



Princess Juliana  
International Airport

**PRINCESS JULIANA INTERNATIONAL AIRPORT OPERATING COMPANY (PJIAE)**

**REQUEST FOR PROPOSAL**

**RFP 2023 - 175**

**ADVISORY SERVICES - GOVERNANCE, RISK AND COMPLIANCE**

**Issue Date: September 26, 2023**

Submission of Proposal:

All proposals for the requested services shall be submitted in electronic format per email (PDF format) no later than Friday, October 13, 2023 to the attention of:

Princess Juliana International Airport Operating Company N.V. ("PJIAE")  
Mr. Bob Post - Chief Financial Officer  
Skyport Building  
Airport Road #40  
Simpson Bay  
[bpost@sxmairport.com](mailto:bpost@sxmairport.com)

The proposal must be received prior to the Closing Date and Time.

RFP Closing Time: 5:00 PM AST

RFP Closing Date: October 13, 2023

Proposals submitted will be evaluated by PJIA Group. During the evaluation process, PJIA Group reserves the right, where it may serve PJIAE's best interest, to request additional information or clarifications from the Proponent.

Bidders understand that the members of PJIAE's Board of Managing Directors are the only individuals that can officially enter into signed agreements with counterparties, which is contingent on obtaining PJIAE's Supervisory Board of Directors' approval.



## Table of Contents

Definitions:.....	3
1. Introduction .....	4
2. Description of PJIA’s Group Corporate Structure.....	4
3. Objectives and scope of work .....	6
4. Proposal Requirements and Applicable Criteria .....	7
4.1 Executive Summary (corporate profile) of the Consultancy Firm .....	7
4.2 Qualification & Experience .....	7
4.2.1 Requirements for the bidding organization .....	7
4.2.2 Additional competencies and Skills Required for the team members assigned to the engagement:.....	7
4.3 Methodology and Approach.....	8
4.4 Financial proposal .....	8
5. Calendar of Events.....	8
6. Submission and Acceptance of Proposals .....	9
7. Project deliverables and deadline.....	9
8. Selection Procedure.....	9
9. Additional Terms and Conditions.....	10



## Definitions:

- “Bidder” means a person, firm, or corporation that submits, or intends to submit, a Proposal in response to this RFP.
- “Closing Date and Time” means the specified Date and time required for Submission with time expressed as Atlantic Standard Time (AST) .
- “Contract” or “Engagement Letter” means a written agreement between PJIAE and the Successful Proponent resulting from this RFP.
- “Consultant” / “Consultancy Firm” means a legally-established professional consulting firm or an entity that may provide or provides the Services to PJIAE under the Contract.
- “Execution date” means the date when the engagement letter will be concluded.
- “Must”, “should” “mandatory”, or “required” means a requirement that must be met for a Proposal to receive consideration.
- “PJIA Group” means the Managing Board and the Supervisory Board of PJIAE, the Managing Board and the Supervisory Board of Princess Juliana International Airport Holding Company N.V. (PJIAH) and other key stakeholders
- “Proponent” means a person, firm, or corporation that submits, or intends to submit, a Proposal in response to this RFP.
- “Proposal” means the Proponent’s submission to the RFP.
- “Project” means the scope of services detailed herein.
- “RFP” means Request for Proposal.
- “Services” means the services being identified in the RFP.
- “Subcontractor” includes, inter alia, a person, firm or corporation having a contract with the Successful Proponent for the execution of a part or parts or furnishing to the Successful Proponent the services called for in the RFP.
- “Successful Consultant” / “Successful Consultancy Firm” means the Proponent submitting the most advantageous RFP as determined by PJIA Group.



## Terms of Reference

### 1. Introduction

The purpose of this Request for Proposals (“RFP”) is for Princess Juliana International Airport Operating Company N.V. (“PJIAE”) to enter into a contractual agreement with a Successful Consultancy Firm to work closely with the Managing Board and the Supervisory Board of PJIAE, the Managing Board and the Supervisory Board of Princess Juliana International Airport Holding Company N.V. (PJIAH) and other key stakeholders (hereinafter “PJIA Group”), to provide strategic advice and support in connection with Governance Risk and Compliance through a comprehensive risk assessment report regarding different corporate structures to be identified.

The contract period is expected to commence on October 20, 2023 for a period of one (1) month from the execution date.

