

**PROCUREMENT OF CONCESSION CONTRACT
RELATING TO GROCERY STORE OPERATIONS
AT HELSINKI AIRPORT**

11.2.2020

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1 PROCUREMENT OF CONCESSION CONTRACT RELATING TO GROCERY STORE OPERATIONS AT HELSINKI AIRPORT

Helsinki Airport (operated by Finavia Corporation, "Finavia" or "Contracting Authority") is Finland's largest and most international airport, with 22 million passengers in 2019.

Helsinki Airport is the leading Northern European airport for long-haul traffic and an important transfer hub. It offers 140 non-stop destinations all over the world. Its strength lies in the excellent geographical location and in fast and easy transfers, as shortest and smoothest way to travel between Europe and Asia goes via Helsinki. When measured by the amount of connections to Asia, Helsinki Airport is the fifth biggest airport in Europe.

Now, the most extensive expansion project in the history of Helsinki Airport is under way. Among others, the terminal will be expanded by a total of 103,000 square meters.

The aim of the large-scale Development program is to strengthen Helsinki Airport's strong competitive position, especially in air traffic between Europe and Asia and to get ready to serve 30 million passengers in the future. Short transit times, friendly staff and world class, innovative services will be preserved also as the passenger volume increases. The value of the Development program is approximately EUR 1 billion.

1.1 Concession contract award procedure and preliminary schedule

The object of this procurement is Grocery store operations at Helsinki Airport. Finavia wishes to grant possession of certain premises located in new, to be built, Terminal 2 landside at Helsinki Airport, to an Operator specializing in grocery store operations at a busy environment.

The procurement will take place in compliance with the Act on Public Contracts and Concessions by Contracting Authorities in the Water, Energy, Transport and Postal Services Sector (1398/2016). The concession contract concerns a procurement exceeding EU threshold value. The concession contract will be awarded through a negotiated procedure.

Finavia has the right to interrupt the concession contract award procedure for justified reasons. No compensation will be paid to tenderers for drawing up or presenting their tenders or for otherwise participating in the procedure. Alternative or partial tenders are not acceptable.

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Preliminary schedule of the procurement process is the following:

PHASE 1

Process of requesting to participate

- Publication of concession notice 11th of February
- Questions related to concession notice 24th of February at 12.00
- Answers related to concession notice 25th of February
- Submission of request to participate 12th of March at 10.00
- Selection on tenderers 12th of March

PHASE 2

Tender process with selected tenderers

- Preliminary invitation to tender 12th of March
- Submission of non-binding tender 26th of March at 12:00
- Presentations and negotiations 30th – 31st of March
- Final invitation to tender 6th of April
- Questions 15th of April at 12:00
- Answers 17th of April
- Submission of tender 27th of April at 12:00

PHASE 3

Tender evaluation and concession contract awarding

- Concession award decision 30th of April
- Concession contract signed approx. 13th of May

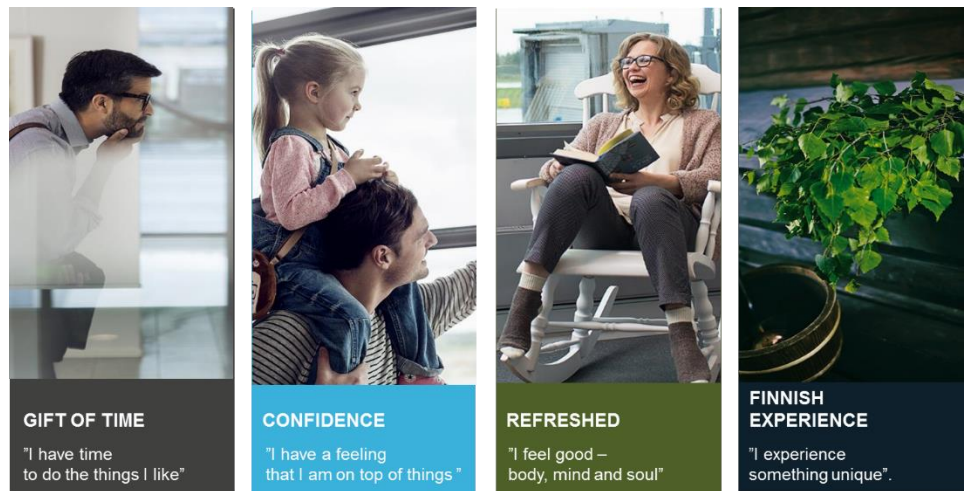
All times are local Finnish time.

