



May 15, 2018

[REDACTED]  
[REDACTED]  
European Maritime Safety Agency (EMSA)  
Praca Europa 4  
1249-206 Lisbon, Portugal

**Subject: Tender No. EMSA/OP/1/2018 for Contract for Long Endurance and Long Range RPAS**

Dear Mr. [REDACTED]

We write this letter to you in relation to the subject tender, to which Israel Aerospace Industries Ltd. (IAI) – an Israeli company, was not eligible to submit a proposal as a prime contractor.

Together with a European partner, we prepared a fully compliant proposal, based on the [REDACTED]. Unfortunately, due to business considerations that were out of IAI's hands, the proposal was not submitted.

IAI wishes that EMSA will seek a legal path that would allow IAI to bid as prime contractor to EMSA tenders. Such an approach should result in a more flexible, cost effective offer. In any case, we would be happy to meet and to explore any avenue that will enable us to propose a [REDACTED] RPAS solution for EMSA.

We would like to take this opportunity to point out that IAI has been designing and manufacturing RPAS for over [REDACTED], and we have over [REDACTED] customers world-wide who have collectively flown over [REDACTED] flight hours. In RPAS services (PBH) alone, the [REDACTED] has flown over [REDACTED] flight hours under contracts with [REDACTED] and [REDACTED]. The [REDACTED] in its Maritime configuration, a configuration very similar to the configuration that EMSA is seeking, has accumulated over [REDACTED] flight hours.

A [REDACTED] RPAS adds true value to maritime missions. The combination of unparalleled endurance, long reach and utilization of various payloads simultaneously, will result in complete situational awareness picture and arena dominance. Aligned with EMSA's approach, it is our experience that a supplier with a proven track record will ensure a smooth, low risk program.

For any questions or additional information, my team and I remain available at your disposal.

Sincerely,

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
Israel Aerospace Industries Ltd.

Tel: [REDACTED]



European Maritime Safety Agency

CEIIA

Av. D.Alfonso Henriques 1825  
4450-017 Matosinhos  
Portugal

Email

ceia@ceia.com

Lisbon, 25 MAY 2018

**Subject: Call for tender EMSA/OP/1/2018**

Dear Mr. [REDACTED]

Your bid for the call for tender EMSA/OP/1/2018 is currently being evaluated by the Evaluation Committee nominated for that call.

During the evaluation process, it was noted that some elements require further clarification from the bidder as described in Annex I.

In order to allow this Committee to give a complete opinion with regards to the exclusion, selection and award criteria announced in the tender specifications, we would like to receive within five days of the receipt of this email the requested clarifications as described in Annex I.

Your answer shall be sent by email to the following dedicated email address:

Evaluation Committee  
Call EMSA/OP/1/2018 – OPEN012018@emsa.europa.eu  
European Maritime Safety Agency

Please note that the clarification requested shall not lead to changes to the terms of the submitted tender.

Yours sincerely,

[REDACTED]  
Chairman of the Evaluation Committee

#### Annex I – Clarification request

1- In your cover letter, the name and position of the person authorised to sign the contract are missing. Please submit this information.

2- The Legal Entity Form is not accompanied with the requested accompanying documentation: copy of an official document showing the name of the Company, the address of the Head Office and Registration Number given by national authorities. Please submit the requested accompanying documentation.

3- In the Declaration on Honour submitted by the tenderer and the subcontractor, box YES of question h) has been ticked. If you indicate "YES", the answer is read as follows: You have distorted competition by being previously involved in the preparation of procurement documents for this procurement procedure. Please confirm or submit new Declarations on Honour.

4- The Financial statements or extracts for the 2015 financial year for the tenderer are missing as well as the consolidated statements of income for the subcontractor for 2016 and 2017 financial years.

Please submit those documents. In case the consolidated statements of income have not been closed for the fiscal years 2016 and 2017, please submit draft statements of income duly stamped and signed by the relevant person.

