

# **BIDDING DOCUMENT**

**Hiring of firm for Lease of CFM56-5B4/P or CFM56-5B4/3 Engines for 11 months for  
PIACL A320 Fleet**

**(Single Stage Two Envelop Procedure)**

**(International Competitive Bidding)**

# **BIDDING PROCEDURE & REQUIREMENTS**

## **Section 1: INVITATION TO BIDS**

## **Section 2: INSTRUCTIONS TO BIDDERS**

This Section provides information to help Bidders prepare their Bids. Information is also provided on the submission, opening, and evaluation of Bids and on the award of Contracts.

## **Section 3: ELIGIBILITY & MANDATORY REQUIREMENTS**

## **Section 4: TECHNICAL BID EVALUATION CRITERIA**

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**SECTION 1: INVITATION TO BIDS**

Tender No. GMCM/LEASE/CFM56-5B/01/2026

Date: 15-01-2026

**Hiring firm for Lease of CFM56-5B4/P or CFM56-5B4/3 Engines for 11 months for PIACL A320 Fleet**

1. The *Pakistan International Airlines Corporation limited* now invites sealed bids from eligible Suppliers for **Hiring of firm for lease of CFM56-5B4/P & CFM56-5B4/3 Engines for 11 Months**
2. The bidding shall be conducted in line with the *Single Stage Two Envelope* procedure of the Pakistan Public Procurement Rules 2004 and any Regulations, Regulatory Guides, Procurement Guidelines or Instructions issued by the Authority (from time to time), and is open to all potential bidders.
3. Bids can be submitted through EPADS at or before **16-02-2026 1030 Hrs (Pakistan Standard Time)**
4. Bids will be opened through EPADS at **1130 Hrs dated 16-02-2026 (Pakistan Standard Time)**

## **SECTION 2: INSTRUCTIONS TO BIDDERS**

1. All bids must be accompanied by a Bid Security [Only for local bidders] in an acceptable form in the amount of [PKR 500,000].

OR

All bids must be accompanied by a Bid Securing Declaration [For international bidders] in the format provided in the Bidding Documents.

2. All bidders **must submit bids through EPADS** and the original bid along with required documents, properly filled in, and enclosed in sealed envelope(s) must be delivered to the address mentioned below at or before **closing date and time** with following documents:
  - The Tender TORs.
  - Tender Fee: Banker's Cheque of **PKR 15,000/-** (Non-Refundable) for local bidders only.
  - Banker's Cheque (from any scheduled bank of Pakistan) of **PKR 500,000** (One Hundred Thousand Only) as Earnest Money (Refundable/Interest Free) from Local bidders (Foreign Bidders exempted).
3. The bids will be opened through EPADS in public and in the presence of bidders' representatives who choose to attend in the opening at the Tender Room, Ground Floor, Supply chain Management Department Building, PIACL Head-office Karachi Pakistan on mentioned or communicated date and time.
4. Bidding Document/Tender TORs can also be accessed on following link:  
<https://www.piac.com.pk/corporate/business-with-pia/tenders>  
<https://www.ppra.org.pk/active-tenders>  
<https://www.eprocure.gov.pk> through EPADS Supplier Login
5. **Bid Security (Local bidder only)**  
The successful bidder(s) upon award of Contract will be required to furnish Performance Guarantee in the amount equivalent to 5 % of total base value of the contract as interest free Security deposit in shape of Pay Order/Bank Guarantee.

*Note:*

*Bid security already held can be converted into Performance Guarantee and balance amount if any shall be deposited as above.*

## **SECTION 3                      SCOPE, ELIGIBILITY & MANDATORY REQUIREMENTS**

### **1. BID EVALUATION**

- a. Bids will be evaluated as per defined Criteria. Only technically qualified bidders financial proposals will be opened after Technical Evaluation.
- b. If bids are received in both currencies, i.e. PKR and USD, rates will be converted into PKR, at the rate specified by PIA Finance on the date of bid opening, for bid evaluation purposes.

### **2. ACCEPTANCE OF TENDER**

- a) PIACL reserves the right (without limitation to any other right whatsoever) to accept or reject any offer, or to annul the bidding process and reject all offers at any time prior to contract award without incurring any liability to the affected Bidder(s).
- b) PIACL also reserves the right (without limitation to any other right whatsoever) to award the consolidated contract in its entirety to a single Bidder or to award it in parts to more than one Bidder without incurring any liability to the affected Bidder(s).
- c) PIACL reserves the right to extend the date of opening (if deemed necessary).

