

Invitation for Expression of Interest and Pre-Qualification for the

Time Charter of a Flat Bottom

Liquefied Petroleum Gas (LPG) Vessel For

Delivery of LPG to the Nigerian Domestic Market

1. Introduction

Nigeria LNG Limited (NLNG) intends to charter one low draft flat bottom LPG vessel for delivery of LPG from NLNG Bonny terminal to the domestic LPG market in Nigeria.

NLNG hereby invites interested LPG vessel owners/operators to express their interest to participate in the tendering for this service.

2. Scope of Work

The tow draft flat bottom LPG vessel will be required for delivery of LPG produced at NLNG Bonny terminal to LPG Terminals in Nigeria and should have a maximum displacement not exceeding 30,000 (thirty thousand) metric tons and be capable of being loaded with 7,000 mt or more of butane at a maximum draught corresponding to 6.4 metres, and 9,000 mt or more of butane at a maximum draught corresponding to 7.2 metres.

3. Functional Specification

The following "Functional Specification" gives the general requirements for the LPG vessel and the full specification will be included in the Invitation to Tender; the vessel shall:

- a. Have a low-draft, flat bottom and be of double full construction a new or recently built vessel will be most preferred;
- b. Be registered with a recognized shipping registry;
- c. Be classed by a Classification Society that is a member of the International Association of Classification Societies (IACS);

- d. Have a valid OCIMF SIRE Inspection report available for review in the OCIMF SIRE database;
- e. Have a valid Hull and Machinery Insurance/ P and I Insurance certificates in place;
- f. Be in even, wav fit to load refrigerated LPG cargo at a minimum loading rate of 2,000 m³/hr, carry, discharge pressurized and measure normal commercial quality and quantity of LPG;
- g. Be capable of carrying out partial loading or discharge and have a flexible manifold combination (e.g. L-L-V-L)
- h. be equipped with adequate reducers to allow LPG discharge to 6", 8" and 12" shore receiving pipelines;
- i. Be tight, staunch, strong and in good order and condition, and in every other way fit for the service, with her machinery, boilers, hull and other equipment (including but not limited to hull stress and stability calculator) in a good and efficient state;
- j. Have her tanks, valves and pipelines and appurtenances pertaining to the LPG cargo gas-tight and fully functional;
- k. Be in every way fitted for burning at sea – fuel oil with a maximum viscosity of 380 Centistokes at 50 degrees Centigrade/any commercial grade of fuel oil for main propulsion, marine diesel oil (MDO) or Low Sulphur Diesel Oil (LSDO) for auxiliaries and in port – MDO or LSDO for auxiliaries;
- l. Have all her cargo measuring equipment and instrumentation calibrated and certified in accordance to industry guidelines;
- m. Be in full compliance with the requirements of SOLAS, IGC and all other regulations as may be applicable at the time of proposed charter;
- n. Have on board all certificates, documents and equipment required by applicable national and international laws and regulations to enable her perform the charter service.

4. Commencement and Duration

The expected date of commencement of charter is October 2012 and the duration will be two (2) years with an option to extend for one (1) year.

5. Compliance with Local Regulations

The use of LPG vessel within Nigerian coastal waters is regulated under the Cabotage Act 2003 which requires amongst others 60% Nigerian ownership of companies and vessels operating in the Nigerian Cabotage trade. The Nigerian Oil and Gas Industry Content Development (NOGICD) Act 2010 further supports and details expected Nigerian Content deliverables within Contracts in the Nigerian Oil and Gas industry as listed below.

6. Nigerian Content

Nigeria LNG is committed to the development of the Nigerian Oil and Gas business in compliance with the Nigerian Content Act 2010 for Nigerian Content Development.

Interested Companies shall comply with the Provisions of the Nigerian Content Act that relate to this service and in particular comply with the minimum Nigerian Content percentage (%) for the scopes which are covered in the Act.

Failure to comply with the Nigerian Content Act or demonstrate commitment to Nigerian Content Development Policy of the Nigerian government shall result in disqualification from bidding for this contract.

As part of their submissions, Companies signifying interest by responding to this Advertisement shall submit:

- a) i The process and procedure that explain the methodology of how it intends to comply with the requirements of the Act (Nigerian Content Plan);
- ii The set target(s) in the Schedule of the Nigerian Oil and Gas Industry Content Development Act and any targets set by the Nigerian Content Board
- iii Its plan for giving first consideration to services provided within Nigeria with a list of work packages, 3rd Party Services and subcontracts which should be reserved for Nigerian indigenous contractors including those that will be provided by Companies of Nigerian origin
- iv Its plan for giving first consideration to raw material and assembled goods of Nigerian origin within this contract.
- v its plan for Technical Skills Transfer to Nigerians employed on the contract

b) A Research and Development Plan (RDP) which shall explain the methodology of how it intends to promote education, attachments, training, research and development in Nigeria in relation to the contract.

c) A Technology Transfer Plan (TTP) which shall explain the methodology of how it intends to promote the effective transfer of technologies from alliance partners to Nigerian individuals and companies.

