



REQUEST FOR PROPOSAL (RFP)
For Consulting on Fleet Planning to Vietnam Airlines JSC

July 26, 2024

INVITATION FOR PROPOSAL

Dear Sirs/Madams,

Vietnam Airlines JSC (“VNA”) hereby requests proposals (“RFP”) from eligible and qualified Consultants to provide consultation on fleet planning, as detailed in the attached requirements.

Should you be interested in participating in this consulting service, please submit your proposal to the address provided below:

Vietnam Airlines JSC

Fleet Development Team

Investment & Procurement Department

200 Nguyen Son Street, Long Bien District, Hanoi, Vietnam

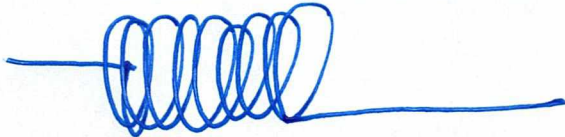
- Attention:
- Mr. Nguyen Thanh Binh, Deputy Director
Email: nguyenthanhbinh@vietnamairlines.com
 - Ms. Nguyen Thu Phuong, Deputy Manager
Email: phuongnguyen@vietnamairlines.com
Mob: +84 946783833
 - Ms. Chu Dieu Linh, Executive
Email: linhcd@vietnamairlines.com
Mob: +84 984708163

The proposal must be submitted *no later than 01. of Aug 2024 (Vietnam time)*.

Prospective Consultants are required to thoroughly review the attached RFP to fully comprehend VNA’s requirements and to ensure their proposal is compliant with said requirements. By submitting a proposal in response to this request, Consultant acknowledges and agrees to all terms and regulations outlined in the attached RFP.

Sincerely yours,

On behalf of Vietnam Airlines JSC.



Nguyen Thanh Binh
Deputy Director
Investment & Procurement Dept.

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PART I. INSTRUCTIONS TO CONSULTANT

1. Invitation

Vietnam Airlines JSC (VNA) hereby invites Proposals from prospective Consultants to provide consultation on fleet planning, as specified in the document herein.

2. Submission of Proposal

The Proposal shall be submitted to VNA directly or by post or via email to VNA Head Office at 200 Nguyen Son St., Long Bien District, Hanoi, Vietnam (Aircraft Acquisition, Investment & Procurement Department – Floor 6, VN1 building) and as per the Deadline of Proposal Submission (“**Deadline**”) specified hereunder:

- **Closing Date: August 01, 2024.**

- **Closing Time: 15h00 Vietnam time.**

If Consultant submits multiple Proposals to VNA by the specified method above and all Proposals are received prior to the Dateline, VNA will only consider the most recent valid Proposal for evaluation.

Due to email size limitations at VNA, Consultants are requested to ensure that their Proposal submissions do not exceed 20MB by email.

3. Opening of Proposal

VNA shall open the Proposals at 200 Nguyen Son St., Long Bien District, Hanoi, Vietnam at **15h30, August 01, 2024 (Vietnam time)**.

4. Valid of the Proposal

The Proposal shall remain valid for 90 days from the Deadline. If necessary, VNA may solicit the Consultant’s consent to an extension of the validity period with the Proposal’s content remained unchanged. The requests and the responses thereto shall be made in writing by email.

5. Format and Signing of the Proposal

The Letter of Proposal Submission (Form No. 1 Chapter III) must be signed by the authorized representative of the Consultant. Additionally, if the Consultant is a Vietnamese registered company, a company stamp is required.

6. Currency

All rates and prices shall be quoted in US Dollars (USD).

7. The Use of the Proposal

The Consultant acknowledges that documents submitted in response to this RFP will become the property of VNA. These documents shall be retained and used by VNA for evaluation purposes and for the preparation of any subsequent Agreement. VNA may also make copies of the documents for these purposes.

8. Clarification of RFP

The Consultant may give request in writing for clarification of the RFP no later than 02 working days prior to the Deadline. VNA shall respond in writing by email to any request of clarification soonest possible prior to the Deadline.

9. Amendment of RFP

VNA may, at its sole discretion, amend the RFP and/ or extend the Deadline. VNA shall notify all prospective Consultants of the above changes in writing by email no later than 02 working days prior to the Deadline.

10. Modification and Withdrawal of the Proposal

The Consultant may modify or withdraw its Proposal after Proposal's submission, if the modification or written notice of withdrawal is received by VNA prior to the Deadline.

The Consultant shall not modify its Proposal or propose additional proposal terms after the Deadline if not requested by VNA.

11. Proposal Evaluation

Proposal shall be evaluated and selected in accordance with Part III - Proposal Evaluation Criteria enclosed in this RFP.

During the evaluation, VNA may require the Consultants to clarify its Proposal. The request for clarification and the response shall be in writing by email.