5- In the Statement of Subcontracting/Joint Offer, the declared proportion of activity corresponding to Elbit Systems, a company established in Israel, as subcontractor is 65%.

Point 10 paragraph 6 of the Tender Specifications indicates that a substantial part of the work has to be carried out by a company (meaning the tenderer in the present case) established in a country listed in point 19 of the invitation to tender. Please clarify how the 65%/35% proportions was calculated. Does this ratio correspond to the distribution of profits between the tenderer and the sub-contractor, to the expected distribution of the workload or any other system for calculation (to be explained)?



Reply to letter from EMSA on 25 May 2018, with subject: Call for tender

EMSA/OP/1/2018

Matosinhos, May 29<sup>th</sup> 2018

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Dear Sirs,

We apologise for any inconvenience caused due to missing information or wrong interpretation on required elements as requested in tender EMSA/OP/1/2018.

Taking in consideration Annex I – Clarification request item 5, the following shall be considered by EMSA:

1. Considering EMSA presented scenarios calculation for evaluation purposes (EN-09 Tender Specifications Appendix 4 Financial tender spreadsheet);
2. Considering that CEIIA's is subcontracting ELBIT to provide the equipment (RPAS + GCS) in order to comply with tender technical specifications;
3. Considering that CEIIA is responsible for and will be carrying out all expected workload related with the operation requirements established in the tender, including but not limited to logistics, interface, mission operations, etc;
4. Considering the lease cost of ELBIT's equipment (RPAS + GCS) for a 2-year period;
5. Considering that CEIIA during the 2-year lease period only operates the system on EMSA request;



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6. Following items above, the 35%/65% ratio was calculated considering exclusively the percentage of the operation cost vs lease cost and therefore it does not correspond to the distribution of profits between the tenderer and the sub-contractor or any other rationale.

Regarding remaining items (1, 2, 3 and 4) of Annex I – Clarification request, the following reissued documents are provided by CEIIA:

1. Cover letter with name and position of the person authorised to sign the contract;
2. Legal Entity Form showing the address of the Head Office and Registration Number;
3. Declaration on Honour with rightful statement;
4. Financial statements with draft statements of income duly stamped and signed;

Yours sincerely,

  
.....  
  
Senior Board Adviser



European Maritime Safety Agency

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Lisbon, 13 JUN. 2018

**Subject: Call for tender EMSA/OP/1/2018**

Dear M. [REDACTED]

Your bid for the call for tender EMSA/OP/1/2018 is currently being evaluated by the Evaluation Committee nominated for that call.

During the evaluation process, it was noted that some elements require further clarification from the bidder as described in Annex I, additionally to those clarifications requested by letter dated 25 May 2018.

In order to allow this Committee to give a complete opinion with regards to the exclusion, selection and award criteria announced in the tender specifications, we would like to receive within five days of the receipt of this email the requested clarifications as described in Annex I.

Your answer shall be sent by email to the following dedicated email address:

Evaluation Committee  
Call EMSA/OP/1/2018 – OPEN012018@emsa.europa.eu  
European Maritime Safety Agency

Please note that the clarification requested shall not lead to changes to the terms of the submitted tender .