d) An Employment and Training Plan (ETP) which shall explain how first considerations shall be given to employment and training of Nigerians in work programme on the contract i.e. crew or cadets stating the training disciplines, man-hours and duration, hiring and training needs with a breakdown of the skills needed and anticipated skill shortage in the Nigerian labour force including the training and understudy program for succession planning.

e) A plan for how it intends to give first consideration to raw materials and manufactured and assembled goods of Nigerian origin which shall include a breakdown of all raw materials to be utilized and identifying those that are found locally, finished products and materials that will be procured from Nigerian Manufacturing and assembly plants, finished goods that order can be placed from outside Nigeria through Nigerian authorized vendors and accredited agents and those that would be directly imported.

f) Documentation to demonstrate that entity is a Nigerian registered company and in particular that the LPG vessel is Nigerian owned. Submit certified true copies of CAC forms 10,02 and 07 (or its equivalent; CAC 2.3, 2.4, 2.5, etc) including company memorandum and article of association and other evidence of entity's incorporation, shareholding and ownership structure in Nigeria. Maximizing Nigerian Content is a key contract priority therefore for foreign companies and multinationals in alliance with a local company, submit evidence that the local company is an indigenous company and the binding Agreement of the alliance duly signed by the CEO of both parties and stating the specific work scope to be performed by each member of the alliance.

g) A detailed description of the location of in-country committed facilities and infrastructure (assets, equipment, technical office, and administrative space, storage, workshop, assembly area, repair and maintenance, testing, laboratory, etc) in Nigeria to support this contract, evidence that 50% of all equipment deployed to work by multinational and international companies are owned by the local subsidiaries. Evidence of existence of the necessary equipment for the maintenance and repair of the facility and infrastructure in Nigeria or an agreement with the owners of such facility or a plan for the establishment of same in Nigeria.

h) Details of (personnel list, positions and qualifications of organization chart to substantiate) percentage management that are Nigerian Nationals and the percentage of the total workforce that are Nigerians inclusive of plan to increase work scope handled by Nigerian workforce over three years.

Details of the Company's corporate organizations overall human resources structure (management, supervisors, senior and junior skilled officers, etc) identifying positions manned/occupied by Nigerian nationals with evidence of type of employment in-country and identifying the positions manned/occupied by other nationals.

i) Evidence of compliance with the requirements of NIMASA and all other government authorities

In addition to the above, respondents are required to submit the following:

- 1) Plan to register LPG vessel in Nigeria
- 2) Plan to employ Nigerian crew, and maintenance and support personnel
- 3) Evidence of existence of storage, maintenance and repair facility in Nigeria or plan for the establishment of the above in Nigeria
- 4) Evidence of compliance with the requirements of NIMASA and all other government authorities.

2. Pre-Qualification:

Only companies successful in the pre-qualification exercise will be invited to provide a competitive tender for this service.

To be considered for pre-qualification, interested bidders are required to submit the document listed below:

- Company profile, organizational structure and details of any technical support relationship with foreign companies (where applicable),
- Certificate of incorporation, Nigerian tax registration number, and NIMASA registration,
- Tax clearance certificates for the past three (3) years,

- Audited annual financial report and relevant financial capability information for the last three (3) years.
- Copy of International Safety Management (ISM) Document of Compliance.
- Copy Of the company’s Safety Management System Manual
- Description and specification of vessels currently owned, or operated by the company.
- Details of relevant verifiable, experience of similar contract(s) that the company has undertaken as main contractor over the past five years.
- Detailed company Health, Safety and Environment (HSE) management plan
- Community relations proposal giving in detail how your company has successfully handled community related issues in the past and propose to do during the execution of the service,
- Record of experience of similar jobs performed within the last five (5) years.
- Any additional information that will enhance the potential of the company.

Submissions in response to the above requirements shall be completed strictly in accordance with the instructions given in this publication, segregated and arranged in the order indicated.

Failure to submit any of the documents requested herein may result in the disqualification of the applicant.

The pre-qualification document should be submitted either

- In hard copy in a sealed envelope and marked “**Confidential – Expression of Interest and Pre-Qualification for Charter of DLPG Vessel**” to:

The Head, Business Strategy and Support,

CPM Department,

Production Division,

Nigeria LNG Limited,

Bonny Island, Rivers State

OR

In electronic copy in PDF format by e-mail to vendor.enquiry@nlng.com with “**Confidential -Expression of Interest and Pre-Qualification for Charter of**

DLPG Vessel” in the subject line.

In either format the submission must be received by Nigeria LNG Limited on or before 29thSeptember 2011.

Please Note:

- This is not an invitation to tender. Full tendering procedure will be provided to applicants who successfully pre-qualify in accordance with NLNG’s pre-qualification procedures.

- Notwithstanding the submissions of the pre-qualification, NLNG is neither committed nor obliged to include any company and/or associated companies, agents or subcontractors on any bid list or award any form of contract to any company and/or associated companies, agents or subcontractors.

This advertisement of expression of interest and pre-qualification shall not be construed as a commitment by NLNG, nor shall it entitle respondents to claim any indemnity from NLNG, Technical Advisers its Shareholders by virtue of having responded to this advertisement.

Signed:

Management