## **Mandatory / Special Requirements**

### **1. Agreement**

- a) Lease Agreement will be in accordance with IATA Master Short Term agreement for lease.

### **2. Lease Term**

In general the Lease Term for Lease is set as 11 months. However, lease term of more than 11 months may also be offered depending on the condition of engine.

### **3. Note for Bid Validity**

The Bid Validity is 180 days. However, keeping in view of market conditions, it will not be a binding on the parties to hold their assets. Parties are requested to communicate if their offered engine is being sold / leased to other parties. PIA will make its best endeavors to finalize the evaluation, select the engine and enter into agreement at the earliest possible timeframe.

### **4. Fleet & Usage Information:**

PIA is the National Airline of Pakistan. PIA A320 fitted with CFM56-5B4/P and CFM56-5B4/3 Engines,

PIA A320 Fleet mainly operates between Saudi Arabia & Middle East regions etc

### **5. Preservation Requirement:**

The offered Engine/s must be preserved as per AMM Instructions

### **6. TAG / Release Requirement:**

EASA Form 1 or FAA form 8130 or TCCA Form One or CAA UK Form 1 release are accepted documents for inspection and release of Engines for installation.

### **7. Documentation Access**

Minipack link comprising Engine details is to be submitted on the following emails: [mesca1@piac.aero](mailto:mesca1@piac.aero), [piaplng@piac.aero](mailto:piaplng@piac.aero), [khimapk@piac.aero](mailto:khimapk@piac.aero), and [contract.tech@piac.aero](mailto:contract.tech@piac.aero)

All documentary details, records and BSI details, and reports must be available.

### **8. Regulatory Requirements:**

PIA is regulated by PCAA Pakistan Civil Aviation Authority <http://www.caapakistan.com.pk/> which is a public sector autonomous body working under the Federal Government of Pakistan.

### **9. Trolley Requirement:**

Engines must be offered in OEM recommended Shipping Stand. All prices for Lease are to be quoted inclusive of the shipping stand.

*for Pakistan International Airlines*

**GM Contract Management Division**

**1<sup>st</sup> Floor, Supply Chain Management Department Building, [PIACL], Head Office**

**Karachi Airport-75200 Pakistan**

**Tel: +92-21-99045277**

**Email: [gm.cm@piac.aero](mailto:gm.cm@piac.aero) / [contract.tech@piac.aero](mailto:contract.tech@piac.aero)**

**Website: <http://www.piac.com.pk/>**

## SECTION 4: TECHNICAL BID EVALUATION CRITERIA

### 1. Technical Evaluation Criteria

Following Criteria will be used for Technical Evaluation. Separate Sheet may be filled/marked for each offered Engine. The marking should be according to data provided in Minipack/details of the record. The actual Minipack /Record data will be considered as final for evaluation:

For Each offered Engine, Bidder should fill / Tick the following:

SUBMITTED BY (Name of Bidder/lessor) \_\_\_\_\_

ENGINE SERIAL NUMBER \_\_\_\_\_

### Technical Evaluation Criteria for Lease of CFM56-5B Engines

S.NO	Criteria	Weightage	Score
1	<b>1) EGT Margin: (max marks will be given to the bidder whose engine EGTM&gt;70). Grading will be done based on Minipack / Data provided</b>	<b>30</b>	
	EGTM $\geq$ 70 Deg C	30	
	EGTM 60-70 Deg C	27	
	EGTM 50-60 Deg C	24	
	EGTM 40-50 Deg C	18	
	EGTM 30-40 Deg C	12	
	EGTM < 30 Deg C	3	
2	<b>Cycles Since Last Overhaul: (Full Overhaul/Performance Restoration): max marks will be given to the bidder whose engine CSLSV &lt; 1000 Cycles). Grading will be done based on the Minipack / Data provided</b>	<b>30</b>	
	CSLSV $\leq$ 1000 Cycles	30	
	CSLSV $\leq$ 2000 Cycles	24	
	CSLSV $\leq$ 3000 Cycles	18	
	CSLSV $\leq$ 4000 Cycles	15	
	CSLSV $\leq$ 5000 Cycles	12	
	CSLSV $\leq$ 6000 Cycles	9	
	CSLSV $\leq$ 7000 Cycles	6	
	CSLSV < 8000 Cycles	3	
3	<b>LLP First Limiter Remaining Life: Max marks will be given to the bidder whose engine</b>	<b>15</b>	
	Remaining $\geq$ 6K cycles	15	
	Remaining 6K-5K cycles	12	
	Remaining 5K-4K cycles	9	
	Remaining 4K-3K cycles	6	
	Remaining 3K-2K cycles	4.5	
	Remaining 2K-1.2K cycles	3	