Yours sincerely,

Chairman of the Evaluation Committee

## Annex I – Clarification request

Ref: your bid submitted 10 May 2018

<p><b>1. Statement of subcontracting</b> In your statement of subcontracting you refer only to Elbit as subcontractor. However, there is a reference to UMS Skeldar in your Project management plan (Page 18 of your bid). Please clarify if the reference to UMS Skeldar was an error or if it should be added to the statement of subcontracting and in that case what is the role of UMS Skeldar in the bid submitted to EMSA?</p>
<p><b>2. Statement for subcontracting and selection criteria on Professional capacity by Staff</b> The work distribution between Ceia and Elbit is unclear in your bid. Whereas in the offer (PRP920B-RD7 Project Management Plan) and in the letter of 29th of May 2018 it is stated that Ceia is operating and maintaining the RPA, the CVs provided with the bid are only related to Elbit staff with regard to the operational and maintenance competence. Furthermore, the bid does not indicate that Ceia staff has been trained to perform the operation/maintenance nor when they will be trained. The bidder is requested to :</p> <ul style="list-style-type: none"><li>a) Clarify for which company each of the staff members proposed will be working and if any of them would as non EU staff requires additional Security clearance and/or VISA to be available for the operations in the EU :</li><li>b) Please note that contractors/workers from non-EU countries might have issues in obtaining security clearance and work permits/visa, etc. The tender specifications, section 4.1.11.7 already requests that any security clearance, work permits, etc. of staff necessary for operation in the EU shall be mentioned in the bid to be evaluated.</li><li>c) who from the list of CVs provided with the offer will be assigned to which function/role? Please indicate in particular which staff member will be assigned the following essential roles:<ul style="list-style-type: none"><li>- Project manager</li><li>- Preparation for the services (module 1 activities)</li><li>- Flight crew operation on site (module 3 and 4)</li><li>- Maintenance crew operation on site (module 3 and 4)</li></ul></li><li>d) Please clarify with the role distribution how the proposed teams are organized to deliver the proposed flight schedule 5/5 and 5/7 that are an essential requirement of the service, as Ceia is indicating a 24/7 service in the bid (0_Appendix 3TechnicalTender, page 6).</li><li>e) The bidder is requested to confirm that staff assigned and mentioned in the bid will be available to perform the contract. Please take note of the technical specifications, section 4.1.11.8, that in case individual staff has to be replaced, staff with equivalent experience must be provided and approved by the contracting authority.</li></ul>
<p><b>3. Contradicting information regarding Flight speed:</b> Maximum flight speed: In the RPAS passport (Appendix 1_RPAS Passport) and the Maintenance Manual (PRP920B-RD7 Project Management Plan) a maximum speed of [REDACTED] KTAS (Knots True Airspeed) is given, whereas the technical tender (0_Appendix 3TechnicalTender) states 100 KTAS. Please provide the maximum speed of the RPA with complete sensor configuration as offered in the bid. Nominal flight speed: Please provide the maximum nominal/cruise speed which still allows reaching the full endurance of 18 hours with the complete sensor configuration.</p>
<p><b>4. Minimum Requirement - Endurance:</b> Please confirm that the endurance of the RPA you declare in your bid (&gt; [REDACTED] hours) in the fully equipped offered configuration (payload as offered: mass around [REDACTED] kg as in the bid), still allows carrying enough fuel [REDACTED] kg as in the bid). Please note that the full endurance will be validated during the Initial Configuration test.</p>
<p><b>5. Export/import license restrictions:</b> It is understood that ITAR restrictions are not applicable. However as the RPAS is entirely a non-European System, could you please confirm, that no export/import license restrictions of any kind are applicable to the system, system components and the documentation for operations within the European Union Member States and the states as mentioned in the tender specifications.</p>
<p><b>6. Flight safety systems:</b> An IFF is offered in your bid which may include multiple operational modes. However it is not clear if this system and its modes are compatible with civil aviation in the intended areas of operation. Please clarify the compatibility with civil transponder systems, in particular the mode S transponders.</p>

