



**REQUEST FOR PROPOSAL OF FREIGHT
FORWARDING SERVICE AT USA**

March, 2022

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Ethiopian Airlines Group

Foreword

A member of the Star Alliance, Ethiopian Airlines Group is the fastest growing Airline in Africa. It was established on December 29, 1945 and continued its growth to the present day. Its head quarter office is located at Bole Sub City, Woreda 01/02, Addis Ababa, Ethiopia to which it stretches on large area for its cargo and maintenance services including all the support facilities.

Ethiopian in its seventy-five plus years of operation has become one of the continent's leading carriers, unrivalled in efficiency and operational success.

Ethiopian commands the lion's share of the Pan-African passenger and cargo network operating the youngest and most modern fleet to more than 100 international passenger and cargo destinations across five continents. Ethiopian fleet includes ultra-modern and environmentally friendly aircraft such as Airbus A350, Boeing 787-8, Boeing 787-9, Boeing 777-300ER, Boeing 777-200LR, Boeing 777-200 Freighter, Bombardier Q-400 double cabin with an average fleet age of five years. In fact, Ethiopian is the first airline in Africa to own and operate these aircraft.

Ethiopian is currently implementing a 15-year strategic plan called Vision 2025 that will see it become the leading aviation group in Africa with seven business centers: Ethiopian Express & Ancillary Services; Ethiopian International Services; Ethiopian Cargo Services; Ethiopian MRO Services; Ethiopian Aviation Academy; ET In-flight Catering and Ethiopian Ground Services. Ethiopian is a multi-award winning airline registering an average growth of 25% in the past seven years.

With the prevailing fast growth strategy and network expansion, COMAT (Company Materials), trucking and delivery network by large is showing a sky rocketing increase. This implies that the Logistics and supply chain facility of the Airline needs to be streamlined so as to support the ever increasing expansion of network and commodities consignment area.

Accordingly, meanwhile, Ethiopian would like to enter into a strategic sourcing agreement with dependable freight forwarder/s that can provide efficient and effective freight handling service/s with in USA. The purchase of this service will be carried out on a contract basis for the coming three-years period.

PART ONE
REQUEST FOR PROPOSAL (RFP)

1. INTRODUCTION AND SUBJECT OF THE TENDER

Ethiopian Airlines Group whose principal address is at BOLE INTERNATIONAL AIRPORT, P.O. Box 1755, ADDIS ABABA, ETHIOPIA (hereafter called ETHIOPIAN) intends to enter into a three-year contract with worldwide freight forwarding service providers.

2. INSTRUCTION TO BIDDERS:

- 2.1. Bidders shall submit their proposal electronically or through e-mail in two separate folders marked “**Technical Proposal**” and “**Financial Proposal.**”
- 2.2. The outer cover of the proposal shall be labeled as “**OFFER FOR THE SUPPLY OF FREIGHT FORWARDING SERVICE AT USA**”.
- 2.3. Bid will be closed on **23rd March 2022 at 03:00 p.m.** local time and opened on the same date at 3:30 pm at Procurement and Supply Chain Management Department, Ethiopian Airlines Headquarter in Addis Ababa.
- 2.4. Clarification of Proposal Document
The prospective bidder requiring clarification, shall contact ETHIOPIAN in writing by E-mail (Eskedarg@ethiopianairlines.com) at the business address indicated in Article 2.3. Ethiopian will ensure that all such requests are addressed and responded on time. The clarification will be communicated to all potential bidders without disclosing the source of the query, as deemed necessary. Proposal received late will not be considered.
- 2.5. Preparation of Tender
 - 2.5.1. All signing, witnessing and initialing is to be in ink. All offers and schedules are to be in typescript.
 - 2.5.2. The person who signs on any offer or document should be a person duly authorized by the bidder.
 - 2.5.3. Complete Proposal
The bidder is expected to examine all the instructions, specifications and the options preferred by ETHIOPIAN, as indicated in this

document. Failure to fulfill the requirement of the specification may result in rejection from the bid.

