



Request for Proposals

1. INTRODUCTION

GAAC Holding Afghanistan is a subsidiary company of GAAC Holding SPV LTD, a UAE based company of global best in class partners with specialist in airport management and extensive experience working in emerging markets. With circa 1,000 employees in Afghanistan, GAAC provides ground handling and aviation security services in different international airports, including Kabul, Herat, Kandahar and Mazar-e-Sharif.

Technology and Innovation are built into the core of GAAC's business model. GAAC has taken advantage of the latest technology concepts available in the industry to manage its airports and ground handling business.

GAAC has a professional team of industry experts with a combined experience of over 200+ years of managing airports and ground handling operations across the world. The team has successfully managed various transition and transformation programs at large and small airports. Our vast experiences and integrated support systems ensure the needs of various airport user groups and stakeholders that include public entities, corporate operators, and commercial airlines are met at the highest levels of professionalism and performance.

GAAC delivers complete ground handling services which include a wide range of services provided to facilitate an aircraft flight or aircraft ground repositioning, preparation for and upon conclusion of a flight which will include both customer service, ramp service functions and cargo warehouse handling services.

In aviation security, the overarching objective GAAC is to prevent unlawful interference with air commerce at international airports by applying the International Civil Aviation Organization (ICAO) standards. GAAC brings security knowledge to mitigate physical threats, as well as specific AVSEC ICAO compliant expertise, such as the detection of illegal substances and documents. We will do more than just deliver security; our goal is to enable continuous security improvement through training and Innovation. Our staff is able to operate in conditions that are beyond that of a typical aviation environment. They have the capability and confidence to expand security measures to meet any increased threat rapidly.

ICAO Annex 17 and ICAO Document 8973 guidelines will be followed including access control, perimeter security, airside operations, passenger, and baggage screening (dangerous goods and narcotics), anti-hijacking and other preventative security measures.



2. BACKGROUND

2.1. Nature of Business

GAAC Holding is a subsidiary of Afroport Airport LLC registered in UAE. GAAC holding is registered with Government of Afghanistan. It has two concession agreements with the Government of Afghanistan. First contract is for the provision of ground handling services in three airports of Afghanistan and second agreement is for provision of Aviation Security Services in four airports of Afghanistan.

2.2. Governance Structure

GAAC holding is the subsidiary of Afroport Airport LLC. It has main office in Afghanistan led by a Regional Director. It has two contracts:

- a) Ground Handling
- b) Aviation security
- a) Ground Handling: For ground handling along with operations unit there is a support unit. It is providing ground handling services in three major airports inside the country that are Kabul, Kandahar, and Herat. These services are rendered based on concession agreement.
- b) Aviation Security Services: From 02 June 2022, GAAC is providing aviation security services in four major airports of Afghanistan that are Kabul, Kandahar, Mazar and Herat based on concession agreement signed on 02 June 2022.

2.3. Financial and operating Statistics

| Financial Year | Total Annual Ground Handling Turnover | Total Annual Aviation Security Turnover |
|----------------|---------------------------------------|---|
| 2022 | | |

The Company's Income sources are distributed as follows:

- Ground Handling Services
- Aviation Security Services

2.4. Financial reporting framework and systems

The Company prepares its financial statements using International Financial Reporting Standards (IFRSs) and the presentation currency is Afghani (AFN) (AED) & (USD). It currently uses **D365 Software and Lenok system** to process and maintain its accounting records. The payroll is processed using **D365** system. The Company's accounting transactions are not complex.

3. SCOPE OF THE PROPOSED EXTERNAL AUDITOR'S WORK

The scope of the External Auditors work shall include the following:



1. Conducting an Independent annual audit in accordance with International Auditing Standards and International Financial Reporting Standards for the following
 - GAAC Holding company – **for the full FY 2022**
 - Ground Handling Contract – **from inception of contract till end of year 2022**
 - Aviation Security Contract – **from inception of contract till end of year 2022**
2. Expressing an Opinion on whether the financial statements are prepared in all material respects, in accordance with the applicable financial reporting standards and frameworks, whether the Company has maintained proper accounting records, and whether the accompanying financial statements show a true and fair view of the Company's financial position.
3. Reviewing and evaluating the Company's Internal control and advising GAAC and MoTA on adequacy and effectiveness of the systems
4. Providing any value addition services consistent with a statutory audit of this nature of an organization.

4. MANDATORY CRITERIA

Bidding firms will be required to meet the following criteria

1. Be registered with the Government of Afghanistan.
2. Must be in operation in Afghanistan for the last 8 years
3. Must have a combined annual revenue of 800,000 in the last 3 years.
4. Must submit audit reports for the last 3 years i.e. 2019, 2020 and 2021.
5. Must provide tax clearance certificate for 2021 and updated AISA license.
6. Must be listed on the list of forum of firms of IFAC, and be one of the top 10 audit firms worldwide.
7. Should demonstrate that it has the capacity, capability and experience required for a thorough and fair audit

5. PROPOSAL SUBMISSION

5.1. Timelines

All proposals should be submitted by Thursday, 30 November 2022 COB.

5.2. Format

The proposal must contain both Technical and Financial proposals as follows:

5.2.1. Technical Proposal

1. Confirmation of the Firm's understanding of the Terms of Reference and its capacity and capability to deliver on the Terms of Reference
2. Capability of the proposed engagement of Audit team (Include CVs)
3. Proposed Audit Strategy and Methodology



4. Proposed Audit work plan, timelines for undertaking the assignment and the deliverables

5.2.2. Financial Proposal

1. Audit Fees in USDs clearly indicating the charge out rate for the Audit team
2. An estimate of all disbursements
3. Audit Fee payment terms

5.2.3. Other Information

1. Proof of Registration with Government of Afghanistan.
2. Confirmation that neither the Firm nor key staff have faced disciplinary action with Government of Afghanistan.
3. References from three reputable clients with contact details of the Client officers providing the references
4. Declaration that there is no Conflict of Interest by the Firm or any member of the proposed Audit team to carry out the audit.
5. Include any affiliations with other International or regional firms.

5.3. EVALUATION

Proposals meeting all the Mandatory criteria will be evaluated by a Tender Committee and in order to receive full consideration, Proposals must meet the desired criteria.

5.4. METHOD OF SUBMISSION

Proposals must be submitted in two bound hard copies to the following:

The Regional Director,

GAAC Holding,

Kabul AIRPORT, International Terminal

For Information please email: abdullahmalik@gaac-groundhandling.com

Submission of Seal Bid: +93700029259