

Overview

ADDAX PETROLEUM DEVELOPMENT (NIGERIA) LIMITED

(RC NO. 333615)

ADDAX PETROLEUM EXPLORATION (NIGERIA) LIMITED (RC NO. 333613)

TENDER OPPORTUNITY

TB-3958 – PROVISION OF INSURANCE SERVICES

NIPEX TENDER NO: 1000005747

NCDMB CERTIFICATION NO.: ES/NCDMB/ADDAX-NCP/UPD/110122

(1) INTRODUCTION

ADDAX PETROLEUM DEVELOPMENT (NIGERIA) LIMITED and ADDAX PETROLEUM EXPLORATION (NIGERIA) LIMITED (hereinafter together referred to as “ADDAX”), Operator of the NNPC Production Sharing Contract is seeking qualified Insurers for the Provision of Non-Life (Naira and Dollar) Insurance for the OML123/124 AND OML 126/137 operational assets.

Addax invites submission from reputable Nigerian registered insurance Companies having ‘world class’ experience in the provision of insurance services for major Oil and Gas companies.

The contract primary duration is one (1) year with an option to extend for two (2) additional years.

(2) SCOPE OF SERVICES:

This Scope of Services will cover the provision of Insurance Services (Energy Package Insurance, Combined All Risk Insurance, Motor Insurance and Marine Insurance) for oil assets associated with ADDAX Operations and Naira based Insurance policies.

Naira Operational Insurance

The Naira Operational Insurance would cover Combined All Risk Insurance, Marine Insurance and Motor Insurance. The risk shall be retained 100% in-country (Nigeria), the

Insurer will liaise with NNPC and Contractor's appointed Brokers for underwriting, policy and claims administration.

Dollar Operational Insurance

The Dollar Operational Insurance would cover Energy Package Insurance. The Insurer shall retain a minimum of 70 percent of the risk in Nigeria and re-insure the excess capacity with leading Foreign Reinsurer (with A+ rating by S & P I A- rating by Moodys). The Insurer will liaise with the appointed international re-insurance Broker to administer placement of the risk in the international insurance market. The insurer will also handle policy and claims administration.

As a minimum requirement, the selected Insurer shall have the necessary experience, capability and shall be fully responsible for policy documentation, renewals, endorsement, claims etc.

(3) BASIC REQUIREMENTS

Any Insurance Company seeking to be selected must satisfy the following conditions:

- (a) Be a limited Liability Company registered in Nigeria and licensed by the National Insurance Commission (NAICOM) to transact General Insurance Business
- (b) Have a net asset of not less than N3 billion as per its last published account for its general business.
- (c) Have acquired relevant experience in Oil and Gas insurance business.
- (d) Have adequate and qualified staff with relevant experience in Oil and Gas Insurance business.
- (e) Must be in good standing with NNPC and Operators as regards prompt settlement of all discharged claims.
- (f) Must be good corporate citizen of Nigeria that pays its taxes as and when due.

(4) SUPPORTING DOCUMENTS

The interested Insurer must have the following documents:

- (1) A certified true copy of the Certificate of Incorporation obtained from Corporate Affairs Commission (CAC), C02 and C07.

(2) A certified true copy by NAICOM of the Company's license as an Insurer to transact Non- Life (General) insurance business

(3) Current Department of Petroleum Resources (DPR) Permit to operate as an Oil Industry Service Company

(4) A Summary and Documentary evidence demonstrating Insurer's experience in similar Oil and Gas insurance (Exploration & Production Activities) in the last 3 years (2018 to 2020), including Insurer's name and dates of cover (please attach copies of participation slips/treaties).

(5) Provide Company profile indicating Nigerian Shareholding, Company's financial details, and published annual report and accounts for the past 3 years (2018 to 2020).

(6) Evidence of NAICOM's approval of Annual Returns and Accounts for previous underwriting year (2020),

(7) A profile of six (6) top management staff of the Company with their qualifications and working experience in Oil and Gas insurance business.

(8) A signed declaration by the chief Executive Officer that the company is in good standing with NAPIMS and Addax as regards to prompt settlement of all claims discharged as at 31 July 2021.

(9) A certified true copy of Company's Tax Clearance certificates for the last three (3) years (2018 to 2020).

(10) (a) A certified true Copy of Reinsurance Cover Letter and a detailed summary clearly stating the types of reinsurance strategy, capacity, period and documentary evidence of cover etc (Naira policies).

(b) A certified true Copy of Reinsurance Cover Letter and a detailed summary clearly stating the Names of Foreign Re-Insurers and Principal Brokers, types of reinsurance strategy and capacity, period of cover etc (Energy Package Insurance).

(11) Provide relevant information of two (2) contact persons: name, telephone and email address.

(12) A certified true Copy of 2020 VAT certificate and Evidence of remittance.

(13) Current (2021) National Pension Commission (PENCOM) Pension Clearance Certificate.

(14) A certified true copy of Current (2021) Certificate of compliance from the Industrial Training Fund (ITF).

(15) A certified true copy of Current Group Life Insurance Certificate for Employees.

