



MALDIVES INDUSTRIAL
FISHERIES COMPANY

MALDIVES INDUSTRIAL FISHERIES COMPANY LTD (MIFCO)

TERMS OF REFERENCE (TOR) FOR VALUATION OF
VESSELS: JAZEERA 104, JAZEERA 105, & JAZEERA 106

BID REFERENCE NO: 134-PRO/I/2024/111

Date: 23rd August 2024

BID REFERENCE	134-PRO/I/2024/111
REQUEST FOR PROPOSALS (RFP)	23 rd August 2024
REGISTERING FOR BID OPENING MEETING (OPTIONAL)	28 th August 2024 Before 01:00 pm, Male 'Time
LAST DATE AND TIME FOR RECEIPT OF BIDS	28 th August 2024 Before 01:00 pm, Male 'Time
TIME AND DATE OF OPENING OF BIDS	28 th August 2024 02:00 pm, Male 'Time
BID SUBMISSION	Bids should be submitted only to contract@mifco.mv email.
PLACE OF OPENING OF BIDS	Via Microsoft Teams Head Office, Maldives Industrial Company Ltd. Hilaalee Magu, Maafannu, Male Maldives.
ADDRESS OF COMMUNICATION	Procurement Department, Maldives Industrial Fisheries Company Ltd, Hilaalee Magu, Maafannu, Male, Maldives

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1. INVITATION TO BID

The Maldives Industrial Fisheries Company Limited (MIFCO) is seeking a qualified and experienced party to conduct an independent valuation and verification of three vessels: Jazeera 104, Jazeera 105, and Jazeera 106. This engagement will also include a thorough review of the procurement process associated with these vessels.

The selected party must possess the necessary technical and operational expertise, competency, and experience to handle an engagement of this size, nature, and complexity. The independent valuation must adhere to best practices and comply with the relevant International Financial Reporting Standards (IFRS) to meet accounting requirements.

2. BACKGROUND

Maldives Industrial Fisheries Company Limited (MIFCO) is a state-owned enterprise in the Republic of Maldives, primarily engaged in the fishing industry. As a pivotal entity in the Maldivian economy, MIFCO plays a significant role in the industrialization of the fisheries sector. The company's operations and assets, including its fleet of vessels, are critical to its continued success and contribution to the national economy.

In line with MIFCO's commitment to transparency, accuracy, and adherence to international standards, the company seeks to ensure that the valuation of its vessels reflects their true economic value. This initiative is crucial for the proper accounting and financial reporting of MIFCO's assets, ensuring compliance with IFRS and supporting informed decision-making at all levels of the organization.

3. OBJECTIVES

The principal objectives of this Valuations are as follows:

3.1 Accurate Valuation of Vessels:

To conduct an independent and accurate valuation of the three vessels owned by MIFCO, ensuring that the assessed values reflect their true economic worth. The valuation must be performed in accordance with best practices and comply with the relevant International Financial Reporting Standards (IFRS) to support precise financial reporting.

3.2 Verification of Vessel Condition and Classification:

To verify the physical condition and classification of the vessels, including the hulls, engines, and additional refrigeration and engineering equipment. This objective aims to ensure that all components are appropriately valued and classified for accounting and operational purposes

3.3 Review of Procurement Process:

To carry out a comprehensive review of the procurement process involved in acquiring the vessels, including any modifications or installations made post-procurement. This review aims to evaluate the efficiency, compliance, and transparency of the procurement procedures.

3.4 Compliance with Financial Reporting Standards:

To ensure that the values of the vessels and their respective asset classes are correctly recorded in MIFCO's financial accounts, in full compliance with IFRS. This objective supports MIFCO's commitment to maintaining transparency and accuracy in its financial reporting.

3.5 Support Strategic Decision-Making:

To provide MIFCO with reliable and well-documented valuation and procurement process review reports that can inform strategic decision-making and future investments in the company's fleet and operations.

3.6 Enhance Accountability and Transparency:

To reinforce MIFCO's accountability and transparency in managing its assets and procurement processes, thereby strengthening stakeholder confidence in the company's operations and financial practices.