4	<b>BSI Observations: Weightage 10%</b>	<b>10</b>	
	Nil Observation	10	
	Number of Observation $\leq 2$	8	
	Number of Observation 2-5	6	
	Number of Observation 5-8	2	
	Engine with restriction	1	
5	<b>Oil Consumption: Weightage 10%</b>	<b>10</b>	
	0-0.05 Qtz/hr	10	
	0.05-0.10 Qtz/hr	9	
	0.10-0.15 Qtz/hr	8	
	0.15-0.20 Qtz/hr	7	
	0.20-0.30 Qtz/hr	6	
	0.30-0.40 Qtz/hr	5	
	0.40-0.50 Qtz/hr	4	
	0.50-0.60 Qtz/hr	2	
6	<b>Compliance of Critical SB /AD</b>	<b>5</b>	
	Complied	5	
	Major Complied	3	
	Partially complied	2	
	To be Complied	1	
<b>Total</b>		<b>100</b>	

Marks will be calculated as per the following formula:

Obtained Marks (Score) A= (Best Offer / Bidder's offer) X weightage

**Note:** The Bidders with 50% or more marks in Technical Evaluation will only be considered for Financial Evaluation.

## SECTION 5: FINANCIAL BID EVALUATION CRITERIA

### FINANCIAL BID FORMAT

Following table will be used for submission of financial offers.

### Financial Evaluation Criteria for Lease CFM56-5B Engines

S.NO	Criteria	Unit	Weightage	Score
1	Daily Rent	USD	15	
2	<b>Use Fee Rate(Hourly)</b>	USD		
a)	For: $1.6 \leq \text{Hrs/Cycle Ratio} < 1.8$ (weightage 10)		4	
b)	For: $1.8 \leq \text{Hrs/Cycle Ratio} < 2.0$ (weightage 45)		15	
c)	For: $2.0 \leq \text{Hrs/Cycle Ratio} < 2.2$ (weightage 35)		8	
d)	For: $2.2 \leq \text{Hrs/Cycle Ratio} < 2.4$ (weightage 10)		4	
3	<b>Use Fee Rate (Cyclic)</b>		12	
4	<b>Security Deposit</b>	USD	4	
5	Transportation Location: Please write city/country or region: eg. USA / Europe / Far East / Others etc Please mention Delivery Location _____ and Re-delivery/Return Location _____ (PIA Logistics will estimate rates for this arrangement and the same will be accounted for in the financial impact)	USD	3	
6	Lease term (Minimum six 06 months) *Full marks will be given who offered the engine for 11 months	Term	4	
7	<b>Invoicing</b>			
a)	Security Deposit and Rental will be on an advance basis	Agree/Not Agree	4	
b)	The Monthly Use Fee will be on Net 30 of invoicing	Agree/Not Agree	4	
8	Escalation in prices if the lease term exceeds	%	3	
9	No daily rental fee applicable till receipt of the engine at the PIA facility	Agree/Not Agree	5	
10	After removal of the engine 15days of no rental fee will be provided to PIA to complete all requirements of redelivery and dispatch of the engine to the service provider facility	Agree/Not Agree	5	
<b>TOTAL</b>			<b>90</b>	

**NOTE: All prices will remain fixed for offered lease term**

Marks will be calculated as per following formula:

Obtained Marks (Score) B = (Best Offer / Bidder's offer) X weightage

### **Methodology for Assessing Most Advantageous Bid**

Following methodology will be used for assessing the Most Advantageous Bid:

$$X = [(A \times TEW) + [(B \times FEW]$$

Where,

X = Net Outcome

A = Marks obtained in Technical Criteria

B = Marks obtained in Financial Criteria

TEW = Technical Evaluation Weightage = 40%

FEW = Financial Evaluation Weightage = 60%

The offer with highest Net Outcome will be considered as the Most Advantageous Bid.