12. General Conditions

This RFP is not an offer to any party, and in no event will VNA be committed to a Consultant until a final written agreement is executed, and any approvals have been confirmed.

VNA reserves the right to accept or reject any Proposal and to annul the Proposal process and reject all Proposals at any time prior to award of Agreement, without thereby incurring any liability to the affected Consultant or any obligation to explain the affected Consultant of the grounds for the VNA's action. VNA shall inform the Consultants in the case of annulling all the Proposals or the selection process.

Costs associated with the preparation and submission of the Proposals shall be borne by the Consultants respectively.

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PART II. CONSULTING WORK SCOPE REQUIREMENTS

Contents	Detailed Requirements
I. Content of Work Scope	
1. Aircraft markets	<ul style="list-style-type: none"> - OEM order backlog for major single aisle types - In service vs. parked fleets - Delivery slot and production rate constraints - Fuel and its impact on airline costs, on market demand for older generation vs newer generation aircraft (emphasis on Neo/Max versus CEO/NG) - Interest rate and its impact on airline costs, on market demand for older generation vs newer generation aircraft - Impact of inflation and escalation - Availability of aircraft – today and estimates later in the decade - Forecast of new aircraft deliveries over the next 5 and 10 years <ul style="list-style-type: none"> + Impact of supply chain disruption in near-term + Boeing MAX issue and its impact to supply + Pratt Whitney engine issue and its impact to supply
2. Aircraft values and lease rate trends	<ul style="list-style-type: none"> - Aircraft value drivers - Explanation of the concepts of values, lease rates and ratings <ul style="list-style-type: none"> + Current Market Value + Base value + Future values + Downside Risk Value + Current market lease rates + Aircraft ratings - Values and lease rate trends <ul style="list-style-type: none"> + A320ceo + A320neo + A321ceo + A321neo + 737Max all variant + A220-300 + E195-E2 + 787-9/10 + A350-900/1000 + 777X - Value & lease rate forecast and potential implications for VNA
3. Analysis on fleet/asset management and ownership structure	<ul style="list-style-type: none"> - Financing and ownership (asset management) – rationale for leasing (pros and cons) - Lease vs. buy decision for airlines - Operating lease fleet management

	<ul style="list-style-type: none"> + Lessor selection + Duration of lease term + Lease vs own proportion + Considerations for lease extension and buy-off at lease end + Economics of redelivery - Operating cost drivers - fuel/ maintenance/ ownership/ regulations, including major maintenance events & end-of-lease conditions. - SWOT of VNA's fleet
4. Benchmarking for fleet planning strategies	<p>Selection of 10 airlines having similar scale to VNA (by fleet size and market capital)</p> <ul style="list-style-type: none"> - Fleet status of a selection of airlines - Fleet size change trend - Fleet by age range - Ownership structure - Aircraft on order
5. Considerations, drivers, conclusion, and recommendations	<ul style="list-style-type: none"> - Link to overall strategy - fleet growth and network expansion - Timescales (short/medium/long-term) - Constraints of current fleet mix - Analysis/advise on potentials for VNA to operate direct flight to the US and Europe by A350-1000 & 777X (specific request from VNA) - Lease expiries and fleet exit strategy - Transaction strategy/residual value for the planned phasing out aircraft types (to be provided by VNA) - Options for fleet growth/replacement in next 10 years <ul style="list-style-type: none"> + Buy new vs used (comparing aircraft value/price, maintenance cost, fuel cost between the old gen type and new gen type, e.g. CEO vs NEO) + Buy vs Leasing (same type as above) - Fleet planning (type selection) recommendations for VNA - Recommendations for fleet ownership structure for VNA
<p>6. The Consultant may advise further information which is out of this scope of work but might be helpful for VNA fleet planning without any fee & cost.</p>	
II. Output Products (*)	
1. Slide report	<ul style="list-style-type: none"> - Format: PPT and any similar report - Timeframe: No later than 5 weeks from the date of signing the agreement. <p><i>Note: The slide report must be submitted to VNA at least 07 days prior to the presentation which is currently schedule in the mid of September 2024. VNA has the right to request the Consultant for any</i></p>

	<i>amendment and addition which covered under the Work Scope.</i>
2. Presentation in Vietnam	<ul style="list-style-type: none"> - Half to full day presentation based on the submitted slide report presented by the Team leader of the consultant, effectively convey information, including Q&A; - Travel and accommodation expenses of presenter are included in the proposed price.
3. Written report	<ul style="list-style-type: none"> - Format: Word report and any other kind of documents. - Timeframe: Within a week from the date which the slide report is submitted (as required in II.1).
<p><i>(*) The Reports and Presentation are considered the output product when agreed upon by both parties.</i></p>	

PART III. PROPOSAL EVALUATION CRITERIA

1. Steps of Proposal Evaluation:

The proposals shall be evaluated in the following steps:

Step 1: Eligibility Evaluation

Step 2: Experience Evaluation

Step 3: Price Evaluation

2. Main principles for evaluating the Proposal submitted by the Consultants:

All documents enclosed in set of the Consultant's Proposal, are integral parts of the Consultant's Proposal. During the evaluation, VNA may request Consultants to provide additional documents and/or clarifications.