1.2 World class services

We are committed to offering air passengers a range of top-quality services, modern facilities and exciting travel experiences, yet we are constantly striving to further improve on the excellent standards we already provide.

Our vision is to offer world-class services for airlines and air passengers. At the heart of our strategy is the development of Helsinki Airport a leading transit airport. World class customer experience will distinguish us from our competitors. Our customer promise *for smooth travelling* underlines the vision and kept by actions lead by customer experience pillars.

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Regarding the Corporate Social Responsibility, we are constantly working on developing air travel and airport operations in a sustainable manner. In our responsibility work we focus on the themes that are most important to our stakeholders as well as our business operations, e.g. environmental, financial and social responsibilities. Our aim is to constantly reduce environmental emissions from our own activities and engage other operators at the airport towards the same goal.

2 Background information for tenders

2.1 Business premises and relevant operation at Helsinki Airport

The chosen Tenderer is granted a possession of premises, which are located at new landside Terminal 2. Floor plans in PDF and DWG-format are enclosed in Appendices 2 and 3.

2.2 Availability of grocery store premises

The possession of the premises enters into force and the estimated date of opening shall be according to dates specified in the Appendix 1. The Preliminary Project schedule is specified in the Appendix 4.

2.3 Customers

The main target groups are departing and arriving passengers, airport staff and other visitors at Helsinki Airport.

Further information about airport's passengers, flows and destinations etc. is available at our following website:

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<https://www.finavia.fi/en/finavia-corporation/statistics/>

2.4 Grocery store concept and offering

The offered concept shall meet the passenger needs and support the service principles, Helsinki Airport vision and development described in the tender documents. The Tenderer shall provide reasoning how the offered concept supports Helsinki Airport strategy.

The concept shall have a smooth and fast service model and meet the requirements listed in Appendix 1.

The concept shall be presented in detail during negotiation meetings. The final concept to be offered by the Tenderer, shall be defined mutually during the negotiation meeting based on the presented concept in the non-binding tender by the Tenderer.

Due to the nature of continuously changing and developing environment at airport, Finavia and the chosen Tenderer may according to a mutual agreement change the final concept. For the avoidance of doubt, the change of concept shall not affect the Collaboration fee or price used in evaluation of the Tender.

Finavia reserves the right to require supplementary and specifying information regarding the offered concept.

2.5 Leasing principles

The premises will be leased so that the chosen tenderer pays Finavia a percentage of all turnover generated from the premises each month (turnover based rent). However, the turnover based rent shall be at least a business plan based minimum annual guarantee (MAG).

The basis for calculation of MAG is in 2021: XX %, 2022 XX % and from 2023 onwards XX % of the turnover based rent per category in accordance with the Business Plan. However, MAG shall not be lower than XX % of the previous year's turnover based rent. The rate of VAT applicable at the time of each payment will be added to the sum paid.

The turnover generated of which the turnover based rent is calculated from, shall consist of all turnover generated from the premises. Exact definition will be provided to selected Tenderers.

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The applicable minimum turnover based rent percentage will be shared among selected Tenderers.

In addition, the Operator shall pay a marketing contribution to the Commercial Committee of Helsinki Airport. The contribution of the companies operating at Helsinki Airport will be agreed jointly by all the parties each year. The maximum contribution shall be 0.5 % of the Operators turnover.

The chosen tenderer will start paying the rent when the grocery store operation starts. For the avoidance of doubt, the opening date of the grocery store does not have an impact on the minimum annual guarantee unless the opening date is scheduled by Finavia to be later than the estimated opening date set out in Appendix 1.

The Collaboration Agreement will be limited to 7 (seven) years from the date of expected opening 01.12.2021, ending latest 30.11.2028.

Tenderer shall submit an amortization plan as part of the tender.