<p><b>7. Flight restrictions:</b> The minimum visibility conditions are given with two (2) km, however in the Flight manual [REDACTED] km are mentioned. Please clarify this condition.</p>	C
<p><b>8. Mandatory requirement regarding BRLOS/SATCOM:</b> In your bid, the area of coverage of the SATCOM satellite [REDACTED] is covering central Europe and the Western Mediterranean; however the eastern Mediterranean is badly covered. Please confirm that according to the operational area (as identified in the Tender Specifications) you will use the appropriate satellite in order to cover the entire operational area at no extra costs.</p>	C
<p><b>9. Initial Configuration Test</b> The bidder is requested to confirm, that at the Initial Configuration test (45days from the award decision), the flight demonstration will be performed by the operational team which is foreseen for operations and which is part of the offer.</p>	
<p><b>10. Selection criteria- Operational experience Proven flight hours:</b> As per point 14.5.2 b) of the tender specifications, at least 300 flight hours with the offered RPAS should be demonstrated. Please provide the proof of at least 300 of those hours with testimonials, excerpts of log books, results of tests, of letters from previous users.</p>	
<p><b>11. Timeline site survey: Module 1 and 2:</b> The bidder is requested to confirm that the site surveys are performed during Module 1 activities as requested in the technical specifications and not during Module 2 as referred to in [REDACTED] Project Management Plan.</p>	C
<p><b>12. Selection criteria- Contractual control:</b> From the letter signed by Elbit and included in the tender EMSA understands that Elbit is committed to make the RPAS available for the duration of the contract. Please note that, in case of award, and before the signature of the FWC (within the 45days following award), CEIIA, as tenderer and signatory of the contract with EMSA, will be requested to demonstrate contractual control or ownership of the RPAS with the evidence defined in 14.5.4 of the tender specs, e.g. purchase, rent or lease contract and invoices, etc...</p>	
<p><b>13. Contradiction in range</b> In your bid, it is stated that the maximum data link under LOS conditions is [REDACTED] km. However in your document "Hermes 900 UAS technical description" chapter 8.1 it is stated that the Digital Mission Data link provides operation range of [REDACTED] km given a clear line of sight to the air vehicle. Please clarify which is the maximum range under LOS conditions.</p>	C C





Reply to letter from EMSA on 13th June 2018, with subject: Call for  
tender EMSA/OP/1/2018

Matosinhos, May 18<sup>th</sup> 2018

Dear Sirs,

Regarding your letter from 13th of June, on requested clarification to CEIIA's reply to tender EMSA/OP/1/2018, and taking in consideration Annex I – Clarification request, the following shall be consider by EMSA:

ITEM 1 - Statement of Subcontracting

- a. EMSA shall consider the reference to UMS Skeldar in Project Management plan as an error, consequently please disregard that statement.

ITEM 2 – Statement for subcontracting and selection criteria on Professional capacity by Staff

- a. & b. EMSA shall consider that all the proposed persons do not require extra security clearance or working VISA during operations in the EU.
- c. EMSA shall consider the following list of persons assigned for each function/role:
  - i. Project Manager: [REDACTED]
  - ii. Preparation for services (module 1 activities):
    1. Site Survey: [REDACTED] and [REDACTED] as Mission Commander;
    2. Permit to Fly activities: [REDACTED]

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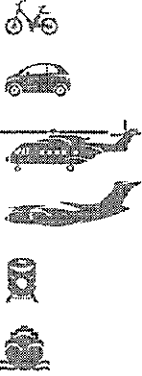
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- 3. Adaptation of documents for operation: [REDACTED] / C
- [REDACTED] C
- 4. Preparation of deployment [REDACTED] C
- iii. Flight Crew Operation
  - 1. Pilots from ELBIT: [REDACTED] and [REDACTED] C
  - 2. Pilots from CEIIA: TBD by CEIIA after training program and approved by contracting authority.
- iv. Maintenance Crew Operation:
  - 1. Crew from ELBIT: [REDACTED], [REDACTED] C
  - [REDACTED] and [REDACTED] C
  - 2. Crew from CEIIA: TBD by CEIIA after training program and approved by contracting authority.
- d. The following role distribution and team organisation in shifts to assure a 7/7 operation in a 24/7 basis:
  - v. Minimum operation crew: [REDACTED] C
  - [REDACTED] C
  - vi. Shifts of [REDACTED] hours' rotation and with an [REDACTED] hour shift on site; C
  - vii. Team shall be capable of multiple roles enabling rotation schedule between roles;
  - viii. CEIIA foresees a [REDACTED] men team to enable mission operation as described above; C
- d. CEIIA confirms that the staff assigned and mentioned above will be available to perform the contract;
- e. EMSA shall also considerer that this project will be supported in a first phase, which will last from the capability demonstration until the final of the first mission, by a specialized team with experience as per the CVs attached to the procedure. During this first phase and immediately after a successful completion of the demonstration, CEIIA will start a training program that will prepare pilots, operators and



