please see above our reply to question No 17.

21. **Question:** Additionally, please clarify and/or reconsider if placing an offer as a Union of Companies with one of the partners satisfying the participation criteria set in paragraphs 5.1.3 and 5.2, will be accepted by PPA.

Answer: Please see above our reply to question No 7.

22. **Question:** Our company has in place a framework agreement with its local partner to jointly pursue similar infrastructure projects in Greece. In accordance to this agreement, our company has controlling rights to the decisions relevant to the placement of offers and execution of the awarded projects, even in case we have agreed to delegate our local partner as the leading entity for a specific project. Please clarify if such a framework agreement will be acceptable as evidence of our company's affiliated relationship to its local partner.

Answer: The definition of an Affiliate is clearly provided in para 2.3.2 of the Call. Any professional relationship outside the provisions of the Call will not be accepted.

23. **Question:** Request from PPA to consider amending the Scheme of Billing.

Answer: The Scheme of Billing cannot be modified given that payments of the IE must directly be connected to the provision of the relevant services, which from their side must be in accordance with the progress of the projects of CAPEX I.

24. **Question:** With respect to documents comprised in the Offer, please accept submission of copies, with a follow-on for original/certified copies from the first placed candidate, as the case. Given the time is short and the winter holidays are mid-season, obtaining originals/certified copies may be almost impossible.

Answer: In order for PPA to further facilitate the Interested Parties, shall provide the following two alternative solutions to Candidates:

- (a) Those who **have adequate** time to prepare a full binding submission folder including the originals or its duly certified copies, of the documentation of paras 6.3.1 and 6.3.2, in compliance with the provisions of the Call of Tender, are kindly requested to submit it at the submission deadline.
- (b) Those who believe that **will not have** at their disposal the necessary time to prepare a full binding submission folder of original or duly certified copies as per the provisions of the Call of Tender, may submit the documentation of paras 6.3.1 and 6.3.2 as simple copies of the documents under the conditions that:
- Every document in the Offer has the original signature of the Authorized Representative;
 - Documents referring in paras 6.3.1 (iv) and (v) must be either originals or certified copies, whilst the Tender Bank Guarantee of para 6.3.1 (vii) must be the original (or alternatively the document proving that the transfer of the Guarantee Amount has already taken place according to para 5.1.4.1);
 - An additional statement for non-inclusion of the originals or the certified copies of the tender's documents as well as an additional declaration-commitment for their submission in the below deadline, must be included in the Binding Declaration of the Candidate of para. 6.3.1 (vi);
 - All simple copies must be replaced by their originals or their exact and identical certified copies by the 31st of January 2017, with the submission by the Candidate of an additional folder with the title "Replacing Folder". The provisions of the Call referring to the submission of Offers will apply mutandis-mutandis in the process for submission of the "Replacing Folder". Candidates that will not comply with the above will be disqualified and PPA shall retain the right to forfeit the Tender Bank Guarantee or withhold the Guarantee Amount without prior notice of the Candidate.

25. **Question:** With respect to the provision of the tender guarantee, please confirm that the validity period for such is of 90 days, corresponding to the validity period of the offer, as specified in 'APPENDIX B: FINANCIAL PROPOSAL SUBMISSION FORMS'. Please note that this information is needed by the bank as a prerequisite for issuing the bank letter of guarantee.

Answer: According to "APPENDIX A - FORM OF TENDER BANK GUARANTEE " the letter of guarantee is of indefinite duration.

26. **Question:** Moreover, given the high importance of this challenging assignment, requiring full attention and mobilization of resources for ensuring compliance with requirements set in the Call for Tender, we kindly request for additional time to allow proper submission of the offer.

Answer: We kindly inform you that an extension of seven (7) days has already been approved for submitting offers i.e. no later than Monday, 16th January 2017, 15:00 hours (Greece time), at the Central Protocol of the Contracting Authority (PPA) at 10, Akti Miaouli, 185 38, Piraeus, Greece.

Important note

Please visit regularly PPA SA website <http://www.olp.gr/> in order to be promptly informed for any other clarifications which may be issued in relation to the "CALL OF TENDER FOR THE AWARD OF SERVICES OF INDEPENDENT ENGINEER IN ACCORDANCE WITH THE PROVISIONS OF THE CONCESSION AGREEMENT BETWEEN THE HELLENIC REPUBLIC (HR) AND PIRAEUS PORT AUTHORITY SA (PPA S.A), REGARDING THE USE AND EXPLOITATION OF CERTAIN AREAS AND ASSETS WITHIN THE PORT OF PIRAEUS".