The chosen tenderer will provide the designing and planning, furnishing and equipment necessary for its business. The visual, interior and technical design and the furnishing plan must be approved by Finavia. Tenderer shall provide planning according to format specified by Finavia. In addition, the chosen tenderer will be liable for electricity, data and cleaning costs and water consumption in the premises in accordance with separate agreements. Heating of the premises is included in the monthly rent. The cost and responsibility division for construction, maintenance and upkeep will be provided to selected Tenderers.

Storages can be rented with separate agreement.

2.6 Confidentiality

This document and its Appendices and all possible material given by Finavia are confidential and shall not without prior written consent of Finavia be disclosed in whole or in part to any third party.

Right of access to procurement documents is regulated by the Act on the Openness of Government Activities (621/1999). Tender documents will become public to the interested parties, i.e., other tenderers, once the concession contract award decision has been made.

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However, a party shall not have the right of access to information compiled in connection with Invitation to Tender and relating to the business or professional secret of another tenderer, with the exception of the tender price used in the comparison of the tenders.

The tenderer shall mark clearly all its trade secrets and other confidential information in its tender in an explicit manner. The tender cannot be confidential in its entirety, and the comparison price used in the evaluation must, however, always be disclosed to the concerned parties upon request.

3 Tender process

3.1 Delivery of Request to participate

The Request to Participate shall be submitted **by 12th of March 2020 at 10.00 (Finnish time)** via tendering system. The Request to Participate shall include all the documents required in the tendering system.

3.2 Delivery of non-binding tenders

Non-binding tenders shall be submitted **by 26th of March 2020 at 12:00 (Finnish time)** via tendering system. The non-binding tender shall be submitted in PDF format, except for the financial part, where the given tender form (Excel) shall be used. The size of the tender shall not exceed 30 MB.

The required content of non-binding tender:

- Yearly turnover forecast for the contract period
- Comments to Draft Collaboration Agreement
- Brand and product offering
- Content for quality evaluation: (PDF)
 - o People
 - o Premises
 - o Processes
 - o Product offering and Concept
- Technical initial information for Premises
 - o Equipment list with power information and HVAC-connection points, central cooling system details
 - o Floor plan 2D for technical feedback
 - o Specification of interior materials: ceiling and floor

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Please note, the material requested will be used as grounds for discussion. Tenderers will not be evaluated or compared based on the non-binding tender materials. Tenderers are requested to submit quality related material based on availability, in case all the requested material is not finalized or available prior negotiations, please send the material available.

3.3 Presentation and negotiations of non-binding tender

Presentations and negotiations of non-binding tender will be held at Helsinki Airport. The selected Tenderers will receive invitation to presentation and negotiation meeting from Finavia.

Meetings will be held: 30th -31st of March 2020. Attending the presentation and negotiation meeting at Helsinki Airport is required for submitting the final tender.

The non-binding tender shall be presented and discussed in detail during presentation and negotiation meeting as described in clause 3.4.

Site visit will be arranged during the presentations and negotiations.

3.4 Delivery of final tenders and period of validity

Tenders shall be submitted **by 27th of April 2020 at 12:00 (Finnish time)** via tendering system. The tender shall be submitted in PDF format, except for the financial part, where the given tender form (Excel) shall be used.

Tenders submitted after the deadline will not be taken into account. The Tenderer is solely responsible for submitting its tender on time.

The tender shall be valid until 27th of October 2020. The tenderer shall not shorten the validity of its tender. The offer shall be binding.

No partial or alternative tenders shall be accepted. Only one tenderer shall be awarded with the concession contract.

The tender shall be written in English. The tender shall include all information and material provided to be submitted along with the tender. The tender shall be submitted with filled in tender form and required appendices.

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The opening event of the tenders is not public.

4 Criteria for awarding the concession

4.1 Minimum criteria

The Tenderer must fulfill the following minimum requirements:

- 1) Tenderer shall prove to have solid operations to successfully manage grocery store operations at Helsinki Airport, by optimizing sales and service by management of staffing.

The Tenderer shall provide a short description that it recognizes the challenges related to optimizing sales and service at airport environment by management of staffing and presents concrete actions for solving and preventing such challenges.