**SECTION 6: DRAFT CONTRACT AGREEMENT**

**Draft agreement will shared with successful bidder after issuance of LOI.**

**SECTION 7:****INTEGRITY PACT****INTEGRITY PACT / DISCLOSURE CLAUSE**

Must be printed on company Letter Head – [Submit with Financial Proposal] Declaration of Fees, Commissions and Brokerage Etc. Payable by the Suppliers, Vendors, Distributors, Manufacturers, Contractor & Service Providers of Goods, Services & Works. M/s. \_\_\_\_\_

the

Manufacturer / Authorized Distributor / Seller / Supplier / Contractor hereby declares its intention not to obtain the procurement of any Contract, right, interest, privilege or other obligation or benefit from Government of Pakistan or any administrative sub-division or agency thereof or any other entity owned or controlled by it [GoP] through any corrupt business practice. Without limiting the generality of the forgoing the Seller / Supplier / Contractor represents and warrants that it has fully declared the brokerage, commission, fees etc., paid or payable to anyone and not given or agreed to give and shall not give or agree to give to anyone within or outside Pakistan either directly or indirectly through any natural or juridical person, including its affiliate, agent, associate, broker, consultant, director, promoter, shareholder sponsor or subsidiary, any commission, gratification, bribe, finder's fee or kickback whether described as consultation fee or otherwise, with the object of obtaining or including the procurement of a contract, right, interest, privilege or other obligation or benefit in whatsoever form from Government of Pakistan, except that which has been expressly declared pursuant hereto. The Seller / Supplier / Contractor certifies that it has made and will make full disclosure of all agreements an arrangement with all persons in respect of or related to the transaction with Government of Pakistan and has not taken any action or will not take any action to circumvent the above declaration, representation or warranty. The Seller / Supplier / Contractor accepts full responsibility and strict liability for making any false declaration, not making full disclosure, misrepresenting facts or taking any action likely to defeat the purpose of this declaration, representation and warranty. It agrees that any contract, right, interest, privilege or other obligation or benefit obtained or procured as aforesaid shall without prejudice to any other right and remedies available to Government of Pakistan under any law, contract or other instrument, be void-able at the option of Government of Pakistan.

Notwithstanding any rights and remedies exercised by Government of Pakistan in this regard, the Seller / Supplier / Contractor agrees to indemnify Government of Pakistan for any loss or damage incurred by it on account of its corrupt business practices and further pay compensation to Government of Pakistan in any amount equivalent to ten times the sum of any commission, gratification, bribe, finder's fee or kickback given by the Seller / Supplier / Contractor as aforesaid for the purpose of obtaining or inducing the procurement of any contract, right, interest, privilege or other obligation or benefit in whatsoever from Government of Pakistan.

**BID DECLARATION FORM**

(To be submitted on Company Letterhead)

GM Contracts Management,  
SCM Department,  
Pakistan International Airlines,  
Karachi.

**Bid Declaration Form**

*[The Bidder shall fill in this Form in accordance with the instructions indicated.]*

**Date:** [Insert date (as day, month, and year)] **Bid No.:** [Insert number of Bidding process] **Alternative No.:** [Insert identification No. if this is a Bid for an alternative] **To:** [Insert complete name of Procuring Agency]

We, the undersigned, declare that:

We understand that, according to your conditions, Bids must be supported by a Bid Securing Declaration.

We accept that we will be blacklisted and henceforth cross-debarred from participating in the respective category of public procurement proceedings for a period of (not more than) six months, if we fail to abide by a bid securing declaration, however without indulging in corrupt and fraudulent practices, if we are in breach of our obligation(s) under the Bid conditions, because we:

- (a) Have withdrawn or modified our Bid during the period of Bid Validity specified in the Form of Bid;
- (b) Disagreed to arithmetical correction made to the Bid price; or
- (c) Having been notified of the acceptance of our Bid by the Procuring Agency during the period of Bid Validity:
  - (i) Failed to sign the contract if required by the Procuring Agency to do so; or
  - (ii) Failed or refused to furnish the Performance Security or to comply with any other condition precedent to signing the contract specified in the Bidding Documents.

We understand this Bid Securing Declaration shall expire if we are not the successful Bidder, upon the earlier of:

- (i) Our receipt of your notification to us of the name of the successful Bidder; or
- (ii) Twenty-eight (28) days after the expiration of our Bid.

**Signed:** [Insert signature of person whose name and capacity are shown] **In the capacity of:** [Insert legal capacity of person signing the Bid Securing Declaration] **Name:** [Insert complete name of person signing the Bid Securing Declaration] **Duly authorized to sign the Bid for and on behalf of:** [Insert complete name of Bidder] **Dated on:** \_\_\_\_ day of \_\_\_\_\_, [Insert date of signing] **Corporate Seal** (where appropriate)