4. SCOPE

The scope of work includes the following tasks:

4.1 Independent Valuation and Verification of Vessels:

Conduct an independent valuation and verification of three vessels: Jazeera 104, Jazeera 105, and Jazeera 106 owned by MIFCO. This will involve a comprehensive assessment of the vessels' physical condition, operational status, and overall value. The valuation process must be thorough, reflecting the true economic value of the vessels, and must comply with relevant International Financial Reporting Standards (IFRS).

4.2 Process Review of the Procurement of Vessels:

Carry out a detailed review of the procurement process involved in acquiring the vessels. This includes evaluating the procedures, documentation, and compliance with procurement standards, as well as reviewing the modifications and any engineering or equipment installations that have been conducted on the vessels post-procurement.

5. DELIVERABLES AND DELIVERY STANDARDS

The following deliverables are expected from the independent valuer, with adherence to the highest delivery standards:

5.1 Independent Valuation Report:

- **Scope of Work:** A clear outline of the tasks performed during the valuation.
- **Statement on Independence and Objectivity:** Assurance of impartiality in the valuation process.
- **Valuation Methodology & Approach:** Detailed explanation of the methods and approaches used in the valuation.
- **Basis of Valuation & Key Assumptions:** Explanation of the underlying assumptions and basis for the valuation.
- **Site Visits Details:** Dates and details of the physical inspections carried out at the vessel locations.
- **Date of Valuation:** The specific date when the valuation was completed.
- **Asset Classifications:** Classification of assets as per their types.
- **Total Value of Assets:** Comprehensive valuation, including the total value of the vessels, as well as individual values for the hulls, engines, refrigeration units, and additional engineering equipment installed on the vessels.
- **Condition and Location:** An assessment of the overall condition and current locations of the vessels.
- **Additional Details:** Any other relevant information that the valuer deems necessary to report.

5.2 Procurement Process Review Report:

- An in-depth report analyzing the procurement process for the vessels, including any modifications and additional installations made. The report should assess compliance with procurement standards and identify any gaps or areas of concern.

5.3 Financial Reporting Details:

- Provide details on the asset classes and their respective values to be recorded in MIFCO's financial accounts. This should be in full compliance with the International Financial Reporting Standards (IFRS) to ensure accurate and transparent financial reporting.

6. REQUIREMENT TO VISIT SITES

The independent valuer is required to conduct physical site visits to inspect the vessels located in Ga. Koddoo and Lh .Felivaru. These inspections are essential to provide an accurate and reliable valuation and verification of the vessels.

7. REPORTING MECHANISM

The independent valuer will adhere to the following reporting mechanisms:

7.1 Liaison with Senior Management:

The independent valuer will report directly to the senior management personnel assigned by the Board of Directors. This will ensure that the valuer's work aligns with the company's expectations and requirements throughout the engagement.

7.2 Regular Progress Updates:

The valuer is expected to provide regular updates on the progress of the valuation and procurement process review. These updates should include information on any issues encountered and steps taken to address them, ensuring that management is well-informed and able to make timely decisions.

7.3 Entry Meeting:

Prior to the commencement of the engagement, the independent valuer will conduct an entry meeting with the senior management team. This meeting will serve to outline the scope of

work, clarify expectations, and establish a clear understanding of the objectives and deliverables.

7.4 Exit Meeting:

Upon completion of the valuation and review, the independent valuer will hold an exit meeting to present the final report to the Board of Directors and senior management. This meeting will provide an opportunity to discuss the findings, address any questions, and ensure that the final report meets the company's needs and expectations.

7.5 Final Report Submission:

The valuer will submit a comprehensive final report that details the findings, valuations, and process review. This report will be presented during the exit meeting and will be accompanied by any necessary supporting documentation.

8. MINIMUM ELIGIBILITY CRITERIA

To qualify for evaluation, all applicants must meet the following minimum eligibility criteria:

8.1 Qualified Firm:

The bid must be submitted by a firm consisting of a team of experts in valuation and auditing. The team should possess the relevant technical and operational expertise required to undertake the valuation and process review.

