INVITATION TO TENDER FOR THE PROVISION OF OCEAN FREIGHT SERVICES IN SUPPORT OF MAG’S GLOBAL OPERATIONS

INSTRUCTIONS TO TENDERERS FOR MAG

Dear Sir/Madam,

MAG intends to issue a contract for the provision of ocean freight services in support of MAG’s global operations and cordially invites your submission of a proposal to provide this service (details of the shipment are outlined in Annexes I and II).

It is expected that the selection of the preferred service provider, following an assessment of all the tenders submitted, will be made on Wednesday 13th June 2007 1600 hrs BST. The successful tenders will be expected to enter into a formal contract with MAG.

All proposals are to be submitted in the same format as the questions and the matrix laid out, with 4 copies of the proposal to be submitted, 3 paper copies and 1 electronic.

MAG does not bind itself to accept the lowest or any tender and will not be liable for any costs incurred in the submission of any proposal. MAG also reserves the right to modify any part of the invitation to tender, including the deadline for submission of bids, either at its own initiative or as a result of request for clarification or otherwise from one or several prospective bidders.

Please ensure that you read all the documents attached and that you fully understand the requirements. The documents comprise:
• This letter
• Appendix I MAG programme destinations
• Appendix II Freight Matrix
• Confidentiality Agreement (Appendix III)
• Letter of Acknowledgement (Appendix IV)
• Conditions of tendering and details of MAG’s requirements.

Should you require further information, please contact Sam Burgess, Procurement and Logistics Coordinator. Any requests for information should be submitted by email to Sam Burgess as per the dates detailed in the tender timetable. These requests along with the answers will be published on the MAG website www.magclearsmines.org as well as the IAPG (Inter Agency Procurement Group) website www.iapg.org.uk.
The closing time and date for the receipt of tenders is 1600 hrs on Monday 28th May 2007 BST. Submissions outside this deadline will not be accepted. All proposals are to be submitted in the same format as this invitation tender document, with one copy in an electronic format and three copies in a paper format.

Please ensure you include scanned copies of the confidentiality agreements and letters of acknowledgement.

Yours faithfully,

Sam Burgess
Procurement and Logistics Coordinator
Mines Advisory Group (MAG)
47 Newton St,
Manchester,
M1 1FT
sam.burgess@mag.org.uk
Tel +44 (0)161 236 4311
Fax +44 (0)161 236 6244
1. Invitation to Tender for MAG Ocean Freight

Issued by: Operations Dept

INTRODUCTION

The Mines Advisory Group (MAG) is an international NGO specialising in Humanitarian Mine Action (HMA). Founded in 1991, MAG has conducted landmine clearance, Explosive Ordnance Disposal (EOD), Mine Risk Education (MRE) and related operations in over 20 countries. MAG has experienced enormous growth in the last 12 months and is one of the UK’s leading mine action NGOs. MAG currently implements HMA projects in Angola, Cambodia, Cyprus, DR Congo, Iraq, Lao PDR, Lebanon, Somalia, Sri Lanka, Sudan and Vietnam. MAG’s projects aim to support the development of a local capacity to implement and manage HMA. In addition, MAG supports the development of new techniques and equipment to make HMA more effective and works in partnership with mine-affected populations, partner organisations and donors to ensure the continuous improvement of HMA activities around the world.

For more information about MAG please visit our website at www.mag.org.uk

MAG was a founder of the International Campaign to Ban Landmines and is co-laureate of the 1997 Nobel Peace Prize

BACKGROUND

The MAG Procurement and Logistics department is issuing this tender to bring its procurement of this service in line with MAG’s procurement guidelines as well as donor guidelines. By applying the best procurement practices from both private and non-profit sources, we are confident that both MAG and our supply partners will benefit from our increased supply chain focus.

MAG is conducting a formal tender process in order to receive the best service and price available for this crucial service in supporting MAG’s ongoing humanitarian clearance of Remnants of Conflict - the performance of the services and time delivery of the contract are of the utmost importance.
2. CONDITIONS OF TENDERING

Proposals must be received by Monday 28th May 2007, 1600hrs BST.

Correspondence Communications relating to the tender must be addressed to the person identified in the covering letter accompanying the tender.

Questioning Period There will be two opportunities to ask questions with all questions and answers being displayed on the MAG website as per the dates outlined in the tender timetable, all questions must be submitted by 1730hrs UK time on the day of the deadline with all questions being addressed to the person identified in the covering letter.

Right to reject all tenders The organisation is under no obligation to accept any tender.

Power to accept part of tender The organisation may, unless the tenderer expressly stipulates to the contrary in the tender, accept whatever part or parts of it the Organisation decides.