2.5.4. Cost of Proposal

Bidders shall bear all costs associated with the preparation and submission of their proposals. ETHIOPIAN will in no case be responsible or liable for any cost, regardless of conduct or the outcome of the bid evaluation.

3. **Competitive advantages for bidders**

It is preferable that service providers have the below qualities so it can help them provide a dependable and an on-time service to ETHIOPIAN per the below requirements.

- A) 24/7 operating AOG desk for an on-time follow up of shipments and update;
- B) Physical presence all over USA/major areas where Ethiopian has shipments;
- C) Good and smooth relationship with airlines/operators for close follow up of confirmed bookings and departure per the booking advises;
- D) Good experience of custom clearance at the residing country;
- E) Air-side access at the airports for close follow up of AOG shipments;
- F) Capable of handling all classifications of Hazardous (DG) shipments;
- G) Capable of handling oversize shipments;
- H) Have Export/Import license;

4. **PRICING AND PAYMENT SCHEDULE**

- The price shall include taxes, duties, etc. applicable in the country of origin and should be provided per the attached format.
- The prospective service provider shall indicate the preferred terms and mode of payment for the service rendered. ETHIOPIAN prefers payment schedule is within 30 days after receipt of invoices.

5. **TECHNICAL EVALUATION**

All proposals will be technically evaluated considering the following points expected to be attached underneath bidder's technical proposal.

- Company profile and year of establishment accompanied by reference customers list and major projects handled by contractual form of

commitment. Mention the resources your company has including trucks, fixed assets, human resource capacity, and other capabilities underneath your company profile.

- Enumerate Airline/s that is/are working freight forwarding service with your company on a contractual basis.
- Should indicate and enclose all related certificates copy (IATA and other export and import permits) of your company.
- Bidders are expected to have at least five (5) years' Experience in related field of service.
- If any additional feature not listed in ETHIOPIAN specification is offered by any bidder and same is believed to be beneficial, then it will be considered.
- Bidders are expected to provide Insurance Coverage including Property insurance, Workman's Compensation, Liability insurance, Third Party insurance . . . etc.
- State the physical address of offices all over USA (provide the major ones in each state if there are many)
- 24/7 contact person in USA

6. FINANCIAL EVALUATION

Bidders are expected to consider the below points and prepare their financial proposal per the format indicated under Annex 1.

- 6.1. Bid price for shipment handling
- 6.2. Bid price for transportation service
- 6.3. Payment terms shall be clearly indicated
- 6.4. Bidders are expected to mention defined price escalation conditions including period and percentage of increment.

Note that financial evaluation will be carried out in line with each cost components, i.e. on apple to apple basis.

7. BID AWARD

ETHIOPIAN shall notify the winner and those bidders who have not succeeded in winning the bid in writing.

8. CANCELLATION OF BID

Ethiopian Airlines Group reserves the right to cancel / modify this bid entirely or partially without prior notification.

PART TWO
ETHIOPIAN GENERAL WORK SCOPE AND SERVICE REQUIREMENT

2.1. GENERAL WORK SCOPE

In line with current aggressive network expansion and increasing consignment areas, Ethiopian is moving towards, forming a partnership with dependable freight forwarder/s located in USA that have excellent experience in the industry. The potential forwarders both technically keen and cost effective, who are capable of supporting Ethiopian requirement/s following through discussion, will be appointed as a consignment agent within USA for Ethiopian shipments. As the scope of the project is continent based forwarder/s selection, detailed discussion on Ethiopian service requirement and expectation from participant bidders is foreseeable. As a brief guideline please note the following points while preparing your proposal:

1. Basically, COMAT (Company Material), shipments via Air is required to be:
 - 1.1. Picked up from vendor facility and delivered to the nearest airport of Ethiopian Flight. Thus, the forwarder is expected to collect and forward the items as service freight from designated supplier facility to Ethiopian handling agent and/or nearest Ethiopian flight origin Airport.
 - 1.2. Repair items are to be shipped by Ethiopian flight destinations and deliver to vendor's facility. Thus, the forwarder is expected to custom clear the shipment from Ethiopian flight destination and delivers to vendor's facility.
2. Upon notification of award, forwarder is expected to work on a contractual agreement with an agreed and established rate to regions delineated while negotiation.
3. Prices indicated in the contract shall remain fixed throughout the contract period except an agreed escalation rates.
4. Ethiopian along with its route expansion and new supplier's facility, expect forwarders to provide quotation and sign supplemental contract upon mutual agreement.
5. Ethiopian demands consolidation of shipments whenever possible while arranging collection and tendering to airlines/operators on free of charge basis (5-10 shipments).
6. Ethiopian requires pre-alert shipment report daily.
7. Ethiopian requires backlog report weekly.

8. Ethiopian requires daily report of shipments received at bidders' warehouse.
9. Ethiopian requires report of shipments cleared from customs and in route to vendor.
10. Ethiopian requires quotation for shipment categories that are out of the agreed rates due to any reason prior to handling of the shipment.

Attached herewith you will find Ethiopian current flight destinations and schedules for information related with shipment export.



Current Americas
Schedule.xlsx

2.2. Ethiopian Service Requirement: -

- 2.2.1 Door-to-Door service from Vendor's facility to the nearest Airport Ethiopian Airlines flies and vice Versa.
- 2.2.2 Custom and other available fees on clearing service
- 2.2.3 Time definite
- 2.2.4 24/7 operation
- 2.2.5 Tracking facility for air freights
- 2.2.6 Our major freights are aircraft parts and related aviation supplies. The logistic service provider should be capable of handling these including:
 - Dangerous Goods (All classifications)
 - High value Cargo (Aircraft Modules and Engines, Machines, etc.)
 - Temperature controlled cargo (Perishables, Catering items, chemicals, sealants, etc.)
 - Shock sensitive cargo (Weather Radar, GYRO etc.)
 - Oversized cargos
 - Buyer Furnished Equipment (BFE items)

PART THREE
COST OF HANDLING

3.1 PRICING REQUIREMENTS UPON PROVIDING OFFER:

Bidders are required to indicate amounts they charge for each of the below listed service types from vendor's facility to the nearest airport Ethiopian flies and from airport to vendor's facility for outgoing shipments on custom cleared and time definite basis: -

1.1. While financial proposal preparation, forwarders should indicate the price quote in terms of shipment weight segregated into different weight intervals as per the attached format.

1.2. Air shipment for AOG Shipments

1.2.1. Inbound: from vendor facility to the nearest Ethiopian flight airport

1.2.2. Outbound: from Ethiopian flight destination to vendor facility

1.2.3. Outline basic cost components including trucking, handling and other available airport fees across our flight destination both for inbound and outbound shipments.

1.3. Air shipment for Critical Shipments

1.3.1. Inbound: from vendor facility to the nearest Ethiopian flight airport

1.3.2. Outbound: from Ethiopian flight destination to vendor facility

1.3.3. Outline basic cost components including trucking, handling and other available airport fees across our flight destination both for inbound and outbound shipments.

1.4. Dangerous Goods handling bidders required to submit proposal for all below options:

1.4.1. Inbound (Door-to-door); From Vendor facility to the nearest airport

1.4.2. Inbound (Door-to-door); from vendor facility to Ethiopian Airlines premises.

1.4.3. Outline basic cost components including trucking, handling and other available airport fees across our flight destination both for inbound and outbound shipments.

3.2 Shipment volume of the above mentioned service types is attached in Annex II.



Annex I - Quotation
Submission Format.:



Annex II - Shipment
Volume.xlsx