In cases:

- There is a discrepancy of one factor (relating to the same criteria) between two or more documents enclosed in the Consultant's set of Proposal, VNA shall, in order to avoid the risk for VNA, take into calculation and evaluation the highest prices/rates (for cost elements including tax under Vietnamese law), or the conditions VNA considers as the worst/disadvantage.
- If there is a discrepancy between the letter and the number, the letter shall be prevailed.

3. Detail Evaluation

Step 1 - Eligibility Evaluation:

The Eligibility Evaluation shall be given by criteria shown in Form No. 2 - Eligibility Requirements, Part IV of this RFP.

The Proposal (after clarification if any) being considered as meeting requirements of Step 1 shall be evaluated in Step 2.

Step 2 - Experience Evaluation:

The evaluation shall be given by criteria shown in Form No. 3 – Experience Requirements, Part IV of this RFP.

The Proposal (after clarification if any) being considered as meeting requirements of Step 2 shall be evaluated in Step 3.

Step 3 - Price Evaluation:

All Proposals, after correction of errors, differences rectification and minus discount (if any), are qualified to be selected to shortlist.

4. Selection of Proposal

4.1 Shortlist

Based on the evaluation of Proposals, VNA shall select a shortlist of 03 potential Consultants having lowest price to negotiate for Best and Final Proposals.

In the event that fewer than 03 Consultants having proposals that meet the requirements of the RFP, VNA shall enter into negotiations with all qualified Consultants.

4.2 Selection of Proposal for Contract Award

- Based on the evaluation of Best and Final Proposals, VNA shall select the Proposal offering aircraft with the lowest price and does not exceed the approved budget price by VNA.
- In cases where two or more Consultants have equal prices after the Best and Final Proposal, the ranking order shall be based on the following criteria:
 - (i) The Consultant who achieve the most as Appraiser of the Year awarded by Airline Economic within ten consecutive years;
 - (ii) The duration of consulting services provided;
 - (iii) The number of years of experience.

PART IV. FORMS OF PROPOSAL TO BE PREPARED BY CONSULTANT

Form No. 1: Letter of Proposal Submission

To: Vietnam Airlines JSC

Attn:

After studying your Request for Proposal dated 2024, we, “The Consultant name”, have understood clearly the RFP and we would like to submit our Proposal attached in complying with all terms, conditions, instructions and requirements stipulated in RFP with the total fees of (i) *[insert value in number, in words and tender currency]* for the Fixed fee; (ii) *[insert value in number, in words and tender currency]* for Taxes under laws of Vietnam and related regulation; (iii) another Fee/Expense (if any).

We commit that all provided information of the Proposal is true and correct. If our Proposal is being selected, we undertake to execute the Agreement with an obligation to provide high quality services.

We agree that our Proposal shall be valid for 90 days from the Deadline of Proposal Submission. We understand that VNA has no obligation to explain the reasons for any result in this selection.

For and on behalf of.....

(Signed)

Name:

Title:

(Duly authorized to sign Proposal)

Form No. 2: Eligibility Requirements

Consultants are kindly requested to response to all following requirements by putting “Yes” or “No” into each row of the column “Consultant Responses (Yes/No)”. The “Consultant responses” in this Proposal form are summary information, detail offer to each item in Form No.2 must be explicitly stated and clarified in the Proposal.

VNA shall evaluate Consultant’s responses in this Form No.2 in accordance with Item 3, Step 1 - Part III. “Proposal Evaluation Criteria” of this RFP.

No.	Description/Criteria	Consultant Responses (Yes/No)
1	Proposal submission time meets the Deadline as per Item 2 Part I.	Yes/No
2	Validity of Proposal meets requirement of at least 90 days from the Deadline.	Yes/No
3	Having Letter of Proposal Submission signed by a legal representative or an authorized person of the Consultant in Form 1 Part IV RFP.	Yes/No
4	Power of Attorney as stipulated in Form 6 Part IV RFP (if any).	Yes/No
5	Having Documents Establishing Consultant’s eligibility and qualification as follows:	Yes/No
5.1	<i>Copy of Certificate of Business Registration or document proving the lawful establishment issued by authorized office of the State of Consultant’s Nationality.</i>	Yes/No
5.2	<i>Being an independent Consultant, not having a name in two or more Proposals as the main Consultant.</i>	Yes/No
6	Price and payment conditions in Form 4 Part IV RFP	Yes/No
6.1	<i>Proposed price is fixed and in USD.</i>	Yes/No
6.2	<i>Payment terms: - 30% of total fee within 3 working days from the date of agreement; - 30% of total fee within 3 working days after presentation completion; - Remaining balance of total fee within 3 working days after written report completion.</i>	Yes/No
7	Non-disclose any information provided by VNA during the evaluation of the Proposal and execution of agreement.	Yes/No
8	Provide Output Products as required in Part II RFP.	Yes/No