Specification includes any plans, drawings, data or other information relating to the services being requested. If the tenderer wishes to propose modifications to the specification (which may provide a better way to achieve the organisation's contract objectives) these must be considered as an alternative offer. The tenderer must make alternative offers in a separate letter to accompany the tender. The organisation is under no obligation to accept alternative offers.

Confidentiality tenderers must treat the Invitation to tender and all associated documentation supplied by the organisation as confidential.

Prices tendered prices must be exclusive of any VAT or local duty tax, where this exists it must be indicated. MAG does not bind itself to accept the lowest or any tender, and reserves the right to accept a portion of the tender, unless the tenderer expressly stipulates otherwise on his tender

Contract means the contract for the supply and acquisition of the Services.

Services means the services described in the invitation to tender

Tenderers are requested not to contact the organisation during the tender assessment period unless already an existing MAG partner and only in pursuit of existing working arrangements, MAG is happy to respond to questions during questioning timescale period.

On being notified of the outcome of their respective tenders, tenderers may request verbal and written feedback from MAG.
3. MAG’s PURCHASING AND PROCUREMENT PRACTICE

MAG adheres to strict procurement guidelines which ensure that all procurement transactions:

- are conducted in a manner to provide to the maximum extent practical open and free competition.
- fulfil donor guidelines.
- maintain the principles of quality, cost and delivery (QCD).

MAG also maintains a written code of conduct that governs the performance of its employees engaged in the awarding and administration of contracts. MAG requires full and open disclosure when dealing with procurement. As such, MAG employees must strictly avoid any conflict of interest or even the appearance of a conflict. Staff must at all times provide full disclosure of their actions or relationships with prospective vendors, contractors or consultants. If there is any doubt or question as to the propriety of a procurement action, the member of staff concerned must contact his/her line manager for advice. If any family member is to be contracted or may benefit from procurement, prior approval from MAG’s Directorate is required.

All procurement activities are fully and transparently documented.

As a beneficiary of funding, the Mines Advisory Group (MAG) alone is accountable to the EC for the implementation of all aspects of the humanitarian project including the procurement process. MAG is required by the EC to carry out its procurement procedures with the principles of transparency, proportionality, equal treatment of potential contractors and non discrimination among donors. MAG must award the contract to the tender offering the best price quality ratio. Its procedures must be free of any interference due to a situation of a conflict of interest. As MAG is bound to follow these principles of ethical procurement it expects those suppliers submitting tenders for services requested, to do the same.

It must be noted that MAG’s donor, the European Commission, does not acknowledge any contractual link between itself and subcontractors. Under no circumstances or for no reason whatsoever will the Commission entertain any request for indemnity or payment directly submitted by the Mines Advisory Group’s contractors.

For full details of the contractual obligations which relate to conditions applicable to contractors, see Articles 1, 3, 4, 5, 6, 8 and 16:
4. TIMETABLE

<table>
<thead>
<tr>
<th>Activity</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue ITT</td>
<td>02/04/2007</td>
</tr>
<tr>
<td>Question Period 1 Questions submitted to MAG</td>
<td>23/04/2007</td>
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<tr>
<td>Answers For Question Period 1 Released</td>
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<tr>
<td>Question Period 2 Questions submitted to MAG</td>
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<td>Answers For Question Period 2 Released</td>
<td>21/05/2007</td>
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<td>Return of proposals</td>
<td>28/05/2007</td>
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<td>Tender receipt and analysis</td>
<td>04/06/2007</td>
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<td>Recommendations to Senior Management</td>
<td>11/06/2007</td>
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<td>Award contract</td>
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<tr>
<td>Complete contract negotiations with appointed preferred service provider</td>
<td>21/06/2007</td>
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<tr>
<td>Expected go “Live” Date</td>
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5 QUOTATION REQUIREMENTS

Please quote in accordance with the price breakdown matrix attached at Annex II – a detailed description of MAG programmes and primary programme delivery addresses are available in Annex I.

In addition to the matrix, please include and detail the customs clearance capabilities and experience provided by your company in all primary destinations as per Annex I. The quoted price of the service must be submitted in the currency with which your company has negotiated as well as U.S. Dollars and include the exchange rate used.

Should the tenderer anticipate any additional charges which are not covered by the preceding statement, these should be clearly highlighted in the tender document with accompanying justification.