8.2 Established Presence:

The bidder organization must have been in operation for a minimum of 5 years. Evidence of the organization's longevity and established presence in the industry must be provided.

8.3 Relevant Experience:

The bidder must have at least 5 years of experience in executing all activities mentioned in the scope of work. Documentary evidence of this experience must be submitted along with the Technical Bid, demonstrating a minimum of 5 years of experience in each of the specified activities.

8.4 In-House Personnel:

The bidder shall not subcontract any of the activities involved in the valuation and review. All auditors and individuals performing the tasks must be on the payroll of the bidder. A letter to this effect, issued by a competent authority on the company's letterhead, must be provided to confirm that all personnel are direct employees of the bidding firm.

9. TEAM COMPOSITION

The applicant must propose a team that meets the following competency, qualification, and experience requirements:

Role	Competency, qualification and experience requirement
<p>Financial/Audit/Accounting Specialist (1 position):</p>	<p>Qualifications:</p> <ul style="list-style-type: none"> Must be a fully qualified member of a professional accounting body such as ACCA, CIMA, CPA, or an equivalent recognized body. Alternatively, the candidate may hold a Master's degree in finance, accountancy, assurance, valuation, or a related field. <p>Experience:</p> <ul style="list-style-type: none"> Must possess a minimum of 5 years of relevant professional experience in finance, assurance, valuation, or an equivalent area. The candidate should have a proven track record in financial analysis, audit processes, and accounting practices.
<p>Valuation Specialist (1 position):</p>	<p>Qualifications:</p> <ul style="list-style-type: none"> Must be a Certified Valuer from an internationally recognized institution or hold a graduate certificate or equivalent qualification specializing in valuation. <p>Experience:</p> <ul style="list-style-type: none"> Must have at least 5 years of relevant professional experience in the field of valuation. The candidate should demonstrate expertise in valuing assets, particularly in the context of maritime or industrial sectors.

10. COMPONENTS OF FINANCIAL PROPOSAL

10.1 All-Inclusive Price Proposal:

- The price proposal must be "all-inclusive" and expressed as a lump-sum amount for the total duration of the contract. This lump-sum should cover all costs associated with the engagement, including professional fees, travel expenses, and any other incidental costs related to the valuation and review process.
- **Exclusions:** The "all-inclusive" price does not need to include costs for accommodation and meals during stays at MIFCO sites/facilities, as these will be borne by MIFCO.

10.2 Proposed Duration:

- The financial proposal should specify the proposed duration to complete the entire valuation process and submit all deliverables. This includes the timeline for site visits, data collection, report preparation, and final submission to MIFCO's Board of Directors and senior management. The proposed timeline should be realistic and aligned with the scope of work.

11. COMPONENTS OF TECHNICAL PROPOSAL

All Technical Proposals must include the following components:

11.1 Company/Partnership Registration Certificate:

- Provide a valid registration certificate for the company or partnership submitting the proposal. This ensures the legal standing and eligibility of the bidder.

11.2 Corporate Profile:

A comprehensive corporate profile detailing:

- **Objectives, Vision, and Mission:** Clearly outline the purpose, goals, and guiding principles of the company.
- **Organization Structure:** Include the company's organizational chart and key roles.
- **Leadership and Management Team:** Introduce the company's leadership and management personnel.
- **History:** Briefly describe the company's background and milestones.
- **Contact Information:** Provide the address, contact details, and website of the company.
- **Industries and Clientele:** Highlight the industries served and notable clients.

11.3 Proposed Methodology and Approach:

- Summarize the methodology and approach that will be used to perform the vessel valuation and verification process. This should include key steps, techniques, and standards that will be applied to ensure accuracy and compliance with the relevant regulations and guidelines.

11.4 Timeline for Completion:

Provide a detailed timeline outlining the key phases of the project, including:

- **Commencement Date:** When the project will begin.
- **Site Visit & Inspection Dates:** Specific dates for site visits and inspections.
- **Reporting Dates:** Deadlines for submitting the draft and final reports.
- The timeline should be aligned with the proposed duration for the completion of the valuation work.