Tenderer shall attach to its tender an account on the following:

- Short description of everyday efficiency and flexibility of staffing principles, covering the changes in passenger flows i.e. peak hours and product demand.
- Short description of staffing principles in case of sickness and in situations when exceptional opening hours occur due to the needs of Helsinki Airport's operations.

Maximum length of this documentation is two (2) A4 pages.

Tenderer shall name the document as follows: Appendix A Solid operations.

- 2) The services shall be offered, and the customers must be served in both Finnish and English.

Tenderer shall attach to its tender an account on how the language skills and service operations are managed according to the criteria above. Maximum length of this documentation is one (1) A4 page. Tenderer shall name the document as follows: Appendix B Service language.

- 3) The Tenderer shall provide a description of how the logistics required by the operations (365 days per year) are managed in Finland and especially at Helsinki Airport.

Tenderer shall attach to its tender an account on how the logistics are managed according to the criteria above. Maximum length of this documentation is one (1) A4 page. Tenderer shall name the

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document as follows: Appendix C Logistics.

- 4) The Tenderer shall have a market driven pricing strategy.

The Tenderer shall provide a description and evidence of market driven and city comparative pricing.

Maximum length of this documentation is two (2) A4 pages. Tenderer shall name the document as follows: Appendix D Market driven pricing.

- 5) The Tenderer shall provide a description of a systemic program that includes staff professionalism and engagement management (quality and process for reacting to variances).

Maximum length of this documentation is four (4) A4 pages. Tenderer shall name the document as follows: Appendix E Staff management program.

- 6) The Tenderer is required to provide physical premises and design that meets the following quality expectations: interior / suspended ceiling, floor material (tiles or natural materials), interior walls and lighting. Design and materials shall be compatible. Finavia shall approve the final look & feel prior to construction of premises.

The Tenderer shall provide a description of how the approved materials are used in the plans (floor plan and design) for premises provided for quality evaluation.

Maximum length of this documentation is two (2) A4 pages. Tenderer shall name the document as follows: Appendix F Quality of materials.

- 7) The Tenderer shall have a sustainability plan implemented.

The Tenderer shall provide a description of how sustainability plan is managed and what are the goals and priorities in the areas of for example emissions, energy and packaging.

Maximum length of this documentation is two (2) A4 pages. Tenderer shall name the document as follows: Appendix G Sustainability plan.

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4.2 Criteria for awarding the concession

The criteria for awarding the concession is the economic advantageousness based on the requirements presented below.

The tenderer shall fill in the details in the Tender Form. The following factors will be taken into account in the evaluation of the tenders:

Price

The Tenderer shall fill in the details in the Tender Form. Tenderer shall name the Excel form as follows: Appendix 1 Tender form.

The maximum amount of points given from this criterion is 60.

The evaluation price for 60 points shall be the sum of the estimated Collaboration Fee received by Finavia in euros (€) from the contract period.

The tenderer, quoting the highest Collaboration Fee for Finavia as given in the Tender Form shall be given 60 points. The rest of the tenderers will be given points according to the formula: the collaboration fee to be compared / the highest tendered collaboration fee * 60 points.

The points will be calculated with two decimal places.

Quality

The maximum amount of points given from this criterion is 40.

The maximum points per packages are divided between the quality characteristics with weight factors as follows below.

By comparing the quality factors, as indicated below, the Contracting Authority ensures that the Tenderer is a professional operator with adequate organisational and systemic capability to run operations successfully optimizing the sales 365 days per year at Helsinki Airport.

1. People – 5 points

The Tenderer shall have an effective customer feedback process.

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The Tenderer shall provide a description of their customer feedback process and provide information how the customer satisfaction is being measured.

The evaluation will be made taking the following key elements of people management into account.

- Service Performance indicators
- Service feedback system
- Evidence of success

Maximum length of this documentation is three (3) A4 pages.

The quality points for customer feedback process will be given according to the following formula:

5 points - The quality of customer feedback process is assessed based on the quality description to be best of the comparison group.

3 points - The quality of customer feedback process is assessed based on the quality description to be good.