The bidder is expected to follow the proposal structure described in *Chapter 4. “Proposal Requirements and Applicable Criteria”* below and otherwise comply with all instructions, terms and specifications contained in, and submit all forms required pursuant to this RFP. Failure to follow the aforesaid proposal structure, to comply with the aforesaid instructions, terms and specifications, and/or to submit the aforesaid forms will be at the bidder’s risk and may affect the evaluation of the proposal.

PJIAE retains the right to solicit additional proposals for advisory services at any time solely upon its determination and discretion. The Successful Consultant pursuant to this RFP shall be at the discretion of PJIAE and the professional services may be terminated with or without cause or at the convenience at the sole discretion of PJIAE at any time for any reason or no reason at all.

### 2. Description of PJIA’s Group Corporate Structure

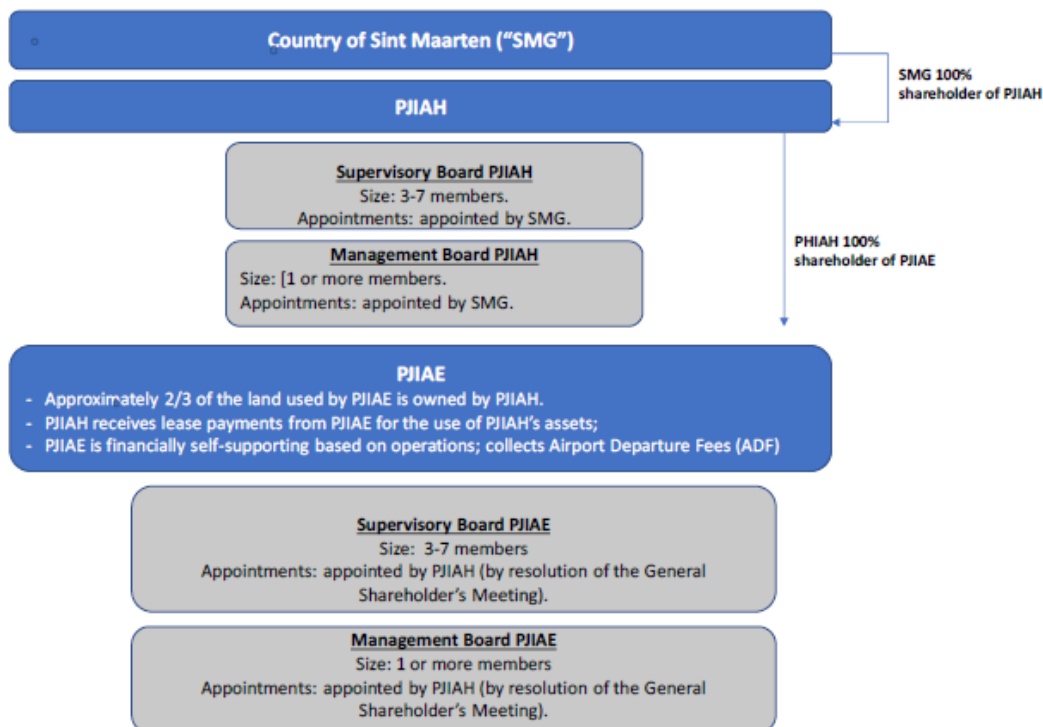
PJIAE operates the principal airport on the island of Sint Maarten. Following issues with the financing of the airport expansion in the early 1990s, which led to financial challenges at the airport, a new governance framework was put in place in 1997. In 1997, the Council of Ministers (formerly Island Council) of St. Maarten granted a concession to PJIAE, to operate the airport. The concession was initially given for a period of 20 years ending in 2017 (since extended to 2035). The concession gives PJIAE the right to maintain, develop and operate the airport facilities as well as to conduct all financial and commercial activities related to the airport business on St. Maarten. The concession can be revoked if PJIAE does not adhere to the regulations of the concession agreement.

- The Government of Sint Maarten is the 100% shareholder of PJIAH with the Minister of Tourism, Economic Affairs, Transport and Telecommunication (TEATT) as the shareholder representative.



- PJIAH owns approximately 50% of the airport assets used by the operating company. PJIAE has a lease agreement with PJIAH for the commercial use of the airport facilities (including buildings, etc.), and rent is paid by PJIAE to PJIAH for the use of the assets.
- PJIAE is a wholly-owned subsidiary of PJIAH.

Below we present the corporate Structure of the PJIA Group:



PJIAE generates revenues through both aeronautical and non-aeronautical activities. Aeronautical charges include the usual landing, aircraft parking and passenger charges, but also include some air traffic management (ATM) services (ground, tower and approach). PJIAE is given the objective of being financially self-sufficient. Aeronautical charges are approved by the Sint Maarten Government, but there is no formal method setting profitability targets.