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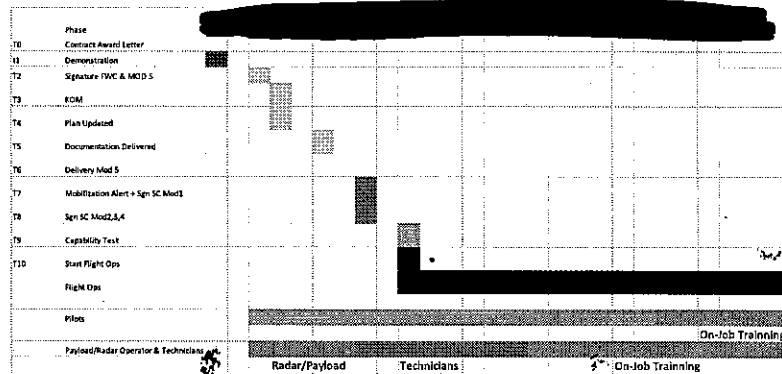
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technicians for the upcoming mobilizations (after the first one) and related missions;

- f. CEIIA expects that during the first mission it will be possible to have the second team on site for on-job training with the first experience team;
- g. The Training program has a maximum duration of approximately [redacted] months for pilots and [redacted] months for operators and technicians as described in [redacted] Detailed Training Syllabuses document;
- h. The following scheme illustrates above described training plan:



- i. EMSA shall also consider that the replacement of the persons in the operational team will be submitted for contracting authority approval.

ITEM 3 – Contradicting information regarding Flight speed

- a. EMSA shall consider a maximum speed of [redacted] KCAS (knots Calibrated Airspeed) at [redacted] ft for the aircraft with complete sensor configuration;
- b. EMSA shall consider a maximum endurance speed [redacted] KCAS at [redacted] ft. with complete sensor configuration.

ITEM 4 – Minimum Requirement – Endurance

- a. EMSA shall consider a [redacted] hours’ flight endurance capability as stipulated in technical specifications RFI. According to specific configuration endurance time can be longer;
- b. CEIIA is aware that this requirement shall be demonstrated during Initial Configuration test.



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## ITEM 5 – Export/import license restrictions

- a. CEIIA does not foresee any issue with export/import license restriction for the system, since it does not have any restriction from exporting country and the import will be for a limited time frame of a non-military system.

## ITEM 6 – Flight safety systems

- a. EMSA shall consider that the aerial system will be fitted with a mode [REDACTED] to enable flight in civil airspace. C

## ITEM 7 – Flight restrictions

- a. EMSA shall consider that minimum visibility conditions for aircraft flight is [REDACTED] ft [REDACTED], corresponding to a [REDACTED] Kms; C
- b. Above value is in accordance with technical specification requirement;
- c. However, in Flight Manual document [REDACTED] a [REDACTED] Km horizontal visibility conditions is mentioned for the location of aircraft take-off. This condition is not mandatory, although due to the use of an external pilot that operates the system in take-off and landing phases, allows to reduce the risk of incidents during these phases. C

## ITEM 8 – Mandatory requirement regarding BRLOS/SATCOM

- a. EMSA shall consider that provided SATCOM satellite [REDACTED] [REDACTED] was an example and if required CEIIA will procure the suitable SATCOM communication that shall have coverage for the area of operation. C

## ITEM 9 – Initial Configuration Test

- a. EMSA shall consider information provided in ITEM 2 with provided initial team and plan of training of CEIIA personnel;
- b. EMSA shall also consider that the replacement of each of the persons of the operational team will be submitted for contracting authority approval.