1 point - The quality of customer feedback process is assessed based on the quality description to be satisfying.

0 points - The quality description for customer feedback process is missing or it is lacking essential key elements.

2. Premises – 10 points

The evaluation will be made taking the following key elements of look & feel into account.

- Front view (3D visualization is required)
- Service design
- Floor plans (2D visualization and DWG are required)
- Furniture plan and service/product display
- Promotions

Maximum length of this documentation is ten (10) A4 pages.

The quality points for premises will be given according to the following formula:

10 points - The quality description and visual images for premises is assessed based on the quality description and visual images to be best of the comparison group.

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7 points - The quality description and visual images for premises is assessed based on the quality description and visual images to be good.

4 point - The quality description and visual images for premises is assessed on the basis of the quality description and visual images to be satisfying.

0 points - The quality description and visual images for premises are missing or lacking essential key elements.

3. Processes – 7 points

The evaluation will be made taking the following key elements of process management and effectiveness into account.

- Systemic sales activity
- Control and reacting to sales variation
- Marketing activities
- Systemic seeking of service and consumer behavioural trends
- Adaptability to airport specific customer needs

Maximum length of this documentation is five (5) A4 pages.

The quality points for processes will be given according to the following formula:

7 points - The quality of process management and effectiveness is assessed based on the quality description to be best of the comparison group.

5 points - The quality of process management and effectiveness is assessed based on the quality description to be good.

3 points - The quality of process management and effectiveness is assessed based on the quality description to be satisfying.

0 points - The quality description of process management and effectiveness is missing, or it is lacking essential key elements.

4. Product offering and concept – 20 points

The evaluation will be made taking the following key elements of product and demand management into account.

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- Quality and comprehensiveness of services and product offering
- Additional distinctive value of the concept to Helsinki Airport
- Overall coherence with airport strategy and passenger experience
- Product offering appealing to key customer groups: passengers, airport staff and other visitors
- Self-service check-out and speed of service

Maximum length of this documentation is five (5) A4 pages.

The quality points for product offering and concept will be given according to the following formula:

20 points - The quality of product offering, and concept is assessed on the basis of the quality description to be best of the comparison group.

15 points - The quality of product offering, and concept is assessed on the basis of the quality description to be good.

10 points - The quality of product offering, and concept is assessed on the basis of the quality description to be satisfying.

0 points - The quality description of product offering, and concept is missing, or it is lacking essential key elements.

Each tender shall be evaluated based on the criteria set out above. The points given to each tender based on the quality characteristics shall be summed up so that the maximum total amount of points to be obtained for quality characteristics is 40.

5 Decision on awarding the concession contract

The maximum amount of points in total is 100. The tenderer with highest score shall be selected and awarded the concession contract accordingly.

5.1 Signing the concession contract

Finavia and the successful tenderer shall sign the Collaboration Agreement related to the procurement, when the decision on awarding the concession contract is non-appealable and the waiting period of 14 days set in the Finnish Act on Public Contracts in Special Sectors has been expired.

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5.2 The Collaboration Agreement

The procurement shall be made in accordance with the terms of the Draft Collaboration Agreement.

The Contracting Authority reserves the right to amend the Collaboration Agreement.

6 Further information

Tenderers have the possibility to provide questions for Finavia relating to the bidding process. The questions shall be presented via the tendering system. **All questions related to the concession notice are to be presented latest 24th of February 2020 by 12:00 Finnish time.** To guarantee the equal treatment of all tenderers, no calls or other emails will be answered.

The Contracting Authority will deliver all questions and answers, without identifying the questioner, on 14th of February 2020 at the latest to all tenderers.

6.1 Appendices of this preliminary Invitation to Tender

Appendix 1	Preliminary Specification of Premises
Appendix 2	Preliminary Floor plan PDF
Appendix 3	Preliminary Premises DWG
Appendix 4	Preliminary Project schedule
Appendix 5	Form of request to participate

FINAVIA CORPORATION
HELSINKI AIRPORT COMMERCIAL SERVICES

Satu Orismaa
Senior Manager

Antti Heikkinen
Procurement Manager