PJIAE has traditionally not received direct subsidies from Government, and public service obligations are relatively limited. The airport has been self-financing, deriving its revenues from both aeronautical and non-aeronautical sources to cover its annual operating costs and finance charges. Under the terms of the past lease agreement, PJIAE is allowed to keep the Airport Departure Fee (ADF), which it collects on behalf of Government. In addition, government agencies (immigration and Customs) do not pay for the use of offices at the airport, which is another direct contribution to government.



PJIAE is also fully responsible for air traffic control.

The only cash inflow received by PJIAH is the lease payment that is received from PJIAE for the use of the assets that PJIAH owns. The lease payment from PJIAE to PJIAH is considered to be barely sufficient to pay for the current operations of PJIAH (the fees paid to the Supervisory Board and salary of the Managing Director).

### 3. Objectives and scope of work

The Successful Consultancy Firm will be responsible for conducting an extensive risk assessment on several corporate structures (three (3) to five (5) alternative corporate structures), to be identified within the PJIA Group primarily for the purpose of securing the assets related to the airport operations as well as the assessment of the corporate relationship between the PJIA Group and the Government of St. Maarten from a Corporate Governance Perspective. The goal of this project is to enhance corporate resilience and facilitate informed decision-making through a comprehensive analysis of potential risks (including the associated impact and likelihood) as well as mitigating possibilities for each of the options presented. For each corporate structure identified the risk assessment should cover, at minimum, the following aspects:

- Corporate Governance Assessment, including the examination of alignment with the Corporate Governance Objectives;
- Provide a comprehensive analysis and comparison of corporate structures implemented by other leading airports globally, illustrating how these structures have aided in enhancing corporate resilience and asset security. Conduct an assessment of the composition of the Managing Board of Directors and Supervisory Board of Directors of the PJIA Group. The proposal would be aimed to enhance the effectiveness and strategic alignment of the governance structure, fostering improved decision-making and corporate resilience.
- Fiduciary arrangements between PJIAH and PJIAE and possibly a newly formed asset company within the PJIA Group;
- Operational Arrangements between the companies within the PJIA Group, focusing on shared resources, collaborations and strategic alignments
- The financial arrangements between lenders/financial institutions and the PJIA Group;
- Associated costs for transferring the assets, including but not limited to:
  - Profit tax;
  - Transfer tax;
  - Sales tax (or TOT);
  - Notary fees;
  - Cadastral (land registration) fee;
- Legal requirements and implications;
- Fiscal requirements and implications;



- Accounting requirements and implications;
- Other elements having a potential impact on the securing of assets.

## 4. Proposal Requirements and Applicable Criteria

### 4.1 Executive Summary (corporate profile) of the Consultancy Firm

- a) Description of organizational structure and mission statement must be provided.
- b) Short presentation of the key differentiators of your services from other professional services firms offering similar services.
- c) Overall approach toward planning and executing the services.

### 4.2 Qualification & Experience

#### 4.2.1 Requirements for the bidding organization

- a) Provide the firm's experience in Corporate Governance Risk and Compliance including specific aviation industry experience.
- b) Provide a description of the type of services offered and explain the depth and breadth of services and resources used.
- c) Provide references within the last five (5) years of similar projects successfully completed by the firm;
- d) Provide the name, job-title, background, education and experience position of the employee that will be assigned to the project.

#### 4.2.2 Additional competencies and Skills Required for the team members assigned to the engagement:

**Expertise in Corporate Governance:** A deep understanding of best practices, policies, and principles that govern the operation of corporate entities. This should include knowledge of regulatory compliance, ethical conduct, and corporate responsibility.

**Risk Management Expertise:** Ability to identify, assess, and mitigate potential risks across varying corporate structures. This includes financial, operational, strategic, and compliance risk management.

**Financial Analysis Skills:** Proficiency in analysing financial statements and other financial data to evaluate the financial health and performance of corporate structures.

**Industry-Specific Knowledge:** A comprehensive understanding of the aviation and airport operations industry, including knowledge of the regulatory environment, market trends, and challenges specific to airport operations.



**Legal Acumen:** Knowledge of legal frameworks governing corporate entities and airport operations, including contracts, property law, and corporate law.

**Strategic Thinking and Planning:** Ability to develop strategic recommendations based on the analysis of corporate structures and the evaluation of potential risks and opportunities.