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ITEM 10 – Selection criteria- Operational experience Proven flight hours

- a. Specific flight logs are usually considered confidential by the customers as they contain information about their operational flight activity. ELBIT have contacted some of the customers and requested their written confirmation for the flight hours they have performed. We hope to have this letter signed over the next few days. CEIIA will send it ASAP and EMSA shall consider that experience confirmation letter from a current user as evidence of flight experience.

ITEM 11 – Timeline site survey: Module 1 and 2

- a. EMSA shall consider that site surveys will be performed in Module 1 activities as requested in technical specifications. This was an error and shall be updated in PMP document in case of award.

ITEM 12 – Selection criteria- Contractual control

- a. CEIIA as properly noted this requirement. CEIIA will comply with this requirement in case of award.

ITEM 13 – Contradiction in range

- a. EMSA shall consider a [REDACTED]m maximum data link for LOS configuration of the RPAS. C

Yours sincerely,

[REDACTED]  
[REDACTED]  
Senior Board Adviser



European Maritime Safety Agency

CEIIA

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Lisbon, 28 JUN. 2018

**Subject: Call for tender EMSA/OP/1/2018**

Dear Mr. [REDACTED]

Your bid for the call for tender EMSA/OP/1/2018 is currently being evaluated by the Evaluation Committee nominated for that call.

During the evaluation process, it was noted that some elements require further clarification from the bidder as described in Annex I.

In order to allow this Committee to give a complete opinion with regards to the exclusion, selection and award criteria announced in the tender specifications, we would like to receive within three days of the receipt of this email the requested clarifications as described in Annex I.

Your answer shall be sent by email to the following dedicated email address:

Evaluation Committee  
Call EMSA/OP/1/2018 – OPEN012018@emsa.europa.eu  
European Maritime Safety Agency

Please note that the clarification requested shall not lead to changes to the terms of the submitted tender.

Yours sincerely,

[REDACTED]  
Chairman of the Evaluation Committee

Annex I – Clarification request

**1- Selection criteria: Economic and Financial Capacity**

Notwithstanding our request dated 25 May 2018, only the consolidated balance sheets for 2016 and 2017 for Elbit were submitted. The Income Statement Data are still missing for 2016 and 2017.

Please submit the Income Statement Data for 2016 and 2017. In case the Income Statement Data have not been closed for the fiscal year 2017, please submit draft statements of Income Statement Data duly stamped and signed by the relevant person

**2- Selection criteria- Operational experience- Proof of flight hours**

In your answer to our previous request for clarification of 13 June 2018 you indicates that CEIIA will "send it ASAP". No evidence was submitted at the date. We like to inform you that, in case of award and the latest 45 days after the award decision, the presented RPAS configuration must have achieved at least 300 flight hours. The evidence of compliance of those 300 hours must be in the form of any testimonial, excerpts of the logbook, results of tests, or letters from previous users of the services. Signature of a contract, in case of award would be conditioned to their fulfilment. Please confirm that Ceiiia is committed to provide such evidence.



Reply to letter from EMSA on 28th June 2018, with subject: Call for  
tender EMSA/OP/1/2018

Matosinhos, July 1<sup>st</sup> 2018

Dear Sirs,

Regarding your letter from 28th of June, on requested clarification to CEIIA's reply to tender EMSA/OP/1/2018, and taking in consideration Annex I – Clarification request, the following shall be considered by EMSA:

- 1 Selection criteria: Economic and Financial Capacity

Please find in annex ELBITs Income Statement Data for 2016 and 2017, as requested;

- 2 Selection criteria- Operational experience- Proof of flight hours

As stated in CEIIA reply letter of 18<sup>th</sup> of June, ELBIT has requested to customers a written confirmation of flight hours performed, but unfortunately did not received this statement until this date. CEIIA would like to reassure that is making all efforts to have this statement ASAP and in the limit, we will present the confirmation within the 45 days after the award decision.

Yours sincerely,

Senior Board Adviser

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