Interested Insurer is requested to upload the above documents onto the NIPeX portal in PDF Format (Adobe Acrobat) on or before 4 pm on the Tender closing date specified in the Invitation to Tender letter.

(5) MANDATORY REQUIREMENTS:

(5.1) To be eligible for this tender exercise, interested Contractors are required to be pre-qualified in the Product Group 3.14.07 (Non-Life Insurance Services) category in NipeX Joint Qualification System (NJQS) database. All Contractors who have successfully pre-qualified in this service category by the bid close date as specified in item 5 will be selected directly from the NJQS Portal and will eventually receive an Invitation to submit their Technical Tenders.

(5.2) To determine if you are pre-qualified and view the product/services category you are listed for: You may visit NipeX NJQS Website at <http://vendors.nipex-ng.com> and access NJQS with your log in details, click on 'continue Joint Qualification Scheme tool, click on 'check my supplier status' and thereafter click on supplier product group'.

(5.3) If you are not listed in a product/service category and you are registered with DPR to do business, contact NipeX office at 8/10 Bayo Kuku Road, Ikoyi, Lagos with your DPR certificate as evidence for verification and necessary update

(5.4) To initiate the JQS Pre-qualification process, you may access www.nipex-ng.com to download the requisite application form, make necessary payments and contact NipeX office for further action. (5.5) Tenderers shall also be required to comply with the Nigerian Content requirements in the Nigerian Oil & Gas Industry Content Development Act, 2010. (Failure to meet the Nigerian Content requirements is a "FATAL FLAW").

(6) NIGERIAN CONTENT REQUIREMENTS:

Tenderers are to note that they will be requested during the technical tender to provide details of their relevant strategy to ensure that they fully comply with the Nigerian Oil & Gas Industry Content Act, 2010 as provided at <http://www.ncdmb.gov.ng/images/GUIDELINESNCACT.pdf> in view of the fact that non-compliance will constitute a fatal flaw in all contract evaluations.

The Nigerian Content Development Monitoring Board (NCDMB) will require each Tenderer to:

- (1) Tenderer shall demonstrate that entity is a Nigerian-registered company with 51% or more Nigerian shareholding capacity. Submit certified true copies of CAC forms 10, 02 & 07 (or its equivalent: CAC 2.3. 2.4. 2.5. etc). Tenderer shall provide evidence of registration with the NCDMB NOGIC JQS and DPR.
- (2) Provide detailed description of the location of in-country committed facilities & infrastructure (Technical/Administrative office) in Nigeria to support this contract.
- (3) Provide evidence of a certified true copy of the Company's License by National Insurance Commission (NAICOM) as an Insurer to transact General Insurance business
- (4) Tenderer shall comply with the latest approved version of NCDMB HCD guideline by committing (via a letter of undertaking) to providing Project-Specific training, man-hour, budget, skill development and understudy plan for Nigerian personnel utilizing OGTAN registered trainer(s) or other approved NCDMB training institutions

Note: Non- Compliance with Nigerian content requirement is a FATAL FLAW

(7) CLOSING DATE

This tender opportunity shall remain open in the NipeX System for fifteen (15) working days and only Tenderers who are registered with NJQS Product /Category 3.14.07 (Non-Life Insurance Services) as at **1200 Hours on 7 March, 2022** being the advert closing time/date shall be invited to submit Technical Bids.

(8) GENERAL CONDITIONS

- (a) Please note that all interested Contractors are required to strictly adhere to following conditions in relation to their response to this Advert.
- (b) As stated in item 3 hereto. Contractors are required to be pre-qualified in NJQS under this specific Services category to be eligible to participate in this tender opportunity.
- (c) All costs incurred in preparing and processing NJQS pre-qualification and responding to this Tender Opportunity shall be to the Contractor's own account.
- (d) This Advert shall neither be construed as any form of commitment on the part of ADDAX to award any contract to any Contractor and or associated contractors, sub-contractors or agents, nor shall it entitle pre-qualified Contractors to make any claims

whatsoever, and/or seek any indemnity from ADDAX and/or any of its partners by virtue of such Contractors having been pre-qualified in NJQS.

(e) The tendering process shall be undertaken in accordance with the NNPC contracting process which requires pre-qualified Contractors to submit their documentation in the following manner;-

(i) Pre-Qualified contractors in the relevant Services category in NJQS will be requested to submit their Technical Tenders.

(ii) Following the Technical evaluation process, only technically acceptable and financially qualified contractors will be requested to submit their Commercial Tenders.

ADDAX will communicate only with authorised officers of the qualifying Contractors at each stage of the Tender process, as necessary, and will NOT communicate through individuals or appointed Agents.

ADDITIONAL INFORMATION

This advertisement of "Invitation to tender" shall not be construed to be a commitment on the part of NNPC/Addax to award any form of contract to any company and/or associated companies, Sub- Contractors or Agents, nor shall it entitle any company submitting documents to claim any indemnity from NNPC/Addax and/or any of its partners.

Please visit the NipeX portal at www.nipexng.com for this Advert and other relevant information.