**Stakeholder Management:** Good understanding of various stakeholders, including board members, executive teams, government entities, and lenders.

### 4.3 Methodology and Approach

Outline the in-scope activities as well as your approach to address the requirements detailed in “Chapter 3. Objective and scope of work.” The bidder shall demonstrate clear understanding of the project scope, project objectives, and deliverables as well as identify any constraints or limitations that may impact the project delivery or its success.

The bidder shall identify the methodology they intend to employ, the approach including how the project will be planned, executed and controlled together with its quality management process. A clear project management approach must be demonstrated in order to deliver a successful project that will meet or exceed the project objectives.

### 4.4 Financial proposal

Describe how professional fees will be calculated, based on level of effort, for the activities outlined in “Chapter 3. Objectives and scope of work”.

- As part of the determination of your professional fees, outline clearly the proposed costs for the services to be provided (fee charged by type of employee - e.g. partner, manager, staff).
- The proposed price schedule should be inclusive of any travel and out of pocket expenses related to the services as requested).
- Prices quoted should be expressed in USD (United States Dollar).

## 5. Calendar of Events

Listed below are important dates and times by which actions related to this RFP shall be completed. In the event that PJIAE finds it necessary to change any of these dates and times it will do so by issuing a supplement to this RFP.

DATE	EVENT
September 26, 2023	RFP Issuance
October 3, 2023	Due date for bidder written questions*
October 6, 2023	PJIAE response to bidder written questions
October 13, 2023	<b>Proposals due</b>





\*Questions about or requests for clarification of the RFP must be submitted by email to Mr. Bob Post - Chief Financial Officer (refer to the contact details provided in Chapter 6) on or before 5PM AST on October 3, 2023. PJIAE will provide responses to substantive questions and responses to requests for clarification in the form of an addendum to this RFP.

## 6. Submission and Acceptance of Proposals

All proposals for the requested services shall be submitted per email no later than Friday, October 13, 2023, to the attention of:

Princess Juliana International Airport Operating Company N.V. (“PJIAE”)  
Mr. Bob Post - Chief Financial Officer  
Skyport Building  
Airport Road #40  
Simpson Bay  
[bpost@sxmairport.com](mailto:bpost@sxmairport.com)

## 7. Project deliverables and deadline

The Consultancy Firm should issue a report incorporating an extensive risk assessment including proposals on several corporate structures (three (3) to five (5) alternative corporate structures) to be identified within the PJIA Group, including the following:

- A detailed report outlining the identified corporate structures with a comprehensive risk assessment for each considering the possible transfer of assets to PJIAH or to a newly incorporated asset company, or other proposed corporate structures, within the PJIA Group
- A comparative analysis report incorporating relevant examples of corporate structures used by other airports.
- Strategic recommendations for enhancing corporate resilience and governance, grounded in the findings of the comparative analysis and risk assessment.

Other aspects associated with the risk assessment to be considered by the Consultancy Firm are listed on Chapter 3 - Objectives and scope of work. The project deliverables are expected to be completed no later than November 17, 2023.

## 8. Selection Procedure

The methodology to evaluate the offers is based on a scoring points system. The system includes two (2) criteria that will receive a weighted score; these criteria are technical and financial. Technical criteria relate to the qualifications of the Consultant and the proposed methodology. These are the most important and represent 70% of the final score. The financial criteria represent the remaining 30%. A total of 100 points can be achieved. A minimum of 50 points is needed for the technical criteria to be evaluated. In other words, offers that do not reach the technical threshold will be discarded.



Proposals submitted will be evaluated by the PJIA Group. During the evaluation process, the PJIA Group reserves the right, where it may serve PJIAE's best interest, to request additional information or clarifications from the proponents. At the discretion of PJIAE, the bidders submitting proposals may be requested to make oral presentations as part of the evaluation process.

## 9. Additional Terms and Conditions

Bidders must adhere to the submission instructions as described below to be considered for this project.