11.5 List of Past Assignments:

- Include a list of similar valuations, assurance engagements, or related assignments that the firm has performed in the past 5 years. This should demonstrate the bidder's relevant experience and capability to handle the current engagement.

11.6 Letters of Completion/Reference Letters:

- Attach letters of completion or reference letters for the assignments listed in the previous section. These documents should confirm the successful completion of past engagements and provide references that can attest to the quality of the work.

11.7 Completed Annexure 1: Details of the Team Member:

- Complete and include Annexure 1, which provides detailed information on each team member who will be involved in the project. This form should capture their roles, qualifications, and experience.

11.8 Curriculum Vitae(s)/Profiles of Team Members:

- Submit CVs or professional profiles for all team members, demonstrating their academic background, professional qualifications, and relevant work experience. The profiles should clearly show the team members' expertise in the areas of finance, assurance, and valuation.

11.9 Certificates of Academic and Professional Qualifications:

Provide copies of the relevant academic and professional certificates for each team member. Include reference letters that confirm their work experience and verify their credentials in the relevant field.

12. TENDER PROCESS TIMELINE

Activity	Date, Time & Location
Tender Announcement	28 August 2024
Bid Submission	28 August 2024 via Email bid@mifco.mv Before

13. DELIVERABLES

The following deliverables are expected from the bidders:

1. Technical Proposal
2. Financial Proposal

14. EVALUATION PROCESS

Both Financial Proposals and Technical Proposals will be presented at the bid submission. Financial Proposals will be unsealed at the bid submission in the attendance of all participants. The details of prices and duration will be shared among the attendees.

Technical Proposal Evaluation Matrix

Area	Points
Overall profile and experience of the applicant: Based on corporate profile and overall relevant experience in conducting similar engagements in the past 5 years.	40
Overall profile and experience of the applicant: Based on corporate profile and overall relevant experience in conducting similar engagements in the past 5 years.	20
Qualification and Experience of the Team	40

Note: Only Technical Proposals who score **80 points** will be considered as meeting the technical requirement of the bid. Those Technical Proposals which do not meet the technical requirements will not be qualified for Financial Proposal Evaluation.

Qualified bids will be further evaluated on the following criteria:

Proposal Evaluation Matrix

Area	Points
Total Price Lowest proposed price to receive maximum marks. Adjusted proportionality to others.	50
Technical Proposal Evaluation Matrix	50

15. OBJECTIVITY AND INDEPENDENCE

The independent valuer shall conduct their work with integrity and professionalism, ensuring the highest level of care is taken to maintain objectivity and independence throughout the entire process. They must remain free from bias, conflicts of interest, or any undue influence, whether political or otherwise, that could compromise the quality and impartiality of their work. It is imperative that the valuer remains independent both in fact and appearance for the duration of the engagement, ensuring that all findings and conclusions are based solely on objective analysis and professional judgment.

16. CONFLICT OF INTEREST

To avoid any conflict of interest, any bids submitted by a company or partnership where a board member, employee, or contractor of MIFCO is a shareholder, director, partner, employee, or part of the proposed team will be disqualified from the bidding process.

Additionally, if a company or partnership is owned or managed by a person who is a direct relative of a board member, employee, or contractor of MIFCO, this relationship must be declared in a separate letter. The acceptance of such cases will be conditional and evaluated on a case-by-case basis. MIFCO reserves the right to disqualify or permit the bid based on the specifics of the declared relationship, ensuring fairness and transparency in the selection process.

17. CONFIDENTIALITY

All information obtained during the audit must be kept confidential and used solely for the purposes of the audit. The audit team is required to adhere to the highest standards of confidentiality, ensuring

that all data, documents, and findings are protected from unauthorized disclosure. This obligation includes safeguarding any sensitive information acquired throughout the audit process and ensuring that it is not utilized for any purpose other than that for which it was intended.

18. CORRUPT & FRAUDULENT PRACTICES

MIFCO reserves the right to disqualify any party from participating in the tender process at any stage—whether prior to submission, during evaluation, or even after awarding—if it is revealed, with sufficient evidence, that the party has engaged in corrupt or fraudulent practices. Such practices include, but are not limited to, attempting to unfairly gain an advantage or using undue influence to affect the process or outcome of the tender. MIFCO is committed to maintaining a fair and transparent procurement process and will take appropriate action to address and prevent any violations of integrity and ethical standards.