In addition you are required to address the following points in the proposal:

5.1. Experience
5.1.1. Provide details of experience operating in and around MAG’s programmes, outline any facilities or capacity near MAG’s operations bases where you feel it would be advantageous for MAG to become a partner

5.2. Management Information
5.2.1. What types of management reports are available? Will there be a cost for these? Include sample titles of the management reports you can provide to MAG which are standard to all clients.
5.2.2. Describe the detail of breakdown you can achieve with your reporting system.
5.2.3. Can the reports be provided monthly/weekly? How soon after the end of the reporting period can they be available?
5.2.4. Do the reports have year-to-date data? Comparison between months, quarters, and years?

5.3. Management Proposal
5.3.1. Outline your proposal to manage MAG’s ocean freight.

5.4. Cost Reduction Programmes
5.4.1. How do you guarantee the lowest transport costs?
5.4.2. What service guarantees are being offered?
5.4.3. Has your company negotiated any special rate programmes not discussed above? Please be specific in providing the names of the suppliers and the discount levels or negotiated pricing.
5.4.4. How do you plan to lower MAG transport costs?

5.5. Other Cost-Reduction Opportunities
5.5.1. Outline all initiatives taken by your Company to reduce operating costs within your own organisation.
5.5.2. Detail your proposals for continuous cost reduction within the cost base and also at point of sale. Please highlight where you guarantee cost reduction and the
appropriate time-scales.

5.6. **Financial Proposal**
   5.6.1. Outline details of your financial proposal to MAG.
   5.6.2. Based on the information provided, identify what type of cost configuration you recommend for MAG (i.e. Management Fee versus Transaction Fee - advantages & disadvantages of each); provide a financial proposal you feel would result in the best value for MAG and explain your reasoning.
   5.6.3. If "5.6.2" is not appropriate, please provide details of your alternative cost model.
   5.6.4. Would you intend to operate an 'open book' policy in your dealings with MAG?
   5.6.5. Indicate any products or services outlined in your proposal which are priced outside the base agreement.
   5.6.6. Detail process map of revenue/cost flows.
   5.6.7. Please detail all costs over and above the base service/product, where they are not covered above, and please consider the following:
   - Implementation.
   - Additional product costs.
   - Management information tool.
   - Support costs and what they entail.
   - Cost per transaction breakdown.

5.7. **Quality**
   5.7.1. Is your Organisation ISO 9002 accredited? What other quality standards does your company adhere to?
   5.7.2. Describe your quality control process.
   5.7.3. Propose a service level/performance agreement, with measurement methods for response times, emergency stocks held, on-time delivery, refunds, complaint handling and any other applicable elements of your service.
   5.7.4. How do you measure and report on customer satisfaction?
   5.7.5. Provide any independent reports relating to your company's performance, standards and ratings in the market place compared to your major competitors.
   5.7.6. What is your process for correcting service issues?

5.8. **Ethical Procurement**
   5.8.1. MAG introduced a purchasing policy covering environmental and ethical standards in 2005. Could you please provide a copy of your ethical policy for us to review (If available)?

5.9. **Range of Services**
   5.9.1. Provide a list of the products and services available, including training initiatives, with a brief description of anything that is not industry standard.

5.10. **Other**
   5.10.1. Please detail any benefits you feel your company can offer MAG which differentiates you from those of your competitors as well as any other information you believe will assist MAG in making its decision and which relate to this invitation to tender but which have not been covered above.
6. AWARD CRITERIA

Award of the Contract shall be based on the following criteria:

**Service Delivery Issues**
- Evidence of your understanding and experience in providing effective ocean freight services to areas and locations detailed in Annex I
- Ability to offer the appropriate product at an economically advantageous price to MAG.
- Quality and quantity of resources.
- Overall service your company is able to provide to MAG.
- How efficient and effective your working methods will be.
- Key strengths; details of any services that are unique to the service provider.
- Clear Project Plan to be implemented once the contract has been awarded.
- Reputation and client references.

**Price**
- Cost breakdown
- Additional services that the service provider would be willing to provide MAG at no cost.

6.1 REFERENCES
Please provide a list of representative clients, including three client references with the name of a contact person and their telephone number.
Appendix I

Quotation Requirements
Please quote in two formats: A detailed quote detailing all information required as per the points laid out below and in accordance with the price breakdown matrices attached at Annex II:
In addition to the matrices, please include the extent of the customs clearance capabilities offered by your Organisation, if any.

Quotation Details

Quote 1.

4 x HZJ78 Toyota Landcruiser 13 Seater from MAG’s vehicle supplier.