The Proposal (after clarification if any) being considered as meeting all requirements of this form shall be evaluated in the next step. Any "No" for any requirement will be disqualified from further consideration.

Form No. 3: Experience Requirements

Consultants are kindly requested to response to all following requirements by putting “Yes” or “No” into each row of the column “Consultant Responses (Yes/No)”. The “Consultant responses” in this Proposal form are summary information; detail offer to each item in Form No.3 must be explicitly stated and clarified in the Proposal.

VNA shall evaluate Consultant’s responses in this Form No.3 in accordance with Item 3, Step 2 – Part III “Proposal Evaluation Criteria” of this RFP.

No	Requirements	Consultant Responses (Yes/No)
1	The Consultant has been established for at least 10 years.	Yes/No
2	The Consultant must have at least three similar transactions for consulting on fleet planning for any airline during the period from 2019 to 2024.	Yes/No Provide supporting evidence (documents, information, etc.)
3	Having at least three consultants including Team leader, each with a minimum of five years of experience, to provide consulting services for VNA.	Yes/No Fill in Form 5 Part IV RFP
4	The team leader of the Consultant must have experience of transactions for consulting on fleet planning.	
5	The Consultants has achieved Appraiser of the Year awarded by Airlines Economics from 2015 - 2024.	Yes/No Provide supporting evidence (documents, information, etc.)

The Proposal (after clarification if any) being considered as meeting all requirements of this form shall be evaluated in the next step. Any "No" for any requirement will be disqualified from further consideration.

Form No. 4: Financial and Payment Terms

No.	Description	Consultant Responses
I	Financial Terms	
1	Fee in a fixed amount by USD	
2	<i>Taxes (including all the taxes imposed under the laws of the Socialist Republic of Vietnam)</i>	
II	Taxes	
1	Consultant shall be responsible for paying taxes in Vietnam as required by Vietnamese law.	
2	Consultant shall be responsible for any deductions or withholdings of taxes, ensuring that the payment received for the services provided is sufficient according to the proposed price excluding taxes.	
3	If the proposed price doesn't include tax, VNA will calculate and add the necessary taxes and fees in accordance with the Vietnamese laws.	

Form No. 5: Consultants Information
1. List of consultants in the consulting service provision

No	Full Name	Expertise	Assigned position in transaction	Tasks

2. CV of each proposed consultant

Full name: [•]

Occupation: [•]

Years of carrier experience: [•]

Detailed duties proposed to be assigned: [•]

No	Customer's name	Sector	Company Role in transaction	Starting – Closing Period
<i>I. Current company</i>				
1				
2				
3				
....				
<i>II. Previous company</i>				
1				
2				
....				

Form No. 6: Power of Attorney**POWER OF ATTORNEY**

Today, dd ____ mm ____ yy ____, at ____

My name is [*name, ID card or passport No., title of the Consultant's legal representative*], the legal representative of [*name of the Consultant*] having its address at [*address of the Consultant*] which hereby authorizes [*name, ID card or passport No., title of the Consultant's authorized representative*] to perform the following duties during the tender process for selection Consultant for VNA's Fleet Planning:

- (i) [Sign the proposal application form;
- (ii) Sign documents and materials in transactions with VNA during the selection process, including any document requesting clarification of the request for proposals and explanation and clarification documents of the proposal;
- (iii) Participate in the contract negotiation process;
- (iv) Participate in the contract finalization process;
- (v) Sign the contract with VNA if winning the selection.]¹

The aforesaid authorized person shall only act as the authorized representative of [*name of the Consultant*] to perform work within the scope of authorization. [*Name of the Consultant*] shall be fully responsible for the work to be performed by [*name of the authorized person*] within the scope of authorization.

The Power of Attorney shall take effect as of [•] to [•]. This Power of Attorney shall be made in [•] originals of equal validity; the authorizing person shall keep [•] original, and the authorized person shall keep [•] original.

Name of the authorized person

[*Name, title, signature and seal, (if any)*]

Authorizing person

[*Name of legal representative of Consultant, title, signature and seal*]

¹ Scope of authorization may include one or more of the aforesaid duties