19. REPORTING AND COMMUNICATION

A clear communication protocol must be established, outlining the frequency and format of updates and reports to be provided to MIFCO management. Regular updates and a final debrief meeting with key stakeholders will ensure transparency and effective implementation of recommendations.

20. GENERAL INFORMATION FOR BIDDERS

- 1.1 The Employer (MIFCO) is not obliged to award the contract to the lowest-priced bid. The contract will be awarded based on the highest points obtained in the bid evaluation. Points will be allocated based on the information contained within the submitted tender documents. Incomplete or inaccurate information will result in fewer points being awarded. If any information provided is found to be incorrect, the bid will be rejected.
- 1.2 Consultants are responsible for carefully examining all quotation documents. It is the responsibility of the consultant to gather and clarify all necessary information prior to submitting their bid. No alterations to the submitted offer will be accepted by the Employer after the submission of the bid.
- 1.3 The quotation must be submitted in Maldivian Rufiyaa (MVR). The quoted price must be written clearly, without erasures, both in figures and words. In the event of a discrepancy between figures and words, the words shall prevail.

MIFCO Head Office, Male'

T. +(960) 332 3932 F. +(960) 332 3955
E. info@mifco.mv W. mifco.mv

Felivaru Fisheries Complex
T. +(960) 302 3399

Kooddoo Fisheries Complex
T. +(960) 302 3344

Kandu Oiy Giri Fish Village
T. +(960) 302 3366

Addu Fisheries Complex
T. +(960) 302 3388

- 1.4 Each consultant is allowed to submit only one proposal independently. Any consultant who submits or participates in more than one quotation will be disqualified. If the Employer discovers or suspects collusion among consultants, any or all such quotations will be rejected, and all participants involved in the collusion will be excluded from future consideration for the same work.
- 1.5 The quotation must be typed or written in indelible ink and signed by authorized signatories. Any changes must be initiated by the signatory.
- 1.6 Once awarded, the work cannot be outsourced to another party.
- 1.7 Any Forms related to the RFQ shall be filled in and submitted with the quotation.
- 1.8 Amendments Before the deadline for submission of quotations, the Employer may modify the RFQ by issuing addenda. To give prospective suppliers reasonable time in which to take an addendum into account in preparing their quotations, the Employer shall extend, as necessary, the deadline for submission of quotations.
- 1.9 The deadline for submission of quotations may be extended at the Employer's discretion.
- 1.10 Quotations submitted after the deadline will be rejected.
- 1.11 Quotations must be submitted via email to the designated email address provided below.
- 1.12 If the email is not received to below email, the Employer will assume no responsibility for the misplacement or premature evaluation of quotations.
- 1.13 The successful consultant will be notified of the award by the Employer within the validity period of the quotation.
- 1.14 The committee will review each quotation and perform a detailed evaluation based on the evaluation criteria described in this document.
- 1.15 In the event that the prices received exceed anticipated costs or do not reflect current market conditions, MIFCO reserves the right to negotiate with the consultants.

21. AWARDING

The consultant selected from the tender process upon confirmation by the relevant authorized person shall be notified via a Tender award letter.

22. SIGNING OF CONTRACT

The performance of the scope of services will begin once a legal contract is signed between MIFCO and the consultant

23. QUERIES

Any query regarding this TOR should be sent by e-mail to bid@mifco.mv at least 2 days before the date of submission of the bid.

24. DATE OF SUBMISSION OF BIDS

The deadline for submission of bids is **28th August 2024 at 01:00 pm**. Bids submitted after the deadline and incomplete bids will not be accepted. Bids should be submitted to contract@mifco.mv email.

APPENDIX 1: DETAILS OF PROPOSED TEAM

Name	Role (Specialty Area/Team Leader/Team Member)	Academic and Professional Qualification (Certificates are required to be presented)	Work Experience (Certificates/Reference Letter are required to be presented)