By responding to this request and submitting a proposal, bidders acknowledge that they shall conform with the provisions outlined in the Terms of Reference and the related documents thereto and accept the following:

- 9.1 All official communications regarding this tender are only valid from authorized representatives of PJIAE.
- 9.2 Responding to this tender does not constitute any binding agreements with PJIAE.
- 9.3 Understands that no one other than "PJIAE", board of managing directors or acting managing directors can officially bind PJIAE.
- 9.4 Understands that the members of PJIAE's board of managing directors are the only individuals that can officially enter into signed agreements with counterparties, which is contingent on obtaining PJIAE's Supervisory Board of Directors' approval.
- 9.5 Agrees that the bidder will bear all costs associated with its proposal preparation, including but not limited to business development costs, travel and expenses, and all other costs associated with proposal preparations and negotiations prior to signing an agreement and/or proceeding with this tender.
- 9.6 Using a Subcontractor (who must be clearly identified in the Proposal) is acceptable. A Subcontractor individual or firm, whose current or past corporate or other interests may, in the PJIAE's opinion, give rise to a conflict of interest in connection with this project will not be permitted. This includes, but is not limited to, any firm or individual involved in the preparation of this Proposal. Any Subcontracting of the service to any firm or individual after the award of a Contract must have prior written approval of PJIAE.
- 9.7 Understands that the bidder cannot claim any right to compensation of any damages or other loss against PJIAE, as a result of responding to this tender, the participation in or exclusion of the tender, the content of the awarding decision or PJIAE not entering into the assignment and any and all of such claims are expressly waived and excluded in advance by participating in this tender.
- 9.8 Understands that PJIAE reserves the right to add or remove bidders at their sole discretion. PJIAE, also reserves the right not to accept any proposal submitted and may seek additional proposals from any other party or parties.



- 9.9 Understands that prior to signing any agreement, PJIAE reserves the right to re-evaluate proposals, withdraw and cancel this tender, and/or republish the same or modified Terms of Reference at a later date.
- 9.10 At all times, PJIAE can terminate any discussions and/or negotiations with any bidder with or without reason.
- 9.11 The bidder must maintain its proposal for a period of ninety (90) calendar days from the date of the bid.
- 9.12 PJIAE is not obliged to proceed to contract awarding or to actually award the assignment.
- 9.13 The PJIA Group evaluates the proposals received on the basis of the Terms of Reference and determines at their sole discretion the most commercially advantageous proposal based on the proposal requirements and criteria as stated in Chapter 4. Proposal Requirements and Applicable Criteria. The bidder whose proposal has been determined by the PJIA Group to contain the most commercially advantageous conditions, if any, is for purposes hereof referred to as the “preferred bidder”.
- 9.14 PJIAE may request the preferred bidder to clarify aspects of its proposal or to confirm agreements included in the bid, on the condition that this leaves the intrinsic aspects of the proposal unchanged and the clarification does not lead to unfair competition or discrimination.
- 9.15 PJIAE shall inform the bidders by individual written notices, as much as possible simultaneously, of the decisions which have been taken based on the foregoing, taking paragraphs 9.16 and 9.17 into account.
- 9.16 The individual notice, meant in paragraph 9.15, to the bidders that have not been selected as the preferred bidder, shall mention (i) that they have not been selected as the preferred bidder, and (ii) the name of the preferred bidder, unless to safeguard the integrity of the bidding process, PJIAE decides not to disclose the name of the preferred bidder.
- 9.17 As determining the most commercially advantageous proposal and selecting the preferred bidder are at the sole discretion of the PJIA Group, PJIAE has no obligation to inform any bidder of the reasons for the rejection of its proposal or such bidder not being selected as the preferred bidder.
- 9.18 If the PJIA Group decides not to proceed to contract awarding and if necessary to start-up the tender process again or to award the assignment privately, PJIAE, shall inform the bidders, as much as possible simultaneously, in writing. PJIAE shall not be obligated to provide any information on the reasons for such decision or with regard to the (subsequent) contract awarding.
- 9.19 The tender, the Terms of Reference and all related documents are exclusively governed by Sint Maarten law.
- 9.20 Any dispute between the parties involved with the tender shall be submitted exclusively to the Court of First Instance of Sint Maarten.



- 9.21 If, within 7 (seven) calendar days after sending the notices, meant in paragraphs 9.15 and 9.18 above, summary proceedings are brought by a bidder before the Court of First Instance of Sint Maarten against the awarding decision of PJAIE and notice thereof is served to PJAIE within such term, PJAIE, shall subsequently not be authorized to enter into the assignment with the preferred bidder, restart the tender or award the assignment privately, as applicable, as long as judgment has not been made in first instance, unless parties have come to an agreement.
- 9.22 Without limiting the foregoing. by participating in this tender, a bidder declares that it shall not bring any claim against PJAIE or any of its directors, agents, consultants or employees in the courts or otherwise, except as provided in paragraph 9.21 above.