Loading Point FOT Shajar

COUNTRIES OF DESTINATION:
- Luanda, Angola
- Phnom Penh, Cambodia
- Kinshasa, Democratic Republic of Congo
- Erbil, Iraq
- Vientiane, Laos
- Beirut, Lebanon
- Colombo, Sri Lanka
- Khartoum, North Sudan
- Juba and Rumbek, South Sudan
- Hanoi, Vietnam

Information to be included in the detailed description:

1) Route
2) Transit time
3) Discharge port
4) Alternative routes where possible, taking time vs cost into account
5) Any additional information you feel may be relevant.
**Quote:** 2

1 x Caspir FOT Sandton - FOT Khartoum, uncleared
1 x Caspir FOT Santon – CIP Juba, uncleared

**The Casspir**

**PRICING**

**US$ 120,000.00**

<table>
<thead>
<tr>
<th>Crew</th>
<th>2 +10</th>
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<tbody>
<tr>
<td>Configuration</td>
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<tr>
<td>Power-to-weight ratio</td>
<td>13.51 hp/t</td>
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<tr>
<td>Weight</td>
<td></td>
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<tr>
<td>Combat</td>
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</tr>
<tr>
<td>Empty</td>
<td>11,040 kg</td>
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<tr>
<td>GVM</td>
<td>14,000 kg</td>
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<tr>
<td>Length</td>
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<td>Ground Clearance</td>
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<tr>
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<td>Overhang</td>
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<tr>
<td>Rear</td>
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Quote 3

4 x UNIMOG All Terrain Trucks FCA Clopenburg - FOT Lokichoggio, uncleared
3 x UNIMOG All Terrain Trucks FCA Clopenburg - CIP Khartoum, uncleared

UNIMOG

Price €30000.00

Weights and Dims

Length  5560mm
Width    2300mm
Height   2620
Weight   45000kg
### Appendix II

**Freight Matrix**

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<thead>
<tr>
<th>Equipment Description</th>
<th>Loading Point</th>
<th>Final Delivery Point</th>
<th>Total Cost Excluding Negotiated Currency</th>
<th>USD</th>
<th>Exchange Rate</th>
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<td>Example</td>
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<tr>
<td>Toyota Landcruiser 13 Seater</td>
<td>Felixstowe</td>
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<td>£2000.00</td>
<td>$3600.00</td>
<td>£1 = $1.8</td>
<td>4 weeks</td>
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</table>


APPENDIX III

NON DISCLOSURE AND CONFIDENTIALITY AGREEMENT

In consideration of the disclosure to [insert name] whose registered office is at [insert registered address] ("the Recipient") by MAG whose registered office is at 47 Newton Street, Manchester, M1 1FT ("the Discloser") of certain confidential proprietary and technical information ("the Confidential Information") relating to the Discloser's computer systems, customers, suppliers, business and affairs, the Recipient hereby agrees [on behalf of itself, its directors, employees, agents and sub-contractors] as follows (each paragraph to be deemed to be given as a separate undertaking):

1. to recognise the confidential nature of the Confidential Information disclosed to it;
2. to respect the confidence thus reposed in the Recipient by maintaining the secrecy of the Confidential Information:
3. not to employ any part of the Confidential Information without the Discloser's prior written consent, for any purpose except that of [insert business purpose for which disclosure required];
4. not to disclose the Confidential Information to others without the Discloser's prior written consent and where such disclosure is authorised to obtain a written undertaking from the person to whom disclosure is made substantially in the form of the Undertaking;
5. not to employ its knowledge of the Confidential Information in any way that would be detrimental or harmful to the Discloser

The following information shall not be regarded as Confidential Information to which this Undertaking applies:

a) information which the Recipient can prove was lawfully in its possession or in the possession of its employees or advisers prior to disclosure by the Discloser pursuant to this Undertaking;
b) information which was, after disclosure to the Recipient, generally available to third parties by publication or otherwise through no breach of this Undertaking by the Recipient or the Recipient's employees or advisers;
c) Information which was, at the time of disclosure to the Recipient, in the public domain;
d) Information whose disclosure is required by law or the rules of any applicable regulatory organisation.

Dated this day of 200

Signed By…………………………………………………………………….

On Behalf Of ………………………………………………………………….

Name: …………………………………………………………

Title: ………………………………………………………….
APPENDIX IV

LETTER OF ACKNOWLEDGEMENT

Dear Mr Burgess

Re: Provision Ocean freight in support of MAG’s global operations

- We intend to submit a tender by the required date
- We are unable/do not wish to submit a tender – please briefly outline your reasons below or on a separate letter.
- The invitation to tender documentation is enclosed/is being returned under separate cover.

Reasons for not submitting a tender:

We confirm that we will treat all information supplied by the tenderer as confidential and will not communicate any of that information to any other party or make use of that information for any purpose other than preparation of a response to the Invitation to Tender.

Yours sincerely

For and on behalf of: